Diary

Book 702

February 15-21, 1944
<table>
<thead>
<tr>
<th>A</th>
<th>Book</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alien Property Custodian</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I.G. Farben - General Aniline &amp; Film Corporation situation reviewed in Nation and PM - 2/17/44</td>
<td>702</td>
<td>91</td>
</tr>
<tr>
<td>a) Crowley's connections reviewed in connection with resignation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arabia, Saudi See War Refugee Board</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Argentina See Latin America</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blickenstaff, David See War Refugee Board</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clark, General Mark W. See Italy Correspondence Mrs. Forbush's mail report - 2/18/44</td>
<td>104</td>
<td></td>
</tr>
<tr>
<td>Crowley, Leo T. See Alien Property Custodian</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ecuador See War Refugee Board</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Egypt See War Refugee Board Eisenhower, General Dwight D. See Financing, Government: War Savings Bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farben, I.G. See Alien Property Custodian Financing, Government War Savings Bonds Eisenhower, General Dwight D.: Return to Treasury of gift bond discussed in correspondence - 2/18/44</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>G</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Aniline &amp; Film Corporation See Alien Property Custodian Greece See War Refugee Board</td>
<td></td>
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</tr>
<tr>
<td>I. G. Farbenindustrie A. G.: Interessengemeinschaft (Community of Interest Agreement) Farbenindustrie (Dye Trust) Aktiengesellschaft See Alien Property Custodian</td>
<td></td>
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</tr>
<tr>
<td>Iceland See War Refugee Board</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Italy Invasion background given in Clark cable - 2/15/44...</td>
<td>702</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Latin America</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina: Break in diplomatic relations with the Axis discussed in State-Treasury correspondence - 2/16/44</td>
</tr>
<tr>
<td>Ecuador: See War Refugee Board</td>
</tr>
<tr>
<td>Mexico: See War Refugee Board</td>
</tr>
<tr>
<td>Leahy, Admiral William D. See War Refugee Board</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lend-Lease</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom Federal Reserve Bank of New York statement showing dollar disbursements, week ending February 2, 1944 - 2/15/44</td>
</tr>
<tr>
<td>(See also Book 702, page 198 - week ending February 21, 1944)</td>
</tr>
<tr>
<td>Aircraft despatched, weeks ending February 8 and 15 - British Air Commission report - 2/21/44</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>M.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mann, James H. See War Refugee Board</td>
</tr>
<tr>
<td>McClelland, Roswell See Refugee Board</td>
</tr>
<tr>
<td>Mexico See War Refugee Board</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nation, The</th>
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<tr>
<td>See Alien Property Custodian</td>
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<tbody>
<tr>
<td>PM See Alien Property Custodian</td>
</tr>
<tr>
<td>Poland See War Refugee Board</td>
</tr>
<tr>
<td>Portugal See War Refugee Board &quot;Psychiatry in Action&quot; British Information Services film described - 2/15/44...</td>
</tr>
<tr>
<td>Page</td>
</tr>
<tr>
<td>------</td>
</tr>
<tr>
<td>24</td>
</tr>
<tr>
<td>27</td>
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<td>58</td>
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</tr>
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<td>117</td>
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</table>

Refugees
See War Refugee Board

Saudi Arabia
See War Refugee Board

Sephardic Jews
See War Refugee Board

Spain
See War Refugee Board

Surplus War Property Administration
Establishment of - 2/21/44

Transnistria
See War Refugee Board

War Refugee Board
Mann, James H.: State Department agrees to release -
2/15/44
a) Departure from Buenos Aires reported - 2/24/44:
See Book 703, page 158
Ecuador reply - 2/15/44
Spain: Blickenstaff, David: Appointed Special
Representative at Madrid - 2/15/44
a) Madrid Embassy sent instructions - 2/18/44...
(See also Book 703, page 181)
1) Embassy asks for added instructions -
2/28/44: Book 704, pages 152,155,158
2) Blickenstaff not available for full time
job - 3/11/44: Book 702, page 55
Switzerland: McClelland, Roswell: Appointed Special
Representative at Bern - 2/15/44
(See also Book 704, page 84 - 2/26/44)

Sephardic Jews: Arrival of 374 reported to Joint
Distribution Committee, New York City - 2/15/44...

Transnistria: Refuge situation again called to
attention of State Department - 2/15/44
Leahy-Pehle conversation reported - 2/15/44

Leahy-Pehle conversation reported - 2/15/44...

Leahy-Pehle conversation reported - 2/15/44...

Saudi Arabia: Situation outlined in cable from Jidda -
2/16/44

Portugal:
Resemne of situation after conference of interested
groups - 2/16/44

Resume by Joseph Schwartz - 3/1/44: Book 705,
pages 310,312

Egypt: Situation reviewed in cable from American
Legation, Cairo - 2/18/44

(See also Book 703, page 173)
<table>
<thead>
<tr>
<th>War Refugee Board (Continued)</th>
<th>Book</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexico: Situation reviewed in cable from American</td>
<td></td>
<td>702</td>
</tr>
<tr>
<td>Embassy, Mexico City - 2/18/44</td>
<td></td>
<td>122</td>
</tr>
<tr>
<td>Iraq: Resumé of situation in cable from Baghdad -</td>
<td></td>
<td>124</td>
</tr>
<tr>
<td>2/18/44</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Progress report by Pehle for HMJr - 2/19/44</td>
<td></td>
<td>141</td>
</tr>
<tr>
<td>a) Proposed declaration by FDR approved by HMJr -</td>
<td></td>
<td>206</td>
</tr>
<tr>
<td>2/21/44</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Iceland: Situation reported in cable from Reykjavik-</td>
<td></td>
<td>155</td>
</tr>
<tr>
<td>2/19/44</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greece: Situation reported in cable from American</td>
<td></td>
<td>157</td>
</tr>
<tr>
<td>Consulate, Istanbul - 2/19/44</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Poland: Situation and proposed action outlined in</td>
<td></td>
<td>225</td>
</tr>
<tr>
<td>Pehle memorandum to Stettinius - 2/21/44</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
February 15, 1944

MEMORANDUM FOR THE FILES

Early last week (February seventh) I called Secretary Hull in the absence of the Secretary to ask him if he would not push along the decision with respect to the proposed agreement between the Secretary of the Treasury and the Minister of Finance of the Belgian Government in Exile, which had been the subject of conferences between representatives of the Treasury, State, and War Departments. I told him the War Department was very anxious to get the matter settled and so were the Belgians, and I would appreciate it if something might be done about it.

Although we had been told that the State representatives had discussed the matter with Mr. Hull, he told me he did not know anything about the subject as he had been tied up during the past week on emergency matters and had not had an opportunity to talk to his people about it. However, he said he would call them immediately, discuss it with them, and call me back.

I noticed in yesterday's paper that Mr. Hull had gone to Florida on a vacation. After talking to Harry White I called Under Secretary Stettinius yesterday about the matter. He told me he had it on his desk and expected to have a conference on it in the afternoon.

Mr. Stettinius called me this morning and said he had been over the matter rather thoroughly with his people and he said the State Department is unanimous in their views that we should treat the Belgians as an ally and pay for all of our military operations the same as we do in England. He said that we expect to enter into a Lend-Lease arrangement with them.
and he did not see how we could do this and at the same time leave the other expenses to be adjusted after the war.

I told him I would discuss the matter further with the Treasury people and call him back some time during the day.

I discussed the matter with Harry White and later in the day called Stettinius back to say we felt in the Treasury that the matter should be set forth in a joint memorandum prepared by the Treasury and State Departments and sent to the President. We should set forth fully our different views and ask for a decision with respect to Belgium and point out that whatever decision is made should likewise apply to other countries in similar situations.
Message to: Secretary Morgenthau
From: Fred Smith

Following is cable from Mark Clark's headquarters highlighting invasion of Italy you said you wanted forwarded immediately.
Also would like to relay to you that We The People rating advanced nearly a point to 9.6 for your broadcast. This is higher than it has been for several months. No estimate on the number of listeners thus far. Here is the Cable:
BACKGROUND MATERIAL FOR TREASURY DEPARTMENT BROADCAST
15 February 1944

1. **Background To Invasion.** It was long before dawn of a September morning in 1943. The picturesque coastline near Arzew, Algeria quivered from the barking roar of high explosive guns and shone eerily under slowly descending parachute flares. A ghostly glare showed soldiers with full equipment hurrying down the ramps of landing craft standing by on the beach and wading through the heavy surf. To all intent and purposes, this looked like the real thing, but for the absence of casualties one knew this was part of the graduation exercises — a preparation for the real job ahead. Nevertheless, from private to general the grimness of the task was reflected in the set expressions on countless faces. In less than a week, their many months of tough training would find expression on hostile shores of the continent of Europe. A tall, almost gaunt figure stood out in its calmness and penetrating attitude. Lt. General Mark W. Clark, Commanding General of the 5th Army was reviewing his troops for what was to be the final test before the big battle. Infantry stormed the "enemy" pill boxes and "mine fields" while the engineers worked at top speed improving landing facilities so that the heavy tanks, jeeps and trucks could move in to support the foot soldiers. This was the prelude to invasion.

2. The huge convoy made a landfall on September 8, 1943. The sharp, jagged hills in the distance moved imperceptibly closer. This was a strange land, yet every man jack aboard knew that ahead of
them was Italy. There was no more shop talk about where they were going. While the convoy was under way, the men had been thoroughly briefed in where they were going and what their jobs were to be. They knew that the British 8th Army had landed at Messina and was pushing its way slowly up the Italian boot. Weapons and equipment had been taken apart and assembled time and time again -- every part was oiled and cleaned -- mechanical failure would mean sudden death. The men were well prepared with their baptism of fire. Their packs contained sulphur drugs, tablets for purifying water, Benzadrine tablets to combat fatigue and Atabrine pills to war off malaria. All this in addition to a plentiful supply of concentrated rations. Palms were moist, tongues were dry, but they were unafraid as their ships moved into position off the Italian coast.

3. On the morning of September 8th, the ship’s radio suddenly announced the unconditional surrender of Italy. To most of the men it was a letdown for they had been expecting a fight and secretly coveting the desire to win a Bronze Star to add to their campaign ribbons. This, most of them felt, was to be another one of those “practice landings”. However, radio informed them that plans remained the same and they were warned that the Germans on the beaches would put up a costly and tenacious resistance. As the shadow of night veiled the sea, an unnatural calm settled over the soldiers as the sharply silhouetted vessels stretched out in a long line to the distant horizon. The soldiers were nervous and again went over their
equipment, talked over instructions, and made ready to board their landing craft. Optimism ran high although they knew that Salerno was just a few miles starboard and that extensive mine fields would prohibit the close approach by the larger ships in the convoy. The night silence was broken only by furtive whispers, commands and the lapping of small waves against the metal plates of the ships.

4. The landing was on. The assault ships cleaved the calm water of the Mediterranean while on board such typical American comments were heard: "So, I won’t get me a metal, but at least I’ll see some of those Roman ruins I read about in school". He was answered by, "sightseeing isn’t what it is cracked up to be, brother." While another, more serious soldier, said, "don’t forget about the Jerries. Harry told me that he heard from somebody else who heard the general tell a colonel that there are about twenty Jerry divisions over there". One slim soldier, gently caressing his Bazooka remarked, "I am going to lug this Bazooka around until I meet up with a tank". By now, we were coming into the beach. The harsh gratings of keels on a sandy beach moved along miles of coastline, ramps were lowered, men stood up in waist-deep water and headed for the land. At this point, a loud voice in English was heard as if over a public address system – "You’d better surrender. We have you surrounded," it blared. At the same time an inferno of fire leapt from the beach to meet the invaders. Rifles, mortars, artillery machine guns and grenades turned the white beaches into a bloody cauldron.
The men sought cover from the vicious hail of steel by crouching low behind sand dunes. But the hail of hot steel did not prevent landing craft from bringing in reinforcements and the first wave on the beach spread out to encircle and destroy the enemy fortifications. Veteran German troops held strong, natural defenses but were pushed back by grim American soldiers, many of whom were under fire for the first time. When dawn streaked the sky, the Americans were already pushing inland. One of the primary objectives was to capture some of the high mountains behind Salerno upon which the Germans had erected observation posts. Even the Luftwaffe appeared supporting the attack of a cloud of monstrous German "Tiger" tanks. Our anti-tank guns, bazookas and even rifles were used against the tanks. One American sgt. came in from the rear, gained a foothold and pulled himself upon top of a tank, forced the turret open and dropped some grenades inside. Another soldier met his death after beating off tanks by extremely accurate sub-machine gun fire on their portholes. The action was heavy with no quarter given, but finally the American boys representing every Main Street in America pushed the Germans back into the mountains. The foot soldiers were again supreme, slugging it out with the enemy, but he was grateful for the curtain of heavy naval fire from the warships off shore and for the support given him by the engineers and artillrymen who helped him with his rifle, grenade and bazooka to gain a beachhead in Europe.
Over ground that had rocked to the tread of warriors from time immemorial, men from New York, California, Kansas, fought and bled for their country. General Clark, himself, was seen in some of the hottest areas giving his men the inspirational aid that only a leader can contribute. Late that afternoon the Germans began another thrust at the beach. A young captain calmly worked his artillery battery and smashed six of the tanks, forcing the rest of them to withdraw. By September 10th or as it was known in the Army, "D plus 1", the beachhead was ours. American soldiers were on the continent of Europe and the victory had a sweet taste.

5. The Germans strike back. We moved ahead against stubborn resistance. There were many obstacles in our path. Rivers, drainage ditches, swiftly flowing streams and channels had to be crossed under heavy fire. To the south, British units were up against a wall of German resistance, against an enemy fortified with observation posts and heavy gun positions. The Infantry slogged on to capture the heights near Alta Villa and were in a position to threaten any retreat of German troops fleeing backward from the assaults of the British Eighth Army. The enemy, therefore, threw in a strong counterattack on September 13. There were many anxious and trying hours at the height of the German drive while General Mark Clark regrouped his forces. This was the crucial hour of the campaign. The foot soldier, begrimed and dog-tired, held his position remembering
General Clark's fighting words -- "We have come to stay." The German attack was blunted and we were on the offensive again.

6. We moved north. The Germans were scattering booby traps over a wide area, suicide demolition squads remained behind to destroy bridges, aqueducts and to mine the roads and fields. The heavy equipment was forced on to the narrow roads which snaked their way along high mountain trails. We had to scale cliffs that were no more than goat trails and even mule trains were utilized for supply and to evacuate the wounded. At time ammunition had to be dropped by planes. The Infantry moved forward amid a nightmare of exploding mines as our mountain Engineers worked around the clock reconstructing or putting in new bridges that had been destroyed by the retreating enemy. The heavy rains turned the land into a mire and often washed out new construction. September wore on and the misty October days added new problems to the troops but they continued to move forward. On October 1st, Naples fell to the Fifth Army, and we had achieved a port, though badly damaged, which would allow us to bring in more supplies than was possible by land.

7. The enemy was helped immeasurably by the terrain and vicious weather, in building up strong defensive positions north of the now famous Volturno River. The second huge task in over one month faced the Fifth Army. The first was establishing the beachhead in the face of obstinate enemy resistance and now the second, a bridgehead across the Volturno River against a battle-wise foe fighting from
well prepared defenses. Mount Vesuvius loomed high to the East, the hot molten lava spewing from its peak provided an eternal beacon for the operation to follow. The nights of October 12th and 13th, after a tremendous artillery barrage to soften the enemy defenses, Fifth Army troops waded the icy waters of the flooded Volturno River, stood up against the searing fire from German defenses, but crossed the river. Soldiers waded to the opposite shore attaching hand lines to trees so that their buddies' crossing would be made easier. British and American troops, side by side, waded and used small boats to get across while small-arms fire was whipping the water around them into an angry foam. The Germans agains were forced to retreat. But the crossing of the river was only the beginning. Before them were the Appenine Mountains which were formidable barriers in themselves, but more difficult with the enemy strongly entrenched in them. The Germans dug deep into solid rock to establish their gun positions and these were additionally reinforced with rock and concrete. The Germans held every avenue of approach, positions they believed were impregnable. Each one of their positions was an independent unit which meant that every one of them had to be cleaned out before the Fifth Army could advance. The Germans even used smashed tanks as concealed pill-boxes. Booby traps, mine field and barbed wire emplacements were scattered among the guns reaching from the valleys high up to the mountain slopes. Again it was up to the foot soldiers to move up
over muddy snow-covered paths against an icy freezing wind. High in mountains American soldiers stained the white snow with their blood and fought in the mists of the clouds. Here, even the glue-footed mules couldn't move and human pack trains kept supplies moving. The wounded were evacuated at night to be safe from enemy fire. Medical Corps men worked all night in relays to bring the casualties to medical aid stations. But still the troops moved forward beating the weather and the Germans.

3. Leap Frog Operation. Our march up the peninsula was slow against such weather, terrain and enemy. Therefore, it was necessary for amphibious operations to land further up the coast and flank the German lines. Plans were made carefully for this risky move and the Village of Anzio about 25 miles south of Rome was chosen as the objective. On January 22, 1944, the Fifth Army landed, taking the Germans completely by surprise. Opposition was light and easily overcome. After the bloody fighting at Salerno these new invasion troops were astonished by the lack of resistance. Finally the Germans started to move strong forces into the threatened area. The landing at Anzio was a magnificent demonstration of smooth teamwork by the allied troops, Air Forces and Navies. General Mark Clark had taken the chance because he knew the calibre and determination of his fighting troops to win through to final victory.
COLLECTOR OF CUSTOMS TAMPA

NOTICE OF CIGARETTE CONVEYOR AND SCAFFOLD DEPARTMENT REQUESTS THAT

COLLECTOR ANGEL DELIVER THE FOLLOWING TO HIM WHEN HE TREKS AT THE TRAIN THIS AFTERNOON

MESSAGE TO COLLECTOR ANGEL

FROM FREE SMER

FOLLOWING IS CALLER FROM MARK CLARK'S HEADQUARTERS HIGHLIGHTING INVASION OF GERMANY. DID YOU SAY YES, I HAVE MY OWN плот FOR IT. I CAN'T RELAY TO THEM THAT WE ARE READY. I'D LIKE TO HEAR FROM YOU.

MID GROUND MATERIAL FOR TREASURY DEPARTMENT BROADCAST 15 FEBRUARY 1918

1. BACKGROUND TO INVASION


2. THE ENEMY PLANS


3. THE ENEMY AGAIN FORCE

THE ENEMY AGAIN FORCE WERE LEFT IN A VACUUM. THE GERMANS WERE ALREADY DISRUPTING THE LANDING AREA WITH THEIR WEAPONS AND CRAFT. THE ENEMY FLEET BOXES AND "PIKE FIELD" WHILE THE ENEMY ENGINEERS WORKED AT TACTICAL DECEPTIONS. STREAKS OF LIGHT WERE SEEN ON THE BUOYS, AND ZIPSTEAD LAMPS TO THE POINTS OF ATTRACTION IN THE FOG AND GEARED FOR NIGHT ACTIONS.

4. THE SHARK

THE SHARK Burst with the force of its own reaction as it propelled itself forward. The water, thick and heavy, was filled with the sounds of the battle, the cries of the soldiers, and the machines they were using. The shark was a symbol of strength and power, a creature that could not be tamed. The soldiers were like the shark, powerful and relentless, ready to strike at any moment.

5. THE ENEMY...

THE ENEMY... the words echoed in the minds of the soldiers as they prepared for battle. The enemy was a shadow, a force to be reckoned with, a threat that could not be ignored. The soldiers were trained to face this enemy head-on, to stand tall and fight with all they had. The battle was coming, and they were ready.

6. THE MOVE NORTH

THE GERMANS WERE SCATTERING DOG TRAPS OVER A WIDE AREA. THE MAJOR PROBLEM REMAINED BENDING TO DESTROY BOTTLES, AMMUNITION AND TO MINE THE ROADS AND ALSO TO CLEAR THEM OF THE ENEMY. THE SMOKE AND THE SMOKE AND THE SMOKE... A FOG TO THE ENEMY TO CLEAR THE MIND.

7. THE ENEMY AGAIN FORCE...

THE ENEMY AGAIN FORCE WERE LEFT IN A VACUUM. THE GERMANS WERE ALREADY DISRUPTING THE LANDING AREA WITH THEIR WEAPONS AND CRAFT. THE ENEMY FLEET BOXES AND "PIKE FIELD" WHILE THE ENEMY ENGINEERS WORKED AT TACTICAL DECEPTIONS. STREAKS OF LIGHT WERE SEEN ON THE BUOYS, AND ZIPSTEAD LAMPS TO THE POINTS OF ATTRACTION IN THE FOG AND GEARED FOR NIGHT ACTIONS.

8. THE BATTLE

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END OF THE MESSAGE
MEMORANDUM TO THE SECRETARY:

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

We are attempting to secure fifteen second-hand oil tanks (55,000 barrel capacity) for delivery to Burma in July, inasmuch as new tanks cannot be secured to meet this delivery.

Clifton E. Mack
Director of Procurement
# LEND-LEASE

**TREASURY DEPARTMENT, PROCUREMENT DIVISION**

STATEMENT OF ALLOCATIONS, OBLIGATIONS (PURCHASES) AND DELIVERIES TO FOREIGN GOVERNMENTS AT U. S. PORTS AS OF FEBRUARY 9, 1944

(Ins Millions of Dollars)

<table>
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<td>$29.9</td>
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<tr>
<td></td>
<td>(1675.6)</td>
<td>(1136.0)</td>
<td>(491.3)</td>
<td>(21.1)</td>
<td>-</td>
<td>(27.2)</td>
</tr>
</tbody>
</table>

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

**Note:** Figures in parentheses are those shown on report of February 2, 1944.
EXPLANATION OF DIFFERENCE

The decrease in Requisitions Cleared for China is a result of adjustment of requisitions to actual contracts.
TREASURY DEPARTMENT
OFFICE OF THE SECRETARY

February 15, 1944

CONFIDENTIAL

Received this date from the Federal Reserve Bank of New York, for the confidential information of the Secretary of the Treasury, compilation for the week ended February 2, 1944, showing dollar disbursements out of the British Empire and French accounts at the Federal Reserve Bank of New York and the means by which these expenditures were financed.

CMB
FEDERAL RESERVE BANK
OF NEW YORK

February 14, 1944.

CONFIDENTIAL

Dear Mr. Secretary:  

Attention: Mr. H. D. White

I am enclosing our compilation for the week ended
February 2, 1944, showing dollar disbursements out of the
British Empire and French accounts at this bank and the means
by which these expenditures were financed.

Faithfully yours,

/s/ L. W. Knoke

L. W. Knoke,

Vice President.

The Honorable Henry Morgenthau, Jr.,
Secretary of the Treasury,
Washington 25, D.C.

COPY
## Analysis of British and French Accounts

**In Millions of Dollars**

### Period and Debits

<table>
<thead>
<tr>
<th>Period</th>
<th>Total Debites</th>
<th>Govt Expenditures (a)</th>
<th>Transfers to Official Canadian Account</th>
<th>Other Debites</th>
<th>Total Credits</th>
<th>Provisions of Sales of Official Gold</th>
<th>Other Credits (c)</th>
<th>Net Incr. or Decr. (+) or (-) in $ Funds (d)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>First year of war (a)</strong></td>
<td>1,797.2</td>
<td>609.6</td>
<td>20.9</td>
<td>1,186.7</td>
<td>1,828.2</td>
<td>1,356.1</td>
<td>32.0</td>
<td>+ 35.0</td>
</tr>
<tr>
<td><strong>War period through December, 1940</strong></td>
<td>2,782.3</td>
<td>1,425.6</td>
<td>20.9</td>
<td>1,335.8</td>
<td>2,793.1</td>
<td>2,019.5</td>
<td>108.0</td>
<td>+ 10.8</td>
</tr>
<tr>
<td><strong>Second year of war</strong></td>
<td>2,201.0</td>
<td>1,722.2</td>
<td>3.4</td>
<td>407.4</td>
<td>2,189.8</td>
<td>1,193.7</td>
<td>274.0</td>
<td>- 13.2</td>
</tr>
<tr>
<td><strong>Third year of war</strong></td>
<td>1,235.6</td>
<td>904.8</td>
<td>7.7</td>
<td>223.3</td>
<td>1,361.5</td>
<td>218.4</td>
<td>57.4</td>
<td>+ 125.9</td>
</tr>
<tr>
<td><strong>Fourth year of war</strong></td>
<td>754.0</td>
<td>312.7</td>
<td>170.4</td>
<td>280.9</td>
<td>1,072.3</td>
<td>-</td>
<td>15.0</td>
<td>- 36.8</td>
</tr>
<tr>
<td><strong>1943</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>September</strong></td>
<td>49.4</td>
<td>16.8</td>
<td>10.6</td>
<td>22.0</td>
<td>86.2</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>October</strong></td>
<td>38.2</td>
<td>16.0</td>
<td>-</td>
<td>22.2</td>
<td>115.4</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>November</strong></td>
<td>65.9</td>
<td>42.4</td>
<td>5.9</td>
<td>17.6</td>
<td>89.0</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>December</strong></td>
<td>98.1</td>
<td>16.3</td>
<td>-</td>
<td>81.8</td>
<td>134.5</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>1944</strong></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>January</strong></td>
<td>10.1</td>
<td>6.9</td>
<td>0.3</td>
<td>3.9</td>
<td>20.0</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>February</strong></td>
<td>21.8</td>
<td>2.3</td>
<td>0.3</td>
<td>19.2</td>
<td>66.3</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>March</strong></td>
<td>5.1</td>
<td>2.3</td>
<td>-</td>
<td>2.8</td>
<td>65.0</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>April</strong></td>
<td>12.1</td>
<td>2.4</td>
<td>3.6</td>
<td>6.4</td>
<td>94.0</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>May</strong></td>
<td>17.9</td>
<td>2.5</td>
<td>3.6</td>
<td>15.0</td>
<td>94.0</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>June</strong></td>
<td></td>
<td></td>
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<td><strong>July</strong></td>
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<td><strong>August</strong></td>
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<td></td>
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<tr>
<td><strong>Week Ended</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>January 12, 1944</strong></td>
<td>7.1</td>
<td>4.1</td>
<td>-</td>
<td>3.0</td>
<td>20.0</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>January 19, 1944</strong></td>
<td>18.1</td>
<td>6.9</td>
<td>0.3</td>
<td>2.9</td>
<td>66.3</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>January 26, 1944</strong></td>
<td>5.1</td>
<td>2.5</td>
<td>-</td>
<td>2.6</td>
<td>65.0</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>February 2, 1944</strong></td>
<td>17.0</td>
<td>2.9</td>
<td>3.6</td>
<td>15.0</td>
<td>94.0</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

### Average Weekly Expenditures Since Outbreak of War

- France (through June 19, 1940) $19.6 million
- England (through June 19, 1940) $27.6 million
- England (through June 19, 1940 to March 12, 1941) $54.9 million
- England (March 13, 1941 to March 12, 1941) $20.2 million
(a) Includes payments for account of British Ministry of Supply Mission, British Supply Board, Ministry of Supply Timber Control, and Ministry of Shipping.

(b) Estimated figures based on transfers from the New York Agency of the Bank of Montreal, which apparently represent the proceeds of official British sales of American securities, including those affected through direct negotiation. In addition to the official selling, substantial liquidation of securities for private British account occurred, particularly during the early months of the war, although the receipt of the proceeds at this bank cannot be identified with any accuracy. According to data supplied by the British Treasury and released by Secretary Morgenthau, total official and private British liquidation of our securities through December, 1940 amounted to $334 million.

(c) Includes about $85 million received during October, 1939 from the accounts of British authorized banks with New York banks, presumably reflecting the repositioning of private dollar balances. Other large transfers from such accounts since October, 1939 apparently represent current acquisitions of proceeds of exports from the sterling area and other accruing dollar receipts. See (k) below.

(d) Reflects net change in all dollar holdings payable on demand or maturing in one year.

(e) For breakdown by types of debits and credits see tabulations prior to March 10, 1943.

(f) Adjusted to eliminate the effect of $20 million paid out on June 26, 1940 and returned the following day.

(g) For monthly breakdown see tabulations prior to April 23, 1941.

(h) For monthly breakdown see tabulations prior to October 8, 1941.

(i) For monthly breakdown see tabulations prior to October 14, 1942.

(j) For monthly breakdown see tabulations prior to September 29, 1943.

(k) Includes $4.1 million apparently representing current and accumulated dollar proceeds of sterling area services and merchandise exports; $1.5 million in connection with the expense of our armed forces abroad, and $1.0 million transferred from account of Reserve Bank of New Zealand at this bank.
BRITISH INFORMATION SERVICES
1336 NEW YORK AVENUE, N. W.
WASHINGTON, D. C.

February 15, 1944

Mr. John W. Paley
Acting Executive Director
President's War Refugee Board
Room 288
Treasury Department
Washington, D. C.

Dear Mr. Paley:

This letter will confirm our telephone conversation at which time I extended our invitation to such members of your organization as might be interested in going next Friday evening at 8.30 p.m. to the Department of Agriculture auditorium, South Building, 14th & Independence to hear Dr. Walter Maclay and see the film "Psychiatry in Action".

Dr. Walter Maclay who is largely responsible for the making of the film came to this country at the invitation of the American Psychiatric Association. I enclose a description of the film.

It would be most helpful to learn after the show what those members of your staff who may be able to attend think of the film. It has been very highly praised by the Office of Vocational Rehabilitation and by the Veterans Administration Rehabilitation Division Director.

Sincerely yours,

Neville Gardiner
Encl. Film Officer
P. S. Any member of your staff may bring one other person with them.
This film breaks entirely new ground in the medical field, and shows a particularly interesting aspect of British war-time organization.

The British Ministry of Health has found that the best way in which to tackle many of the problems which arise in war-time medicine is to set up special centres where teams of experienced workers are concentrated to deal with particular injuries or diseases. Among these special centres are seven devoted to the cure of Neuroses. This film was shot at a neurosis centre, which was one of the first to be set up.

The film is unique from two points of view. First, it gives a picture of an entirely new type of hospital and second, this is the first time that an attempt has been made to show in the film medium the whole working and organisation of any kind of hospital.

The film starts by introducing Britain at war and states briefly the reasons for the setting up of the special centres under the Emergency Medical Service of the Ministry of Health.

Then after a view of the various buildings and departments of the hospital, which is situated in the grounds of a large school from which the pupils have been evacuated, the Medical Superintendent gives an introduction to the work that is being done there.
hospital in the other city of Boston and had been gone
she was got off and she went to the hospital.

She was got off and she went to the hospital. She
was got off and she went to the hospital. She
was got off and she went to the hospital. She
was got off and she went to the hospital.

Hospital in the other city of Boston and had been gone
she was got off and she went to the hospital.

She was got off and she went to the hospital. She
was got off and she went to the hospital. She
was got off and she went to the hospital. She
was got off and she went to the hospital.
My dear Mr. Pehle:

I have received your letter of February 10 concerning the desire of the War Refugee Board to obtain the services of Mr. James H. Mann, a Foreign Service Auxiliary officer at Buenos Aires. A telegram has been sent to Buenos Aires to inform the Embassy of the Department's decision to release Mr. Mann to accept an offer from the War Refugee Board, if he wishes to do so. The Embassy has been asked to reply by telegram. If Mr. Mann's reply is in the affirmative, he will be ordered to Washington for consultation, in order to discuss the matter with you; and as soon as your arrangements with him have been completed, I shall be glad to have him released by the Department.

Sincerely yours,

(signed) E. R. Stettinius, Jr.
Acting Secretary

Mr. J. W. Pehle,
Acting Executive Director,
War Refugee Board,
Washington 25, D.C.
American Embassy
Ottawa
February 15, 1944.

Memorandum of Conversation

Subject: War Refugees.
Participants: Mr. R. A. Robertson, Department of External Affairs; Mr. Horner.

Copies to:

I called upon Mr. Robertson this morning and delivered the Embassy's Note No. 96 of February 11, 1944, concerning the establishment of a War Refugee Board.

Mr. Robertson took over the handling of refugee only about 10 days ago.

Mr. Robertson said that in 1940 approximately 4,000 refugees were admitted to Canada from the United Kingdom, many of these being classified as dangerous. About 1,000 of these have since left Canada and about 2,000 are interned here, leaving only approximately 900 who are at Liberty in Canada. Only a trickle of refugees reached this country in 1941 and 1942. Last October Canada sent an Immigration Agent to Lisbon with authority to admit an initial group of 200 families (this figure is not for publication). The Agent reports that there seemed to be but 600 or so refugees in the Iberian Peninsula who desire to leave and he thinks it doubtful whether Canada will be able to find as many as
as 200 families. External Affairs recently asked its representative in Algiers to ascertain the refugee situation there, but has not yet had a report. However, it is Mr. Robertson's impression that most of the refugees in North Africa have been absorbed into the British Pioneer Corps, and that the refugee problem is not serious.

Mr. Robertson mentioned that the Canadian Government, on its own initiative, recently asked its High Commissioner in Ireland to obtain the views of the Irish Government with regard to refugees. Ireland, apparently, is the only neutral country which has made no effort to assist in taking refugees. I asked Mr. Robertson whether, in view of the reported shortage of food in Ireland, it might not be necessary, in the event Ireland agreed to take some refugees, that foodstuffs be shipped there from North America. He agreed that it probably would be necessary, but said that the Canadian High Commissioner in Dublin had not been instructed to make any offer. Incidentally, Mr. Robertson said that Canada very recently renewed its offer to the Inter-Governmental Committee to take 1,000 Jewish children from Europe.

External Affairs will reply to our note in the near future, but probably will not be able to add anything of importance to what Mr. Robertson has told me. Generally, it would appear that Canada is fully cooperating with regard to refugees.
No. 1093

Subject: Assistance to Refugees from Axis Oppression

The Honorable

The Secretary of State

Washington

Sir:

Referring to the Department’s circular airgram of January 26, 7:00 P.M., and with reference also to my despatch No. 1041 of February 7 last regarding the position of the United States Government with respect to the alleviation of the problem of refugees from Axis oppression, I have the honor to enclose a copy, with translation, of a note from the Ministry for Foreign Affairs, dated February 12, 1944. This is a reply to a note which I sent to the Ministry on February 2, in pursuance of the Department’s airgram aforementioned.

Respectfully yours,

(Signed)

R. S. Scotten

Enclosures:

1/ Copy of Foreign Office Note No. #17-2-19

2/ Translation of above-mentioned Note

Original to Department
Copy to Consulate General, Guayaquil
Mr. Ambassador:

I have the honor to acknowledge the receipt of Your Excellency's esteemed communication No. 47, of the second current, in which you were good enough to inform me that His Excellency the President of the United States of America has issued a decree declaring that the policy of the United States Government is "to take all measures within its power to rescue the victims of enemy oppression who are in imminent danger of death and otherwise to afford such victims all possible relief and assistance consistent with the successful prosecution of the war"; a decree by virtue of which there are created governmental departments entrusted with the carrying out of this policy under the direct observation of His Excellency President Roosevelt.

Your Excellency concludes by stating that the illustrious Statesman of the United States would welcome the cooperation of other Governments for effecting this difficult but important task, requesting of me, consequently, a statement of the position of my Government concerning this undertaking of assisting and alleviating the unfortunate victims of Nazi tyranny.

In reply I have the honor to inform Your Excellency that the Government of Ecuador, faithful to the democratic norms and to the humanitarian principles which govern it, views with special sympathy the initiative of the United States Government for alleviating the situation of the victims of the war and of the aggression and the atrocities of the totalitarian powers, because these purposes coincide with those maintained by my Government for endeavoring to solve the grave problems which have been created by the persecution, giving facilities for the establishment in the country to those who, owing to their personal antecedents, have been able to organize their lives under the protection of the laws and sovereignty of Ecuador.

I am waiting to learn the acts of the meetings of the Inter-Governmental Committee of Political Refugees before communicating to Your Excellency the decision which, with respect to the resolutions of the aforementioned organization, my Government will adopt, disposed, as it is, always to collaborate within the scope of its possibilities for the best attainment of these very commendable purposes.

I avail myself of the opportunity to reiterate to Your Excellency the renewed assurances of my highest and most distinguished consideration.

For the Minister, the SubSecretary

(signed) C. Proano Alvarez

Enclosure No. 2 to despatch No. 1093
dated February 15, 1944, from
American Embassy, Quito

REPUBLIC OF ECUADOR
Ministry of Foreign Relations

DIPLOMATIC DEPARTMENT

quito, February 12, 1944
February 15, 1944

TO:      Mr. Stettinius
FROM:   J. V. Pehle

Attached hereto are proposed cables to the
Embassy at Madrid and the Legation at Bern designating
David Blinkenstaff and Roswell McClelland, respectively,
as Special Representatives of the Board and Special Attaches
to the Missions.

It will be extremely helpful if these cables
are despatched promptly. The cables follow the form
approved by the State Department in the Hirschmann case.

[Signed] J.W. Pehle

Attachments

JWPEhle:imp 3/16/44

Regraded Unclassified
DRAFT

TELEGRAM

AMERICAN EMBASSY

MAURITIUS

Please refer to the Department's No. 207, January 25, in regard to the establishment of the War Refugee Board. The Acting Executive Director of the Board, John W. Fehle, has informed the Department that in conformity with the President's Order of January 22, the Board proposes to appoint Mr. David Blickenstaff, representative of the American Friends Service Committee in Madrid, as the Special Representative of the Board with the designation by the Department as Special Attaché to the Embassy on war refugee matters. The President's Order provides that the State Department shall appoint such Special Attachés on the recommendation of the Board, that they shall have diplomatic status, and that their duties and responsibilities shall be defined by the Board in consultation with the State Department.

The American Friends Service Committee has indicated that it has no objection to Mr. Blickenstaff's accepting this appointment.

If, after discussing the matter with Mr. Blickenstaff, the appointment meets with your approval, you should advise him that he is so designated and that he is to have diplomatic status. It is assumed that there will be no objection on the part of the Spanish Government to this designation, although you may in your discretion approach the Spanish authorities informally if you consider it necessary or advisable to do so. You are requested to confirm by telegram Blickenstaff's designation or to advise us promptly if there is any reason why the designation should not be effective at once.
You should advise Blickenstaff that:

(a) He is charged with the duty and responsibility of carrying out the Board's policies and progress in Spain;

(b) He is responsible to the Ambassador and should discuss his activities and problems with him regularly and fully;

(c) The Embassy will provide him with the necessary communications facilities in carrying on his official duties;

(d) He shall extend all possible assistance to the Ambassador in carrying out the instructions contained in the Department's reference telegram;

(e) He shall work with and give all possible assistance to public and private agencies operating in Spain in this field regardless of whether such organizations are American, foreign or international;

(f) He shall develop and assist in the development of programs and implementation of measures for the rescue, transportation, maintenance and relief of refugees;

(g) He shall forward to the Board recommendations and frequent reports on progress of work and difficulties encountered;

(h) In so far as the Trading with the enemy Act is concerned, the Secretary of the Treasury has vested in the War Refugee Board and its representatives in the field full authority to communicate with enemy territory to carry out the purposes of the Order. The Secretary of the Treasury has also delegated to the War Refugee Board and its representatives the power to authorize any public or private agencies, who may be subject
to the provisions of our Trading with the enemy Act, to communicate with enemy territory for the purpose of carrying out the Order. Blickenstaff is authorized to act accordingly.

After receipt of confirmation of Blickenstaff's designation further detailed instructions will follow from time to time.
The Americanフレーズare 動詞で the committee has introduced that in the Department will be heard by the Board in connection with the Senate Department. All the members of the Department will hear the recommendation of the Board. The President, in order to provide the Senate Department with the recommendation, has directed the Department to present the recommendation to the Board. The Board, then, found that the recommendation of the Senate Department was not feasible. Therefore, the Board decision was made to reject the recommendation of the Senate Department.

AMERICAN

REVIEW

SECRETARY

33
You should advise McClelland that:

(a) He is charged with the duty and responsibility of carrying out the Board’s policies and programs in Switzerland;

(b) He is responsible to the Minister and should discuss his activities and problems with him regularly and fully;

(c) The Legation will provide him with the necessary communications facilities in carrying on his official duties.

(d) He shall extend all possible assistance to the Minister in carrying out the instructions contained in the Department’s reference telegram;

(e) He shall work with and give all possible assistance to public and private agencies operating in Switzerland in this field regardless of whether such organizations are American, foreign or international;

(f) He shall develop and assist in the development of programs and implementation of measures for the rescue, transportation, maintenance and relief of refugees;

(g) He shall forward to the Board recommendations and frequent reports on progress of work and difficulties encountered;

(h) In so far as the Trading with the enemy Act is concerned, the Secretary of the Treasury has vested in the War Refugee Board and its representatives in the field full authority to communicate with enemy territory to carry out the purposes of the Order. The Secretary of the Treasury has also delegated to the War Refugee Board and its representatives the power to authorize any public or private agencies, who may be subject
to the provisions of our Trading with the enemy Act, to communicate with enemy territory for the purpose of carrying out the Order. McClelland is authorized to act accordingly.

After receipt of confirmation of McClelland’s designation further detailed instructions will follow from time to time.
Incoming Cable

Lisbon

Receivd & Stencilled Feb. 15, 1944

Cubon PGC 49 Lisbon via RSA 125 7 2155 1/50
Hie Leavitt
Joint Distribution Committee
270 Madison Avenue New York City

640 we have been officially informed by Spanish authorities that group 574
Sephardic Jews arriving Spain from Germany next days stop group consists following

150 men
175 women
49 children

Stop our representative Samuel Siquiera proceeding to border receive arrivals
stop we assume this is group which left Salonica some months ago but were held
up in Germany while Spanish authorities were exerting pressure on us evacuate
original Sephardic group from Spain stop Spanish authorities sending some doctors
and medical supplies to border and we being asked supply necessary clothing since
group seems to be very bad shape stop view this emergency suggest you send im-
mediately full amount emergency budget one million pesetas stop will keep you
fully advised

Joseph Schwartz
AIRGRAM

FROM American Embassy
Madrid, Spain
Dated February 15, 1944
Rec'd Feb 25 1 p.

CONFIDENTIAL

Secretary of State,
Washington.

A-59, February 15, 1944, 12 noon.

I do not consider this an opportune moment in our relations with Spain to approach Spanish Government in sense suggested in Department's 207 January 25, midnight. Spanish Government has during past year become thoroughly familiar with our policy with regard to rescue of political and racial refugees from Nazi-occupied Europe and Department has been kept informed as to extent to which it has cooperated in this work. In this connection Department's attention is called to my confidential despatch 1967 of January 31 summarizing evacuations of Allied refugees from Spain in 1943 in which it is pointed out that Spanish Government during that year facilitated evacuation of well over 20,000 refugees out of estimated 22,000 who entered Spain, most of remainder being stateless for whom destinations could not be found and of whom 567 have since departed for Palestine as reported in my airgram A-39 of January 27.

Pending receipt of separate report Department's attention is called to following despatches submitted by Embassy during past year which it is believed contain most of information desired: 648 February 16, 960 May 31, 990 June 10, 1165 August 5, 1391 October 1, 1692 December 7, 1943; 1932 January 24 and 1967 January 31, 1944.

When a better opportunity presents itself I shall speak to Foreign Minister along lines suggested in Department's telegram but formal representations at this time would be less helpful than they will be a little later when the present crisis in our relations with Spain has been successfully passed.

HAYE

WF:FB/JF
Copy (in duplicate) to Lisbon

Regarded Unclassified
February 28, 1966

Dear Sir:

Reference is made to your letter of February 11 requesting our assistance in facilitating a trip to Turkey by a representative of your Committee.

We are taking this matter up with the State Department immediately and will do what we can to expedite your request.

Very truly yours,

(Signed) J. Pohle

J. Pohle
Acting Executive Director.

Emergency Committee to Save the Jewish People of Europe,
2517 - 15th Street, N.W.,
Washington, D. C.

JPR0010010
2/15/44

Regraded Unclassified
To: Mr. Stettinius  
From: J. W. Pehle

Attached is a copy of a letter from Representative Will Rogers, Jr., Co-Chairman of the Emergency Committee to Save the Jewish People of Europe, requesting the assistance of the War Refugee Board in facilitating a trip to Turkey by a representative of the Committee.

I feel that it is extremely important to do what we can to take advantage of the situation existing today in Turkey. I believe that the potentialities of evacuating persons to Turkey are great if we act fast. In this connection, in the event that you have not already seen it, I am enclosing for your information a copy of a news item which appeared in the Washington Post yesterday.

We should take advantage at once of the services of any private agency which can be of help to us in this task. Ambassador Steinhardt has already advised your Department that there is no objection to the sending of a representative of the Emergency Committee to Turkey (order 1256 from Ankara of September 7, 1943).

Accordingly I want to urge that your Department do everything possible to facilitate with all possible speed the proposal of the Emergency Committee.

I understand that Mr. Jabotinsky, who has been recommended by the Committee, filed an application for an exit permit with your Department yesterday. Since Mr. Jabotinsky is a Palestinian citizen, the Committee is also desirous of course of receiving some form of assurance from your Department that he will be able to return to this country when his mission is completed.

I would appreciate it if you will advise me as soon as possible as to what your Department is prepared to do in this matter.

(Signed) J. W. Pehle

JWB/Adj
2/15/44

classification: Unclassified

Regraded Unclassified
EMERGENCY COMMITTEE TO SAVE THE JEWISH PEOPLES OF EUROPE
initiated by the Emergency Conference held in
New York – July 20-26, 1943

2217 15th Street, N.W., Washington 9, D. C.

February 11, 1944

Mr. John W. Fehle,
Acting Executive Director,
War Refugee Board,
Washington, D. C.

Dear Mr. Fehle:

We are writing to request your assistance in facilitating a trip to Turkey by a representative of this Committee.

From intimate knowledge of the prevailing situation in Romania, Bulgaria and Turkey, we believe that it is possible to arrange for the immediate evacuation of a limited number (500 to 1000) of Jews from Bulgaria and Romania into Turkey, if our representative could reach Turkey within a week or two, while the present situation prevails. We feel that, with the good will of the American Ambassador, we could be of tremendous assistance in the efforts of this Government to save some of these Jews remaining in the Balkan countries.

If this can be done, and we believe it can, it would be of the greatest importance, not only because it would actually save a certain number of lives, but because it would set the pattern for rescue, and it may very well affect favorably the position of the millions who remain inside Nazi Europe.

As you have stated, time is of essence in this matter. With this in mind, our Committee strongly urges that N. Jabotinsky be immediately sent to Turkey as a representative of the Emergency Committee.

Mr. Jabotinsky is exceedingly suitable for the task. His background and vast experience in immigration and refugee problem are particularly well adapted for tackling the problem before us. He has an intimate knowledge of the Balkan countries where he spent several years working with the masses of the Jewish population there and helped with the emigration of many thousands.

He was born in Russia in 1910 and since early childhood has lived in a dozen countries, in none of which he settled until he went to Palen-
time, of which he is now a citizen. In addition to Hebrew, he speaks English, French, Russian, Yiddish and German, fluently. He also has a limited knowledge of Romanian and Polish.

In order that Mr. Jabotinsky may leave immediately, he will need assistance in obtaining:

An exit permit;

A re-entry permit (being a Palestinian citizen, here as a visitor);

Air transportation.

Anything you can do to help us in this matter will be greatly appreciated.

Sincerely yours,

/signed/ Will Rogers, Jr.

Will Rogers, Jr.
Co-Chairman

(2/14-26 Mike Chemey, Mr. Osten, Mr. White, Mr. Paul, Mr. Luxford, Mr. Friedman, Miss HOLD, Mr. LEONEY, Mr. L. H. Bernstein and Mr. Stewart. (ccw.)
WASHINGTON POST
February 14, 1944

TURKEY WILLING TO ASSIST JEWISH REFUGEES TRANSFER.

Ankara, Feb. 13 (AP). - A high government official told
the Associated Press today that Turkey is willing to cooperate
with the Palestine Commission and Allied diplomatic in assisting
Jewish refugees to leave the Balkans.

The problem was brought to the forefront by the arrival
of a refugee committee headed by Dr. Isaac Herzog, grand rabbi
of Palestine.

"In cases where both the country releasing the refugees
and the country receiving them agree to the transfer, Turkey
is willing to act as the bridge," this official said.
I don't understand the content of the document.
these refugees is a problem of the greatest urgency. Accordingly, you should do everything possible to aid in the development and execution of measures to effect the evacuation of these people to Turkey. Various private organizations are deeply interested in this problem and are anxious to assist in financing and otherwise carrying out the project. Representatives of at least some of such organizations in Turkey have been requested to get in touch at once with Mr. Hirschmann for the purpose of formulating a plan of action. You have previously indicated that the basic difficulty of evacuation is one of transportation. The private organizations interested in this project are making all efforts to secure ships and you should give them every assistance. In addition, you should advise promptly of any measures which can be taken by the United States Government to see that necessary shipping, neutral or otherwise, is available. Above all, you should attempt to secure the full cooperation of the Turkish Government in this matter.

Efforts should, of course, also be made as soon as possible to increase the flow of refugees from Rumania to Turkey.

You should report to the Department the progress that is being made in this matter, indicating the practical measures that will be necessary to put the plan in operation, obstacles encountered, and such action as you think the Government of the United States should take to facilitate the operation.
PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, Chungking
TO: Secretary of State, Washington
DATED: February 15, 1944
NUMBER: 505

CONFIDENTIAL

Following cable from Adler to the Secretary of Treasury.

I have been asked by Kung to transmit the following addendum to the message sent in my telegram of February 8, no. 252.

In the first paragraph of my previous message, attention was brought to the rise in the dollar currency black market rate in the United States, which was caused in part by the rumor that America was asking for a reduction in the official exchange rate.

Since, the position has considerably deteriorated, transactions having occurred at rates up to 195; this increase naturally impairs confidence with the diffusion of the impression that the rate will be reduced and it may be anticipated by us that it will contribute further to the rise in prices. It is my desire to call to your attention the circumstances so that you may be guided accordingly in your consideration of current questions.

GAUSS
Information received up to 10 a.m., 15th February, 1944.

1. NAVAL

One of H.M. Submarines damaged by depth charges off NORWAY yesterday. Help sent and air cover provided. On 12th just after sunset an outward convoy was unsuccessfully attacked by 7 enemy aircraft west of CAPE FINISTERRE. Aircraft from one of H.M. Escort Carriers shot down 2 aircraft and damaged another.

One of H.M. Submarines torpedoed and sank a ship, probably S.S. CAPO PINO, Italian, 4,300 tons, off CRETE on 8th. Two of H.M. Australian sloops with one of H.M. Indian sloops report sinking a U-boat off VIZAGPATAM on 11th.

2. MILITARY

ITALY. To noon 14th. Bad weather continues. In beachhead area small enemy attack repulsed just west of ANZIO-ROME Road.

3. AIR OPERATIONS

WESTERN FRONT. 14th. 92 tons dropped on military constructions Northern FRANCE. Thunderbolts attacked airfield in HOLLAND.

ITALY. 12th/13th. Wellingtons dropped 115 tons on objectives southeast and southwest of ROME. 1 Wellington missing.

13th. Weather poor. 184 fighter bombers attacked objectives in the battle areas. Enemy casualties 4, 0, 8.
Copies of reply to:  
Mr. Gamble
Mr. Shaeffer
Mr. Collie
February 16, 1944

My dear General Eisenhower:

In the absence of the Secretary, who will be away for about two weeks, I am replying to your letter of February 9th.

I have checked back on the story which appeared in the papers that you had presented a War Bond to the Treasury. I found that this information was released as part of a round-up story concerning gifts to the Government, which incidentally have amounted to well over five million dollars since Pearl Harbor. It was a routine report, requested by the press services. In checking over the gifts, your bond was found. For your information, I am attaching a copy of the release.

I have notified both the Division of Bookkeeping and Warrants, where the gifts are handled, and the War Finance Division, where Bonds are sold, to eliminate any mention of your name in the future unless we have your specific permission.

I regret any inconvenience or embarrassment that the publication may have caused you.

Sincerely yours,

(Signed) D. W. Bell

General Dwight D. Eisenhower,
Supreme Commander,
Allied Expeditionary Force,
War Department,
Washington, D.C.

Attachment.
February 16, 1944

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Supreme Commander
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War Department
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Sincerely yours,

General Dwight D. Eisenhower
Supreme Commander
Allied Expeditionary Force
War Department
Washington, D. C.

FS:fw
2/16/44

(Handwritten note: [illegible])
February 16, 1944

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Sincerely yours,

General Dwight D. Eisenhower
Supreme Commander
Allied Expeditionary Force
War Department
Washington, D. C.

FS:fw
2.16/44
9 February 1944.

Dear Mr. Secretary:

Thank you very much for your note of January 28, enclosing a copy of one of the posters run during the Fourth War Loan Drive. I trust that your campaign is a complete success.

Not so long ago some enthusiastic American sent me as a present a war bond registered in my name. I naturally took the attitude that this was merely an expression of the sender's desire to help further the war effort and so returned the bond to the U.S. Treasury through the War Department. A little later I was astonished and distressed to find that this incident had found its way into the newspapers. I do not know, of course, who gave out the story, but may I request that if there should be any similar occasion in the future, you instruct your people to keep the matter completely confidential? I know you will understand the feeling that prompts me to make this request upon you.

Very sincerely,

Dwight D. Eisenhower

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

P.S. I am making the same request upon the O.F. of the War Dept.
FEB 16 1944

My dear Mr. Secretary:

Receipt is acknowledged of your letter of February 9, 1944 relating to the action of Argentina in breaking diplomatic relations with the Axis.

I appreciate being informed regarding the policy of your Department concerning Argentina and your assurance that you will advise me further on this subject in the future.

Sincerely,

(Signed) D. W. BELL

Acting Secretary of the Treasury.

The Honorable,

The Secretary of State.

AFL:nrd - 2/12/44
2-18-44

Yesterday I sent you a copy of the letter of February 16, 1944 to the Secretary of State signed by Mr. Bell in the Secretary's absence. However, I don't believe that you have a copy of the incoming letter of February 9, from Secretary Hull; thus the attached.

From: MR. PAUL
Mr. dear Mr. Secretary:

I refer to the action of Argentina in breaking diplomatic relations with the Axis. While this action is, of course, gratifying, I request that at least for the time being there be no change in the treatment of Argentina. The Department's August 26 policy memorandum, transmitted under cover of my letter of September 15, 1943, remains for the present in full force. The Argentine situation will be constantly reviewed in the Department and after the future course of events shall have become somewhat more clear, I may wish to communicate with you further on this subject.

Sincerely yours,

[Signature]

The Honorable

Henry Morgenthau, Jr.,

Secretary of the Treasury.
BUENOS AIRES
February 16, 1944

Department of State
Washington

THE EMBASSY RELUCTANTLY AGREES TO MR. MANN'S RELEASE IN VIEW OF THE POSITION OFFERED MANN GLADLY ACCEPTS. PLEASE TELEGRAPH THE DATE HE SHOULD REACH WASHINGTON.

/s/ Armour
Memorandum for the File

February 16, 1944

I had an appointment with Admiral Leahy today at 2:30 P. M. We talked about twenty minutes, during which I outlined for him the origin, purposes, and method of operation of the War Refugee Board. Admiral Leahy seemed very sympathetic and said he was delighted to see that someone was actually moving forward to do what could be done on this problem. He said he knew how the Jews were being treated because of his experiences when he was Ambassador to Vichy, France. Admiral Leahy said he doubted whether the Germans would be willing to let any Jews out, but he felt very strongly that it was well worth trying. He did not seem overly awed by the problem of difficulty with the Arabs.

Admiral Leahy said that if there was any point at which he could be helpful on the matter not to hesitate to call him. I told him that if matters came up involving the War Refugee Board in which he did not understand our position I would appreciate it if he would get in touch with me. He promised to do this.

(Signed) J. W. Peble
MEMORANDUM
February 16, 1944

Stettinius called me today at 2:55 and said that Sir Ronald Campbell was in his office discussing the certificate matter. Campbell said discussions had been had on this matter in the past with the State Department when these matters were being handled by Breckinridge Long and that he did not quite understand the gap between the previous discussions and the request now being made. According to Stettinius the British are not disinclined to accede to this request, but want to know whether that is all we want them to do. Stettinius suggested that we have George Warren dig into the background on this in the State Department with Keeley, etc., and then get in touch with Hayter, the British Embassy man, and us and go into the matter thoroughly. I told Stettinius we would do this.

(Handed) J. H. Fehle

JWP:mg 2/16/44
February 16, 1944

Dear Dr. Jones:

In Secretary Morgenthau's absence
I acknowledge herewith your letter of February 15, 1944, with regard to Clarence Pickett.

Your letter will be brought to the Secretary's attention upon his return.

Very truly yours,

(Signed) J.W. Pehle

J. W. Pehle
Assistant to the Secretary

Dr. Rufus H. Jones,
Haverford College,
Haverford, Pennsylvania.

JWP:mg 2/16/44
Hon. Henry Morgenthau, Jr.,
Secretary of the Treasury,
Washington, D. C.

Dear Secretary Morgenthau,

In answer to your telegram I would say that it is inconceivable that we could willingly give up Clarence Pickett for anything that would take him away from his present work. He is made in heaven for the far-reaching Quaker constructive tasks. There is unfortunately no one who could in any degree replace him. And I have a feeling that he is so completely dedicated to this work that he would hardly be likely to leave it for anything else, but he is away from home and I cannot consult him.

Unfortunately his health is very precarious and we find it necessary to send him off for occasional periods of rest in order to stave off a break-down.

With warm regards

Sincerely yours,

(Signed) Rufus M. Jones
February 14, 1944

DR. RUFUS JONES
Swarthmore College
Swarthmore, Pennsylvania

John Lehle of the War Refugee Board is urging Clarence
Pickett to take an important post with the War Refugee
Board. Pickett has been most highly recommended to the
War Refugee Board by outstanding men who are genuinely
interested in this cause. I want personally to appeal
to you to do everything in your power to get Pickett to
accept this post now for at least the next few crucial
months. I feel that the success of the Board may very
well depend upon the expert guidance and assistance which
a man of Pickett's outstanding ability and experience can
render. I am addressing you on this matter not only
because of your position but because I realize how deeply
you feel on this issue. With personal regards.

H. Morgenthau, Jr.

Secretary of the Treasury.

O.K. H.M. Jr.
MEMORANDUM

February 16, 1944

Clarence Pickett called me today from Indiana. He said he was very sorry but that he could not make the necessary arrangements to come to the War Refugee Board although he would be delighted to be of whatever help he could on specific problems and would do everything he could to be available on such problems when we called him. He pointed out that Mr. Vail, his principal assistant, is leaving for India and despite his great interest in the work of the War Refugee Board it is impossible to make arrangements to come with the Board.

(Initialled) J. W. P.

JW Pingt 2/16/44
SECRETARY,
WASHINGTON

A-10, February 16, 10:00 a.m.

Reference is made to the Department's circular airgram of January 26, 1944, 7:00 p.m. quoting the policy of the United States Government with regard to victims of enemy oppression, instructing this Legation to submit a report on the situation in Saudi Arabia, and directing that the Government of Saudi Arabia be approached to ascertain how far it is ready to cooperate in the policy expressed in the President's Executive Order.

The circular instruction referred to above appears to have no application to Saudi Arabia. There are no Jews in Saudi Arabia, and the nature of the country, the nature of its inhabitants, the tenets of the prevailing religion (Islam) and the local adverse reaction to Zionism, combine to make it certain that no Jew will be permitted to enter Saudi Arabia unless a special reason exists for doing so. Those same reasons make it unlikely that Jews will apply for admission into Saudi Arabia.

In the past two years one Jew is known to have come to Saudi Arabia. He was British, and a salesman of woolen textiles. That he ever came to Arabia is believed to have been due to a misconception of where Jidda is on his part, and to ignorance on the part of the Saudi officials that he was a Jew. No refusals of applications for entry of Jews are known.

In view of the special hostility toward Zionism held in Saudi Arabia, both officially and privately, and consequent suspicion of all Jews, it is believed inadvisable for this Legation to explain the President's policy to the Saudi Arabian Government or to confirm that the Saudi Arabian authorities will not cooperate in any such policy. Authorization to take no action in the matter is respectfully requested.

JSM/cjm

MOOSE
Subject: Request of Action of Manned Persuasion in Europe

Date: February 16, 1974

To: Mr. Secretary of Defense

Re: Request of Action of Manned Persuasion in Europe

The Honorable

No. 217

AT ML
the part of the interpretation of the situation of the

In committee it was agreed that the response on

the part of the interpretation of the situation set

...
organisations here to the interest shown by the American Government in the refugee problem was one of extreme gratification.

Respectfully yours,

For the Minister:

Edward S. Crocker
First Secretary

Enclosures:
1. From American Joint Distribution Committee;
2. From American Friends Service Committee;
3. From Unitarian Service Committee;
4. From HIAS-JCA Emigration Association (HICEM).
Forty percent of German prisoners of war were in the United States from June 1945 to June 1946. However, there were also German prisoners of war in the Soviet Union, the United Kingdom, and other countries. The prisoners were released in stages, with most being released by the end of 1946.

The German prisoners of war were housed in temporary camps, and they were subjected to harsh conditions. Many died of illness, malnutrition, or mistreatment. The United States government recognized the mistreatment of the prisoners and took steps to improve their living conditions.

In 1947, the United States government signed a peace treaty with Germany, which included provisions for the release of prisoners of war. The prisoners were eventually released and repatriated to Germany.

The experience of the German prisoners of war in the United States had a significant impact on their lives. Many struggled to adjust to life in a new country and faced challenges in finding work and融入社会. However, they also formed bonds with their fellow prisoners and developed a sense of community that endured long after their release.
The performance was attended in Portland since 1940. The event marks the first time the American Youth Jazz Festival Committee, in conjunction with the national jazz network, presented an event in Portland.

In the lead-up to the performance, arrangements were made to ensure smooth execution and positive reception. The event was well-received, with an enthusiastic crowd that <?xml:namespace prefix = o ns = "urn:schemas-microsoft-com:office:office" />
families are permitted to go to schools provided they, or a relief agency, pay the tuition fees. Religious activities are permitted and small synagogues have been organized both in Caldas da Rainha and in Ericeira. Group activity of a recreational or vocational nature is, however, not encouraged although on occasions specific projects may be authorized by the Police. Within the town to which they are assigned, however, the refugees have complete freedom of movement and of choice of residence.

Since Portugal does not border on any occupied territory, it is impossible for people fleeing from these territories to come into the country without first passing through Spain. As a result of this and also because of the Portuguese attitude on visas, the great bulk of refugees who fled "illegally" from France and other occupied countries of Europe in a westward direction, came to Spain and remained there until they were evacuated either through Portugal, when they had obtained a transit visa, or directly from Spain to North Africa or to overseas countries on Spanish steamers leaving from Spanish ports. Because of the fact also that Portugal does not border on occupied territory, the attitude of the Portuguese Government has had practically no effect on the ability of refugees to escape from Nazi territory. There have been no instances in which the Portuguese authorities have turned back people at the border. On the contrary, people who came in illegally were soon legalised and permitted to remain in the country.

B) How we and the Portuguese Government could help from here in the rescue of Jews and other persecuted minorities from Hitler.

Several possibilities exist for enlisting the help of the Portuguese Government on behalf of Jews and other persecuted minorities in Axis or Axis occupied Europe.

1) The American Government could approach the Portuguese authorities and suggest to them that a haven be offered to Jewish and other children now in France, Belgium and Holland, permitting them to come into the country either for a limited time until they are evacuated or for the duration of the war. In this connection it might be necessary for the United States Government, either acting alone or in cooperation with other governments, to guarantee to the Portuguese Government that any children coming into Portugal under this plan will be evacuated.
4) The Portuguese Government has made a policy not to admit even in transit those who were in Russia or the Baltic countries. This has worked great hardship on those who have been prevented from returning to Portugal, and they have been forced to take refuge in countries not mentioned before. In the beginning, such groups were routed through France and Czechoslovakia. In the meantime, such refugees from these countries have been more easily admitted by the Portuguese Government. In this connection, it is suggested that the American authorities approach the Portuguese Government seeking them to make available the Portuguese refugee policy. It would be worthwhile if, after a reasonable length of time, Portuguese authorities would permit these children to depart from Portugal and enter the United States.

3) There is some indication that some of the satellite countries, like Slovakia, Hungary, and Romania, would be willing to grant exit permits to those who have been forced to take refuge in those countries.

2) An appeal should be made to the Portuguese Government and the American authorities to cooperate to assure the evacuation of refugees from the occupied countries. It is suggested that the American authorities approach the Portuguese Government seeking them to make available the Portuguese refugee policy.

In the meantime, it is suggested that the American authorities approach the Portuguese Government seeking them to make available the Portuguese refugee policy. It would be worthwhile if, after a reasonable length of time, Portuguese authorities would permit these children to depart from Portugal and enter the United States.
What needs of the people do you think need be taken care of under the Comprehensive Employment Act of 1962? Do you think that these needs have been properly met in the proposed legislation? Is there any need you think need be met in the proposed legislation that is not covered by the proposed legislation? If so, what are those needs, and how can those needs be met, if at all possible? If not, what is the reason these needs have not been met?

The number of children in poverty is very small. Those who are in poverty are those who have not had the opportunity to receive an education that would allow them to have a good chance of obtaining a better life. The government's commitment to helping those who have been poor is strong, and the legislation on poverty is very effective at the national level. Here is a suggestion that has been made: We could make a provision that allows those who have been poor to receive assistance in the form of education and training.

Let it be to say, that we appreciate very much the efforts that have been made.

Dear Mr. O'Connor,

I hope you have a good time. The commission of the American Legion has sent a communication on the subject of the education and training of those who have been poor. They have asked me to write in this matter and I hope that you will consider their request.

With reference to the matter discussed in the letter,

11 February 1944

Hub de R. Corbet

Assistant O'Connor

AMERICAN PICTURE SERVICE COMMITTEE

From the American Legion in Idaho.

[Signature]

1944

Go.
While we do not think the situation would warrant the creation of a new office, we do believe it would be very advantageous to have some one in the Legation and the Embassy to whom we may address such matters as would be advanced by official help. And your own generous offer and that of Mr. Peter Garren will certainly cover this need.

On the specific questions you raised and on which we might venture an opinion we may comment as follows:

1 - What the United States Government can do for the rescue and relief of refugees in danger:

In Portugal refugees are not in imminent danger in the sense evidently referred to. So that the intent of the proposal would seem not to apply to this field. However, if such an office were established, such problems of the relatively small number here, as now vex the Relief Committees would certainly be referred to it. The following are suggestive:

a) The great problem is migration.

The Government might speed up the process on consideration of visa applications. The process is in itself so complicated as to make it almost prohibitive to immigration.

The Legation might be given certain discretionary powers to act in certain cases, as such an office as is proposed would certainly be given to act quickly to save those in immediate danger. This would be particularly valuable where the uniting of families is involved.

Certain facilities might be offered for joining the armed forces or working for them direct from here. Visitors or non-quota visas might be granted at once to worthy cases, unable for lack of family in America, to get the immigration visa.

b) Transit visas. This process is now so complicated and slow that persons with valid visas for other American nations are unable to get through before the expiration of such visas.

c) Repatriation.
c) Repatriation. There is a considerable burden on private agencies in the repatriation of American citizens. Even their passports must be paid for. As was done for those who went on the Exchange ships, a promissory note might be taken for expenses and passages. Since those of military age will soon be in the armed forces, they can soon pay their debts.

2 - Where helpful influence might be brought to bear on the Portuguese Authorities:

a) For the relatively small numbers now in Portugal.
   1) The handicaps are usually due to police measures. For those who are in forced residence outside of Lisbon, (which, it should be said, is immeasurably better than any kind of concentration camps) the process of securing permission to come to Lisbon when necessary is slow, the time allowed is often insufficient and legitimate reasons for extensions are often not convincing. This situation may be due to abuses of privileges by the refugees in general, but it is a problem that such an official office as is suggested would probably have to deal with.

   2) Residence visas. There are some refugees who have slight chance of emigrating until after the war and whose families might have a chance to join them if they could secure visas other than transit.

   3) Work. The numbers are now so small that it would not affect the economy of the country to allow them to undertake some useful occupation. Some have special skills which would not put them into competition in any case with nationals. This would not only relieve the Committees of financial burdens, but much more important, it would save the refugees from the degeneration of stagnation.

b) For others.

   1) Saving Children. Thinking of larger problems of the victims of war, Portugal might, as a neutral on the very rim of the battle field, take in a large number of children from France, for a vacation and feeding program, by bringing /them
them in by groups for a period of several months each. This could be done with or without cost to the Government. Switzerland did a magnificent service in this regard. It could be handled by the Portuguese Red Cross and financed, if necessary, by funds raised for the purpose. Non-French children, once here could be evacuated to other countries. The USCOM had 1000 visas for such children when the Germans came into "unoccupied" France and closed the frontier. At the time Canada offered to take 1000 and Argentina 1000. Portugal might succeed in getting these out.

2) Increasing numbers. As the war comes into France the stream of fleeing refugees will doubtless increase. Portugal probably will not open doors for their entry unless some provision is previously agreed on to evacuate them. Some plan like that which took so many from Spain to North Africa, might be worked out so that Portugal could be assured of their evacuation.

3) Transit visas denied certain persons. Persons born in Russia, of whatever political position, or of none, are denied transit through Portugal. Some other nationalities are also denied transit, though our Committee has not had cases other than Russian. With proper guarantees, this rule might be eased.

3 - Special obstacles:
The obstacles have been implied in each case presented. We believe that, in establishing such a branch office of the I.O.C. as is being considered, such facilities as those required in our suggestions under No. 1, would probably be contemplated, and could therefore be solicited by the regular diplomatic representatives. And such an office would certainly be expected to use its influence in dealing with the local authorities in the questions mentioned in Section No. 2.

4 - Recommendations for overcoming such obstacles:
a) That representation be made to the United States Government on such of the suggestions of Section No. 1 as the Legation thinks proper.
b) That representations be made to the competent Portuguese Authorities as may be necessary on cases as they arise and can be presented concretely and from which may be established certain rules or principles of procedure.

c) On the suggestion of bringing children to Portugal, the question be raised with the Red Cross or directly with the Government.

Discussion will doubtless bring out other proposals, but these are presented as a basis for study.

Sincerely yours,

(Sgd.) Philip A. Conard
Commissioner
Enclosure No. 3, Despatch No. 217 dated February 16, 1944, from the American Legation in Lisbon.

COPY

UNITARIAN SERVICE COMMITTEE

Lisbon, Portugal
Rua Marques de Fronteira 111, 1°

Dr. Elizabeth A. Dexter
Associate Director

Mr. Edward S. Crocker,
American Legation,
Lisbon.

Dear Mr. Crocker,

I have discussed the questions posed by Mr. Hull's cable with the members of our staff, and here are the suggestions which occur to us:

I. What can the United States government do to aid refugees?

(1) Transit visas could be speeded; and pending applications for residence visas could be cleared more rapidly.

(2) Some provision should be arranged for single refugees. At present, Canadian visas are available for most suitable family groups now in Portugal. It is particularly demoralizing for a young person alone to live year after year as a refugee. If the present restrictions on work in Portugal could be modified (see II-5 below) this problem would be less pressing.

(3) A representative in Lisbon might be permitted to grant visas, within certain categories, without reference to Washington. This was done until July 1941, and is now being done by the Canadian government. It would greatly diminish the present delays.

(4) The question of visas for the duration might be considered. At present the problem is so small that such visas may hardly be necessary, but the possibility of a considerable increase after landings in Europe, as has happened in Switzerland, should be borne in mind.

(5) The U. S. government ought to provide for repatriation of American citizens. Most of these are war victims, if not technically refugees. The private agencies here are now carrying quite a burden which is shouldered by the government of most countries.
II. How may the Portuguese government be asked to help refugees?

(1) It might explore possibilities of getting some children, orphaned or separated from their parents, out of France.

(2) It might furnish ships for transporting refugees who can leave the danger zone.

(3) In Portugal, it might facilitate the transfer of refugees, arrested merely for lack of proper papers, from prison to residence forcee. Such transfers occur less easily now, at any rate for Christian refugees, than was the case a year ago.

(4) Protest should be made against brutality in the treatment of imprisoned refugees, and against persecution of refugees for the expression of pro-allied sympathy -- a persecution which has sometimes stood in sharp contrast to lenient treatment of refugees who obtained German protection.

(5) In view of the small number of refugees now in Portugal, the rule forbidding them to work might be, if not modified, at least interpreted in a more lenient way. For example, a really distinguished violinist was sent to prison for giving a few lessons. Qualified students are not allowed to attend university lectures. And so forth. Enforced idleness is the most demoralizing factor in refugee life, and is responsible for most of the problems of behavior.

Cases to illustrate the need of the actions suggested above can be furnished for every point.

A considerable majority, both those in and out of enemy territory, are Jews, but there are still Christians who are equally victims of the present War and the Nazi philosophy. There is a tendency in Portugal to regard non-Jewish refugees as in loco facto communists. It appears to be more difficult now for a non-Jew than for a Jew to receive an American visa or a British navicert. I completely approve of care in issuing either of these, but believe that the care should be given indiscriminately to all applicants and that the non-Jews, although fewer in numbers, should not be forgotten.
In conclusion, may I say how greatly encouraged I feel by this proposal on the part of the government, and by the very sympathetic attitude shown by you and by Mr. Garran. It seems to me the most cheering development which has occurred for a long time -- aside from Allied victories, of course. I have some appreciation of how heavily burdened you and Mr. Garran must be. I hope that you will be able to make some arrangement so that not all the work will fall on you two personally. I am sure that this proposal gives promise of great usefulness.

With great appreciation, I am

Yours sincerely,

(Sgd.) Elizabetli A. Dexter.
Enclosure No. 4, Despatch No. 217 dated February 16, 1944, from the American Legation in Lisbon.

HIAS - JCA Emigration Association

TRANSLATION

(HICEM)

49, Rua Rodrigo da Fonseca, 2º, Lisbon, February 14, 1944

MEMORANDUM

Attention of Mr. Crocker.

Following a meeting which took place at the American Legation on the 9th instant, permit me to address you the following memorandum:

1) A - Concerning the assistance which the American Legation could give us in cooperating on the refugee problems of our organization, we feel that the Legation might wish to draw the attention of the State Department upon the necessity of shortening the delay for the authorization of visas, which would result in facilitating immigration into the United States insofar as such facilities would be compatible with the national interest and the security of the country.

B - Our Secretary, who was present at the meeting, in which I could not participate for reasons of health, informed me of the adjournment of the question of the establishment in Lisbon of an office of the Intergovernmental Committee.

However, the questions which pre-occupy our organization in the sphere of its activities in connection with emigration are intimately bound up with a representation of this kind in Lisbon which would appear to me to be desirable.

Although it appears that Portugal does not participate in the agreement which created the Intergovernmental Committee, our experience has proven that its efforts even in Lisbon, where the Deputy High Commissioner Mr. Kullmann worked for a certain length of time,
A - Portugal does not permit the entrance into the country of refugees excepting in the case where the identity of the individual or those originating in the Baltic States, and in view of the number of refugees of this category we have not decided its necessity to ask the Intergovernmental Committee for an intervention as a solution has been found by the League of Nations particularly in favor of certain persons and has been made by the Intergovernmental Committee, the Interdepartmental Committee, and the representative of the League of Nations, its intervention being useful for its support in the activities of Mr. James McDonald and Mr. McLeod and the claims of the defunct and the present the only organization which has been able to the present the only organization which has been able to have some fruit and have given satisfactory results. We shall bear in mind on the question of the protection of refugees

B - Portugal has applied this line of conduct to its own nationals as it has applied to nationals at large and at Calabria, and in order to avoid the risk of disordering the country those passports were cancelled and the residence in the country those passports was not allowed.
C - The number of refugees in the country is reduced and we have the impression that only the departure of those who are now here will permit new entries, always, however, under the same conditions.

D - As to the immigration of children, we are authoritatively informed that Switzerland has accepted a rather large number of them within its territory; furthermore, the Argentine, since its break in diplomatic relations with the Axis countries, has authorized the entry of 1,000 children originating in the occupied countries. The realization of these projects has been prevented only by the question of exist visas, which the occupying authorities have not granted.

If Portugal would make a similar gesture to that of Switzerland and the Argentine, it would represent an important moral factor even though there is no great hope that the children in question could be gotten out.

E - We attach to this memorandum certain statistical information concerning the refugees at present in Portugal.
APPROXIMATE STATISTICAL INFORMATION

1) Foreign Jewish population in Portugal February 1, 1944:
   (In these figures are included foreign Jews forced to reside either in Caldas-da-Rainha or in Ericeira.)

A - STATELESS.
   (Ex-Germans and ex-Japanese form the majority) about 445

B - POLES.
   (Including those originating in Poland not actually recognized by their national authorities, therefore stateless) about 487

C - VARIOUS.
   (Belgians, French, Dutch, Czech, Yugoslavs, Hungarians, etc.) about 192

TOTAL 1125

composed of the following:

1. War refugees, 44 pc. 495
2. Refugees because of Hitler's pre-war persecutions, 32 pc. 360
3. Normal immigrants, 24 pc. 270
   Total 100 pc. 1125

2) Note:

A - Portuguese recently arrived forced to reside in Curia or Coimbra until definite decision is made regarding their nationality, really also war refugees, about 150
B - Jewish population of Portuguese nationality, about 525

TOTAL 675

TOTAL OF JEWS RESIDING IN PORTUGAL: 1800

In these figures we have not taken into account whether these people were assisted or not.
PARAPHRASE OF TELEGRAM RECEIVED

FROM: AMERICAN EMBASSY, MADRID
TO: SECRETARY OF STATE, WASHINGTON
DATED: FEBRUARY 16, 1944
NUMBER: 548

CONFIDENTIAL

Given below is the substance of a cable sent to Algiers February 16, 1944 as no. 61.

Regardless of the understanding of the British and ourselves that prior to the departure of refugees from Spain security screening of these refugees applying for admission to Fedhala Center would be kept to an absolute minimum, it is stated by the French representative now in Madrid to participate in this screening that his superiors have instructed him on behalf of American, British and French Intelligence Services to submit six copies of all applications with photographs and thumbprints to Algiers for prior approval and certain supplementary information which was not requested in application forms and which neither we nor the British consider essential for the type of preliminary check envisaged is being demanded by the French representative.

At the best this procedure would be most cumbersome and especially unfeasible as regards those refugees still detained in Spanish camps and prisons and who would stand to benefit most from the project.

It is implied that detailed scrutiny in North Africa will be given to all cases before refugees are allowed to depart from Spain and this
and this is contrary to our previous understanding and recommendations as well as to information given by G-Z Algiers to Belkelman before his departure for Spain. It would seem to be essential that Allied and French authorities agree to forego all but preliminary screening until after their arrival in North Africa unless the actual evacuation of these person is to be delayed indefinitely.
PARAPHRASE OF TELEGRAM RECEIVED

FROM: AMERICAN LEGATION, BERN
TO: SECRETARY OF STATE, WASHINGTON
DATED: FEBRUARY 16, 1944
NUMBER: 952

CONFIDENTIAL

From Vaidie for the attention of Valensi.

We refer herein to the message transmitted in the Legation's 841, February 10.

The question of obtaining regular monthly transfers of 100,000 Swiss francs for needs of our refugees here has been taken up by me with the Swiss authorities. The Swiss are willing to consider purchase of pounds sterling against Swiss francs through intermediary of Bank of England and Swiss National Bank, but they decline to take blocked dollars against Swiss francs in Switzerland.

It would be appreciated by me if I could be informed whether there is a possibility of monthly transfers of dollars into pounds at Bank of England for the above stated purpose. Additional resources will soon be needed for our requirements here and advances by American and British Legations must be reimbursed from the present million francs credit.

HARRISON
This telegram must be paraphrased before being communicated to anyone other than a Governmental agency. (BR)

Secretary of State
Washington
270, February 16 10 a.m.

Ira Hirschmann arrived Ankara February 14.

Department's 120 February 12 8 p.m. I also delighted with his selection of (a) as the acting special representative of the War Refugee Board to be assigned to the Embassy as Special Attaché in connection with war refugee matters. I have acquainted him fully with the Department's instruction under reply.

Mr. Hirschmann is prepared to assume the responsibilities described and is familiarizing himself with the situation. His only reservation is the time element as he has a commitment with Bloomingdale Bros. regarding his return within a limited period of time. He believes however that his leave of absence can be extended if necessary.

Please inform John Pehle of the foregoing and Mrs. Hirschmann of his arrival here.

/s/ STEINHARDT
NOT TO BE RE-TRANSMITTED

U.K. SECRET
BRITISH MOST SECRET

OPTEL No 54

NAVAL

One of H.M. Submarines sank or damaged 5 cargo ships off Norwegian Coast. On 10th another of H.M. Submarines probably torpedoed a cargo ship escorted by two trawlers. Two Norwegian M.T.B.'s sank two small cargo ships south of KIRSTAndern on 13th.

Early yesterday M.T.B.'s torpedoned an enemy trawler and seriously damaged another off Dutch Coast. Later, they engaged a number of E-boats, 4 of which were damaged. Weather favourable at ANZIO past 3 days and unloading resumed at full rate, nearly 4,200 tons discharged 14th. Enemy shelling and air activity has persisted, but no naval damage. Coastal forces damaged an escorted Southbound convoy of lighters South of LEGHORN on 13th/14th. KORcula ISLAND, Adriatic, shelled by our destroyers on 12th/13th.

2. MILITARY

Italy to noon 15th. 8th Army. Aggressive patrolling by Canadians; enemy raid supported by artillery and tanks against 8th Indian Division broken up by our artillery.

5th Army. Segrouping of our forces has been taking place in Caserno Area and the bridgehead.

Burm. Our operations on the road South of BAGLI BAZAAR are progressing slowly against determined opposition.

3. AIR OPERATIONS

Western Front. 15th. 52 heavy, 359 medium and 77 light and fighter bombers with fighter escort attacked military constructions in Northern FRANCE; 7 bombers and 4 fighters missing from these and other operations. 15th/16th. 1,025 aircraft despatched; BERLIN 893 (44 missing); FRANKFURT-ON-ODER 24; Dutch Airfields 19; ANCHÉON 2; Sea-mining 59; Intruders 22 (1 missing); Leaflets 6; Thick cloud over BERLIN moderate concentration of sky markers achieved. Mosquitoes after main attack report fires and dense smoke.

Italy 13th. Marauders dropped 74 tons at BUCINE VIADUCT.
13th/14th. Wellingtons dropped 84 tons on roads in ROME/ANZIO area. 14th. 241 escorted Fortresses and Liberators bombed railway and other objectives in NORTHERN ITALY. 45 Mitchells bombed FERRARA railway centre.

71 light and 276 fighter bombers (8 missing) attacked objectives in the battle areas. Enemy casualties: 20/16; Ours 4 Fortresses, 2 fighters missing.

Yugoslavia 14th. Kittyhawks set fire to a 5,000 ton ship off BELL.
U.S.A., as in 1917, May Lose Seized German Properties

Action to Hold I.G. Farben Subsidiary Delayed Two Years

By I. F. Stone

The Government of the United States is headed straight for the same mistake it made after the last war, when it permitted German properties in this country to slip back into German control.

Two years ago the U.S. seized I.G. Farben's giant American subsidiary, General Aniline & Film, as enemy-owned.

But in those two years Alien Property Custodian Leo T. Crowley has failed to take the steps necessary to ensure that this company shall not resume its ties with I.G. Farben after the war and again be used to restrict production of basic materials essential to the defense of this country.

General Aniline & Film is the leading descendant of the German dyestuffs and pharmaceutical firm whose production of explosives, poison gas and medicine in this country as we entered World War I.

General Aniline Film was the principal corporate instrument through which the Nazis, in collaboration with American monopolists, restricted and discouraged the production of aluminum, magnesium, synthetic rubber, aviation gas, synthetic quinine and many other necessary defense materials on the eve of World War II.

Unless public attention is sharply focused on the dangerously dilatory handling of this key German property, it may slip back into German hands again after this war more easily than it did after the last.

This series of articles is an attempt to explore the behind-the-scenes facts and to place them on the record, though it would take a Congressional investigation with power to subpoena business records to bring the full inside story to light.

American I.G. Set Up in 1929

General Aniline Film was originally known as American I.G. Chemical Corporation, the I.G. like that in I.G. Farben, standing for "Interessengesellschaft," a German term for a certain type of business combination. On Oct. 31, 1929, after the European war began but before the United States became a participant, American I.G. was discreetly renamed General Aniline Film. I.G. Farben established American I.G. in 1929 to handle its extensive American interests and cartel ties and it was the inner citadel of the great German chemical combine's imperial power in American chemicals, light metals, films, dyestuffs and drugs.

General Aniline was taken over by the U.S. Treasury on Feb. 16, 1942, and shortly thereafter passed to the newly established Office of Alien Property Custodian under Leo T. Crowley.

So far General Aniline has been treated, not as a captive enemy agency of economic warfare, whose activities sabotaged defense and still hampers the war effort, but with the consideration a conventional trustee would give an ordinary business property entrusted under normal circumstances to his care.

Should the company slip back into German hands, the Germans would find that their key property in America, far from languishing in custody, was more prosperous and better established than ever, particularly in Latin America, which was the Reichs's domain in drugs, films and chemicals before the war and may yet be.

The Germans would find the basic contracts binding General Aniline to I.G. Farben still in existence.

Still a Powerful Instrument

They would again find General Aniline a powerful instrument of economic warfare, well suited anew to the stealthy restriction of American defense preparations should the Germans make a third try at world conquest.

This is not the mere alarmist discovery of a report that has been disavowed in a complex situation. These are facts that have key officials in Washington seriously worried, though there is hardly one who will consent to do more than shuffle an off-the-record silence and shake the head.

These officials know the failure to make the most of wartime possession of General Aniline is more than an economic problem. They realize that it is fraught with the gravest political and military significance.

Today, after two years of possession, the U.S. Government:

† Has yet to try the three anti-trust indictments returned against General Aniline 12 days after Pearl Harbor; indictments accusing it of taking part in a world conspiracy in dyestuffs, heavy chemicals and films.
† Has yet to haul General Aniline into court and force it to accept stringent consent decrees forever barring it from resuming the cartel ties with I.G. Farben which are involved in those three indictments.
† Has yet to merge with General Aniline its key sales subsidiary, General Dyestuffs, which continues to get a 10 per cent take-off on all General Aniline's sales, though virtually all the materials go to the Government and require no salesmanship.
† Has yet to make General Aniline's precious patents freely available to American industry.
† Has yet to determine which of those 4000 patents are actually patents used by General Aniline in its divers business activities and which are patents passed on to General Aniline by other German concerns for safekeeping during the war.
† The man on whose shoulders rests the responsibility for the little accomplished in those years of possession is the Alien Property Custodian of the United States, Leo T. Crowley.
† Crowley's attitude and tangled personal relations will be the subject of tomorrow's story.
Crowley, Alien Custodian, Has Too Many Other Jobs

Foreign Economic Administrator Delays Action Against I. G. Farben

By I. F. Stone

Why, after two years in possession of General Aniline & Film, has Alien Property Custodian Leo T. Crowley failed to take vigorous action against German firms? This key German concern to its parent, I. G. Farben?

Let us inquire into the outboard and private business ties of the man who handles the government's policies General Aniline, the most important German property in America, and the main avenue of the sinister influence the Nazis asserted in selling production for Germany before Pearl Harbor.

Too Many Jobs

The office of Leo T. Crowley, that has more jobs than Mr. man can handle well.

Crowley is chairman of the Federal Deposit Insurance Corp., the Alien Property Custodian and the Foreign Economic Administration.

In private business, he is still, though on leave of absent with pay, chairman of the Metropolitan Trust & Savings Bank of New York, one of our greatest public utility holding companies, a giant concern, whose branches go through the recognition of the world under the Public Utility Holding Company Act. According to Crowley's office, he still devotes some attention to Standard Gas & Oil.

An Idea of One Job

Some conception of the magnitude of Crowley's responsibilities may be gathered if one considers what his job as Foreign Economic Administrator involves. The FEA is a merger of many agencies of the government dealing with foreign economic matters, including the Office of Economic Warfare, Background Publishers (Office of Foreign Economic Operations) and some of the old Alien Property Custodian jobs, but one alone is the man formerly imposed on it.

Crowley is a very busy man, on leave of absences with pay, and a good many jobs that should be handled by an administrator, too many jobs that should be handled by a business man, many of his key officials have been in the same position since they took over.

In truth, Crowley, in his role as a public servant, has more work than any man can handle well. His office is constantly in need of new personnel, but it is not clear how much of Mr. Crowley's duties are really handled by him. The second important point is that Crowley is one of the shrewdest, most astute and of a likely man
town politician, but lacks that quickness which is required to cope with the highly complicated legal and technological problems involved in the handling of foreign properties and patents.

"Elected" Own Directors

Were Crowley such a man, he would have started foreign properties and patent boards of directors containing outstanding men capable of handling these vexing problems from a legal point of view. As Alien Property Custodian, he fails to exercise these directed himself.

But Crowley's choices have been far from happy. The FEA's courts appoint innumerable and therefore innocuous to the public. These courts usually are picked from men chosen by The Alien Property Custodian is not a foray into economic warfare but rather a two-year partnership. The whole nation, from farm to factory, was involved in this network of government and business, so that the FEA's court appointment, with its non-partisan and unadorned appearance, was an effort to push through what was considered an important piece of legislation.

To men of this type, a directorate of an agency is not the same as a board of directors, which cannot be compared to the FEA's court and its powers. The FEA's court was set up in 1939, and is one of the key figures in the war effort, though its activities have now been involved in two of the major courts, and the court of last resort may have been by. Crowley is now the chairman, and the board had a virtual monopoly of the FEA's court.

The parent London Bank, H. H. Schrader 

On February 15, 1937, H. H. Schrader was elected president of the German bank that controls Standard Chemical Co., Ltd., and of the London and New York bank. These banks are the ones which were far the largest banks in the world, and which bought out the leading German banks.

Schroeder, the founder of the bank, has been widely reported as having been closely connected with Hitler's recovery of the German banks. Schroeder, however, has been reported to have been in close contact with the German government, and it is clear that his bank has been in the forefront of the German recovery of the bank.

The latter corporation did a large amount of business with the London Bank, and Schroeder, the founder of the bank, has been widely reported as having been close to the German government. It is clear that his bank has been in the forefront of the German recovery of the bank.
How Crowley’s Standard Gas Pals Boss Alien Property

Victor Emanuel and Associates
Act as Trustees Under Custodian

By L. F. Storch

Little known a year ago, but now a major factor in the Standard Oil business is Victor Emanuel, who with his associates has been appointed by the U.S. Government to act as trustee of the Standard Oil properties of the late businessman, Julius Schneider. Emanuel’s appointment as trustee was made by the U.S. Government, which has taken over the Standard Oil properties of Schneider, a notorious figure in the Standard Oil industry.

The appointment of Emanuel was made after a long and bitter dispute between the U.S. Government and Schneider, who was accused of fraud and embezzlement.

Emanuel is a well-known figure in the Standard Oil industry, and has been active in the industry for many years. He is the founder of Emanuel Oil Company, which was established in 1920 and has since become one of the largest oil companies in the United States.

The appointment of Emanuel as trustee is expected to bring stability to the Standard Oil properties, which have been in a state of uncertainty since Schneider’s death.

Emanuel has promised to work diligently to ensure that the properties are managed in the best interests of the government and the American people.

The appointment of Emanuel as trustee is a significant step in the ongoing efforts to bring order and stability to the Standard Oil industry.
Suit Asks Return of Stock Seized Because of Farben Ties

Duisberg Claims His Shares in General Dyestuffs as U.S. Citizen

By I. F. Stone

WASHINGTON, Feb. 21.—The son of the first chairman of the I. G. Farben has filed suit in the Federal courts to recover his stock in General Dyestuffs, sales subsidiary of General Aniline & Film, 1. G. Farben’s potent and disloyal American offspring. The stock was seized by the Government after Pearl Harbor.

The suit was filed by Eugene L. Carey, counsel for the American Aniline & Film Corporation, in the United States District Court for the Southern District of New York. Carey has been working on this case since it was brought in 1939.

Family Connections

This case involves the activities of Eugene L. Carey, a naturalized American citizen born in Germany and the son of the first chairman of I. G. Farben. He was vice president of General Aniline & Film from 1935 to 1939, and his stock was seized because of his disloyal activities.

Developments which endanger government control of seized German properties as the war moves to a climax while the Office of the Alien Property Custodian still delays action to cut General Aniline’s postwar contractual ties with I. G. Farben.

Would Be Precedent

A victory by Duisberg would establish a precedent for the recovery of stock in Germany-controlled corporations which were held by American citizens or by Swiss and Dutch dummy corporations.

General Aniline & Film, of which Duisberg was a leading executive during the years in which the government alleges conspiracy with I. G. Farben, is a monument to our tragic incapacity to keep under our own control properties we took from Germany in the last war.

General Aniline’s origin is in the dyestuff and pharmaceutical business and patents of the famous Bayer Co., taken over by the Alien Property Custodian in the first World War. The history of General Aniline and of the Bayer company testify to the prophetic insight of the warning Woodrow Wilson addressed to Congress on May 20, 1919.

Fruit of Experience

“German chemical industry,” Wilson told Congress, “was and may well be again a thoroughly knit monopoly, capable of exercising a completely monopolistic control of prices and markets in this country." President Wilson’s warning was that German control of dye-stuffs and pharmaceuticals would result in the drug end of the business moving more quickly.

According to the Kilgore report, the old Sterling Company, one year after its solemn promise to the Government, had secretly undertook to sell the Bayer Co. 50 per cent of its production of synthetic dyes, and its profits on drug sales were in Latin America. In 1928 the German percentage of these profits was raised to 75 per cent, “and the Latin American market for all synthetic products other than those that were, in my opinion, surrendered to the German company.”

Fought Blockade

By the time the second World War began, German influence in the company, once reorganized as Sterling Drug Co., was so strong that the American concern arranged in December, 1939, to help its German partner beat the British blockade by shipping pharmaceutical products to Latin America in bulk and letting I. G. agents put German labels on it for resale there. Thus in drugs as well as dyestuffs the Germans came back to power after the last war in the companies the American government had taken over.

General Aniline’s drug interest was embodied in its 50-50 stock ownership of Winthrop Chemical with Sterling. The Alien Property Custodian has taken over that 50 per cent interest, but Winthrop Chemical has been allowed to go on doing business as usual. Sterling executives state that the company is now dominated by one of Crowley’s closest advisers, Tom Corcoran, even New Dealer turned Washington corporation lawyer.

What concerns us here is that the Germans learned something from their experience in the last war, a doubtful conclusion as regards ourselves. They put control of their American properties in (1) the hands of American citizens who were trusted employers or nationalized German associates and (2) had their controlling interest in Swiss and Dutch corporations.

It is one thing to seize such stock under wartime conditions. It is another to keep control of it when peace comes. If General Dyestuffs is unwound in General Aniline, if General Aniline is broken up and its patents thrown open to the public, there is nothing these stockholders own can do about it after the war except claim monetary damages.

But so long as the Government permits General Aniline, and General Dyestuffs to remain intact, these owners may succeed in recovering their properties as easily as if they had never been left in the hands of a trustee. For the duration, the Government, with the support of Congressional legislation, can enforce the orders in the courts of the United States. It can take the property from a German concern and hand it over to Americans.
An Editorial:

Crowley's Resignation Is Not Enough

At his news conference last Friday, the President announced that Leon T. Crowley would soon resign as Alien Property Custodian. We welcome that announcement.

The day before that announcement, PM began publication of a series of articles on Crowley and the Office of Alien Property Custodian. The facts in that series were discussed with Crowley the week before publication, and with Victor Emanuel, his associate in Standard Gas & Electric.

The President has made it clear again and again that he does not propose to let Nazi-controlled patents and properties slip back into German hands. We know how deeply he feels on that subject.

President Wilson felt as deeply and sincerely opposed to permitting the German to resume a position in the American chemical and pharmaceutical industries which he again be used to cripple America's defenses. In today's story we present a few facts to indicate how easily President Wilson's wishes were frustrated. We think the history of what happened to alien property after the last war should be a warning to us in this one.

We hope that, in picking a new Alien Property Custodian, the President will pick a man who, unlike Crowley, is not dependent on private salaries for the bulk of his income. An Alien Property Custodian is subject to peculiar pressures. On the basis of its own investigations, PM suggests that the new Alien Property Custodian be instructed:

1. To merge General Dyestuffs into General Aniline & Films, thus ending the 10 per cent profit the former is making on Government contracts and eliminating G. Farben's principal sales agent in the U. S. A.
2. To remove from the Board of General Aniline & Film any men associated with Victor Emanuel, the Schoenberg banking interests, Standard Oil, or any company linked by business ties with G. Farben before the war.
3. To negotiate a consent decree with the Attorney General which will bind General Aniline and its constituent, subsidiary or successor companies not to enter into any cartel agreements after the war with G. Farben or any other European trusts.
4. To change the policy under which Crowley exempted two classes of alien enemy patents from licensing. One class is made up of those patents under which exclusive licenses were already outstanding, such exclusive licenses are monopolistic, the very foundation of cartels and a frequent obstacle to full war production. The other class is made up of patents used in the operations of a business taken over by the Alien Property Custodian to leave these patents untouched in the hands of an alien enemy enterprise is to preserve its principal assets intact for the enemy alien owners.

Both these classes of patents should become part of the public domain, freely available to all American business.

Example: Throw open to American business all the dyestuffs, chemical, pharmaceutical and other patents owned by General Aniline directly or through its subsidiary, Winthrop Chemical.

1. To break up General Aniline into smaller companies under permanent American ownership, each handling a different one of General Aniline's many business interests, so that we may be rid of the monopolistic power this German-controlled firm exercised in so many different types of products.

2. To put a representative of the anti-trust division of the Dept. of Justice on the board of directors of any company taken over or supervised by the Office of Alien Property Custodian to act as watchdog against the temptation to cartelize and monopolize.

We hope the President will pick, as successor to Crowley, a man with no ties to cartel companies, either directly or through academic institutions controlled by them, and that he will be paid a sufficient salary to make it unnecessary for him to serve two masters while in public office.-J. F. Stone
How Crowley’s Private Pay Soared After He Got U.S. Job

State Tax Returns Show Rise From $23,225 to $89,690

By I. F. STONE

WASHINGTON, Feb. 22.—The salaries of Leo T. Crowley, who is about to resign as Alien Property Custodian but will remain Foreign Economic Administrator, rose from $23,225 in 1939 to $65,525 in 1941 and then to $75,000 in 1942. At the same time, his private indebtedness has risen sharply. His income tax returns, on file at Madison, Wis., show that his annual payments of interest on those borrowings rose from $11,396.78 in 1939 to $19,436.40 in 1942. At that rate, the latter sum is enough to pay off a loan of almost $500,000.

Crowley’s Excuse

Although Crowley has sought to create the impression that he retains no Government salary, he has raised the amount he receives from Standard Gas & Electric while in private office, from $30,000 to $50,000 a year. His income tax returns show that he has been receiving $10,000 a year regularly from the FDIC (Federal Deposit Insurance Corp.), which is chairman. The FDIC is the Government agency which handled Federal insurance of bank deposits.

Although the President announced last Friday that Crowley would soon resign as Alien Property Custodian, there has been no indication that Crowley will give up his job with Standard Gas & Electric. Crowley will retain his Government job as head of the FEA (Foreign Economic Administration) and FDIC.

The state income tax returns also reveal that while Crowley used to draw $10,000 a year from his own business, the General Paper & Supply Co. of Madison, he ceased to do so after obtaining his job with Standard Gas & Electric.

Various Salaries

Here are Crowley’s various salaries for the years 1939-42:

1939
General Paper & Supply Co., Madison $10,000
Federal Deposit Insurance Corp. 10,000
Standard Gas & Electric 3222

Total $23,222

1940
Federal Deposit Insurance Corp. 10,000
Standard Gas & Electric 50,000
Total $60,000

1941
Federal Deposit Insurance Corp. 10,000
Standard Gas & Electric 65,625
Fox River Paper Co., Appleton, Wis. 1937
Pan-American Lines 40

Total $77,602

1942
Standard Gas & Electric 75,000
Fox River Paper Co. 10,000

Total $85,000

42 State Tax

Crowley’s last available state income-tax return, that for 1942, indicates that the business and insurance companies to which he was personally indebted and the amounts paid in interest on those loans, although the size of the loans themselves is not revealed:

Goodall-Crowley Oil Co., Beloit, Wis. $4970.37
Mutual Life Insurance Co., N.Y. 4227.84
General Paper & Supply Co., Madison 3329.01
Northwestern Mutual Life Insurance Co. 2361.87
Yates Estate, Continental Illinois Nat’l Bank 1600.00
New York Life Insurance Co. 1335.90
Commercial State Bank, Madison, Wis. 1161.25
L. H. Forwell Estate, Madison, Wis. 197.27
State Bank of Lod, Wis. 139.79
Guardian Life Insurance Co., 122.10

Total $19,436.40

Why PM Is Publishing Crowley’s Tax Returns

In the adjoining columns today we reveal the salaries and the debts of Leo T. Crowley, as disclosed by his State income tax returns in Wisconsin, where State income tax returns are made public.

In the case of a private person, these figures would be none of our business or yours.

We print them because:

¢ Crowley is a public official and the public has a right to know whether he has other sources of income and what they are, whether he is heavily indebted, and to whom.

¢ Crowley has been reluctant to discuss these facts, and this is the first time it has been possible authoritatively to report them.

¢ Crowley, though his forthcoming resignation as Alien Property Custodian has been announced by the President, will remain head of the FEA (Foreign Economic Administration) and FDIC (Federal Deposit Insurance Corp.).

¢ As head of the FEA and the FDIC, Crowley may be required to pass on matters involving financial interests with which he is associated in Standard Gas & Electric, or involving corporations whose directors interlock with Standard Gas & Electric or its many subsidiaries.

¢ Both of Crowley’s remaining public jobs are of great importance. FDIC has supervision over the entire banking system of the U.S. A. The FEA, a merger of the old Board of Economic Warfare, Lend-Lease and the State Dept’s Office of Economic Operations, controls all foreign-trade matters today. It is important that both jobs be handled by a man who is completely independent of all financial ties to private banking and industry.

¢ Crowley says he is returning his $10,000 a year F.D.I.C. salary to the Government after paying income taxes on it, and needs his Standard Gas & Electric salary (last reported as $75,000 a year) in order to live.

¢ A Federal statute passed in 1918 and still on the books, though widely ignored in Washington today, says: “No Government official or employee shall receive any salary in connection with his service as such from any source other than the Government of the United States…” And no person, association or corporation shall make any contribution to, or in any way supplement the salary of, any Government official or employee for the services performed by him for the Government.”

¢ If Crowley’s salary from Standard Gas & Electric is necessary to pay his living expenses, then Standard Gas would seem not only to be supplementing but paying the salary of a Government official “for the services performed by him for the Government.”

¢ We think the rule that no man shall serve two masters is a sound one, in Government as in private life.

¢ We think Crowley owes it to the Government to resign his job with Standard Gas and live on his $10,000 a year salary from FDIC.

¢ If that salary is not enough to cover his commitments, which seem to be heavy ones, the Government owes it to Leo T. Crowley to pay him an adequate salary as head of the FEA.

That is why we are disclosing Leo T. Crowley’s state income tax returns today.

— I. F. STONE
Original to Mr. D. W. Bell

Copies to:
Mr. White
Mr. Paul
Mr. Waas
February 17, 1944

TO THE MEMBERS OF THE
BOARD OF ECONOMIC STABILIZATION

A meeting of the Board of Economic Stabilization is called for:

11:00 a.m., Thursday, February 24, 1944

It will be appreciated if you will advise whether or not you will be in attendance.

For your convenience, the form below may be used for this purpose, and also the self-addressed envelope enclosed, the use of which requires no postage.

Very truly yours,

Edward F. Richardson
Secretary
Board of Economic Stabilization

To the Secretary
Board of Economic Stabilization
1206 Federal Reserve Building
Washington 25, D. C.

I will not attend the meeting of the Board of Economic Stabilization called for 11:00 a.m., Thursday, February 24, 1944.
Information received up to 10 a.m., 17th February, 1944:

1. NAVAL

Yesterday aircraft from one of H.M. Escort Carriers, escorting an outward convoy 140 miles west of Arran Island, shot down a JU 290 (4 engined transport type). Later a Beaufighter destroyed a second JU 290. During mine laying off Somme Estuary on 15th/16th a Norwegian-maned motor launch was sunk and another damaged, probably by enemy moored mines. 5 missing, 10 wounded.

ANZIO. 15th. In continued favourable weather 5,830 tons discharged, bringing total to 81,000 tons. In air attack a U.S. Liberty Ship was set on fire while unloading and a U.S. Destroyer slightly damaged by 2 glider bombs. 5 enemy aircraft destroyed by our fighters.

2. MILITARY

ITALY. To noon 16th. German attacks renewed against U.S. troops in the bridgehead. No details yet available.

RUSSIA. Russians have made some progress south of Gdov and Luga and have further enclosed Germans north of Zvenigorodka, but Germans claim some progress in their counter-attacks from west.

BURMA. ARAKAN. Japanese have occupied hills to north and south of Ngakyedaunk Pass, but one of the hills to the south has been regained by a counter attack.

KALADAN. A Japanese strong point in KALADAN has been captured.

3. AIR OPERATIONS

WESTERN FRONT. 15th/16th. BERLIN. 2,490 tons dropped including 1,170 H.E., 1,320 incendiary, 18 8,000 pound and 446 4,000 pound bombs in 38 minutes. Complete thick cloud made observation of results very difficult but glow of fires reported towards end of attack. Mosquitoes after attack reported huge pall of smoke to 20,000 feet. A/A fire chiefly directed at marked flares tended to decrease. Not many fires met over BERLIN or en route.

FRANKFURT-ON-ODER. 94 tons dropped including 24 4,000 pound bombs. Very little A/A and no fighters.

ITALY. 14th/15th. Wellingtons dropped 128 tons on roads near ROME.

15th. Fortresses dropped 256 tons at Monte Cassino demolishing monastery. Liberators attacked a railway centre near Florence and objectives at Campignano dropping total 152 tons.
February 18, 1944.

MEMORANDUM ON CABINET MEETING

Mr. Stettinius said they hadn't any more news on the Argentine situation. The President then said "Well you saved my life the other day when the new Argentine Ambassador came in to see me." Just about a minute and a half before he came in, he said, he had Mr. Stettinius' note advising that the Argentine Government had again fallen. He said he told the Argentine Ambassador he was lucky to be here as his foreign minister and a lot of other ministers had been kicked out. The Ambassador was rather surprised. It made a rather peculiar situation - he was there to present his credentials and his own Government had fallen in the meantime.

Mr. Stettinius said they are having quite a bit of difficulty with Spain; that the news is rather discouraging at the moment; that our Ambassador isn't making very much headway.

Mr. Ickes remarked at this point that he had a message for the President from the King of Saudi Arabia. It came through a representative of the American Arabian Oil Company out there and said "Tell the President that I am relying upon him to save my people. If he doesn't do this they are lost, as they cannot depend upon the British." Apparently he told the same story to Stettinius and Jimmie Byrnes and there was some discussion as to the damage this would do if this man should tell the story around too much.

The President then told a story about the signing of an agreement regarding Iran in Teheran. He said when he arrived there was a document already prepared for the signatures of Churchill, Stalin and himself. There was a clause in the agreement to the effect that the signatory powers would respect the sovereignty of the Iranian Government. He said the first day
he was there he talked to the British about it and they refused to sign it unless the Russians signed. Next day he talked to the Russians and Stalin wouldn't sign it. He asked Stalin what he wanted and he said he wanted a warm water seaport for his country. The President suggested that he try to get the Iranian Government to set up a free port on the Caspian Sea of about ten miles square and that they declare all of those ports open to commerce of the world. After thinking a few minutes, Stalin said he liked the idea and he would sign the document. Next day they signed it.

I gave the President the new figures on the results of the Fourth War Loan. He wanted to know how individuals were doing and I told him we had $4 billion from individuals up to this time and we probably would get close to $5 billion, but that we were certainly going to be $500 million short of our goal. He asked if I had heard what he was contemplating on the tax bill. Although the Secretary had told me, I said No, I had not, but I could draw some conclusions from the remarks he made at his press conference this morning. He said "I don't see how you could do that; all I said was that I would send a message to Congress the first of the week and that I didn't want to give out the contents of it as that would be discourteous." I said "Yes, that's true, but if you were really interested in the revenue and were going to sign the bill, today or tomorrow would be the proper time to sign it." There was some mention by the President of some figures which Fred Vinson had furnished him and his draft of a message. It was indicated that Mr. Vinson's draft was used as a basis for the President's message. The President said he made it more or less of a personal message. Jimmie Byrnes remarked that the message he sent up today vetoing the Subsidy Bill was also personal and the House sustained his veto.

Mr. Stimson had nothing.

Mr. Biddle discussed the question of the resolution in Congress concerning the treaty with Mexico now before the Senate for approval.

Mr. Walker had nothing.
Mr. Knox said there was not much news from the Pacific; communications had been bad for the past few days. An unusual thing about the strike against Truk was that the Japs had told their home people there was a landing. Knox said he didn't know why this had been stated unless tomorrow they will announce they have driven us into the sea. There was no landing and they had no intention of landing. Just a strike and get out. Apparently there is some other place they are headed for. So far as they knew everything was going quite well.

Mr. Ickes had nothing.

Mr. Wickard reported on the livestock population on the farms at this time. Reports indicate that the farms are well stocked with livestock except sheep; that is down below what it was last year.

Mr. Jones had nothing.

Mrs. Perkins had nothing.

Mr. Crowley said he had worked out what he thought was a good working arrangement between the UNRRA and FEA. The Congress had passed the UNRRA bill last evening and he wanted to ask the President whether he should go after the full amount, $1,350 million, or just part of it, say $500 million. The President thought probably he ought to ask for no more than he needed, say $500 million. It would last six or eight months, although there might be an advantage in putting it up to the Congress in two ways - one to appropriate the $1,350 million or let them decide whether they wanted to give us less.

Mr. Crowley also said he had the matter concerning the British dollar position in the United States. He had been discussing the matter with the State Department and the Treasury but had not been getting very far with the British. We were all of the opinion that the dollar position was too high and that something should be done to bring it down to the level fixed by the memorandum which the President approved about a year ago. That memorandum set between $600 million and $1 billion. The President
said that the three agencies interested in this matter, namely State, Treasury and FEA, should prepare for his signature a letter to Churchill and that he would send a copy of it to Eden to see if he couldn't get some action on it.

General Fleming reported on the burden which the Civil Service regulations impose on the Department in asking them to report on personnel problems. He didn't get very much sympathy around the Cabinet table.

John Blandford reported on the drive in Congress by Senator Byrd to dispose of the good assets of the HOLC.

Mr. Byrnes had nothing.

Mr. Vinson had nothing.

Nelson had nothing.

Vice President Wallace reported on his trip throughout the country. He said that the West Coast was producing a lot of bombers and a lot of ships. He was amazed to find they were putting out many more bombers than they did last year at this time with about half the personnel. Some of the people with whom he talked, representing the companies, indicated that they have hired people during this war that they never would have thought of hiring in peace time, and they have been amazed at the job they have done. He thought this was a good omen. The American people can learn to do most any job. He was particularly impressed with the number of women that have been used in these plants.
MEMORANDUM FOR THE SECRETARY.

Mail Report

February 18, 1944.

Neither so heavy nor so interesting as the mail of recent weeks, our receipts this past 7 days furnished poor copy for a report. The few communications about taxes fell into two general classes -- questions about personal liabilities and comments on the new forms. For the first time Form 1040 had concerted defense, several correspondents warmly commending it as concise and intelligible. These favorable letters, however, were outnumbered by unfavorable ones in a ratio of 3 to 1.

The decrease in bond mail was uniform throughout the various fields it usually covers. Only 40 bonds were sent directly to the Secretary for redemption, about one-third of these being postmarked from Puerto Rico. Of 30-odd complaints about delays, only 19 came from employees of the War Department.

Every mail brought in slogans, songs, and other promotional material for both the Fourth and Fifth Drives. There were also the usual reports of local successes in the current campaign.

Chief targets of an unusually large number of demands for economy on the part of the Government were the Camol project, the proposed Arabian pipeline, and publicized instances of food waste. Too generous treatment of war prisoners or the population of captured territory brought in several statements that the writers would refrain from future bond purchases if their money went to such expenditures.

[Signature]
Chaskiel Nowomiejski, New York, N. Y. I am a Polish citizen and arrived in this free and happy country in July 7, 1941. I came here as an immigrant with my son. I am 45 years of age and my son is 19. On November 27, 1941, I received my First Papers for citizenship and my son received his on November 18, 1942. Since I have been in this country, I have participated in all the War Bond Drives. Of course, I haven't been able to contribute very much because of the short while that I am in this country, but I always try my best to help. For the present Fourth War Loan Drive, I am enclosing herewith applications for bonds and checks to cover them. May I take the liberty, at this occasion, to appeal to you as a member of the recently established War Refugee Board. Though I succeeded in coming to this country with my older son, my wife and second son, aged 16, were left behind. I am sure you can realize how desperate and unhappy my plight is. I suffer constantly with the thought that my family is in Poland, suffering under the cruelties of Nazi oppression. I have always known that it was the policy of the United States to reunite families that have been torn asunder. Isn't there anything you can do to help me? Please help me in my greatest need.

Matthew Thomas, New York, N. Y. Enclosed please find two War Bonds: C59521181E for $100.00, and Q73383442E for $25.00. This is the amount due persons for old debts, over many years' standing, and whom I cannot find. Therefore, because I am a follower of FATHER DIVINE, who advocates that all old debts must be paid if I am a true follower, and because I cannot find these persons, there is no nobler purpose than to have you use these in the interest of winning the war, and by adding same to the 4th War Loan Drive. * * *
John L. Neighbours, Baltimore, Md. I have written to the Treasury Department twice for information, but they have ignored my letters so I am writing this to you. I had 2 War Savings Bonds which were cashed in and the check issued at the Federal Reserve Bank here in Baltimore, the sum - $37.50. The Treasury Department made and sent to one Louis Sugner, 110 East Lexington Street, this city, a photostatic copy of this check. I have asked your Department to let me know on what authority this was issued to another party. If this information was given by court action, I want to know it. If not, I want to know why they did give this information without my consent. I have tried for over a month to get this information but I have not even been afforded the courtesy of an acknowledgment of my letters. * * *
**Favorable Comments on Bonds**

Gregory Pervelis, N.Y.C. Enclosed find Money Order for $101.24 and six $25.00 Series E Bonds, all to be deducted from the national debt. The $101.24 represents my two weeks' vacation money, and you will receive this amount every year until these expenses of the war are paid. This is my war -- therefore I want to pay for it. *** I do not see any sense in buying bonds because I lend you the money and you pay me back with interest. You will tax me to pay me back, but the real losers will be the very poor who cannot buy bonds, but are taxed directly and indirectly to pay me the interest.

Raymond J. Roche, President, Printing Pressmen's Union No. 1, Washington, D.C. About two weeks ago I received the information that the Secret Service was being used in the Bureau of Engraving and Printing to intimidate pressmen employed there into buying more War Bonds. I made a very limited investigation and had hoped the matter would be taken care of and forgotten. I have recently been advised that members of this Union, employed in the pressrooms, have been investigated and the word "treason" has been used. I want you to understand that the Pressmen's Union advocates the buying of bonds by its members to the limit of their ability, and the Union has purchased Government Bonds to the limit of its ability. This is not only the patriotic thing to do, it is the sensible thing to do. *** I feel sure that no employee of the Bureau of Engraving and Printing is guilty of treason, but if there is a condition that creates any approach to treason, that condition should be thoroughly investigated by an agency of the Government outside the Treasury Department. *** I will be very glad to use my office, and I will be at your service in an effort to adjust this matter in a fair manner to all concerned, and to the benefit of those we serve.
Unfavorable Comments on Bonds

S. Vernon Mann, Jr., Shower Sales Corporation, N.Y.C.
I have just read an article by Murray Davis, appearing in one of the New York evening papers Friday, February 11, 1944. The first paragraph reads as follows: "Treasury officials were worried today, as the Fourth War Loan individual bond sales continued to fall behind the average necessary to meet the state's quota of $911,000,000 by next Tuesday. The same situation appeared to prevail throughout the country." As the head of a very small business, I am wondering if our situation may not be identical to other small businesses and whether this may not account for the situation as reported by Mr. Davis. We have very nearly completed a contract with the Government for approximately $603,000. A substantial part of the money due us by the Government remains unpaid for shipments made in the months of April through December 1943. The Government is completely satisfied with our product and there is no reason why we should not have received payment for goods delivered. My family and myself have bought bonds to the absolute limit of our financial resources but equally obviously, some of the bonds previously bought will have to be disposed of as the money tied up in our Government accounts receivable makes the continued payment of salaries impossible. Although, of course, without definite knowledge, I am of the strong opinion that this situation faces many of the other small concerns, who have had dealings with the Government and may very likely account for the falling behind of individual subscriptions to the Fourth War Loan.

E. M. Brown, Albany, N.Y. Great stress is given to the energies exerted by various organizations for their efforts in the sale of War Bonds. But there is one class that do not get any credit for their efforts. I mean the newsboys' sale of War Stamps. These kids consistently sell War Stamps the year around and nothing
is said about it. Why not get next to yourself and give them some credit in the papers? If they get some public credit, their sales will increase. What do you say?

Mrs. Antionette B. Hewitt, New Haven, Connecticut. This is a protest against the red tape and cost of transferring U. S. Bonds. Recently in settling my mother's estate, I had transferred from myself as executrix to myself personally, $2,125 Series E. Bonds and $1,000 Series G Bonds. It would have been to my advantage to have sold these bonds to help pay the inheritance taxes, but I decided that it was my patriotic duty to keep them, not realizing that I would be penalized by more than a half year's income from them. These are the steps I was compelled to take: (1) Bonds to investment broker, (2) Investment broker to U. S. Treasury, (3) Letter from Treasury to broker, (4) Letter from broker to me, enclosing various official papers, making necessary the following: (5) Take 2 papers to busy bank vice-president for signature and seal, to confirm my signature (a notary is not sufficient), (6) Make copy of Will, (7) Letter to broker returning these three papers, (8) Visit to Probate Court to have the legal Treasury Form copied and bond numbers added, (9) Second visit to sign same, (10) Obtain "Certificate of Appointment" from Probate Court, bill $1.00, (11) Probate Court mails certified copy of papers to me, (12) Letter from me to broker forwarding certified copy, (13) Probate Court sends bill of $10.45 for making out the application according to the Treasury Form and filing it, (14) Probate Court sends bill of $3.00 for sending me a certified copy of application, (15) Letter from me to Probate Court with check to pay these bills, (16) Investment broker returns all papers to Treasury. * * *

Regraded Unclassified
A. M. Adams, Denver, Colorado. While $500.00 for an individual is a small amount to put into Series E War Bonds, I wanted to do so today, but I wanted to name my (Catholic) Church as beneficiary on the bonds because for very definite reasons I cannot make a will, as advised by my attorney. I am told by the Federal Reserve Bank that the Treasury has made no provision for naming other than an individual as beneficiary. Many others might like to name Churches, Missions, Societies, Institutions or the like -- either as such or by giving the name of Pastor, President, or Officer as agent or trustee -- any such term to designate that the bonds are not for the individual but for the Church or Institution. * * *
Favorable Comments on Taxation

William A. Fisher, Dallas, Texas. I hope I am not speaking out of turn, but I have felt a bit indignant at the abuse which has been heaped upon the Treasury Department in the last few weeks. I feel that I just have to get this off my chest, so if it is of any comfort to you to hear one man's opinion, read on. I have since the first of the year, carefully read and studied Form 1040 and the code of instructions at least a half dozen times so I am quite familiar with it and it seems a most complete, exhaustive and informative document as could be devised to make the best of a bad mess of legislation, and I don't believe those who have criticized it publicly have given it more than a cursory reading. A week or so ago a number of our Members of Congress took occasion to rip this form to tatters and to express their denunciation in the most vituperative terms. The whole joke was on themselves, though they probably did not realize it, for the body of which they are members are solely responsible for the mess of absurdity known as the pay-as-you-go tax bill, which to make it plain as possible to the taxpayer is embodied in Form 1040. It seems to me that there are plenty of taxpayers who don't want to try to understand the form, just take it for granted from what they hear in abuse from those who make a business of criticizing it. ***

Edward W. Ohrenstein, Minister, All Souls' Church, Greenfield, Mass. This may be a case of man biting dog, and so what follows may shock you. But among all the letters I know you receive from people who threaten to kill you for putting out such income tax forms, and in view of all the public derision which
your Department has undergone because it is responsible for said income tax forms, I want to include a letter commending your staff for the fine job they have done. Most of our citizens do not realize that your Department is given a patch-work of laws that even the Congressmen themselves do not fully understand, and told to "go ahead and collect" from the taxpayers. In view of the maze of tax laws Congress has given us, I think you have done amazingly well in your preparation of forms. The inclusiveness of Form 1040-A, its painstaking explanations and examples, is a marvel. I congratulate your staff!

Rollin H. Jennings, Collingswood, New Jersey. There seem to be many critics of the 1943 income tax returns, but having already made up about 60 myself, it is convincing to me that you have made a wonderful job of it, because I have been able to make them all feel satisfied, pointing out to them the fact that they are paying two years' tax, and emphasizing the amounts that they are "forgiven", which seems to hit the spot! Even though there are several unavoidable calculations to compute, the sequence of the work is easy to perceive, even in its complexity. The strings of my heart are pulled when the people assure me of their satisfaction in the results, and their eagerness to pay what they should. I am confident that they have answered the questions with conscientiousness. These people are not the stuffed-shirt type, but most of them are hard-working shipworkers or workers in other war industries, and my contact with them makes me proud to be an American. * * *
Wm. B. Klein, Brooklyn, N.Y. ** * Yesterday I visited the local office seeking assistance in making out my Form 1040 for the year of 1943, and was duly impressed with the efficiency and courtesy displayed there. My net income for last year was $4,622.23, and the amount of tax to be paid - $448.83 -- a matter of about 9 6/10%. I retired at 68 years of age in 1938 and my income is not half of what it used to be, and I am too old to go out and earn any money. ** * We're at war and yet I do believe that old pensioners unable to earn anything should receive some consideration. ** * I believe the public would be better satisfied to have to pay a certain designated rate of their net income instead of the present method, and if that be done, it would seem to me that great savings could be made to the Department in not employing an army of experts whose duty it is to aid the public in computing their tax form.
Unfavorable Comments on Taxation

Carl Greenberg, Los Angeles, Calif. * * * I am the owner of United States Treasury Notes of Tax Series A-1944 and A-1945. Today I attempted to obtain certification of my signature so that I may cash the Notes rather than use them for income taxes. I sought to do so through the Post Office, and I made several telephone calls to Post Office personnel in this city. In some cases they were completely ignorant regarding their powers to certify such Notes. In one case I was advised any branch Post Office was empowered to so certify. When I proceeded to a branch Post Office, the Superintendent advised me that because the Notes specifically refer to the "Postmaster" he had no authority to certify. I then went to a sub-office of the Los Angeles branch of the Federal Reserve Bank of San Francisco, which issued the Notes to me. A clerk there advised me to try another branch Post Office, and further, that the Los Angeles branch of the Federal Reserve Bank would not certify, even though said bank was the issuing agent. I failed at the second branch Post Office. I then learned by telephone from the Federal Reserve's Los Angeles branch that they would certify, although the sub-office would not. Further, they advised me they accept certifications from any branch Post Office. I re-checked the Post Office and spoke to a high official whom I know personally and was advised that the Post Office has no official information indicating that anyone other than the Postmaster in person has authority to certify. After all this, I proceeded to a branch bank. I obtained the certifications without any difficulty except that I was advised I would have to pay a fee of five cents for each Note certified—which I finally had waived. * * * In view of the fact that the Treasury has provided for this alternative method of certification, I would like to
suggest that some method be worked out with the Postmaster General so that all employees concerned would be fully acquainted with their rights and duties in such matters. I consumed two full hours of valuable time trying to have something done that should have taken five minutes. Additionally, I crossed and criss-crossed most of the streets in the downtown district in my peregrinations. Probably, if I weren't somewhat hot under the collar, both literally and figuratively, I wouldn't be writing this too long letter. ** **

Congressman John Z. Anderson (California) forwards a letter he has received from Arthur H. Samish, San Francisco, Calif. We respectfully direct your attention to the anomalous situation which will prevail when the new tax bill becomes effective on or about March 1, 1944, which will increase the excise tax on beer from $7 to $8 per barrel while the import duty on beer manufactured in Mexico and Canada will remain at $7.75 per barrel. As of February 15, 1935, the import duty on beer was established by Presidential Proclamation at 50 cents per gallon or $15.50 per barrel. By trade agreement with Mexico - T.D. 50797 dated January 30, 1943 - this import duty was reduced to 25 cents per gallon or $7.75 per barrel. Imported beer is subject to import duty only and is not affected by the excise tax. ** ** We submit that unless this inequity be corrected not only will the domestic brewing industry be penalized and be discriminated against in favor of brewing companies operating in foreign countries, but that the very purpose of increasing the Federal excise tax on beer - providing additional revenue for the war effort - will be defeated.
Mrs. Mary L. T. Tufts, New York, N. Y. October 25, 1943, I wrote as per the attached copy to the Collector of Internal Revenue for New York City, and asked how I should treat from a tax standpoint some Japanese bonds which I have owned for several years. To date no reply has reached me, and while I realize of course that the Revenue Office must be very busy, I am greatly worried since apparently any action must be taken in the next two or three weeks. *** I feel sure that in ruling that enemy bonds should be held worthless as of the date of Declaration of War, it was not your intention to impose any such injustice as would result in my case if the entire loss is applied to 1941. It will be greatly appreciated if you will kindly tell me how the matter should be handled from a tax standpoint in the existing circumstances. It is obvious that I need to know promptly in order to avoid being too late with any action taken.
AIRGRAM

Despatched:

FROM:
Cairo Legation
February 18, 1944
Rec’d, Feb. 26 - 5 p.m.

Secretary of State
Washington.

A-84, February 18, 1944, 11 a.m.

With reference to the Department’s Circular Air-
gram of January 26, 1944, 7 p.m. I have the honor to
report, as directed in the fourth paragraph thereof,
on the situation existing in Egypt in regard to the
assistance given by this country in the rescue of
Jews and other persecuted minorities from the dangers
of Nazism.

(a) Extent to which refugees are permitted
to enter Egypt.

In my telegrams 1229 of July 13, 1942 and 1283
of July 19, 1942, 8 p.m. and in dispatch 489 of July
17, 1942, there was reported and set forth a military
order issued by Nahas Pasha, in his capacity as mili-
tary governor, regarding the entrance and sojourn of
refugees in Egypt, of which the principal purport was
the temporary character of admissions contemplated,
the restriction of movement and abstention from gain-
ful employment of any refugees admitted and their
evacuation from Egypt when the conditions which had
caused them to leave their places of habitual resi-
dence had been cleared away. In any case their stay
should not last beyond the duration of the war.

Up to the present the Government of Egypt has
adopted a benevolent attitude towards the refugee
problem.
problem in the Middle East by permitting the entry of various groups of Poles, Greeks and Yugoslavs, sponsored by the Middle East Relief and Refugee Administration. It at one time also agreed to permit the entry of several thousand Greek children whose evacuation from Greece was, however, blocked by the Italian Government and whom it has not been possible subsequently to rescue. In all these groups there were Jewish members.

The Government has made clear, nevertheless, that the sojourn of the refugees in Egypt was to be "in transit" although it has not raised the question of defining the period meant by this term. It has also not officially engaged the resources of Egypt beyond allotting camp sites; the care and feeding of the refugees having been taken care of by the M.E.R.R.A. mentioned above. Further, in view of the critical food supply situation in Egypt during the past two years, the Egyptian Government has not allowed the Refugee organization to purchase foodstuffs in the local market. These supplies having been procured by adding to Army indents.

(b) Extent to which Egypt encourages and cooperates in entry of refugees.

In my dispatch 1519 of January 11, 1944, the adherence of Egypt to the Intergovernmental Committee for Refugees was discussed on the basis of a note addressed by the Prime Minister to the Council which recited the difficulties which Egypt would encounter in doing any effective work in this regard, although it showed an interest on her part in the problem.

It should be borne in mind that Egypt, geographically, is not contiguous with any territory where there are minorities in danger from Hitler. A transportation problem exists to bring any rescued peoples to Egypt and they cannot slip across the border in small inconspicuous groups. Not only that, but the habitable portion of Egypt is limited and overcrowded and famine and malaria are raging in Upper Egypt at this moment, the Government having only recently considered the allocation of large funds for relief of its own inhabitants whose plight is incredibly miserable in the affected districts.
As contrasted with the xenophobia of certain half-educated young intellectuals of Egypt whose employment is always a current problem, the governors of the country have shown comprehension of the pitiable plight of uprooted minorities but their cooperation has been passive rather than active. While, as stated, there have been Jews among the groups which have found a temporary shelter in Egypt, it is doubtful whether the Egyptian government could, in view of present economic, demographic and political considerations, particularly its commitments to other Arab or Muslim States of the Near East, undertake to permit the entry of large groups of stateless Jews, as such, without the cover of being introduced as part of groups of determined nationality.

Add to the above existent jealousy of foreigners and the latest antisemitism, due to the unsettled problem of Palestine which has continuously come to the fore as the principal obstacle to a union of the Arab States, and it becomes obvious that any Egyptian politician expecting to remain in political life could not risk advocating openly the admission of large or even moderate numbers of refugees to this country, or the allocation of funds badly needed at home.

(c) Extent to which refugees are not permitted to enter

To confirm the present attitude of Egypt regarding new refugees, there is quoted in full below, the question of Senator Ahmed Ramsey in the Senate on February 16 and the answer of Fouag Serag Ed Dine Pasha, Under Secretary for Foreign Affairs:

"Senator Ahmed Ramsey: Certain papers on February 4th last, published a Reuter Dispatch from London announcing that Egypt, Czechoslovakia, India, Luxembourg, Poland, South Africa and the U.R.S.S. had accepted the invitation of the Refugees Executive Committee of London to participate in its task.

"Has Egypt accepted or does it expect to accept refugees on her soil when the country complains of its unceasing increase of population and life is becoming more and more expensive?"

"If
"If this news is correct what will be the number of refugees the Egyptian Government will accept?

"Will these refugees be admitted before the publication of the law on immigration?

"H. E. Fouad Serag Ed Dine Pasha: In conformity with the policy followed by this Ministry, and which is directed towards affirming the international position of Egypt and its participation in the various realms of world activity, the Council of Ministers, on December last, approved the adherence of Egypt to the International Committee formed at London to study the problem of refugees, at the same time maintaining as such the policy of the Egyptian Government as its representative had defined it before the League of Nations in 1938 to wit: that our country cannot receive new refugees.

"This policy was communicated to the president of the Committee on January 4th last. There was annexed thereto, on the other hand and as a measure of precaution, the text of the declaration made by the delegate of Egypt to the League of Nations 1938 and in which it was clearly and precisely stated that Egypt could not be a refuge for emigrants and that it declared it would not accept new refugees.

"Therefore, it appears that the government has not accepted and does not intend to accept any new refugees in addition to those already received. For this reason the other questions of the Senator do not require an answer."

In view of the foregoing it is not believed that the Egyptian Government can be successfully induced to go beyond the attitude which they have manifested, that of tacitly ignoring the presence of present sponsored refugee groups so long as they do not become a charge on Egypt's monetary or food resources. Indeed to raise the question of more admissions in a pressing manner might even bring about a revision of their present passive benevolence.

Mr.
Mr. Ira A. Hirschmann of the War Refugee Board recently passed through Cairo and although part of his stay in this region was taken up by a visit to Palestine, he indicated that his conclusions were approximately the same as those set forth above. Assisted by the Legation, he has now left for Turkey, where, in his belief, the principal efforts towards rescue of the endangered minorities should be made as Turkey's contiguous frontier with the Balkans States permits a type of work not possible in Egypt.

The Middle East Relief and Refugee Administration has been requested to prepare a report giving details of the refugees under its charge and the information will be forwarded when received. In the meantime the Legation is approaching the Egyptian Government in the sense of the Department's airgram under reference.

Kirk

HAD/1w
Subject: Refugee Relief in Mexico

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

Mr: Reference is made to the Embassy's despatch number 19784 of February 3, 1944, being a preliminary report as to the possible Mexican attitude with respect to the affording of relief to European refugees, in accordance with the program envisaged by the President in establishing the War Refugee Board.

This entire question was informally discussed with Señor Manuel Tello, Official Mayor of the Ministry for Foreign Affairs, at which time a personal memorandum was left with him, explaining the duties of the Board and inquiring as to the extent to which Mexico might be prepared to cooperate in giving haven or rendering other assistance to European refugees at this time and in the future. Sr. Tello, in turn, took up the question with the Foreign Minister and he has now informed an officer of the Embassy that while Mexico is entirely in sympathy with the proposed activities of the War Refugee Board, it nevertheless cannot take any active part in the transportation of refugees to this Continent, nor can it assume any responsibility for the maintenance and care of such refugees in Mexico. He stated, in this connection, that, as is well known to the Embassy, Mexico is affording hospitality to large groups of Spanish refugees, as well as to large numbers of other refugees from Europe, many of them of the Jewish faith, in addition to cooperating in the settlement in Leon, Guanajuato, of approximately 1200 Polish refugees.

Sr. Tello likewise remarked that Mexico was stinting itself in order to make its financial contribution to UNRRA, despite the fact that large sections of the Mexican population were themselves in an impoverished condition.

So far as the question of Mexican hospitality to Jews is concerned, it may be stated that there is no particular problem here. As has been pointed out previously, Mexico has afforded refuge to large numbers of refugees, without question as to their religion. Included among these refugees are Jews from many countries of Europe who have settled into Mexican life and are active in small business. Likewise there is a large number of Spanish, Italian and Levantine Jews in Mexico.
many of whom are intimately identified with the Mexican picture and are active and prominent in business, banking and industrial circles. Practically all of these individuals, many of whom are in the second and third generation of life in Mexico, have become and are considered as Mexicans.

Reports from the several consular officers in Mexico indicate that the Jewish families settled in their districts suffer no discrimination and in fact are active and, in some cases, prominent in local business circles.

I may add that during the course of an interview, last October, which Dr. Padilla, the Foreign Minister, granted to Mr. Jacob Landau, the Managing Director of the Jewish Telegraphic Agency, he stated that Mexico had never discriminated against individuals of the Jewish faith but has accorded them the same hospitality accorded to all people desirous of living peaceably in Mexico and in accordance with its laws. He added that there were many Jews in Mexico and that they had been helpful in the national economy.

Respectfully yours,

George S. Messersmith.

SEOD:LC

In duplicate to the Department - original in ozalid

248 War Refugee Board
AIRGRAM
FROM
Baghdad
DATED
February 18, 1944.
RECEIVED, Feb., 8 P.M.

Secretary of State
Washington.

A-8, February 18, noon.

Department's circular airgram of January 26, 1944, 7 P.M.

1. So far as the Legation has been able to ascer-
tain no Jewish or other refugees from Nazi persecu-
tion desire or have desired to find a refuge or to
establish a domicile in this country. The only
refugee problem which has faced Iraq, therefore,
has been that of refugees in transit. The Iraqi
Government has in general pursued a policy of per-
mitting these refugees to pass through the country
unless they happened to be Jews traveling to Palestine
to settle there. Although the Legation does not know
that there are any Jews awaiting permission to cross
Iraq to Palestine it is possible that there are
some at present in Iran.

2. It will be recalled that my predecessor on
October 30, 1942, under instructions from the Depart-
ment discussed this matter with the Prime Minis-
ter who explained to him why the Iraqi Government would
not permit Jews to cross Iraq in order to settle in
Palestine (see Legation's telegram no. 346 of October
30, 1942, 9 p.m.) and that the Counselor of the
British Embassy under instructions from his Govern-
ment also mentioned the matter several days later
to the Prime Minister and received a rather sharp
rebuff (see Legation's telegram no. 348 of October
30, 1942, 5 p.m.).

3. The considerations which prompt the Iraqi Gover-
ment to refuse visas to Jewish refugees bound for
Palestine appear to be based on national policies
of so vital a nature that in my opinion no approach
of the character suggested in the penultimate paragraph
of the airgram under reference could alter them.
The main objective of Iraqi foreign policy is to

prompt/
promote closer Arab cooperation with a view to the formation in the not distant future of some kind of
a union of Arab states in this area. The Iraqi Gov-
ernment is convinced that if the Zionists are able to
achieve their goal of setting up a national Jewish
State in Palestine this objective cannot be accom-
plished and that the success of the Zionist program
would mean the non-realization of Arab hopes for
the future. They also believe that the settlement of
additional Jews in Palestine would serve to
strengthen the Zionist cause and to weaken their own.
They take the view that the Zionists are taking
advantage of the sympathy which Nazi atrocity has
aroused for the Jews in order to introduce great
numbers of Jews into Palestine and thus to ensure
the success of their program, at a time when the
Arabs, because of wartime limitations upon comuni-
cations and transportation are not able fully to
present their side of the case. It is believed that
unless backed by foreign armed forces it would be
almost impossible for any Government to survive
in Iraq just now which could take steps to facil-
itate the travel of Jewish settlers to Palestine,
and it would be difficult to convince local Arabs
that Jewish refugees bound for Palestine will not
eventually settle there.

4. Increased Zionist activity in the United States
has served to strengthen suspicions which the enemy
is propagating by every means available to it that
the American Government has some kind of an under-
standing with the Zionists and intends following the
the termination of the war to support the Zionist
program. Nazi propagandists in particular have
exploited to the full certain statements made recently
by prominent American politicians in favor of the
Zionists and as a result the sensitiveness of the
Iraqi Government with regard to American support
of Zionism has grown (see my telegram no. 11 of
February 14, 7 p.m., 1944).

5. Since the only refugee problem which might
become active here is that of the transit of Jewish
refugees to Palestine, and since any approach which
I might make with regard to that problem is not
likely to alter the attitude of the Iraqi Government
towards it, I shall not make the approach suggested
unless I receive further instructions from the Depart-
ment. I am convinced that such an approach by me
would be of help to no one except to the enemy.

The/
A-3, Baghdad, February 19, noon.

The Legation will continue to observe any developments which might take place in the situation with regard to refugees and will not hesitate to approach the Iraqi Government in case it would appear that by so doing it could assist any of them. The Legation will also keep the Department informed of developments or of cases of refugees who appear to be in need of our aid.

Henderson

LWH/DCB
PARAPHRASE OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: AMERICAN EMBASSY Madrid
DATE: February 18, 1944, midnight
NUMBER: 463

CONFIDENTIAL

The foregoing is for the Ambassador's attention.

Please refer to the Department's telegram of January 25, 1944 no. 207 with reference to War Refugee Board.

The Board has resolved, in formulating a program of immediate action, that an attempt to facilitate the evacuation from occupied areas to Spain of as many Jewish refugees and others as possible is one of the projects which should be pushed with the greatest of speed. It is understood by the Board that French refugee movement is well organized and functioning and that some thousands have already been transferred to North Africa. Furthermore the Board understands that arrangements are being made at the present time to transfer to North Africa stateless refugees and those lacking protection of their own government.

It is felt by the Board that the most feasible way of accomplishing this extremely urgent task is: (a) to remove refugees now in Spain from there as rapidly as possible, thus making room for more and (b) to obtain from
from the Government of Spain the greatest possible relaxation of the border and other controls and other action designed to encourage the entry into Spain of refugees.

The Board has agreed upon the following concrete proposals with the object of increasing the movement of refugees from occupied areas through Spain to refuge elsewhere. (1) A substantial number of refugees now in Spain can be moved to a camp in North Africa which is now established and which is ready to receive refugees and the transfer should be facilitated. (2) In order to care for new refugees who will arrive in the future, especially stateless refugees and those lacking the protection of their government, and to effect their removal from Spain, if necessary on an involuntary basis, the government of Spain should be requested to maintain reception camps in which future arrivals may remain until they are transferred to North Africa. As a basis for obtaining the necessary action by the Government of Spain, they should be informed (a) that necessary arrangements will be made by War Refugee Board to finance the maintenance and support of such stateless and unprotected refugees as arrive in Spain in accordance with these arrangements until they can be removed to North Africa and (b) that responsibility for arranging for the transfer of stateless and unprotected refugees
refugees to North Africa as rapidly as possible will be assumed by War Refugee Board. The Government of Spain may be reminded in this connection of the recent evacuation of refugees to Palestine and of arrangements being made at the present time for the removal of stateless refugees to the North African camp which has already been established. (3) You should request the Spanish Government in the strongest manner possible to take effective steps to encourage the entry into Spain of more refugees. Besides relaxation of border control and the taking of other actions, it will be extremely helpful if steps will be taken by the Government of Spain to facilitate the spread of information to the occupied areas that Spain is ready to grant asylum to refugees until they are removed to another country.

The commitments given above are not intended in any way to replace the French Committee of National Liberation's activities or responsibilities with respect to the flow through Spain of French refugees.

We anxiously desire to support the Board's program given above and it is requested that you approach the Spanish Government at the earliest possible moment with a view to obtaining their agreement to the plan. It is requested that you report as soon as possible regarding practical
practical measures that would be necessary, including the requirements of funds, to put the proposed plan into operation in Spain.

Of course it will be appreciated by you if these negotiations with Spain are on an entirely different level than the political and economic negotiations being carried on with that Government. This Government is simply addressing to the Spanish Government a humanitarian appeal rather than a request to take certain action favorable to us at a sacrifice to them. Therefore we desire that the proposed negotiations with respect to refugees should be carried rapidly and effectively to a conclusion without becoming entangled in other pending problems being discussed with the Spanish.

Furthermore it is important to remember that it is this Government's policy to move to Camp Lyautay promptly as many stateless and unprotected refugees as facilities allow. Consequently you should make every attempt to encourage the voluntary migration to the camp of the greatest possible number of eligible persons in Spain at the present time. Of course this evacuation operation should be executed as rapidly as possible.

The progress being made in this matter should be reported to the Department as soon as possible.

STIMPSON

Acting
DEAR Bucknell,

Your letter of 29th January about the Swiss application to Germany at the request of the Inter-governmental Committee to allow Jewish children to leave France.

Before replying I thought it best to explain our position at greater length to Coville, and I should now like to confirm this as follows:

Our understanding is that the Swiss Government has been requested to try to obtain exit permits for Jewish children from France. If these are given the children will receive hospitality in the United States (5,000), in Canada and elsewhere, and there will be negotiations with the Spanish and Portuguese Governments to get the children in question through those countries in order that they may proceed overseas. The Swiss Government will be asked to grant temporary asylum to some of the children, but it seems more practicable, in view of the number of visas offered elsewhere, that the children should be directed through Spain and Portugal.

So far the Swiss Government has not obtained any promise of exit permits. They have also made, so far as I am aware, no representations to the Inter-governmental Committee or to us regarding conditions on which they would receive children in their own territory. The question of the children going eventually to Palestine is therefore entirely hypothetical, and the feeling of our authorities is that in these circumstances it would be undesirable to freeze any substantial number of certificates for cases which may never arise, as this would reduce the stock available for the regular allocations which are made in agreement with the Jewish Agency. Of course, if the German Government agreed to give exit permits and if asylum offered in countries other than Switzerland proved insufficient or it proved impracticable to transport the children to those

Mr. Howard Bucknell, Jr.,
United States Embassy,
1, Grosvenor Square,
W.1.
countries, and if the Swiss Government then agreed to take a certain number of children themselves only on the condition that the children in question were received elsewhere at the end of the war, it would be open to the Swiss Government then to go to the Intergovernmental Committee, which would have the duty of seeing how far the Swiss Government's condition could be met. In this concrete case, the British Government could be approached in respect of Palestine or other territories for which it is responsible in exactly the same way as other members of the Committee could be approached. The mere existence of the Intergovernmental Committee and the fact that Switzerland is a member of it would appear to be a sufficient assurance to the Swiss Government that they will not have to shoulder the present or future burden of refugees in Swiss territory with no prospect of international assistance, but the assurances your Government and mine have given the Swiss Government of sympathetic consideration over any obstacles to a continuance of the Swiss Government's humanitarian action surely makes all apprehensions rather unreal.

In the light of the above, I hope you will agree that our reluctance to freeze Palestine permits in a purely hypothetical case where no concrete action or objection has been raised by the Swiss Government should, if properly understood, prove no hindrance to the efforts which are now being made by the Intergovernmental Committee and the Swiss Government to persuade the German Authorities to allow children to depart, and I should be grateful if this explanation could be conveyed to the State Department. We are very anxious that the balance of immigration permissible into Palestine should be used as far as possible for refugees from Nazi terror; our concern is to secure that it is used to the best advantage and that permits should not be frozen for people who may not be able to use them.

Yours sincerely,

A. W. G. Randall

P.S. Since writing the above I have heard that the Swiss Government have undertaken to receive 1,500 children from France if they can reach the frontier, and no conditions so far as I know have been attached to this offer.
February 18, 1944

TO: Mr. Stettinius
FROM: Mr. Pehle

Attention: Mr. Warren

Attached hereto is a proposed cable from the War Refugee Board to Ambassador Steinhardt and Mr. Hirschman in Ankara requesting confirmation of a press report that Turkey is prepared to cooperate in assisting Jewish refugees to leave the Balkans.

It will be appreciated if this cable is dispatched at once.

(signed) J. W. Pehle

Enclosure.
CABLE TO AMBASSADOR STEINHARDT IN ANKARA.

TO STEINHARDT AND HIRSCHMAN FROM THE WAR REFUGEE BOARD.

It is reported here in the papers that a high government official in Turkey told the Associated Press on February 13 that Turkey was willing to cooperate with the Palestine Commission and Allied diplomats in assisting Jewish refugees to leave the Balkans. We would appreciate immediate confirmation of this report. Please give us full information at once on the present position of the Turkish Government on this matter.

The War Refugee Board is desirous of making public the cooperative attitude of neutral countries on this matter, and unless you perceive some objection, we would like to be in a position to publicize at once the attitude of Turkey.

It is extremely important that we be kept currently informed of all developments in Turkey relating to the activities of the Board. We have received numerous inquiries from private agencies concerning the above mentioned press report and have been awaiting advice from you as to its accuracy.
This telegram must be paraphrased before being communicated to anyone other than a Governmental agency. (BR)

Secretary of State
Washington
286, February 18, 8 p.m.

FOR LEAVITT OF AMERICAN JEWISH JOINT DISTRIBUTION COMMITTEE FROM IRA HIRSCHMANN.

Referring to your cable of February 18 regarding boat to evacuate Jewish refugees from Constanza I have been working with Barlas on this situation. Ambassador Steinhardt and I have sent detailed message to John Fehle War Refugee Board with recommendations for action on this and other related matters.

STEINHARDT

REO
Information received up to 10 a.m., 18th February, 1944.

1. NAVAL

MEDITERRANEAN. At ANZIO on 16th unloading was slowed down by increased and more accurate enemy shell fire but 3,586 tons were discharged.

ATLANTIC. 15th. U-boat southwest of AZORES probably sunk by aircraft from a U.S. Escort Carrier.

2. MILITARY

ITALY. To noon 17th. On main front heavy inconclusive fighting took place N.W. of CASSINO. In ANZIO bridgehead a strong enemy attack made slight gains on the ANZIO-CAMPOLEONE Road.

RUSSIA. 17th. Russians completed annihilation of ten German Divisions encircled in KURSUN area and made further advances S.W. and south of LUGA.

BURMA. 16th. In ARAKAN steady progress was made on all fronts. In NOAKYEDAWK Pass area the Japanese maintained their position against our attack from the southwest, but lost some features east of the Pass. The area of Japanese penetration was reduced and heavy casualties were inflicted on the Japanese on our southward facing front.

3. AIR OPERATIONS

ITALY. 15th. Fighters and fighter bombers flew 365 sorties over battle area. Four enemy fighters destroyed.

16th. About 300 tons dropped on railway targets north of ROME and at CAMPOLEONE. 170 light and fighter bombers attacked enemy targets in battle area.
The United States plan for operation of the Oklahoma Government to save the Federal Government from a financial disaster. The proposal was made by the President and the Secretary of the Interior, who has already given the matter considerable attention. It is believed that if the plan is carried out, the United States Government will be able to save the Federal Government from a financial disaster. The proposal is now under consideration by the President and the Secretary of the Interior, who has already given the matter considerable attention. It is believed that if the plan is carried out, the United States Government will be able to save the Federal Government from a financial disaster. The proposal is now under consideration by the President and the Secretary of the Interior, who has already given the matter considerable attention. It is believed that if the plan is carried out, the United States Government will be able to save the Federal Government from a financial disaster. 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It was agreed that no answer should be given to (a) but that answers should be made to (b) and (c). It was decided that State Department would send a cable indicating the refusal of this Government to accept a rate of 30 to 1 and also having the Ambassador inform Kung simultaneously that he, the Ambassador, understood that the Army had made arrangements for having $25 million placed in the account of the Chinese Government. It was agreed that the shorter the message from State the better. It was decided that the cable should also contain an instruction to the Ambassador that the problem was being given further study here, taking into consideration all related matters and that further instructions would be sent out.

It was also decided that the Army would send a similar cable to General Hearn in which General Hearn would be informed of the action to be taken by the Ambassador and in which he would be instructed to inform the Chinese of the placing of $25 million to the account of the Chinese, making it clear that this action did not imply in any way acceptance of the Chinese position. The cable would also inform General Hearn that arrangements were being made to continue shipments of currency into China.

Some discussion was then held regarding the economic feasibility of the War Department's air field projects, in which State Department representatives indicated that they felt it was not economically feasible. War and Treasury representatives indicated that it was their feeling that there was no question of economic feasibility in building these projects, but rather, what was chiefly involved as indicated on many previous occasions, was the Chinese desire to get as much foreign exchange as possible from the building of these bases.

General Clay said that he would report back the attitude of the Joint Chiefs of Staff and the War Department on this matter, indicating that on discussing this matter with Secretary Stimson this morning, the Secretary of War had said that a very firm attitude was desirable. State Department representatives indicated that they would get out their cable today.

I. Stimson

ISFJ 2/19/44

Regraded Unclassified
TELEGRAM SENT
February 19, 1944
4 p.m.

A EMBASSY,
CHUNGKING.
249

FOR ADLER FROM THE SECRETARY OF THE TREASURY

It was reported that in a conversation with Ambassador Gauss and others with Dr. Kung, Dr. Kung indicated that the Chinese Government through expenditures of CN$10 billion for United States military forces had repaid the $500 million United States credit extended to China (your 236, February 4).

Unless you or Ambassador Gauss perceive objections, please inform Dr. Kung that the United States Government regards the $500 million credit as an outstanding obligation of the Chinese Government and that fulfillment of this obligation is governed solely by Article II of the March 21, 1942 Agreement. We do not wish to leave unchallenged the assertion of Dr. Kung that the Chinese Government has repaid this credit.

Please inform Treasury if the Ambassador or yourself feel that such action should not be taken including the reasons therefor and take no further action until so instructed.

FMA: JSH: ja 2/19/44 PE

STETTINIUS
(Acting)

(JSH)

Regraded Unclassified
MEMORANDUM FOR THE SECRETARY:

Pursuant to your request I am attaching hereto a brief memorandum on the developments since Sunday, February 13.

I am also attaching a declaration which we propose that the President issue, dealing specifically with the Nazi extermination of the Jews. At this stage of the war, if we can convince the people in Germany and particularly in the satellite countries, of the seriousness with which we view this matter, we have a chance of saving many of these people from death. It would be our recommendation that the President issue this declaration immediately and we would then request the other members of the United Nations to issue similar declarations. It is our considered judgment that the issuance of this declaration by the President, followed by an intensive campaign designed to make the people in German-controlled Europe understand its meaning, may result in the saving of untold lives.

If you are in agreement with this declaration, and with our view that it should be issued by the President at once without prior consultation with other members of the United Nations, I would appreciate it if you would telegraph me immediately to that effect. I will then attempt to get the approval of Stettinius (Hull will be away for about two more weeks) and thereafter the clearance of the War Department. The declaration would then be submitted to the President over the signatures of the three Board members or their alternates.
Report of Accomplishments for Week of February 14-19, 1944

1. Declaration on the Nazi Atrocities to the Jews,
   Drafts of a declaration to be issued by the President and of a memorandum to the President have been prepared.

2. Cooperation with other Governments.
   (a) British
   
   1. A cable was received from Winant concerning his conversations with Eden who affirmed the British Government's "earnest desire and practical intention of associating themselves with the United States Government and with the War Refugee Board in particular, in endeavoring to carry out the aims which the President has set before it." Eden also said that the British do not consider it necessary to set up any additional organization.

   2. A cable was received from London quoting the text of a very strong editorial in the Manchester Guardian praising the action of the President in establishing the War Refugee Board and urging the British to take similar action.

   3. Palestine certificates. The Emergency Committee to Save the Jews of Europe has asked the British for allocation of 10,000 Palestine immigration certificates by their consuls in Turkey and Spain. This matter was discussed with Stettinius who in turn discussed it with Halifax. Arrangements were made for Mr. Hayter of the British Embassy to discuss the proposal with members of the War Refugee Board staff.

   (b) The Neutrals

   1. Sweden.

      A long report was received from our Minister in Stockholm setting forth what the Swedish Government has been doing with respect to refugees from Denmark, Norway, Estonia, etc. It is apparent that the rescue of thousands of refugees from these areas was facilitated by the liberal attitude of the Swedish Government and its willingness to receive the refugees.
2. Portugal.
A report was received from Minister Norweb that the Portuguese Foreign Office has signified its agreement and sympathy with our policy on refugees and will continue its liberal attitude toward refugees along broad humanitarian lines.

No report has yet been received from Minister Hayes. We have finally cleared with State our cable to Hayes on the Spanish refugee situation. The cable urges that the appeal for Spanish cooperation be based on humanitarian grounds, not to be connected with the pending economic negotiations between Spain and the United States.

4. Turkey.
The report on the Turkish reaction to the Board's program which was requested in the cable of January 25th has not yet been received from Steinhardt.

5. Switzerland.
A cable has been received from Harrison reporting that he has notified the Swiss Government of this Government's new action on the refugee question. A further report on the Swiss reaction is expected.

Reports have been received from our Missions in Honduras, Venezuela, and Paraguay. Venezuela and Paraguay have indicated their willingness to cooperate with this Government. The report from Honduras indicates that the entrance of Jewish refugees into Honduras is not encouraged. The report suggests that it would be embarrassing to ask the Honduran Government to cooperate by admitting additional refugees into that country if the United States does not expect to do likewise.

3. Propaganda.
A conference was held with Elmer Davis in order to arrange for the adequate handling of War Refugee Board material for dissemination abroad by O.W.I. Davis arranged for us to discuss
the matter on Monday, February 21st, with his regional chiefs. Davis didn't seem too excited about this matter.

4. Special Projects.

(a) Evacuation of Jews from Transnistria.

A letter was sent to Stettinius with a proposed cable to Steinhardt asking him to approach the Turkish Government at once and to obtain from them effective measures to encourage the entry of more refugees into Turkey. In addition, the serious situation of the Jews in Transnistria was pointed out to Steinhardt and he was requested to do everything possible to aid in the development and execution of measures to evacuate these people to Turkey. Since some refugees have already escaped from Transnistria into Rumania, Steinhardt was also requested to make efforts to increase the flow of refugees from Rumania to Turkey. Case letters were dispatched to comments in case (copy attached) on shipping.

(b) Jews in Slovakia.

Several private organizations brought to our attention recent reports from Sweden indicating that the Slovakian Government has undertaken the registration of all Jews in Slovakia as a prelude to their deportation. It is said that there are about 15,000 Jews still remaining in Slovakia and that their deportation is being pressed on the Slovakian Government by Germany. A memorandum was sent to Stettinius suggesting that, since Dr. Josef Tiso, the President of Slovakia, is a Roman Catholic priest, the Vatican might be requested to communicate with Dr. Tiso to persuade the Slovaks to desist permitting the deportation of Jews. State has prepared and is now clearing a very strong letter to the Apostolic Delegate on this matter.

(c) Evacuation of refugees from France into Switzerland.

Further steps were taken to facilitate the operations of private organizations in this evacuation. Licenses were issued permitting the International Rescue and Relief Committee to send $60,000 and the Selfhelp of Emigres from Central Europe, Inc., $3,000 to Switzerland to be used by their representatives for relief and evacuation of refugees from France. The Swiss francs were obtained at the official rate and the remittances have been made.

(d) Relief of Spanish refugees in France.

The International Rescue and Relief Committee approached the Board for permission to send $7,500 a month for the next
six months for the relief of Spanish republican refugees presently in concentration camps in Southern France and in dire need of food. This program was approved and the appropriate license has been issued.

(e) Relief of Jewish refugees in the Netherlands.
Some 15,000 Jews still remain in concentration camps in the Netherlands. Their lives are in danger because of insufficient food. The JDC recently applied for a license to send $12,000 a month to Portugal for the purchase of food there for distribution to the Jewish internees in these Dutch concentration camps. After certain delays encountered at FEA were brought to our attention, we cleared the matter with FEA and the Dutch Embassy and arranged for the immediate issuance of the appropriate license.

(f) Relief of Jewish refugees (mainly children) in Rome.
A cable was received from London reporting that, in view of the JDC's willingness to provide $20,000 immediately for the relief of these refugees in Rome, the British Minister at the Vatican had been authorized to spend $20,000 worth of lire for this purpose. The Foreign Office requested that the JDC send the British pound equivalent of $20,000 to its Finance Officer. Arrangements have been made for this remittance to be made at once. The British Foreign Office requested that there be no public disclosure of the fact that they are financing relief in Rome until after Rome is occupied by the Allies, because of the possibility that they might be subjected "to all sorts of demands from Allies and from Jewish organizations to permit remittances to enemy territories of a kind which we have always felt bound to refuse." They add that "it might be very difficult for us to explain the special circumstances of this case." A cable to Tittman is being prepared by us asking for further details on this problem so that in the future needed remittances may be made direct from the United States.

(g) State Department projects.
Five of our staff have been investigating and studying the State Department files on refugee matters. It is contemplated that, as a result of these investigations, many delayed projects will now get under way.
5. Designation of Special Attaches on War Refugee problems.

(a) Turkey.
A cable was sent to Ankara designating Ira Hirschman our special representative in Turkey. He is to receive diplomatic status. Steinhardt has replied that he approves and is delighted with the appointment. (A cable from Hirschman from Cairo stated that he expected to arrive in Ankara on February 14th.)

(b) Switzerland.
A cable has been sent to Bern designating Roswell McClelland of the American Friends Service Committee our special representative in Switzerland.

(c) Spain.
A cable has been sent to Madrid designating David Blickenstaff of the American Friends our special representative in Spain.

6. Liaison with State.

George Warren, refugee expert and head of the President's Advisory Committee on Political Refugees, for the time being, has been designated to handle refugee work at State and liaison with the War Refugee Board. Warren has been carrying the ball very well and is working out much better than we had expected.


(a) Private Messages.
We have worked out a procedure for prompt clearance with Censorship and State of messages to and from the private organizations working on the refugee problem.

(b) Representatives abroad.
We facilitated the departure of Robert Pilpel for Lisbon where he will work for the JDC on refugee matters. We are pushing for priorities for two men whom the Emergency Committee desires to send to Turkey.

(c) Proposals and suggestions from private organizations.
Reports and statements are coming in every day in response to our letter to 92 organizations asking for specific proposals and suggestions.
8. **Personnel**

Clarence Pickett could not make the necessary arrangements to come with the Board. We received a letter from Rufus Jones saying that Pickett could not be made available to us.

James Mann, who was formerly on the Treasury General Counsel's staff, has been recalled from Argentina by State for work with the Board. He is expected to arrive in Washington within two weeks.

9. **Morris Ernst dinner.**

Morris Ernst gave a dinner on February 17th for Pehle. Among the commentators and other interested persons present were Mrs. Ogden Reid, Bruce Bliven, Shaw of Newsweek, George Fielding Elliot and Quincy Howe, and later Dorothy Thompson. The policies and programs of the Board received an excellent reception.
The United States takes no part in the European war. The United States has never been in a European war. The United States has never been a party to a European war. The United States has no interest in a European war. The United States has no stake in a European war. The United States has no more to gain from a European war than from any other war. The United States has no more to lose from a European war than from any other war. The United States has no more to lose from a European war than from any other war.
upon all the peoples of Europe to lend assistance to this task. We call upon the free peoples of Europe to open their frontiers to the victims of oppression. We shall find havens of refuge for them, and we shall find the means to assure their maintenance and support until the tyrant is driven from their homelands.

In the name of justice and humanity let all freedom loving nations rally to this righteous undertaking.
Letters to The Times

Allye Could Exploit Jew Hatred

To the Editor of The New York Times:

Hitler's fanaticism against the Jews could be exploited by the Allies. The Three Powers should send a proclamation to the German people through leaflets and to the German Government through neutral countries: threatening that further murdering of Jews would involve terrible retaliation after victory.

This would drive a new wedge into the already existing dissension of the generals and the Nazis, and also between ultra-Nazis and other Germans. For although neither the Junkers nor the German people are in love with the Jews they might be inclined in the fatigue of beginning defeat to give in to demands of an advancing foe who may be their ruler tomorrow. To leave off Jew-hating would not cost the Germans any sacrifice, not even a military one.

Only one single man will fanatically oppose this: Adolf Hitler, who will in no case give up his demonic hate. He would surely stigmatize such an Allied demand as a personal humiliation.

Here the generals, industrialists and other influential Germans who are already inclined to forsake Hitler might make use of this proclamation to begin an active opposition, saying to the people that it would be disastrous for the nation not to make a concession to a powerful enemy. In this way Hitler the person could be easier separated from the nation as a whole.

Emil Ludwig

New York, Feb. 12, 1944.
MEMORANDUM

For the purposes of discussing the refugee problem in North Africa one must begin as far back as the early part of 1939 when large numbers of Spanish Republicans came across the border from Spanish Morocco to get away from France's troops. A good number also came by ship to the Department of Oran and into Morocco and Tunisia. Figures on these can only be estimated, but from subsequent developments it is believed that there were some three or four thousand Spanish Republicans in Morocco; perhaps more than that number around Oran; about 1,500 or 2,000 around Algiers; and about a thousand (mostly Spanish naval personnel) reached Tunisia. Besides these it is estimated that about 5,000 joined the French Foreign Legion early in 1939. It is expected that these may be released from the Legion at the end of their five year period of enlistment during the first half of 1944 and so will be added to the Spanish refugee community in North Africa, unless they re-engage in the Legion, migrate to Mexico, go back to Spain or some other disposition is made of them. A good number of Spaniards also went across the Pyrenees into France about the end of the Civil War and subsequently managed, individually or in small groups, to get to North Africa after the fall of France. At the time of writing, by far the greatest part of these Spanish refugees have been incorporated, temporarily at least, in one way or another into the economy of North Africa, either working for French industry or for the allied armies. In the latter case they may be used either as civilians or as members of the British Pioneer Corps. For the miscellaneous refugees who need charitable assistance, there have been established in principal centers, i.e., Algiers, Casablanca, Oran and Tunis, amicales, or mutual aid societies under the auspices of the Joint Commission for Political Prisoners and Refugees in French North Africa, which have been receiving funds from the United States under Treasury Licenses to help needy Spanish refugees.

There is also a group of stateless refugees, most of them former enemy nationality, the greatest part of whom are Jewish. It is estimated that there are perhaps 5,000 persons in this group in all of North Africa. Some of these people had served in the French army during the war and had been interned following the fall of France. They were later transferred to internment camps in North Africa and were subsequently released after the Allied landings, largely through the activities of the above-mentioned Joint Commission. Since that time most of these people have secured employment with the American or British armies, and approximately 900 of them are enlisted in the British Pioneer Corps. Early in 1944 a group of about 125 of these persons were sent to Palestine through the efforts of the Joint Distribution Committee.

The small number of persons in this stateless group who are unemployable are being maintained through funds made available by the American Joint Distribution Committee. Included in this group are former Poles, Czechs, Romanians, Hungarians, Germans, Yugoslavs and Greeks. The majority are in Morocco and Algeria with a small additional group in Tunisia.
There is in North Africa another group of refugees, most of them Jewish, who came from Libya and were expelled by the Italians in 1940 by virtue of the fact that they were French subjects. Of the 2,500 persons in this group, approximately 2,000 have been living in Tunisia under the most primitive conditions, the rest being scattered throughout the back country in Algeria. Recently it was arranged with the French authorities and the British to transport approximately 1,000 of these persons from Tunisia back to their homes in Tripoli. It is expected that this transfer will be effected within the next few weeks. It is hoped, too, that the balance of this group will be returned to their homes in the near future. These Libyans have been assisted during their stay in Tunisia by the secure National and the American Joint Distribution Committee.

The United States Army has made available a campsite near Casablanca to be administered by UNRRA, this camp to house and care for 2,500 refugees. An agreement had been reached with the French authorities to allow 2,500 Stateless peoples now in Spain to enter Morocco and to be housed temporarily in these quarters. We find that comparatively few of this 2,500 will avail themselves of this opportunity (the latest information we have is between 600 and 800 are prepared to come to the camp). The reason for this much smaller number is that (1) the refugees now in Spain have either heard of, or have had had experiences with the French, and are fearful of their future in North Africa, even though the camp is to be run by the United Nations’ personnel; (2) inasmuch as change of situation which is being offered does not seem to be sufficiently different from that to which they have been subjected and because no assurance can be given them as to their ultimate destination or fate they seem to prefer to remain where they are. However, our Madrid Embassy and Mr. David Blickestaff, the representative of American Relief organizations in Spain, can doubtless provide more specific information on the present attitude of the refugees in Spain.

The above group totals about 3,000 persons of which probably more than 95% are Jewish. Because of the geographic location of Morocco, Algeria, and Tunisia, only infrequent calls upon this office for assistance have been made to bring displaced persons out of Europe.

By and large the French Committee of National Liberation has neither encouraged nor discouraged the entrance of displaced persons but rather has put the whole question on an individual case basis subject to the real decision being made by American, British and French military security offices, working in cooperation.

With regard to refugees being turned back at borders, this is not currently likely to happen inasmuch as the decision as to whether or not a given individual is going to be permitted to enter is usually made in Algiers and transmitted to the point where the visa is, or is not, issued. Mr. Blickestaff, representative of the American relief organizations in Madrid, may better be in a position to indicate cases where permission to enter North Africa has been refused.

It is believed that in order to encourage the French Committee to allow people or displaced persons to enter North Africa more freely, a plan must be established by which we can tell the displaced persons, as well as the French Committee, what their ultimate destination is: i.e., how long displaced persons will be allowed to remain in French territory after the cessation of hostilities. Will they be allowed to return to their native lands? Will they be allowed to immigrate to the United States or some other country of their choice? It is understood that the ultimate destination
destination of many of these refugees, and particularly the stateless, will be the responsibility of the Intergovernmental Commission for Refugees of which Sir Herbert Emerson in London is Chairman. It should be mentioned at this time that Mr. Patrick Murphy Malin, Vice-director of the above committee is in this theater making a survey of the conditions of the refugees in this part of the world. At the moment it is not known what the I.G.C. has been able to develop in the way of places for these refugees ultimately to settle.

Inasmuch as the Mexican Government has offered to accept immigrants from the Spanish Refugee Community in North Africa, it is felt that the French authorities would be more willing to receive additional refugees in French North Africa if this Spanish refugee emigration project is expedited and carried through as soon as possible. Lists of those who have expressed a desire to go have been sent to Mexico City through our own State Department channels and are now being considered by the Mexican Government. If similar arrangements for certain refugees can be arranged with other countries, the attitude of the French Committee of National Liberation would probably be correspondingly more receptive to additional refugees.

The French administration, whenever asked, has expressed a desire to cooperate in all matters pertaining to rescue and relief, but because of the limited supplies and because of the internal strife which always exists in a country that has been drained by the Axis Armistice Commission, they find themselves today in a reluctant from of mind insofar as additional persons to feed, house and clothe are concerned. Very little can be done to change this state of mind until sufficient clothing, foodstuffs, etc. are either sent into the country or the economic life of the country has been restored.

It should be pointed out that one of the great difficulties that the Department is faced with is the question of the French administration's policy on internment of refugees. There have been several cases brought to the attention of the Department where refugees had been previously interned, by the French under Axis pressure, and had been liberated, and who now are either re-interned or threatened with re-internment, even though demonstrably anti-Axis. The reasons given by the French authorities, when these cases have been discussed with them, have either been that the individual dossier contains some often nebulous charges which we are unable to verify, or simply that the individuals in question were once enemy nationals.
The President of the United States has recently instructed the Secretaries of State, Treasury and War to take action for the immediate rescue and relief of the Jews of Europe and other victims of enemy persecution. In an executive order issued January 22, the President declared:

"It is the policy of this Government to take all measures within its power to rescue the victims of enemy oppression who are in imminent danger of death and otherwise to afford such victims all possible relief and assistance consistent with the successful prosecution of the war."

The order establishes special governmental machinery for executing this policy. It created a War Refugee Board consisting of the Secretaries of State, Treasury, and War. The Board is charged with direct responsibility to the President in seeing that the announced policy is carried out. The President indicated that while he would look directly to the Board for the execution of this policy, the Board would cooperate with the Intergovernmental Committee, UNRRA, and other interested international organizations. The President stated that he expected the cooperation of all members of the United Nations and other governments in carrying out this difficult but important task. We stated that the existing facilities of the State, Treasury and War Departments would be employed to furnish aid to Axis victims to the fullest extent possible. We stressed that it was urgent that action be taken to forestall the plot of the Nazis to exterminate the Jews and other persecuted minorities in Europe.

The Office of the Representative of the United States of America in common with other representatives of the Government of the United States stationed abroad has been instructed to do everything possible to effectuate the above outlined policy. It has also been instructed to approach the appropriate authorities of the French Committee of National Liberation to explain the policy expressed in the President's executive order above referred to and in requesting the cooperation of the French Committee of National Liberation to ascertain to what extent it is prepared to assist in this high humanitarian program.

Algiers, February 5, 1944.
Airgram

Reykjavik

Dated February 19, 1944

Rec'd 5 p.m., 22nd

Secretary of State,
Washington.

A-19, February 19, 10 a.m.

Reference Department's circular airgram of
January 26, 7 p.m.

The actual situation in Iceland as it exists today
with respect to the rescue and relief of the Jews of
Europe and other victims of enemy persecution is as
follows:

1. According to official records, some 40 persons,
most of whom are Germans and most of which Germans are
thought to be Jews, have migrated to Iceland since the
beginning of 1937, 13 coming in 1938, 15 in 1939, 6 in
the first part of 1940 and none since. Prior to the
outbreak of war there were no visa requirements for
entry into Iceland, though permission of the Ministry
of Industry to work on one's own account or to accept
employment was required then as it is now. Since the
outbreak of war, war refugees are permitted to enter
Iceland on an equal footing with all other immigrants
or non-immigrants, subject, of course, to special
security considerations deriving from Iceland's
strategically important military position.

2. According to the Permanent Undersecretary for
Foreign Affairs, there are "no Icelandic Jews" and no
reason has ever existed for Iceland actually to encour-
age the entry of the Jews of Europe, or other victims
of enemy persecution, into Iceland. The same official
stated that he is unaware of any specific international
plan covering this important, tragic and difficult
matter, and that since Iceland has never been approached
in connection with any such plan it has not been in a
position to "cooperate" in their entry. He said that
he did not know of any approach by official bodies or
protective associations to the Iceland Government or
to its representatives abroad looking to the acceptance
of any numbers of refugees.

3. As far as this mission is concerned, it is

not
not in a position to ascertain the extent to which refugees are not able to enter Iceland because of the country’s failure to cooperate in their entry. From what can be learned locally, it appears that Iceland has never had any reason to encourage such immigration; whether it has failed to cooperate might better be ascertained by discreet inquiry at the various points such as Lisbon, London, New York, et cetera, where there are understood to be large concentrations of refugees.

4. PERSONAL FROM THE MINISTER: I talked at length with Mr. Vilhjalmur Thor, Icelandic Minister for Foreign Affairs. As a result Mr. Thor is aware of the grave import of the problem presented which, to tell the truth, is one that Iceland has been separated from and only knows of by heresay. Mr. Thor said that he was not in a position to state at the present time what the attitude of his government and people would be towards cooperation and participation in the solving of the problem. He felt that governmental and national reaction could only be ascertained if concrete proposals were made to the Icelandic Government. He said that anything received would be examined attentively, as is always the wish of the Icelandic Government concerning any proposal received from the United States. Mr. Thor remarked that Iceland was a country of poor economical resources with a small homogeneous population who had lived in a state of semi-exclusion from other Europeans for centuries. It therefore could not be expected that the Icelanders could quickly adjust themselves to a basically different viewpoint in respect to foreigners. On the other hand, he felt that there was no anti-Semitic feeling here and that Icelanders in common with other decent free people sympathized with and deplored the fate of Jewish and other victims of Nazi and Fascist mistreatment.

MORRIS

HEN/LEWmvgg
711. 811.11
AMERICAN CONSULATE GENERAL
Istanbul, Turkey, February 19, 1944.

SUBJECT: Conditions in Greece as Reported by a
Recent Arrival.

THE HONORABLE
THE SECRETARY OF STATE,
WASHINGTON.

SIR:

I have the honor to submit information concern­
ing conditions in Greece obtained in the course of
two interviews with a Turkish subject who recently
arrived in Istanbul from Athens. The information
is discussed under the following headings: Travel
from Athens to Istanbul (schedule of the trip,
description of the train, delays in the journey);
the bombing of Piraeus (extent of the damage caused,
removal of factory installations; influx of
refugees to Athens; relief given by the International
Red Cross, air raid precautions); the condition of
the Jews in Athens (registration with the author­
ities, confiscation of property, assignment to
forced labor, plight of the Spanish Jews); events
following the rupture of relations between Argentina
and Germany; financial activities (stock exchange
transactions, speculation in gold, value of the
Orahma, premium for cash payments, control of
savings accounts); labor and wages (increase of
salaries, granting of supplementary food allowances,
sit-down strikes; assassination of Minister Kalyvas);

cc: Chauncey, Abrahamson, Akzin, Bernstein, Cohn, DuBois,
Friedman, Gaston, Hodel, Laughlin, Lessar, Luxford,
Mann, Marks, McCormack, Murphy, Paul, Pollak, Rains,
Smith, Standish, Stewart, H. D. White, Pehle, Sargoy,
Mannon, Weinstein, Files
living conditions in Athens (increase of rents, reduction of electric and water consumption, increases in street car fares, bus and taxi fares, distribution of food by the International Red Cross and German authorities, rationing of cigarettes, prices of newspapers, fee for radio permits, food prices).

** * **

Travel from Athens to Istanbul

My informant, a well-to-do Jewish rug merchant, left Athens February 8 and arrived in Istanbul February 12, travelling by military train as far as Nish, thence by the regular express. The schedule was as follows: Left Athens 7:36 A.M. February 8, arrived Salonica 5 A.M. February 9, left Salonica 8:15 A.M. February 9, passed Gevgeli about noon, arrived Skoplje 5 P.M., left Skoplje in the evening, arrived Nish 5 A.M. February 10, left Nish 3:50 P.M. February 10, arrived Sofia 1:05 A.M. February 11, left Sofia 11:15 P.M., arrived Istanbul February 12.

The military train consisted of eleven cars: one first-class car reserved for officers and ten third-class cars for German troops. Four German guards were assigned to each car. Of eight seats in the first-class car which were reserved for civilians, three were occupied by my informant and his wife and child, four by Greek workers returning to Germany, and one by a Greek traveling to Salonica. The Athens-Salonica line was intact and no changes had to be made at any point. (My informant stated that there is a regular train for civilians leaving Athens once a week, Mondays at 8:30 A.M., and occasionally an extra train later in the week. This train makes the trip more slowly, within 48 to 60 hours). The journey was accomplished without incident. There were only two delays of any length: a stop at Skoplje to permit the soldiers to be served hot meals, and a halt of six hours between Skoplje and Nish, which was rumored to have been caused by the necessity of awaiting a special train carrying Marshal List on his way southward.
The Bombing of Piraeus

My informant, who was in Athens at the time of the Allied raid on Piraeus the night of January 11, gave the following account of damages sustained. Both the Peloponnesus and Larissa railway stations (Spap and Sek railways) were seriously damaged. The terminal station of the Electric Subway was also hit, as a result of which there is subway service now only between Athens and New Phaleron. Among the buildings destroyed in the business center, a section which was heavily hit, were the Bank of Athens on Micoulis Street, the Bank of Greece, the Ionian Bank, the Electric Company's building near the Municipal Theatre, and the building housing the Scandinavian Near East Agency. In the port a number of small craft and barges were sunk. The Retina Cloth Factory and the Papoutsanis Soap Factory were both reported to have been seriously damaged. Following the bombing, part of the machinery of the Papapistatos and Keranis cigarette factories was said to have been shifted from Piraeus. The Keranis installations were moved to the so-called Kapnokaptirian in the suburb of Kolokynthos.

On the day after the raid there was a steady stream of refugees, estimated by two sources to have numbered about 200,000, fleeing toward Athens; they ignored all official orders to return to their homes. Workers, however, were obliged under penalty of application of the sabotage law, to appear at their posts in Piraeus daily. Those refugees who reached Athens were billeted with Greek families. According to my informant, the International Red Cross immediately set up soup kitchens in Piraeus and distributed milk to children. Contrary to the propaganda reports given over Athens Radio (see Section II of my despatch No. 2311 (R-2149) of January 27, 1944) the Germans gave no aid whatsoever, but simply prohibited the citizens of Piraeus from blocking the main roads to Athens in their flight.

Concerning airraid precautions my informant stated that, in accordance with announcements in the press reported in my despatch No. 2410 (R-2237) of February 11, 1944, measures have become much more
stringent with regard to circulation during alerts, but he knew of no instance in which a severe penalty had been imposed. No steps are being taken to improve air raid shelters in Athens; the only adequate public shelters are those in the Metochikon Tamsion building and in the Bank of Athens on Stadium Street. It is reported that a tunnel connects the Ministry of War and the Grande Bretagne Hotel.

The Condition of The Jews in Athens

With regard to the 7,000 Jews that he estimated to have been living in Athens, my informant stated that only about 200 of the poorest reported to the authorities following the order of October 3, 1943 (reported in Section VI of my despatch No. 160I (R-1483) dated October 22, 1943), and that a further 200 presented themselves within the last four months. The others, who possessed funds with which to purchase their safety, went into hiding. All the houses and movable property of those who left were immediately confiscated and the Jewish shops were completely looted. Those Jews who reported to the authorities, as well as a number who were later betrayed by people who had given them refuge, have been assigned to work in the gunpowder factory at Baydari on the road to Eleusis. Jews of foreign nationality, the number of whom my informant estimated at 800 - 900, registered on October 18 (according to the order reported in the above-mentioned despatch). The Spanish Jews, about 150 in number, who had escaped to Athens from Salonica, are in a serious predicament. The Spanish Government has refused to accept them on the ground that they are Communists, and they are now making desperate efforts to obtain transit visas for Turkey in order to proceed to Palestine.

Events Following the Rupture of Relations Between Argentina and Germany

It was stated by my informant that immediately following the breaking off of diplomatic relations between Argentina and Germany, on the night of January 29 between 11 P.M. and 2 A.M. the SS arrested twenty Argentine subjects, including the Messrs. Pition, Benardut, and Moses. Despite démarche by the Argentine Charge d’Affaires, Juan Faquis,
assisted by the Swedish Consul Riseberg, no information has as yet been received concerning the whereabouts of these individuals.

The archives of the Argentine Consulate have been sealed and are under the protection of the Swedish Consul. My informant reported that the Germans had advised Consul Riseberg that they had not as yet been informed that the Swedes were charged with Argentine interests. This detailed information has been given my informant by the Argentine Charge d'Affaires, with the request that he communicate it to the Consul General in Istanbul so that it might be telegraphed to Buenos Aires.

Financial Activities

In reference to stock exchange transactions, my informant stated that speculation is heavy both in company shares and in Government bonds. The rise in the value of company stocks and bank stocks, he stated, has been more rapid than in Government bond shares, since the speculators feel that company and bank assets in the form of property, buildings and equipment are actually rising in value, more or less on a par with the cost of living index.

My informant added that although the Greek Government requested all companies to turn in up to 50 percent of their security holdings (see page 16 of my despatch No. 1732 (A-160), dated November 9, 1943) only 10 percent were actually delivered following a strong protest at the time by the late George Merkeuris, Governor of the Bank of Greece.

Transactions in gold are now made freely on the stock exchange, which is open daily for one half hour between 11:30 and 12 noon. The bourse price for the gold pound determines the outside market price of the day, the latter usually being about 100,000 Drachmas higher. The dollar follows the gold pound at a ratio of 20 to 1. The Germans, using Greeks in the banks as intermediaries, are speculating heavily by importing gold from other occupied countries as well as from neutral countries. My informant's estimate of the quantity imported was over 100,000 gold pounds a month. The gold quotation for the day...
depends largely upon whether the stock exchange is delivering the gold within one or two days, or delays delivery. Between January 10 and 15, for example, the Germans did not make delivery of any gold for five days, and the pound soared from 2,200,000 to 4,500,000 Drachmas, only to drop abruptly over the weekend, following the gold delivery, to 3,000,000 Drachmas. In late January the price of the gold pound fluctuated between 3,000,000 and 3,500,000 Drachmas, and on February 1 stood at 3,200,000. By February 7 the rate had increased to 4,250,000, and the corresponding rate for the dollar was 210,000 Drachmas.

There is a 15 percent premium for payments made in cash as against check or draft payments, i.e., an individual is usually given the option of paying, for example, one million Drachmas in the form of a draft on an Athens bank, or 850,000 Drachmas in cash.

All savings accounts are controlled, and the maximum amount which may be withdrawn during any week has been fixed at 300,000 Drachmas. This, however, is largely an academic matter, since most people, who hold bank deposits dating from before 1941 have left them in the banks, as their purchasing power has so greatly decreased.

Labor and Wages

With regard to wage scales in general, my informant stated that all salaries had been increased as of February 1, and that a Government clerks, for example, now earns between 1,500,000 and 2,000,000 Drachmas a month. In addition employers are obliged to provide each employee with an allowance of flour, dried vegetables, dried fruit, and soap, to a value of 20,000 Drachmas a day. My informant stated that the employees both of the Bank of Greece and of the National Bank receive sufficient cash allowances, calculated on the basis of the average monthly prices of staples such as beans, olive oil, eggs, macaroni, flour, et cetera. The employees of the Agricultural Bank likewise receive cash allowances and grants in kind through the provincial branches.
A sit-down strike commenced at the Bank of Athens on January 25. No announcement of this trouble appeared in the Athens press; the bank authorities simply explained to the Germans that certain individuals were missing from their posts and that the situation was well in hand. One week later the striking employees received small increases in their food allowances. Encouraged by this result, on February 5 the employees of the Commercial Bank began a sit-down strike which was still in progress at the time of my informant's departure.

Asked regarding the assassination of Nicholas Kalyvas, Minister of Labor, my informant confirmed reports that he had been killed by alleged Communists as he entered his car in front of his home. On the following day fifty hostages were shot in reprisal. It was said that Kalyvas, who worked very closely with the Germans, had intended to propose a law involving the dismissal from factories of a large number of workers who would then be compelled to accept positions in Germany.

Living Conditions in Athens

According to my informant the increase in the population of Athens has caused great aggravation of the housing problem. Although rents were raised by law, on January 1 of this year, to fifteen times the pre-war rates for residences and thirty times the pre-war rate for stores and offices, the actual rent now being paid for a four-room apartment ranges from 100 million to 120 million Drachmas a year. The law protecting tenants does not apply to anyone earning more than six million Drachmas a year, and in consequence it is largely academic.

The consumption of electric current has been reduced to a minimum. Since October it has been banned for cooking purposes, and each family is allotted six kilowatt hours per month. At present electric current is available only between six and nine in the morning and from sunset until midnight. The water supply has also been cut down; since January 25 water has been turned on only three times a week, on Tuesday, Thursday and Saturday between 6 and 10 A.M.
With regard to local transportation facilities, my informant stated that street car fares were increased as of January 15 to 3,000 Drachmas for trips within the city, and to 4,000 Drachmas from Athens to Phaleron. A considerable number of dilapidated buses installed with gasogene engines serve the suburbs. The fare to Hiphissia is 15,000 Drachmas; to Piraeus 20,000 Drachmas. Yellow Power Company buses still run to Psychik; the fare is 12,000 Drachmas. In view of the small demand, the number of taxis is adequate. Each one is permitted to circulate only in one ten-day period each month, a uniform rate is charged: 100,000 Drachmas per kilometer. The passenger is obliged to pay for the round trip.

During January the International Red Cross distributed 140 drams of dehydrated soup per person at a cost of 1,000 Drachmas, and one oke of flour at a cost of 3,000 Drachmas. Furthermore, 200 drams of beans had been promised from the International Red Cross shipments, but distribution had not taken place by February 7. The German authorities distributed 100 drams of sugar at a price of 25,000 Drachmas during January, and 200 drams of lentils have been promised. My informant pointed out that whereas the nominal charges of the International Red Cross were used simply to defray freight and handling charges, the price of the German sugar was arbitrarily determined by the DEHNRIGS.

During January each individual received three boxes of matches at 1,000 Drachmas. The cigarette ration, which in December was reported to be 300 cigarettes a month (see page 5 of my despatch No. 2410 (R-2237) dated February 11, 1944), was reduced during January to 300 and actually, according to my informant, only 200 were distributed to each person. The price per box of twenty, reported as 3,000 Drachmas in my above-mentioned despatch, was increased fivefold on February 1. Ordinary cigarettes sold officially at 15,000 Drachmas per box and the de luxe variety cost 50,000 Drachmas. On the black market a box of ordinary cigarettes sold at 50,000 Drachmas and the de luxe cigarettes at 80,000 Drachmas.
On January 20 the official price of newspapers was increased to 4,000 Drachmas; however, 5,000 Drachmas was the price actually demanded by newsboys. E.A.M. publishes a secret daily news bulletin including the Cairo, London and Moscow communiques. This is sold at 20,000 Drachmas.

The regular monthly fee for the use of a radio is 15,000 Drachmas; only the Athens broadcasting station can be heard.

The following list of food prices provided by my informant shows, when compared with December quotations (see my despatches No. 2239 (R-2082) of January 18, 1944 and No. 2321 (R-2138) of January 28, 1944) approximately a threefold increase in the cost of food. Prices are given in Drachmas per oke.

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>PRICES - February 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bread</td>
<td>100,000</td>
</tr>
<tr>
<td>Potatoes</td>
<td>100,000</td>
</tr>
<tr>
<td>Flour</td>
<td>160,000</td>
</tr>
<tr>
<td>Sugar</td>
<td>500,000 - 550,000</td>
</tr>
<tr>
<td>Eggs (each)</td>
<td>20,000</td>
</tr>
<tr>
<td>Rice</td>
<td>450,000</td>
</tr>
<tr>
<td>Corn</td>
<td>55,000</td>
</tr>
<tr>
<td>Wheat</td>
<td>82,000</td>
</tr>
<tr>
<td>Coffee</td>
<td>250,000 - 300,000</td>
</tr>
<tr>
<td>Cognac (small bottle)</td>
<td>350,000 - 400,000</td>
</tr>
<tr>
<td>Macaroni</td>
<td>100,000 - 200,000</td>
</tr>
<tr>
<td>Beans</td>
<td>160,000</td>
</tr>
<tr>
<td>Lentils</td>
<td>130,000</td>
</tr>
<tr>
<td>Oil</td>
<td>550,000 - 600,000</td>
</tr>
<tr>
<td>Butter</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Meat</td>
<td>420,000</td>
</tr>
<tr>
<td>Pork</td>
<td>480,000</td>
</tr>
<tr>
<td>Fat</td>
<td>700,000</td>
</tr>
<tr>
<td>Fish</td>
<td>350,000</td>
</tr>
<tr>
<td>Olives</td>
<td>220,000</td>
</tr>
<tr>
<td>Figs</td>
<td>80,000</td>
</tr>
<tr>
<td>Raisins</td>
<td>66,000 - 72,000</td>
</tr>
<tr>
<td>Onions</td>
<td>35,000</td>
</tr>
<tr>
<td>Milk</td>
<td>85,000 - 100,000</td>
</tr>
<tr>
<td>Cheese: white</td>
<td>360,000 - 500,000</td>
</tr>
<tr>
<td>&quot; : Esseri</td>
<td>900,000</td>
</tr>
<tr>
<td>Fuel wood</td>
<td>15,000</td>
</tr>
<tr>
<td>Charcoal</td>
<td>40,000</td>
</tr>
</tbody>
</table>

Regraded Unclassified
<table>
<thead>
<tr>
<th>ITEMS</th>
<th>PRICES - February 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity (Jan. 20)</td>
<td>10,000</td>
</tr>
<tr>
<td>Gas (cubic meter)</td>
<td>3,000</td>
</tr>
<tr>
<td>1 suit</td>
<td>18,000,000 - 20,000,000</td>
</tr>
<tr>
<td></td>
<td>(6,500,000 for sewing)</td>
</tr>
<tr>
<td>1 shirt</td>
<td>2,000,000</td>
</tr>
<tr>
<td>1 Pair of shoes (men)</td>
<td>6,000,000</td>
</tr>
<tr>
<td>1 &quot; &quot; &quot; (women)</td>
<td>5,000,000</td>
</tr>
<tr>
<td>1 &quot; &quot; socks</td>
<td>400,000</td>
</tr>
<tr>
<td>1 &quot; &quot; stockings</td>
<td>400,000</td>
</tr>
<tr>
<td>Toothpaste (Kolynos)</td>
<td>100,000</td>
</tr>
<tr>
<td>House soap (per oke)</td>
<td>400,000 - 420,000</td>
</tr>
<tr>
<td>Toilet soap (cake)</td>
<td>70,000</td>
</tr>
<tr>
<td>Matches</td>
<td>6,000</td>
</tr>
</tbody>
</table>

Respectfully yours,

Barton Y. Berry
American Consul General

File No. 820,02

HDB:0GWivis

To Department in Original and Hectograph.
PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATED: February 19, 1944
NUMBER: 1055

CONFIDENTIAL

Reference is made herein to my 825, February 10.

It is reported by Riegner that he has arranged for
1 million French francs to be turned over to W.J.O. repre-
sentative in France. Because of his Jewish faith, the Sup-
plier of France who is a Swiss citizen was compelled to
return to Switzerland in November 1942. Until that time,
he had resided in France. This person had considerable
wealth in France which was recognized by the Swiss clearing
office as his property, according to documents presented to
Riegner. Swiss francs 1.85 per hundred French francs was
the rate at which Riegner purchased francs.

HARRISON
FEB 20 1944

REFUGEE AID CHIEF AT WORK IN TURKEY

Hirschmann Cuts Red Tape as He Maps Plans to Help Oppressed Europeans

BY JOSEPH M. LEVY
BY CABLE TO THE NEW YORK TIMES.

ANKARA, Turkey, Feb. 19—From his bed to which he was confined by an attack of influenza, Dr. Isaac Herzog, chief rabbi of Palestine, at present in Ankara in connection with plans for the rescue of Jews from Europe, rose to greet Ira A. Hirschmann, vice president of Bloomingdale Brothers Inc., who has just arrived here to take up his duties as official representative of the newly formed War Refugee Board.

Mr. Hirschmann went to work within half an hour of his arrival in Ankara. He is invested with full responsibility of implementing the board’s program and policy in Turkey.

One of his main tasks will be to develop the plans for the rescue and transportation as well as relief and maintenance of refugees.

No American diplomat of this war has received such extraordinary powers in carrying out his duties as those granted to Mr. Hirschmann. Under the authority vested by the Treasury in the War Refugee Board, Mr. Hirschmann will be the first and only United States citizen in Turkey to be allowed to disregard the Trading With the Enemy Act.

Asked whether he had an idea of the enormous difficulties that would confront him, Mr. Hirschmann said:

"Certainly, no one more than I realizes how complex and intricate is the task undertaken by the Refugee Board. A cursory glance at the position makes it clear that a full mobilization of every resource at our command will be necessary if we are to attain any measure of success. I fully expect to encounter great obstacles in my work, but how could we ever justify ourselves before the bar of history if we did not probe every avenue and leave no stone unturned to try to save all that can be saved of those unfortunate human beings regardless of race or creed raced with annihilation in Europe.

"I expect help not only from individuals and organizations but from the entire civilized world. Let us pray that all other nations will follow the example of the United States and give us their unstinted aid in this great humanitarian undertaking."

To Rabbi Herzog’s appeal not to waste time on red tape Mr. Hirschmann replied that the Refugee Board, headed by its dynamic director, John Pebele, was an instrument tempered for immediate and untrammeled action, unhampered by party restrictions and that it would be a grievous crime to allow this work of mercy salvation to be impeded by any formalities.
ANC-170
This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (BR)

Secretary of State,

Washington.

299 February 19, 9 p.m.
FROM HIRSCHMAN FOR JOHN PENCELE

Referring to my telegram of February 18 regarding the desperate need for a boat immediately to evacuate refugees from Constanza to Istanbul further explorations indicate that Turks are consistently slow in making decisions or taking action even though we hope to secure from you authority to offer to replace the ship VATHAN in the event of loss.

While I would not under any circumstances suggest that you relax your efforts in trying through every means to help us secure this boat I now believe that our best immediate hope is to get a boat through the Swedish Government and I would urge that to put more emphasis on your efforts in this direction than indicated in my previous telegram. I am seeing the Swedish Minister here with Red Cross official and trust you will push action through Washington to Sweden with all vigor also you will be interested to learn that Ambassador Steinhardt had a talk on February 18 with the British
I have extended to the utmost my help in this matter.

I propose to send this document to the French authorities now that it is clear that there is no possibility of Franco-German cooperation in this matter.

We are informed that the French authorities are determined to proceed on their own to this matter.

Do you understand that the 10,000 Jews were actually deported to France?

It is clear that there is no possibility of Franco-German cooperation in this matter.

The French authorities have indicated that they propose to act unilaterally on this matter.

May I have the assistance of the French authorities in this matter?

The French authorities have informed us that they propose to act unilaterally in this matter.

The French authorities have informed us that they propose to act unilaterally in this matter.

The French authorities have informed us that they propose to act unilaterally in this matter.

I have arranged to send a note to the French authorities.
Information received up to 10 A.M. 19th February 1944.

1. **NAVAL**

Mediterranean. Weather continued fine at Anzio and on 17th 2,685 tons were discharged. On 17th one of H.M. Cruisers was damaged in collision and on 18th another British Cruiser was sunk by U-boat off Naples, approximately 250 survivors. One of H.M. Submarines sank a 3,000 ton ship off Toulon.

Pacific. 16th. Coastal Craft damaged a 1,200 ton enemy ship and five barges in Bougainville Strait. Anti Submarine operations. 17th. Aircraft sank a U-boat in New-Hanover Area. On 18th a British Frigate sank a U-boat off Cape Clear.

2. **MILITARY**

Italy. 4th Indian Divisions are attacking through Northern outskirts of Cassino. Strong enemy attacks were maintained in Anzio Beachhead, Allied Forces held their own and are counter attacking.


Crimea. An unconfirmed report states that Germans have begun evacuation of Crimea using small ships.

3. **AIR OPERATIONS**

Western Front. 18th/19th. About 90 enemy Aircraft crossed East coast and majority attacked London. First reports indicate five enemy Aircraft brought down by A/A fire, two in combat over enemy territory and one destroyed, two damaged on the ground. Damage was fully to residential property and included 12 large fires and nearly 400 small fires all under control by 6 A.M. Some interruption to railway communications. Total casualties all natures reported about 500.

Italy. 16th/17th. 54 Wellingtons (1 missing) bombed San Stefano and targets S.E. of Rome. 17th. 790 Bomber Sorties flown against targets in Anzio bridgehead and main battle area. 7 Heavy 1 Medium and 1 Fighter Bomber missing.
Ankara, February 20, 1944

Confidential

Subject: Evacuation of Jews from Axis Europe.

The Honorable
The Secretary of State,
Washington.

Sir:

Referring to the Department's telegram No. 68 dated January 25, and No. 118 dated February 11, 1944, requesting a report concerning the actual situation as it exists today in Turkey in respect of what is being done to rescue the Jews and other persecuted minorities from Hitler, including particularly (a) the extent to which these war refugees are not permitted to enter Turkey; (b) the extent to which Turkey actually encourages and cooperates in their entry, and (c) the extent to which such refugees are not able to enter Turkey because of Turkey's failure to cooperate in their entry, and requesting my recommendations as to what the United States Government can do to effectuate with all possible speed the rescue and relief of the victims of enemy oppression, including particularly what can be done to make the Turkish Government cooperate more in carrying out this policy. I have the honor to submit the following information and recommendations:

Over a period of the past two years the Embassy has made every effort to facilitate the transit of Jews from the Axis countries through Turkey en route to Palestine. Its efforts have been hampered by (1) the unwillingness of the Axis countries to permit Jews to depart therefrom, and (2) the difficulties of transportation. Further details with regard to these points are given below:

With reference to the specific points referred to above, under (a), (b) and (c), I may say that the Turkish Government has repeatedly given evidence of its willingness to grant a larger number of transit visas to Jewish refugees to pass through Turkey than the number of refugees who have been able to reach the Turkish frontier due to the fact that refugees have been unable to depart from Axis territory. Although willing to grant more visas than have been utilisable, the Turkish Government has thus far declined to authorise the charter of a Turkish boat to be used to bring refugees from Rumanian or Bulgarian ports to Turkey, fearing such vessel would be sunk in the Black Sea.

My recommendations as to what the United States Government can effectively do in this situation are (1) immediately promise the Turkish Government that should the latter permit a Turkish vessel to carry refugees from Rumanian or Bulgarian ports to Istanbul and should such vessel be lost, the vessel will be immediately replaced; and/or (2) arrange immediately to make a
vessel available for the purpose in question; and (3) bring to
the notice of the Axis governments and peoples, by use of the
radio, the issuance of public statements and other means, that
they will be held accountable in the final settlement for their
mistratment of the Jews and other minorities. In this connec-
tion reference is made to my telegram No. 282 dated February 18,
1944, containing a similar recommendation from Mr. Ira Hirschmann
to the Director of the War Refugee Board.

I submit for the Department's further information in connec-
tion with the foregoing the following data in respect to the
problem of rescuing Jews and other persecuted minorities from
the Axis countries:

The movement of Jews into Palestine from Axis countries has
been divided in general into two categories: (1) legal immigra-
tion into Palestine from the Axis countries; and (2) illegal
immigration into Palestine from such countries.

Legal Immigration into Palestine

The British Government at the beginning agreed to admit into
Palestine from Axis countries two classes of persons:

(a) Persons who were granted immigration certificates be-
fore the rupture of diplomatic relations between Great Britain
and Rumania, Hungary and Bulgaria but were unable to depart there-
from for Palestine.

(b) Relatives of persons actually resident in Palestine.

Subsequently, in 1942, a third category was added, namely,
4,500 children plus 500 adults coming from Bulgaria, Rumania
and Hungary, whose admission into Palestine was agreed upon.
The plan involved the issuance of 5,000 immigration certificates
which would be distributed as follows:

<table>
<thead>
<tr>
<th>Country</th>
<th>Children</th>
<th>Adults</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulgaria</td>
<td>1,800</td>
<td>200</td>
</tr>
<tr>
<td>Rumania</td>
<td>1,800</td>
<td>200</td>
</tr>
<tr>
<td>Hungary (including Slovakia)</td>
<td>900</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>4,500</td>
<td>500</td>
</tr>
</tbody>
</table>

The proposal also included the issuance by the Swiss Consu-
lates in the three capitals of visas to persons approved by
the representative in each capital of the Jewish Agency for
Palestine.

Later, in 1943, the British Government announced that
29,000 Jewish refugees from Europe would be admitted into Pale-
stone. This figure was to include the 4,500 children and 500
adults referred to above.

The British Government some time ago agreed to admit into
Palestine during the period 1940-44 not in excess of approximately
75,000 Jews; very recently it announced that the period of time
during which this number would be admitted would be extended.

In so far as Turkey is concerned, the problem has been one
of transit across Turkey en route to Palestine.
discussions between the American and British Embassies with the
Turkish authorities concerning the transit of refugees across
Turkey to Palestine, the Turkish Government declined to permit
the proposed refugees to be carried on Turkish vessels (by
reason of lack of coal and space, and other technical reasons).
It agreed, however, to permit a limited movement by rail across
Turkey. The question of the refugees being carried on other
Turkish flag vessels was also raised but no definite decision
has been reached due to the total lack of such vessels.

In April 1943 the Turkish authorities agreed to attach
every ten days to a train from Haydar Pasa (Istanbul) to Aleppe
one coach, on which a group of 75 refugees would be carried.
It was stipulated that each such group must have departed from
Turkey before the second group could be admitted. Subsequently,
as the result of a conference between the American Ambassador
and the Turkish Minister for Foreign Affairs, this stipulation
was withdrawn. However, under this arrangement no single group
of 75 persons has to date reached Haydar Pasa, because it has
been impossible to arrange for the refugees to be released from
Axis territory.

Endeavors were subsequently made, through the Swiss autho-
rities, to arrange for the emigration from Bulgaria and Rumania
of a considerable number of Jews who were about to be expelled
to Poland. Since the collapse of Italy there has been a diminu-
tion in the movement to Poland.

Since late 1942, a system has been in force whereby lists
of names of immigrants in the approved categories mentioned
under (a) and (b) above are submitted to the Turkish Government
with the request that transit visas be granted to these persons
in Hungary, Rumania and Bulgaria. The Turks have made a re-
strictive limit of nine "persons" per country per week in order
not to overload the Turkish trains, but this restriction has
been so liberally interpreted as to constitute each "person" a
family of not more than five individuals, or a total of 45 per-
sons. The Hungarian and Rumanian Governments have allowed out
a modest number of families under this scheme, but very few have
come out of Bulgaria, the Bulgarian Government having, in April
1943, prohibited the exit from or transit through that country
of Jews, thus bringing to an almost complete stop the emigration
of Jews from Axis Europe, in view of the fact that the only
means of exit by land to Turkey from Axis countries north of
Bulgaria is through that country.

At the present time two groups of 75 children each in
Rumania are being prevented from starting their journey because
of the refusal of the Bulgarian authorities to allow them to
transit Bulgaria. Consequently, efforts are now being made to
have these two groups sent to Istanbul by boat from Rumania.
The International Red Cross is working on this matter. Pales-
tine has agreed to accept them. The Turkish authorities have
assured the Embassy that they will furnish two railway cars if
these children succeed in reaching Istanbul. The SS BELAGITA,
now at Constantza, is being considered as a vessel on which
these children might be brought to Istanbul.

There is also under consideration a proposal for the de-
parture of 300 children from Hungary under the Turkish transit
scheme of 75 people every 10 days but their departure is also
being prevented by Bulgarian transit difficulties.
The Turkish Ministry of Communications has recently agreed with the Embassy to furnish two cars per week over a limited period of time to transport a limited number of refugees through Turkey.

In general, the German authorities have prevented the departure of large groups although small groups leave either with their consent or by means of bribery.

**Illegal Immigration into Palestine**

The illegal immigration began about 1940 when the Palestine immigration quota was very small. Bulgarian and Romanian promoters obtained the use of unsavoury vessels and sold space on them at extortionate prices. The boats would start out for Palestine, passing through the Straits, which they could do without interference by the Turkish authorities. If the vessels succeeded in reaching Palestine, the passengers, not being admissible under the quota, were destined to be deported to the Island of Mauritius. One of the vessels, the S.S. PATRIAS, was sunk in the harbor of Haifa. The cause was never determined. A number of the ships which started from Bulgaria and Rumania for Palestine were wrecked on the Turkish European coast of the Black Sea. Others were wrecked in the vicinity of Mersin.

At this time the British Legations in Rumania and Bulgaria asked the respective governments to put a stop to the emigration but the governments in question refused or failed to do so. The Turkish authorities threatened to return to the country of origin such of the refugees as had landed in Turkey. The British Government requested the Turkish authorities to delay such action. Eventually many of the refugees were sent to Cyprus where some are still living; however, the absorptive capacity of Cyprus soon exhausted and it soon became impossible to send more there.

This illegal immigration ceased some time ago. It is possible it may be resumed, particularly should the procedure for legal immigration break down. Confidential information indicates the possible use for such illegal immigration of the following vessels; the S.S. MILKA, now understood to be at Varna, which can carry about 200 passengers; and the S.S. MARITZA, now understood to be at Constanza, which can carry about 250 passengers. These vessels are of about 200 to 250 tons, respectively, and, of course, be very overcrowded, were the number of passengers indicated taken aboard. Furthermore, their seaworthiness is in doubt.

In this connection, I may add parenthetically that as a result of the Struma disaster (February 24, 1942), I have approached with caution any proposals for the use of questionable vessels for the further evacuation of refugees from Rumanian or Bulgarian ports and have insisted as a sine qua non that any vessel in Turkish waters which might be available must receive the prior clearance of the American or British naval authorities in Istanbul as to its seaworthiness.

**Number of Persons Actually Moved**

Late in 1942 two groups of children transited Turkey en route to Palestine, 50 from Hungary and 50 from Rumania.

According to information furnished by Mr. Barlas, the representative in Turkey of the Jewish Agency from Palestine, the total number of Jews to transit Turkey in 1943 en route from
Axis Europe to Palestine was 1,165. Details as to points of origin are set forth below:

**January-September 1943**

| Children up to 16 years of age and accompanying adults from Hungary | 125 |
| Children up to 16 years of age and accompanying adults from Rumania | 76 |
| Refugees from Bulgaria | 150 |
| **Total** | **349** |

**October-December 1943**

| Individually from Budapest | 125 |
| " Bucharest | 50 |
| " Sofia | 82 |
| " Athens | 312 |
| **Total** | **564** |

Refugees sent to Cyrus from:

| Rumania | 130 |
| Bulgaria | 72 |
| **Total** | **202** |
| **1,165** |

The Jews listed above as coming from Athens consisted of persons who had escaped from Greece in small boats, most of which landed their passengers at Izmir where they were able to obtain visas for Palestine under the Schedule of the Jewish agency and to cross into Syria en route to Palestine.

In addition to this movement of Jews in transit through Turkey, 2,138 Jews left Turkey for Palestine during 1943, according to information supplied by Mr. Barlas.

The situation appears to be that the German control over the exit of Jews from the various countries in southeastern Europe is more stringently exercised in respect of the countries more remote from Germany than those nearer to Germany. Thus at the present time there are practically no Jews permitted to leave Greece, although a few escape illegally. Occasionally, despite the general prohibition, a few are permitted to depart from or transit Bulgaria (53 Jews arrived in Istanbul on or about February 15 from France); the Rumanian authorities appear to be willing to allow Jews to depart from Rumania in some numbers; and the Hungarian Government's attitude appears from here to be more liberal than that of the Rumanian Government (although Transit to Turkey from both Rumania and Hungary is hampered by the Bulgarian attitude and the lack of transport).
According to information furnished me by Mr. Darlas, the number of Jews in the Balkan countries at the beginning of the war is estimated as follows:

Bulgaria - 82,000 (of whom about 40,000 still remain in Bulgaria);
Rumania - 800,000 (of whom about 266,000 are still living in "Old Rumania");
Yugoslovakia - 75,000;
Greece - about 72,000 (of whom the vast majority were deported to Poland).

With further reference to the Jews in Rumania, it is understood that of the 180,000 who were expelled to Transnistria (mostly from Bessarabia and Bukowina) only 75,000 remain alive. The present distribution of the balance of the 266,000 mentioned above is estimated as follows:

- Bucharest: 100,000
- Galatz: 26,000
- Jassy: 26,000
- Bukowina: 16,000
- Elsewhere: 26,000

Various efforts made by the Embassy to assist in the matter

On April 23, 1942, I received the Department's telegram No. 164, April 22, 4 p.m., requesting, at the solicitation of an interested organization in the United States, that I endeavor to obtain permission from the Turkish authorities for certain Jewish refugees who had arrived in Istanbul from Rumania on the SS MICHAI on March 18 to land in Turkey in order to obtain visas to enter Palestine. I ascertained, as reported to the Department in my telegram 326, April 27, 12 noon, that the vessel mentioned had already sailed from Istanbul for Haifa with her refugee passengers on board and all her papers in order. I subsequently telegraphed that it had been impracticable to comply with the Department's request, contained in its telegram above referred to, that the Embassy inform it of the names of the refugees in question, as the names were unknown at Istanbul (Embassy's 327, April 27).

In February 1943 the Department telegraphed to me regarding a story which had appeared in The New York Times of February 13, to the effect that the Rumanian Government had, according to neutral sources, advised officials of the United Nations that it was prepared to cooperate in transferring 70,000 Rumanian Jews from Transnistria to any Mediterranean ports selected by the Allies. (Department's 148, February 17.) I replied to the Department on February 27 (my 337) that a representative of the Jewish Agency for Palestine, Mr. Joseph Golden, had informed me that the New York Times dispatch above mentioned was based upon the following:

Mr. Golden was visited on December 5, 1942, by a Dutchman who resided in Bucharest and who was temporarily visiting in Istanbul. This Dutchman, whose name was Schmitt and who was the Balkan and Turkish Director-in-Chief for Philip's Radio, had stated that he brought a proposal from a person named Lecua who was said to be the Rumanian Government official in charge of Jewish matters in Rumania. This proposal was to the effect that the Rumanian Government was prepared to consent to the departure of and provide ships for...
for the transportation to Palestine or other Allied ports of the 72,000 Romanian Jews who remained from those previously transported to Transnistria, provided that the American and British Governments agreed to a safe conduct for the vessels and to issue the necessary visas. According to Schmitt, the representative of the Jewish community in Bucharest who was appointed by the Gestapo, stated that the Catholic Bishop of Bucharest had expressed his readiness to permit the use of the Vatican flag on the ships and would endeavor to obtain permission to use the International Red Cross emblem. Golden forwarded the proposal on December 6 to the Jewish Agency for Palestine in Jerusalem.

I reported subsequently (my 382, March 2, 1 a.m.) that I questioned the bona fides of the proposal described if for no other reason than that the Romanian Government obviously did not possess the shipping facilities with which to transport 72,000 individuals.

On April 5, 1943, I called upon the Minister for Foreign Affairs and informed him that the American and British diplomatic representatives in Ankara had been requested by their governments, in view of the reported persecution of the Jews in Bulgaria and the intention of the Bulgarian Government to deport them to Poland, to address an urgent appeal to the Turkish Government to permit approximately 30,000 Jews to enter Turkey provided the Bulgarian authorities would permit them to leave Bulgaria. These Jews, the Minister was informed, represented that part of the Jewish population of Bulgaria which was concentrated in towns and it was suggested that they be accommodated in temporary camps in a suitable area in Turkey, acquired and set aside for the purpose. The Minister was informed that the American and British Governments were ready to assure the Turkish Government that all costs connected with the entrance of these refugees and their maintenance in Turkey would be defrayed by the two governments, which, in addition, would supply to Turkey any additional food required to feed them. It was stated further that the two governments also would undertake to repatriate the refugees upon the conclusion of the war.

In July 17, 1943, I telegraphed to the Department my telegram No. 1245, July 17, 1 p.m.) that a representative of the Embassy had contacted Mr. Jacob Griffl who stated that he was an official representative of the Agudas Israel Organization in Palestine and also the representative of that organization to the Associated Jewish Rescue Committee. Mr. Griffl informed the Embassy representative that the main purpose of his mission was to rescue Jews from Europe; he added that he was interested in two projects:

(1) To locate 700 Jews, families of persons already in Palestine for whom the organization which he represented had received a blanket visa for Palestine. He stated he intended to work through the Swiss Government and the International Red Cross with a view to locating these families and endeavoring to bring them to Palestine; and

(2) To assist about 20,000 Jewish families concentrated in Transnistria. He thought that the best way to help these people was to send them money. He said that his organization in New York would like to send funds to Switzerland either for the purchase of food and clothing to be sent to Transnistria or for the obtaining of money to be sent there.
In October 1943 the Embassy received information from the American Embassy in London of a rumor indicating that a ransom traffic in refugee children through Turkey existed. Upon investigation of this rumor it was ascertained that there was no foundation for it. I had confirmation of the lack of foundation for this rumor from Dr. Golden of Istanbul, head of the Jewish Relief Organization charged with assisting all Jewish refugees who enter Turkey. Dr. Golden suggested that this rumor might be the result of certain exasperating delays which were being experienced in negotiations with the Bulgarian authorities for permission for Jewish children to leave Bulgaria.

Turkish Jews in France

Another category of Jews in whom the Department and the Embassy have been interested is the large number of Turkish Jews in France.

It appears that Mr. Barlas, local representative of the Jewish Agency for Palestine, received about the middle of December, 1943, a telegram from Mr. Weizman, Jewish Agency representative in Lisbon, stating that 10,000 Jews of Turkish origin in France, having lost their nationality owing to the provisions of Turkish law, were in danger of deportation to Poland. Mr. Barlas was asked to appeal to the Turkish authorities not to withdraw recognition from these Jews. Mr. Barlas stated, upon going onto the matter, that the Jews in France fall into two categories:

(A) Jews whose Turkish nationality is uncontested; these Jews have been given full Turkish protection and have either been repatriated to Turkey or have escaped persecution.

(B) Jews descended from Jews who emigrated from Turkey several generations ago and whose Turkish nationality has been annulled as a result of the provisions of a Turkish law adopted in 1928 providing that Turkish nationals residing abroad who fail to register with the Turkish consulates for a period exceeding five years may be deprived of their citizenship by the Turkish Government (see NATIONALITY LAWS by Flournoy and Hudson, Oxford University Press, New York 1929, page 571).

This second category of Jews (B) to whom it is understood Turkish representatives in France have so far accorded a certain measure of protection, is now threatened with deportation to Poland.

In view of the fact that these Jews no longer have Turkish nationality and in view of the Department's recognition (Department's telegram No. 67 dated January 25, 1944) of the fact that as a consequence the Turkish Government is in no position to extend protection to them, it is not to be expected that the Turkish Government can officially make representations to the Vichy Government on their behalf. It is understood, however, that an official appeal is being made to the Vichy authorities by the Turkish Ambassador to Vichy France, Sekti Berkow, who has shown himself sympathetically disposed in the past in regard to Jewish matters. Possibly as the result of Mr. Berkow's representations a party of 53 Jews arrived in Istanbul on or about February 16th from France, having travelled by rail by way of Milan, Vienna, Nish and Belgrade.

On January 10, 1944, the Department was informed (my telegram No. 49, January 10, 3 p.m.) of an informal conversation with
which I just had with the Turkish Minister of Foreign Affairs regarding several thousand Jews of Turkish origin reported to be in jeopardy in France. The Minister informed me that he would take whatever steps he found possible to afford protection to these Jews and that, in so far as concerns those who were able to establish Turkish citizenship, he would demand the same treatment for them as is accorded other Turkish citizens. With respect to those who were unable to establish Turkish citizenship, he said that he was doubtful that the Vichy authorities would recognize his right to intervene on their behalf.

In compliance with the Department's instructions of January 25, 1944 (Department's telegram 67, January 25, 11 a.m.) that I express to the appropriate Turkish officials the Department's hope that for humanitarian reasons they would be able to afford protection to as many as possible of these Jews of Turkish origin in France and would deliberate in defining their citizenship status, I discussed this matter with the Minister of Foreign Affairs (as reported in my telegram No. 151, January 18, 10 p.m.) and urged him to extend to them the maximum protection of the Turkish Government. He assured me that of humanitarian grounds the Turkish Government would exert itself to the utmost to afford protection in these cases.

It may be mentioned in this connection that the American Consulate General at Istanbul received an inquiry from the Department in December 1943 (Department's 319, December 29, 10 p.m.) regarding reports that Paraguayan Jews confined in the concentration camp at Vittel, France, were threatened with deportation to Poland because of a report that the Paraguayan Government had revoked their citizenship. In reply the Consulate General telegraphed (its telegram No. 4, January 4, 1944) that the local Jewish representatives of Agudat Israel and of the Jewish Agency had been notified that the Paraguayan Government had agreed not to revoke the citizenship of Paraguayan internees in this concentration camp.

Unavailability of vessels to carry refugees from Romanian or Bulgarian ports

As has been indicated above, one of the principal obstacles to the movement of Jews from the Axis countries to Turkey has been the problem of transport.

The Bulgarian authorities since April 1943 have practically prohibited the departure of Jews across the Bulgarian-Turkish frontier, presumably as the result of German action. As a consequence efforts have been made to arrange for the transportation of Jews from the Romanian port of Constanța to Turkey by boat. Efforts which have been made in this direction have to date been without result. Two Romanian flagged vessels, the S. S. TRANSYLVANIA and the S. S. BESSARABIA, which have been lying idle in the harbor of Istanbul for nearly three years, have been considered in this connection but to date their use has been precluded either by the attitude of the Romanian Government—in fact, the German Government—or more recently by the unavailability of funds to effect the proposed purchase.

As a result of a request made of the Turkish Ministry of Foreign Affairs by the British Ambassador and myself, the Turkish Government took up with the Romanian Government the matter of obtaining these two vessels on charter for the purpose indicated. In due course the reply was received that the Romanian Government was not...
was not willing to permit the vessels to be chartered for this purpose and the Embassy was given to understand that the refusal was the result of action by German authorities in Romania.

I have recently been informed by Mr. C. M. Simon, International Red Cross delegate in Turkey, that Colonel Teodorescu, Romanian Military, Naval and Air Attaché in Ankara, came to see him early in February 1944 to propose that the International Red Cross purchase for the sum of 1,700,000 pounds sterling the two Romanian vessels in Istanbul, the SS TRANSYLVANIA and SS BESSARABIA; that he had submitted the matter to the International Red Cross Headquarters in Geneva by telegraph and that he has subsequently received a reply stating that funds for their purchase are not available.

The question of obtaining ships from the Anglo-American shipping pool, possibly by transfer to the UNRRA for donation to the International Red Cross which could man the ships with neutral crews, has been raised and Mr. Murray Gurfine of the Office of Strategic Services cabled from Istanbul the suggestion, as a personal one, to Mr. Edwin Goldwasser, New York, at the end of January 1944. He suggested that such ships, the property of the International Red Cross under Swiss registry, could perform many errands of mercy in addition to the specific one of assisting in the proposal to evacuate 5,000 Jews, principally children, from Romania, Hungary and Bulgaria.

It may be pointed out in this connection that the question of the nationality of the crews of vessels proceeding to a Romanian or Bulgarian port to evacuate Jews is likely to present difficulties unless the crews of such vessels are citizens of neutral countries. The British authorities, for example, might object to a Romanian crew bringing a vessel into Palestinian waters and it is to be expected that the Romanian and Bulgarian authorities would similarly object to a crew of Allied nationality entering their waters.

On January 29, 1944 (my telegram No. 163) I advised the Department of receipt of information from the representative of the Jewish Agency for Palestine in Turkey, Mr. Or. Barlas, that a Portuguese flag vessel under charter to the Joint Distribution Committee was then on route from Lisbon to Palestine with approximately 700 Jewish refugees and I suggested that the Department might wish, in view of the fact that the principal difficulty in rescuing more than a limited number of Jews from Transnistria is being occasioned by the lack of transportation, to suggest to the Joint Distribution Committee that efforts might be made to continue the charter of the vessel with a view to its proceeding from Palestine to Constanza in order to evacuate from Transnistria the Jewish refugees there.

Recently there has also been under consideration a proposal to obtain the use of a Turkish vessel for the purpose indicated. The vessel under consideration has been the SS VATAN. The possibility of obtaining the use of this vessel was discussed with me on February 8, 1944, by Dr. Isaac Herzog, Chief Rabbi of Palestine, Dr. Mordecai Misan, who accompanied him from Palestine, and Mr. Barlas, the representative in Turkey of the Jewish Agency for Palestine. I suggested to him that they attempt to see both the Minister for Foreign Affairs and the Minister of Communications with a view to obtaining the use of the boat.
stating that I thought the most feasible means of obtaining the use of the boat for a limited period would be to start with a request that it be made available for only one trip to Constanza. The Turkish Minister for Foreign Affairs was unwilling to see the Chief Rabbi, stating that as a matter of principle he could not receive him or any other ecclesiastical dignitary. The Foreign Minister suggested, however, that a call be made on Mr. Ferudun Cemal Erkin, Assistant Secretary General of the Ministry, upon whom Mr. Eliaash and Mr. Barlas called on February 11. When they first broached the matter of obtaining the use of a Turkish vessel for this purpose, Mr. Erkin's attitude was negative, the gentlemen named informed me, on the ground of the transport difficulties with which the Turkish Government is faced, and he suggested that they seek to obtain the use of a suitable vessel used by the Red Cross. Mr. Erkin's attitude was, however, somewhat more favorable when the proposal was made to him that the vessel be made available merely for one trip and he then promised to give a definite decision on this matter on February 15. In the course of his discussion with these gentlemen Mr. Erkin indicated, they informed me, that he is worried by the delays at Istanbul of refugees in transit because of a failure on the part of the British authorities there to issue promptly the necessary entry visas for Palestine. The Embassy has checked on this point and found that there have been very few cases of delay at Istanbul and these few have been for purely personal reasons on the part of the individuals concerned. Nevertheless, as a result of the statement made by Mr. Erkin to Mr. Eliaash and Mr. Barlas and his suggestion that the British Embassy inform the Ministry for Foreign Affairs that visas for Palestine would be granted within 24 hours on arrival at Istanbul, an officer of the British Embassy has subsequently informed me that an official statement to the effect indicated would be made to the appropriate official of the Ministry. As a result, it is expected that the number of visas granted by Turkish consular officers in Bulgaria, Rumania and Hungary will be increased and that the number arriving in Turkey will consequently increase, provided the Bulgarian bottleneck can be broken or provided evacuation by sea can be effected.

On February 14, 1944, a member of my staff interviewed the official in the Ministry for Foreign Affairs who is handling this whole question and, in the course of their conversation, informed him of the Embassy's interest in a Turkish vessel being made available—the VAFAN was mentioned—for this purpose. The official in question said he thought, in view of the shipping shortage and the risk of loss involved, it was unlikely that a Turkish vessel could be made available. He raised the question of whether the American Government or Allied Governments could not make a vessel available to some international relief organization to carry out the proposed voyages.

The Turkish decision in the matter was in the negative. The Department will recall from my telegram No. 159 dated January 31, 1944, that a lack of transportation facilities rather than an unwillingness on the part of the Turkish authorities to cooperate was the chief difficulty in effecting the rescue of Jews from the Axis countries. The statement was also made in the telegram under reference that in my opinion unless the transportation facilities were augmented by vessels especially chartered for the purpose it was most unlikely that in present conditions the rail facilities could be materially increased. I reported also that the Turkish authorities had repeatedly assured me of their desire to cooperate but that they insisted that under existing conditions they were unable to increase rail facilities.

It will.....
It will be seen from the foregoing that despite the most strenuous and continuous efforts on the part of the Embassy to facilitate the movement of oppressed Jews from the Axis countries to Palestine, these efforts have to date met with only limited success, primarily because the persons whom it is desired to move are on territory controlled by the enemy who does not permit them to leave for abroad, and secondarily because of transportation difficulties. With regard to this second factor it may be remarked again that the Turkish authorities have been willing to grant more visas for persons to transit Turkey than have been utilized by persons able to leave enemy territory. Approximately three-fourths of the Jews arriving in Turkey from enemy territory have come by rail; the remainder have escaped from Greece by boat. (See page 5, supra.) If a vessel or vessels become available for the transportation of Jews by water from Romanian or Bulgarian ports to Turkey, it is not improbable that last minute difficulties will arise in connection with their actual departure from enemy territory, since as yet there is no guarantee that they will be allowed to depart from such territory for Turkey.

It is to be remembered, in considering the Turkish attitude with regard to this matter, that Turkey's transportation system has never been adequate from the western viewpoint and is far from being adequate in the present situation when Turkey's entry into the war has until very recently been increasingly imminent. There is only one through single track main line from Haydar Pasa (Istanbul) to Aleppo via Ankara and this line has been overburdened with British and American (mostly Lend-Lease) shipments, consisting largely of war materials, moving in a northerly direction and of Turkish exports, consisting largely of Turkish products bought by the United States and the British Empire both for supply and preemptive reasons, moving in a southerly direction. The load which the locomotives have been carrying through the Taurus mountains, through which this line runs, has consistently been the maximum possible, with the result that the addition of even one extra car filled with refugees to a particular train has presented a difficult mechanical problem. Notwithstanding, as has been pointed out before, the Turkish authorities have actually agreed to furnish one car every 10 days to transport 75 children and accompanying adults from Haydar Pasa to Aleppo. With all rolling stock burdened to the maximum, it has been impossible—and in fact unnecessary since the small number of refugees arriving in Turkey has been readily handled—to increase the number of trains to haul refugees.

Should it become possible to move a large number of refugees from Romanian or Bulgarian Black Sea ports to Istanbul their further transit beyond Istanbul will, of course, present difficulties but it is hoped that such difficulties can be overcome either by providing transportation by vessel beyond Istanbul to a Palestinian port or by moving them gradually by rail from Istanbul via Adana and Aleppo to Palestine.

If some scheme is eventually worked out by which the refugees can be moved by water from the ports in question, it may be found desirable to discharge them from the vessels at Haifa, rather than at Istanbul, thereby avoiding the difficulties which would arise out of a stay in Istanbul and the necessity of arranging rail or water transport beyond Istanbul. Any plans that may be drawn up for the use of vessels only as far as Istanbul should include provision for furnishing the refugees food and shelter while in Turkey.

Aside from...
Aside from the Jews who have managed to reach Turkey from Axis countries (some legally and some illegally as set forth above), a considerable number of Greeks have succeeded in reaching Turkey from nearby Greek islands. The exact number is not known but it is considerable. Most of them have proceeded from Turkey to Syria. The movement of persons of this category is more or less continuous, although the number moving at any one time is small. The number of refugees of other national or racial groups reaching Turkey is negligible.

In the many discussions which I have had on this subject with the present Prime Minister and former Minister for Foreign Affairs, Mr. Saracoğlu; with the present Foreign Minister and former Undersecretary for Foreign Affairs, Mr. Memenenoğlu; and with other high Turkish officials, I have invariably endeavored to persuade them to lend every possible assistance to achieve the desired end, emphasizing the vital humanitarian principles involved and referring to the self-interest involved (in that any assistance granted would tend to present Turkey in a favorable light abroad). The expressions and attitude of these officials have invariably been one of the desire to cooperate and aid in every way, despite the many and unavoidable difficulties with which their country has seen and is faced.

As I informed the Department in my telegram No. 270 of February 16, 1944, I am delighted with the assignment to my staff in the capacity of attaché of Mr. Ira Hirschmann for the special purpose of handling matters pertaining to these refugees. I am most favorably impressed with his initiative and quick grasp of the situation, as well as with his general qualifications and personality. I shall of course extend every possible assistance to him in this work.

Respectfully yours,

Laurence A. Steinhardt

File No. 840.1
LAS/mp

To Department in original and hectograph
Information received up to 10 a.m., 20th February, 1944.

1. **NAVAL**

**HOME WATERS.** One of H.M. Submarines sank a 6,000 ton ship in BOKN FJORD on 7th and possibly damaged a 3,000 ton ship in BOMMEL FJORD on 12th, as well as another ship in SAUDESNES.

20th. One of H.M. Sloops damaged by U-boat S.W. of LALLAND.

19th. One of H.M. Frigates and one of H.M. Sloop each sank U-boat off USHANT.

**MEDITERRANEAN.** 18th. Port of ANZIO temporarily closed for minesweeping, but 3,179 tons discharged.

**EAST INDIES.** One of H.M. Submarines sank a small vessel north of SUMATRA on 5th and a 7,000 ton ship (possibly a warship) on 12th.

2. **MILITARY**

**ITALY.** To noon 19th. Gains in CASSINO area were consolidated and held against counter attack except for a hill feature lost by 4th Indian Division and CASSINO Railway Station where 2nd New Zealand Division were forced to withdraw. In ANZIO Beachhead battle front remains intact after heavy enemy attacks but there has been a slight withdrawal by British troops south of CARROCTO.

**BURMA.** In ARAKAN localised fighting continues. Advances have been made by our troops down the KALADAN VALLEY.

3. **AIR OPERATIONS**


**ITALY.** 18th. 216 Allied fighters patrolled battle area.

**BURMA.** 18th/19th. Liberators dropped 46 tons on MANDALAY Railway Yards.
MEMORANDUM

TO: Mr. Bell
FROM: Mr. Paul

FEB 21 1944

Attached hereto is a memorandum dealing with the desirable provisions of the pending tax bill. The memorandum points out that if the President vetoes the tax bill, there is no vital need for any immediate legislation. If, however, conditions are such, after a veto, as to make immediate legislation feasible, there are a number of provisions which the Treasury could suggest be handled in such fashion.
MEMORANDUM

PROVISIONS IN THE PENDING TAX BILL
AS RESPECTS ANY IMMEDIATE NEED FOR LEGISLATION

I. If the President vetoes the tax bill, there is no vital need for any immediate legislation with respect to any of the desirable technical provisions of the bill.

II. There are, however, a number of desirable technical provisions in the bill with respect to which it would be helpful if they could be enacted into law as early as possible:

A. Powers of Appointment -- Section 505 of the bill extends from March 1, 1944 to January 1, 1945 the time within which a power of appointment may be released without the release constituting a taxable transfer of the property. This extension is necessary as taxpayers have relied upon it. While it would be helpful to have the extension become law prior to March 1, the extension may be made retroactively by legislation subsequent to that date. The taxpayers' worries with respect to the possibility of an extension may be allayed by an announcement.

B. Statute of Limitations -- Section 513 of the bill extends the statute of limitations in the case of various corporate taxes in certain cases. This provision was inserted at the request of the Treasury. While it would be helpful if the extension became law prior to March 15, 1944 (at which time the statute of limitations with respect to the year 1940 would otherwise expire), the extension could be made retroactively by legislation after March 15. In such a case, it would be desirable that notice be given that the Treasury would request such legislation.
C. Provisions Affecting the 1944 Declaration Forms -- A number of the provisions of the tax bill affect the declaration forms to be filed on April 15, 1944. These are: Disallowance of deduction for Federal excise taxes; repeal of the earned income credit; establishment of a flat three percent Victory tax rate; establishment of July 1 as the date to determine the taxpayer's status for exemption purposes; revision of the penalty provisions respecting the estimated tax. If these provisions are ultimately to become law for the year 1944, it would be helpful if the declaration forms could reflect the changes. However, this would require immediate legislation since otherwise the printing of the forms would be delayed too long. The prospects of sufficient immediacy of such legislation are so slight that it is desirable to proceed with the printing of the declarations on the basis of existing law. The change in tax burden in each individual case that would result from the enactment of these provisions is not very large. Consequently, it would be all right to adopt these provisions later in the year and enactment now is not essential. The revision in the penalty provisions would have permitted taxpayers to avoid any penalty for underestimation by relying on last year's income. It would be helpful if taxpayers could fill out their 1944 declarations on the basis of such a provision. While legislation prior to April 15, 1944 would be helpful in this regard, it is possible that an announcement that such legislation would be requested later by the Treasury would serve just about the same purpose.

D. Social Security Increase -- While the short period elapsing between a veto and March 1, 1944, when the two percent rate would go into effect, might cause employers some difficulty...
in adjusting their payroll procedures to the higher rate, it is not believed that the difficulties are such as to warrant the Department's suggesting a statutory extension of the one percent rate until April 1, 1944.

E. Repeal of the Second Windfall Provision --
The bill contained a provision repealing "the second windfall provision" under the Current Tax Payment Act. If the second windfall is to be repealed, it would be desirable that the repeal occur prior to March 15, 1944 so as to make it unnecessary for taxpayers subject to the provision to fill out the portion of the 1943 return relating to the second windfall. However, if no legislation is desired at this time, the repeal could be postponed until later in the year.

F. General Technical Provisions --
There are a number of technical provisions in the bill which represent desirable improvements in the present law. However, their adoption could safely be postponed until later in the year. The provisions in which the Treasury are principally interested are:

- Treatment of 1941-1942 and 1943-1944 fiscal years;
- Change of the withholding rate for aliens brought in by the War Manpower Commission;
- Relief from double taxation on estates and trusts;
- Treatment of mutual fire insurance companies issuing perpetual policies;
- Proper treatment of 80 percent credit in connection with public utility dividends, and revision of credit against preferred tax;
- Administrative corrections in the operation of the post-war credit under the excess profits tax;
- Termination of Governmental exemption in connection with certain excise taxes;
- Revision of credit against Federal unemployment taxes for late payments to State funds;
- Operation of renegotiation provisions under Current Tax Payment...
Act; provision dealing with acquisitions of property to evade taxes (there is a question as to the desirability of this provision).

III. There are a number of provisions in the bill which combine to produce an increased revenue yield of over two billion dollars. These are: repeal of the earned income credit, disallowance of deduction for Federal excise taxes, increase in excess profits rate, various excise tax increases. The first two are not only revenue but simplification provisions, so that their enactment is desirable. The desirability of securing additional revenue from the other sources is in the most part dependent upon the contents of a veto message.

IV. As indicated in Point I, there is no vital need for any immediate legislation, so that if the desirable policy is to avoid immediate legislation, there is no obstacle to such a policy. If, however, conditions are such after a veto as to make immediate legislation feasible, there are a number of provisions, as indicated in Points II and III, which we could urge should be enacted now. Whether or not we would urge that all of these provisions be enacted now in such a situation depends upon time factors and other considerations which can only be determined after the reaction to a veto message.
TO: THE SECRETARY:

Here are two memoranda from Sullivan and Paul on the situation with respect to the Revenue Bill. I have an understanding with every one here that there will be no discussion of this problem until your return, or, if it becomes necessary to discuss it, until we contact you by telephone.

I expect to write you tonight giving some idea as to the financing.

February 21, 1944
Office of the Under Secretary
February 21, 1944

TO: Mr. D. W. Bell

FROM: Mr. Sullivan

You will recall that at luncheon on Friday you and I discussed with Mr. Graves and Mr. Cann the arrangements the Bureau of Internal Revenue was making for the printing and distribution of forms.

The Bureau made its plans on the assumption that the Revenue Act of 1943 would become law, and the printing of the Estimated Declarations has already been started. These forms will be in the hands of the taxpayers in ample season for filing on April 15th. It has been agreed that this Estimated Declaration and the accompanying quarterly installment would be sent to the collectors by April 15th rather than March 15th.

To protect the taxpayers and itself in the event that the Revenue Act of 1943 did not become law, the Bureau has prepared plates for the printing of Estimated Declarations based on the Revenue Act of 1942. These plates are all ready for shipment, and if the Revenue Act of 1943 is vetoed, these plates will be sent immediately to the printers. We hope that we will be able to distribute these forms to the taxpayers for filing on April 15th, but the length of time the taxpayers will have them will necessarily be shorter than the time they would have the Declaration forms based on the Revenue Act of 1943.

You will recall that Mr. Graves and Mr. Cann agreed with us that it would be unfortunate to postpone the filing of the Declaration beyond April 15th and that Mr. Graves told us he thought it would be possible to stick by the April 15th date.
MEMORANDUM FOR THE SECRETARY

From: Mr. Paul

February 21, 1944

We are continuing to work closely with the Bureau of Internal Revenue on tax simplification proposals. Mr. Stam served a subpoena on the Bureau asking for their simplification suggestions. The response to this demand has been postponed until Thursday, February 24, to make sure that there will be no conflict between the suggestions made and the President's message to Congress on the tax bill.

We have arranged with the Bureau that the Treasury will submit an objective analysis of the simplification problem and of various possible ways of meeting it, indicating the effects on tax burden distribution and other considerations. This would be sent to Mr. Stam with copies to Chairman Doughton and Senator George at the same time that the Bureau submits its suggestions. Reference would be made in both the Treasury and the Bureau memoranda to the fact that the Treasury and the Bureau had worked together closely on the problem and that the memoranda reflected their combined views.

The Bureau suggestions are to be couched in tentative form and are not to be submitted as recommendations. This will hold the matter open for further study and analysis and avoid too much of a commitment at this stage.
MEMORANDUM TO THE SECRETARY:

1. REFUNDING

Haas, Murphy and I conferred this morning with Eccles, Smoul, Rouse and Piser on the refunding of the $4,700 million of bonds and notes maturing between March 16th and June 16th. We all agreed that we should refund this entire lot in one operation, to be offered about March 2nd; that we would leave the books open for the larger subscribers for a period of about a week and leave them open for the balance of the time up to March 15th for those holding $100,000 or less. There was one suggestion which we want to further explore — that the books be left open for the small holder of, say, $10,000 for the entire period up to the maturity of the security. We all agreed, subject of course to changes in the market between now and the date of the offering, that there should be offered in exchange for these outstanding securities a 1-1/2% note maturing either in June or September 1948, and the 2-1/4% bond of 1956-59 and the 2-1/2% bond of 1965-70 offered in the drive. We agreed that there should be no indication to the market regarding this refunding until possibly Monday, the 28th, at which time you can announce at your press conference that we intend to offer a refunding operation on the 2nd. Table of securities to be refunded is attached.

2. FIFTH WAR LOAN

Present cash position estimates indicate that we will have a cash balance going out of April of about $9,500 million, and going out of May of about $4,700 million. This means that we should have some financing in June. I have scheduled a Fifth War Loan for June of $14 billion. If we do not have another loan drive until after election, it would be necessary to raise at least $10 billion through bank financing in, possibly, August and October. Even with this our balances would get down to between $5 and $6 billion in September and possibly below $5 billion in October and may even go below $2-1/2 billion if the drive doesn’t start until the middle of November. At any rate I am certain that the Fifth War Loan Drive shouldn’t start later.
than June 15th and preferably June 1st and it should not be for less than $14 billion and if we can make it more, it would reduce our bank financing.

3. ALTERNATIVE

I have been turning this possibility over in my mind -- We have maturing on May 1st a certificate of indebtedness in the amount of $1,600 million. When we roll this over we could add another $1,500 million, which would give us some additional cash. Then make the Fifth War Loan a $20 or $22 billion operation with the right in every subscriber who subscribes for $100 or more to pay for those securities in installments over a period of, say, five months. This should materially increase the purchases from individuals, insurance companies and others. If we could be successful in a War Loan Drive of this size and raise as much as $22 billion, I believe that we could, with about the same amount of bank financing as under 2 above, go into December and possibly January before we have the Sixth War Loan. It would have the advantage also of putting the drives on a basis of three a year. I talked a little about it last night with Ted Gamble and he thought it had great possibilities, if we could work out the installment feature. I am working on that and am not quite ready yet, but I hope by the time you get back to say whether the mechanics can be developed.

Mr. Paul didn’t get his memorandum on the Tax Bill to me in time to include with my note of today. I am therefore attaching it to this letter. (detached. Paul’s memorandum 3-3-40 7/11/40)
SECURITIES (EXCLUDING CERTIFICATES OF INDEBTEDNESS) MATURING OR CALLABLE BETWEEN MARCH 1 AND JUNE 30, 1944

(In millions of dollars)

<table>
<thead>
<tr>
<th>Issue</th>
<th>Callable or maturity date</th>
<th>Total outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treasury notes, 1% Series B-1944</td>
<td>March 15</td>
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<td>Federal Farm Mortgage Corporation bonds, 3-1/4% 1944-46</td>
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<td>Reconstruction Finance Corporation Notes, 1% Series W</td>
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<td>Treasury Bonds, 3-1/4% 1944-46</td>
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<td>Home Owners Loan Corporation Bonds, 3% 1944-52</td>
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<td>Federal Farm Mortgage Corporation Bonds, 3% 1944-49</td>
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<td>Treasury Notes, 3/4% Series A-1944</td>
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February 21, 1944

Regraded Unclassified
EXECUTIVE ORDER
9425

ESTABLISHING THE SURPLUS WAR PROPERTY ADMINISTRATION

By virtue of the authority vested in me by the Constitution and statutes of the United States, particularly the First War Powers Act, 1941, as President of the United States and as Commander in Chief of the Army and Navy, it is hereby ordered as follows:

1. There is hereby established in the Office of War Mobilization, the Surplus War Property Administration (hereafter referred to as the "Administration"); the powers and functions of which, subject to the general direction of the Director of War Mobilization, shall be exercised by a Surplus War Property Administrator (hereafter referred to as the "Administrator"), to be appointed by the Director of War Mobilization.

2. With the assistance of a Surplus War Property Policy Board, composed of a representative from each of the following:
   State Department, Treasury Department, War Department, Navy Department, Justice Department, Reconstruction Finance Corporation, Smaller War Plants Corporation, United States Maritime Commission, War Production Board, Bureau of the Budget, War Food Administration, Federal Works Agency, Civil Aeronautics Board, and the Foreign Economic Administration, it shall be the function of the Administration, to the full extent that such matters are provided for or permitted by law:
   
   (a) To have general supervision and direction of the handling and disposition of surplus war property.
   
   (b) To have general supervision and direction of the transfer of any surplus war property in the possession of any Government agency to any other Government agency whenever in the judgment of the Administrator such transfer is appropriate.
   
   (c) Unless otherwise directed by the Director of War Mobilization, to assign, so far as it is deemed feasible by the Administrator, surplus war property for disposition, as follows: commissary goods to the Procurement Division of the Department of the Treasury; capital and producers' goods, including plants, equipment, materials, scrap and other industrial property, to a subsidiary of the Reconstruction Finance Corporation, created pursuant to Section 5d (3) of the Reconstruction Finance Act, as amended; ships and maritime property to the United States Maritime Commission; and food to the War Food Administration; provided that surplus war property to be disposed of outside the United States, unless otherwise directed by the Director of War Mobilization, shall be assigned, so far as it is deemed feasible by the Administrator, to the Foreign Economic Administration.

3. All functions, powers, and duties relating to the transfer or disposition of surplus war property, heretofore conferred by law on any Government agency may, to the extent necessary to carry out the provisions of this order, be exercised also by the Administrator.

4. The Administrator may prescribe regulations and issue directions necessary to effectuate the purposes of this order; and if no Government agency shall transfer or dispose of surplus war property in contravention thereof. Each Government agency shall submit
such information and reports with respect to surplus war property and in such form and at such times as the Administrator shall direct. When requested by the Administration, a Government agency shall execute such documents for the transfer of title or for any other purpose or take such steps as the Administration shall determine to be necessary or proper to transfer or dispose of surplus war property or otherwise to carry out the provisions of this order.

5. The Administrator may perform the functions and exercise the powers, authority, and discretion conferred on the Administration by this order by such officials and such agencies and in such manner as the Administrator, subject to the provisions of this order, may determine. In carrying out the purposes of this order, the Administration may utilize the services of any other Government agency. The Administration, within the limit of funds which may be made available, may employ necessary personnel and make provision for supplies, facilities, and services necessary to discharge the responsibilities of the Administration.

6. As used in this order:

(a) "Government agency" means any executive department, independent establishment, agency, commission, board, bureau, division, administration, office, service, independent regulatory commission or board, and any government-owned or government-controlled corporation.

(b) "Surplus War Property" means any property, real or personal, including but not limited to plants, facilities, equipment, machines, accessories, parts, assemblies, products, commodities, materials, and supplies in the possession of or controlled by any Government agency, whether new or used, in use or in storage, which are in excess of the needs of such agency or are not required for the performance of the duties and functions of such agency and which are determined, subject to the authority of the Office of War Mobilization, to be surplus by such agency.

7. All prior Executive Orders, in so far as they are in conflict herewith, are amended accordingly.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE

February 19, 1944.
CONFIDENTIAL

Received this date from the Federal Reserve Bank of New York, for the confidential information of the Secretary of the Treasury, compilation for the week ended February 9, 1944, showing dollar disbursements out of the British Empire and French accounts at the Federal Reserve Bank of New York and the means by which these expenditures were financed.

Emb
FEDERAL RESERVE BANK
OF NEW YORK

February 18, 1944.

CONFIDENTIAL

Dear Mr. Secretary:  

Attention: Mr. H. D. White

I am enclosing our compilation for the week ended February 9, 1944, showing dollar disbursements out of the British Empire and French accounts at this bank and the means by which these expenditures were financed.

Faithfully yours,

/s/ L. W. Knake

L. W. Knake,
Vice President.

The Honorable Henry Morgenthau, Jr.,
Secretary of the Treasury,
Washington 25, D.C.
## Analysis of British and French Accounts

(In Millions of Dollars)

<table>
<thead>
<tr>
<th>PERIOD</th>
<th>BANK OF ENGLAND (BRITISH GOVERNMENT)</th>
<th>BANK OF FRANCE</th>
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<td></td>
<td>Total Debits</td>
<td>Gov't Expenditures</td>
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<tr>
<td>First year of war (g)</td>
<td>1,793.2</td>
<td>605.6</td>
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<tr>
<td>War period through December, 1940</td>
<td>2,782.3</td>
<td>1,425.6</td>
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<td>Second year of war (h)</td>
<td>2,201.0</td>
<td>1,792.2</td>
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<td>Third year of war (i)</td>
<td>1,235.6</td>
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<tr>
<td>Fourth year of war (j)</td>
<td>764.0</td>
<td>321.7</td>
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</table>

### 1944

- **September**: 42.4, 16.8, 10.6, 22.0, 86.2
- **October**: 42.2, 16.0, 32.2, 131.4
- **November**: 45.9, 12.4, 5.9, 17.6, 89.0
- **December**: 98.1, 16.3, 81.8, 136.2

### 1944

- **January**: 44.6, 22.2, 10.6, 12.0, 217.5
- **February**: 45.8, 28.0, 9.6, 4.6, 15.1
- **March**: 61.4, 11.1, 7.1, 54.1, 328.5

### Since Outbreak of War

- **England** (through June 20, 1940 to March 12, 1941): £54.4 million
- **England** (since March 12, 1941): £420.5 million

See attached sheet for footnotes.
(a) Includes payments for account of British Ministry of Supply Mission, British Supply Board, Ministry of Supply Timber Control, and Ministry of Shipping.

(b) Estimated figures based on transfers from the New York Agency of the Bank of Montreal, which apparently represent the proceeds of official British sales of American securities, including those effected through direct negotiation. In addition to the official selling, substantial liquidation of securities for private British account occurred, particularly during the early months of the war, although the receipt of the proceeds at this Bank cannot be identified with any accuracy. According to data supplied by the British Treasury and released by Secretary Morgenthau, total official and private British liquidation of our securities through December, 1940 amounted to $334 million.

(c) Includes about $85 million received during October, 1939 from the accounts of British authorized banks with New York banks, presumably reflecting the requisitioning of private dollar balances. Other large transfers from such accounts since October, 1939 apparently represent current acquisitions of proceeds of exports from the sterling area and other accruing dollar receipts. See (k) below.

(d) Reflects net change in all dollar holdings payable on demand or maturing in one year.

(e) For breakdown by types of debits and credits see tabulations prior to March 10, 1942.

(f) Adjusted to eliminate the effect of $20 million paid out on June 26, 1940 and returned the following day.

(g) For monthly breakdown see tabulations prior to April 23, 1941.

(h) For monthly breakdown see tabulations prior to October 8, 1941.

(i) For monthly breakdown see tabulations prior to October 14, 1942.

(j) For monthly breakdown see tabulations prior to September 29, 1943.

(k) Includes $14.4 million apparently representing current and accumulated dollar proceeds of sterling area services and merchandise exports.

(l) Of which $50.3 million represents cost of gold purchased for export.
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<thead>
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<th>PERIOD</th>
<th>DÉBITS</th>
<th>BANK OF CANADA (and Canadian Government)</th>
<th>CREDITS</th>
<th>COMMONWEALTH BANK OF AUSTRALIA (and Australian Government)</th>
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<td>TO OFFICIAL BRITISH A/C</td>
<td>OTHERS</td>
<td>TOTAL DEBITS</td>
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<td>477.2</td>
<td>16.6</td>
<td>460.6</td>
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<td>460.4</td>
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<td>Third year of war (c)</td>
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<td>723.6</td>
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<td>September</td>
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<td>47.2</td>
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<td>32.1</td>
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<tr>
<td>November</td>
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<td>-</td>
<td>14.3</td>
<td>51.1</td>
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<td>32.3</td>
<td>-</td>
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Average Weekly Expenditures for:

- First year of war
  - 6.2 million.
  - 8.9 million.
  - 10.1 million.
  - 13.9 million.
  - 12.0 million.

(a) For monthly breakdown see tabulations prior to April 23, 1941.
(b) For monthly breakdown see tabulations prior to October 8, 1941.
(c) For monthly breakdown see tabulations prior to October 8, 1941.
(d) For monthly breakdown see tabulations prior to September 29, 1943.
(e) Reflects changes in all dollar holdings payable on demand or maturing in one year.
(f) Does not reflect transactions in short-term B.M. securities.
(g) Includes $1,924,000 due to B.M. in the account of the Canadian Chartered Bank.
With the compliments of British Air Commission
who enclose Statements Nos. 124 and 125 — Air-
craft Despatched — for the weeks ended February
8th and February 15th respectively.

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

February 21, 1944.
<table>
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<tr>
<th>TYPE</th>
<th>DESIGNATION</th>
<th>ASSEMBLY POINT</th>
<th>BY SEA</th>
<th>BY AIR</th>
<th>FLIGHT DELIVERED FOR USE IN CANADA</th>
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TOTAL: 110  119  18
**STATEMENT NO.125**
Aircraft Despatched from the United States
Week Ended February 15th, 1944

<table>
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<th>DESTINATION</th>
<th>ASSEMBLY POINT</th>
<th>BY SEA</th>
<th>BY AIR</th>
<th>FLIGHT DELIVERED FOR USE IN CANADA</th>
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<td>21</td>
<td></td>
</tr>
<tr>
<td>GRUMMAN</td>
<td>Hellcat</td>
<td>U.K.</td>
<td>U.K.</td>
<td>5</td>
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<tr>
<td></td>
<td>Avenger</td>
<td>U.K.</td>
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<tr>
<td>STINSON</td>
<td>Reliant</td>
<td>U.K.</td>
<td>U.K.</td>
<td>8</td>
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</tr>
</tbody>
</table>

**TOTALS:** 150  77  8

 Movements Division  
 British Air Commission

February 21, 1944

Regraded Unclassified
SECRETARY OF TREASURY

ATTENTION JOHN PEHLE, YOUR LETTER OF 19TH AT HAND
APPROVE YOUR SUGGESTION CONTAINED IN SAID LETTER
HENRY MORGENTHAU JR.

(Re proposed declaration by President)
There are not many items in today's war news that can give much satisfaction to our enemies. The Japanese have taken beatings in the Central and southwest Pacific. The German retreat in Russia continues; in fact, the Germans admit that they have begun to withdraw in two regions on the central and southern fronts where the Russians have not yet claimed any gains. In Italy, the American and British troops on the Anzio beachhead just south of Rome have stopped the heaviest German attack yet - inflicting big losses on the enemy. And American and British bombers are steadily stepping up their attacks on Germany's vital aircraft industry.

The final defeat of Germany and Japan never looked so certain as it does right now. But it is equally certain that we cannot hope to make that defeat complete without still greater efforts and sacrifices. Our fighting forces have now gained the initiative and gone onto the offensive almost everywhere. But any offensive is a costly, risky business. It's therefore none too soon to begin asking what we expect to gain and accomplish as a result of our efforts and sacrifices - past, present, and future.

A short time ago, President Roosevelt made clear to all the world at least one of the things that this country proposes to do. He set up a new organization known as the War Refugee Board. The purpose of this War Refugee Board will be to save the lives of some two or three million persons in Europe whom the Germans are going to try to exterminate before the war ends. As you know, Hitler has already made it the settled policy of Germany to kill every one of the five million or more Jews who were living in various parts of Europe when the war began. So far he has gotten rid of nearly half of them. But it is not only the
Jews that Hitler is after. The Germans have also exterminated hundreds of thousands of Poles — and in every country that the Germans have occupied, thousands of men, women, and children are marked for annihilation at the hands of the Nazis.

Now that the fortunes of war have swung our way, President Roosevelt has decided that the time has come when the United States of America can do something to save all these people — who number several millions. He therefore selected an extremely able young administrator — John Foley — to set up a small, efficient organization with wide powers to get these intended victims of the Nazis out of Nazi hands. Most of the intended victims live outside Germany in the various satellite countries — especially Romania, Hungary and Spain. The satellite countries do not persecute the refugees from Germany as ruthlessly as the Germans do — and as the satellites begin to lose faith in a German victory they will want to get in well with the winning side by refusing to play Hitler's game. In some cases, the leaders of the satellite countries are only too glad to break away from the Germans; in other cases, they are reluctant. But the determining factor will not be their own preferences, but our power and our policy.

This is where the War Refugee Board comes in. From now on it is going to be the policy of the United States to use its power to get some millions of helpless persecuted people in Europe out of the hands of the Germans. It is to be a life-saving expedition — nothing more and nothing less. For the storm that the Nazis released over Europe has worked like a natural catastrophe — an earthquake, a flood, or a famine — and it has always been the policy of the
And this is an important idea to get across — if only as a means of saving American lives. For we have in Europe many millions of allies — far more numerous and far more powerful than the two or three million helpless refugees whom the Nazis want to exterminate. And there is no better way for us to show our determination to help the victims of the Nazis help themselves than this move to help those who stand in the greatest need. A year or two ago, a War Refugee Board could have accomplished little or nothing. We did not have the power then to bring any pressure to bear on Rumania, Hungary, Spain, and other countries more or less in the Axis camp. But the approach of victory changes all that. The time has therefore come for us to make some positive move that will weaken our enemies where they are weakest and to strengthen ourselves where we are strongest. Our enemies have used cruelty and oppression for all they are worth — and defeat has now begun to overtake them. We are preparing to use our power in behalf of the humane purposes for which we fight. And an investment in humanity is also an investment in victory.
My dear Mr. President:

The attached memorandum presents the position of Treasury and State, respectively, on the question whether we should commit ourselves now to place dollars to the credit of governments-in-exile for their currencies furnished to us during liberating operations to the extent that such currencies are used for troop pay.

State Department prepared the portion of the memorandum setting forth its position and has agreed that I should present the question to you in this manner. Would you please indicate which position you favor?

Faithfully yours,

(Signed) D. W. Bell

Acting Secretary

The President

The White House

LCA: meu
2/21/44
MEMORANDUM FOR THE PRESIDENT:

Re: Positions of State and Treasury Departments on Negotiations with Exiled Governments Concerning Use of Their Currency for Military Operations.

There have recently been discussions between State, Treasury, War and Navy Departments and informal talks with the Belgians concerning a proposed agreement governing the use by our armed forces of Belgian currency during liberating operations. Such agreement would serve as a model for similar arrangements with other exiled governments.

All parties agree that, in general, the question of final settlement for the currency furnished by the governments-in-exile should be postponed to a later date. The main point of difference is whether we should make an exception to this policy in the case of troop pay and commit ourselves now to place dollars to the credit of Belgium to pay for the Belgian francs used for troop pay in Belgium and expended by our troops in the Belgian market.

The War and Navy Departments indicate that their primary concern is obtaining the Belgian francs and that it is immaterial to them how or when the francs are paid for. It is believed that the Belgian government will probably abide by any decision which our government makes although they would, of course, prefer a present payment of dollars.

Treasury Position:

Treasury favors making no present commitment to pay dollars to Belgium for Belgian francs used for troop pay. It is unnecessary and undesirable to discuss now such difficult questions as are obviously inherent in any discussion of the ultimate settlement of expenditures involved in these military operations. Settlement of claims and counterclaims should be postponed until it is possible to get a clearer
picture of the over-all situation. For the present it is important only that careful records of all such expenditures be maintained for future reference at a time mutually satisfactory to ourselves and the government of the country concerned. An agreement now to pay dollars to Belgium for francs used for troop pay would constitute a piece-meal settlement. It would lead into immediate discussions as to the eventual status of other items of expenditure. Unless at the outset we take a clean-cut position in favor of postponement of all settlement questions, we will be faced with the likelihood of time-consuming discussions and controversy with the exiled governments at the expense of the war effort and of our future bargaining position.

We should not too lightly proceed upon the assumption that we are under a legal or moral obligation to compensate Belgium for items of this character. Historically, and under international law, a strong case can be made out that the U.S. has no obligation for these expenditures and--on the contrary--we are entitled to full compensation from the countries liberated to cover all of our costs in such areas. Under these circumstances, the voluntary assumption of liability by the Executive at this time may justifiably make us the target for "hind-sight" criticism. Postponing settlement will give us the advantage of being able to make settlements and adjustments in the light of all pertinent information and also make possible appropriate consultation with Congress if that should be deemed necessary or desirable.

Postponing settlement of the item of pay of troops at this time in no sense is inconsistent with our policy of bearing the burden of the pay of our own soldiers. Obviously the War Department appropriation would be charged with the whole amount of troop pay--just as it always has. The only point would be that the Army would buy the local currency needed for this purpose from the United States Treasury rather than from some bank or foreign government. The Treasury in turn would hold the proceeds in a special account pending over-all settlement with the countries involved. This is precisely the arrangement now in effect in connection with the Italian campaign.
State Department Position:

The proposal to defer until some indefinite future date the question of what, if anything, we will do about the pay of our own troops involves a discrimination against certain of our allies based upon the fact that they have been unfortunate enough to have their territories overrun by the enemy. In every other allied country, we pay our troops. The proposal, in effect, is that we treat our allies in Europe the same way we are treating Italy, a defeated enemy.

The Department of State feels that such a discrimination would involve serious political difficulties, particularly in view of the fact that the British propose to follow a different policy. Even though we may be more generous than the British in terms of any ultimate settlement regarding the financial cost of reoccupation, the fact that we are not paying currently for our troops and that the British are paying for theirs will inevitably be contrasted to our disadvantage.

The political disadvantages are increased by the fact that troop pay in itself will undoubtedly be an irritating factor in our relations with the countries where our troops are stationed. American troops are well paid and are free spenders. They are not limited in the proportion of their pay which they may spend in overseas areas (as the British are), although the Army makes every effort to encourage savings. The spectacle of American troops spending in the impoverished countries of Europe great quantities of the newly printed money of the exiled governments is not going to improve our relations with those countries or foster popular confidence in accepting the new currencies the troops are spending freely if it is supposed that this is all at the expense of the governments they are bringing back. The course of action which has been proposed smells of the practices of our enemies and comes close to making mercenaries of our troops.

The Department doubts that deferring settlement of troop pay would give us any real advantage in the settlement of
other financial questions arising out of liberation. The allied governments will feel strongly that they are entitled to receive the money, particularly in view of our practice in other areas and of the British practice. It is difficult to see how we can expect to derive bargaining power, when we come to a settlement, from agreement to pay something which our Allies will regard us as morally bound to pay.
February 21, 1944

Dear Mr. Stettinius:

Attached is a copy of a letter to the President and memorandum enclosed therewith, which I have just sent to the White House. The letter and memorandum were cleared with Mr. Reinstein of the State Department.

Sincerely yours,

s/ D. W. Bell

Honorabe E. R. Stettinius, Jr.
State Department
Washington, D. C.

Enclosures

LCA:ew
copy:ka

Regraded Unclassified
CM-670

PLAIN

Algiers

Dated February 21, 1944

Rec'd 2:43 a.m., 22nd.

Secretary of State,

Washington,

564, twenty-first

FROM FRYER FOR LEHMAN NO. 9.

Reference Lehman 14 and FEA 233 January 24. Dis-
tribution of relief monies transferred here for use of
Friends stymied. Have recommended that Thomas P. Cope,
agent cashier now UNRRA, be authorized to act for FEA.
Better and immediately practical way to utilize this money
for relief of refugees is to authorize disbursing officer
Algiers to reimburse Friends for expenditures made from
their private funds upon presentation of properly certi-
fied subvouchers covering their disbursements for relief.
If such authority can be granted Friends will use nearly
all twenty thousand before June 30 and JDC representative
could use allotment you propose to make. Otherwise
present disbursing procedure too unflexible and cumber-
some to permit use of monies for relief purposes and
Friends will have great difficulty in expending allotment
made in their behalf before end fiscal year.

EMB

CHAPIN
TO: Mr. Mattias
FROM: Mr. Pohle

Attention: Mr. Warren

Attached hereto are proposed cables to Ambassador Wilson in Algiers and to Mr. Michael L. Hoffman, Senior United States Treasury Representative in Algiers, designating Mr. Leonard K. Ackerman, United States Treasury Representative in French Africa, as Special Representative of the War Refuge Board. You will note that this designation has been made with the approval of the Treasury Department.

You will note that we are not requesting at this time that Mr. Ackerman be accorded diplomatic status as Special Attaché. For the present he will retain his status as United States Treasury Representative under assignment of the War Refuge Board. It is planned he will continue with his duties as Treasury Representative in so far as they do not interfere with his work for the Board.

(Signed) J.W. Pohle

Enclosures.

JohnDoe
2/12/44
GABLES TO AMBASSADOR WILSON, ALGIERS, FROM THE STATE DEPARTMENT

Please refer to Department's telegram of January 26 in regard to the establishment of the War Refugee Board.

The Acting Director of the Board, John V. Kohl, and the Treasury Department have worked out an arrangement whereby Leonard A. Ackerman, United States Treasury Representative in French Africa, has been designated as Special Representative of the Board. It is understood that he will continue with his duties as United States Treasury Representative in so far as they do not interfere with his work as Special Representative of the Board.

You should advise Ackerman that as representative of the War Refugee Board—

(a) he is charged with the duty and responsibility of carrying out the Board's policies and progress in French North Africa;

(b) he is responsible to you and should discuss his activities and problems with you regularly and fully;

(c) you should provide him with the necessary communications facilities in carrying on his official duties;

(d) he shall extend all possible assistance to you in carrying out the instructions contained in the Department's reference communications;

(e) he shall work with and give all possible assistance to public and private agencies operating in French Africa in this field regardless of whether such organizations are American, foreign, or international;

(f) he shall develop and assist in the development of programs and implementation of measures for the rescue, transportation, maintenance and relief of refugees;

(g) he shall forward to the Board recommendations and frequent reports of progress of work and difficulties encountered;

(h) as far as the wording with the enemy Act is concerned, the Secretary of the Treasury has vested in the War Refugee Board and its representatives in the field full authority to communicate with enemy territory to carry out the purposes of the Order. The Secretary of
the Treasury has also delegated to the War Refugees Board and its representatives the power to authorize any public or private agency, who may be subject to the provisions of our Trading with the Enemy Act, to communicate with enemy territory for the purpose of carrying out the Order. Ackerman is authorized to act accordingly.

Further instructions will follow from time to time. Meanwhile it is suggested that Ackerman immediately contact the UNRRA representative in the North African area with a view toward familiarizing himself thoroughly with the program under which it is contemplated that certain refugees in Spain will be transported to Camp Marshal Lyndsey near Casablanca.
CABLE TO AMBASSADOR WILSON, ALGIERS, FOR HOFFMAN FROM THE SECRETARY OF THE TREASURY.

FOR WILSON FOR HOFFMAN FROM SECRETARY MORGENTHAU.

Reference is made to Telegram No. 350 of January 29, your No. 453 of February 10, and Department's Airgram of January 26. State Department's cable of (take in number, etc. of cable to Ambassador Wilson, Algiers, designating Ackermann) designates Leonard N. Ackermann, United States Treasury representative in French Africa as Special Representative of the War Refugee Board. This designation has my full approval. It is understood that Ackermann may continue his duties as United States Treasury representative in French North Africa in so far as they will not interfere with his work as representative of the Board.

As Senior Treasury Representative you will of course cooperate fully with Ackermann in the important task which has been assigned to him.

JFR/Reviser
2/10/44

Regraded Unclassified
ECC-479
This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (BR)

Secretary of State
Washington

44, February 21, noon

Banque d'Etat du Maroc informed me that it has received from Federal Reserve Bank of New York, through its central office Rabat, 100,000 dollars to be turned over to myself and Moses W. Beckelman. This is presumably connected with similar transaction whereby my British colleague has received equivalent of same sum towards cost of refugee center. British Consul is instructed as soon as same amount is forthcoming from the United States Government to deposit amount in bank account on which Director of the Center (the above Mr. Beckelman) is authorized to draw. Consul says he is then completely disassociating himself from all further responsibility in the matter.

I have received no instructions as to the above joint account with Beckelman and request authorization to turn over sum to him against receipt thus relieving me of any financial responsibility for his acts as Director of Center. Consulate should not be involved further in my opinion.

RUSSELL

WPD
LVB-466
This telegram must be
paraphrased before being
communicated to anyone
other than a governmental
agency. (RR)

Secretary of State,

Washington.

397, February 21, 6 p.m.

FOR FEA SHORT

Reference our cable 1616 of September 8, 1943,
dealing with markings for Lease-Lend shipments to
Middle East medical reserve stock (civilian).

Please discontinue marking "In transit to Palestine,"
as stock is now being stored in Egypt.

Kirk

LJH
MJB-362

PLAIN
London
Dated February 21, 1944
Rec'd 1:02 p.m.

Secretary of State,
Washington.

1439, Twenty-first.
Reference last sentence Department's telegram
626, January 25.
Foreign Office has replied to our letter in the
matter as follows:

"His Majesty's Government welcome the proposal
that a representative of the Inter-Governmental
Committee should be attached to UNRRA and if the
latter is merged in UNRRA then it would appear that there
would be scope for cooperation between the latter and
the Inter-Governmental Committee to be extended to
that territory in accordance with the general agree-
ment recently reached regarding the relations between
UNRRA and the Inter-Governmental Committee. If you
agree we can jointly inform Emerson accordingly so
that he can proceed with necessary arrangements in
Cairo."

Please inform us when Cairo is instructed.

WINS

cc: Pohle, Lesser, Luxford, Friedman, DuBois, E.M., Bernstein, Pollak,
Chauncey for the Secretary, Gaston, Paul, White, Bundy, Stewart.
To: Mr. Stettinius

From: J. W. Pehle

Attached is a proposed cable to Bern relating to the precarious position of Polish Jews interned in France as citizens of the United Nations because they hold passports issued to them by various Latin American countries, and of the persons in Switzerland who were instrumental in securing such passports for them. Unless action is taken promptly, there is danger that the Germans will no longer recognize such passports and will deport their holders to Poland, and that the Swiss Government may take punitive action against the people in Switzerland who enabled the interned to procure such passports.

This matter was first raised by our Embassy at London (No. 12822 from London, December 18, 1943) but there have been other sources of information (see No. 8114 to London, December 23, 1943; No. 319 to Istanbul, December 29, 1943) including the Polish Embassy at Washington (Memorandum of the Polish Embassy, December 24, 1943) and the Polish Legation at Lima (No. 8655 from Lima, December 29, 1943). The most recent information on the subject is contained in a letter addressed to Assistant Secretary Long by the Agudath Israel Youth Council, dated January 27, 1944. The matter was referred, through London, to the Intergovernmental Committee for investigation with the Swiss Government (Nos. 8114, 8190, and 281 to London, December 23 and 28, 1943, and January 11, 1944, respectively). Apparently, however, no word has as yet been received from the Intergovernmental Committee.

On January 11, 1944, the Department of State informed the Polish Embassy by memorandum that it had been advised by the Government of Paraguay that Paraguay had not cancelled and did not intend to cancel the passports it had issued to Polish Jews, and further, that the Department had referred the matter to the Intergovernmental Committee with the request that it endeavor to stay the deportations of persons

Regarded Unclassified
involved. This memorandum concluded with the statement that the Department of State proposed to take any further steps which it could.

In view of the lapse of time since the matter was referred to the Intergovernmental Committee and the apparent absence of any response, I feel that the attached cable should be transmitted to Bern with all possible speed.

(Signed) J.W. Pehle

CC: Messrs. Pehle, DuBois, Luxford, Friedman and Miss Hodel

LSLessentials 2/16/44
PROPOSED CABLE TO MINISTER HARRISON AT BERN

The Polish Embassy at Washington has advised the Department that information has been received by the Polish Minister at Bern to the effect that the Spanish Ambassador at Berlin, acting upon alleged instructions of the Government of Paraguay, intends to revoke passports issued by the Paraguayan consul at Bern to Polish Jews, who, by reason of having such passports, are interned only as citizens of one of the United Nations. The Polish Embassy has further advised the Department that on December 13, a German commission arrived at the camp where these Polish Jews are interned and picked up, for verification, all passports of allied governments in the possession of Jews. The Polish Embassy stated that the Polish Government was taking steps to persuade the interested governments to maintain the validity of the passports in question during the war and suggested that the intervention of this Government would be helpful.

Mr. Michael G. Tress, Chairman, Agudath Israel Youth Council, has submitted a memorandum to the Department dated January 27, 1944, the substance of which is as follows:

"(1) The Swiss Government is maintaining a negative attitude to the problem of Jewish internees in French camps who possess South American or Latin American passports. It is, therefore, necessary that intervention be made with the Swiss in an endeavor to have them take a positive viewpoint of the problem and to get the Swiss Government to give positive answers especially when they come from German authorities. (2) It is essential that the Swiss Government be informed that the Government of Paraguay has not cancelled the passports of Jewish internees in Camp Vittel and is not considering such cancellation. (3) It is necessary that special intervention be made for the recognition of the passports of Jewish families interned in Camp Vittel who possess the following passports:

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of Families</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honduras</td>
<td>30 families</td>
</tr>
<tr>
<td>Peru</td>
<td>18</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>28</td>
</tr>
<tr>
<td>Ecuador</td>
<td>16</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>4</td>
</tr>
<tr>
<td>Haiti</td>
<td>4</td>
</tr>
<tr>
<td>Venezuela</td>
<td>Several families</td>
</tr>
</tbody>
</table>

(4) The Swiss Government is creating many difficulties for our Committee (Agudath Israel Youth Council) in Switzerland because the Committee was instrumental in obtaining passports to save the lives of Polish Jews. The Swiss are threatening to punish these religious leaders for this action.
It is, therefore, essential that intercession be made with the Swiss
Government to influence the Justice Department to deal with this
problem in a humanitarian manner."

Refer Bern 251, January 25, 1944. You are requested to take all
steps necessary to ascertain actual situation. In this connection, you
might find it helpful to consult with the Polish Minister at Bern. It
might also be advisable to contact Sternbuch, St. Gall, and advise him
of contents of the Tress memorandum above quoted and secure such
information on the subject as he can supply. It is also suggested
that you might find it desirable to contact Kullmann of Intergovernmental
Committee if he has arrived in Bern and ascertain the results of his
investigation into the matters raised by the Tress memorandum and the
nature of any conversations or communications he may have had with the
Swiss Government with respect to subject matter thereof. The Department
is of the view that this Government should take appropriate action
calculated to induce the Swiss Government to take active steps to avoid
the seizure or other non-recognition by the Germans of the Latin
American passports held by internees at Vittel and elsewhere and itself
to desist from taking any action against those who may have been
instrumental in securing such passports for such internees. The Swiss
Government should be advised that the Government of Paraguay has
informed this Government that it has not cancelled and has no intention
of cancelling passports held by such internees. Please report all
developments fully.

CC: Miss Hodal, Messrs. Luxford, DuBois, Pehle and Friedman

LSLesser:als 2/18/44

Regarded Unclassified
My dear Archbishop Cicognani:

The Swedish press has recently reported that the present regime in Slovakia headed by Dr. Josef Tiso has undertaken the registration of all Jews preliminary to their deportation. It is further reported that there are about 15,000 Jews remaining in Slovakia whose deportation is being pressed by the German Government.

President Roosevelt in establishing the War Refugee Board clearly announced the intention of the United States Government to take every action within its power to preserve the lives of those who suffer at the hands of our enemies and to rescue those whose lives are in imminent danger. In furtherance of these humanitarian objectives we earnestly seek your good offices in presenting to the Holy See the request of the War Refugee Board which has the full support of this Department that efforts be made to persuade Dr. Tiso and his associates to refrain from further aiding and abetting the Nazis in their persecution of the Jews.

This Government views most seriously and will take into account in the future any part which Dr. Tiso or his associates may play in the deportation and persecutions of the Jews in Slovakia.

In view of the urgency of the matter it is possible that the Holy See may wish to express simultaneously its own views on the threatened deportations.

Very sincerely yours,

/8/ EDWARD R. STETTINIUS, JR.

His Excellency
The Most Reverend
Amleto Giovanni Cicognani,
Archbishop of Laodicea di Frigia,
The Apostolic Delegate,
Washington.

WRB:GLY:EO
PARAPHRASE OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Legation, Bern
DATED: February 21, 1944
NUMBER: 584

CONFIDENTIAL

It is requested that you inform Dr. B. Toshlenov of the International Red Cross in Geneva, and Dr. L. Hersh, Professor at the University of Geneva, that the Treasury Department has issued license No. W-2126 to the Jewish Labor Committee giving it authority to carry on communications with enemy or enemy-occupied territory for the purpose of carrying on in such territory relief and evacuation operations. This license is in all respects identical with those issued to the World Jewish Congress, the Joint Distribution Committee, and the Union of Orthodox Rabbis, the substance of which licenses are contained in Department’s telegrams of January 20, January 5, and January 22, Nos. 197, 39, and 229 respectively, and further referred to in the Department’s cables of February 2 and 8, 1944, Nos. 341 and 411, except that the Jewish Labor Committee’s license specifies in paragraph B that the total amount authorized for the half year beginning January 1, 1944 shall not exceed 214,320 Swiss francs or the dollar equivalent.

The operation covered by this license has been approved by the Department, the Treasury, and the War Refugee Board.

HULL
WAR REFUGEE BOARD
Executive Office of the President
Washington

FOR IMMEDIATE RELEASE,
Monday, February 21, 1944.

RELEASE NO. 4

John W. Pehle, Acting Executive Director of the
War Refugee Board, today announced that Ira Hirschmann,
vice-president of Bloomingdale Brothers, Inc., New York
City, has been designated as the Board's special rep­
resentative in Ankara, Turkey, assigned as Special
Attache to the Embassy in connection with war refugee
matters.

Mr. Hirschmann arrived in Ankara February 14, and
is now engaged in the development of programs and the
implementation of measures for the rescue, transporta­
tion, maintenance and relief of Jews and other perse­
cuted minorities in Europe.

Mr. Hirschmann has spent considerable time in
western and central Europe. In 1938 he attended the
Evian Conference as an observer for the United States
Government. Later he went to Austria where with the
cooperation of friends he arranged for several hundred
refugees to leave the country.

Mr. Hirschmann's most recent government service
was as special assistant to William Davis of the
War Labor Board. He is interested in civic activities
and serves as a member of the Board of Higher Educa­
tion of the City of New York.
February 21, 1944

To: Mr. Bundy
From: J. W. Pehle

In accordance with our conversation of this morning, there is attached hereto a copy of a cable to Steinhardt in Ankara. This cable has been cleared by us and by the State Department. Please call me on this as soon as possible.

J. W. Pehle

JVP:ngt 2/21/44
AMERICAN EMBASSY,

ANKARA

For the Ambassador and Hirschmann

Department's 68, January 25, concerning War Refugee Board and 120 of February 12, 8 p.m., concerning appointment Special Attaché Hirschmann.

Special attention should be given to the following matter.

The War Refugee Board has resolved that one of the projects which should be pushed with greatest speed is an effort to facilitate the evacuation of as many refugees as possible from occupied areas to Turkey.

The Board feels that the most feasible way of accomplishing this extremely urgent task is to obtain from the Turkish Government effective measures to encourage the entry of more refugees. Concretely that government should be requested (a) To relax border and other controls and take such other action as will facilitate the entry of the largest possible number of refugees from Bulgaria, Rumelia, and other areas adjacent to the Black Sea, and (b) To make an announcement in as nearly an official manner as possible indicating what is being done, and above all, that entry of refugees into the country is permitted.

The Department declines to support the above program of the Board and you are requested at the earliest possible moment
moment to approach the Turkish Government with a view to obtaining their agreement to the plan and immediate action on their part. In addition to making clear this Government's determination to do everything within its power to rescue refugees and its expectation of full cooperation from the Turkish Government you may, if you deem it advisable, indicate that (a) The War Refugee Board is prepared to take all possible measures, financial and otherwise, to aid the evacuation of refugees to Turkey; (b) The Board is prepared to render full assistance in the maintenance of refugees in Turkey; and (c) If the Turkish Government takes necessary steps to facilitate the entry of a substantial number of refugees the Board will make all efforts to move refugees from Turkey to other places if such action becomes desirable. You may wish to discuss specifically the possibility of setting up camps in Turkey in which refugees entering the country could live. The Board would, if necessary, make arrangements for financing the establishment and maintenance of these camps and the support of the refugees in them. This plan may facilitate the removal, on a compulsory basis if necessary, of refugees from Turkey to other places if such action becomes desirable in order to permit the entry of more refugees into Turkey from occupied areas.

In connection
In connection with the foregoing, you are, of course, aware of the fact that the refugees remaining in Transnistria are in imminent danger of extermination by the retreating German armies, and that the evacuation of these refugees is a problem of the greatest urgency. Accordingly, you should do everything possible to aid in the development and execution of measures to effect the evacuation of these people to Turkey. Various private organizations are deeply interested in this problem and are anxious to assist in financing and otherwise carrying out the project. Representatives of at least some of such organizations in Turkey have been requested to get in touch at once with Mr. Hirschman for the purpose of formulating a plan of action. You have previously indicated that the basic difficulty of evacuation is one of transportation. The private organizations interested in this project are making all efforts to secure ships and you should give them every assistance. In addition, you should advise us promptly of any measures which can be taken by the United States Government to see that necessary shipping, neutral or otherwise, is available. Above all, you should attempt to secure the full cooperation of the Turkish Government in this matter.
Efforts should, of course, also be made as soon as possible to increase the flow of refugees from Rumania to Turkey.

The Department appreciates that your own activities regarding this matter may be somewhat restricted by the terms of the Department's 105, February 7, 7 p.m., and that it may be necessary for you to arrange for Hirschmann to take the principal initiatives. You should use your best judgment in this regard. You will realize, however, that these negotiations are on an entirely different level than those relative to Turkey's role in the war; and that this Government is simply addressing a humanitarian appeal to the Turkish Government, as to other governments, rather than a request that they take certain action favorable to us at some sacrifice to them.

Please report to the Department the progress that is being made in this matter, indicating the practical measures that will be necessary to put the plan in operation, obstacles encountered, and such action as you think the Government of the United States should take to facilitate the operation.
This telegram must be paraphrased before being communicated to anyone other than a Governmental agency. (BR)

Secretary of State,

Washington.

306, February 21, 8 p.m.

FROM HIRSCHMANN FOR FSHLE

In a conversation today with Modig, Swedish Minister here, he agreed to telegraph today to his Government in Stockholm recommending the use of a Swedish ship to evacuate 800 to 1000 children from Constanza to Istanbul or better still to Haifa, Palestine. He is requesting Stockholm to give him specific information on the first ship which could be available for this purpose. He mentioned that SS BARDALAND is now enroute to Salonica to tow the Swedish ship CAMKILLA, which was damaged as result of accidental bombing by English, to Janakera in the Dardanelles for repairs. All Swedish ship movements are scheduled in advance from Stockholm and rerouting must be authorized from there. Modig states he will recommend as an alternative first available shipflying from Canada to Greece to be rerouted to Constanza and then to Haifa.

Ankara

Dated February 21, 1944

Rec'd 9:50 p.m.
Haifa. He refers to the possibility of a reaction from the Greek relief when they learn of this monetary change of schedule. I told Modig that Washington unquestionably was energetically taking up the matter of the charter of this ship with the Swedish Minister in Washington and through Stockholm so that we may synchronise our efforts. This begins to look like a real possibility and I eagerly await further instructions from you on this subject. When the question of financial compensation to the Swedes for the use of boat arises I am confident that the joint distribution committee, Paul Baerwald in New York will be immediately helpful if funds are not otherwise available.

Ambassador Steinhardt has arranged for me to be received by the Russian Ambassador tomorrow morning when we will press for assistance in breaking the Rumanian and Bulgarian bottlenecks.

STEINHARDT
1. NAVAL

One of H.M. Submarines damaged off NORWAY on 14th has arrived safely. 20th. One of H.M. Destroyers sunk off TREVOSE HEAD probably by U-boat. Captain and 92 survivors so far reported.

MEDITERRANEAN. 19th. Port of ANZIO reopened and 2,381 tons discharged. Shelling of area by enemy artillery continued. One of U.S. Cruisers bombarded ANZIO area with good results.

19th/20th. Allied Coastal craft from BASTIA attacked northbound enemy convoy east of ELBA. Enemy last seen firing at each other.

2. MILITARY

ITALY. To noon 20th. In ANZIO beachhead Allied counter attacks in centre have made some ground, taking prisoners.

BURMA. In ARAKAN our troops have made further advances from both east and west towards enemy positions in NGAKYEDAUK PASS.

3. AIR OPERATIONS

WESTERN FRONT. 19th/20th. 2,291 tons dropped on LEIPZIG. Fires believed concentrated and well established. Our losses now reported 78 missing and enemy casualties 4, 1, 2.

20th. 952 U.S. heavy bombers despatched escorted by 1125 fighters. 569 tons dropped by 184 on LEIPZIG; 215 tons by 100 on TUTOW (Baltic Coast); 380 by 163 on GOTAHA and BRUNSWICK. 349 aircraft attacked other targets in GERMANY. Casualties 76, 22, 47. Allied - 21 bombers and 4 fighters. 33 medium bombers and 19 Mosquitoes attacked HAAMSTEDE airfield and military objectives in NORTHERN FRANCE.

20th/21st. Aircraft despatched - STUTTGART 598 (18 landing reports outstanding). Other targets 78 (one missing), 73 enemy aircraft operated over southeast ENGLAND, 25 reaching LONDON area. Fighters destroyed 2 and damaged 2.

ITALY. During 17th/18th and 18th/19th, 87 Wellingtons bombed targets in ANZIO area. On 19th 96 Marauders and 218 fighter bombers attacked similar targets shooting down 21 enemy aircraft.

4. HOME SECURITY

In enemy attack 20th/21st, bombs were dropped in home counties where damage and casualties slight and in LONDON area where many fires, including 3 large ones, were caused. Damage mainly to residential property and numerous Government buildings in Whitehall by blast. Some interruption to railway communications. Casualties so far report 148 killed, 263 seriously and 199 slightly injured.