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March 1, 1944

2:30 p.m.

GROUP

Present: Mr. Bell
Mr. Blough
Mr. Sullivan
Mr. Paul
Mr. Thompson
Mr. Haas
Mr. Smith
Mr. White
Mr. Gaston
Mrs. Klotz

H.M.JR: Supposing we start.

MR. BELL: We have a nice comfortable balance of seventeen billion four hundred and twenty-seven million. That will last us awhile.

I don't know whether you want any figures for your four o'clock press conference on the results of the Fourth War Loan. You might get some figures after that that will boost it a little, but not much.

We had Series E bonds last night of two billion nine hundred and fifty-one - just a little under the three billion. Now, that may be over by the time the figures get in tonight. We had about sixty million dollars from the Army which was coming in yesterday. It did get in, but it didn't get in this figure.

We got one hundred and ninety-six Series F against the two hundred million quota; and seven hundred ninety-two million of Series G against the eight hundred million quota - pretty close.

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H.M.JR: Why don't I say I am going to give those tomorrow?

MR. WHITE: I wouldn't scoop the radio. I would save them for that. We would be sure and get a story.

H.M.JR: You (Haas) are shaking your head.

MR. HAAS: Don't give them out until you get the final.

H.M.JR: But we are going to make the E's?

MR. BELL: I think so. I would, I think, prefer that it stayed under three billion a little than to go just a little over.

H.M.JR: Looks damned nice, if you ask me.

MR. BELL: Ted feels that way, too. If it goes over, he will feel better.

Mr. Gamble made a speech yesterday in Portland in which he said that the publication of the atrocity stories would probably cost us a half billion dollars in sales. Senator Maybank, at the hearing this morning, asked me if that was a correct statement.

I said I didn't know that we could substantiate the figure, but I thought it was the feeling of all of our State Chairmen that the publication of those stories was a deterrent to our sale of bonds, but we couldn't prove how much money was involved.

(Mr. Gaston entered the conference)

H.M.JR: I kind of think it wasn't a very smart statement of Gamble's.

MR. BELL: You may get some questions on that.

H.M.JR: Why would it hurt?

MR. BELL: I think there was a feeling among the Chairmen that it did hurt. We were accused of giving out that information just to stimulate sales; later we had to deny it.

MR. SULLIVAN: I had a lot of very adverse comment about it in New Hampshire.

MR. SMITH: On the other hand, in the days immediately following, in New York, they were selling one hundred and fifty above what they had sold before. I think this is worth making a check in a half a dozen cities. You see, our national check won't show it, because they have got to go through the banks and everything else. It will all level off. But if they could get us reports day by day in cities before the thing is cleared through the banks--

H.M.JR: I would forget it.

MR. BELL: I would be inclined to forget it.

H.M.JR: If you don't mind, I would forget it. Some will say - do you remember, somebody made a speech and said the only thing important. if anybody uses it - look, just let me make my little return speech which I would like to make, see? And that is this: I have followed all of these attacks, that the President has vetoed the tax bill - we sat around here before we left and discussed it thoroughly. I asked everybody's advice, and after listening to people's advice, I decided I would recommend to the President we would sign it. Now, as the Head of this Department, one thing I have tried to do is conduct this thing as a family, officially.

Now, we made our decision that we would recommend to the President that he sign it. He didn't take our advice. That is his choice; that is his privilege. But certainly he, having made that choice - and I am not going to try to remember who advised me which way - one way - I listened to the whole thing, and the

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decision was made. And I am certainly going to stand by my staff, and I am sure they are going to stand by me. Certainly, as far as the Treasury is concerned, nobody is going to be thrown to the wolves no matter which way they advised me.

Now, the thing was decided. I took the responsibility. I certainly listened very carefully. After the advice, I remember some people wanted to change their opinion and I don't know how they wanted to do it. But I took the letter of the staff and I sent it to the President and told him if he was going to sign it - whatever he was going to do with it - here was stuff that he could use.

Well now, he did it his way; that is his privilege. I will never forget, after all, I am here as an appointed officer. The thing is done and let's, at least, people, let's all of us stick by each other. As far as I am concerned, there is not going to be any recrimination one way or the other. I just want to make that perfectly clear.

MR. BELL: We have got to go farther than that and get behind the President.

MR. WHITE: Are you going to make that statement to the press?

H.M.JR: I am making it to you people. I have come back so that there won't be any split in the Treasury family, that we stick together.

As far as the press is concerned, my statement, if they ask me, is this: "The President of the United States made up his mind. We gave him certain advice. What we gave him is his business and his business only, and I have no comment to make."

MR. WHITE: That is right.

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H.M.JR: We gave him certain advice. Now the advice we give the President of the United States is his business and I am not going to make any comment.

MR. PAUL: I think you may get some question, judging by the latest press reports, as to whether I am going to resign, and I don't think I should at this time, particularly. I think we should all stick together, as you say. I think you should be prepared for some such question, because the newspapers have been filled with stories for several days that I was to resign.

H.M.JR: Randolph, when this thing happened, I told my wife - I made the rather trite remark that somebody would have to be the ham in the sandwich, as between the President and the Congress, and I was expecting to be it. He got himself out of it nicely by very fast footwork, and naturally they would like to throw somebody. And I am the natural candidate for that. I am confident he is not going to do it.

My record here - talking to McKeellar, I stood by somebody who I thought was wrong, and held up the pay of eight hundred and fifty people for three months because McKeellar insisted that this certain man be fired. I stuck by my guns for a very unimportant person, and for three months these people couldn't be paid because McKeellar said that no Treasury appropriation goes through unless Morgenthau fires this very unimportant person.

MR. PAUL: That was that Negro, wasn't it?

MR. GASTON: No.

H.M.JR: No, who was it?

MRS. KLOTZ: Berney.

H.M.JR: No, that isn't the name - oh yes, that is right, you are right.

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So my record speaks louder after eleven years - I don't have to say it. I have always stuck by my people.

MR. PAUL: That is your reputation. But I didn't mean to do anything more than indicate a question, so that you can be as much prepared as possible. You may very well be asked that question. As we all know, before this upset occurred I had plans to resign, but I don't think I should do it at this time. I think that we all should, as you say, stick together.

H.M.JR: Well, Randolph, if you resign at this time, then you would be the man to be thrown to the wolves.

MR. PAUL: Yes.

H.M.JR: And you couldn't prove to anybody that you hadn't been.

MR. PAUL: That is right.

H.M.JR: And for the sake of the Treasury, yours and for everybody's sake--

MR. PAUL: That is what I think, too.

H.M.JR: I think it would be a great mistake.

MR. WHITE: That is exactly what I told Randolph this morning. I said I was going to tell you that, that it would be a mistake on his part. I think it would be a reflection on you and on the Treasury, and I think it would be a mistake for the Administration to permit it.

H.M.JR: Now, after all, we are talking here in the room. Randolph, as the principal man on taxes, carried out a hodge-podge of a tax bill, due largely

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to the interference on the part of Byrnes and Vinson and the President, and it is known at the Administration bill. He went through with it, and he told me when he went up that day, after making that speech, he said, "I am through." And he did it.

Now, he and I also had differences on compulsory savings, and on post-war credits, and all the rest. I didn't want post-war credits; I certainly didn't want that perfectly asinine thing on the insurance.

MR. GASTON: No.

MR. PAUL: I think you were wrong.

H.M.JR: But we did it. In the middle of the bill, I called up Byrnes, asked him to come over, that I wanted him to have lunch with me, and I wanted to talk to him about the tax bill. He very brusquely told me, "I haven't got time; I have much more important things to do."

I asked him about something else before I went away when he was on this conversion business. He said, "Where do you stand on the tax bill?" I said, "I really don't know yet, but I think that, after all, this two billion dollars is two billion dollars, and we ought to take it."

He calls up Bell and says, "I have changed my mind; I am now for a veto."

But anyway, when for reasons of their own they wanted to interfere, when they wanted to take the authority away from the Treasury to prepare a tax bill, when they wanted to do all of that - I mean, to make it just as difficult as they could, they did. But not one of them, with the exception of Vinson, over there, went up on the Hill and supported us. Vinson did.

Now, I am the Chief Fiscal Officer. Somebody has to take it. I am perfectly willing to take it, but

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it does give you a gripe when a man like Byrnes will run to cover just as soon as it gets hot. And Vinson did stick by us.

MR. PAUL: That is right.

H.M.JR: He was all right.

MR. PAUL: Not only then, but right through he has.

H.M.JR: But I can't over-emphasize the fact that if and when you people meet people and talk to them, I want the Treasury family to be one, and as I say, my record has always been that no matter how unimportant a person is who is being persecuted or attacked, I certainly stand by him. And we don't want any split here.

MR. WHITE: I think more than that, Mr. Secretary; it appears to me that the Treasury, from the Secretary down, has no reason to be in the slightest apologetic for its behavior or its presentations during the year, and I think that such attacks are coming purely from partisan motives. They must be recognized as such, and I think it is doing everyone in the Treasury an injustice to accord those criticisms anything more than partisan attacks for larger motives. I don't think we ought to be apologetic. I don't think we ought to feel sorry for anything we have done, or feel we have done anything that has been wrong.

I think the Treasury put up a good fight within its limitations, and they lost. Well, that is its job.

H.M.JR: Harry, the only intelligent article I have read so far was Dorothy Thompson.

MR. WHITE: I didn't see it.

H.M.JR: Will you get it, Fred, and circulate it?

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She went on to say, in this argument as to who was right and wrong, that everybody has forgotten the fact that the Congress passed an inadequate tax bill.

MR. PAUL: The honor of Congress was a red herring.

H.M.JR: They have forgotten it. She goes on and does a very intelligent job. It is the only intelligent job I have seen.

MR. GASTON: Drew Pearson did very well Sunday night.

MRS. KLOTZ: I have got it.

H.M.JR: I didn't see that. So naturally, from what I hear - I am in a car Sunday and I turn on the twelve o'clock radio and this fellow Hillman goes on for five or ten minutes over the Blue Network - it is hard to take, but I can take it. If I can, everyone around me can take it. But the main thing is, nobody within the Treasury must shoot at anybody else. I have never stood for it, and I am not going to stand for it now.

And somebody, most likely the Bureau of the Budget, gave it out that we recommended to the President that he sign.

MR. BELL: At least included in it was that the Secretary of the Treasury and the Director of the Bureau of the Budget recommended the President sign the bill, so I assume--

MRS. KLOTZ: Yes.

H.M.JR: The President did it his way. But imagine how a fellow like Paul McNutt must feel when he gets up in a speech and says everything is lovely in the draft, and while he is talking, in the middle of his speech, the President of the United States sends a

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new directive on the draft. That is the way Mr. Roosevelt wants to do his business, and I still think he is the best that we have got in the country - I don't know anybody half as good, and I am going to stay with him.

MR. PAUL: I think he was grossly betrayed by Barkley because he read that message to Barkley Monday.

H.M.JR: In full?

MR. PAUL: At least down to the part about the Christmas trees, and I am not sure about the balance.

H.M.JR: Barkley read it to him?

MR. PAUL: No, the President read it to Barkley.

H.M.JR: Did he read the other part?

MR. HAAS: The "greedy and the needy"?

MR. PAUL: Yes, I know he read up to the point where they got into the discussion of the lumbering thing - the Christmas tree point.

H.M.JR: Who is your informant?

MR. PAUL: I heard that from Prichard.

MR. GASTON: Steve Early told me the same thing.

MR. BELL: Steve Early denied that Rosenman wrote the message.

H.M.JR: Has he?

MR. GASTON: Yes, he denied it.

MR. PAUL: Which is perfectly correct, because Rosenman was very annoyed that he wasn't let in on it.

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MR. GASTON: The flat statement was made on the ticker yesterday that it was learned that Judge Rosenman wrote the veto message. Steve Early denied it almost immediately, said he didn't.

MR. BELL: I don't see why they should deny it.

H.M.JR: What columnist had that? Somebody attacked Rosenman as the fellow. The man who is downstairs for lunch today - took Ray Clapper's column--

MR. SULLIVAN: Childs.

H.M.JR: Childs had a column on Rosenman.

MR. PAUL: His was on the basis of whether Rosenman wrote it or not, he was guilty.

H.M.JR: But why did the White House deny? I suppose Rosenman went in.

MR. SULLIVAN: The campaign that started about a year ago on Dave Niles and Harry Hopkins was called off because they thought the timing was wrong, and that is going to start this spring. And I think they are trying to get Rosenman in on that.

H.M.JR: What Childs said was "the Hitlerian campaign conducted by the McCormick's and the Patterson's against Rosenman" during the last two weeks, which I haven't seen.

Anyway, that is the message that I bring back to you people. Now, as I say, it is one thing, with a rotten telephone connection and no staff around you to do this thing - and it is all right. There is nothing the matter with my health. I have "inside" information - other than that I was tired. They will attack me on this, and they will attack me on that. They will attack anybody who is loyal to the President just to weaken the President.

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Time magazine had it right - the first or second page of last week - they said, "It is all part of a fourth term campaign."

MR. GASTON: Yes.

H.M.JR: Anybody who is loyal to the President is going to get it.

MR. PAUL: Well, I would like to say that, as one of the principal culprits in the eyes of the press, I appreciate very much your attitude.

H.M.JR: Well, after all, Randolph, all that you did you were asked to do.

MR. PAUL: That is right.

H.M.JR: And why, in God's name--

MR. PAUL: And I did write part of the message which was about the only part that wasn't criticized, that is the technical part. I gave you a report on that.

H.M.JR: I haven't got to my mail yet.

Well, anyway, as I say, I didn't have to make this statement, but I wanted to make it to be sure everybody understood.

So, if I am asked, you (Paul) want me to say there is no talk of resignation.

MR. PAUL: That is right.

H.M.JR: I will be glad to make that statement.

MR. PAUL: As you know, I had intended to, at some appropriate time after you got back, but I think it would be very bad to do it now. We have just got to change our plans.

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H.M.JR: Well, let me get my feet on the ground and get caught up, and next week you and I can sit down and have a personal talk. How is that?

MR. PAUL: Sure.

H.M.JR: I think, for the time being, it would only be throwing you to the wolves, and would make the enemy very happy.

MR. PAUL: That is right.

H.M.JR: Now, I am not going to worry about my radio talk until eight-thirty tonight, and if you (Smith) and Dudley, and Mr. Gaston could be available at the house at eight-thirty - there isn't an awful lot to do on it.

MR. SMITH: I don't think there is.

H.M.JR: Has Bell seen it?

MR. BELL: I have been over it and have one or two questions - not important. I will see Fred.

MR. SMITH: Research and Statistics have been over it and have some changes.

H.M.JR: Has Gamble got it?

MR. SMITH: No, he is coming in tomorrow morning. I thought we would hold it and give it to him then. He has been kept abreast.

MR. GASTON: I have read it and I didn't see anything that required much change.

MR. PAUL: I will give you this history. (Hands the Secretary document entitled "History of the Revenue Act of 1943," by Mr. Blough, dated March 1, 1944)

You asked Roy for a history of the fact.

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MR. BLOUGH: You asked that it be condensed. It has been condensed to ten pages. If you want it further condensed, we will do it.

H.M.JR: No, no, it couldn't be. It is one of the things I want in the top drawer. I want to say this much about the talk. Should I make the effort to call up the President and ask him whether he would like to send me a message of congratulations on the success of the Fourth War Loan?

MR. SULLIVAN: I vote yes on that.

MR. GASTON: I would like to see him do it. He should do it.

MR. THOMPSON: I think so.

MR. BELL: Wouldn't it look kind of funny? Have we had it before?

MR. SMITH: We haven't had him in this War Loan.

MR. GASTON: Dan means on other loans.

MR. SMITH: Oh, other loans. He started the Third, you remember.

MR. BELL: Yes, but he hasn't sent you a message of congratulation. Wouldn't that be kind of funny?

MR. SULLIVAN: If he is ever going to use it, this is a good time.

MR. BELL: For your own personal sake, it might be a good thing.

MR. SULLIVAN: There is one other item there.

MR. WHITE: Might it not rather be asked in the form of a statement on the success of the loan? Whether he puts it in the form of congratulations to you, it seems to me, should be left to him.

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MR. SULLIVAN: Had a lot of pessimistic publicity on the campaign; recently you have had articles commenting on the pessimistic publicity. I think there are a lot of people in the country who still don't know this was a grand success. If the President says so, that underlines it, and it certainly would restore confidence in the voluntary system.

H.M.JR: How much over sixteen is it?

MR. BELL: About sixteen and a half - sixteen, four.

H.M.JR: Excluding the banks?

MR. BELL: Yes, excluding them; if you include the banks, you go seventeen billion.

MR. GASTON: Why don't you give them a little short note summarizing results, and say, "You may want to comment on this in some way"?

MR. BELL: He may want to use it at his next press conference.

MR. SMITH: I would rather do that, and you can spread it out another day, then. You will get on the air and get a publicity story on Friday. If he uses it, you will get another story on Saturday.

H.M.JR: Well, it would be sort of a nice approach.

MR. BELL: Yes.

MR. WHITE: He should do it, Mr. Secretary. The only question in my mind is the question of asking.

H.M.JR: He isn't going to think of it. He doesn't know I am going on the air tomorrow.

MR. BELL: I like the press conference better. If you can send him a note that he can use as the basis of his talk at the press conference--

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H.M.JR: What did you think, Herbert?

MR. GASTON: I thought it would be a good idea to stimulate some comment from him if we could. One way to do it would be to send him a little memorandum - a little note telling him just what happened and saying, "Now, you might like to comment on this in some way."

H.M.JR: Does he have a press conference tomorrow?

MR. GASTON: Normally he has it Friday morning at ten-thirty.

H.M.JR: That would be a good thing.

MR. BELL: Yes.

MR. SMITH: If he would use it in press conference, I would rather he would do it that way, because we don't need it, and it would spread the story.

MR. WHITE: The importance of the point is not to help the bond drive, but the importance of a note of this kind, at this time, seems to me would be desirable after what has happened. Therefore, the fact that he mentions it in his press conference, and that sort of thing, would not quite fill the same bill.

MR. SMITH: It would if he would do it right.

MR. SULLIVAN: If it were to be used in the broadcast, it would be in the nature of the President's request for the Secretary, in the name of the President, to congratulate the people of America on their success in the drive.

I think you might very well put the suggestion up to him alternatively, that either he use it at his press conference, or if he wished to send you a message, you would be glad to use it in a national broadcast tomorrow evening.

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MR. BELL: If it came voluntarily, I think it would be swell, but I would hate to have to ask for a message of congratulations to you. To congratulate the American people on the success is a little different, but I think to have to ask for it - I swear--

MR. GASTON: Well, we might suggest in this memorandum that he thank the American people in some way, directly or indirectly.

MR. BELL: It was indicated a couple of days ago he was getting ready for a fireside chat soon.

H.M.JR: He is going to have a press conference Friday. Why don't we send him a note and give him the figures? Why don't you give it to Steve Early?

MR. GASTON: Yes, I think so.

MR. SMITH: Couldn't you make some mention of congratulating the Secretary when you gave it to Steve? It probably would go no farther, but it would be a good try.

MR. BELL: That is the wrong approach. I am sure that message would never get any further.

H.M.JR: Give Steve Early the figures that I am going to use Thursday night, the final figures, and give them to him Friday morning for the President's press conference, see? Then let's see what the President does with them.

MR. GASTON: Yes, give them to him tomorrow afternoon.

MRS. KLOTZ: If you give them out Thursday night, why should he give them out again Friday morning?

H.M.JR: He can just say, "I have heard - so forth - I think it is fine."

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MR. GASTON: Steve will never know you used them Thursday night.

H.M.JR: He can just say that, and it will be another story for Saturday, if he would do it. I will get out mine Thursday night, and we can give the thing to the President. If he wants to say something Friday - the normal thing for him to say is, "I have just heard he has done so and so. Fine."

Now, if he wants to say, "Fine for Henry," or "Fine for the people," or "Fine for Roosevelt," that is how it goes.

All right. Is everybody moderately happy?

What do you (Thompson) have there?

MR. THOMPSON: Commission for Nunan. (The Secretary signs commission of Mr. Joseph Nunan)

H.M.JR: When does he go to work?

MR. THOMPSON: Today.

MR. SULLIVAN: Three-forty-five.

H.M.JR: I have forgotten how to spell my name! Yes, sir.

MR. THOMPSON: He will be here at three-forty-five.

H.M.JR: You might give me a summary of the people that Bell has asked for exemptions.

MR. THOMPSON: Yes, I am having that written up. There will probably be fifteen or twenty in all, all over thirty.

MR. BELL: The question came up this morning at the Appropriations Committee hearing. McKellar said

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he thought that was a swell job, based on the figures that Mr. Thompson gave him.

H.M.JR: Were there other people besides McKellar?

MR. BELL: Maybank and Hayden - three Democrats in all.

H.M.JR: The thing went fairly well?

MR. BELL: Yes, they are all friendly.

H.M.JR: There is no sort of wide-spread sentiment - anti-Treasury sentiment?

MR. THOMPSON: No.

MR. BELL: It wasn't evident this morning.

I have got a number of things to be signed on the financing, the circulars, and the calls - if I could see you right after this--

H.M.JR: Right.

Mr. Blough?

MR. BLOUGH: I don't know if this has come to your attention, but the Ways and Means Committee on Monday met to talk about simplification, and asked Surrey and me to come down. I have never seen them in a more sweet and cooperative mood, everybody. Mr. Knutson wasn't there, but practically everybody else was, and the atmosphere was extremely pleasant.

MR. BELL: We had a very nice letter that just came in awhile ago from Doughton in response to my letter sending up a memorandum on simplification, saying that he is very much for cooperation and he understood the two staffs were getting along very well together.

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MR. BLOUGH: They are up there now, as a matter of fact, with Stam.

H.M.JR: What are they working at?

MR. PAUL: They are working on a sort of modification of the Victory and income tax which will enable the putting together on one table of rate schedules. It involved a change of exemptions, that is the principal thing about it, to five hundred per capita, five hundred for dependents as well as - it is a mathematical trick.

H.M.JR: The first time I know where I am at, I am going to arrange to see Doughton, myself.

MR. PAUL: Before you see him, I think we ought to talk, briefly.

H.M.JR: All right.

Harry?

MR. WHITE: There are a number of things. I can mention the titles and you can ask any questions.

H.M.JR: I would rather not, today.

MR. WHITE: The only thing that might not wait is this memorandum - question on the Argentine. Stettinius spoke to John Pehle, and wanted the Treasury's response on the Argentine, and indicated that it was urgent. Why it was urgent, or whether the urgency has passed, I don't know.

That is the only reason I am bringing it to your attention. (Hands Argentine memorandum to the Secretary)

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MR. GASTON: It was apparently an abortive revolution there this morning.

MR. WHITE: Something important was supposed to have happened last night.

MR. PAUL: We ought to see you about that, I think.

H.M.JR: Well, what I think I would say to Stettinius is this, that I would like him to send somebody over here to bring me up to date on the Argentine matter, and after I have heard the thing, then I can recommend.

But I don't know what the situation is, and nobody else in the Treasury does.

MR. PAUL: That is right.

H.M.JR: So, if he will send over whoever is in charge, I will be very glad, with my associates, to listen to the story and then make a recommendation on the spot.

MR. WHITE: All right, we will transmit that message.

H.M.JR: Right?

MR. WHITE: Right.

H.M.JR: God Almighty, we have recommended freezing for almost a year and a half.

MR. WHITE: The only other thing you might want to listen to is about the British dollar balances. Something happened at Cabinet which I am sure would interest you.

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MR. BELL: Week before last I think it was, yes, it was, because there wasn't any Cabinet meeting last week, Crowley brought up the question of the British dollar balances and said we were having quite a bit of difficulty in getting the British around to our point of view. The thing was going very slowly, and in the meantime the balances were going up. He said three departments were working on it, State, Treasury, and his organization.

The President said, "Well, I wish you would all get together and prepare a memorandum for me or a cable which I can send to Churchill, sort of a personal message."

Mr. Stettinius went back to his Department and told them that the President asked him to get up a message to Churchill.

Mr. Crowley went back to his and said that the President had told him and Stettinius to get it up.

I came back and told White that the President had said all three of us were to get up a message. White immediately contacted the State Department and found out that a message had already been sent to the Prime Minister.

MR. WHITE: I think you will be interested in the message.

MR. BELL: Neither the Treasury nor the FEA saw it. It was a terrible message.

(Mr. White hands the Secretary a copy of the State Department draft of message to the British.)

MR. BELL: It congratulates them and then asks if they won't please be good.

MR. GASTON: It shakes hands and then delivers a well-placed kick?

MR. BELL: Yes.

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H.M.JR: Perfect.

MR. BELL: Perfect?

H.M.JR: Sure.

MR. WHITE: I don't think it carries out either the President's or anybody else's wish.

H.M.JR: What I am going to try to do, gentlemen, is, rather than try to do it in tidbits, I will take each one of you at a time and clean you up in toto.

MR. WHITE: Those are the only two things I have. The rest can wait.

MR. BELL: The Secretary should be brought up to date pretty quickly on China.

H.M. JR: Let it go today.

MR. BELL: That is one of the things that is in the mill you may get together about.

H.M.JR: We will get around to it. You don't want me to have that?

MR. WHITE: I will send it to Miss Chauncey.

MR. PAUL: I have nothing more. Harry covered this point.

MR. HAAS: I have nothing.

MR. SMITH: I have only to report this overseas operation we started before you left. The generals are very happy with it. Byron, whom Somervell put in charge - they went right along and sent us to New York and got in touch with all of the Service forces around, and they are cooperating a hundred percent and are very happy.

H.M.JR: Give me a little written report, will you?

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MR. SMITH: Yes, I will.

MR. SULLIVAN: I have nothing urgent.

MR. GASTON: I have a couple of things I would like to see you about when you have time. One is the Reilly matter. I have a report and summary, and so forth.

H.M.JR: Well, the two things I would like to take with me, if you could get them to me--one is the Reilly matter, and the other is a report by Palmer.

MR. GASTON: Oh, on the Texas matter?

H.M.JR: Yes.

MR. GASTON: Yes, I will get that.

H.M.JR: I am going up to New York tomorrow to make the broadcast. In going and coming, I might be able to read those two reports.

MR. GASTON: We gave effect to that action on the Texas matter as recommended by Palmer.

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

MR. GASTON: You said if we all agreed, including Randolph and Phil Wenchel--so those instructions were sent. The instructions were for them to wind up the investigation and write the report. There will still be some decisions to write when that report gets in.

H.M.JR: Can you give me on one page what has been done and why? Can you bring me up to date on the thing?

MR. GASTON: Yes, on one page, or I can give you the whole Palmer report to read. I can do both.

MR. PAUL: It is a very long report. There is a summary, yes.

MR. GASTON: There is a summary, yes. I can give you a one-page note and the summary.

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H.M.JR: Could you get that into Mrs. Klotz' hands tonight?

MR. GASTON: Yes, and also the Reilly thing.

MR. PAUL: That reminds me of one thing I forgot. I saw Judge Hand last Saturday. I just dropped in to see him to see if he could take that job. I have something to report to you on that.

H.M.JR: Yes, or no?

MR. PAUL: Well, in asking him I had to tell him enough about it to let him know whether he wanted to undertake it. He expressed an opinion right off the bat.

H.M.JR: You have to refresh my memory.

MR. PAUL: On the Elshoff case, whether to issue a deficiency letter--that is the case tied up with the John Lewis situation.

H.M.JR: Oh, yes, yes.

MR. PAUL: He was of the very strong opinion that you shouldn't issue the letter.

MR. GASTON: Should not?

MR. PAUL: Should not. I hadn't intended to do any more than ask him if he would hear us. He got to talking about it. He was very emphatic in his opinion.

H.M.JR: All right, now. What I am planning to do is this, depending upon the weather and whether it is all right: I will fly up tomorrow about eleven to do my broadcast. If the weather is good, I will come back tomorrow night. It is a nine o'clock broadcast. There is so much going on. I thought I would be out at the airport a little after ten and be in bed by midnight.

MR. SMITH: It is nine-thirty until ten.

H.M.JR: Even then it would be better to come back.

MR. GASTON: You won't want the full report on the Reilly matter, will you? I will give you a couple of summaries. He is on leave, which will end on Saturday.

H.M.JR: I will try to do it.

MR. GASTON: Then I have another letter, a reply to the Attorney General on that question of jurisdiction. He wrote a cockeyed letter. I have written a rather long reply.

H.M.JR: The broadcast is at nine-thirty? You told me nine.

MR. SMITH: I may have, but Coca Cola time is nine twenty-five, and they got the other five minutes.

H.M.JR: Nine fifty-five.

MR. SMITH: It was twenty-five minutes, so it is ninety-three to ten.

H.M.JR: Will you send a telegram to my father (to Mrs. Klotz)?

Are they merchandising now?

MR. SMITH: Yes, and we have a publicity story ready to go out today for tomorrow morning's papers.

H.M.JR: Is Gamble's organization merchandising?

MR. SMITH: Yes. They have wired all their State Chairmen.

H.M.JR: Just on one nook-up?

MR. SMITH: That is all so far. We were after McClintic yesterday to try to get Mutual. I haven't checked with Steele since this noon.

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H.M.JR: Who has been so difficult over at OWI?

MR. SMITH: The head of the Domestic--the guy who took Palmer Hoyt's place. He just announced that we were not to have any more time. We have all the time we have coming.

MR. GASTON: George Healy.

MR. SMITH: They have always felt we were getting too much time, and now they feel that they are strong enough to enforce it. On this Chamber of Horrors thing, they told Ted they were getting the time. I went after McClintic, and in the process found out they hadn't made any contact with the networks at all. They were going to call up at the last minute and say they couldn't get it.

MR. GASTON: I think George Healy has been sold on this policy by his subordinates as the general party line. I think it would be a good idea to get him over here and have a little chat with him. He is a very pleasant fellow.

H.M.JR: Jack him up and get the chairman from Louisiana--

MR. SULLIVAN: You knew the New Hampshire administrator died, Winthrop Carter.

H.M.JR: Strangely enough they didn't even print that in the Tampa News.

MR. SULLIVAN: That is why I mentioned it to you.

MR. BELL: Did you read your press statement on it?

MR. SULLIVAN: I gave out a statement for you to the local paper.

March 1st 1944
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History of the Revenue
Act of 1943

1. Formative stages of the Program

The keynote of the Administration's 1943 revenue program was sounded in the President's Budget Message for 1944, which called for "not less than 16 billion dollars of additional funds by taxation, savings, or both, during the fiscal year 1944," and stressed the importance of putting "our taxes as far as feasible on a pay-as-you-go basis." The \$16 billion goal was set with a view to checking inflationary spending and raising current revenues to 50 percent of expenditures. The message reflected the Treasury's viewpoint that the President should confine the revenue portion of the Budget Message to general principles rather than specific recommendations. This approach was approved by Senator George and Chairman Doughton in conferences of December 21 and 22, 1942, but had been opposed by the Budget Bureau, which wanted the President to outline detailed tax proposals in his Message.

The Treasury had already developed tentative revenue proposals for 1943 late in 1942. Five alternative programs were discussed with other agencies at a conference December 9, 1942. However, the urgency of putting the income tax on a pay-as-you-go basis, which the Treasury had long favored (as noted in the Treasury press release of January 23, 1943), caused a postponement of general revenue legislation. After a bitter struggle on the pay-as-you-go legislation (consideration of which began February 2 when hearings were opened with an analysis of the current payment problem by Mr. Paul and ended June 9, when the President signed the Current Tax Payment Act of 1943 providing for 75 percent forgiveness), a satisfactory pay-as-you-go system with an unsatisfactory forgiveness feature was put into effect July 1.

Meanwhile, work on the broader 1943 revenue program was under way. Five alternative plans for raising \$16 billion annually were developed in the Treasury and were discussed at a conference of June 3 in the Secretary's office (attended by the Secretary, Mr. Paul, Judge Vinson, Justice Byrnes, and Messrs. George, Doughton and Cooper).

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Both at the June 3 conference and at a similar conference in the Secretary's office June 15, it was agreed to postpone hearings on general revenue legislation until August or September to permit a cooling off of tempers and to give members of Congress a chance to assess sentiment in their home districts. After these conferences, the Treasury recommended to the President that he not issue at that time a proposed statement calling for higher taxes. He did not issue the statement.

2. Conferences with outside agencies -
August, September, 1943

During July and August, work proceeded in the Treasury on a \$12 billion revenue program, the goal having been reduced from \$16 billion on the basis of revised budget estimates taking into account the Current Tax Payment Act. The Treasury then sought the views of other executive agencies in an effort to develop an administration revenue program. The Secretary called three major conferences with outside agencies (August 10, August 18, and September 2) and also submitted a questionnaire on the revenue program to these agencies. Differences of opinion related chiefly to the size of the program and to the social security and compulsory lending parts of the program. With the exception of the Federal Reserve Board and the Social Security Board, other agencies generally felt that the \$12 billion goal was too high. The President indicated to the Secretary late in August that \$10 billion would be an acceptable goal. Mr. Stam, in a conference of September 6 with Treasury representatives, talked of an \$8 billion program. The figure eventually presented to Congress was \$10.5 billion.

In August, the Treasury developed an integrated program for \$8.7 billion of additional social security and income taxes. About half of the increase was to come from each source, payroll tax increases applying below roughly \$3,000 of net income and income tax increases above that line. The President's initial reaction to this proposal was favorable. However, at the third inter-agency conference (September 2), representatives of the executive agencies expressed the fear that an integrated program might come to grief because one part might be

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enacted without the other and because controversial phases of the social security program might jeopardize the rest of the program. This fear was again expressed by Messrs. Byrnes and Vinson at a conference in the East Wing of the White House September 13. The Secretary and Mr. Paul conferred with the President September 15, but no clearcut decision was made by the President with respect to the integrated social security and income tax program. As presented to the Ways and Means Committee on October 4 the social security part of the program was presented in an addendum to the Secretary's general statement as a partial alternative.

The other major difference among the executive agencies concerned compulsory lending or saving. The Budget Bureau strongly favored a compulsory program, expressing its views in a letter from the Budget Director to the Secretary August 13. Judge Vinson also favored a strong compulsory lending program. During September, a plan for a refundable tax, or postwar credit, was developed. During the September 15 conference, the President outlined three alternatives: (1) graduated refundable tax, (2) refundable tax with a provision to purchase life insurance or annuities, and (3) the Secretary's program, containing no refundable feature. After several conferences at which the Budget Bureau and Judge Vinson's office pressed for a large postwar credit and the Treasury for a small postwar credit, various alternative plans were developed. After final consultation with the President on October 3, it was decided to present two alternative plans to the Congress as "possibilities", one calling for a large postwar credit, the other for a modest postwar credit. These were presented on October 4 for the Ways and Means Committee's consideration rather than as positive recommendations.

A third issue, receiving attention mainly in conferences between Mr. Stam's staff and the Treasury, concerned the possibility of a tax on increases in income. The Ways and Means Committee had on July 6 directed the Treasury and Mr. Stam's staff to study this

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problem. In a series of conferences in July, August, and September no satisfactory method was found of taxing increases in individual income. However, a plan was developed to give relief to persons with fixed incomes in connection with the postwar credit. Relief in this form was suggested to the Ways and Means Committee on October 4 by the Secretary.

The opening of the hearings on the revenue program was held up until October 4 by three factors:

1. The Ways and Means Committee decided to hold hearings first on the renegotiation statute; these were held from September 9 to September 21, a statement of the Treasury position being made by Mr. Paul on September 10.

2. It was thought advisable to postpone tax hearings until the Third War Loan drive was completed.

3. The Ways and Means Committee had several minor matters (including amendment of Section 722 and simplification of the 1943 Victory tax) to take up before dealing with the general revenue program.

Prior to the opening of the hearings, Chairman Doughton stated on September 24 that it was important to pass the revenue bill before the end of the year and that it would not "be practicable to take up technical and administrative changes." He said that such changes would have to wait until 1944, but that simplification of tax returns would be carefully considered.

3. The Bill in the House

The Ways and Means Committee hearings opened October 4 and closed October 20. On October 4 the Secretary outlined the Treasury's \$10.5 billion revenue program, which included \$6.5 billion of individual income taxes, \$1.1 billion of corporate taxes, \$2.5 billion of excise taxes, and \$.4 billion of estate and gift taxes.

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Two alternative plans for a postwar credit under the individual income tax were presented. In a supplementary statement, the Secretary also urged that the social security system be expanded and payroll taxes be increased; he suggested further that, if this were done, income taxes should be lower than if it were not done.

Mr. Paul also appeared, presenting more details on some parts of the Treasury's program and submitting a number of analytical studies of the need for more taxes and of various phases of the Treasury program. Judge Vinson appeared on October 6 and October 7 and stressed the fact that the Treasury program was a minimum program. He generally tried to reinforce the Treasury position, but put more emphasis on the postwar credits than the Treasury had.

The Treasury's program was immediately opposed by the Committee, and such major issues as compulsory lending, payroll tax increases, and relief for fixed incomes received almost no attention. After hearing the Treasury's presentation on October 4, Chairman Doughton issued a statement referring to the "unbearable increased burdens" it would impose and characterizing some of the recommended excise tax increases as "utterly indefensible."

With the major issues largely sidetracked, the Ways and Means Committee turned its attention primarily to excise taxes, postal rates, renegotiation, and - - contrary to Chairman Doughton's September 24 statement - - to technical relief provisions. The Treasury was frequently excluded from the executive sessions of the Committee during which these subjects were considered.

With respect to simplification, attention was devoted mainly to the Victory tax. The Committee had already, at the suggestion of the Treasury, reported a bill, converting the misnamed postwar credit into an automatic current credit for the year 1943. The Secretary's statement (reflecting a position to which

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no one in the Administration had objected) advocated dropping the Victory tax entirely. The Treasury was severely criticized for this recommendation by Committee members and in the press because this move would drop 9 million taxpayers from the tax rolls and would reduce taxes slightly for additional millions. An unimportant amount of revenue was involved. However, the Committee resisted all moves to drop the 9 million taxpayers from the rolls. It adopted a proposal of Mr. Stam's staff which substituted a minimum tax for the Victory tax. This "solution" was opposed later by the Treasury before the Senate Finance Committee on the grounds that it added complications instead of simplifying the income tax. The Ways and Means Committee adopted the Treasury's recommendation for eliminating the earned income credit.

On corporation taxes, the Committee provided for an increase from 90 to 95 percent in the excess profits tax rate, for a decrease in the invested capital credit for large corporations, and an increase in the specific excess profits tax exemption from \$5,000 to \$10,000. In addition, it approved technical relief provisions giving owners and operators of certain mines special tax treatment in the form of percentage depletion and excess profits tax exemption. It also granted the natural gas industry, including pipeline operators, excess profits tax relief on accelerated output. The Treasury indicated its opposition to most of these reliefs before the Senate Finance Committee.

The Ways and Means Committee also amended the renegotiation statute in several ways which were objectionable to the executive departments concerned with renegotiation. Review of excessive profit determinations by the Tax Court, permission to reopen all "closed" cases, and a restriction of the definition of subcontracts which would exclude such industries as the machine tool industry from renegotiation were especially objectionable changes.

As the bill was reported to the House November 18, it provided for \$2 billion of additional revenue consisting of \$.2 billion of individual income taxes, \$.5 billion of corporate taxes, \$1.2 billion of excises, and \$.2 billion of miscellaneous receipts, primarily postal rate increases. The bill was debated in the House November 24, 1943, and passed on the same day by a vote of 200 to 27.

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4. The Bill in the Senate

The Senate Finance Committee opened its hearings on November 29, closed them on December 6, and reopened them for one day, December 15. The Secretary opened the hearings with a review of the fiscal situation, pointing out the vital need for at least \$10.5 billion of added revenue. Generally speaking, the same program which had been submitted to the Ways and Means Committee was presented to the Senate Finance Committee; the postwar credit and payroll tax features were not stressed, however, because of the complete absence of Congressional interest in these proposals.

The Secretary was closely interrogated on his attitude with respect to the sales tax. He voiced (as the Treasury and Judge Vinson had done in the Ways and Means Committee hearings) the strong opposition of the Administration to any general retail sales tax and analyzed the objections to a sales tax. He also answered the charge that the lower income groups would escape their fair share of the additional tax load under the Treasury proposals.

Mr. Paul presented a supporting statement on November 29, devoting particular attention to the complicated minimum tax provisions of the House Bill and urging again that the Victory tax be dropped and that the income tax be adjusted to absorb the Victory tax burden. Mr. Paul's statement also indicated that an increase in the corporate surtax would be preferable to an increase in the excess profits tax, but expressed Treasury agreement with the other House changes in corporation taxes, except for the relief provisions, most of which were vigorously opposed.

In executive session (from December 7 to December 16, one additional session being held on December 21) the Senate Finance Committee dealt primarily with excises, renegotiation, and Victory tax integration. It did not come to grips with the major policy issues presented by the Secretary. It endorsed the general magnitudes of the House Bill and voted against any increases in individual or corporation tax rates other than those in the House Bill.

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In executive session, Mr. Stam and his staff presented an ill-tempered rebuttal to the Treasury's analysis of the minimum tax. This was answered in a statement by Mr. Paul on December 15. The Committee voted to accept neither the minimum tax nor the Treasury integration plan, but to change the Victory tax to a flat 3 percent rate for all persons regardless of marital status.

Among the amendments approved in executive session was one postponing the increase in social security payroll taxes until January 1, 1944. A special bill postponing the increase from January 1, 1943, to March 1, 1943, had already been passed by the Congress (Public No. 211) and signed by the President December 22. The President's Budget Message, delivered January 10, 1944, strongly urged the retention of social security rate increases.

The most controversial and widely noted action of the Senate Finance Committee related to the renegotiation statute. The Committee approved a number of amendments. Of these amendments the Secretary said in a statement of December 20, "They hold the seed of a national scandal." Other departments also declared the Committee amendments unacceptable. The public press and radio commentators generally supported the views of the departments. A minority of the Senate Finance Committee led by Senator Walsh and Senator La Follette filed a report also supporting the departments. The Senate Finance Committee reconsidered its earlier decisions and revised the renegotiation sections substantially before they reached the floor of the Senate.

The bill was reported to the Senate December 21, but was not debated until after the Christmas recess. Debate lasted from January 10 through January 21. During this period, the President in his Budget Message on January 10 reiterated the necessity of raising at least the \$10.5 billion in additional taxes recommended by the Treasury. Moreover, in his Annual Message (January 11), the President characterized the revenue bill as "unrealistic."

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In spite of the President's urgings, no attempt was made to increase the revenue yield of the bill during its consideration by the Senate. In fact, a number of amendments providing special relief for special interests were introduced on the floor of the Senate and approved. In the aggregate, these would have cost several hundred million dollars in revenue. The bill was passed by the Senate on January 21 without a record vote.

5. The Bill in Conference

The bill went to the Conference Committee on January 24, and the Conference Report was submitted by Chairman Doughton on February 4.

During the Conference Committee sessions, the Treasury strongly opposed many of the special relief provisions and succeeded in blocking some of the most objectionable ones. However, a number of reliefs were approved. The five later listed in the President's veto message were the most objectionable: (1) carry-over of basis for corporations emerging from bankruptcy reorganization; (2) extension of percentage depletion and excess profits exemption to several non-strategic minerals; (3) taxing as capital gains the income from increases in the value of timber; (4) excess profits tax relief for natural gas companies including pipeline operators; and (5) a carryover of excess profits credit permitted airlines for subsidies on air mail contracts.

On most of the other provisions of the bill, the House receded and adopted the Senate amendments. These amendments included principally: (1) several relief provisions; (2) the fixing of December 31, 1944, (with provisions for a six-months extension by the President) as the date of termination of renegotiation statute; (3) changes in some of the excise tax rates; (4) postponement of the Social Security rate increases; and (5) the adoption of a 3 percent flat Victory tax instead of the minimum tax in the House bill.

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The Conference Report was voted on in the House February 7 and approved, 237 to 101. It was agreed to without a record vote by the Senate on February 7 and was sent to the President.

6. The President's Veto

The enrolled bill was received by the Treasury from the Budget Bureau on February 8, and the Treasury report on the bill was sent to the Budget Bureau February 10. The President vetoed the bill February 22. The House overrode the veto on February 24 by a vote of 299 to 95. The Senate overrode the veto on February 25 by a vote of 72 to 14.

March 1, 1944

SUGGESTIONS FOR COMMENT AT
PRESS CONFERENCE

3/1/54

I have been away from the office for two weeks. During this time certain gentlemen of the press and radio have reported all sorts of rumours about my health, my welfare, my status as a cabinet member, and my future as a farmer.

Some of this has been slightly fictitious ... and some utterly fantastic. In the interest of keeping the lines straight, and to reorient political gossip in an election year, I want to clarify a few facts for you.

- (1) Does Henry Morgenthau, Jr., have one foot in the grave, or does he not?

I have been considerably alarmed at times to discover, by way of public press and radio, that I am in feeble health. I read over and again that I have suffered a heart attack. These reports led me to check with my physician, but he didn't have any evidence to support this terrifying news. He went so far as to indicate that my health was practically robust, and estimated that it looks at present as though I can retire in due time and still have at least twenty years to spend quietly and at peace in my orchard. I also find that the heads of the four life insurance companies who have banked on my longevity are not losing any sleep.

- (2) Is Henry Morgenthau, Jr. going to resign, or is he not?

I understand from the papers that I am going to resign, and that I am going to be replaced by Jesse Jones, by Joe Kennedy, by Fred Vinson, and by a few dark horses.

I should like to have it on the record that all I know about this is what I read in the papers and hear over the radio. I am happy to point out, however, that I have read the same report at least twice a year during all the ten years that I have been Secretary of the Treasury, and the reports have never proved accurate before. There is no difference between this prognostication and all the rest, except that the prognosticators this time have a wider variety of candidates for my job.

- (3) Did Henry Morgenthau, Jr. recommend the veto of the tax bill?

I had a meeting of my staff, and we decided on what recommendation we would make to the President. We made that recommendation. However, it comes under the heading of confidential information, as does any advice that we give the President.

- (4) Is Henry Morgenthau, Jr. an incompetent Secretary of the Treasury?

As Secretary of the Treasury, I have collected more money in taxes than all my predecessors combined -- and I still have friends. I respectfully offer this as an achievement well out of the reach of an incompetent man.

I have managed to keep interest rates stable throughout the war. This has never been achieved in any previous war. During the first World War interest rates rose conspicuously and averaged over 4%. This time we have put a ceiling on interest, and made it stick. Our average is less than 2%.

Since the E Bonds have been on the market, we have sold 480,000,000 of them for a total of about billion dollars. All told we have sold almost 34 billion dollars worth of Bonds to individuals.

This reflects a great deal of confidence in the Government -- in the Treasury -- on the part of the people. If I can keep that confidence of the people -- which apparently I have done to date -- I will worry very little about the politicians and gossip columnists.

- (5) Is Henry Morgenthau, Jr. going to have a drastic shake-up in the Treasury Department as a result of Congressional criticism?

At present, I am not planning any abnormal or unexpected changes. My tax research people are now cooperating with Congress on simplification, as they have been for several months. I have heard no criticism in connection with this cooperation, and there is no evidence that either side is sparring or impatient with the other.

It is my belief that Congress and the Treasury can get along very well without any drastic or far-reaching changes either in the Treasury Department or in Congress.

- (6) Is Henry Morgenthau, Jr. a good farmer, or isn't he?

My dairyman got tired of being a dairyman, so I sold my cows. Therefore, the press reported, and Congressional experts argued, that as a farmer, I am a fizzle. In case anyone is interested, I have had a profitable year on the farm. My apple crop has been highly gratifying. Early in the year I did a fine business in strawberries. In short, I have a profitable farm. Up until now, it has always taken a good farmer to accomplish that.

March 1, 1944
4:42 p.m.

HMJr: Hello.

Operator: Mr. Doughton is on his way to the office now. They've just adjourned. He'll be there in just a few minutes.

HMJr: Thank you.

Operator: Right.

HMJr: Hello. Hello.

Robert
Doughton: Hello.

HMJr: Henry talking.

D: All right.

HMJr: I just thought I'd let you know I'm back and on the job and feeling fine.

D: I'm delighted to hear that. I'm very happy to hear it. I -- I was hopeful it was nothing that would cause you to have to be away very long. I was a little uneasy though -- afraid you were kind of worked down.

HMJr: Well, I was just tired, but I didn't have any heart attack -- I never have had a heart attack.

D: Well, I hope you never do.

HMJr: I hope so.

D: I hope not. It....

HMJr: I hope I die with my shoes on.

D: (Laughs) Yes. Well, you'll die -- ah -- in harness, I'm sure.

HMJr: I hope so.

D: And pulling your full part of the load.

HMJr: That's right.

D: Yeah.

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HMJr: And while the war's on, I want to stay here and do what little I can to help.

D: Well, I'm sure of that.

HMJr: Now, I'm back, and any time that I can see you, I'd like to see you.

D: Well, just -- as far as I know, I'll probably -- I'll be around here tomorrow and Friday. Tomorrow we have that -- matter up in the House about the exchange of the -- paying these checks, you know, at par

HMJr: Yeah.

D: exchange matter, and after -- at twelve o'clock -- I don't know how long we'll be on that. I'll be here Friday. I'm going to our friend, Cullen's funeral Friday afternoon late. I'll be expecting to see you tomorrow or next day.

HMJr: Well, how are you fixed Friday morning?

D: Ah -- nothing in the way that I can think of.

HMJr: Well, could I drop in and see you the first thing?

D: I'd be very happy -- very pleased to see you.

HMJr: How about -- can I drop in and see you about nine o'clock or so?

D: That'll be fine. I'll be right here looking for you.

HMJr: Well, I'll -- well, about nine-thirty, I guess.

D: Nine-thirty. Right here at my office in the new House Office Building.

HMJr: I'll come to see you at nine-thirty, Friday morning, new House Office Building.

D: I'll make my plans all to see you, and be mighty glad to do it.

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HMJr:

Thank you so much.

D:

Thank you. Good-bye.

March 1, 1944
5:13 p.m.

HMJr: Hello. ||

Operator: All right.

HMJr: Go ahead.

Operator: Go ahead.

HMJr: Hello.

Dean Acheson: Hello. Henry?

HMJr: Hello, Dean.

A: This is Dean Acheson. How are you? ||

HMJr: Fine.

A: I just got a message from Ed which I'm not very clear about and I thought I'd go to the fountain source and get the thing straightened out. He says that you would like to have a talk with someone from this Department. He wasn't clear whether it was himself or me or Larry Duggan or who you had in mind, about the Argentine freezing situation.

HMJr: Well....

A: Was that to get the latest we had on the general political situation? ||

HMJr: Let me explain the message I got. I got a message from Acheson -- I mean from Stettinius....

A: Yeah.

HMJr: Did -- would I recommend that you have total freezing now or not?

A: Oh.

HMJr: Of the Argentinian assets.

A: I see.

HMJr: And I sent word back through White that I couldn't recommend....

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A: Yeah.

HMJr:because nobody here in the Treasury, including myself, was up to date on what the facts were.

A: I see.

HMJr: And a lot of things have happened and none of us knew, so if the State Department would ask somebody to bring us up to date as to what the situation was then we would be very glad to recommend.

A: I see. That's all these moves and counter-moves that have been going on in the Government down there?

HMJr: Yeah.

A: Fine. Oh, I see. I didn't know just what....

HMJr: No, well, how can I recommend whether you should freeze or not when I don't know the facts?

A: That's quite right. I can see the difficulty from here.

HMJr: Yeah. I mean it would be -- it wouldn't be very good advice.

A: Well, I think that, obviously, Larry then and one of the fellows on the Argentine desk and myself, if you want three of us,....

HMJr: Fine.

A:are the people who could come over and tell you about it.

HMJr: Now....

A: When would be most convenient?

HMJr: Is Friday too late?

A: No, I've got a meeting at 11:00 o'clock and 3:00 o'clock on Friday.

HMJr: I see. The trouble -- I'm going on the Hill at 9:30. You couldn't switch your 11:00 o'clock -- would that be very difficult?

A: Why, that would be pretty difficult because it's the Central Committee of UNRRA and the Russian is leaving....

HMJr: Oh, yeah.

A:on the plane to go back to Moscow.

HMJr: Well, my trouble is I'm going on the Hill at 9:30 and then I have Cabinet in the afternoon.

A: Uh -- would that be over by 4:30?

HMJr: Uh -- yes.

A: Would you like to make it 4:30?

HMJr: I'd be safe to make it at 4:00.

A: 4:00?

HMJr: Yes.

A: All right.

HMJr: It never lasts -- so it's 4:00 o'clock Friday. Now, that....

A: Yes, sir.

HMJr: Now, that doesn't -- I mean, that doesn't -- the State Department won't feel that's delaying matters too long?

A: Not a bit because I think the thing is moving down there very fast anyway and it will probably be just as well to give it another day.

HMJr: Well, if the thing should break -- something should break, you give me a ring, see?

A: Yes, I will, and I'll talk to Larry and if he has any different view about this, I'll call you back either later this evening or the first thing in the morning.

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HMJr: Okay.
A: Fine, Henry.
HMJr: Thank you.
A: Thank you.

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE

TO Secretary Morgenthau

March 1, 1944

FROM Fred Smith *FS*

I want to suggest that we do some original and realistic thinking about the War Bond situation as soon as possible.

It is my opinion that the chances of the Fifth War Loan succeeding in any great measure are slight, unless some miracle comes along.

You may recall that I felt shaky about the Fourth War Loan when practically everybody else seemed to think it would be a push-over. I am more worried about the future. Partially because I feel it -- my feeler has been pretty good in the past -- and partially for logical reasons, I think we are going to have tough sledding.

Here are factors to consider:

- (1) The War Fund that preceeded the Fourth War Loan did not actually succeed. The money came very hard, but it soaked up some money and irritated the people.
- (2) The Fourth Loan came immediately on the heels of the War Fund. It took more money, and further irritated the people.

- (3) Beginning today, the Red Cross has a tremendous drive under way. The people will become fed up on drives very soon, and may be low on money.
- (4) In March, tax payments will be heavy, particularly on the larger and medium individual investors, who fell down badly in the Fourth Loan.
- (5) About the time we get ready for the Fifth War Loan, politics will be in full swing. This will not only dissipate our audience, but will make everything we do open to argument on political grounds. Also there will be much said and done about Government extravagance, which is not very good sales promotion for us.
- (6) It is my firm belief, although in this I don't believe Ted Gamble agrees, that interference of OWI in the War Loan campaigns is a substantial deterrent to getting our job done. That makes just another hurdle.
- (7) It is possible that the Bankhead Bill will pass between now and the Fifth War Loan, which I firmly believe will greatly curtail our cooperation by giving industries and media a good excuse for not cooperating. The only ones who will cooperate fully, are those who will stand to make a financial profit.
- (8) Local Civilian Defense Agencies are falling apart, and by the Fifth War Loan we may be without help from this quarter in

many areas. Also, the possibility of a Willkie Club activity (for Dewey or some other candidate) may take many of our volunteers and dissipate the efforts of others.

- (9) As we get closer to what people consider Victory, and as the war goes on, people are likely to become less eager to give us any real help. This is a possibility we must consider..

Therefore, I believe we've got to try something entirely new.

I suggest:

- (1) That we immediately go to work further localizing our efforts, and find new and better ways of increasing payroll deductions and other between-drives bond sales. In other words, I think we should step up our day-to-day work, assuming that a drive, as such, may lose a lot of its impact.
- (2) I suggest that we completely reconsider all promotion plans and see if there aren't new and better ways to promote the Fifth War Loan Drive so that we will at least get some attention, and have a chance of competing with all the other sideshows, by having something fresh.

Mimeograph Copy 51

Wednesday
3-1-44
9 m.

"FIVE MILLION PATRIOTS"

SEC. MORGENTHAU:

THIS IS HENRY MORGENTHAU, JR.

YESTERDAY, IN MY OFFICE IN WASHINGTON,
I SAW THE FINAL FIGURES ON THE FOURTH
WAR LOAN DRIVE. WE HAVE HEARD NOW FROM
75,000
ALL ~~SIXTY THOUSAND~~ OF OUR BOND OUTLETS.
ALL THE STATE COMMITTEES AND BANKS AND
FACTORIES AND RETAIL STORES AND MOVIE
THEATRES HAVE REPORTED - AND I CAN TELL
YOU THAT THE RESULTS ARE MOST GRATIFYING.
I WANT TO TELL YOU ABOUT THOSE FINAL
FIGURES. IN THIS "REPORT TO THE
PEOPLE", I WANT TO TELL YOU THE STORY
OF THE GREATEST OF ALL WAR LOAN DRIVES.

SEC. MORGENTHAU:

FROM THE VERY BEGINNING, THE VOLUNTARY SYSTEM OF BOND-BUYING .. THE AMERICAN WAY .. HAS PROVED SUCCESSFUL.

~~IF A COMPULSORY SYSTEM HAD BEEN ADOPTED, THE GOVERNMENT WOULD HAVE BEEN FORCED TO DRAFT ALMOST _____ PERCENT OF EVERY AMERICAN INCOME TO EQUAL THE JOB THAT THE VOLUNTARY SYSTEM IS DOING. THE RESULTS OF EVERY SUCCESSIVE BOND DRIVE STAND AS DRAMATIC PROOF OF THE FACT THAT AMERICANS ARE ANXIOUS TO DO EVERY WARTIME JOB THAT HAS TO BE DONE.~~

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- 2 -

MUSIC:

B. G. THEME...SOFTLY

SEC. MORGENTHAU:

THE FOURTH WAR LOAN DRIVE TOLD ONE HUNDRED AND THIRTY MILLION AMERICANS THEY HAD A JOB TO DO. PEOPLE AT WORK .. PEOPLE AT HOME .. PEOPLE AT WAR .. ALL WERE CALLED UPON TO DO THEIR SHARE.

WHEN AMERICANS PICKED UP THEIR NEWSPAPERS, THEY READ ABOUT THE FOURTH WAR LOAN DRIVE. WHEN THEY TURNED ON THEIR RADIOS, THEY HEARD ABOUT IT. ON THEIR WAY TO WORK, THEY WERE REMINDED OF IT BY SIGNPOSTS AND BILLBOARDS. THE STORY CAME TO OUR DOORSTEPS, WAS TOLD AT BOND-BOOTHS AND RETAIL STORES.

~~AND FIVE MILLION PATRIOTS UNDERTOOK THE
TREMENDOUS TASK OF SELLING FOURTEEN BILL-
ION DOLLARS WORTH OF BONDS.~~

SEC. MORGENTHAU:

THE TELLING OF THE STORY .. THE SELLING OF THE BONDS .. WAS IN THE HANDS OF THE TREASURY'S OWN VOLUNTEER ORGANIZATION. AFTER THE SECOND WAR LOAN DRIVE, IT WAS MY TASK TO COMPLETELY REORGANIZE .. REBUILD. THE WAR-BOND SELLING GROUP. STATE BY STATE .. ALMOST PERSON BY PERSON .. I ENLISTED THE AID OF PUBLIC-SPIRITED AMERICANS. THOUSANDS UPON THOUSANDS JOINED US TO SHARE ONE OF THE GREATEST RESPONSIBILITIES OF THE WAR .. THE RAISING OF THE MONEY WITH WHICH TO FIGHT THE WAR. I AM PROUD TO SAY THAT WHEN THE FOURTH WAR LOAN DRIVE GOT UNDER WAY, MARCHING UNDER THE BANNER OF THE TREASURY DEPARTMENT'S WAR FINANCE DIVISION, WERE MORE THAN FIVE MILLION VOLUNTEER WAR BOND SALESMEN. "FIVE MILLION PATRIOTS" .. WHO UNDERTOOK THE TREMENDOUS TASK OF SELLING FOURTEEN BILLION DOLLARS WORTH OF BONDS.

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MUSIC

INTRODUCTION TO MUSIC-DRAMA

NOTE: THE ORCHESTRA AND CHORUS SET THE SCENE.
IN SIMPLE LANGUAGE THEY TELL THE STORY
OF THE PURPOSE OF THE FOURTH WAR LOAN
DRIVE.
FREDERIC MARCH WILL ACT AS NARRATOR.
THE FOURTEEN BILLION DOLLAR GOAL IS SET.

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MUSIC: CONTINUE MUSIC DRAMA

NOTE: ALSO IN THIS SEGMENT OF MUSIC-DRAMA
WE TELL A TWO MINUTE STORY OF THE "FIVE
MILLION PATRIOTS" ..
WE SHOW HOW HARD THEY WORK .. WHERE THEY
COME FROM .. WHY THEY VOLUNTEERED TO
DO THIS JOB.

MUSIC UP AND FADES FOR:

SEC. MORGENTHAU:

(OVER MUSIC)

AMERICAN MOTHERS TOOK TIME FROM THEIR
HOUSEHOLD DUTIES .. FATHERS CAME HOME FROM
WORK, ATE THEIR EVENING MEAL, AND WENT OUT
FOURTH
TO WORK THRU THE NIGHT ON THE/WAR LOAN DRIVE.
THE BOYS AND GIRLS DID THEIR GREAT SHARE.
IN EVERY STATE .. IN EVERY COUNTY .. IN
EVERY CITY, TOWN, VILLAGE .. ON EVERY HIGHWAY
AND ALONG EVERY BYPATH.
THE BUTCHER, THE BAKER AND THE CANDLESTICK-
MAKER BECAME SALESMEN, SELLING FREEDOM'S
GREATEST BARGAIN.

MUSIC OUT

THE FOURTH WAR LOAN DRIVE WAS ON ITS WAY ..
THE "FIVE MILLION PATRIOTS" WERE AN ALL-
AMERICAN TEAM .. PATRIOTS FROM ALL WALKS
OF LIFE. THE WORKER IN THE FACTORY - THE
FARMER IN THE FIELD.

(SWITCH TO NORTH DAKOTA)

BENNO:

MY NAME IS ARTHUR W. BENNO. I AM SPEAKING FROM MY HOME HERE IN AFTOM TOWNSHIP, NORTH DAKOTA. I AM A FARMER. YES, AND A PRETTY GOOD BOND SALESMAN, TOO. I HOMESTEADED OUT HERE MORE THAN FIFTY YEARS AGO. BEEN HERE EVER SINCE. WE HAVE A HUNDRED AND SEVENTY-FIVE PEOPLE IN OUR TOWNSHIP .. EIGHTY-FIVE FAMILIES .. ALL FARMERS. AND DURING THE FOURTH WAR LOAN DRIVE, I CALLED ON 'EM ALL. TOLD 'EM ABOUT BONDS AND WHY THEY'D BETTER BE PUTTING THEIR MONEY INTO THE WAR. THEY KNEW WHAT I WAS TALKING ABOUT BECAUSE MOST OF 'EM HAVE SONS IN THE FIGHT. BOYS THAT USED TO BE AROUND HERE.. AND NOW, LORD KNOWS WHERE THEY ARE. THAT'S WHY THESE PEOPLE IN MY TOWNSHIP CAME THRU WITH AN AVERAGE OF SEVENTY-SEVEN DOLLARS AND SEVENTY-ONE CENTS ~~ALSO~~ FOR EACH MAN, WOMAN AND CHILD .. THIRTEEN THOUSAND, SIX HUNDRED DOLLARS IN ALL. BUT EVERYONE OUT HERE CAME THRU. NOT JUST THE FOLKS IN AFTOM TOWNSHIP. NORTH DAKOTA MADE ONE HUNDRED AND SIXTY PERCENT OF ITS "E" BOND QUOTA. AND WE'LL DO EVEN BETTER NEXT TIME.

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MUSIC: MUSIC DRAMA CONTINUES

NOTE: IN THIS SEGMENT OF MUSIC-DRAMA, THE NARRATOR,
THE ORCHESTRA AND CHORUS TELL THE STORY OF THE
"E" BOND .. THE PEOPLE'S BOND.

THIS RUNS ABOUT ONE AND ONE HALF MINUTES.

MUSIC UP - DOWN FOR

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- 8 -

SEC. MORGENTHAU:

(OVER MUSIC)

A DETERMINED MAN DISCOVERED AMERICA. DETERMINED
MEN BUILT AMERICA. DETERMINATION IS BORN IN OUR
BLOOD. AND, DURING THE FOURTEEN BILLION DOLLAR
FOURTH WAR LOAN DRIVE, FIVE MILLION PATRIOTS DETER-
MINED TO SELL THREE ~~AND A HALF~~ BILLION DOLLARS
WORTH OF "E" BONDS .. TO THE PEOPLE .. TO THE MAN
IN THE STREET .. TO THE WORKER IN THE FACTORY.

THREE ~~AND A HALF~~ BILLION DOLLARS WORTH .. AN AVER-
AGE OF ^{\$23.00} ~~THIRTY~~ DOLLARS WORTH FOR EVERY ONE OF THE
HUNDRED AND THIRTY MILLION MEN, WOMEN AND
CHILDREN IN OUR LAND.

~~AND THOSE ARE "EXTRA" BONDS I'M TALKING ABOUT ..~~
~~OVER AND ABOVE THE BONDS BOUGHT ON REGULAR~~
SCHEDULE.

(BRING IN INDIANAPOLIS, IND.)

(TWO-WAY CONVERSATION)

MUSIC OUT

MAETSCKI: MR. SECRETARY, MY NAME IS KARL MAETSCKI. I LIVE HERE IN ⁶¹ INDIANAPOLIS AND WORK IN A WAR PLANT. I MAKE AIRPLANE PARTS FOR A LIVING. BUT, SINCE PEARL HARBOR, I HAVE SPENT ALL MY SPARE TIME WORKING WITH A CREW OF ONE HUNDRED MEN ON PAYROLL SAVINGS. WE HAVE SEVEN HUNDRED FIRMS THAT WE COVER. SOME OF THEM HAVE TWENTY-FIVE EMPLOYEES .. SOME HAVE AS MANY AS TWENTY-FIVE THOUSAND. ALL-TOLD THERE ARE ABOUT NINETY THOUSAND PEOPLE IN THESE PLANTS. THESE PLANTS HAVE ESTABLISHED A FINE PAYROLL RECORD -- OVER TEN PERCENT. AND DURING THE FOURTH WAR LOAN DRIVE, THEY INVESTED NINE MILLION, TWO HUNDRED THOUSAND DOLLARS IN EXTRA WAR BONDS - OVER AND ABOVE THEIR REGULAR PAYROLL SAVINGS BONDS. PRETTY GOOD, ISN'T IT?

SEC. MORGENTHAU: IT CERTAINLY IS. DID THE REST OF INDIANA DO AS WELL AS YOU DID IN YOUR SEVEN HUNDRED FIRMS?

MAETSCKI: JUST ABOUT, MR. SECRETARY. LABOR AND MANAGEMENT ALL OVER INDIANA AND ALL OVER AMERICA, FOR THAT MATTER, BACKED THE ATTACK IN THE FOURTH WAR LOAN DRIVE WITH ALL THE ENERGY THEY COULD MUSTER. THE WORKERS IN INDIANA'S PLANTS BOUGHT A HUNDRED MILLION DOLLARS WORTH OF EXTRA BONDS DURING THE DRIVE .. AND NOT ONLY THAT BUT THEY STEPPED UP THEIR PAYROLL SAVINGS ABOUT THREE PERCENT!

(RETURN TO N.Y.)

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- 10 -

MUSIC: MUSIC-DRAMA CONTINUES

NOTE: THIS SEGMENT OF MUSIC-DRAMA ILLUSTRATES
THE FACT THAT WHERE THERE IS HIGH MORALE ~~PROGRESS-~~
~~THEN~~ THERE IS INEVITABLY HIGH PRODUCTION ..
WHICH IS REFLECTED IN HIGH BOND SALE RECORDS.

MUSIC UP - DOWN FOR

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- 21 -

SEC. MORGENTHAU:

(OVER MUSIC)

THE VOICE OF THE AMERICAN WORKER SAYS: "ONE JOB IS NOT ENOUGH FOR ME TO DO". THE MEN AND WOMEN BEHIND THE MACHINES ARE BACKING THE ATTACK WITH GUNS AND TANKS AND PLANES AND SHIPS! AND THEY'RE BACKING THE ATTACK BY BUYING THE BONDS THAT PAY FOR THOSE GUNS AND TANKS AND PLANES AND SHIPS! THEY'RE BACKING THEIR BOYS ON THE FIGHTING FRONTS .. JUST AS THOSE BOYS ARE BACKING THEMSELVES .. WITH FIGHTING DOLLARS.

MUSIC OUT

FIGHTING A WAR IS MOSTLY A WAITING GAME .. A

FIGHTING MAN
~~SOMEONE~~ HAS PLENTY OF TIME TO THINK .. TO REASON

THINGS OUT .. AND THERE YOU HAVE THE REASON WHY *these* *who are on the payroll*
~~THE~~ MEN IN OUR ARMED FORCES, - THE MEN ACTUALLY

FIGHTING THE WAR -

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SEC. MORGENTHAU:

(CONT'D)

REGULARLY INVEST MORE THAN FIFTEEN PERCENT OF
THEIR PAY IN WAR BONDS. THEY KNOW THEY HAVE A
TOUGH FIGHT ON THEIR HANDS .. AND, IN THEIR
DETERMINATION TO WIN THIS WAR, THEY ARE **GIVING**
~~DETERMINED TO GIVE~~ THEMSELVES ALL THE FIGHTING-
DOLLAR SUPPORT THEY CAN MUSTER !
AND, DURING THE FOURTH WAR LOAN DRIVE, THEY,
TOO, SET HIGH NEW RECORDS IN EXTRA WAR BOND
SALES !

(SWITCH TO WALTER REED HOSPITAL)

AT WASHINGTON, D.C.

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DIXON:

THIS IS STAFF SERGEANT JOHN B. DIXON SPEAKING FROM
WALTER REED HOSPITAL.

I'M OUT HERE WITH A GOOD GANG OF FELLOWS .. MOST OF
US HAVE BEEN OVER ON THE OTHER SIDE .. ITALY AND AFRI-
CA .. AND, BETWEEN THE BUNCH OF US, I GUESS WE COULD
TELL YOU SOME PRETTY EXCITING STORIES. MOST OF US
HAVE HAD THE TOUGH LUCK TO GET MIXED UP WITH GERMAN
SHELLS AND GRENADES AND THINGS. I LOST BOTH LEGS
MYSELF. DURING THE FOURTH WAR LOAN DRIVE, I TOOK
MYSELF FOR A RIDE IN MY WHEEL-CHAIR AND WENT AROUND
TO SEE THE OTHER BOYS. I WANTED TO SEE HOW THEY FELT
ABOUT BUYING SOME WAR BONDS. MOST OF US ALREADY BUY
'EM OUT OF OUR REGULAR PAY. WELL, HERE'S HOW THEY
FELT ABOUT IT. THEY BOUGHT FORTY-NINE THOUSAND
DOLLARS WORTH OF EXTRA BONDS. AND IF THEY'D HAVE HAD
MORE MONEY TO SPEND .. THEY'D HAVE BOUGHT MORE.

(SWITCH TO N.Y.)

MUSIC: B. G. STRAIN .. FOR SECRETARY

SEC. MORGENTHAU: (OVER MUSIC)

SOLDIERS .. AMERICAN SOLDIERS MANY OF THEM WOUNDED
 IN ACTION .. ARE BUYING BONDS ..
 THESE MEN, IN THEIR HOSPITAL COTS, ARE STILL IN THE
 FIGHT .. STILL FORGING AHEAD TOWARD VICTORY .. KEEP-
 ING IN THE BATTLE BY BUYING BONDS.
 THEY ARE AMERICAN .. SO THEY FIGHT FOR FREEDOM EVERY
 WAY THEY CAN FIGHT.

"FIVE MILLION PATRIOTS" .. SELLING BONDS DURING THE
 FOURTH WAR LOAN DRIVE .. FOUND THE AMERICAN SPIRIT
 AT ITS BEST .. FOUND AMERICA'S FIGHTING DOLLARS READY
 TO ANSWER THE CALL TO THE FIRING-LINE.

READY TO BACK THE ATTACK OF MEN LIKE THOSE WHO LIE
 AT WALTER REED HOSPITAL. TO BACK THE ATTACK OF MEN
 LIKE THEIR BUDDIES STILL AT THE BATTLE-FRONT.

SEC. MORGENTHAU: (CONT'D)

THE ARMY MEN WHO WADE THRU THE MUD OF ITALY ..
DRIVING THE GERMANS SLOWLY BUT SURELY TO DEFEAT.
THE NAVY MEN WHOSE GUNS ROARED FREEDOM'S MESSAGE
TO THE JAPS ON THE ISLAND OF TRUK. THE MARINES,
THE COASTGUARDSMEN AND THE MEN OF THE MERCHANT
MARINE.

"FIVE MILLION PATRIOTS" FOUND AMERICA READY TO BACK
THE ATTACK OF OUR ARMED FORCES GATHERING IN THE
MIGHTY INVASION STORM-CLOUD WHICH WILL ONE DAY
SPEND ITS FURY ON THE AXIS AND CLEANSE THE FACE OF
THIS EARTH.

THE ATTACK OF THE ARMED FORCES OF THE UNITED STATES.
IS AN ATTACK WORTH BACKING. AND, IN JUST A FEW
MOMENTS, I WILL TELL YOU, IN DOLLARS AND CENTS,
JUST HOW WELL WE BACKED THAT ATTACK IN THE FOURTH
WAR LOAN DRIVE.

SEC. MORGENTHAU: (CONT'D)

HERE, ON THE HOME FRONT, WE WORK FOR ONE GREAT CAUSE. TO PRESERVE AND PROTECT OUR AMERICA.

OUT THERE, ON THE BATTLE FRONTS, OUR ARMED FORCES ARE FIGHTING FOR THAT SAME GREAT CAUSE.

WE MUST CONTINUE TO WORK AND PAY FOR AND BUILD THEIR EQUIPMENT .. AND THEY WILL CONTINUE TO FIGHT .. UNTIL THAT GREAT DAY WHEN VICTORY RE-UNITES THEM .. WITH THE THINGS WE WORK FOR .. AND THE THINGS THEY FIGHT FOR.....

MUSIC OUT

NOT A MOMENT MUST BE LOST .. IN BRINGING TO THEM THE REWARD THEY WANT THE MOST .. THAT PRECIOUS MOMENT WHEN THEY SHALL KNOW .. THAT FREEDOM'S FIGHT IS WON .. THAT THEY ARE ON THEIR WAY .. BACK HOME...

MUSIC THEMATIC INTRODUCTION
 CHORUS NORTH - SOUTH - EAST WEST
 NEATH THE FLAG THAT I LOVE BEST
 EVERYTHING FROM SEA TO SEA
 IS THE U S A TO ME.

MUSIC: DROPS UNDER WITH HAPPY RHYTHM

NARRATOR: EVERYTHING FROM SEA TO SEA
 IS THE U.S.A. TO ME.
 TO US AT HOME AMERICA IS SOMETHING WE SEE EVERY DAY
 WE HEAR THE STREET CARS,
 SEE THE FARMLANDS,
 TOUCH AND FEEL THE SUBSTANCE OF THE NATION
 WITHOUT A THOUGHT OF WHAT IT REALLY MEANS.
 BUT WHAT DOES G. I. JOE
 IN ITALY, ALASKA, GREENLAND
 OR DEEP IN THE SOUTH PACIFIC THINK?
 THERE ARE TEN MILLION JOES
 TO DREAM TEN MILLION DREAMS
 ABOUT THE LAND FOR WHICH THEY FIGHT.
 THEY DREAM - THOSE FARAWAY BOYS IN UNIFORM:-
 THEY DREAM OF THEIR KIND OF U. S. A.

MUSIC: DREAM MUSIC

CHORUS: TEN MILLION DREAMS, ROLLED INTO ONE
ARE TEN MILLION DREAMS OF HOME.

MUSIC: MUSICAL FOOTPRINTS

NARRATOR THOSE ARE THE DREAM-DROUSY FOOTSTEPS
THAT WALK EACH NIGHT THROUGH DARKNESS
INTO CITY HOMES AND COUNTRY HOMES,
MOUNTAIN CABINS, FARM - -
THOSE ARE THE TEN MILLION HOPES
WHO ROAM THE LAND THEY LOVE.

MUSIC: UP AND SET SCENE FOR NEW ENGLAND

NARRATOR: HIGH NORTHEASTWARD LIES THE WINTER THUMB
AND ALL THE BEAUTY THAT IS NEW ENGLAND.
MAINE, WITH LAKES AND WATERFALLS -
RIVERS TUMBLING, FORESTS WEAVING FANTASIES
OF LEAVES AND LIMBS
VERMONT, NEW HAMPSHIRE,
CONNECTICUT, NEW YORK -
MOTHER PLACE OF DREAMS - FATHERLAND OF THE NATION.
THESE COMPOSE THE THOUGHTS
THAT MILLIONS OF BOYS IN UNIFORM
ARE THINKING NOW - TONIGHT.
THESE WINTER-MANTLED STATES ARE HOME
FOR MEN TO DREAM ABOUT -
THEY THINK OF HARBORS ALL ALONG THAT RESTLESS COAST,
OF SHIPS THEIR FATHERS SAILED
OF PORTS THEY VISITED AS KIDS WHEN SUMMER CAME.

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NARRATOR: AND WHERE NEW ENGLAND HARBORS END
THERE LIVES THE GREATEST HARBOR OF THEM ALL -
CROWNED BY BUILDINGS THAT ARE MIRACLES.
TEAMING, STREAMLINED CENTER OF THE WORLD -
NEW YORK.

MUSIC: BEGIN RHYTHM STUFF

VOICES: HAVE YOUR FARES READY - TAXI TAXI
FOLLOW GREEN LIGHTS TO THE WEST SIDE SUBWAY
46TH FLOOR PLEASE - STEP ASIDE PLEASE
RADIO CITY - TOUR FOR A DOLLAR
TAXI TAXI - HEY TAXI!
I R T B M T INDEPENDENT
SUBWAY - SUBWAY - (KEEP REPEATING WORD SUBWAY UNDER:)

NARRATOR: ROARING, ANGRY, SHOUTING MONSTERS,
FILLED WITH SHOVING, PUSHING HUMANS,
GATES THAT OPEN, LIGHTS THAT FLASH ON,
PUSH YOUR WAY IN, PUSH YOUR WAY OUT,
TIMES SQUARE, 23, 14, BROOKLYN -
UP TOWN DOWN TOWN, MIDTOWN, CROSSTOWN -
FASTER, FASTER -
GOT TO GET HOME, I'M TIRED

VOICES (UP WITH) SUBWAY. SUBWAY - (DROWN OUT NARRATOR)
(STOP)

NARRATOR: YES - AND THERE'RE PLENTY WHO DREAM
OF THE CITY THAT MEANS THE WORLD TO THEM
THAT'S HOME.

CHORUS: TEN MILLION DREAMS ROLLED INTO ONE
ARE TEN MILLION DREAMS OF HOME.

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MUSIC: SWANEE RIVER

NARRATOR: THERE ARE DREAMERS FARAWAY WHO TIP TOE IN THE NIGHT
TO TOWNS AND VILLAGES THAT STILL WEAR WOUNDS
OF ANOTHER WAR. FOOTSTEPS LINGER IN THE SOUTHERN HILLS,
WHERE NIGHT HAS LAID A ROBE OF SILENCE
AND SMELLS OF DYING HEARTH FIRES
HUG THE TURNS AND CURVES OF MOUNTAIN SIDES.
CITIES, PROUDLY BUILT, AND PROUDLY LOVED
ARE HOME TO MANY LONGING HEART ABROAD.
WIDE PLANTATIONS, LITTLE FARMS, TINY HOUSES,
SHACKS AND RIVER BOATS,
RICH AND SPLENDID MODERN CITIES,
MANSIONS, SWAMP HUTS, BARGES,
ALL ARE HOMES - HOMES FOR G. I. DREAMS TONIGHT.

ORCHESTRA: CONCLUDE SWANEE RIVER

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Missed copy

CHORUS: NORTH - SOUTH - EAST - WEST
NEATH THE FLAG THAT I LOVE BEST
EVERYTHING FROM SEA TO SEA
IS THE U. S. A. TO ME.

NARRATOR: BETWEEN THE SEA AND THE SEA
THERE FLOWS RIVER -
THE MISSISSIPPI - THE MOTHER-FATHER OF ALL WATERS

CHORUS: O MIGHTY MISSISSIPPI

NARRATOR: ROLLING, DRIVING,
PONDEROUS, HEAVY, TIMELESS, RUTHLESS
MISSISSIPPI.

SHE THE QUEEN, DRAWS ALL HER SUBJECT RIVERS
TO HER BREAST, EXACTS THE TRIBUTE OF THEIR FLOW

CHORUS: O MIGHTY MISSISSIPPI

NARRATOR: GREEDY, THIRSTY, SOMETIMES ANGRY,
OFTEN SOFT AND SENTIMENTAL -
REACHING FROM THE DELTA FOOTSTOOL
HIGH INTO THE WHEATCROWNED NORTH
THE PROVEN MISTRESS OF A LAND
OF WOVEN WATERWAYS.

CHORUS: O MIGHTY MISSISSIPPI

MUSIC: UP DYNAMICALLY

NARRATOR: AND ALL ALONG THE EDGES OF THE MISSISSIPPI ARE HOMES
THAT GUYS WITH GUNS AND GUTS
ARE THINKING OF TONIGHT.

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CHORUS: TEN MILLION DREAMS ROLLED INTO ONE
 ARE TEN MILLION DREAMS OF HOME

MUSIC: SEGUE INTO CHICAGO RHYTHM

CHICAGO: I AM CHICAGO.
 HOG-BUTCHER - MEAT MAKER
 LORD OF THE RAIROADS
 MONARCH OF THE LAKE CITIES
 I AM CHICAGO.
 GREY STONED, SOFT HEARTED,
 NOISE MAKING STOCKHOLDER OF THE MIDDLE WEST.
 I OWN THE STOCKYARDS -
 ACRES OF STOCKYARDS --
 I AM THE MEAT PACKER - I AM THE FEEDER.
 I OWN PARKS AND ART MUSEUMS,
 I OWN THEATRES - I OWN TEMPLES -
 I OWN TEN THOUSAND STONE MADE BLOCKS
 OF CROWDED HUMAN BEINGS.
 I AM THE CITY THAT DARES TO BE STRONG.
 I AM THE MASTER
 I KNOW KINDNESS - I KNOW HARDNESS -
 I AM STOCKHOLDER OF THE MIDDLE WEST.

MUSIC: FINISH

CHICAGO: AND I AM THE HOME THAT THE KID WHO HAS WON
 WANTS TO COME BACK TO WHEN HIS BIG JOB IS DONE.

MUSIC: CONCLUDES CHICAGO SEQUENCE

CHORUS: NORTH - SOUTH - EAST - WEST
SOUTH WEST - SOUTH WEST - SOUTH WEST - SOUTH WEST
(FADE)

NARRATOR: AND IN THE SOUTH WEST

OKLAHOMA

COLORADO

ARIZONA

TEXAS - UTAH

PLACES WHERE THE

CATTLE RANCHES

REACH INTO

THE SETTING SUN.

COWBOYS RIDE ON

LONELY COW TRAILS

BRINGING IN THE

STRAGGLING DOGGIE.

DESERTS STRETCH IN

ENDLESS WONDER

HOMELAND FOR THE

GENTLE INDIAN.

THAT'S THE SOUTHWEST.

SINGER: SONG - THE CURTAIN OF NIGHT

- 24 -

NARRATOR: THERE IS STARLIGHT IN THE WEST TONIGHT.
 THOSE LITTLE TOWNS AND LONELY RANCHES
 ARE THE STUFF THAT DREAMS ARE MADE OF -
 WHEN SOLDIERS DREAM OF HOME.

CHORUS: TEN MILLION DREAMS ROLLED INTO ONE
 ARE TEN MILLION DREAMS OF HOME.

MUSIC: WIND THEME

NARRATOR: NORTH, NORTH, ACROSS THE CEILING OF THE NATION
LIKE THE STATES OF SINGING WHEAT,
HERE THE MODERN PIONEER STILL MEETS THE WIND,
HIS SONS ARE CHILDREN OF THE SUMMER SUN
HIS HOME IS HARBOR IN THE WINTER STORM.

MUSIC: WIND THEME CLIMAX

NARRATOR: MINNESOTA - THE DAKOTAS -
NEBRASKA AND WYOMING
IOWA - MONTANA -

WIDE AND BEAUTIFUL - WIDE AND WONDERFUL -
HOME OF HOMES FOR MILLIONS
THE THRESHOLD FOR A MILLION SOLDIER DREAMS.

MUSIC: THE ROCKIES THEME

NARRATOR: UP FROM THE BLUE PACIFIC
LIKE A BRIGHT AND FERTILE CARPET
LIFTS THE SLOPE OF CALIFORNIA -
RICH IN FRUIT AND AGRICULTURE -
RICH IN LORE OF ANCIENT DAYS.
UP FROM THE BLUE PACIFIC,
LIKE A STORY TOLD IN MUSIC
LIFTS THE SLOPE OF OREGON
DRESSED IN FARMS AND LOVELY TOWNS
JEWELS WITH SPARKLING LAUGHING RIVERS.
UP FROM THE BLUE PACIFIC
LIKE A SONG OF PARADISE
LIFTS THE SLOPE OF WASHINGTON
ROBED IN THE SPLENDOR OF THE FORESTS
CARVED BY THE SCULPTURE OF THE OCEAN.

- 26 -

MUSIC: ROCKIES THEME IN STRONG

NARRATOR: AND CROWNING THIS, IN AGELESS SPLENDOR -
WITH BROWS OF SUN-CARVED TIMELESS ROCK,
THE MAJESTY OF ALL OUR NATION,
STAND AND WATCH -
GOD OF A WESTERN WORLD!
THE ROCKIES! FASHIONED BY THE WIND AND WEATHER -
THEY COUNT NOT TIME - NOR SPACE - NOR MAN -
THESE ARE THE FATHERS OF ETERNITY -
THESE ARE THE SILENT GARDENS OF THE SNOW -
THESE ARE THE SOUNDLESS VOICES OF ALL TIME.
THESE ARE THE ROCKIES,
BEYOND THE NAME OF BEAUTY.
THESE ARE THE SYMBOLS OF OUR STRENGTH -
THE GOD MADE FORTRESS
TOUCHING THE FLOOR OF HEAVEN
AS IF TO FORM A COVENANT WITH HIM
AS IF TO SAY TO US - BE STRONG - BE NOBLE -
FOR YOU AND I ARE BOTH
AMERICA.

CHOIR: MUSIC CLIMAX

NARRATOR: YOU HAVE HEARD THE DREAM OF MILLIONS -
AND NOW - UNTO THOSE DREAMERS - HERE,
OR THERE IN DISTANT PLACES,
WE BRING THEM A REPORT FROM THEIR NATION.
WE CALL TO THE BORDERS OF OUR COUNTRY
THE NORTH AND SOUTH, THE EAST AND WEST -

MUSIC: CALL THEME

- 28 -

MARCH:

(GOLD)

HERE IS SECRETARY OF THE UNITED STATES TREASURY
HENRY MORGENTHAU, JR., WITH THE FINAL REPORT ON THE
RESULTS OF THE FOURTH WAR LOAN DRIVE.

SEC. MORGENTHAU:

ON JANUARY EIGHTEENTH, "FIVE MILLION PATRIOTS", MANY OF
THEM VETERAN SALESMEN OF THE THIRD WAR LOAN DRIVE, WENT
FORTH, CHARGED WITH THE RESPONSIBILITY OF RAISING FOUR-
TEEN BILLION DOLLARS FOR THE WAR, THRU THE SALE OF BONDS.
THE JOB LAID OUT FOR THEM NOT ONLY CALLED FOR THE SALE
OF FOURTEEN BILLION DOLLARS WORTH OF BONDS .. BUT ALSO
REQUIRED THAT THEY BE SOLD IN THE RIGHT PLACES. ~~THERE~~
~~WERE NO LARGE BLOCKS OF BONDS TO BE SOLD TO BANKS IN~~
~~THIS DRIVE.~~
~~OTHER LARGE INVESTORS WERE LIMITED IN THEIR PURCHASES.~~
THIS, MORE THAN ANY OTHER DRIVE, WAS TO BE
"THE PEOPLE'S DRIVE".

SEC. MORGENTHAU: (CONT'D)

I CAN REPORT TONIGHT, THAT THESE FIVE MILLION VOLUNTEERS SUCCEEDED IN THEIR ASSIGNMENT .. SUCCEEDED ON EVERY COUNT.

BY THE END OF THE DRIVE, FOURTEEN BILLION ~~ONE~~ ^{two} HUNDRED MILLION DOLLARS HAD ALREADY BEEN REPORTED.

DAY BY DAY, THE REPORTS KEPT COMING IN.

DOLLAR BY DOLLAR, THE FIGURES KEPT MOUNTING.

YESTERDAY, WE CLOSED THE BOOKS.

THE AMERICAN PEOPLE ANSWERED THE CALL OF THE

FOURTH WAR LOAN DRIVE .. NOT WITH FOURTEEN

BILLION DOLLARS .. BUT WITH 16 1/2

BILLION, _____ MILLION DOLLARS.

AND HERE IS A MOST SIGNIFICANT FACT. THAT FIGURE DOES NOT INCLUDE THE BOND SALES MADE TO BANKS DURING THE DRIVE!

SEC. MORGENTHAU: (CONT'D)

AND HOW ABOUT THOSE "E" BONDS, THE PEOPLE'S
BONDS .. HOW DID WE DO THERE?

WELL, YOU REMEMBER WE SET OUT TO SELL THREE
~~AND A HALF~~ BILLION DOLLARS WORTH. I AM

HAPPY TO REPORT THAT WE EXCEEDED OUR QUOTA, ~~BY~~
~~NEARLY A HALF BILLION DOLLARS.~~

~~WE HAD SET OUR GOAL FOR INDIVIDUALS AT FIVE AND
A HALF BILLION DOLLARS. AND THAT GOAL, TOO,
WAS PASSED BY MORE THAN A HUNDRED MILLION DOLLARS.~~

~~ALL IN ALL,~~ THE AMERICAN PEOPLE RESPONDED TO
THE FOURTH WAR LOAN DRIVE BETTER THAN EVER BEFORE *in*

buying

SEC. MORGENTHAU:

THEY ~~BOUGHT~~ THE "PEOPLE'S BOND" .. THE "E" BOND. IN THAT WAY, THEY ARE FIGHTING A "PEOPLE'S WAR". AND THEY BOUGHT IT AND ARE CONTINUING TO BUY IT AT ONE STABLE RATE OF INTEREST. DURING THE FIRST WORLD WAR, ~~THEY~~ LOAN ~~WERE~~ ^{were} MADE AT A SUCCESSIVELY HIGHER RATES OF INTEREST. ^{The average was about 4 1/4 %} DURING THIS WAR, HOWEVER, FIGHTING MONEY HAS BEEN THE ONE STABLE COMMODITY. ^{The average rate on the securities} THIS IS A "TWO PERCENT WAR". ^{We have been selling it about 1 3/4 %} ~~WHEN THE WAR STARTED, BONDS WERE ISSUED AT TWO PERCENT.~~ AND AMERICANS CONTINUE TO BUY THEM IN EVER-INCREASING AMOUNTS, AT THAT SAME RATE OF INTEREST.

ACCELERATED PUBLIC PARTICIPATION IN THE WAR IS ALSO REFLECTED IN THE BAROMETER OF WAR BOND SALES FIGURES. DURING THE FIRST WAR LOAN DRIVE, 19 MILLION SEPERATE ^{Series E} BONDS WERE SOLD. THE SECOND DRIVE SOLD 32.5 MILLION SEPERATE BONDS. THE THIRD DRIVE SOLD 52.5 MILLION. AND DURING THE FOURTH WAR LOAN DRIVE, MORE THAN 60 MILLION SEPERATE WAR BONDS WERE PURCHASED BY THE AMERICAN PEOPLE! THIS IS A REMARKABLY CLEAR PICTURE OF THE GROWTH OF PUBLIC INTEREST IN THE WAR .. AN INSPIRING DEMONSTRATION OF THEIR DESIRE TO BACK THE ATTACK .. TO HELP TO FIGHT THE ENEMY ..

SEC. MORGENTHAU:

TO MAKE THIS TRULY A "PEOPLE'S WAR"!

THE FOURTH WAR LOAN DRIVE HAS BEEN HIGHLY SUCCESSFUL. BY RAISING 16.5 BILLION DOLLARS, IT HAS FAR EXCEEDED ITS ORIGINAL GOAL. AND HAS DONE ALL THIS AT A VERY LOW COST. NOT COUNTING THE COST OF PRINTING THE BONDS THEMSELVES, THE COST OF SELLING 16.5 BILLION DOLLARS IN WAR BONDS ~~HAS BEEN BUT~~ ~~150~~ ~~DOLLARS~~ ~~THIS~~ REPRESENTS LESS THAN 33 PERCENT OF THE MONEY RAISED. ANY SALES MANAGER CAN TELL, THAT THIS IS A FANTASTICALLY LOW FIGURE.

AMERICA HAS DONE A BIG JOB .. AND DONE IT AT THE LOWEST POSSIBLE COST .. MADE POSSIBLE THROUGH THE SINCERE, UNSELFISH, PATRIOTIC COOPERATION OF THE TREASURY'S VOLUNTEER ORGANIZATION .. FIVE MILLION STRONG .. THROUGH THAT SAME KIND OF COOPERATION FROM AMERICAN BUSINESS .. LARGE AND SMALL. THROUGH THE "ALL-OUT" COOPERATION OF AMERICAN LABOR AND AMERICAN MANAGEMENT. THE CREDIT FOR THE SUCCESS OF THE FOURTH WAR LOAN DRIVE GOES TO EVERY AMERICAN WHO SOLD A BOND. AND TO EVERY AMERICAN WHO BOUGHT A BOND.

SEC. MORGENTHAU:

I WOULD PERSONALLY LIKE TO THANK EVERY INDIVIDUAL WORKER .. EACH COUNTY CHAIRMAN AND EACH STATE CHAIRMAN .. FOR THE SPLENDID JOB YOU HAVE DONE. I ALSO WISH TO THANK A MAN WHO DESERVES PARTICULAR RECOGNITION .. THE NATIONAL DIRECTOR OF THE WAR FINANCE PROGRAM .. MR. TED. R. GAMBLE.

AMERICANS * YOU ALL HAVE DONE A SPLENDID JOB. WE ARE GOING TO COUNT ON YOU AGAIN, IN THE FIFTH WAR LOAN AND ESPECIALLY ON YOU MILLIONS OF VOLUNTEERS WHO WENT TO WORK ON THE THIRD WAR LOAN AND AGAIN IN THE FOURTH. YOU ARE NOW A SEASONED ORGANIZATION. YOUR TOP LEADERSHIP HAS HAD THE EXPERIENCE OF TWO SUCCESSFUL WAR LOANS - AND VIRTUALLY THE SAME GROUP OF LEADERS IN THE STATE COMMITTEES AND IN WASHINGTON - WILL REMAIN. WE'LL ALL BE ON THE JOB WITH "INCREASED ENTHUSIASM."

HAND IN HAND - WE HAVE WON A MAJOR BATTLE HERE ON THE HOME FRONT.

NOW THAT THE OBJECTIVE OF THE FOURTH WAR LOAN DRIVE HAS BEEN REACHED, IT IS UP TO US TO CARRY ON -- DOING THE SAME KIND OF GOOD WORK - WE MUST KEEP FIGHTING "OVER HERE" -- JUST AS OUR

SEC. MORGENTHAU:

BOYS KEEP FIGHTING "OVER THERE". WE MUST
KEEP BUYING WAR BONDS - MORE AND MORE WAR
BONDS - BETWEEN WAR LOAN DRIVES. WE MUST
CONTINUE TO .. "BACK THE ATTACK."

MUSIC: CLOSING THEME .. FORTE .. FADES ON CUE FOR:

CLOSING ANNOUNCEMENT

END

3-1-44
p.m

"FIVE MILLION PATRIOTS"

SEC. MORGENTHAU: THIS IS HENRY MORGENTHAU, JR. YESTERDAY, IN MY OFFICE IN WASHINGTON, I SAW THE FINAL FIGURES ON THE FOURTH WAR LOAN DRIVE. WE HAVE HEARD NOW FROM ALL 75,000 OF OUR BOND OUTLETS. ALL THE STATE COMMITTEES AND BANKS AND FACTORIES AND RETAIL STORES AND MOVIE THEATRES HAVE REPORTED - AND I CAN TELL YOU THAT THE RESULTS ARE MOST GRATIFYING. I WANT TO TELL YOU ABOUT THOSE FINAL FIGURES. IN THIS "REPORT TO THE PEOPLE," I WANT TO TELL YOU THE STORY OF THE GREATEST OF ALL WAR LOAN DRIVES. FROM THE VERY BEGINNING, THE VOLUNTARY SYSTEM OF BOND-BUYING .. THE AMERICAN WAY .. HAS PROVED SUCCESSFUL. IF A COMPULSORY SAVINGS SYSTEM HAD BEEN ADOPTED DURING 1943 -- OF SUFFICIENT SIZE TO GET THE 18 BILLIONS THE PEOPLE VOLUNTARILY SUBSCRIBED DURING LAST YEAR -- THE TREASURY WOULD HAVE HAD TO COLLECT FROM THE AMERICAN PEOPLE A TOTAL AMOUNT OF MONEY EQUAL TO TWO AND ONE-HALF TIMES AS MUCH AS THEY PAID IN FEDERAL INCOME TAXES.

THE RESULTS

- 2 -

SEC. MORGENTHAU:

OF EVERY SUCCESSIVE BOND DRIVE STAND AS
DRAMATIC PROOF OF THE FACT THAT AMERICANS
ARE ANXIOUS TO DO EVERY WARTIME JOB THAT
HAS TO BE DONE.

MUSIC

B. G. THEME...SOFTLY

SEC. MORGENTHAU:

THE FOURTH WAR LOAN DRIVE TOLD ONE
HUNDRED AND THIRTY MILLION AMERICANS THEY
HAD A JOB TO DO. PEOPLE AT WORK ..
PEOPLE AT HOME .. PEOPLE AT WAR .. ALL
WERE CALLED UPON TO DO THEIR SHARE.
WHEN AMERICANS PICKED UP THEIR
NEWSPAPERS, THEY READ ABOUT THE FOURTH
WAR LOAN DRIVE. WHEN THEY TURNED ON
THEIR RADIOS, THEY HEARD ABOUT IT. ON
THEIR WAY TO WORK, THEY WERE REMINDED OF
IT BY SIGNPOSTS AND BILLBOARDS. THE
STORY CAME TO OUR DOORSTEPS, WAS TOLD AT
BOND-BOOTHS AND RETAIL STORES. THE
TELLING OF THE STORY .. THE SELLING
OF THE BONDS .. WAS IN THE HANDS OF THE
TREASURY'S OWN VOLUNTEER ORGANIZATION.
AFTER THE SECOND WAR LOAN DRIVE, IT WAS
MY TASK TO COMPLETELY REORGANIZE..
REBUILD. THE WAR-BOND SELLING GROUP.

- 3 -

SEC. MORGENTHAU: STATE BY STATE .. ALMOST PERSON BY PERSON .. I ENLISTED THE AID OF PUBLIC-SPIRITED AMERICANS. THOUSANDS UPON THOUSANDS JOINED US TO SHARE ONE OF GREATEST RESPONSIBILITIES OF THE WAR .. THE RAISING OF THE MONEY WITH WHICH TO FIGHT THE WAR. I AM PROUD TO SAY THAT WHEN THE FOURTH WAR LOAN DRIVE GOT UNDER WAY, MARCHING UNDER THE BANNER OF THE TREASURY DEPARTMENT'S WAR FINANCE DIVISION, WERE MORE THAN FIVE MILLION VOLUNTEER WAR BOND SALESMEN. "FIVE MILLION PATRIOTS".. WHO UNDERTOOK THE TREMENDOUS TASK OF SELLING FOURTEEN BILLION DOLLARS WORTH OF BONDS.

MUSIC INTRODUCTION TO MUSIC-DRAMA

NOTE: THE ORCHESTRA AND CHORUS SET THE SCENE. IN SIMPLY LANGUAGE THEY TELL THE STORY OF THE PURPOSE OF THE FOURTH WAR LOAN DRIVE.

FREDERIC MARCH WILL ACT AS NARRATOR. THE FOURTEEN BILLION DOLLAR GOAL IS SET.

MUSIC CONTINUE MUSIC DRAMA

NOTE: ALSO IN THIS SEGMENT OF MUSIC-DRAMA WE TELL A TWO MINUTE STORY OF THE "FIVE MILLION PATRIOTS"..

- 4 -

NOTE (CONTINUED)

WE SHOW HOW HARD THEY WORK .. WHERE
THEY COME FROM .. WHY THEY VOLUNTEERED
TO DO THIS JOB.

MUSIC UP AND FADES FOR

SEC. MORGENTHAU:

(OVER MUSIC)

AMERICAN MOTHERS TOOK TIME FROM THEIR
HOUSEHOLD DUTIES .. FATHERS CAME HOME
FROM WORK, ATE THEIR EVENING MEAL, AND
WENT OUT TO WORK THRU THE NIGHT ON
THE FOURTH WAR LOAN DRIVE..

THE BOYS AND GIRLS DID THEIR GREAT
SHARE. IN EVERY STATE .. IN EVERY
COUNTY .. IN EVERY CITY, TOWN,
VILLAGE .. ON EVERY HIGHWAY AND
ALONG EVERY BYPATH.

- 5 -

SEC. MORGENTHAU: THE BUTCHER, THE BAKER AND THE
CANDLESTICKMAKER BECAME SALESMEN,
SELLING FREEDOM'S GREATEST
BARGAIN.

MUSIC OUT

THE FOURTH WAR LOAN DRIVE WAS
ON ITS WAY .. THE "FIVE MILLION
PATRIOTS" WERE AN ALL-AMERICAN
TEAM .. PATRIOTS! FROM ALL WALKS
OF LIFE. THE WORKER IN THE
FACTORY - THE FARMER IN THE
FIELD.

(SWITCH TO NORTH DAKOTA)

- 6 -

BENNO: MY NAME IS ARTHUR W. BENNO. I AM SPEAKING FROM MY HOME HERE IN AFTOM TOWNSHIP, NORTH DAKOTA. I AM A FARMER. YES, AND A PRETTY GOOD BOND SALESMAN, TOO. I HOMESTEDED OUT HERE MORE THAN FIFTY YEARS AGO. BEEN HERE EVER SINCE. WE HAVE A HUNDRED AND SEVENTY-FIVE PEOPLE IN OUR TOWNSHIP, EIGHTY-FIVE FAMILIES .. ALL FARMERS. AND DURING THE FOURTH WAR LOAN DRIVE, I CALLED ON 'EM ALL. TOLD 'EM ABOUT BONDS AND WHY THEY'D BETTER BE PUTTING THEIR MONEY INTO THE WAR. THEY KNEW WHAT I WAS TALKING ABOUT BECAUSE MOST OF 'EM HAVE SONS IN THE FIGHT. BOYS THAT USED TO BE ROUND HERE.. AND NOW, LORD KNOWS WHERE THEY ARE. THAT'S WHY THESE PEOPLE IN MY TOWNSHIP CAME THRU WITH AN AVERAGE OF SEVENTY-SEVEN DOLLARS AND SEVENTY-ONE CENTS FOR EACH MAN, WOMEN AND CHILD .. THIRTEEN THOUSAND, SIX HUNDREDS DOLLARS IN ALL. BUT EVERY-ONE OUT HERE CAME THRU. NOT JUST THE FOLKS IN AFTOM TOWNSHIP. NORTH DAKOTA MADE PERCENT OF ITS "E" BOND QUOTA. AND WE'LL DO EVEN BETTER NEXT TIME.

6 - A

(SWITCH TO NEW YORK)

SEC. MORGENTHAU: GOOD WORK MR. BENNO. AND THE WOMEN OF AMERICA AS ALWAYS, HAVE ALSO COME THROUGH IN FINE STYLE. HERE IS MRS. ELINOR HELLER OF BOSTON, MASSACHUSETTS, WHO HEADED THE SCHOOL SYSTEM BOND SELLING ORGANIZATION IN HER STATE.

MRS. HELLER: MR. SECRETARY, IN DOZENS OF COMMUNITIES OF MASSACHUSETTS, THE SCHOOLS MADE A CONCENTRATED EFFORT TO SELL E BONDS DURING THE LAST FEW DAYS OF THE FOURTH WAR LOAN. THE WAY THOSE AMERICAN BOYS AND GIRLS RESPONDED TO THEIR CALL TO DUTY STANDS AS A GREAT EXAMPLE OF THE FRUITS OF DEMOCRACY WHICH IS THE HERITAGE OF EVERY AMERICAN. IN EVERY INSTANCE, THEY SET UP BOND BOOTHS WITHIN THEIR SCHOOLS. HONOR STUDENTS, FACULTY, AND P.T.A. MEMBERS SOLD BONDS TO PARENTS AND FRIENDS. ONLY E BONDS WERE ISSUED IN THIS WAY AND ONLY CASH SALES COUNTED. IN ONLY THREE DAYS, BOSTON SCHOOL YOUNGSTERS ACCOUNTED FOR \$751,549 IN WAR BONDS, OR THE EQUIVALENT OF 19,603 SEPERATE E BONDS. IN SPRINGFIELD, 3,700 INDIVIDUAL E BONDS WERE SOLD WITH A TOTAL ISSUE VALUE OF \$159,482.

6 - B

MRS. HELLER:
(CONT.)

THE PAROCHIAL SCHOOLS OF THE FALL RIVER DIOCESE
ACCOUNTED FOR 25,000 INDIVIDUAL E BONDS,
TOTALLING \$476,343.

THE SAME STORY WAS TOLD THROUGHOUT THE STATE
BY ALL OUR SCHOOL CHILDREN. THE STORY OF THE
AMERICANISM..THE DESIRE TO BACK THE ATTACK ..
THAT LIVES IN EVERY HEART OF EVERY AMERICAN ..
MAN, WOMAN OR CHILD.

SEC. MORGENTHAU: THANK YOU MRS. ELINOR HELLER.

MUSIC: MUSIC DRAMA CONTINUES

NOTE: IN THIS SEGMENT OF MUSIC-DRAMA, THE NARRATOR, THE ORCHESTRA AND CHORUS TELL THE STORY OF THE "E" BOND .. THE PEOPLE'S BOND.

THIS RUNS ABOUT ONE AND ONE HALF MINUTES.

MUSIC UP - DOWN FOR

- 8 -

SEC. MORGENTHAU: (OVER MUSIC)

A DETERMINED MAN DISCOVERED AMERICA.
DETERMINED MEN BUILT AMERICA. DETERMINATION
IS BORN IN OUR BLOOD. AND, DURING THE FOUR-
TEEN BILLION DOLLAR FOURTH WAR LOAN DRIVE,
FIVE MILLION PATRIOTS DETERMINED TO SELL
THREE BILLION DOLLARS WORTH OF "E" BONDS ..
TO THE PEOPLE .. TO THE MAN IN THE STREET ..
TO THE WORKER IN THE FACTORY. THREE BILLION
DOLLARS WORTH .. AN AVERAGE OF \$23.00 WORTH
FOR EVERY ONE OF THE HUNDRED AND THIRTY
MILLION MEN, WOMEN AND CHILDREN IN OUR LAND.

MUSIC OUT

(BRING IN INDIANAPOLIS, IND.)

(TWO-WAY CONVERSATION)

MAETSCKI:

MR. SECRETARY, MY NAME IS KARL MAETSCKI. I LIVE HERE IN INDIANAPOLIS AND WORK IN A WAR PLANT. I MAKE AIRPLANE PARTS FOR A LIVING. BUT, SINCE PEARL HARBOR, I HAVE SPENT ALL MY SPARE TIME WORKING WITH A CREW OF ONE HUNDRED MEN ON PAYROLL SAVINGS. WE HAVE SEVEN HUNDRED FIRMS THAT WE COVER. SOME OF THEM HAVE TWENTY-FIVE EMPLOYEES..SOME HAVE AS MANY AS TWENTY-FIVE THOUSAND. ALL-TOLD THERE ARE ABOUT NINETY THOUSAND PEOPLE IN THESE PLANTS. THESE PLANTS HAVE ESTABLISHED A FINE PAYROLL RECORD -- OVER TEN PERCENT. AND DURING THE FOURTH WAR LOAN DRIVE, THEY INVESTED NINE MILLION, TWO HUNDRED THOUSAND DOLLARS IN EXTRA WAR BONDS -- OVER AND ABOVE THEIR REGULAR PAYROLL SAVINGS BONDS. PRETTY GOOD, ISN'T IT?

SEC. MORGENTHAU:

IT CERTAINLY IS. DID THE REST OF INDIANA DO AS WELL AS YOU DID IN YOUR SEVEN HUNDRED FIRMS?

MAETSCKI:

JUST ABOUT, MR. SECRETARY. LABOR AND MANAGEMENT ALL OVER INDIANA AND ALL OVER AMERICA, FOR THAT MATTER, BACKED THE ATTACK IN THE FOURTH WAR LOAN DRIVE WITH ALL THEIR ENERGY.

- 11 -

MUSIC: MUSIC-DRAMA CONTINUES

NOTE: THIS SEGMENT OF MUSIC-DRAMA ILLUSTRATES
THE FACT THAT WHERE THERE IS HIGH MORALE
THERE IS INEVITABLY HIGH PRODUCTION .. WHICH
IS REFLECTED IN HIGH BOND SALE RECORDS.

MUSIC UP -DOWN FOR

- 11 -

MUSIC: MUSIC-DRAMA CONTINUES

NOTE: THIS SEGMENT OF MUSIC-DRAMA ILLUSTRATES
THE FACT THAT WHERE THERE IS HIGH MORALE
THERE IS INEVITABLY HIGH PRODUCTION .. WHICH
IS REFLECTED IN HIGH BOND SALE RECORDS.

MUSIC UP -DOWN FOR

- 12 -

SEC. MORGENTHAU: (OVER MUSIC)

THE VOICE OF THE AMERICAN WORKER SAYS: "ONE JOB IS NOT ENOUGH FOR ME TO DO". THE MEN AND WOMEN BEHIND THE MACHINES ARE BACKING THE ATTACK WITH GUNS AND TANKS AND PLANES AND SHIPS! AND THEY'RE BACKING THE ATTACK BY BUYING THE BONDS THAT PAY FOR THOSE GUNS AND TANKS AND PLANES AND SHIPS! THEY'RE BACKING THEIR BOYS ON THE FIGHTING FRONTS .. JUST AS THOSE BOYS ARE BACKING THEMSELVES .. WITH FIGHTING DOLLARS.

MUSIC OUT

FIGHTING A WAR IS MOSTLY A WAITING GAME .. A FIGHTING MAN HAS PLENTY OF TIME TO THINK .. TO REASON THINGS OUT .. AND THERE YOU HAVE THE REASON WHY THOSE MEN IN OUR ARMED FORCES WHO ARE ON THE PAYROLL SAVINGS PLAN -- THE MEN ACTUALLY FIGHTING THE WAR - REGULARLY INVEST MORE THAN FIFTEEN PERCENT OF THEIR PAY IN WAR BONDS. THEY KNOW THEY HAVE A TOUGH FIGHT ON THEIR HANDS .. AND, IN THEIR DETERMINATION TO WIN THIS WAR, THEY ARE GIVING THEMSELVES ALL THE FIGHTING-DOLLAR SUPPORT THEY CAN MUSTER! AND DURING THE FOURTH WAR LOAN DRIVE, THEY, TOO, SET HIGH NEW RECORDS IN EXTRA WAR BOND SALES!

(SWITCH TO WALTER REED HOSPITAL - WASHINGTON, D.C.)

- 13 -

DIXON:

THIS IS STAFF SERGEANT JOHN B. DIXON SPEAKING FROM WALTER REED HOSPITAL.

I'M OUT HERE WITH A GOOD GANG OF FELLOWS .. MOST OF US HAVE BEEN OVER ON THE OTHER SIDE .. ITALY AND AFRICA .. AND, BETWEEN THE BUNCH OF US, I GUESS WE COULD TELL YOU SOME PRETTY EXCITING STORIES. MOST OF US HAVE HAD THE TOUGH LUCK TO GET MIXED UP WITH GERMAN SHELLS AND GRENADES AND THINGS. I LOST BOTH LEGS MYSELF. DURING THE FOURTH WAR LOAN DRIVE, I TOOK MYSELF FOR A RIDE IN MY WHEEL-CHAIR AND WENT AROUND TO SEE THE OTHER BOYS.

I WANTED TO SEE HOW THEY FELT ABOUT BUYING WAR BONDS. MOST OF US ALREADY BUY 'EM OUT OF OUR REGULAR PAY. WELL, HERE'S HOW THEY FELT ABOUT IT. THEY BOUGHT DOLLARS WORTH OF EXTRA BONDS. AND IF THEY'D HAD MORE MONEY TO SPEND .. THEY'D HAVE BOUGHT MORE.

(SWITCH TO N.Y.)

- 14 -

MUSIC: B. G. STRAIN .. FOR SECRETARY

SEC. MORGENTHAU: (OVER MUSIC)

SOLDIERS .. AMERICAN SOLDIERS MANY OF THEM
WOUNDED IN ACTION .. ARE BUYING BONDS ..
THESE MEN, IN THEIR HOSPITAL COTS, ARE STILL
IN THE FIGHT .. STILL FORGING AHEAD TOWARD
VICTORY .. KEEPING IN THE BATTLE BY BUYING
BONDS.

THEY ARE AMERICAN .. SO THEY FIGHT FOR FREE-
DOM: EVERY WAY THEY CAN FIGHT.

"FIVE MILLION PATRIOTS" .. SELLING BONDS
DURING THE FOURTH WAR LOAN DRIVE .. FOUND
THE AMERICAN SPIRIT AT IT'S BEST .. FOUND
AMERICA'S FIGHTING DOLLARS READY TO ANSWER
THE CALL TO THE FIRING-LINE.

READY TO BACK THE ATTACK OF MEN LIKE THOSE
WHO LIE AT WALTER REED HOSPITAL. TO BACK THE
ATTACK OF MEN LIKE THEIR BUDDIES STILL AT THE
BATTLE-FRONT.

- 15 -

SEC. BORGMUTHAU: (CONT'D)

THE ARMY MEN WHO WADE THRU THE MUD OF ITALY ..
DRIVING THE GERMANS SLOWLY BUT SURELY TO
DEFEAT. THE NAVY MEN WHOSE GUNS ROARED
FREEDOM'S MESSAGE TO THE JAPS ON THE ISLAND
OF TRUK. THE MARINES, THE COASTGUARDSMEN
AND THE MEN OF THE MERCHANT MARINE.

THE ATTACK OF THE ARMED FORCES OF THE UNITED
STATES .. IS AN ATTACK WORTH BACKING. AND,
IN JUST A FEW MOMENTS, I WILL TELL YOU, IN
DOLLARS AND CENTS, JUST HOW WELL WE BACKED
THAT ATTACK IN THE FOURTH WAR LOAN DRIVE.

- 16 -

SEC. MORGENTHAU: (CONT'D)

MUSIC OUT

HOW MUCH CLOSER WE HAVE COME TO HELPING
OUR FIGHTING MEN GAIN THE REWARD THEY WANT
THE MOST .. THAT PRECIOUS MOMENT WHEN THEY
SHALL KNOW .. THAT FREEDOM'S FIGHT IS WON ..
THAT THEY ARE ON THEIR WAY .. BACK HOME ...

- 17 -

MUSIC THEMATIC INTRODUCTION

CHORUS NORTH - SOUTH - EAST WEST
 NEATH THE FLAG THAT I LOVE BEST
 EVERYTHING FROM SEA TO SEA
 IS THE U S A TO ME.

MUSIC: DROPS UNDER WITH HAPPY RHYTHM

NARRATOR: EVERYTHING FROM SEA TO SEA
 IS THE U.S.A. TO ME.
 TO US AT HOME AMERICA IS SOMETHING WE SEE EVERY DAY,
 WE HEAR THE STREET CARS,
 SEE THE FARMLANDS,
 TOUCH AND FEEL THE SUBSTANCE OF THE NATION
 WITHOUT A THOUGHT OF WHAT IT REALLY MEANS.
 BUT WHAT DOES G. I. JOE
 IN ITALY, ALASKA, GREENLAND
 OR DEEP IN THE SOUTH PACIFIC THINK?
 THERE ARE TEN MILLION JOES
 TO DREAM TEN MILLION DREAMS
 ABOUT THE LAND FOR WHICH THEY FIGHT.
 THEY DREAM - THOSE FARAWAY BOYS IN UNIFORM:-
 THEY DREAM OF THEIR KIND OF U. S. A.

MUSIC: DREAM MUSIC

CHORUS: TEN MILLION DREAMS, ROLLED INTO ONE
 ARE TEN MILLION DREAMS OF HOME.

MUSIC: MUSICAL FOOTPRINTS

NARRATOR THOSE ARE THE DREAM-DROUSY FOOTSTEPS
 THAT WALK EACH NIGHT THROUGH DARKNESS
 INTO CITY HOMES AND COUNTRY HOMES,
 MOUNTAIN CABINS, FARM - -
 THOSE ARE THE TEN MILLION HOPES
 WHO ROAM THE LAND THEY LOVE.

MUSIC: UP AND SET SCENE FOR NEW ENGLAND

NARRATOR: HIGH NORTHEASTWARD LIES THE WINTER THUMB
 AND ALL THE BEAUTY THAT IS NEW ENGLAND.
 MAINE, WITH LAKES AND WATERFALLS -
 RIVERS TUMBLING, FORESTS WEAVING FANTASIES
 OF LEAVES AND LIMBS
 VERMONT, NEW HAMPSHIRE,
 CONNECTICUT, NEW YORK -
 MOTHER PLACE OF DREAMS - FATHERLAND OF THE NATION.
 THESE COMPOSE THE THOUGHTS
 THAT MILLIONS OF BOYS IN UNIFORM
 ARE THINKING NOW - TONIGHT.
 THESE WINTER-MANTLED STATES ARE HOME
 FOR MEN TO DREAM ABOUT -
 THEY THINK OF HARBORS ALL ALONG THAT RESTLESS COAST,
 OF SHIPS THEIR FATHERS SAILED
 OF PORTS THEY VISITED AS KIDS WHEN SUMMER CAME.

NARRATOR:

AND WHERE NEW ENGLAND HARBORS END
 THERE LIVES THE GREATEST HARBOR OF THEM ALL -
 CROWNED BY BUILDINGS THAT ARE MIRACLES.
 TEAMING, STREAMLINED CENTER OF THE WORLD -
 NEW YORK.

MUSIC:

BEGIN RHYTHM STUFF

VOICES:

HAVE YOUR FARES READY - TAXI TAXI
 FOLLOW GREEN LIGHTS TO THE WEST SIDE SUBWAY
 46TH FLOOR PLEASE - STEP ASIDE PLEASE
 RADIO CITY - TOUR FOR A DOLLAR
 TAXI TAXI - HEY TAXI!
 I R T B M T INDEPENDENT
 SUBWAY - SUBWAY - (KEEP REPEATING WORD SUBWAY UNDER:)

NARRATOR:

ROARING, ANGRY, SHOUTING MONSTERS,
 FILLED WITH SHOVING, PUSHING HUMANS,
 GATES THAT OPEN, LIGHTS THAT FLASH ON,
 PUSH YOUR WAY IN, PUSH YOUR WAY OUT,
 TIMES SQUARE, 23, 14, BROOKLYN -
 UP TOWN DOWN TOWN, MIDTOWN, CROSSTOWN -
 FASTER, FASTER -
 GOT TO GET HOME, I'M TIRED

VOICES

(UP WITH) SUBWAY. SUBWAY - (DROWN OUT NARRATOR)
 (STOP)

NARRATOR:

YES - AND THERE'RE PLENTY WHO DREAM
 OF THE CITY THAT MEANS THE WORLD TO THEM
 THAT'S HOME.

CHORUS: TEN MILLION DREAMS ROLLED INTO ONE
ARE TEN MILLION DREAMS OF HOME.

MUSIC: SWANEE RIVER

NARRATOR: THERE ARE DREAMERS FARAWAY WHO TIP TOE IN THE NIGHT
TO TOWNS AND VILLAGES THAT STILL WEAR WOUNDS
OF ANOTHER WAR. FOOTSTEPS LINGER IN THE SOUTHERN
WHERE NIGHT HAS LAID A ROBE OF SILENCE HILLS,
AND SMELLS OF DYING HEARTH FIRES
HUG THE TURNS AND CURVES OF MOUNTAIN SIDES.
CITIES, PROUDLY BUILT, AND PROUDLY LOVED
ARE HOME TO MANY LONGING HEART ABROAD.
WIDE PLANTATIONS, LITTLE FARMS, TINY HOUSES,
SHACKS AND RIVER BOATS,
RICH AND SPLENDID MODERN CITIES,
MANSIONS, SWAMP HUTS, BARGES,
ALL ARE HOMES - HOMES FOR G. I. DREAMS TONIGHT.

ORCHESTRA: CONCLUDE SWANEE RIVER

CHORUS: NORTH - SOUTH - EAST - WEST
 NEATH THE FLAG THAT I LOVE BEST
 EVERYTHING FROM SEA TO SEA
 IS THE U. S. A. TO ME.

NARRATOR: BETWLEN THE SEA AND THE SEA
 THERE FLOWS RIVER -
 THE MISSISSIPPI - THE MOTHER-FATHER OF ALL
 WATERS

CHORUS: O MIGHTY MISSISSIPPI

NARRATOR: ROLLING, DRIVING,
 PONDEROUS, HEAVY, TIMELESS, RUTHLESS
 MISSISSIPPI.
 SHE THE QUEEN, DRAWS ALL HER SUBJECT RIVERS
 TO HER BREAST, EXACTS THE TRIBUTE OF THEIR FLOW

CHORUS: O MIGHTY MISSISSIPPI

NARRATOR: GREEDY, THIRSTY, SOMETIMES ANGRY,
 OFTEN SOFT AND SENTIMENTAL -
 REACHING FROM THE DELTA FOOTSTOOL
 HIGH INTO THE WHEATCROWNED NORTH
 THE PROVEN MISTRESS OF A LAND
 OF WOVEN WATERWAYS.

CHORUS: O MIGHTY MISSISSIPPI

MUSIC: UP DYNAMICALLY

NARRATOR: AND ALL ALONG THE EDGES OF THE MISSISSIPPI
ARE HOMES THAT GUYS WITH GUNS AND GUTS
ARE THINKING OF TONIGHT.

CHORUS: TEN MILLION DREAMS ROLLED INTO ONE
ARE TEN MILLION DREAMS OF HOME

MUSIC: SEGUE INTO CHICAGO RHYTHM

CHICAGO: I AM CHICAGO.
HOG-BUTCHER - MEAT MAKER
LORD OF THE RAILROADS
MONARCH OF THE LAKE CITIES
I AM CHICAGO.
GREY STONED, SOFT HEARTED,
NOISE MAKING STOCKHOLDER OF THE MIDDLE WEST.
I OWN THE STOCKYARDS -
ACRES OF STOCKYARDS --
I AM THE MEAT PACKER - I AM THE FEEDER.
I OWN PARKS AND ART MUSEUMS,
I OWN THEATRES - I OWN TEMPLES -
I OWN TEN THOUSAND STONE MADE BLOCKS
OF CROWDED HUMAN BEINGS.
I AM THE CITY THAT DARES TO BE STRONG.

- - 23 -

CHICAGO: (CONT'D)
I AM THE MASTER
I KNOW KINDNESS - I KNOW HARDNESS -
I AM STOCKHOLDER OF THE MIDDLE WEST.

MUSIC: FINISH

CHICAGO: AND I AM THE HOME THAT THE KID WHO HAS WON
WANTS TO COME BACK TO WHEN HIS BIG JOB IS
DONE.

MUSIC: CONCLUDES CHICAGO SEQUENCE

CHORUS: NORTH - SOUTH - EAST - WEST
SOUTH WEST - SOUTH WEST - SOUTH WEST -
SOUTH WEST (FADE)

NARRATOR: AND IN THE SOUTH WEST
OKLAHOMA
COLORADO
ARIZONA
TEXAS - UTAH
PLACES WHERE THE
CATTLE RANCHES
REACH INTO
THE SETTING SUN.

- 24 -

NARRATOR: (CONT'D)
COWBOYS RIDE ON
LONELY COW TRAILS
BRINGING IN THE
STRAGGLING DOGGIE.
DESERTS STRETCH IN
ENDLESS WONDER
HOMELAND FOR THE
GENTLE INDIAN.
THAT'S THE SOUTHWEST.

SINGER: SONG - THE CURTAIN OF NIGHT

NARRATOR: THERE IS STARLIGHT IN THE WEST TONIGHT.
THOSE LITTLE TOWNS AND LONELY RANCHES
ARE THE STUFF THAT DREAMS ARE MADE OF -
WHEN SOLDIERS DREAM OF HOME.

CHORUS: TEN MILLION DREAMS ROLLED INTO ONE
ARE TEN MILLION DREAMS OF HOME.

MUSIC: WIND THEME

NARRATOR: NORTH, NORTH, ACROSS THE CEILING OF THE NATION
LIKE THE STATES OF SINGING WHEAT,
HERE THE MODERN PIONEER STILL MEETS THE WIND,
HIS SONS ARE CHILDREN OF THE SUMMER SUN
HIS HOME IS HARBOR IN THE WINTER STORM.

MUSIC: WIND THEME CLIMAX

NARRATOR: MINNESOTA - THE DAKOTAS -
NEBRASKA AND WYOMING
IOWA - MONTANA -
WIDE AND BEAUTIFUL - WIDE AND WONDERFUL -
HOME OF HOMES FOR MILLIONS
THE THRESHOLD FOR A MILLION SOLDIER DREAMS.

MUSIC: THE ROCKIES THEME

NARRATOR: UP FROM THE BLUE PACIFIC
LIKE A BRIGHT AND FERTILE CARPET
LIFTS THE SLOPE OF CALIFORNIA -
RICH IN FRUIT AND AGRICULTURE -
RICH IN LORE OF ANCIENT DAYS.
UP FROM THE BLUE PACIFIC,
LIKE A STORY TOLD IN MUSIC
LIFTS THE SLOPE OF OREGON
DRESSED IN FARMS AND LOVELY TOWNS
JEWELS WITH SPARKLING LAUGHING RIVERS.
UP FROM THE BLUE PACIFIC

NARRATOR: LIKE A SONG OF PARADISE
 LIFTS THE SLOPE OF WASHINGTON
 ROBED IN THE SPLENDOR OF THE FORESTS
 CARVED BY THE SCULPTURE OF THE OCEAN.

MUSIC: ROCKIES THEME IN STRONG

NARRATOR: AND CROWNING THIS, IN AGELESS SPLENDOR -
 WITH BROWS OF SUN-CARVED TIMELESS ROCK,
 THE MAJESTY OF ALL OUR NATION,
 STAND AND WATCH -
 GOD OF A WESTERN WORLD!
 THE ROCKIES! FASHIONED BY THE WIND AND WEATHER -
 THEY COUNT NOT TIME - NOR SPACE - NOR MAN -
 THESE ARE THE FATHERS OF ETERNITY -
 THESE ARE THE SILENT GARDENS OF THE SNOW -
 THESE ARE THE SOUNDLESS VOICES OF ALL TIME.
 THESE ARE THE ROCKIES,
 BEYOND THE NAME OF BEAUTY.
 THESE ARE THE SYMBOLS OF OUR STRENGTH -
 THE GOD MADE FORTRESS
 TOUCHING THE FLOOR OF HEAVEN
 AS IF TO FORM A COVENANT WITH HIM
 AS IF TO SAY TO US - BE STRONG - BE NOBLE -
 FOR YOU AND I ARE BOTH
 AMERICA.

- 27 -

CHOIR: MUSIC CLIMAX

NARRATOR: YOU HAVE HEARD THE DREAM OF MILLIONS -
AND NOW - UNTO THOSE DREAMERS - HERE, OR
THERE IN DISTANT PLACES, WE BRING THEM A
REPORT FROM THEIR NATION. THE STORY OF
HOW AMERICA AT HOME -- IS ALSO AMERICA AT
WAR -- WORKING, FIGHTING -- SIDE BY SIDE,
TO PRESERVE AND PROTECT THE NATION "FOR
WHICH WE FIGHT."

- 28 -

MARCH:

(COLD)

HERE IS SECRETARY OF THE UNITED STATES TREASURY HENRY MORGENTHAU, JR., WITH THE FINAL REPORT ON THE RESULTS OF THE FOURTH WAR LOAN DRIVE.

SEC. MORGENTHAU:

ON JANUARY EIGHTEENTH, "FIVE MILLION PATRIOTS," MANY OF THEM VETERAN SALESMEN OF THE THIRD WAR LOAN DRIVE, WENT FORTH, CHARGED WITH THE RESPONSIBILITY OF RAISING FOURTEEN BILLION DOLLARS FOR THE WAR, THRU THE SALE OF BONDS. THE JOB LAID OUT FOR THEM NOT ONLY CALLED FOR THE SALE OF FOURTEEN BILLION DOLLARS WORTH OF BONDS .. BUT ALSO REQUIRED THAT THEY BE SOLD IN THE RIGHT PLACES.

THIS, MORE THAN ANY OTHER DRIVE, WAS TO BE "THE PEOPLE'S DRIVE."

I CAN REPORT TONIGHT, THAT THESE FIVE MILLION VOLUNTEERS SUCCEEDED IN THEIR ASSIGNMENT ..

BY THE END OF THE DRIVE, FOURTEEN BILLION TWO HUNDRED MILLION DOLLARS HAD ALREADY BEEN REPORTED. DAY BY DAY, THE REPORTS KEPT COMING IN. DOLLAR BY DOLLAR, THE FIGURES KEPT MOUNTING. YESTERDAY, WE CLOSED THE BOOKS.

SEC. MORGENTHAU: (CONT'D)

THE AMERICAN PEOPLE ANSWERED THE CALL OF THE FOURTH WAR LOAN DRIVE .. NOT WITH FOURTEEN BILLION DOLLARS .. BUT WITH SIXTEEN AND ONE-HALF BILLION DOLLARS.

AND HOW ABOUT THOSE "E" BONDS, THE PEOPLE'S BONDS .. HOW DID WE DO THERE?

WELL, YOU REMEMBER WE SET OUT TO SELL THREE BILLION DOLLARS WORTH. I AM HAPPY TO REPORT THAT WE EXCEEDED OUR QUOTA.

THE AMERICAN PEOPLE RESPONDED TO THE FOURTH WAR LOAN DRIVE BETTER THAN EVER BEFORE,

SEC. MORGENTHAU: IN BUYING THE "PEOPLE'S BOND" .. THE "E" BOND. IN THAT WAY, THEY ARE FIGHTING A "PEOPLE'S WAR". AND THEY BOUGHT IT AND ARE CONTINUING TO BUY IT AT ONE STABLE RATE OF INTEREST. DURING THE FIRST WORLD WAR, LOANS WERE MADE AT A SUCCESSIVELY HIGHER RATE OF INTEREST. THE AVERAGE WAS ABOUT 4-1/4% DURING THAT WAR. HOWEVER, FIGHTING MONEY HAS BEEN THE ONE STABLE COMMODITY IN THIS WAR. THE AVERAGE RATE ON ALL THE SECURITIES WE HAVE BEEN SELLING IS ABOUT 1-3/4% AND AMERICANS CONTINUE TO BUY THEM IN EVER-INCREASING AMOUNTS.

ACCELERATED PUBLIC PARTICIPATION IN THE WAR IS ALSO REFLECTED IN THE BAROMETER OF WAR BOND SALES FIGURES. DURING THE FIRST WAR LOAN DRIVE, 19 MILLION SEPARATE SERIES "E" BONDS WERE SOLD. THE SECOND DRIVE SOLD 32.5 MILLION SEPARATE BONDS. THE THIRD DRIVE SOLD 52.5 MILLION. AND DURING THE FOURTH WAR LOAN DRIVE, MORE THAN 60 MILLION SEPARATE WAR BONDS WERE PURCHASED BY THE AMERICAN PEOPLE! THIS IS A REMARKABLY CLEAR PICTURE OF THE GROWTH OF

SEC. MORGENTHAU:
(CONT.)

PUBLIC INTEREST IN THE WAR .. AN INSPIRING
DEMONSTRATION OF THEIR DESIRE TO BACK THE
ATTACK .. TO HELP TO FIGHT THE ENEMY .. TO
MAKE THIS TRULY A "PEOPLE'S WAR!" THE FOURTH
WAR LOAN DRIVE HAS BEEN HIGHLY SUCCESSFUL.
BY RAISING 16.5 BILLION DOLLARS, IT HAS FAR
EXCEEDED ITS ORIGINAL GOAL. AND HAS DONE
ALL THIS AT A FANTASTICALLY LOW COST. AMERICA
HAS DONE A BIG JOB .. AND DONE IT AT THE
LOWEST POSSIBLE COST .. MADE POSSIBLE THROUGH
THE SINCERE, UNSELFISH, PATRIOTIC COOPERATION
OF THE TREASURY'S VOLUNTEER ORGANIZATION ..
FIVE MILLION STRONG .. THROUGH THAT SAME KIND
OF COOPERATION FROM AMERICAN BUSINESS ..
LARGE AND SMALL. THROUGH THE "ALL-OUT"

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COOPERATION OF AMERICAN LABOR AND AMERICAN
MANAGEMENT. THE CREDIT FOR THE SUCCESS OF
THE FOURTH WAR LOAN DRIVE GOES TO EVERY
AMERICAN WHO SOLD A BOND. AND TO EVERY
AMERICAN WHO BOUGHT A BOND.

I WOULD PERSONALLY LIKE TO THANK EVERY
INDIVIDUAL WORKER ., EACH COUNTY CHAIRMAN AND
EACH STATE CHAIRMAN... FOR THE SPLENDID JOB
YOU HAVE DONE. I ALSO WISH TO THANK A MAN
WHO DESERVES PARTICULAR RECOGNITION ., THE
NATIONAL DIRECTOR OF THE WAR FINANCE PROGRAM ..
MR. TED. R. GAMBLE

AMERICANS - YOU ALL HAVE DONE A SPLENDID JOB.
WE ARE GOING TO COUNT ON YOU AGAIN, IN THE
FIFTH WAR LOAN AND ESPECIALLY ON YOU MILLIONS
OF VOLUNTEERS WHO WENT TO WORK ON THE THIRD
WAR LOAN AND AGAIN IN THE FOURTH. YOU ARE
NOW A SEASONED ORGANIZATION. YOUR TOP LEADER-
SHIP HAS HAD THE EXPERIENCE OF TWO SUCCESSFUL
WAR LOANS + AND VIRTUALLY THE SAME GROUP OF
LEADERS IN THE STATE COMMITTEES AND IN WASHING-
TON - WILL REMAIN. WE'LL ALL BE ON THE JOB
WITH "INCREASED ENTHUSIASM."

- 33 -

HAND IN HAND - WE HAVE WON A MAJOR BATTLE
HERE ON THE HOME FRONT.
NOW THAT THE OBJECTIVE OF THE FOURTH WAR LOAN
DRIVE HAS BEEN REACHED, IT IS UP TO US TO
CARRY ON -- DOING THE SAME KIND OF GOOD WORK -
WE MUST KEEP FIGHTING "OVER HERE" -- JUST AS
OUR BOYS KEEP FIGHTING "OVER THERE". WE
MUST KEEP BUYING WAR BONDS - MORE AND MORE
WAR BONDS - BETWEEN WAR LOAN DRIVES. WE
MUST CONTINUE TO .. "BACK THE ATTACK."

MUSIC: CLOSING THEME .. FORTE .. FADES ON CUE FOR:

CLOSING ANNOUNCEMENT

4

END

3/1/44

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○ Corrections of first reading copy.

These revisions were made at evening meeting at Secretary's house.

"FIVE MILLION PATRIOTS"

SEC. MORGENTHAU:

This is Henry Morgenthau, Jr.

Tonight, I am going to give you
~~Yesterday, in my office in Washington,~~

the final figures on the Truth
~~I saw the final figures on the~~

War Loan Drive,
~~Fourth War Loan Drive.~~ We have

heard now from all 75,000 of our

bond outlets. ^{*All the stores where bond are sold*} ~~All the state~~

committees and banks and factories

and retail stores and movie theatres

have reported ^{*and I am not happy to*} ~~and I can tell you~~

be able to tell you that
~~that~~ the results are most gratifying.

Tonight
~~I~~ want to tell you about those

final figures, *and what they mean*

- 2 -

SEC. MORGENTHAU:
(Cont'd)

In this "Report to the People",
I want to tell you the story of
the greatest of all war loan drives.
From the very beginning, the
voluntary system of bond-buying ..
the American way - has proved
successful. ~~If a compulsory savings~~

~~system had been adopted during 1945 -
of sufficient size to get the
18 billions the people voluntarily
subscribed during last year - the
Treasury would have had to collect
from the American people a total
amount of money equal to two and
one-half times as much as they paid
in Federal income taxes.~~

- 3 -

SEC. MORGENTHAU:
(Cont'd)

~~The results of~~ every successive
bond drive ~~stand as dramatic proof~~
proves again
~~of the fact~~ that Americans are
anxious to do ~~every~~ *their* wartime ~~job~~ *duty*
~~that has to be done.~~

MUSIC

B. G. THEME ... SOFTLY

SEC. MORGENTHAU:

The Fourth War Loan Drive told
one hundred and thirty ^{- FIVE -} million
Americans they had a job to do.
People at work .. people at home ..
people at war .. all were called
upon to do their share. When
Americans picked up their newspapers
they read about the Fourth War Loan
Drive.

- 4 -

SEC. MORGENTHAU:
(Cont'd)

When they turned on their radios,
they heard about it. On their way

to work, they were reminded of it

by signposts and billboards. The

story came to ~~our~~ ^{their} doorsteps, ^{it} was

told at Bond-booths and retail

~~IT~~ AND stores. [^] The telling of the story ..

LIKE

[^] the selling of the bonds .. was in

the hands of the Treasury's own

volunteer organization. ~~After the~~

TI - FROM THE START

~~Second War Loan Drive~~, it was my

task to ~~completely reorganize~~ AND

~~to~~ build ~~in~~ the War-Bond selling group,

State by state ~~almost person by~~

~~person~~ ~~I enlisted the aid of~~

~~public spirited Americans.~~

- 5 -

SEC. MORGENTHAU:
(Cont'd)

of public spirited Americans
Thousands upon thousands, joined

us to share one of the greatest
responsibilities of the war ..

the raising of the money with

which to fight the war. I am

proud to say that when the Fourth

War Loan Drive got under way,

was marching under the banner of the

Treasury Department's War Finance

Division, ~~there~~ *more* more than five million

volunteer war bond salesmen,

"Five Million Patriots" .. who

undertook the tremendous task of

selling fourteen billion dollars

worth of bonds.

- 10 -

BENNO:

My name is Arthur W. Benno. I ~~am~~ ^{LIVE}~~speaking from my home here in~~ ^{out here in the midwest - in}

Aftom Township, North Dakota. I am a farmer. Yes, and a pretty good bond salesman, too. I homesteaded out here more than fifty years ago. Been here ever since. We have a hundred and seventy-five people in our township .. eighty-five families .. all farmers. And during the Fourth War Loan Drive, I called on 'em all. Told 'em about bonds and why they'd better be putting their money into the war. They knew what I was talking about because most of 'em have sons in the fight.

- 11 -

BENNO:
(Cont'd)

Boys that used to be around here ..
and now, Lord knows where they are.
That's why these people in my
township came thru with an average
of seventy-seven dollars and
seventy-one cents for each man,
woman and child .. thirteen thousand,
six hundred dollars in all. But
everyone out here came thru. Not
just the folks in Aftom Township.
North Dakota made 170
per cent of its "E" Bond quota. And
we'll do even better next time.

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(SWITCH TO NEW YORK)

SEC. MORGENTHAU:

Good work, Mr. Benno. [¶] And the
 - they too
 women of America ~~as~~ always, have
done their great share
~~also come through in fine style.~~

Here is Mrs. Elinor Heller of
 Boston, Massachusetts, who headed
~~the school system~~ ^{the} bond selling
in the schools of
 organization ~~in~~ her state.

- 13 -

MRS. HELLER:

Mr. Secretary, in dozens of communities of Massachusetts, the schools made a concentrated effort to sell E Bonds during the last few days of the Fourth War Loan.

I am proud of the way
~~the way~~ those American boys and *met the opportunity to serve their*
 girls ~~responded to their call to~~ *Country*

~~duty stands as a great example~~

~~of the fruits of democracy which~~

~~is the heritage of every American.~~

~~In every instance,~~ *4* they set up

bond booths within their schools.

Honor students, faculty, and P.T.A.

members sold bonds to parents and

friends. Only E Bonds were issued

in this way and only cash sales counted.

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SEC. MORGENTHAU:

(OVER MUSIC)

~~A determined man discovered America.~~

~~Determined man built America.~~

~~Determination is born in our blood.~~

~~And, During the Fourteen Billion~~

Dollar Fourth War Loan Drive,

five million patriots ^{set out} ~~determined~~

to sell three billion dollars worth

of E Bonds .. to the people .. to

the man in the street .. to the

worker in the factory. [⌘] Three billion

dollars worth .. ^{that's} ~~an average of~~ \$23.00

worth for everyone of the hundred

^{FIVE} and thirty million men, women and

children in our land! ~~This was~~

A tremendous task - ^{calling} ~~that~~ plenty
of hard work on the part of ~~the~~
volunteers all over the country.

MUSIC OUT

- 18 -

MAETSCKI:

Mr. Secretary, my name is Karl Maetscki. I live here in Indianapolis, ~~and~~ since Pearl Harbor I have spent all my spare time working with a crew of one hundred men on Payroll Savings. We have seven hundred firms that we cover. Some of them have twenty-five employees .. some have as many as twenty-five thousand. All-told there are about ninety thousand people in these plants. These plants have established a fine payroll record -- over ten per cent.

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MAETSKI:
(Cont'd)

And during the Fourth War Loan Drive, they invested nine million, two hundred thousand dollars in extra War Bonds - over and above their regular Payroll Savings Bonds. Pretty good, isn't it?

SEC. MORGENTHAU:

It certainly is. Did the rest of Indiana do as well as you did in your seven hundred firms?

MAETSKI:

Just about, Mr. Secretary. Labor and management all over Indiana and all over America, for that matter, backed the attack in the Fourth War Loan Drive ~~with all the energy they could~~

~~muster.~~

RETURN TO NY

- 20 -

MAETSCKI:
(Cont'd)

~~The workers in Indiana's plants
bought a hundred million dollars
worth of extra Bonds during the
Drive .. and not only that but
they stepped up their Payroll
Savings about three per cent!~~

~~X~~
(RETURN TO N.Y.)

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SEC. MORGENTHAU:

(OVER MUSIC)

The voice of the American worker says: "One job is not enough for me to do." The men and women behind the machines are backing the attack with guns and tanks and planes and ships! And they're backing the attack by buying the Bonds .. Bonds that pay for those guns and tanks and planes and ships! They're backing their boys on the fighting fronts .. just as those boys are backing themselves .. with fighting dollars.

- 23 -

SEC. MORGENTHAU:
(Cont'd)

MUSIC OUT

~~Fighting a war is mostly a waiting~~

~~game .. a fighting man has plenty~~

~~of time to think .. to reason things~~

~~out .. and there you have the reason~~

~~THE~~

~~why those men in our Armed Forces~~

who are on the Payroll Savings Plan -

the men actually fighting the war -

regularly invest more than fifteen

per cent of their pay in War Bonds.

*They invest many millions of dollars
more in extra bonds.*

They know they have a tough fight

on their hands .. and, in their

determination to win this war,

they are giving themselves all

the fighting-dollar support they

can muster!

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SEC. MORGENTHAU:
(Cont'd)

And during the Fourth War Loan
Drive, they, too, set high new
records in extra War Bond sales!

(SWITCH TO WALTER REED HOSPITAL -
WASHINGTON, D.C.)

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- 25 -

DIXON:

This is ~~Staff Sergeant John B.~~ ^{Corporal Fred}

Dixon speaking from Walter Reed
Hospital. I'm out here with a good ^{at the Army Medical Center in Washington}

gang of fellows .. most of us

have been over on the other side ..

Italy and Africa .. and, between

the bunch of us, I guess we could

tell you some pretty exciting stories.

Most of us have had the tough luck

to get mixed up with German shells

and grenades and things. I lost both

legs myself. During the Fourth War

Loan Drive, I took myself for a

ride in my wheel-chair and went

around to see the other boys.

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DIXON:
(Cont'd)

I wanted to see how they felt
about buying War Bonds. Most of
us already buy 'em out of our
regular pay. Well, here's how they
felt about it. ~~They bought~~
1 SOLD ^{49,300}
dollars worth of extra bonds.

And if they'd had more money
to spend .. they'd have bought more.

(SWITCH TO N.Y.)

- 27 -

MUSIC:

B.G. STRAIN .. FOR SECRETARY

SEC. MORGENTHAU:

(OVER MUSIC)

McClintock
LEAVE
THIS IN

~~Soldiers .. American soldiers many
of them wounded in action .. are buying
bonds .. these men, in their hospital
cots, are still in the fight .. still
forging ahead toward victory ..
keeping in the battle by buying
Bonds.~~

They are American .. so they
fight for freedom every way they
can fight.

*They are still
fighting the same fight
as their buddies —*

(Continued)

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SEC. MORGENTHAU:
(Cont'd)

~~"Five Million Patriots" ..
selling Bonds during the Fourth
War Loan Drive .. found the American
spirit at its best .. found
America's fighting dollars ready
to answer the call to the firing-
line. Ready to back the attack
of men like those who lie at
Walter Reed Hospital. To back the
attack of men like their buddies
still at the battlefronts.~~

Move to page 27

SEC. MORGENTHAU:
(Cont'd)

- Three

~~The~~ Army men who wade thru the mud of Italy .. driving the Germans slowly but surely to defeat. The Navy men whose guns roared freedom's message to the Japs on the Island of Truk. The Marines, the Coastguardsmen and the men of the Merchant Marine.

- 30 -

SEC. MORGENTHAU:
(Cont'd)

The attack of the Armed Forces of the United States .. is an attack worth backing. And, in just a few moments, I will tell you, in dollars and cents, just how well we backed that attack in the Fourth War Loan Drive.

³¹
Put this on page 30
(Continuation)

~~SEC. MORGENTHAU:~~
~~(Cont'd)~~

MUSIC OUT

How much closer we have come
to helping our fighting men gain
the reward they want the most
.. that precious moment when
they shall know .. that
freedom's fight is won .. that
they are on their way ..
back home

MUSIC

THEMATIC INTRODUCTION

CHORUS

North - South - East - West

Neath the flag that I love best

Everything from sea to sea

Is the U.S.A. to me.

MUSIC

DROPS UNDER WITH HAPPY RHYTHM

NARRATOR:

Everything from sea to sea

Is the U.S.A. to me.

To us at Home America is something
we see every day,

We hear the street cars,

See the farmlands,

Touch and feel the substance of the
nation

Without a thought of what it really
means.

- 50 -

MARCH:

(COLD)

Here is Secretary of the United States Treasury, Henry Morgenthau, Jr., with the final report on the results of the Fourth War Loan Drive.

SEC. MORGENTHAU:

On January eighteenth, "Five Million Patriots", many of them veteran salesmen of ^{OF THE} ~~the~~ Third War Loan Drive, went forth, charged with the responsibility of raising fourteen billion dollars for the war, thru the sale of Bonds.

- 51 -

SEC. MORGENTHAU:
(Cont'd)

~~The job laid out for them
not only called for the sale of
fourteen billion dollars worth of
bonds .. but also required that
they be sold in the right places.~~

And This, more than any other drive,
was to be "The People's Drive".
I can report tonight, that these
five million volunteers succeeded
in their assignment.

SEC MORGENTHAU: FOR THE AMERICAN PEOPLE ANSWERED THE CALL OF THE FOURTH WAR LOAN DRIVE WITH SIXTEEN AND A HALF BILLION DOLLARS! EXCEEDING THEIR GOAL BY TWO AND A HALF BILLION DOLLARS!

ALL THIS HAS BEEN DONE AT AN EXTREMELY LOW COST - THRU THE SINCERE, UNTIRING COOPERATION OF THE TREASURY'S ORGANIZATION OF FIVE MILLION VOLUNTEERS .. AND THRU THE SAME KIND OF COOPERATION FROM AMERICAN BUSINESS .. LARGE AND SMALL. THRU THE ALL-OUT COOPERATION OF AMERICAN LABOR AND AMERICAN MANAGEMENT. THE CREDIT FOR THE SUCCESS OF THE FOURTH WAR LOAN DRIVE GOES TO EVERY AMERICAN WHO BOUGHT A BOND .. AND TO EVERY AMERICAN WHO SOLD A BOND .. NOT ONLY THE FIVE MILLION VOLUNTEERS, BUT ALSO TO THE SEVENTY-FIVE THOUSAND BUSINESS FIRMS, GROUPS, MERCHANTS AND INDIVIDUALS WHO ACCEPTED THE RESPONSIBILITY OF BECOMING ISSUING AGENTS.

I WOULD PERSONALLY LIKE TO THANK EVERY INDIVIDUAL WORKER .. EACH COUNTY CHAIRMAN .. AND EACH STATE CHAIRMAN .. FOR THE SPLENDID JOB YOU HAVE DONE. I ALSO WISH TO THANK A MAN WHO DESERVES PARTICULAR RECOGNITION .. THE NATIONAL DIRECTOR OF THE WAR FINANCE PROGRAM .. TED R. GAMBLE.

SEC. MORRIS:'

WE ARE COUNTING ON ALL OF YOU AGAIN FOR THE FIFTH WAR LOAN. YOU ARE NOW A SEASONED ORGANIZATION. VIRTUALLY THE SAME GROUP OF LEADERS IN THE STATE COMMITTEES AND IN WASHINGTON-WILL REMAIN. WE'LL ALL BE ON THE JOB .. READY TO SET NEW RECORDS - READY TO SELL MORE BONDS TO MORE PEOPLE - ESPECIALLY "E" BONDS.

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE
March 1, 1944

TO Mr. Thompson

FROM Mrs. Doyle *MWD*

Re: Day Care Service for children for working mothers

- A. Circular No. 3 (attached) is the current circular.
- B. Exit Interviews

Two cases of mothers who were about to resign because of the need for care of their children were referred by personnel offices to the Employee Relations Section.

1. A transfer from the midnight shift to day work enabled the mother of two children, 5 and 9, to continue work in the Treasury.
2. A month's leave without pay was arranged for the mother of an 8 year old and a 9 months old baby to give opportunity for her to obtain help.

C. The Monthly Report of Exit Interviews in the Treasury Department

These show the following figures for the Treasury in the Metropolitan area of resignations "to care for children":

July	59
August	28
September	27
October	27
November	19
December	17
January	23

The mothers that I have interviewed stress particularly the fact that it is difficult to have little children up, dressed and fed before they leave for work on these dark winter mornings.

D. Prospect of new child care facilities

- a. Bethesda War Nursery School opens today (March 1)
- b. Plans are moving forward for facilities in Arlington County, Va. We have had 26 mothers in the Treasury request day care in Arlington County, but at present there are no supervised facilities.
- c. Four (4) nursery schools are scheduled to open in the District of Columbia during the month of March, two in

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White housing developments, the Bellevue and the Highland, both in southeast, and two for Negro children, one in the Syphax Housing Development in southwest and one in the J. F. Cook School in the mid-city area.

- d. Greenbelt, Maryland, will open a second nursery school.

E. Lecture to public health nurses

The attached copy of a lecture which I am giving to 200 public health nurses provides information on child care facilities.

RECEIVED

NOV 13 1953

OFFICE

Jaf

Jaf

TREASURY DEPARTMENT
Division of Personnel

153

February 1, 1944

Circular No. 3 on Facilities for Day Care for Children
of Working Mothers in Metropolitan Washington

DISTRICT OF COLUMBIA

Offices of the District of Columbia Service to Children of Working Mothers are at 472 Indiana Avenue, Telephone National 6000, Extensions 2880-2881. All parents must call this office for an appointment before enrollment of a child.

SERVICES AVAILABLE NOW

Nursery Schools (Children 2 - 5)

For White Children

314 D Street, S. W.

Truesdell School, 9th & Ingraham St., N. W.

Langdon School, 20th and Lverts Street, N. E.

For Negro Children

Harrison School, 12th & V Street, N. W.

Smothers School, 44th & Washington Place, N. E.

Langston Terrace, 24th and Benning Road, N. E.

school Age Centers (Children 5 and over)

For White Children

314 D Street, S. E.

H. D. Cooke School, 17th & Euclid Street, N. W.

Thompson School, 12th and L Street, N. W.

For Negro Children

Smothers School, 44th & Washington Place, N. E.

Lorgan School, 18th & V Street, N. W.

Foster Care Service (Children 2 and under)

Applications for day foster homes for children under 2 and for children who cannot attend the day care centers or nursery schools are accepted.

Fees - The fees range from eight dollars per week per child down to free care for the second or third child of a woman whose income is low.

Hours and meals - Centers are open six days a week from 7 to 7. A hot lunch at noon, and mid-morning and mid-afternoon snacks are provided.

NO. TOWNSHIP COUNTY, MARYLAND

SERVICES AVAILABLE NOW

Nursery Schools (Children 2 to 5)

For White Children

Fairway Hills War Nursery, Chapel of the Redeemer, Dunrobbin Road

Glen Echo, Maryland (For information, telephone Oliver 6489)

Takoma Park Nursery, Philadelphia Avenue and Cedar St., Takoma

Park, Maryland (For information, telephone Silver Spring 0464)

Fees - \$3.00 per week per child

Hours and meals - Centers are open from 7 a. m. to 6 or 6:30 p. m., 6 days a week. A hot lunch at noon, and mid-morning and mid-afternoon snacks are provided.

PRINCE GEORGE'S COUNTY, MARYLAND

Office of the Supervisor of Pre-School Child Care Centers is in the Hyattsville Elementary School, Hyattsville, Maryland, Telephone Hyattsville 0369.

SERVICES AVAILABLE NOW

Nursery Schools (Children 2 through 5 $\frac{1}{2}$)

For White Children

Suitland Elementary School, Suitland Road, Suitland, Maryland
Greenbelt Child Care Center, 14 Parkway Road, Greenbelt, Md.
Calvert Home Development

Fees - \$3.00 per week

Hours and Meals - Schools are open six days a week from 7 to 6 or 6:30. Hot noon meals, and mid-morning and mid-afternoon milk or fruit juices and cookies or sandwiches are served.

ALEXANDRIA, VIRGINIA

Offices of the Supervisor of Nursery Schools and the Elementary Supervisor for Extended School Services are in the Jefferson School Annex, Alexandria, Virginia, Telephone Alexandria 4656.

SERVICES AVAILABLE NOW

Nursery Schools (Children 2 to school age)

For White Children

George Mason School, 2601 Cameron Mills Road
Mt. Vernon Nursery School, 2600 Mt. Vernon Avenue
Washington Nursery School, Academy Bldg., 400 S. Washington St.

For Negro Children

St. Joseph's Church, corner Columbus and Wythe Streets

Fees - \$3.00 weekly for White children
\$2.00 weekly for Negro children

Hours and Meals - Schools are open from 7 to 6, six days a week. A hot noon meal, and mid-morning and mid-afternoon snacks are served.

Extended School Services (School Age)

For White Children

Jefferson School Annex, Alexandria, Virginia

Fees and Hours

12:30 to 5 p. m. daily and 7 to 6 Saturday - \$4.00 weekly
3:45 to 6 p. m. daily and 7 to 6 Saturday - \$2.00 weekly
7 to 6 Saturday only - \$1.00 weekly

Meals - A hot lunch is provided daily.

For further information telephone the Main Treasury Building, Ext. 2009.

JOSEPH A. JORDAN
Chief, Employee Relations Section

Lecture on Community Resources
Delivered by Mrs. Henry Grattan Doyle
at the In-Service Training Course for Nurses
Employees' Health Service
United States Public Health Service

155

It is a privilege to have the opportunity of discussing with public health nurses the resources available in the community for the betterment of the health and well-being of federal employees.

As a resident of Washington for over a quarter of a century I am proud of the accomplishments of the residents of Washington in maintaining services for physical, mental and spiritual well-being of individuals, and today I shall attempt to outline some of these services. I am discussing only those that I think will be helpful to you in meeting requests that come to you from your patients for advice or information.

I am gratified also as an Employee Counsellor in the Treasury Department to have this opportunity to talk with you about ways and means to render greater service to federal employees. All of us are aware of the fact that the best work is done by healthy, well-adjusted and happy individuals. It is the job of you as nurses and of us who are concerned with personnel, to join our forces in doing all we can to help employees to be healthy, well-adjusted and happy in their work. Close cooperation between the nurse and the counsellor should be the corner stone of such a program. Through such close cooperation conditions affecting an employee may be bettered and his output of work will be improved.

Know Your Own Department

With this in mind, I urge you first of all to know the Department of the Government in which your Health Unit is located. Each department is organized differently but all include services to aid employees.

Housing is one of the most important factors in the life of a federal employee. Departments maintain services to advise employees on available lodging, boarding or home facilities, and can often secure living quarters through the contacts that they maintain.

Recreational opportunities within the Department are carried on by various Departmental Associations for Recreation. You can readily find out how this is handled.

Credit Unions and Welfare Associations are maintained in some departments. When you have a patient who is worried over financial matters you may well suggest to him the possibility of obtaining financial aid through his own credit union or Welfare Association, the latter being particularly helpful in distress cases.

The mother of small children may consult with the employee counsellor concerning the facilities for care of small children, and the homesick girl sometimes gets relief just from talking to an older woman.

If you acquaint yourself with the services offered in the Departments in which you are located you will know not only the help you may expect to get within the Department but you will also know the individuals who handle these services. All such contacts make for a coordinated program.

I shall now proceed to tell you briefly about community agencies. This does

not purport to be a complete list, but will present to you a picture of existing resources.

Organized Recreation

The Recreation Department of the District of Columbia maintains a comprehensive program of recreation. There are activities that will appeal to large numbers of people and almost every individual taste can be satisfied. For those who are interested in acting, there are excellent possibilities, among them a one act play tournament which comes at the end of the year after a season of drama. In the fall, trials are held and several casts selected. For those who have been accustomed to taking part in plays in their home towns this activity brings a very real opportunity to get acquainted and to satisfy the desire to act. In addition to regular plays there is a series of variety programs. Those who have a special skill may take part in these.

Other programs in which personal participation is possible are softball, basketball, touch football, badminton, table tennis, paddle tennis, volley ball, shuffleboard, or less active games, such as card games or chess. As an indication of how many take part these figures are interesting. There are 72 teams of men in softball, and 16 teams of women. There are 67 teams of men in basketball and 14 of women.

Bridge instruction and bridge clubs are available at certain high school centers at night. Dancing is taught, including ballroom, tap, tango and rhythmic dancing.

On this recreational program a telephone call to Adams 2050 will give all of the information needed. If any of the Health Units wish to have notices of activities, the Department of Recreation will send such notices. There is in preparation a large map of all recreational activities. This map will shortly be available.

Music

Music represents an outlet for relaxation for many as well as an opportunity to enjoy good music. The National Symphony Orchestra is specializing this year in programs for federal workers. These concerts will be priced very low - .55 to \$1.10 a ticket. In advance of the concerts forums are held to discuss the musical program to be presented at the next concert. From time to time leading orchestras of the country come to Washington, such as the Philadelphia Symphony, the Philharmonic, etc., as well as leading concert artists.

There are many concerts that are open to the public without charge. "Entertainment Please" at Central High School and the Marine Band in Barracks Hall, 8th and Eye Street, S. E. are given on Wednesday evenings, and the Navy Band gives a concert on Fridays in the Department Auditorium. On Sunday afternoons at 4 o'clock, the Pan American Union gives a program of Motion Pictures or Music of the Americas at 17th and Constitution Avenue, N. W.

You might well advise all who are interested in music to watch the daily newspapers as musical opportunities too numerous to mention here are constantly advertised.

Art Museums

The various Art Galleries of Washington, among which are the Corcoran at

17th and New York Avenue, N. W., The National Gallery, at 6th and Constitution Avenue, N. W., the Phillips Memorial at 1500 - 21st Street, N. W., provide not only the opportunity to see beautiful pictures, but also to hear lectures on diversified subjects, and concerts.

Educational Opportunities

Public Schools

Federal workers are often very anxious to attend night school. Night classes are held in the public schools of the District of Columbia three evenings a week, Mondays, Wednesdays and Thursdays. There is no charge for these classes. The usual academic subjects are taught. Languages include Russian, Spanish, Portuguese, German and French. Classes are given in Journalism and Latin-American affairs, in short story writing and wartime nutrition. Classes are held for steam fitting, cable splicing, sheet metal work, radio repair.

Universities

In addition to the night school classes in the public schools evening classes in the universities and in the professional and special schools, are all available for the government worker who wishes to work toward a college degree. The U. S. Department of Agriculture Graduate School offers a variety of opportunities.

On the other side of the picture there are probably many federal workers who are carrying too heavy an academic load. It is well for you to be aware of this problem and realize that a lessening of night school or giving it up altogether for a semester is sometimes indicated. It would be well for you to suggest to such patients that he or she have a conference with his night school principal or college dean.

Library

There are many who are anxious to educate themselves without formal college work or merely to enter into a course of pleasant reading. The Washington Public Library has 8 libraries scattered throughout the city and 6 sub-libraries that are not open for the full day. The usual hours for libraries are 9 a. m. to 9 p. m. and 2 to 6 p. m. on Sundays. Anyone may borrow books free and books may be kept for any reasonable length of time. For those who wish to make extended use of books in the reference room time may be saved by telephoning to the library in advance and the books will be collected for you. The library maintains on its staff a consultant on adult education who will help to plan a course of reading.

The music division of the libraries has listening rooms where you may make appointments to play your favorite records. Several of the libraries arrange concerts of recorded music which are announced in the newspapers. Linguaphone records are available for learning a foreign language.

The Public Library of the District of Columbia is now engaged with Dr. Isaminger, Education Director of the D. C. Public Health and a representative of the U. S. Public Health in compiling a series of book lists on various aspects of health including a list on mental health. The library is also arranging a local, maternal health clinic to make books available for nurses and expectant mothers.

In addition to all of these services the Public Library through its Washingtonian division issues a booklet called "Informal Education in Washington". This booklet contains announcements of courses of studies, drama, music and forums. This is a very valuable leaflet which is available free at the library or for 15 cents a year. The Library of Congress is available for reading and studying. It has many opportunities for group meetings and lectures.

Hiking Clubs and Hostels

You may, in your consultations with men and women, find those who would like to have an opportunity for outdoor activities of a fairly simple nature. There are several such opportunities in Washington. There are several hiking clubs, the Capital Hiking Club, the Center Hiking Club and the Wanderbirds' Hiking Club. Information on these may be secured through the D. C. Recreation Association or through the Public Library.

The American Youth Hostels, Inc. which initiates bicycle and hiking trips has opened a branch in Washington during the past few months. The offices are at 458 Indiana Avenue, N. W. This club has week-end trips either on foot or by bicycle. The cost for a week-end is about \$5. This is an excellent way to enjoy the out-of-doors and to meet new friends.

Care of Children of Working Mothers

For those mothers who have children under school age nursery schools both for white and for colored are provided in the District of Columbia. The locations of these schools can be ascertained by calling the Board of Education at National 6000. The nursery schools are very well run and little children from 2 to 5 receive care, training and meals for a very small fee. In addition to these nursery schools which are supported by Lanham Funds and operated by municipal authorities, several settlement houses provide nursery school facilities for children. They are Barney Neighborhood House, Friendship House, Georgetown Children's House, Hampshire House, Juanita K. Nye Council House, Northwest Settlement House, Providence Hospital and Southwest Community House. Parents who are faced with problems of recreational programs for older children can be advised to seek the advice of the D. C. Recreational Department.

Prospective Mothers

You may be asked many questions concerning care of children. The Florence Crittenden Home, a Community Chest organization, is a non-sectarian home which gives care to white unmarried mothers and their infants. In addition to physical care the girls are taught the care of the children in a home and given certain vocational training such as sewing, cooking, laundry and practical nursing.

St. Ann's Infant Asylum, 2300 K Street, N. W. is a Catholic institution providing the same sort of care. This home also gives care to children under 6 years old who are unable to remain in their own homes.

The House of Mercy provides similar care for children. This is under the direction of the Episcopal Bishop of Washington. These are but a few of many such institutions of various religious faiths. The Council of Social Agencies, 1101 M Street, N. W., Telephone Metropolitan 2284, can furnish more information.

Churches

Washington is a city of churches and most of the churches have programs for strangers in the city. All Washington newspapers devote a great deal of space to church activities and federal employees can find the service or activity most to their liking by following the church pages of the Washington newspapers.

YMCA and YWCA

The work of the YMCA and the YWCA is well known to all. These associations in Washington are maintaining their usual educational and social programs as well as conducting USO activities. There are several branches in Washington both for white and colored. The main office of the YMCA is at 1735 G Street, N. W., Telephone National 8250, and that of the YWCA is at 17th and E Street, N. W., Telephone Metropolitan 2100.

Jewish Community Center

The Jewish Community Center at 16th and Q Street, N. W., Telephone Dupont 6162, provides a splendid educational, literary, musical program. It also maintains a USO Club with special programs for night workers.

Special Health Activities

Instructive Visiting Nurse Society

Washington has a very active Instructive Visiting Nurse Society located at the Albee Building, Telephone Metropolitan 5246. I am sure that all of you are familiar with the work of this society but it would seem well for you to have a good working arrangement with them. They make visits to the homes for a small charge and can be very helpful in handling cases of federal workers who need bedside care.

Health Security Administration

The Health Security Administration located at 1823 L Street, N. W., Telephone Metropolitan 3900, is a very interesting organization with which you would want to have a working relationship. Through this administration patients unable to pay full cost of operations or medical care may secure such care by paying what they can afterward. This association is helpful in making possible a dental rehabilitation service for adult patients. In all work through the Health Security Administration patients are expected to pay as much as possible of the cost involved. The ability to pay is determined by the Health Security Administration.

Legal Aid Bureau

You may have among your patients men or women who are worried about a legal problem but have not sufficient funds to secure competent legal aid. The Community War Fund supports the Legal Aid Bureau at 1400 L Street, N. W., Telephone National 8574. This bureau will give legal advice to those who need it.

Washington Institute of Mental Hygiene

For patients who need mental attention you have, of course, the psychiatrist who is a part of your service. The Community War Fund is Washington's premier

supports the Washington Institute of Mental Hygiene, 1464 Columbia Road, N. W., Telephone Adams 1033. This institute will help men and women with or without fee, depending upon the financial circumstances. This institute helps in mental illness and emotional maladjustments through treatments by psychiatrists and psychiatric social workers.

Organizations for the Hard of Hearing and those with Sight Difficulties

There are two organizations in Washington especially for handicapped people: The Washington Society for the Hard of Hearing and the Society for the Prevention of Blindness.

The Washington Society for the Hard of Hearing, 2431 - 14th Street, N. W., Telephone Columbia 7335, is an organization mainly to rehabilitate the hard of hearing. It offers lip reading instructions, advice about hearing aids. This association might be helpful to men or women who wish to have association with those who are similarly afflicted.

The Society for the Prevention of Blindness, 839 - 17th Street, N. W., Telephone Republic 0378, carries out an educational program to save sight and prevent blindness and always welcomes the opportunity to discuss with individuals any problems relating to eyesight. There are no fees.

Tuberculosis Association

There is likewise the Tuberculosis Association, 1501 - 18th Street, N. W., Telephone Adams 7100, which is particularly interested in health education for the prevention of tuberculosis. It is supported by the sale of Christmas seals. This is an educational organization and provides material and data on the prevention of tuberculosis.

Social Hygiene Society

The Social Hygiene Society of the District of Columbia, 927 - 15th Street, N. W., Telephone Metropolitan 1458, also is an organization with an educational program. It aids public health authorities in combating social diseases.

Traveler's Aid Society

You may have patients who are worried about elderly relatives or children who are coming to Washington for the first time. The Traveler's Aid Society of Washington maintains an office in the Union Station, Telephone National 2831. The main office is at 820 - 18th Street, N. W., Telephone National 5940. They help in all emergencies of travelers and will meet young or other inexperienced travelers at the station.

Housing

You should be acquainted with two aspects of the housing situation. The National Capital Housing Authority has built a great many groups of houses for war workers. The rent for these is scaled according to a definite scale that takes into account salary and number in family. The office of the National Capital Housing Authority, 1737 L Street, N. W., Telephone Republic 3201, has available two maps with the locations of all properties and projects. Attached to this is a description of the facilities. Most of the government departments are now in a position to acquaint new workers with these dwellings but I am sure it would be helpful to you to know something about them. Application

has to be made through the individual's place of employment.

The Washington Housing Association, 902 Barr Building, Telephone National 0232 which is a COMMUNITY WAR FUND organization, cooperates with social and civic, district and federal government agencies in order that Washington's housing may derive the maximum benefit from money expended. This organization is interested in any violation of tenant regulations.

Volunteer Work

I am sure that among federal workers there are many who are accustomed to doing volunteer work of some sort back in their home towns. They have been doing church or local work for soldiers. Many of these federal workers may tell you that they would like to do something in the war effort but do not know how to go about it. The opportunity for volunteer work will provide for many federal workers the outlet they need in meeting the strain and stress of the war. There are many channels through which they may make such a contribution. For those who want to work particularly with soldiers there are opportunities such as giving time at night or Sundays at centers where soldiers are entertained. One of the largest of these is the United Nations Service Center down near the Union Station. Volunteers are needed there to greet boys, to help them find lodging and recreation, play games or just talk to the soldiers.

The 10 or more USO centers have programs which include not only volunteers but programs for war workers themselves. Many of these groups have special programs for night workers.

There is an entertainment program for Army Camps in the areas as well as Women's Battalions which certify and enroll girls as dancing partners in army camps. If a man or woman is particularly talented as a dancer, magician, ventriloquist or in a novelty act, he should call the Recreation Department Adams 2050, and find out when there will be a talent audition. If a girl wishes to take part in the Women's Battalion she should call the Recreation Department. All of the girls who take part in the Women's Battalion have to be investigated.

For all other types of Volunteer Service the Civilian Defense Volunteer Bureau at 1350 Penna. Ave., N. W., Telephone Republic 5105, should be contacted. There is a course on volunteer training which is given at a time when volunteer workers can attend. In addition to work with the soldiers there is opportunity for typing, for help in hospitals, and almost any type of volunteer work.

Clubs for War Workers

The same men and women mentioned above who may have come from towns or cities where they have large circles of acquaintances, can also be helped by some of the facilities for war workers. Among them are the Walsh Club for white war workers and the Hearthstone Club for colored war workers. The Walsh Club, 1523 - 22nd Street, N. W., Telephone Decatur 8398, is located in the former stable of the home of the mother of Mrs. Evelyn Walsh McLean. It has been completely renovated and during 1943, 27,699 war workers enjoyed its facilities. There are supervisors present from the D. C. Recreation Association to help in the organization of activities. The Hearthstone War Workers Club, 1703 - 11th Street, N. W., Telephone North 1398, had an attendance of 25,445 during 1943. It, too, has a supervisory program. As was mentioned above the USO does not limit itself to soldiers but welcomes war workers, too. There are 10 USO groups now in operation with others coming along all the time.

"What Goes On in Washington - The Nation's Capital"

"What Goes On in Washington - The Nation's Capital" is a recreation bulletin, which is used by service men and war workers, and which now has a circulation of 30,000 copies. The bulletin includes full information on service clubs in Washington and their recreational programs, lodging facilities, activities of churches and officers' activities. In these programs information about dances, music, art, sports, classes and sightseeing, which a service man or war worker in Washington might wish to know, is listed. One of these pamphlets could well be in each Health Unit. These may be obtained at the office of the War Hospitality Committee, 500 N. Capitol Street, Telephone National 3900.

Conclusion

As public health nurses you are attacking the problem of the health of federal employees. You are striving not only to help them to get well when they are ill, but you are striving to prevent illness. Absenteeism is costly at all times, but right now when we are at war, it is more costly than the American people can afford.

Knowledge of the resources of the community, of the resources of the Departments of the Government is vitally necessary to you. A well-rounded health program contemplates wise use of all existing facilities. It contemplates also close cooperation with the counselling and personnel services of the federal Government.

Splendid work is already being done in Government Departments by the personnel and supervisory officers, and excellent health work is being done by Public Health nurses. An even closer cooperation of nurses and personnel officers together with intelligent use of already existing community facilities, cannot help but result in a well-ordered, constructive program for the well-being of federal employees.

Treasury Department
Division of Monetary Research

Date March 7, 1944 19

To: Miss Chauncey

The Secretary will probably
want to glance at the first couple
of pages.

H.D.W.

MR. WHITE
Branch 2088 - Room 214½

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE March 1, 1944

TO Secretary Morgenthau
FROM Mr. White
Subject: China

I am attaching hereto a chronology of developments during the month of February on the Chinese loan proposal and negotiations on exchange rate.

The major developments during this period have been:

- (a) Refusal of the Chinese to offer any better rate than CN\$30 to US\$1 as against our proposal of CN\$100 to US\$1 for Chinese currency needed to meet United States governmental expenditures in China.
- (b) Chinese willingness to advance to the U. S. Army 1 billion yuan. At the same time, it was agreed that US\$25 million would be placed to the account of the Chinese Government, but it has been made clear that this does not imply acceptance by us of a rate of CN\$40 to US\$1.
- (c) The Joint Chiefs of Staff are very much concerned about the Chinese situation and are considering the possibility of reducing the military program in China. However, they are seemingly very reluctant to make a decision on this matter and, therefore, asked the Treasury to suggest possible "financial sanctions" as alternative to "military sanctions". Possible financial sanctions have been suggested to the Army, as requested.
- (d) The Chinese have not continued to press for a billion dollar loan and have not taken up the suggestion that Dr. Kung visit the United States.
- (e) There has been a very large increase in estimates by the Army of their expenditures in China during the coming months. Thus, whereas the Army had been assuming a need for about 2 1/2 billion yuan per month or the equivalent of about US\$125 million at the official rate of exchange of CN\$20 to US\$1, the new estimates are CN\$6 billion per month or the equivalent of US\$300 million at the official rate of exchange. We understand that Dr. Kung is being informed of this increase.

- 2 -

- (f) Dr. Kung has alleged that the \$500 million financial aid to China has been repaid through the expenditures of CN\$10 billion for the United States military forces. Ambassador Gauss and Adler have been instructed to inform Dr. Kung that the \$500 million financial aid is still an outstanding obligation of the Chinese Government.
- (g) Agreement has been reached that the Army provide \$5 million of U. S. currency to Dr. Kung to be used by him to bring down the black market rate for U.S. currency. We have been informed through Adler that Dr. Kung has indicated that he would prefer that the sales of U. S. currency as took place should be on joint account of China and ourselves.
- (h) The Chinese have agreed to advance 5 billion of yuan to meet U. S. Army expenditures during March.

Chronology on China loan and exchange rate negotiations1944

- February 1 Received copy of cable dated January 30 from General Stilwell indicating that proposal has been made to the Chinese Government that United States purchase the equivalent of \$25 million of Chinese yuan at rate of 100 to 1.
- February 7 Received copy of cable dated January 29, 1944 from Ambassador Gauss informing State Department of presentation to the Chinese of the 100 to 1 proposal.
- February 7 Received copy of cable dated February 3 from Ambassador Gauss giving Chinese counterproposal of rate of 30 to 1, of which 10 would be credited to the Chinese as reverse lend-lease.
- February 7 Received copy of cable dated February 4 from Ambassador Gauss giving details of discussions with Dr. Kung on 100 to 1 proposal. In these discussions Dr. Kung strongly opposed reduction of exchange rate and made statement that the \$500 million financial aid to China had been repaid through Chinese Government expenditures of CN\$10 billion for the United States military forces.
- February 9 Meeting held in Mr. Bell's office, together with representatives of State and War Departments. General Clay said that a memorandum had been presented by General Somervell to the Secretary of War and to the Joint Chiefs of Staff urging that a message be sent from the President to the Generalissimo indicating that unless the Chinese are willing to make some acceptable financial arrangements the Army would reduce its program in China. General Clay indicated that General Arnold was in favor of continuing the contemplated airfield program. It was decided that the State Department would send a cable indicating the refusal of this Government to accept the rate of 30 to 1. Furthermore, General Hearn in Chungking was to be informed that \$25 million was being placed to the account of the Chinese.
- February 12 Received cable dated February 8 transmitting message to Secretary Morgenthau from Dr. Kung

- 2 -

in which Dr. Kung argues further against any reduction in the exchange rate, including among his arguments the assertion that the reduction in the rate would result in gains to hoarders, speculators and insiders.

February 12 Received extracts from message sent to the President by Generalissimo, dated February 3, 1944. In this message, the Generalissimo expresses the hope that very shortly a solution satisfactory to both countries might be reached. (No mention is made of suggested visit to Washington of Dr. Kung.)

February 14 Meeting held in Mr. Bell's office, together with representatives of State and Army. General Clay said that General Hearn in Chungking had proposed to the Chinese that they make available to the U. S. Army CN\$1 billion per month and that the United States Government would credit \$25 million per month to the Chinese, but that this would not imply the acceptance of a 40 to 1 rate.

At this meeting, State Department representatives read cable dated February 12 from Ambassador Gauss in which Ambassador Gauss requested authorization to reject the Chinese counterproposal of 30 to 1. In this cable Ambassador Gauss indicates that he feels that the paramount question is whether or not the military operations planned for China are vital to hasten the attack on Japan. Ambassador Gauss favors taking a strong position with the Chinese as a means of putting our relations with China on a sound and reasonably reciprocal basis.

It was generally agreed that if the Secretary of War and General Staff felt that a change in the military program in China was warranted, the matter should then be presented to the President for his decision. Treasury representatives urged that no decision should be made on this question on the basis of financial considerations.

February 18 Cable dated February 15 received, transmitting message from Dr. Kung, informing Secretary Morgenthau of rise in black market rate for U.S. currency. Dr. Kung quotes a rate of 195 to 1.

February 19 Cable was sent to Adler from the Treasury instructing Ambassador Gauss and Adler to inform Dr. Kung

- 3 -

that the United States Government regarded the \$500 million credit as an outstanding obligation of the Chinese Government.

- February 24 Mr. White was informed by General Clay that the War Department had received a cable from General Hearn suggesting that the Chinese be asked for a loan of 24 billion yuan. Mr. White discussed this matter with Mr. Bell. General Clay was then informed that the Treasury felt that the funds should be made available in the form of an advance rather than as a loan and that repayment should await decision on the exchange rate question. Furthermore, any proposed agreement should be examined in Washington before it was presented to the Chinese. General Clay indicated that he agreed with this.
- February 24 Cable received from Adler dated February 23 asking for permission for Ambassador and himself to refer to Dr. Kung's message to Secretary transmitted in cable of January 27 when they discussed with Dr. Kung his assertion that the \$500 million had been repaid.
- February 25 Mr. Bell was telephoned by General Somervell and informed that the War Department was contemplating invoking military sanctions against China but that the Joint Chiefs of Staff would like the Army to consider the possibilities of financial sanctions against China because they would be less drastic. The General also informed Mr. Bell that the War Department was thinking of sending General Pat Hurley to Chungking.
- February 26 Cable sent to Adler giving him requested permission to refer to Secretary's cable.
- February 28 Received copy of cable dated February 24 from Ambassador Gauss, indicating that Army anticipated that their Chinese currency requirements for the four months from March 1 would be CN\$6 billion per month or a total of CN\$24 billion. The Ambassador in this cable indicated serious fears regarding the effect of these expenditures on the Chinese inflationary situation. Ambassador Gauss indicated that, as yet, he had taken no action to present the over-all picture to Dr. Kung.

- 4 -

February 29 Meeting held in Mr. Bell's office, together with representatives of War and State Departments. At this meeting it was indicated that the new estimates of U. S. Army requirements in China were being presented to Dr. Kung. General Clay read a cable from General Hearn supporting a proposal made by Dr. Kung that U. S. currency be made available to Dr. Kung to help drive down the black market price for U. S. dollars. Serious doubts were expressed by Treasury representatives as to desirability of acquiescing in this request, but it was finally agreed that 20 million of U. S. currency would be sent to India and of this amount \$5 million made available to Dr. Kung for experimental purposes. Any additional amounts would be conditional upon agreement being reached on an acceptable exchange rate. In this way it was hoped to strengthen the hands of the negotiators who seemed to be hopeful of reaching an agreement on the exchange rate question within a month.

General Clay was given Treasury's suggestions on financial sanctions and, after the meeting, copies were sent to the State Department.

- March 1 Cable sent to General Hearn in Chungking informing him that Army was arranging the shipment of 20 million of U. S. currency to India, of which \$5 million would be sent into China as an experiment. General Hearn's views asked as to practicability of U. S. currency being sold by the Chinese Government under the supervision of a Board having a representative of the Treasury Department, the profits being derived therefrom to be divided between the two governments.
- March 3 Treasury informed that Chinese have agreed to advance 5 billion of yuan to meet expenditures during March.
- March 3 Received cable from Adler, dated February 29, informing Treasury that Dr. Kung has indicated that he would prefer that the sales of U. S. currency as took place should be on joint account of China and ourselves.

AMT - 405

PLAIN
 London
 Dated March 1, 1944
 Rec'd 11:05 p.m.

Secretary of State,
 Washington.
 30, first.

POLES FROM SCHOENFELD.

Officials dealing with refugee and displaced persons problems for Governments of Norway, Poland, Czechoslovakia, Netherlands and Belgium have been informed of policy outlined in your 634, January 25, 8 p.m., and in all cases have signified desire to cooperate to fullest extent possible. Reaction of all those officials to establishment of war refugee board and to general policy as explained in your 654 was favorable. Possible overlap with activities of IRRRA and Intergovernmental Committee was mentioned but with recognition that main consideration is prompt and effective action. All those consulted stress importance of the following measures: (A) Transfer of adequate funds to various neutral centers especially Bern as most important distribution center for France, Hungary and Germany for use in securing release of some victims and generally facilitating travel and overcoming difficulties crossing frontiers. (B) Assistance in providing passports and visas prerequisite for entry to neutral countries. (C) Pressure on neutral countries especially Spain to relax frontier regulations and to permit and facilitate entry of refugees. Suggested propaganda measures included: (A) Broadcasts designed to dispose individual officials in occupied territories and satellite countries to help rather than hinder movement of refugees trying to reach neutral countries. (B) Broadcast appeal by Allied Governments to home populations to help Jewish victims. (C) Continuously repeated warnings and threats to Germans themselves to occupying forces and to quislings of punishment to those participating in crimes against persecuted minorities. (D) Enlisting aid of Vatican in appeals to Roman Catholic countries such as Slovakia to refrain from persecution and to prevent deportation of Jews. Fuller reports for individual countries on present position of their persecuted minorities now living in areas under German control together with suggestions for action to facilitate rescue of such victims are being transmitted by air mail.

RHH

WINDMONT

CM-471

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

Algiers

Dated March 1, 1944

Rec'd 9:43 a.m., 2nd

Secretary of State,

Washington.

671, March 1, 7 p.m.

Beckelman having returned from Spain reports that about 750 refugees are applying for admission to Fedhala camp. Reference Madrid's 607 to the Department February 22, 9 p.m. French representative returning Algiers approximately March 9. Following questions will probably be brought up by the French authorities before final arrangements for embarkation of refugees from Spain will be permitted:

- (1) - When and for where will refugees leave North Africa?
- (2) - Will refugees be eligible for admission North African camp regardless of length of previous residence in Spain or only those arriving since Nazi domination?

French Moroccan authorities attitude somewhat changed since nationalist disturbances but do not anticipate undue difficulty in making final arrangements. If all goes well refugees should leave Spain about end of March.

Sent to Department as 671, repeated to Madrid as 57.

CHAPIN

WSB

COPYIstanbul, Turkey,
March 1, 1944.Further Memorandum of Conversations with Professor
Floyd H. Black.

The real difficulties began with the law passed by the Bulgarian Government. (See actual laws in despatch No. 188, of November 16, 1943.) These laws have been enforced to the letter with added severity by the officials. The law appoints an Administrator to be the commissary of Jewish affairs under the Minister of the Interior. These are the two principal officials who are concerned in the enforcement.

The Minister of Interior was Peter Cabrovsky, a vicious type, who will long live in the annals of infamy. Alexander Belev, a man of evil character, was first sent to Nuremberg to receive his training in the field of torture and annihilation. These men were responsible for enforcing the law until September 14, 1943 when there was a change of cabinet. In the reorganization of the cabinet after the death of King Boris, Cabrovsky was dropped and a new commissary of Jewish Affairs came in. He was (1) H. Stomanyakov, (2) the new Minister of the Interior was Docho Mristov. Since then the laws have been legalistically enforced with somewhat more consideration. At least they do not add their interpretation of the laws.

It must be understood that the Jews made all efforts to escape the rigors of the vicious laws. Officials took money. Every Jewish home was inspected. Inventory was taken. The officials took their household goods and rugs. Petty robbery went on inside the law. Pilfering and plundering was rampant. The Bulgarian Official Propaganda on the Jewish reaction to the Bulgarian law accused them of being pro-Ally and these blanket accusations found fertile soil tending to make otherwise neutral Bulgarians suspicious of the Jews. Meanwhile, the Germans constantly pressed Bulgaria to deport the Jews to Poland.

In March 1943 an order was issued for the deportation of Bulgarian Jews in Bulgarian Thrace and Macedonia; the lands annexed from Yugoslavia and Greece in 1941. The order was carried out. About 12,000 were deported. No Jewish population remains in those regions. The people were placed in box cars and sent off. No word has been heard about them since they left Bulgaria. Many were sent up the Danube in barges. Probably most are dead now.

- 2 -

Following this, in March 1943 an attempt was made to deport the leading Jewish families from Bulgaria proper. All the Jews in the principal towns, except Sofia, were arrested one night about 2:00 a.m. and sent to rail stations and schools to remain for deportation in the morning. As soon as it became known to the Bulgarian neighbors, they became vocal. The prominent citizens, the higher clergy (Bulgarian Orthodox Church) and a considerable number of the members of Parliament protested. The order was rescinded at 10 a.m. The people were sent home absolutely terrified and delirious. (See letter of March 15, 1943, quoted in despatch No. 374 (R-348) of April 7, 1943.

But authorities persisted in seeing ways to deport the Jews from the large cities. On May 24, 1943, an order was issued that the Jewish population of Sofia (25,000 people) should be scattered through the country towns of Bulgaria within three days on the grounds that they were hostile citizens and pro-Ally. This order was carried out and this entire population sent to these country towns to live under difficult conditions. All their property was confiscated. Eventually they were allowed to sell their household goods in the autumn of 1943. Upon leaving they were instantaneously obliged to lock up their apartments and hand over the keys, etc.

There are no Jews today in Sofia. The conditions under which the Jews live in the small communities depend entirely upon the local official in charge. In Plovdiv the people are confined to their houses. One member of each house is permitted to leave for two hours every day for supplies, etc. At the present time conditions are very precarious. Everyone coming out confirms these facts and unless the Jews are helped many will not live through another winter.

Mr. Romano, whom I interviewed, was Head of the Zionist movement in Bulgaria. He states that a group of children are coming in through Turkey on March 3rd or 4th. He also confirms that the Bulgarians would let the people out in appreciable numbers if Turkish and English visas were immediately available. The Turks insist on the British guarantee which they maintain as being lacking today.

Professor Black feels that no further pressure from the United States Government on Bulgaria will help at this time. The Germans are in too tight a condition. There have been no new measures in Bulgaria by the Germans recently. A Christian (converted Jew) who recently came through stated that the former Minister of War General Daskalov in Bulgaria was helping the Jews. Incidentally, the Jews are obliged to wear the star of David and the converted Jews a smaller disk of identification. But no German pressure has been shown recently according to my informants. Our information confirms the fact that the Bulgarians continue to cover up and to say that the Germans compel them to take the aforesaid vicious action.

TELEGRAM SENT

PLAIN

War Refugee Board

March 1, 1944

EMBASSY,

ANKARA.

155, First

FOR HIRSCHMANN FROM WAR REFUGEE BOARD

Refer your 344 of February 26 greatly encouraged your news on transportation Jewish refugee children from Bulgaria to Palestine via Turkey. Congratulations and keep up the good work. Trust this is only the beginning.

STEMINIUS
ACTING

(GLW)

WRB:GLW:KG
3/1/44

March 1, 1944

TO: Mr. Warren

FROM: Mr. Pehle

It would be appreciated if you would have the attached cable from the War Refugee Board to Hirschmann dispatched as soon as possible.

(Signed) J.W. Pehle

Attachment.

cc - Miss Chauncey (for the Secretary), Mr. Paul, Mr. Gaston, Mr. White, Mr. Luxford, Mr. DuBois, Mr. E. M. Bernstein, Mr. Friedman, Mr. Lesser, Miss Hodel, Mr. Stewart, Mr. Pollack, and Miss Laughlin.

JEDuBois:ecr
2/1/44

TO HIRSCHMANN FROM THE WAR REFUGEE BOARD.

Davila suggests you check report that Germans have taken over from Rumania administration of Transnistria, in which case immediate evacuation of Jews to Rumania or elsewhere is indispensable. Also check report that previous evacuation from Transnistria to Rumania was stopped by Germans. It is important that we insist that Rumania resist any such German demand. This Government is requesting the Swiss Government to make appropriate representations to Rumania, Bulgaria and Hungary. Please cable us as soon as possible any information you obtain on the situation in Transnistria.

JEDuBois:ecr
3/1/44

AIR MAIL

Habana, Cuba, March 1, 1944

No. 6149

Subject: The Refugee Situation in Cuba.

CONFIDENTIAL

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to refer to the Department's circular airgram of January 26, 7 p.m., concerning the President's executive order issued January 22 for the immediate rescue and relief of the Jews of Europe and other persecuted minorities, and instructing the Embassy to report on what is being done in this regard by the Cuban Government, describing the refugee situation as it exists today in this country.

As the Department is aware, immigration into Cuba has virtually ceased since Decree 1072 of April 18, 1942 (now the basic legislation for the admission of aliens) which forbids the granting of Cuban visas to nationals or natives of Axis or Axis-occupied countries. (Immigration from Europe is now limited chiefly to Spaniards coming on the Spanish line ships, the only direct regular service between Europe and Cuba.) The enactment of such legislation was taken as a security measure to cooperate with us and its administration has been fairly satisfactory.

Prior to Decree 1072 there were in practice few restrictions regarding the entry of aliens, while a scandalous situation prevailed whereby aliens from Europe entering Cuba were usually shaken down by the Cuban Consul abroad and later by the authorities here. (The refugees now in Cuba are, of course, still subject to various corrupt practices of local officials.) In this connection, the Department will recall the irregularities with the arrival in Habana of the last large number of refugees on the S/S GUINE and the S/S SAN THOME in April 1942.

At present there are estimated between three and four thousand European refugees now in Cuba, most of

them

them entered prior to Decree 1072. Practically all came here as a stepping stone to the United States. The majority of the refugees have financial support (some being wealthy), possessing funds which they have brought with them or which they receive from sources in the United States. Approximately three hundred, both Jews and non-Jews, receive relief from the Joint Relief Committee in Habana, the principal organization/which gives such assistance. Except for approximately five hundred now working in the recently created diamond-cutting industry, most of the refugees are unemployed. In view of the strict labor laws it has not been possible to secure their employment at salaried wages and the Cuban authorities have done little towards solving this problem. A few of the refugees have set up independent businesses and some have invested substantial sums here (in the diamond industry especially).

The attitude of the Cuban authorities toward the refugee problem may be described as largely indifferent, if not slightly hostile, with little more than lip service being accorded to its humanitarian aspects. A recent example of the Cuban Government's attitude is the proposed presidential decree (see airgram No. A-364, February 19, 3:45 p.m.) freezing the deposits (500 pesos per person) required from immigrants entering Cuba. Should this measure be enacted it would represent a \$700,000 swindle, inexcusable on every conceivable count. Another example has been the "flexible interpretation" of the immigration regulations by the Cuban authorities who are disposed to treat each case on a separate basis, very frequently guided by the financial means of the alien and the amount of influence he is able to bring to bear.

Respectfully yours,

For the Ambassador:

Ellis O. Briggs
Counselor of Embassy

711

EMH:OT/jm

To Department in original and hectograph.

NOT TO BE RE-TRANSMITTEDU.S. SECRETCOPY NO. 12 175EXCLUDED FROM SECRETOPTEL NO. 70

Information received up to 10 A.M. 1st March, 1944.

1. NAVAL

ADRIATIC. French Destroyer attacked enemy convoy off ZARA 29th evening and sank two ships, an escort vessel and two E-Boats.

2. MILITARY

Italy 5th Army Some enemy infiltration Indian Sector during 27th/28th but situation restored by dawn 28th. Small attack against British position two miles North West of CASTEL FORTE dusk 28th repulsed.

Allied bridgehead force. Attack against British Sector throughout 28th met with no success. Another small attack 29th broken up by our artillery fire.

Burma Japanese elements still active on the ridge 3 to 5 miles South of NGAKYEDAUK PASS. Mopping up in TAUNG BAZAAR Area continues.

3. AIR OPERATIONS

Western Front 29th. 213 Fortresses made a blind bombing attack on BRUNSWICK dropping 402 tons; three enemy aircraft destroyed, one Fortress, 6 fighters missing. Total 85 escorted bombers dropped 148 tons military constructions NORTHWEST FRANCE, three bombers, one fighter missing.

29th/1st. 15 Mosquitoes sent to DUSSELDORF and 25 aircraft (one missing) dropped leaflets over FRANCE. About 18 enemy aircraft over South east ENGLAND. Six of them penetrated LONDON AREA, two destroyed. No serious damage or casualties.

REF ID: A66587

12 37

MENT

March 2, 1944
9:10 a.m.

HMJr: Good morning.

Fred
Smith: Good morning.

HMJr: Fred, I was disappointed. Neither the Times nor Tribune, in their Radio Section, carry anything about my talk.

S: Well, we had everybody working on it. I don't know what happened. I'll check back.

HMJr: Well, I wish you would and I'd like to know who -- whose responsibility it was to get that in. It seems as though this organization we have now -- I'm talking about this wonderful organization -- that somebody ought to be able to get it in the Radio Section.

S: I should think so, wouldn't you?

HMJr: What?

S: All right. Well, I'll run it down.

HMJr: Are you feeling all right this morning?

S: Yes, sure. Why?

HMJr: Because, I don't know, you seemed out of sorts last night.

S: Oh, no, I wasn't.

HMJr: Yes, you were.

S: No, I wasn't. (Laughs)

HMJr: You're wrong.

S: Huh?

HMJr: Something was the matter.

S: No, I wasn't. I was just trying to listen to this thing.

HMJr: Well.

- 2 -

S: I wasn't very happy with parts of it, but it's all right. It's -- it's coming along clean now.

HMJr: You weren't happy with parts of it?

S: Yeah. I mean, just it was awkward for you to say and I was -- I wanted to get it straightened up, and we did.

HMJr: Well, I'd like to know if some -- who the person is -- I mean, that's supposed to see that a broadcast is in the paper. See?

S: Uh huh.

HMJr: I mean, there must have been somebody who was told to do it. Weren't they?

S: Yeah, that's -- that all comes out of Tom Lane's office over there in -- in the....

HMJr: But I mean who told Tom Lane to do it?

S: I did. I sent the stuff over to him last night.

HMJr: Only last night?

S: No, yesterday -- I mean -- early yesterday morning.

HMJr: When did we have the time?

S: We had the time night before last.

HMJr: Yeah. L.

S: And then the Blue Network sent out a notice to all its stations and theoretically corrected itself.

HMJr: Well....

S: I mean, that's the first thing, but they never do it successfully. Well, I'll -- I'll check up over there and find out what fell down and where.

HMJr: Right.

S: Right?

HMJr: Right.

March 2, 1944
9:33 a.m.

HMJr: Hello.

Operator: Miss Ryan.

HMJr: Hello.

Operator: Go ahead.

HMJr: Miss Ryan?

Mary Ryan: Yes, this is Mary Ryan speaking.

HMJr: Yes. This is Mr. Morgenthau.

R: There was a little matter I wanted to see you on if I could.

HMJr: What's it about, Miss Ryan?

R: Well, it's -- it's about trying to get into the service; that is, the military service. Age is what is stopping me.

HMJr: Well....

R: And I was wondering if....

HMJr:I don't know what I could do, Miss Ryan. How old are you?

R: Five-three.

HMJr: Five-three?

R: Yes.

HMJr: Is it your age, you say?

R: Yes.

HMJr: And....

R: And I thought, perhaps, you see the head of the service, that is, the Navy, is a graduate of Vassar, and I thought, perhaps, you knew her.

- 2 -

HMJr: No. No, I really -- I'd be glad to be helpful but I'm -- there isn't a thing I could do.

R: I see. Well, it was nice saying hello to you this morning anyway.

HMJr: That's right. Thank you.

R: How are you feeling?

HMJr: Fine.

R: I'm glad to hear that. Well, thank you very much.

HMJr: Thank you.

R: Good bye.

HMJr: Bye.

March 2, 1944
9:37 a.m.

181

Fred
Smith:

....and he said he wasn't going to need you until three o'clock. I thought I'd better pass that on in case you didn't want to leave until a little later.

HMJr:

He isn't going to need me until three?

S:

Until three.

HMJr:

I see.

S:

So, if you wanted to -- to wait another hour or so, you could do it very well and still get an hour's rest.

HMJr:

Well, I'll see how my work progresses here.

S:

Okay. And I checked on that other thing and a fellow by the name of Kaska, in our Radio Division, is supposed to have taken care of it two days ago.

HMJr:

What's his name?

S:

Kaska.

HMJr:

How do you spell it?

S:

K-a-s-k-a.

HMJr:

Yes.

S:

And I'm getting more details on it, but I talked to Tom and he said that it had been taken care of by Kaska.

HMJr:

Because I don't think, you know, personally, that's Tom Lane is worth a damn, you know.

S:

Well....

HMJr:

I mean, I've yet to see Tom Lane do anything that connected with me that was worth a damn.

S:

Oh, I think the whole business needs tightening up, between you and me, but that's not my business.

HMJr:

Well, when -- when -- the reason I'm asking you to run this down is I want to use this as an example with Ted Gamble.

- 2 -

S: Yeah.

HMJr: Every time I have contact with Tom Lane, he's messy.

S: Uh huh.

HMJr: And he never -- I've never yet seen him see a thing through.

S: Uh huh. Well, I'll have all the data for you, but that's the -- that's the....

HMJr: You needn't repeat that. I'm going to tell this to Gamble myself.

S: Okay.

HMJr: Do you agree with me or not?

S: Yes, I do.

HMJr: You think I'm....

S: I say I think the thing is awful messy.

HMJr: Yeah.

S: And another problem is they've made an awful lot of trouble for us. I mean, that's about the four-fifths of what's the matter with me, but I'll tell you that another time.

HMJr: Uh -- how do you mean?

S: Well, they tried to run Steele and Dudley and me out of the radio business with gossip last week.

HMJr: With who?

G: With gossip.

HMJr: With gos....

S: With gossip, yeah, about -- about how Ted didn't want Main Treasury to have anything to do with radio from here out -- how you'd wired Ted and told him that that "Chamber of Horrors" thing we had was horrible and Ted should have stopped it and stuff and stuff and there was gossip.

- 3 -

HMJr: I never wired Ted.

S: I know it. I checked back with Ted and found none of it was true, but, Boy, we've had a....

HMJr: Well, you'd better....

S:time.

HMJr: You can tell it to me on the way home tonight.

S: All right. It isn't anything to be disturbed about, but I just say it....

HMJr: Listen, by this time when I have anything to say about Fred Smith, you'll know who I tell it to.

S: Yes, I know it.

HMJr: What?

S: I know it. I hope I know it.

HMJr: Well, if you don't, it's too bad.

S: All right.

HMJr: All right.

S: Okay.

March 2, 1944
10:13 a.m.

184

HMJr: Hello.

Operator: Senator George.

HMJr: Hello.

Senator George: Hello.

HMJr: Henry Morgenthau.

G: Yes. When did you get back?

HMJr: About noon yesterday.

G: Well, I hope you're feeling fine.

HMJr: Yes, I am, and the reporters tried to kill me off but I'm like a bad penny, I keep turning up.

G: Yes. Well, that's the way to do it.

HMJr: I wondered if sometime tomorrow, if it would be convenient, I'd like to drop in and have a talk with you about where we go from here.

G: Yes, sir. I suppose we'll have a short session tomorrow, but I don't think it will last very long and I'll be in the office most all the morning until twelve, and I'll be back here, I imagine, by 1:30 or 2:00 o'clock.

HMJr: Well, how about around 10:00 o'clock?

G: Fine.

HMJr: Is that a good time?

G: That's agreeable, yes, quite agreeable.

HMJr: Well, I'll drop in if it's agreeable, around 10:00 o'clock.

G: All right, Mr. Secretary.

HMJr: Thank you.

G: All right, sir.

HMJr: Good bye.

March 2, 1944

READING COPY

Secretary Morgenthau's Report to the Armed Forces on the Results of the Fourth War Loan, transcribed for the Armed Forces Radio Service.

This preceded his radio broadcast of his "Report to the People on the Fourth War Loan", the evening of March 2, 1944.

FOURTH WAR LOAN DRIVE REPORT TO
THE ARMED FORCES

184-B

SEC.
MORGENTHAU: THIS IS SECRETARY OF THE UNITED STATES TREASURY
HENRY MORGENTHAU, JR. I AM MAKING THIS SPECIAL
REPORT TO OUR ARMED FORCES TO LET YOU MEN AND
WOMEN IN UNIFORM KNOW, FIRST-HAND, THE RESULTS
OF THE FOURTH WAR LOAN DRIVE.

AFTER ALL, YOU ARE VITALLY CONCERNED WITH THE
SUCCESS OR FAILURE OF THIS MISSION. FOOD,
AMMUNITION, EQUIPMENT .. BOUGHT WITH FIGHTING
DOLLARS .. ARE WHAT IT TAKES TO BACK FIGHTING
MEN.

YOUR OWN EFFORTS IN THE FOURTH WAR LOAN DRIVE
HAVE NOT GONE UNNOTICED. AS A MATTER OF FACT, THE
JOB YOU DID AND ARE DOING, IN BUYING BONDS,
GIVES THE FOLKS AT HOME TREMENDOUS ADDED
INCENTIVE.

WE HAVE HEARD NOW FROM ALL 75,000 OF OUR BOND
OUTLETS. ALL THE PLACES WHERE BONDS ARE SOLD --
ALL THE STATE COMMITTEES AND BANKS AND FACTORIES
AND RETAIL STORES AND MOVIE THEATERS HAVE REPORTED --
AND I AM HAPPY TO BE ABLE TO TELL YOU THAT THE
RESULTS ARE MOST GRATIFYING.

(MORE)

MORGENTHAU:
(CONT)

WHEN THE FOURTH WAR LOAN DRIVE GOT UNDER WAY,
FIVE MILLION VOLUNTEERS SET OUT TO SELL
FOURTEEN BILLION DOLLARS WORTH OF BONDS ...
THREE BILLION DOLLARS OF THAT AMOUNT WAS
TO BE SOLD IN "E" BONDS ALONE .. TO THE
PEOPLE ... TO THE MAN IN THE STREET ..
TO THE WORKER IN THE FACTORY. THREE BILLION
DOLLARS WORTH ... THAT'S TWENTY-TWO DOLLARS
FOR EVERY MAN, WOMAN AND CHILD IN OUR LAND.

THIS, MORE THAN ANY OTHER DRIVE, WAS TO BE "THE
PEOPLE'S DRIVE."

I CAN REPORT TO YOU, THAT THE FIVE MILLION
VOLUNTEER WORKERS SUCCEEDED IN THEIR ASSIGNMENT.
THE AMERICAN PEOPLE ANSWERED THE CALL OF THE
FOURTH WAR LOAN DRIVE ... NOT WITH THE FOURTEEN
BILLION DOLLARS ORIGINALLY SET AS THEIR GOAL ...
BUT WITH SIXTEEN BILLION SEVEN HUNDRED MILLION
DOLLARS ... EXCEEDING THE GOAL BY MORE THAN TWO
AND A HALF BILLION DOLLARS. THIS, ON TOP OF
THE SEVENTY BILLION DOLLARS WHICH THE NATION
HAD ALREADY INVESTED.

AND HOW ABOUT THOSE "E" BONDS, THE "PEOPLE'S BONDS"
... HOW DID WE DO THERE? WELL, WE SET OUT TO

MORGENTHAU:
(CONT)

SELL THREE BILLION DOLLARS WORTH. I AM HAPPY TO REPORT THAT, THERE TOO, WE EXCEEDED OUR QUOTA.

IN SHORT, THE AMERICAN PEOPLE RESPONDED TO THE FOURTH WAR LOAN DRIVE BETTER THAN EVER BEFORE.

DURING THE FIRST WAR-LOAN DRIVE, ^{million} NINETEEN SEPARATE SERIES "E" BONDS WERE SOLD. DURING THE SECOND DRIVE, WE SOLD THIRTY-TWO ~~AND A HALF~~ MILLION. THE THIRD DRIVE SOLD FIFTY-TWO ~~AND A HALF~~ MILLION. AND, DURING THE FOURTH WAR LOAN DRIVE, WE MADE AN ALL-TIME RECORD, BY SELLING MORE THAN SIXTY MILLION SEPARATE "E" BONDS!

BY RAISING SIXTEEN AND A HALF BILLION DOLLARS, THE FOURTH WAR LOAN DRIVE HAS FAR EXCEEDED ITS GOAL. THE PEOPLE - BUSINESS (LABOR AND MANAGEMENT) - EVERYBODY HAS WORKED HARD IN GETTING THE JOB DONE.

MANY OF YOU AMERICANS IN UNIFORM DESERVE A GREAT SHARE OF THE CREDIT FOR PUTTING THE FOURTH WAR LOAN DRIVE OVER THE TOP - FOR SELLING THE SIXTY MILLION SEPARATE BONDS SOLD IN THAT DRIVE.

MORGENTHAU:
(CONT)

THOSE SIXTY MILLION BONDS ARE SIXTY MILLION VOTES OF CONFIDENCE IN DEMOCRACY ... AND IN DEMOCRACY'S WAY OF DOING BUSINESS. THEY ARE SIXTY MILLION SHARES IN OUR NATION OWNED BY THE PEOPLE.

FROM MY OWN STANDPOINT, AS SECRETARY OF THE TREASURY, I AM CONVINCED THAT A GREAT AMERICAN ^{mission} ~~MILLION~~ HAS BEEN ACCOMPLISHED ... I AM SATISFIED THAT A GOOD JOB HAS BEEN DONE.

FROM YOUR STANDPOINT, AS MEMBERS OF THE ARMED FORCES, I KNOW YOU CAN REST ASSURED THAT, IN MAKING THE FOURTH WAR LOAN DRIVE A SUCCESS, THE AMERICAN PEOPLE, MORE THAN EVER BEFORE, HAVE BACKED YOUR ATTACK. ~~THE SPIRIT WITH WHICH THEY MET THAT CHALLENGE SIGNIFIES THE EVER-RISING SPIRIT WITH WHICH THEY WILL CONTINUE TO ... "BACK YOUR ATTACK"~~

MM/JC
3/2/44
2:45 PM

3/2/44
Reading copy

"FIVE MILLION PATRIOTS"

SEC. MORGENTHAU: This is Henry Morgenthau, Jr.

Tonight, I am going to give you
 the figures on the Fourth
War Loan Drive. We have heard
 now from all 75,000 of our bond
 outlets. All the places where
 bonds are sold - all the state
 committees and banks and factories
 and retail stores and movie theatres
 have reported to us thru the Federal
 Reserve Banks. And I am happy to
 be able to tell you that the
 results are most gratifying.

Pause

Tonight I want to tell you about
 those final figures, and what they
 mean.

(over)

- 2 -

SEC. MORGENTHAU:
(Cont'd)

In this "Report to the People",
I want to tell you the story of
the greatest of all war loan
drives. From the very beginning,
the voluntary system of bond-buying ..
the American way - has proved
successful. Every successive
bond drive proves again that
Americans are anxious to do their
wartime ~~duty~~ *job.*

MUSIC

B. G. THEME ... SOFTLY

over

SEC. MORGENTHAU:

The Fourth War Loan Drive told
one hundred and thirty-six million
Americans they had a job to do.

And the telling of the story ..
like the selling of the bonds ..
was in the hands of the Treasury's
own volunteer organization

From the start, it was my task
to organize and build the War-Bond
selling group, state by state.

Over

- 5 -

SEC. MORGENTHAU:
(Cont'd)

Thousands upon thousands of public spirited Americans joined us to share one of the greatest responsibilities of the war .. the raising of the money with which to fight the war. I am proud to say, that when the Fourth War Loan Drive got under way more than five million volunteer War Bond salesmen were marching under the banner of the Treasury Department's War Finance Division. "Five Million Patriots" .. who undertook the tremendous task of selling fourteen billion dollars worth of bonds.

- 5 -

SEC. MORGENTHAU:
(Cont'd)

Thousands upon thousands of public spirited Americans joined us to share one of the greatest responsibilities of the war .. the raising of the money with which to fight the war. I am proud to say, that when the Fourth War Loan Drive got under way more than five million volunteer War Bond salesmen were marching under the banner of the Treasury Department's War Finance Division. "Five Million Patriots" .. who undertook the tremendous task of selling fourteen billion dollars worth of bonds.

MUSIC

INTRODUCTION THEME

NARRATOR

It's no military secret
 That there's one thing we do well -
 You can't deny the simple fact
 That WE know how to SELL.
 We're the BIGGEST, SMARTEST SALESMAN IN THE WORLD.
 Listen to the slogans that made you buy

VOICES

Ask Dad, he knows

It's bottled.

Watch the cars go by

Going - going - gone - take care of your hair

Say it with flowers

One out of every five has it

Ask the man who buys one

They laughed when I sat down at the
 piano

The best tunes of all ...

MUSIC

FINISHES THE PHRASE

NARRATOR

And the best of all advertising happens right here.
 So, take it all in all,
 We Americans know how to sell -
 At least, those of us who are in THAT business.

CHORUS

COMMENCE CHANT "LET'S ALL BACK THE ATTACK" UP
 AND STOP

NARRATOR

Then came a job,
Bigger than the biggest sales campaign
That the biggest salesmen in the world
Had ever dreamed of.

NARRATOR

It was their job to do it ...
But it was too big for THEM.
So we went to you and said
Mr. and Mrs. America, give us a hand,
We need 5 million salesman
5 million patriots who will sell bonds
To back the attack. We need YOU.

GRANDMOTHER

But I'm a grandmother, I don't know how to sell!

WORKER

I work in the shipyards - I don't know nothing
about bonds.

FARMER

I'm a farmer - It's out of my line.

MAN

I'm selling insurance all day - I'm all sold out!

BUSINESS MAN

I'm a business man - I haven't got the time.

NARRATOR

Now just a minute. That kid who used to live down
the street
Didn't have the time either. He wanted to
play football,
And go to dances, and make the young years count.
But he had to take the time to learn how to do
something

NARRATOR
(Cont'd) He had never done before. He had to fight
a war -
Learn to shoot - and fly a plane -
And he didn't say that "it was out of his
line."
All we want you to do is SELL

GRANDMOTHER Well after all why NOT? I haven't been a
grandmother all these years for nothing!

WORKER If I can launch a ship I guess I can sell a
bond.

FARMER You can't harvest a crop you don't plant -
I guess I can talk about bonds.

MAN Insurance is my line - War bonds should be a
cinch.

BUSINESS MAN Business or no business - I'll TAKE the time.

NARRATOR 5 millions talked like that and it was good to
hear.
So then they started - ringing door bells ...

SOUND • DOOR BELLS RING

NARRATOR Calling on the phone

SOUND PHONE BELLS RING

NARRATOR Talking - selling - day after day,
Night after night, in the small towns
The Big towns, down south, up north,

- 7 -

NARRATOR
(Cont'd)

Out west and in the east
Each in his own language
Selling the best product on this
earthful of humans
The freedom and the peace and the victory
For which that bond stands.

DIALECTS:

Mistah will you buy ah bond
Every one should buy an extra bond this
month
You can't go wrong on this
I've got six kids but that don't
stop me
Now listen John
Now listen Frank
Now listen Mary
Now listen Mrs. Smith.

NARRATOR

Now listen Mr. and Mrs. America - it
was like this:
On the streets and in hotels
In the lobbies of the theatres
On the air and off the air
In the schools and out
In the homes, the clubs and factories

NARRATOR
(Cont'd)

The laborer and the business man,
The grandmother and the jitterbug
The boyscout the girl scout
The housewife and the husband
Sold the bonds that needed to be sold.
5 million patriots backed the attack.
Yes!
Americans ARE the greatest salesmen
in the world.

CHORUS

(SINGS) LET'S ALL BACK THE ATTACK

- 8 -

SEC. MORGENTHAU:

(OVER MUSIC)

American mothers took time from
their household duties ..

fathers came home from work, ate
their evening meal, and went out

to work thru the night on the

Fourth War Loan Drive .. the boys

and girls did their great share.

In every state .. in every county ..

in every city, town, village ..

on every highway and along every

by-path. The butcher, the baker

and the candlestickmaker became

salesmen, selling freedom's greatest

bargain.

over

- 9 -

SEC. MORGENTHAU:
(Cont'd)
MUSIC OUT

The Fourth War Loan Drive was on
its way .. the "Five Million
Patriots" were an all-American
team .. patriots from all walks
of life. The worker in the factory -
the farmer in the field.

(SWITCH TO NORTH DAKOTA)

BENNO:

My name is Arthur W. Benno. I live out here in the Midwest - in Afton Township, North Dakota. I am a farmer. Yes, and a pretty good Bond salesman, too. I homesteaded out here more than fifty years ago. Been here ever since. We have a hundred and seventy-five people in our township .. eighty-five families .. all farmers. And during the Fourth War Loan Drive, I called on 'em all. Told 'em about bonds and why they'd better be putting their money into the war. They knew what I was talking about because most of 'em have sons in the fight.

- 11 -

BENNO:
(Cont'd)

Boys that used to be around here ..
and now, Lord knows where they are.
That's why these people in my
township came thru with an average
of seventy-seven dollars and
seventy-one cents for each man,
woman and child .. thirteen thousand,
six hundred dollars in all. But
everyone out here came thru. Not
just the folks in Aftom Township.
North Dakota made 170% of its "E"
Bond quota. And we'll do even
better next time.

(over)

- 12 -

(SWITCH TO NEW YORK)

SEC. MORGENTHAU:

Good work, Mr. Benno.

And the women of America - they
too have done their great share.

Here is Mrs. ~~Bliner~~ **EDWARD H.** Heller of
~~Boston, Massachusetts,~~ who headed
the Bond-selling organization
in the schools of **MASSACHUSETTS** ~~her state~~.

- 13 -

MRS. HELLER:

Mr. Secretary, in dozens of communities of Massachusetts, the schools made a concentrated effort to sell E Bonds during the last few days of the Fourth War Loan.

They set up Bond booths within their schools. Honor students, faculty, and P.T.A. members sold "E" Bonds to parents and friends.

MRS. HELLER:
(Cont'd)

In only three days, Boston school youngsters sold almost 20,000 E Bonds. In Springfield, they sold 3,700 individual Bonds. The Parochial Schools of the Fall River Diocese sold 25,000 Bonds. It was the same story throughout the state. The story of the Americanism -- the desire to back the attack .. lives in every heart of every American man, woman or child.

(over)

SEC. MORGENTHAU:

Thank you, Mrs. Heller

MUSIC

THEMING

NARRATOR

I'd like to say a word right now about the
E bond.

That's the bond the people bought.

Hold it in your hand and what have you got?
A piece of paper four and a quarter inches
wide

Seven and three quarters inches long.

It's got the picture of a president upon it
And a row of numbers

L 81 274 947 E

And it says

CHORUS

The United States of America

Ten Years from the issue date hereof,
will pay

Twenty five dollars

NARRATOR

Or fifty dollars

Or one hundred dollars

And so forth. And then there is that
schedule

Showing how the value climbs EVERY SIX
MONTHS.

15b

MUSIC - CLIMBS

CHORUS 37.50 - 37.75 - 38.00 - 38.25 - 38.50 - 39.00

NARRATOR And on up until it says "maturity".

That's the E bond.

It's like money in the bank

It's used to buy bullets and tanks and jeeps
and beeps

Paper clips and battle ships.

That's what the E bond is.

CHORUS Oh, but it's more than that.

NARRATOR Yes, it's more than that.

It's a way in which a great and forward people
Make a weapon out of that which they have
earned in pay.It's the way the people for whom this war
is foughtCan buy a share of that which not the most
powerful

Head of the most powerful army in the world

Can touch America.

It doesn't say that on the bond.

That piece of pay merely says the usual thing

15 c

NARRATOR
(Cont'd)

But what it might say on that piece of paper
Is that you've bought a share in the
United States.

CHORUS

. It's even more than that.

NARRATOR

Yes, it's even more than that.

It's a way of life

When you buy a bond

You're investing in the future,

You're buying a future in which there won't
be hates,

And men won't have to kill and tear to pieces
things

Which other men have built.

When I buy a bond I'm paying my share of your
security

My share of the happiness of your kids.

When you buy one, you're paying for my
security

And the chance to see MY kids grow up in peace

That's what that bond is -

A people's bond -

The people's way of fighting a people's war.

NARRATOR
(Cont'd)

There'll be more than an increase in
value - at maturity

It is a bond of a people's determination -
A people's bond.

(over)

- 16 -

SEC. MORGENTHAU:

(OVER MUSIC)

During the Fourteen Billion Dollar
Fourth War Loan Drive, five million
 patriots set out to sell three
billion dollars worth of E Bonds ..
 to the people .. to the man in the
 street .. to the worker in the factory.

MUSIC OUT

Three billion dollars worth .. that's

^{21.00}
~~\$22.00~~ worth for everyone of the

hundred and thirty-^{six}~~five~~ million

men, women and children in our land!

A tremendous task - calling for
 plenty of hard work on the part of
 volunteers all over the country.

- 17 -

(BRING IN INDIANAPOLIS, IND.)

(TWO-WAY CONVERSATION)

MAETSCKI:

Mr. Secretary, my name is Karl Maetscki. I live here in Indianapolis. Since Pearl Harbor I have spent all my spare time working with a crew of one hundred men on Payroll Savings. We have seven hundred firms that we cover. Some of them have twenty-five employees .. some have as many as twenty-five thousand. All-told there are about ninety thousand people in these plants. These plants have established a fine payroll record -- over ten per cent.

- 19 -

MAETSCKI:
(Cont'd)

And during the Fourth War Loan Drive, they invested nine million, two hundred thousand dollars in extra War Bonds - over and above their regular Payroll Savings Bonds. Pretty good, isn't it?

SEC. MORGENTHAU:

It certainly is. Did the rest of Indiana do as well as you did in your seven hundred firms?

MAETSCKI:

Just about, Mr. Secretary. Labor
and management all over Indiana
and all over America, for that
matter, backed the attack in the
Fourth War Loan Drive.

(RETURN TO NEW YORK)

MUSIC

IN

CHORUS

Now there is something to think about.

NARRATOR

Yes, Mr. Maetski, you've said something big.

Here, without any difference of opinion,

Has labor and management met,

Together with the farmer and the housewife,

The school kid and the bank president,

The man from Maine and the man from Texas,

They've all met in a common cause -

To show the most perfectly united front

This war or any war has seen.

Every one backed the attack!

CHORUS

You said something big, Mr. Maetski.

NARRATOR

It's a funny thing, Mr. Maetski, the way it works.

When you believe in something -

The way we've shown we believe in these bonds

And what they stand for,

There's a kind of a high morale among us -

And where there's a good sense of working

together,

There's better production -

And better production is important.

Maybe we're really beginning to get somewhere now-

Because we're all shareholders in the nation's

future.

NARRATOR
(Cont'd)

And we feel good about it -

Labor and management

Are one solid front - one people - one great force.

CHORUS

Yes, Mr. Maetski, you've said something big

MUSIC - UP

(over)

- 22 -

SEC. MORGENTHAU:

The men in our Armed Forces
who are on the Payroll Savings
Plan - the men actually fighting
the war - regularly invest more
than fifteen per cent of their pay
in War Bonds. They ^{also} invest many
millions of dollars more
in extra Bonds.

(over)

- 23 -

SEC. MORGENTHAU:
(Cont'd)

They know they have a tough
fight on their hands. And
during the Fourth War Loan Drive,
they, too, set high new records
in extra War Bond sales!

- 24 -

(SWITCH TO WALTER REED HOSPITAL -
WASHINGTON, D.C.)

- 25 -

DIXON:

This is Corporal Fred Dixon speaking from Walter Reed Hospital at the Army Medical Center in Washington. I'm out here with a good gang of fellows .. most of us have been over on the other side .. Italy and Africa .. and, between the bunch of us, I guess we could tell you some pretty exciting stories. Most of us have had the tough luck to get mixed up with German shells and grenades and things. I lost both legs myself. During the Fourth War Loan Drive, I took myself for a ride in my wheel-chair and went around to see the other boys.

- 26 -

DIXON:
(Cont'd)

I wanted to see how they felt about buying War Bonds. Most of us already buy 'em out of our regular pay. I sold \$49,300 worth of extra bonds. And if they'd had more money to spend .. they'd have bought more.

(SWITCH TO N.Y.)

(over)

MUSIC:B. G. STRAIN . . FOR SECRETARY

SEC. MORGENTHAU:

(OVER MUSIC)

Pause

→ The attack of the Armed Forces
of the United Nations .. is an
attack worth backing. And, in
just a few moments, I will tell
you, in dollars and cents, just
how well we backed that attack
in the Fourth War Loan Drive....

(over)

- 29 -

SEC. MORGENTHAU:
(Cont'd)
MUSIC OUT

How much closer we have come to
helping our fighting men gain
the reward they want the most
.. that precious moment when
they shall know .. that
freedom's fight is won .. that
they are on their way ..

back home

== ==
== ==

- 30 -

MUSICTHEMATIC INTRODUCTION

CHORUS

North - South - East - West

Neath the flag that I love best

Everything from sea to sea

Is the U. S. A. to me.

MUSIC

DROPS UNDER WITH HAPPY RHYTHM

- 32 -

NARRATOR:

Everything from sea to sea

Is the U. S. A. to me.

To us at home America is something
we see every day,

We hear the street cars,

See the farmlands,

Touch and feel the substance of
the nation

Without a thought of what it really
means.

- 33 -

NARRATOR:
(Cont'd)

But what does G. I. Joe

In Italy, Alaska, Greenland

Or deep in the South Pacific think?

There are ten million Joes

to dream

Ten million dreams about the land
for which they fight.

They dream - those faraway boys in
uniform:-

They dream of their kind of U. S. A.

MUSIC: DREAM MUSIC

CHORUS: Ten million dreams, rolled into one
Are ten million dreams of home.

MUSIC: MUSICAL FOOTPRINTS

- 34 -

NARRATOR:

Those are the dream-drousy footsteps
 That walk each night through darkness
 Into city homes and country homes,
 Mountain cabins, farm - -
 Those are the ten million hopes
 Who roam the land they love.

MUSIC:

UP AND SET SCENE FOR NEW ENGLAND

NARRATOR:

~~High Northeastward lies the winter
 thumb
 And all the beauty that is New England.
 Maine, with lakes and waterfalls -
 Rivers tumbling, forests weaving
 fantasies of leaves and limbs
 Vermont, New Hampshire,
 Connecticut, New York -
 Mother place of dreams - fatherland
 of the Nation.~~

- 35 -

NARRATOR:
(Cont'd)

~~These compose the thoughts~~

~~That millions of boys in uniform~~

~~Are thinking now - tonight.~~

These winter-mantled ^{New England} states are home

For men to dream about -

They think of harbors all along that
restless coast,

Of ships their fathers sailed

Of ports they visited as kids when
summer came.

And where New England harbors end

There lives the greatest harbor of
them all -

Crowned by buildings that are miracles.

Teaming, streamlined center of the
world - New York.

- 36 -

MUSIC: BEGIN RHYTHM STUFF

VOICES: Have your fares ready - taxi taxi
Follow green lights to the West
Side Subway
46th Floor please - step aside please
Radio City - tour for a dollar
Taxi Taxi - Hey taxi!
I R T B M T Independent
Subway - Subway - (Keep repeating
word subway under:)

NARRATOR: Roaring, angry, shouting monsters,
Filled with shoving, pushing humans,
Gates that open, lights that flash on,
Push your way in, push your way out,
Times Square, 23, 14, Brooklyn -

- 37 -

NARRATOR:
(Cont'd)

Up town, down town, midtown, crosstown -

Faster, faster -

Got to get home, I'm tired

VOICES:

(UP WITH) Subway. Subway - (Drown out

Narrator) (Stop)

NARRATOR:

Yes, and they're plenty who dream

of the city that means the world

to them

That's home.

CHORUS:

Ten million dreams rolled into one

Are ten million dreams of home.

MUSIC:SWANEE RIVER

- 38 -

NARRATOR:

There are dreamers faraway who tip
toe in the night to towns and villages
that still wear wounds of another war.
Footsteps linger in the southern
hills, where night has laid a robe
of silence and smells of dying
hearth fires hug the turns and
curves of mountain sides. Cities,
proudly built, and proudly loved
are home to many longing heart abroad.
Wide plantations, little farms,
tiny houses, shacks and river boats,
rich and splendid modern cities,
mansions, swamp huts, barges,
all are homes - homes for G. I.
dreams tonight.

- 43 -

MUSIC: FINISH

CHICAGO: ~~And I am the home that the kid who~~
~~has won wants to come back to when~~
~~his big job is done.~~

MUSIC: CONCLUDES CHICAGO SEQUENCE

CHORUS: North - South - East - West
Southwest - Southwest - Southwest -
Southwest (FADE)

NARRATOR: And in the Southwest
Oklahoma
Colorado
Arizona
Texas - Utah
Places where the
Cattle ranches

- 44 -

NARRATOR:
(Cont'd)

Reach into

The setting sun.

Cowboys ride on

Lonely cow trails

Bringing in the

Stragglng doggie.

Deserts stretch in

Endless wonder

Homeland for the

Gentle Indian.

That's the Southwest.

SINGER:SONG - THE CURTAIN OF NIGHT

- 45 -

NARRATOR: There is starlight in the West tonight.
 Those little towns and lonely ranches
 Are the stuff that dreams are made of -
 When soldiers dream of home.

CHORUS: Ten million dreams rolled into one
 Are ten million dreams of home.

MUSIC: WIND THEME

NARRATOR: North, North, across the ceiling of
 the nation
 Like the states of singing wheat,
 Here the modern pioneer still meets
 the wind,
 His sons are children of the summer
 His home is harbor in the winter storm.

- 46 -

MUSIC: WIND THEME CLIMAX

NARRATOR: Minnesota - the Dakotas -
Nebraska and Wyoming
Iowa - Montana -
Wide and beautiful - wide and wonderful
Home of homes for millions
The threshold for a million soldier
dreams.

MUSIC: THE ROCKIES THEME

NARRATOR: Up from the Blue Pacific
Like a bright and fertile carpet
Lifts the slope of California -
Rich in fruit and agriculture -
Rich in lore of ancient days.

- 47 -

NARRATOR:
(Cont'd)

Up from the Blue Pacific,

Like a story told in music

Lifts the slope of Oregon

Dressed in farms and lovely towns

Jewels with sparkling laughing rivers.

Up from the Blue Pacific

Like a song of Paradise

Lifts the slope of Washington

Robed in the splendor of the forests

Carved by the sculpture of the ocean.

MUSIC:

ROCKIES THEME IN STRONG

NARRATOR:

And crowning this, in ageless
splendor -

With brows of sun-carved timeless rock,

The majesty of all our nation,

Stand and watch -

God of a Western World!

The Rockies! Fashioned by the wind
and weather -

They count not time - nor space
nor man -

These are the Fathers of Eternity -

These are the silent gardens of the
snow -

These are the soundless voices of
all time.

These are the Rockies,

Beyond the name of beauty.

- 49 - and - 50 -

NARRATOR:
(Cont'd)

These are the symbols of our strength -

The God-made fortress

Touching the floor of Heaven

As if to form a covenant with Him

As if to say to us - Be strong -

Be noble -

For you and I are both

America.

CHOIR:

MUSIC CLIMAX

MARCH

(COLD)

Here is Secretary of the United States Treasury, Henry Morgenthau, Jr., with the final report on the results of the Fourth War Loan Drive.

over

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SEC. MORGENTHAU:
(Cont'd)

The American people answered
the call of the Fourth War Loan
Drive with sixteen billion, seven
hundred million dollars! Exceeding
their goal by over two and a half
billion dollars!

Over

- 52 - and - 53 -

SEC. MORGENTHAU:
(Cont'd)

All this has been done at an extremely
low cost - thru the sincere, untiring
cooperation of the Treasury's
organization of five million
volunteers .. and thru the
cooperation of American business ..
large and small. Thru the all-out
cooperation of American labor and
American management.. . . .
And the seventy-five thousand
business firms, groups, merchants
and individuals who accepted the
responsibility of becoming issuing
agents.

Over

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SEC. MORGENTHAU:
(Cont'd)

I would like personally to
thank every individual worker ..
each county chairman .. and each
state chairman .. for the splendid
job you have done. I also wish
to thank a man who deserves
particular recognition .. the
National Director of the War Finance
program .. Ted Gamble.

(Pause)

We now have a seasoned organization.
And we'll all be on the job in
the Fifth War Loan .. ready to
set new records - ready to sell
more Bonds to more people -
Especially, E Bonds.

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SEC. MORGENTHAU:
(Cont'd)

Here is something to be really
happy about: During the Fourth
War Loan Drive, the American
people actually invested three
billion, one hundred eighty-seven
million dollars in "E" Bonds!

over

SEC. MORGENTHAU:

What's more .. they bought and are continuing to buy these bonds at a stable rate of interest.

During the First World War, loans were made at successively higher rates of interest. During the First World War, the average was about four and a quarter per cent. This time, however, the average rate on the securities we have been selling is about one and three-quarters per cent. And Americans are continuing to buy them in ever-increasing amounts.

oah

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SEC. MORGENTHAU:
(Cont'd)

And, with every successive drive,
more people are buying Bonds.

During the First War Loan Drive,
nineteen million separate series

"E" Bonds were sold. The Second
Drive sold thirty-two million.

The Third Drive sold fifty-two
million. And, during the Fourth

War Loan Drive the American people
set an all-time record by buying
more than sixty million separate

"E" Bonds!

Allen

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SEC. MORGENTHAU:

Those sixty million Bonds are
sixty million votes of confidence
in Democracy .. and in Democracy's
way of doing business. They
are sixty million shares in our
nation .. owned by the people!

over

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SEC. MORGENTHAU:
(Cont'd)

And every last one of those Bonds
was sold in a democratic way.

Every one was bought in a
democratic way. Sold without
compulsion .. bought voluntarily!

That, my friends, is Democracy at
work.

over

FOURTH WAR LOAN DRIVE

(In millions of dollars)

	Goal		Results
Individuals:			
E Bonds	\$3,000		\$3,187
F and G Bonds	800		576
Other securities ...	<u>1,700</u>		<u>1,546</u>
	\$5, 500		\$5,309
Corporations:			
Insurance and Mutual			
Savings	2,500		3,403
Dealers and brokers.	300		432
All other	<u>5,700</u>		<u>7,585</u>
	<u>8,500</u>		<u>11,420</u>
	\$14,000		\$16,730
Banks outside of Drive			618
Government Trust funds outside			
of Drive			<u>350</u>
Total			<u><u>\$17,698</u></u>

March 2, 1944

UNITED STATES OF AMERICA

3/2/00

245

1-1/2 PERCENT TREASURY NOTES OF SERIES A-1948

Dated and bearing interest from March 15, 1944

Due September 15, 1948

Interest payable March 15 and September 15

1944

Department Circular No. 756

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, March 2, 1944.

Fiscal Service

Bureau of the Public Debt

I. EXCHANGE OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with adjustments of accrued interest as shown in the table at the end of this circular, from the people of the United States for notes of the United States, designated 1-1/2 percent Treasury Notes of Series A-1948, in payment of which any of the following listed securities, singly or in combinations aggregating \$1,000 or multiples thereof, may be tendered:

Treasury Issues:

1 $\frac{1}{2}$ Treasury Notes of Series B-1944, maturing March 15, 1944

5-1/4 $\frac{1}{2}$ Treasury Bonds of 1944-46, called for redemption on April 15, 1944

3/4 $\frac{1}{2}$ Treasury Notes of Series A-1944, maturing June 15, 1944

Federal Farm Mortgage Corporation Issues:

5-1/4 $\frac{1}{2}$ FPMC Bonds of 1944-46, called for redemption on March 15, 1944

3 $\frac{1}{4}$ FPMC Bonds of 1944-48, called for redemption on May 15, 1944

Reconstruction Finance Corporation Issues:

1 $\frac{1}{2}$ RFC Notes of Series W, maturing April 15, 1944

Home Owners' Loan Corporation Issues:

5 $\frac{1}{2}$ HOLO Bonds, Series A 1944-48, called for redemption on May 1, 1944

The amount of the offering under this circular will be limited to the amount of the above-listed bonds and notes tendered and accepted. In addition to the offering under this circular, holders of any of the securities listed, other than commercial banks, which are defined for this purpose as banks accepting demand deposits, are offered the privilege of exchanging all or any part of such securities for 5-1/2 percent Treasury Bonds of 1948-50 or for 5-1/4 percent Treasury Bonds of 1956-59,

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which offerings are set forth in Department Circulars Nos. 734 and 735, issued simultaneously with this circular.

II. DESCRIPTION OF NOTES

1. The notes will be dated March 15, 1944, and will bear interest from that date at the rate of 1-1/2 percent per annum, payable semiannually on September 15, 1944, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature September 15, 1948, and will not be subject to call for redemption prior to maturity.

2. The income derived from the notes shall be subject to all Federal taxes, now or hereafter imposed. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.

4. The notes will be acceptable to secure deposits of public moneys.

5. Bearer notes with interest coupons attached will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. The notes will not be issued in registered form.

6. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for notes allotted hereunder must be made or completed on or before March 15, 1944, or on later allotment. Payment of the principal amount may be made only in the bonds or notes to be exchanged, which will be accepted at par, and should accompany the subscription. Accrued interest on the securities surrendered will be credited, and accrued interest on the new notes from March 15, 1944, will be charged, as shown in the table at the end of this circular. Where an amount is to be paid to the subscriber, it will be paid, in the case of coupon bonds and notes, following their acceptance, and in the case of registered bonds, following discharge of registration. Interest accrued on the securities to be exchanged, and on the new notes to be issued, will be adjusted as of various dates as follows:

<u>Securities to be exchanged</u>	<u>Date of adjustment</u>
Treasury Notes of Series B-1944 . . .	March 15, 1944
FFMC Bonds of 1944-64	March 15, 1944
WPC Notes of Series W	March 15, 1944
Treasury Bonds of 1944-46	April 15, 1944
HOLC Bonds, Series A 1944-52.	May 1, 1944
FFMC Bonds of 1944-49	May 15, 1944
Treasury Notes of Series A-1944 . . .	March 15 or June 15, 1944, as the holder may elect and specify in his subscription.

2. Holders of Treasury Notes of Series B-1944 and FFMC Bonds of 1944-64 will detach coupons dated March 15, 1944, and cash them when due. With respect to the other five issues, all unmatured coupons, including the one next due, must be attached to the securities to be exchanged when they are surrendered, and final interest on

these securities, and on registered bonds in all cases, will be paid or credited in a net amount.

V. SURRENDER OF CALLED BONDS

1. Coupon bonds.--Treasury Bonds of 1944-46, HOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in coupon form tendered in payment for notes offered hereunder should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington, D. C. Coupons dated April 15, 1944, May 1, 1944, May 15, 1944, and September 15, 1944, respectively, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve Banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. Registered bonds.-- Treasury Bonds of 1944-46, HOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for redemption, to "The Secretary of the Treasury for exchange for Treasury Notes of Series A-1948 to be delivered to _____", and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder.

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

(Signed) H. Morgenthau, Jr,

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

TABLE OF INTEREST ADJUSTMENTS PER \$1,000 IN CONNECTION WITH EXCHANGE OF
VARIOUS BONDS AND NOTES FOR 1-1/2% TREASURY NOTES OF SERIES A-1944,
DATED MARCH 15, 1944, UNDER DEPARTMENT CIRCULAR NO. 736

<u>SECURITIES SURRENDERED</u>	<u>Accrued interest to be credited on securities surrendered</u>	<u>Accrued interest to be charged on notes issued</u>	<u>Net amount to be paid to subscriber</u>	<u>Net amount to be collected from subscriber</u>
<u>Exchange as of March 15, 1944</u>				
1% Treasury Notes, Series E-1944	---	---	---	---
3 1/2% FFMC Bonds of 1944-64 in coupon form	---	---	---	---
3 1/2% FFMC Bonds of 1944-64 in registered form	\$16.25	---	\$16.25	---
1% RFC Notes, Series W	4.15301	---	4.15301	---
3/4% Treasury Notes, Series A-1944	1.86475	---	1.86475	---
<u>Exchange as of April 15, 1944</u>				
3 1/2% Treasury Bonds of 1944-46	16.25	\$1.26359	14.98641	---
<u>Exchange as of May 1, 1944</u>				
3% HOLC Bonds, Series A 1944-52	15.00	1.91576	13.08424	---
<u>Exchange as of May 15, 1944</u>				
3% FFMC Bonds of 1944-49	15.00	2.48641	12.51359	---
<u>Exchange as of June 15, 1944</u>				
3/4% Treasury Notes, Series A-1944	3.75	3.75	---	---

IT WILL BE NOTED THAT THE HOLDER OF THE SECURITIES TO BE EXCHANGED WILL BE PAID OR CREDITED WITH INTEREST AT THE RATE BORNE BY THOSE SECURITIES TO THEIR RESPECTIVE MATURITY OR REDEMPTION DATES, EXCEPT IN THE CASE OF THE RFC NOTES AND, AT THE HOLDER'S OPTION, THE TREASURY NOTES OF SERIES A-1944.

UNITED STATES OF AMERICA

1½ PERCENT TREASURY NOTES OF SERIES A-1948

Dated and bearing interest from March 15, 1944

Due September 15, 1948

Interest payable March 15 and September 15

1944
Department Circular No. 735
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, March 2, 1944.

I. EXCHANGE OFFERING OF NOTES

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with adjustments of accrued interest as shown in the table at the end of this circular, from the people of the United States for notes of the United States, designated 1½ percent Treasury Notes of Series A-1948, in payment of which any of the following listed securities, singly or in combinations aggregating \$1,000 or multiples thereof, may be tendered.

Treasury issues:

- 1% Treasury Notes of Series B-1944, maturing March 15, 1944
- 3¼% Treasury Bonds of 1944-46, called for redemption on April 15, 1944
- ¾% Treasury Notes of Series A-1944, maturing June 15, 1944

Federal Farm Mortgage Corporation issues:

- 3¼% FFMC Bonds of 1944-64, called for redemption on March 15, 1944
- 3% FFMC Bonds of 1944-49, called for redemption on May 15, 1944

Reconstruction Finance Corporation issue:

- 1% RFC Notes of Series W, maturing April 15, 1944

Home Owners' Loan Corporation issue:

- 3% HOLC Bonds, Series A 1944-52, called for redemption on May 1, 1944

The amount of the offering under this circular will be limited to the amount of the above-listed bonds and notes tendered and accepted. In addition to the offering under this circular, holders of any of the securities listed, other than commercial banks, which are defined for this purpose as banks accepting demand deposits, are offered the privilege of exchanging all or any part of such securities for 2½ percent Treasury Bonds of 1965-70 or for 2¼ percent Treasury Bonds of 1956-59, which offerings are set forth in Department Circulars Nos. 734 and 735, issued simultaneously with this circular.

II. DESCRIPTION OF NOTES

1. The notes will be dated March 15, 1944, and will bear interest from that date at the rate of 1½ percent per annum, payable semiannually on September 15, 1944, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature September 15, 1948, and will not be subject to call for redemption prior to maturity.
2. The income derived from the notes shall be subject to all Federal taxes, now or hereafter imposed. The notes shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.
3. The notes will be accepted at par during such time and under such rules and regulations as shall be prescribed or approved by the Secretary of the Treasury in payment of income and profits taxes payable at the maturity of the notes.
4. The notes will be acceptable to secure deposits of public moneys.
5. Bearer notes with interest coupons attached will be issued in denominations of \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. The notes will not be issued in registered form.
6. The notes will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States notes.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest, if any, for notes allotted hereunder must be made or completed on or before March 15, 1944, or on later allotment. Payment of the principal amount may be made only in the bonds or notes to be exchanged, which will be accepted at par, and should accompany the subscription. Accrued interest on the securities surrendered will be credited, and accrued interest on the new notes from March 15, 1944, will be charged, as shown in the table at the end of this circular. Where an amount is to be paid to the subscriber, it will be paid, in the case of coupon bonds and notes, following their acceptance, and in the case of registered bonds, following discharge of registration. Interest accrued on the securities to be exchanged, and on the new notes to be issued, will be adjusted as of various dates as follows:

<i>Securities to be exchanged</i>	<i>Date of adjustment</i>
Treasury Notes of Series B-1944	March 15, 1944
FFMC Bonds of 1944-64	March 15, 1944
RFC Notes of Series W	March 15, 1944
Treasury Bonds of 1944-46	April 15, 1944
HOLC Bonds, Series A 1944-52	May 1, 1944
FFMC Bonds of 1944-49	May 15, 1944
Treasury Notes of Series A-1944	March 15 or June 15, 1944, as the holder may elect and specify in his subscription.

2. Holders of Treasury Notes of Series B-1944 and FFMC Bonds of 1944-64 will *detach* coupons dated March 15, 1944, and cash them when due. With respect to the other five issues, all unmatured coupons, *including the one next due*, must be *attached* to the securities to be exchanged when they are surrendered, and final interest on these securities, and on registered bonds in all cases, will be paid or credited in a net amount.

V. SURRENDER OF CALLED BONDS

1. *Coupon bonds*.—Treasury Bonds of 1944-46, HOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in coupon form tendered in payment for notes offered hereunder should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington, D. C. Coupons dated April 15, 1944, May 1, 1944, May 15, 1944, and September 15, 1944, respectively, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve Banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. *Registered bonds*.—Treasury Bonds of 1944-46, HOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in registered form tendered in payment for notes offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for redemption, to "The Secretary of the Treasury for exchange for Treasury Notes of Series A-1948 to be delivered to _____," and thereafter should be presented and surrendered

with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder.

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for notes allotted, to make delivery of notes on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive notes.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

TABLE OF INTEREST ADJUSTMENTS PER \$1,000 IN CONNECTION WITH EXCHANGE OF VARIOUS BONDS AND NOTES FOR 1½% TREASURY NOTES OF SERIES A-1948, DATED MARCH 15, 1944, UNDER DEPARTMENT CIRCULAR No. 736

SECURITIES SURRENDERED	Accrued interest to be credited on securities surrendered	Accrued interest to be charged on notes issued	Net amount to be paid to subscriber	Net amount to be collected from subscriber
<i>Exchange as of March 15, 1944</i>				
1% Treasury Notes, Series B-1944				
3¼% FFMC Bonds of 1944-64 in coupon form				
3¼% FFMC Bonds of 1944-64 in registered form	\$16.25		\$16.25	
1% RFC Notes, Series W	4.15301		4.15301	
¾% Treasury Notes, Series A-1944	1.86475		1.86475	
<i>Exchange as of April 15, 1944</i>				
3¼% Treasury Bonds of 1944-46	16.25	\$1.26359	14.98641	
<i>Exchange as of May 15, 1944</i>				
3% HOLC Bonds, Series A 1944-52	15.00	1.91576	13.08424	
<i>Exchange as of May 15, 1944</i>				
3% FFMC Bonds of 1944-49	15.00	2.48641	12.51359	
<i>Exchange as of June 15, 1944</i>				
¾% Treasury Notes, Series A-1944	3.75	3.75		

IT WILL BE NOTED THAT THE HOLDER OF THE SECURITIES TO BE EXCHANGED WILL BE PAID OR CREDITED WITH INTEREST AT THE RATE BORNE BY THOSE SECURITIES TO THEIR RESPECTIVE MATURITY OR REDEMPTION DATES, EXCEPT IN THE CASE OF THE RFC NOTES AND, AT THE HOLDER'S OPTION, THE TREASURY NOTES OF SERIES A-1944.

(Filed with the Division of the Federal Register March 2, 1944)

3/2/44

253

UNITED STATES OF AMERICA

2-1/4 PERCENT TREASURY BONDS OF 1956-59

Dated and bearing interest from February 1, 1944

Due September 15, 1959

REDEEMABLE AT THE OPTION OF THE UNITED STATES AT PAR AND ACCRUED INTEREST ON AND AFTER SEPTEMBER 15, 1956

Interest payable March 15 and September 15

ADDITIONAL ISSUE

1944
Department Circular No. 735

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, March 2, 1944.

Fiscal Service
Bureau of the Public Debt

I. EXCHANGE OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with adjustments of accrued interest as shown in the table at the end of this circular, from the people of the United States for bonds of the United States, designated 2-1/4 percent Treasury Bonds of 1956-59, in payment of which any of the following listed securities, singly or in combinations aggregating \$500 or multiples thereof, may be tendered:

Treasury issues:

1 1/2% Treasury Notes of Series B-1944, maturing March 15, 1944

2-1/4% Treasury Bonds of 1944-46, called for redemption on April 15, 1944

3/4% Treasury Notes of Series A-1944, maturing June 15, 1944

Federal Farm Mortgage Corporation issues:

3-1/4% FFMC Bonds of 1944-46, called for redemption on March 15, 1944

3% FFMC Bonds of 1944-49, called for redemption on May 15, 1944

Reconstruction Finance Corporation issues:

1 1/2% RFC Notes of Series W, maturing April 15, 1944

Home Owners' Loan Corporation issues:

3% HOLC Bonds, Series A 1944-52, called for redemption on May 1, 1944

These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits.

The amount of the offering under this circular will be limited to the amount of the

above-listed bonds and notes tendered and accepted. In addition to the offering under this circular, holders of any of the securities listed, other than commercial banks, are offered the privilege of exchanging all or any part of such securities for 2-1/2 percent Treasury Bonds of 1965-70, and all holders, including commercial banks, may exchange for 1-1/2 percent Treasury Notes of Series A-1948, which offerings are set forth in Department Circulars Nos. 734 and 736, issued simultaneously with this circular.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 2-1/4 percent Treasury Bonds of 1956-69 issued pursuant to Department Circular No. 730, dated January 18, 1944, will be freely interchangeable therewith, and are identical in all respects therewith. They are dated February 1, 1944, and bear interest from that date at the rate of 2-1/4 percent per annum, payable on a semiannual basis on September 15, 1944, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature September 15, 1959, but may be redeemed at the option of the United States on and after September 15, 1956, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.
2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

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3. The bonds will be acceptable to secure deposits of public moneys. They will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury. Except as provided in Section I of Department Circular No. 730, these bonds may not, before September 15, 1946, be transferred to or be held by commercial banks, which are defined for this purpose as banks accepting demand deposits; however, the bonds may be pledged as collateral for loans, including loans by commercial banks, but any such bank acquiring such bonds before September 15, 1946, because of the failure of such loans to be paid at maturity will be required to dispose of them in the same manner as they dispose of other assets not eligible to be owned by banks.

5. Any bonds issued hereunder which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of the deceased owner's estate, at par and accrued interest to date of payment, ¹/₂ provided:

- (a) that the bonds were actually owned by the decedent at the time of his death; and
- (b) that the Secretary of the Treasury be authorized to apply the entire proceeds of redemption to the payment of Federal estate taxes.

Registered bonds submitted for redemption hereunder must be duly assigned to "The Secretary of the Treasury for redemption, the proceeds to be paid to the Collector of Internal Revenue at _____ for credit on Federal estate taxes due

1. An exact half-year's interest is computed for each full half-year period irrespective of the actual number of days in the half year. For a fractional part of any half year, computation is on the basis of the actual number of days in such half year.

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from the estate of _____." Owing to the periodic closing of the transfer books and the impossibility of stopping payment of interest to the registered owner during the closed period, registered bonds received after the closing of the books for payment during such closed period will be paid only at par with a deduction of interest from the date of payment to the next interest payment date; ² bonds received during the closed period for payment at a date after the books reopen will be paid at par plus accrued interest from the reopening of the books to the date of payment. In either case checks for the full six months' interest due on the last day of the closed period will be forwarded to the owner in due course. All bonds submitted must be accompanied by Form PD 1782, ³ properly completed, signed and sworn to, and by a certificate of the appointment of the personal representatives, under seal of the court, dated not more than six months prior to the submission of the bonds, which shall show that at the date thereof the appointment was still in force and effect. Upon payment of the bonds appropriate memorandum receipt will be forwarded to the representatives, which will be followed in due course by formal receipt from the Collector of Internal Revenue.

6. Except as provided in the preceding paragraphs, the bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks

² The transfer books are closed from February 16 to March 15, and from August 16 to September 15 (both dates inclusive) in each year.

³ Copies of Form PD 1782 may be obtained from any Federal Reserve Bank or from the Treasury Department, Washington, D. C.

and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest from February 1, 1944, for bonds allotted hereunder must be made or completed on or before March 15, 1944, or on later allotment. Payment of the principal amount may be made only in the bonds or notes to be exchanged, which will be accepted at par, and should accompany the subscription. Accrued interest on the securities surrendered will be credited, and accrued interest on the new bonds from February 1, 1944, will be charged, as shown in the table at the end of this circular. Where the table shows that an amount will be collected from the subscriber, the remittance should accompany the securities and subscription. Where an amount is to be paid to the subscriber, it will be paid, in the case of coupon bonds and notes, following their acceptance, and in the case of registered bonds, following discharge of registration. Interest accrued on the securities to be exchanged, and on the new bonds to be issued, will be adjusted as of various dates as follows:

<u>Securities to be exchanged</u>	<u>Date of adjustment</u>
Treasury Notes of Series B-1944	March 15, 1944
FFMC Bonds of 1944-64	March 15, 1944
RFC Notes of Series W	March 15, 1944
Treasury Bonds of 1944-46	April 15, 1944
HOLC Bonds, Series A 1944-52.	May 1, 1944
FFMC Bonds of 1944-49	May 15, 1944
Treasury Notes of Series A-1944	March 15 or June 15, 1944, as the holder may elect and specify in his subscription.

2. Holders of Treasury Notes of Series B-1944 and FFMC Bonds of 1944-64 will detach coupons dated March 15, 1944, and cash them when due. With respect to the other five issues, all unmatured coupons, including the one next due, must be attached

and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest from February 1, 1944, for bonds allotted hereunder must be made or completed on or before March 15, 1944, or on later allotment. Payment of the principal amount may be made only in the bonds or notes to be exchanged, which will be accepted at par, and should accompany the subscription. Accrued interest on the securities surrendered will be credited, and accrued interest on the new bonds from February 1, 1944, will be charged, as shown in the table at the end of this circular. Where the table shows that an amount will be collected from the subscriber, the remittance should accompany the securities and subscription. Where an amount is to be paid to the subscriber, it will be paid, in the case of coupon bonds and notes, following their acceptance, and in the case of registered bonds, following discharge of registration. Interest accrued on the securities to be exchanged, and on the new bonds to be issued, will be adjusted as of various dates as follows:

<u>Securities to be exchanged</u>	<u>Date of adjustment</u>
Treasury Notes of Series B-1944	March 15, 1944
FFMC Bonds of 1944-64	March 15, 1944
RFC Notes of Series W	March 15, 1944
Treasury Bonds of 1944-46	April 15, 1944
HOLC Bonds, Series A 1944-82.	May 1, 1944
FFMC Bonds of 1944-49	May 15, 1944
Treasury Notes of Series A-1944	March 15 or June 15, 1944, as the holder may elect and specify in his subscription.

2. Holders of Treasury Notes of Series B-1944 and FFMC Bonds of 1944-64 will detach coupons dated March 15, 1944, and cash them when due. With respect to the other five issues, all unmatured coupons, including the one next due, must be attached

to the securities to be exchanged when they are surrendered, and final interest on these securities, and on registered bonds in all cases, will be paid or credited in a net amount.

V. SURRENDER OF CALLED BONDS

1. Coupon bonds.-Treasury Bonds of 1944-46, HOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in coupon form tendered in payment for bonds offered hereunder should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington, D. C. Coupons dated April 15, 1944, May 1, 1944, May 15, 1944, and September 15, 1944, respectively, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve Banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. Registered bonds.-Treasury Bonds of 1944-46, HOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for redemption, in one of the forms hereafter set forth, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder. If the new bonds are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange

for Treasury Bonds of 1956-59"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1956-59 in the name of _____"; if new bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1956-59 in coupon form to be delivered to _____".

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

(Signed) H. Morgenthau, Jr,
HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

TABLE OF INTEREST ADJUSTMENTS PER \$1,000 IN CONNECTION WITH EXCHANGE OF
VARIOUS BONDS AND NOTES FOR 2-1/4% TREASURY BONDS OF 1956-59, DATED
FEBRUARY 1, 1944, UNDER DEPARTMENT CIRCULAR NO. 735

<u>SECURITIES SURRENDERED</u>	<u>Accrued inter- est to be credited on securities sur- rendered</u>	<u>Accrued inter- est to be charged on bonds issued</u>	<u>Net amount to be paid to sub- scriber</u>	<u>Net amount to be col- lected from subscriber</u>
<u>Change as of March 15, 1944</u>				
3% Treasury Notes, Series B-1944	---	\$2.65797	---	\$2.65797
4% FFMC Bonds of 1944-64 in coupon form	---	2.65797	---	2.65797
3% FFMC Bonds of 1944-64 in registered form	\$16.25	2.65797	\$13.59203	---
3% RFC Notes, Series W	4.15301	2.65797	1.49504	---
4% Treasury Notes, Series A-1944	1.86475	2.65797	---	.79322
<u>Change as of April 15, 1944</u>				
3% Treasury Bonds of 1944-46	16.25	4.55335	11.69665	---
<u>Change as of May 1, 1944</u>				
3% HOLC Bonds, Series A 1944-52	15.00	5.53161	9.46839	---
<u>Change as of May 15, 1944</u>				
4% FFMC Bonds of 1944-49	15.00	6.38759	8.61241	---
<u>Change as of June 15, 1944</u>				
4% Treasury Notes, Series A-1944	3.75	8.28297	---	4.53297

IT WILL BE NOTED THAT THE HOLDER OF THE SECURITIES TO BE EXCHANGED WILL BE PAID OR CREDITED WITH INTEREST AT THE RATE BORNE BY THOSE SECURITIES TO THEIR RESPECTIVE MATURITY OR REDEMPTION DATES, EXCEPT IN THE CASE OF THE RFC NOTES AND, AT THE HOLDER'S OPTION, THE TREASURY NOTES OF SERIES A-1944.

UNITED STATES OF AMERICA

2¼ PERCENT TREASURY BONDS OF 1956-59

Dated and bearing interest from February 1, 1944

Due September 15, 1959

REDEEMABLE AT THE OPTION OF THE UNITED STATES AT PAR AND ACCRUED
INTEREST ON AND AFTER SEPTEMBER 15, 1956

Interest payable March 15 and September 15

ADDITIONAL ISSUE

1944
Department Circular No. 735
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, March 2, 1944.

I. EXCHANGE OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with adjustments of accrued interest as shown in the table at the end of this circular, from the people of the United States for bonds of the United States, designated 2¼ percent Treasury Bonds of 1956-59, in payment of which any of the following listed securities, singly or in combinations aggregating \$500 or multiples thereof, may be tendered:

Treasury issues:

- 1% Treasury Notes of Series B-1944, maturing March 15, 1944
- 3¼% Treasury Bonds of 1944-46, called for redemption on April 15, 1944
- ¾% Treasury Notes of Series A-1944, maturing June 15, 1944

Federal Farm Mortgage Corporation issues:

- 3¼% FFMC Bonds of 1944-64, called for redemption on March 15, 1944
- 3% FFMC Bonds of 1944-49, called for redemption on May 15, 1944

Reconstruction Finance Corporation issue:

- 1% RFC Notes of Series W, maturing April 15, 1944

Home Owners' Loan Corporation issue:

- 3% HOLC Bonds, Series A 1944-52, called for redemption on May 1, 1944

These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits. The amount of the offering under this circular will be limited to the amount of the above-listed bonds and notes tendered and accepted. In addition to the offering under this circular, holders of any of the securities listed, other than commercial banks, are offered the privilege of exchanging all or any part of such securities for 2½ percent Treasury Bonds of 1965-70, and all holders, including commercial banks, may exchange for 1½ percent Treasury Notes of Series A-1948, which offerings are set forth in Department Circulars Nos. 734 and 736, issued simultaneously with this circular.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 2¼ percent Treasury Bonds of 1956-59 issued pursuant to Department Circular No. 730, dated January 18, 1944, will be freely interchangeable therewith, and are identical in all respects therewith. They are dated February 1, 1944, and bear interest from that date at the rate of 2¼ percent per annum, payable on a semiannual basis on September 15, 1944, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature September 15, 1959, but may be redeemed at the option of the United States on and after September 15, 1956, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will be acceptable to secure deposits of public moneys. They will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury. Except as provided in Section I of Department Circular No. 730, these bonds may not, before September 15, 1946, be transferred to or be held by commercial banks, which are defined for this purpose as banks accepting demand deposits; however, the bonds may be pledged as collateral for loans, including loans by commercial banks, but any such bank acquiring such bonds before September 15, 1946, because of the failure of such loans to be paid at maturity will be required to dispose of them in the same manner as they dispose of other assets not eligible to be owned by banks.

5. Any bonds issued hereunder which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of the deceased owner's estate, at par and accrued interest to date of payment,¹ provided:

- (a) that the bonds were actually owned by the decedent at the time of his death; and
- (b) that the Secretary of the Treasury be authorized to apply the entire proceeds of redemption to the payment of Federal estate taxes.

Registered bonds submitted for redemption hereunder must be duly assigned to "The Secretary of the Treasury for redemption, the proceeds to be paid to the Collector of Internal Revenue at _____ for credit on Federal estate taxes due from the estate of _____." Owing to the periodic closing of the transfer books and the impossibility of stopping payment of interest to the registered owner during the closed period, registered bonds received after the closing of the books for payment during such closed period will be paid only at par with a deduction of interest from the date of payment to the next interest payment date;² bonds received during the closed period for payment at a date after the books reopen will be paid at par plus accrued interest from the reopening of the books to the date of payment. In either case checks for the full six months' interest due on the last day of the closed period will be forwarded to the owner in due course. All bonds submitted must be accompanied by Form PD 1782,³ properly completed, signed and sworn to, and by a certificate of the appointment of the personal representatives, under seal of the court, dated not more than six months prior to the submission of the bonds, which shall show that at the date thereof the appointment was still in force and effect. Upon payment of the bonds appropriate memorandum receipt will be forwarded to the representatives, which will be followed in due course by formal receipt from the Collector of Internal Revenue.

6. Except as provided in the preceding paragraphs, the bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action

¹ An exact half-year's interest is computed for each full half-year period irrespective of the actual number of days in the half year. For a fractional part of any half year, computation is on the basis of the actual number of days in such half year.

² The transfer books are closed from February 16 to March 15, and from August 16 to September 15 (both dates inclusive) in each year.

³ Copies of Form PD 1782 may be obtained from any Federal Reserve Bank or from the Treasury Department, Washington, D. C.

he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest from February 1, 1944, for bonds allotted hereunder must be made or completed on or before March 15, 1944, or on later allotment. Payment of the principal amount may be made only in the bonds or notes to be exchanged, which will be accepted at par, and should accompany the subscription. Accrued interest on the securities surrendered will be credited, and accrued interest on the new bonds from February 1, 1944, will be charged, as shown in the table at the end of this circular. Where the table shows that an amount will be collected from the subscriber, the remittance should accompany the securities and subscription. Where an amount is to be paid to the subscriber, it will be paid, in the case of coupon bonds and notes, following their acceptance, and in the case of registered bonds, following discharge of registration. Interest accrued on the securities to be exchanged, and on the new bonds to be issued, will be adjusted as of various dates as follows:

<i>Securities to be exchanged</i>	<i>Date of adjustment</i>
Treasury Notes of Series B-1944	March 15, 1944
FFMC Bonds of 1944-64	March 15, 1944
RFC Notes of Series W	March 15, 1944
Treasury Bonds of 1944-46	April 15, 1944
HOLC Bonds, Series A 1944-52	May 1, 1944
FFMC Bonds of 1944-49	May 15, 1944
Treasury Notes of Series A-1944	March 15 or June 15, 1944, as the holder may elect and specify in his subscription.

2. Holders of Treasury Notes of Series B-1944 and FFMC Bonds of 1944-64 will *detach* coupons dated March 15, 1944, and cash them when due. With respect to the other five issues, all unmatured coupons, *including the one next due*, must be *attached* to the securities to be exchanged when they are surrendered, and final interest on these securities, and on registered bonds in all cases, will be paid or credited in a net amount.

V. SURRENDER OF CALLED BONDS

1. *Coupon bonds.*—Treasury Bonds of 1944-46, HOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in coupon form tendered in payment for bonds offered hereunder should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington, D. C. Coupons dated April 15, 1944, May 1, 1944, May 15, 1944, and September 15, 1944, respectively, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve Banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. *Registered bonds.*—Treasury Bonds of 1944-46, HOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for redemption, in one of the forms hereafter set forth, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder. If the new bonds are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1956-59"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1956-59 in the name of _____"; if new bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1956-59 in coupon form to be delivered to _____."

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

TABLE OF INTEREST ADJUSTMENTS PER \$1,000 IN CONNECTION WITH EXCHANGE OF VARIOUS BONDS AND NOTES FOR 2½% TREASURY BONDS OF 1956-59, DATED FEBRUARY 1, 1944, UNDER DEPARTMENT CIRCULAR No. 735

SECURITIES SURRENDERED	Accrued interest to be credited on securities surrendered	Accrued interest to be charged on bonds issued	Net amount to be paid to subscriber	Net amount to be collected from subscriber
<i>Exchange as of March 15, 1944</i>				
1% Treasury Notes, Series B-1944	_____	\$2.65797	_____	\$2.65797
3½% FFMC Bonds of 1944-64 in coupon form	_____	2.65797	_____	2.65797
3½% FFMC Bonds of 1944-64 in registered form	\$16.25	2.65797	\$13.59203	_____
1% RFC Notes, Series W	4.15301	2.65797	1.49504	_____
¾% Treasury Notes, Series A-1944	1.86475	2.65797	_____	.79322
<i>Exchange as of April 15, 1944</i>				
3½% Treasury Bonds of 1944-46	16.25	4.55335	11.69665	_____
<i>Exchange as of May 1, 1944</i>				
3% HOLC Bonds, Series A 1944-52	15.00	5.53161	9.46839	_____
<i>Exchange as of May 15, 1944</i>				
3% FFMC Bonds of 1944-49	15.00	6.38759	8.61241	_____
<i>Exchange as of June 15, 1944</i>				
¾% Treasury Notes, Series A-1944	3.75	8.28297	_____	4.53297

IT WILL BE NOTED THAT THE HOLDER OF THE SECURITIES TO BE EXCHANGED WILL BE PAID OR CREDITED WITH INTEREST AT THE RATE BORNE BY THOSE SECURITIES TO THEIR RESPECTIVE MATURITY OR REDEMPTION DATES, EXCEPT IN THE CASE OF THE RFC NOTES AND, AT THE HOLDER'S OPTION, THE TREASURY NOTES OF SERIES A-1944.

(Filed with the Division of the Federal Register March 2, 1944)

UNITED STATES OF AMERICA

3/2/44

263

2-1/2 PERCENT TREASURY BONDS OF 1965-70

Dated and bearing interest from February 1, 1944

Due March 15, 1970

REDEEMABLE AT THE OPTION OF THE UNITED STATES AT PAR AND ACCRUED INTEREST ON AND AFTER
MARCH 15, 1965

Interest payable March 15 and September 15

ADDITIONAL ISSUE

1944
Department Circular No. 734

TREASURY DEPARTMENT,
Office of the Secretary,
Washington, March 2, 1944.

Fiscal Service
Bureau of the Public Debt

I. EXCHANGE OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with adjustments of accrued interest as shown in the table at the end of this circular, from the people of the United States for bonds of the United States, designated 2-1/2 percent Treasury Bonds of 1965-70, in payment of which any of the following listed securities, singly or in combinations aggregating \$500 or multiples thereof, may be tendered:

Treasury issues:

- 1% Treasury Notes of Series B-1944, maturing March 15, 1944
- 3-1/4% Treasury Bonds of 1944-46, called for redemption on April 15, 1944
- 3/4% Treasury Notes of Series A-1944, maturing June 15, 1944

Federal Farm Mortgage Corporation issues:

- 3-1/4% FFMC Bonds of 1944-64, called for redemption on March 15, 1944
- 3% FFMC Bonds of 1944-49, called for redemption on May 15, 1944

Reconstruction Finance Corporation issue:

- 1% RFC Notes of Series W, maturing April 15, 1944

Home Owners' Loan Corporation issue:

- 3% HOLC Bonds, Series A 1944-52, called for redemption on May 1, 1944

These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits. The amount of the offering under this circular will be limited to the amount of the

above-listed bonds and notes tendered and accepted. In addition to the offering under this circular, holders of any of the securities listed, other than commercial banks, are offered the privilege of exchanging all or any part of such securities for 2-1/4 percent Treasury Bonds of 1956-59, and all holders, including commercial banks, may exchange for 1-1/2 percent Treasury Notes of Series A-1948, which offerings are set forth in Department Circulars Nos. 735 and 736, issued simultaneously with this circular.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the Series of 2-1/2 percent Treasury Bonds of 1965-70 issued pursuant to Department Circular No. 729, dated January 18, 1944, will be freely interchangeable therewith, and are identical in all respects therewith. They are dated February 1, 1944, and bear interest from that date at the rate of 2-1/2 percent per annum, payable on a semiannual basis on September 15, 1944, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1970, but may be redeemed at the option of the United States on and after March 15, 1965, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will be acceptable to secure deposits of public moneys. They will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury. Except as provided in Section I of Department Circular No. 729, these bonds may not, before February 1, 1954, be transferred to or be held by commercial banks, which are defined for this purpose as banks accepting demand deposits; however, the bonds may be pledged as collateral for loans, including loans by commercial banks, but any such bank acquiring such bonds before February 1, 1954, because of the failure of such loans to be paid at maturity will be required to dispose of them in the same manner as they dispose of other assets not eligible to be owned by banks.

5. Any bonds issued hereunder which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of the deceased owner's estate, at par and accrued interest to date of payment,¹ provided:

- (a) that the bonds were actually owned by the decedent at the time of his death; and
- (b) that the Secretary of the Treasury be authorized to apply the entire proceeds of redemption to the payment of Federal estate taxes.

Registered bonds submitted for redemption hereunder must be duly assigned to "The Secretary of the Treasury for redemption, the proceeds to be paid to the Collector of Internal Revenue at _____ for credit on Federal estate taxes due

¹. An exact half-year's interest is computed for each full half-year period irrespective of the actual number of days in the half year. For a fractional part of any half year, computation is on the basis of the actual number of days in such half year.

from estate of _____." Owing to the periodic closing of the transfer books and the impossibility of stopping payment of interest to the registered owner during the closed period, registered bonds received after the closing of the books for payment during such closed period will be paid only at par with a deduction of interest from the date of payment to the next interest payment date; ² bonds received during the closed period for payment at a date after the books reopen will be paid at par plus accrued interest from the reopening of the books to the date of payment. In either case checks for the full six months' interest due on the last day of the closed period will be forwarded to the owner in due course. All bonds submitted must be accompanied by Form PD 1782, ³ properly completed, signed and sworn to, and by a certificate of the appointment of the personal representatives, under seal of the court, dated not more than six months prior to the submission of the bonds, which shall show that at the date thereof the appointment was still in force and effect. Upon payment of the bonds appropriate memorandum receipt will be forwarded to the representatives, which will be followed in due course by formal receipt from the Collector of Internal Revenue.

6. Except as provided in the preceding paragraphs, the bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks

2. The transfer books are closed from February 16 to March 15, and from August 16 to September 15 (both dates inclusive) in each year.

3. Copies of Form PD 1782 may be obtained from any Federal Reserve Bank or from the Treasury Department, Washington, D. C.

and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

IV. PAYMENT

1. Payment at par and accrued interest from February 1, 1944, for bonds allotted hereunder must be made or completed on or before March 15, 1944, or on later allotment. Payment of the principal amount may be made only in the bonds or notes to be exchanged, which will be accepted at par, and should accompany the subscription. Accrued interest on the securities surrendered will be credited, and accrued interest on the new bonds from February 1, 1944, will be charged, as shown in the table at the end of this circular. Where the table shows that an amount will be collected from the subscriber, the remittance should accompany the securities and subscription. Where an amount is to be paid to the subscriber, it will be paid, in the case of coupon bonds ^{and notes,} following their acceptance, and in the case of registered bonds, following discharge of registration. Interest accrued on the securities to be exchanged, and on the new bonds to be issued, will be adjusted as of various dates as follows:

<u>Securities to be exchanged</u>	<u>Date of adjustment</u>
Treasury Notes of Series B-1944	March 15, 1944
FFMC Bonds of 1944-64	March 15, 1944
HFC Notes of Series W	March 15, 1944
Treasury Bonds of 1944-46	April 15, 1944
HOLC Bonds, Series A 1944-52	May 1, 1944
FFMC Bonds of 1944-49	May 15, 1944
Treasury Notes of Series A-1944	March 15 or June 15, 1944, as the holder may elect and specify in his subscription.

2. Holders of Treasury Notes of Series B-1944 and FFMC Bonds of 1944-64 will detach coupons dated March 15, 1944, and cash them when due. With respect to the other five issues, all unmatured coupons, including the one next due, must be attached

the securities to be exchanged when they are surrendered, and final interest on these securities, and on registered bonds in all cases, will be paid or credited in a net amount.

V. SURRENDER OF CALLED BONDS

1. Coupon bonds.--Treasury Bonds of 1944-46, NOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in coupon form tendered in payment for bonds offered hereunder should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington, D. C. Coupons dated April 15, 1944, May 1, 1944, May 15, 1944, and September 15, 1944, respectively, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve Banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. Registered bonds.--Treasury Bonds of 1944-46, NOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for redemption, in one of the forms hereafter set forth, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder. If the new bonds are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange

for Treasury Bonds of 1965-70"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1965-70 in the name of _____"; if new bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1965-70 in coupon form to be delivered to _____".

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

(Signed) H. Morgenthau, Jr.

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

TABLE OF INTEREST ADJUSTMENTS PER \$1,000 IN CONNECTION WITH EXCHANGE OF
VARIOUS BONDS AND NOTES FOR 2-1/2% TREASURY BONDS OF 1965-70, DATED
FEBRUARY 1, 1944, UNDER DEPARTMENT CIRCULAR NO. 734

<u>SECURITIES SURRENDERED</u>	<u>Accrued inter- est to be credited on securities sur- rendered</u>	<u>Accrued inter- est to be charged on bonds issued</u>	<u>Net amount to be paid to sub- scriber</u>	<u>Net amount to be col- lected from subscriber</u>
<u>Exchange as of March 15, 1944</u>				
1% Treasury Notes, Series B-1944	- - -	\$2.9533	- - -	\$2.9533
3 1/4% FFMC Bonds of 1944-64 in coupon form	- - -	2.9533	- - -	2.9533
3 1/4% FFMC Bonds of 1944-64 in registered form	\$16.25	2.9533	\$13.2967	- - -
1% RFC Notes, Series W	4.15301	2.9533	1.19971	- - -
3/4% Treasury Notes, Series A-1944	1.86475	2.9533	- - -	1.08855
<u>Exchange as of April 15, 1944</u>				
3 1/4% Treasury Bonds of 1944-46	16.25	5.05927	11.19073	- - -
<u>Exchange as of May 1, 1944</u>				
3% HOLC Bonds, Series A 1944-52	15.00	6.14623	8.85377	- - -
<u>Exchange as of May 15, 1944</u>				
3% FFMC Bonds of 1944-49	15.00	7.09732	7.90268	- - -
<u>Exchange as of June 15, 1944</u>				
3/4% Treasury Notes, Series A-1944	3.75	9.2033	- - -	5.4533

IT WILL BE NOTED THAT THE HOLDER OF THE SECURITIES TO BE EXCHANGED WILL BE PAID OR CREDITED WITH INTEREST AT THE RATE BORNE BY THOSE SECURITIES TO THEIR RESPECTIVE MATURITY OR REDEMPTION DATES, EXCEPT IN THE CASE OF THE RFC NOTES AND, AT THE HOLDER'S OPTION, THE TREASURY NOTES OF SERIES A-1944.

Miss Crumley

271

UNITED STATES OF AMERICA

2½ PERCENT TREASURY BONDS OF 1965-70

Dated and bearing interest from February 1, 1944

Due March 15, 1970

**REDEEMABLE AT THE OPTION OF THE UNITED STATES AT PAR AND ACCRUED
INTEREST ON AND AFTER MARCH 15, 1965**

Interest payable March 15 and September 15

ADDITIONAL ISSUE

1944
Department Circular No. 734
Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, March 2, 1944.

I. EXCHANGE OFFERING OF BONDS

1. The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended, invites subscriptions, at par with adjustments of accrued interest as shown in the table at the end of this circular, from the people of the United States for bonds of the United States, designated 2½ percent Treasury Bonds of 1965-70, in payment of which any of the following listed securities, singly or in combinations aggregating \$500 or multiples thereof, may be tendered:

Treasury issues:

- 1% Treasury Notes of Series B-1944, maturing March 15, 1944
- 3¼% Treasury Bonds of 1944-46, called for redemption on April 15, 1944
- ¾% Treasury Notes of Series A-1944, maturing June 15, 1944

Federal Farm Mortgage Corporation issues:

- 3¼% FFMC Bonds of 1944-64, called for redemption on March 15, 1944
- 3% FFMC Bonds of 1944-49, called for redemption on May 15, 1944

Reconstruction Finance Corporation issue:

- 1% RFC Notes of Series W, maturing April 15, 1944

Home Owners' Loan Corporation issue:

- 3% HOLC Bonds, Series A 1944-52, called for redemption on May 1, 1944

These bonds will not be available for subscription, for their own account, by commercial banks, which are defined for this purpose as banks accepting demand deposits. The amount of the offering under this circular will be limited to the amount of the above-listed bonds and notes tendered and accepted. In addition to the offering under this circular, holders of any of the securities listed, other than commercial banks, are offered the privilege of exchanging all or any part of such securities for 2½ percent Treasury Bonds of 1965-70, and all holders, including commercial banks, may exchange for 1½ percent Treasury Notes of Series A-1948, which offerings are set forth in Department Circulars Nos. 735 and 736, issued simultaneously with this circular.

II. DESCRIPTION OF BONDS

1. The bonds now offered will be an addition to and will form a part of the series of 2½ percent Treasury Bonds of 1965-70 issued pursuant to Department Circular No. 729, dated January 18, 1944, will be freely interchangeable therewith, and are identical in all respects therewith. They are dated February 1, 1944, and bear interest from that date at the rate of 2½ percent per annum, payable on a semiannual basis on September 15, 1944, and thereafter on March 15 and September 15 in each year until the principal amount becomes payable. They will mature March 15, 1970, but may be redeemed at the option of the United States on and after March 15, 1965, in whole or in part, at par and accrued interest, on any interest day or days, on 4 months' notice of redemption given in such manner as the Secretary of the Treasury shall prescribe. In case of partial redemption the bonds to be redeemed will be determined by such method as may be prescribed by the Secretary of the Treasury. From the date of redemption designated in any such notice, interest on the bonds called for redemption shall cease.

2. The income derived from the bonds shall be subject to all Federal taxes, now or hereafter imposed. The bonds shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority.

3. The bonds will be acceptable to secure deposits of public moneys. They will not be entitled to any privilege of conversion.

4. Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000, \$100,000 and \$1,000,000. Provision will be made for the interchange of bonds of different denominations and of coupon and registered bonds, and for the transfer of registered bonds, under rules and regulations prescribed by the Secretary of the Treasury. Except as provided in Section I of Department Circular No. 729, these bonds may not, before February 1, 1954, be transferred to or be held by commercial banks, which are defined for this purpose as banks accepting demand deposits; however, the bonds may be pledged as collateral for loans, including loans by commercial banks, but any such bank acquiring such bonds before February 1, 1954, because of the failure of such loans to be paid at maturity will be required to dispose of them in the same manner as they dispose of other assets not eligible to be owned by banks.

5. Any bonds issued hereunder which upon the death of the owner constitute part of his estate, will be redeemed at the option of the duly constituted representatives of the deceased owner's estate, at par and accrued interest to date of payment,¹ provided:

- (a) that the bonds were actually owned by the decedent at the time of his death; and
- (b) that the Secretary of the Treasury be authorized to apply the entire proceeds of redemption to the payment of Federal estate taxes.

Registered bonds submitted for redemption hereunder must be duly assigned to "The Secretary of the Treasury for redemption, the proceeds to be paid to the Collector of Internal Revenue at _____ for credit on Federal estate taxes due from estate of _____." Owing to the periodic closing of the transfer books and the impossibility of stopping payment of interest to the registered owner during the closed period, registered bonds received after the closing of the books for payment during such closed period will be paid only at par with a deduction of interest from the date of payment to the next interest payment date;² bonds received during the closed period for payment at a date after the books reopen will be paid at par plus accrued interest from the reopening of the books to the date of payment. In either case checks for the full six months' interest due on the last day of the closed period will be forwarded to the owner in due course. All bonds submitted must be accompanied by Form PD 1782,³ properly completed, signed and sworn to, and by a certificate of the appointment of the personal representatives, under seal of the court, dated not more than six months prior to the submission of the bonds, which shall show that at the date thereof the appointment was still in force and effect. Upon payment of the bonds appropriate memorandum receipt will be forwarded to the representatives, which will be followed in due course by formal receipt from the Collector of Internal Revenue.

6. Except as provided in the preceding paragraphs, the bonds will be subject to the general regulations of the Treasury Department, now or hereafter prescribed, governing United States bonds.

III. SUBSCRIPTION AND ALLOTMENT

1. Subscriptions will be received at the Federal Reserve Banks and Branches and at the Treasury Department, Washington. Banking institutions generally may submit subscriptions for account of customers, but only the Federal Reserve Banks and the Treasury Department are authorized to act as official agencies.

2. The Secretary of the Treasury reserves the right to reject any subscription, in whole or in part, and to close the books as to any or all subscriptions at any time without notice; and any action he may take in these respects shall be final. Subject to these reservations, all subscriptions will be allotted in full. Allotment notices will be sent out promptly upon allotment.

¹An exact half-year's interest is computed for each full half-year period irrespective of the actual number of days in the half year. For a fractional part of any half year, computation is on the basis of the actual number of days in such half year.

²The transfer books are closed from February 14 to March 15, and from August 16 to September 15 (both dates inclusive) in each year.

³Copies of Form PD 1782 may be obtained from any Federal Reserve Bank or from the Treasury Department, Washington, D. C.

IV. PAYMENT

1. Payment at par and accrued interest from February 1, 1944, for bonds allotted hereunder must be made or completed on or before March 15, 1944, or on later allotment. Payment of the principal amount may be made only in the bonds or notes to be exchanged, which will be accepted at par, and should accompany the subscription. Accrued interest on the securities surrendered will be credited, and accrued interest on the new bonds from February 1, 1944, will be charged, as shown in the table at the end of this circular. Where the table shows that an amount will be collected from the subscriber, the remittance should accompany the securities and subscription. Where an amount is to be paid to the subscriber, it will be paid, in the case of coupon bonds and notes, following their acceptance, and in the case of registered bonds, following discharge of registration. Interest accrued on the securities to be exchanged, and on the new bonds to be issued, will be adjusted as of various dates as follows:

<i>Securities to be exchanged</i>	<i>Date of adjustment</i>
Treasury Notes of Series B-1944	March 15, 1944
FFMC Bonds of 1944-64	March 15, 1944
RFC Notes of Series W	March 15, 1944
Treasury Bonds of 1944-46	April 15, 1944
HOLC Bonds, Series A 1944-52	May 1, 1944
FFMC Bonds of 1944-49	May 15, 1944
Treasury Notes of Series A-1944	March 15 or June 15, 1944, as the holder may elect and specify in his subscription.

2. Holders of Treasury Notes of Series B-1944 and FFMC Bonds of 1944-64 will *detach* coupons dated March 15, 1944, and cash them when due. With respect to the other five issues, all unmatured coupons, *including the one next due*, must be *attached* to the securities to be exchanged when they are surrendered, and final interest on these securities, and on registered bonds in all cases, will be paid or credited in a net amount.

V. SURRENDER OF CALLED BONDS

1. *Coupon bonds*.—Treasury Bonds of 1944-46, HOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in coupon form tendered in payment for bonds offered hereunder should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington, D. C. Coupons dated April 15, 1944, May 1, 1944, May 15, 1944, and September 15, 1944, respectively, and all coupons bearing subsequent dates, should be attached to such bonds when surrendered, and if any such coupons are missing, the subscription must be accompanied by cash payment equal to the face amount of the missing coupons. The bonds must be delivered at the expense and risk of the holder. Facilities for transportation of bonds by registered mail insured may be arranged between incorporated banks and trust companies and the Federal Reserve Banks, and holders may take advantage of such arrangements when available, utilizing such incorporated banks and trust companies as their agents.

2. *Registered bonds*.—Treasury Bonds of 1944-46, HOLC Bonds of Series A 1944-52, FFMC Bonds of 1944-49 and FFMC Bonds of 1944-64 in registered form tendered in payment for bonds offered hereunder should be assigned by the registered payees or assignees thereof, in accordance with the general regulations of the Treasury Department governing assignments for redemption, in one of the forms hereafter set forth, and thereafter should be presented and surrendered with the subscription to a Federal Reserve Bank or Branch or to the Treasury Department, Division of Loans and Currency, Washington, D. C. The bonds must be delivered at the expense and risk of the holder. If the new bonds are desired registered in the same name as the bonds surrendered, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1965-70"; if the new bonds are desired registered in another name, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1965-70 in the name of _____"; if new bonds in coupon form are desired, the assignment should be to "The Secretary of the Treasury for exchange for Treasury Bonds of 1965-70 in coupon form to be delivered to _____."

VI. GENERAL PROVISIONS

1. As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to receive subscriptions, to make allotments on the basis and up to the amounts indicated by the Secretary of the Treasury to the Federal Reserve Banks of the respective Districts, to issue allotment notices, to receive payment for bonds allotted, to make delivery of bonds on full-paid subscriptions allotted, and they may issue interim receipts pending delivery of the definitive bonds.

2. The Secretary of the Treasury may at any time, or from time to time, prescribe supplemental or amendatory rules and regulations governing the offering, which will be communicated promptly to the Federal Reserve Banks.

HENRY MORGENTHAU, Jr.,
Secretary of the Treasury.

TABLE OF INTEREST ADJUSTMENTS PER \$1,000 IN CONNECTION WITH EXCHANGE OF VARIOUS BONDS AND NOTES FOR 2½% TREASURY BONDS OF 1965-70, DATED FEBRUARY 1, 1944, UNDER DEPARTMENT CIRCULAR No. 734

SECURITIES SURRENDERED	Accrued interest to be credited on securities surrendered	Accrued interest to be charged on bonds issued	Net amount to be paid to subscriber	Net amount to be collected from subscriber
<i>Exchange as of March 15, 1944</i>				
1% Treasury Notes, Series B-1944.....	.....	\$2.9533	.....	\$2.9533
3¼% FFMC Bonds of 1944-64 in coupon form.....	.....	2.9533	.....	2.9533
3¼% FFMC Bonds of 1944-64 in registered form.....	\$16.25	2.9533	\$13.2967	.....
1% RFC Notes, Series W.....	4.15301	2.9533	1.19971	.....
¾% Treasury Notes, Series A-1944.....	1.86475	2.9533	.....	1.08855
<i>Exchange as of April 15, 1944</i>				
3¼% Treasury Bonds of 1944-46.....	16.25	5.05927	11.19073	.....
<i>Exchange as of May 1, 1944</i>				
3% HOLC Bonds, Series A 1944-52.....	15.00	6.14623	8.85377	.....
<i>Exchange as of May 15, 1944</i>				
3% FFMC Bonds of 1944-49.....	15.00	7.09732	7.90268	.....
<i>Exchange as of June 15, 1944</i>				
¾% Treasury Notes, Series A-1944.....	3.75	9.2033	.....	5.4533

IT WILL BE NOTED THAT THE HOLDER OF THE SECURITIES TO BE EXCHANGED WILL BE PAID OR CREDITED WITH INTEREST AT THE RATE BORNE BY THOSE SECURITIES TO THEIR RESPECTIVE MATURITY OR REDEMPTION DATES, EXCEPT IN THE CASE OF THE RFC NOTES AND, AT THE HOLDER'S OPTION, THE TREASURY NOTES OF SERIES A-1944.

(Filed with the Division of the Federal Register March 2, 1944)

MAR 2 1944

25

Dear Mr. Willingham:

I have your letter of February 24, 1944, transmitting two originals of a notice of call of the outstanding 3-1/4 percent bonds of 1944-64 and the 3 percent bonds of 1944-49 of the Federal Farm Mortgage Corporation, for redemption on March 15, 1944, and May 15, 1944, respectively. Your letter also transmitted two originals of the form of bond which the Corporation wishes to issue to the Secretary of the Treasury in order to complete its provision of funds needed to redeem the securities to be called. It is noted that the new bonds would be designated 1 percent bonds of 1945 and would be issued in a total amount not to exceed \$700,000,000 outstanding at any one time.

I have approved the call for redemption of the two outstanding issues, and I approve the proposed issue of 1 percent bonds of 1945 and the text of the bonds proposed to be issued and their issuance in denominations of \$1,000,000, \$5,000,000 and \$10,000,000. The Treasury is prepared to accept these bonds at par in an amount necessary to provide for these maturities, and to purchase additional bonds when issued from time to time to meet the requirements of the Federal Farm Mortgage Corporation.

Appropriate arrangements have been made with the Federal Reserve Banks for publishing the notice of call in newspapers of general circulation in their respective districts on March 2 or March 3. Copies of your press statement containing the notice of call will be mailed by the Bureau of the Public Debt to registered holders of record of the bonds called for redemption. Arrangements have been made to file a copy of the notice of call in the Federal Register on March 2.

An approved copy of the notice of call and of the text of the new bond are returned herewith.

Very truly yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Harris E. Willingham,
Executive Vice President,
Federal Farm Mortgage Corporation,
Kansas City, 8, Missouri.

ELK:arp
2/29/44

Enclosures

**NOTICE OF CALL FOR REDEMPTION
FEDERAL FARM MORTGAGE CORPORATION**

TO HOLDERS OF 3 1/4 PERCENT BONDS OF 1944-64 AND 3 PERCENT BONDS OF 1944-49 OF THE FEDERAL FARM MORTGAGE CORPORATION, AND OTHERS CONCERNED:

Public notice is hereby given that the Federal Farm Mortgage Corporation has called for redemption on March 15, 1944, all its outstanding 3 1/4 percent bonds of 1944-64. They will cease to bear interest on that date. Unless previously surrendered these bonds will be payable at par upon presentation at any Federal reserve bank or branch, or at the Treasury Department, Washington, D. C., on and after March 15, 1944.

Public notice is also hereby given that the Federal Farm Mortgage Corporation has called for redemption on May 15, 1944, all its outstanding 3 percent bonds of 1944-49. They will cease to bear interest on that date. Unless previously surrendered these bonds will be payable at par upon presentation at any Federal reserve bank or branch, or at the Treasury Department, Washington, D. C., on and after May 15, 1944.

The presentation and surrender of bonds of these two issues will be governed by the provisions of Treasury Department Circular No. 666, dated July 21, 1941.

An offering of interest bearing obligations of the United States will be made available to holders of bonds of these two issues, concerning which public announcement will be made by the Secretary of the Treasury.

March 2, 1944

ATTEST:

Frank H. Thomas
Secretary

FEDERAL FARM MORTGAGE CORPORATION

By *Stanislaus King*
Executive Vice President

Approved:

Wm. H. Murray
Secretary of the Treasury

WMB

FEDERAL FARM MORTGAGE CORPORATION
1 PERCENT BOND OF 1945
\$1,000,000

No.

Federal Farm Mortgage Corporation, for value received, promises to pay to the Secretary of the Treasury on June 30, 1945, unless this bond is renewed or extended as hereinafter provided, the principal sum of One Million Dollars with interest thereon at the rate of 1 percent per annum, payable on a semi-annual basis on June 30, and December 31, in each year, both principal and interest from the date hereof to be payable at the office of the Treasurer of the United States.

This is an interim bond, representing part of an issue designated "1 percent Bonds of 1945," in the aggregate principal amount not exceeding Seven Hundred Million Dollars outstanding at any one time, issued under the authority of and in accordance with the provisions of the Federal Farm Mortgage Corporation Act, approved January 31, 1934, as amended and supplemented, which provides that bonds issued thereunder shall be deemed and held to be instrumentalities of the Government of the United States. The income derived from this bond shall be subject to all Federal taxes, now or hereafter imposed. This bond shall be subject to surtaxes and estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest hereof by any State, municipality, or local taxing authority.

Whenever the Secretary of the Treasury shall notify Federal Farm Mortgage Corporation in writing of his desire to exchange this bond for bonds of the Federal Farm Mortgage Corporation, in such form and denominations as to be readily marketable, then and in such event Federal Farm Mortgage Corporation will, upon receipt of such notification and surrender of this bond by the Secretary of the Treasury for cancellation, substitute therefor and deliver to the Secretary of the Treasury in lieu thereof, bonds of Federal Farm Mortgage Corporation, in an aggregate principal amount not exceeding the principal amount due on this bond, and maturing at such time or times, being so dated, bearing interest at such rate or rates, and being in such form and denominations as may be agreed upon between the Secretary of the Treasury and Federal Farm Mortgage Corporation.

This bond, by agreement between Federal Farm Mortgage Corporation and the Secretary of the Treasury, may be renewed or extended from time to time (for not longer than 12 months from June 30, 1945) at the rate of interest borne by this bond, or at such different rate or rates of interest as may be agreed upon by the Secretary of the Treasury and Federal Farm Mortgage Corporation, and the Corporation, at its option, may pay all or any part of the amount due hereon at any time before maturity.

IN WITNESS WHEREOF, Federal Farm Mortgage Corporation has caused this bond to be signed in its name by its President or Executive Vice President and its corporate seal to be affixed hereto and attested by its Secretary or Assistant Secretary, all at Kansas City, Missouri, this fifteenth day of March, 1944.

THIS BOND IS FULLY AND UNCONDITIONALLY GUARANTEED BOTH AS TO INTEREST AND PRINCIPAL BY THE UNITED STATES AND HAS BEEN APPROVED IN FORM AND ISSUE BY THE SECRETARY OF THE TREASURY.

FEDERAL FARM MORTGAGE CORPORATION

ATTEST:

/s/ A. G. Black

By

President

Secretary

Approved:

H. M. ...
Secretary of the Treasury

44
11-11-44
11-11-44

March 2, 1944.

Dear Sir:

I have your letter of February 24, 1944, accompanied by a certified copy of the order of the Federal Home Loan Bank Commissioner with respect to the call for redemption on May 1, 1944, of the 3 percent Series A bonds of 1944-52 of the Home Owners' Loan Corporation and the formal notice of call for redemption before maturity. The call for redemption of these bonds at this time has my approval and I am returning herewith the formal notice of call with my approval indicated thereon.

In accordance with your request, the Treasury will arrange, through the facilities of the Federal Reserve Banks, for one insertion of the notice of call on March 2 or as soon thereafter as possible, but in no event later than March 31, 1944, in the newspapers specified in your letter. Copies of the notice will be mailed by the Bureau of the Public Debt to registered holders of record. I note that the Corporation will file a copy of the notice of the call with the Federal Register today.

Very truly yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Francis X. Pavesich,
Financial Adviser,
Home Owners' Loan Corporation,
Washington, D. C.

Enclosure

W: cak
28/44

Home Owners' Loan Corporation

3 Percent Bonds, Series A

Notice of Call for Redemption Before Maturity

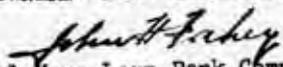
To Holders of Home Owners' Loan Corporation 3 Percent Bonds,
Series A, and Others Concerned:

Public notice is hereby given that all outstanding Home Owners' Loan Corporation 3 percent bonds of Series A, 1944-52, dated May 1, 1934, each and every number of all denominations, are hereby called for redemption on May 1, 1944, and will cease to bear interest on that date.

An offering of interest-bearing obligations of the United States will be made available to holders of the bonds now called for redemption, concerning which public announcement will be made by the Secretary of the Treasury.

Full information regarding the presentation and surrender of such Home Owners' Loan Corporation 3 percent bonds of Series A for redemption on May 1, 1944, is contained in United States Treasury Department Circular No. 666 relating to payment or redemption of securities.

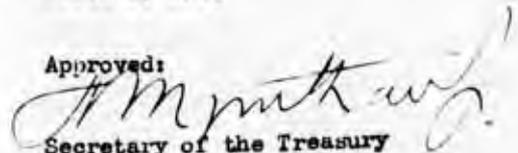
HOME OWNERS' LOAN CORPORATION


Federal Home Loan Bank Commissioner

Washington, D. C.

March 2, 1944

Approved:


Secretary of the Treasury

FMB

TREASURY DEPARTMENT
INTER OFFICE COMMUNICATION

DATE March 2, 1944

TO Secretary Morgenthau
FROM H. D. White

Subject: Summary of Gold Operations of the Stabilization Fund during 1943

The Fund during 1943 sold approximately \$800 million and purchased only \$14 million in gold from foreign countries.

Sales by countries were as follows:

<u>Country</u>	<u>Millions of Dollars</u>
Argentina	220
Brazil	132
Mexico	111
Switzerland	39
Turkey	40
United Kingdom	50
Others	<u>194</u>
Total	\$786

All except some \$20 million of the above gold sold remains in the United States on earmark.

The purchases of \$14 million in gold by the Fund were made from the Netherlands.

In the last two months (i.e., since December 30, 1943) the United Kingdom has purchased \$150 million in gold from the Fund all destined for export.

(Translation)

Secretary of State
for
Finance and Public Credit

Managua, D.N. (Nicaragua)

March 2, 1944

Excellency:

I have the honor to acknowledge receipt of your communication of November 22, 1943, to which was attached a preliminary project for the establishment of a Bank of the United Nations for Reconstruction and development, prepared by the technical staff of the Treasury of your great nation. Sickness has obliged me to absent myself from the Department, and for that reason I have been prevented from acknowledging receipt more promptly.

With the deepest consideration and high esteem I am

Very truly yours,

/s/ Ramon Sevilla

His Excellency
Mr. Henry Morgenthau,
Secretary of the Treasury,
Washington, D. C.-

NTN:imc:3/11/44

TELEGRAM SENT

War Refugee Board

PLAIN

March 2, 1944

AMEMBASSY,

LONDON.

1597, Second

Reference is made to your no. 1348 of February 17, 1944 concerning request of a refugee that his parents be included in any scheme for Jewish evacuation.

Because of tremendous task faced by War Refugee Board it has decided to confine itself to the rescue of groups of persons. Of necessity it cannot seek out and rescue any specific individuals. Requests of nature received by you are being referred to private organizations here.

STETTINIUS
(ACTING)
(GLW)

WRB:GLW:KG
2/25/44

EUR

BC

WT

SWP

HS-713

PLAIN

London

Dated March 2, 1944

Rec'd 10:16 p.m.

Secretary of State
Washington

1708, 2nd.

CONFIDENTIAL FOR LIMITED DISTRIBUTION

Director IGC has written Embassy further regarding passports referred to in Embassy's 1543, February 24th. His letter dated February 29th which suggests at its conclusion certain action by Department states as follows:

"Doctor Kullmann has returned from Switzerland where he was able to obtain a good deal of information. He discussed the matter with various Swiss authorities, with the United States Minister, the Polish Minister, the International Red Cross and with representatives of several voluntary organizations.

The facts are briefly as follows. There has been a large trade in passports. It is estimated that 4,000 have been issued from Switzerland and it is known that others have been issued from other neutral countries, including Sweden. Some informants estimated the total number to be as high as nine to ten thousand but some thought that it did not exceed 5,000. In Switzerland it was organized by private individuals and reached such proportions that the Swiss Federal Government had to intervene since it threatened to embarrass their position and to give the German authorities the pretext of interfering with the Swiss administration of refugees affairs a matter in which the Swiss Government has hitherto successfully avoided any intervention and has been able to carry out a liberal policy to the great advantage of refugees in general. Legal action was taken against several of the organizers and at the same time enquiry was made regarding the authority of some of the representatives of the South American states to carry on these transactions. Doctor Kullmann was informed for instance that the Honduras Consul who had lost his exequatur for other reasons in 1942 had subsequently issued 400 passports. He further learnt that the Consuls in Switzerland of Haiti, Paraguay and Peru had been dismissed. The average price paid for a passport was approximately 700 Swiss francs. On the other hand the Consul of San Salvador has acted from purely humanitarian motives and has charged no fee at all.

There seems little doubt that the German authorities are aware of what has been going on but for reasons of their own they have hitherto not adopted a general policy of withdrawing the passports. While in many cases the possession of these documents has afforded the owners protection against persecution and even

-2-, #1708, 2nd, from London.

special treatment in some of the camps, in other cases they have afforded no protection at all and particularly so where the persons concerned were not interned. Originally the German authorities seem to have cherished the hope that the persons with these South American passports might constitute a basis for the exchange of German nationals in South American countries and it is not improbable that they still have vague hopes of this. Other reasons have been suggested for their lack of consistency. Recently however they have been making enquiries through some of the protecting powers of the South American Governments concerned regarding the genuineness of the documents and they have been submitting lists of persons concerned with a view to verification.

Of the countries mentioned in your letter of the 13th January the Consuls in Switzerland of Chile, Haiti, Paraguay, Peru and probably Ecuador were concerned in the issue of passports. It is probable though not certain that passports of Costa Rica, Nicaragua and Venezuela have been issued by Consuls in countries other than Switzerland.

The above is a brief statement of facts. In regard to action the Swiss authorities are very definite that any approach to the German authorities would not only infructuose but would do more harm than good. There remains the approach to the Governments of the countries concerned which I mentioned in my letter of the 21st February. It is now clear that this approach should cover two points, (first) that the Governments should refrain from withdrawing the passports which have been issued and (second) that if and when the protecting power on the request of the German authorities submits lists of persons with such passports they should instruct the protecting power that the passports have been confirmed. The second is a new point but a very important one and I would ask that the State Department be requested to include it in its representations. I would also request that representations be made to the Government of San Salvador."

WINANT

EDA

RCG-757

PLAIN

London

Dated March 2, 1944

Rec'd 11:58 p.m.

Secretary of State

Washington
1711, Second.

House Commons sitting in committee yesterday debated Inter Governmental Committee on Refugees 2 1/2 hours and voted supplementary sum requested by Government. Attendance was small about 30 members. Critics generally upheld IGC but favored supplementing by a body like War Refugee Board with full time executive director. Richard Law spoke for Government and referring to necessity for international cooperation through IGC continued: There are some matters which can be handled far better by an Inter-Governmental body of this kind than by any particular Government but that does not at all rule out the necessity that as well as international action there has to be national action in these matters. For that reason His Majesty's Government welcomed most heartily the institution of the War Refugee Board in the United States and we shall be willing and indeed anxious to give that War Refugee Board as a part of the United States Administration our very warmest support and sympathy. We are working on all these matters in the closest relations with the United States Administration. I do not know whether it is generally known among honorable members that we have recently sent instructions to every one of our Missions abroad likely to be involved in refugee matters that they should seek out and collaborate with their American opposite numbers on refugee matters to the fullest extent in their power. "I do not think that honorable members who have raised the question of the Refugee Board quite realize the constitutional difference between this country and the United States. Under our system of ministerial responsibility it would in fact be impossible for us to institute an independent body which would control ministers and heads of other departments outside: in fact there is not the same need for such a body in this country. There is already a cabinet committee concerned with these matters and that cabinet committee has at its disposal an administrative staff in the form of the Refugee Department of the Foreign Office. So we really have the

-2-#1711, Second, from London.

have the substance of what the President of the United States has just instituted in the shape of the War Refugee Board. For constitutional reasons I do not see how we could imitate the structure of that board and for practical reasons I cannot see that we should gain any advantage from imitating it." "I can assure the committee that His Majesty's Government are prepared to do everything they possible can to find a solution of this problem in cooperation with other nations where that is necessary and individually as a Government where that is possible."

Forwarding airmail report.

WINANT

MFV
EMB

CM-550

PLAIN

Algiers

Dated March 2, 1944

Rec'd 2:33 p.m.

Secretary of State,

Washington.

685, second.

Following has been received from Cairo.

Malin Vice Director Intergovernmental Committee on Refugees has arrived. Planning to remain four or five days then proceed to Jerusalem and perhaps Ankara then return to Algiers by March 15th or 20th.

Please inform Department.

No word has reached Malin concerning outcome of wife's operation so please wire news here. Signed Kirk.

CHAPIN

BB

GM-817

This telegram must be paraphrased before being communicated to anyone other than a Government agency. (SC-00)

Algiers

Dated March 2, 1944

Rec'd 7:40 a.m., 3rd.

Secretary of State,

Washington.

688, March 2, 3 p.m.

FOR WAR REFUGEE BOARD FROM ACKERMAN

Have discussed Camp Marechal Syautey project with Beckelman and also attended meeting where he reported on his trip to Spain. (You will have seen Shapin's 671, March 1, 7 p.m. to Department). Before he left Africa French tentatively agreed there would only be preliminary security screening of applicants in Spain prior to their coming to Africa. Two days before Beckelman left Spain French representative received instructions to secure photographs, six copies of each application and thumb prints and forward such material to Algiers for further screening. Conditions have since been relaxed to eliminate photographs and reduce applications to two. They promise final action within four days after material received. It is feared, however, that Algiers screening may be used as pretext for eliminating some applicants as French appear to be afraid that they will have some refugees on their hands after war. Applicants include some old or sick persons former members of international brigade and persons who arrived in Spain prior to advent of Hitler. French may raise questions as to these grounds. Final discussions with French take place next week. Our position will be greatly strengthened if we can give some assurance (*) refugees elsewhere. At present we can only refer to Intergovernmental Committee which as far as we know has no definite plans at moment. Other problems are also envisaged but are secondary to giving assurances to French.

Glasser arrived yesterday. Will have full discussion with him tonight.

This is War Refugee Board No. 2, Have marked No. 658 to F 29 February from Hoffman and Ackermann as No. 1.

CHAPIN

(*) Apparent omission.
BB

Miss Chauncey (for the Sec'y), Messrs. Paul, H.D. Whit

MAR 2 1944

Dear Mr. Stettinius:

Reference is made to your letter to the Secretary of the Treasury of February 1, 1944, relating to the possibility of transferring war refugees to places of temporary residence in the African colonies formerly occupied by the Italians.

As you know, one of the specific recommendations made at the Bermuda Conference was that the British Government consider the question of admitting refugees to Cyrenaica. Moreover, in July 1943, at the time the President and Prime Minister Churchill agreed to the establishment of a refugee camp in North Africa, the President expressed a definite interest in the possibility of establishing refugee havens in Cyrenaica and Tripolitania. As recently as January of this year, Mr. Long informally presented the matter to Sir Ronald Campbell. Despite this long standing interest in the matter, no agreement has been reached between the two Governments. Accordingly, it is recommended that a definite proposal be made at once to the British Government. Once an agreement has been concluded, the matter can, of course, be cleared with the Joint and Combined Chiefs of Staff.

Attached is a draft of a cablegram to Ambassador Winant requesting him to make a formal proposal to the British Government. I believe that the American share of the costs of transporting refugees to Cyrenaica and Tripolitania can be met from the President's Emergency Fund, as in the case of the Camp Iyautey project, or from other funds which become available to the War Refugee Board.

If you are in agreement, I should appreciate your having the cable transmitted to Ambassador Winant.

Very truly yours,
(Signed) J. W. Pehle

J. W. Pehle
Acting Executive Director

Hon. E. R. Stettinius, Jr.,
Under Secretary of State.

Enclosure.
MJM:JBF:bbk-3/1/44

CABLE TO AMBASSADOR WINANT, LONDON

One of the most immediate and pressing problems of the War Refugee Board is the finding of havens where refugees may remain for the duration of the war. It is our opinion that Tripolitania and Cyrenaica would be ideal for this purpose. In this connection refer to Department's cable No. 371 of January 14, 1944.

The use of Tripolitania and Cyrenaica as a refugee haven has been under consideration ever since the Bermuda Conference, where specific recommendation was made that the British consider the question of admitting refugees to Cyrenaica. Since then, at the time of the agreement to establish a refugee camp in French North Africa, the President in a message to Prime Minister Churchill expressed a definite interest in the possibility of establishing refugee havens in Tripolitania and Cyrenaica. The matter was again informally raised with the British as recently as January of this year, in the manner described in our cable No. 371. Despite the many months which have passed, apparently no decision has been reached in this most important matter.

You are requested to take the matter up immediately and press the British Government for its consent to the establishment of refugee camps in Tripolitania and Cyrenaica, subject to the approval of the Combined Chiefs of Staff. It is deemed desirable to obtain such consent before any approach is made to the Combined Chiefs of Staff.

You may advise the British Government that this Government is prepared to share with it the responsibility for arranging to finance the establishment and maintenance of refugee camps in Tripolitania and Cyrenaica, including the cost of transferring refugees to such camps. If deemed desirable, we are sure that private charitable organizations will bear part of this cost. This Government is also prepared to handle the transportation problem on a cooperative basis with the British.

It should be pointed out that a division of obligations and responsibilities between the two governments can be made here as in the case of the transfer of refugees from Spain to Camp Marechal Lyautey in French North Africa.

The importance of establishing refugee camps in Tripolitania and Cyrenaica cannot be overestimated. The War Refugee Board is convinced that there is a real opportunity for actually bringing many people out of German controlled territory, particularly from areas adjacent to Turkey and the Black Sea. The Board is determined to do what it can to bring these people out in as large numbers as possible. Once these people are evacuated to Turkey, it is essential

- 2 -

that areas be found to which they can be removed without delay. Camps in Tripolitania and Cyrenaica could be used for this purpose. The escape of refugees from other areas could also be facilitated. Thus, for example, refugees from southern Italy could be removed from camps there to the camps in Tripolitania and Cyrenaica, thereby making room in Italy for other refugees who succeed in escaping from enemy territory.

It would be appreciated if you would give this matter your urgent and personal attention. Please advise the Department promptly of the progress of these negotiations.

JBF:JED:MJM:ech 3/2/44

C O P Y

THE UNDER SECRETARY OF STATE
WASHINGTON

February 1, 1944

Dear Mr. Secretary:

The Department has had under consideration and has discussed with the British a project for assisting Jewish and other refugees now located in France and Rumania. While these plans have not taken definite form, it is proposed that efforts be made to enable the persons in question to leave Rumania and France and be transferred to places of temporary residence in the colonies formerly occupied by the Italians. The Department has been informed that there are at the present time in North Africa partially abandoned cities where buildings and water supply exist and where food could presumably be supplied by the United Nations Relief and Rehabilitation Administration. This plan, to be successful, would, of course, require the close cooperation of the military authorities.

We were just on the point of communicating with the Joint Chiefs of Staff to obtain an expression of opinion from them regarding locations in North Africa which might be made available for this purpose and also as to whether there might be any valid military objections to such an undertaking.

In connection with this plan, the problem of transportation is, of course, an important one since refugees might arrive out of France into Spain or out of Rumania into Turkey in considerable numbers. We had also intended to raise with the Joint Chiefs of Staff the question of transportation to determine whether or not the military might be able to make shipping available for this purpose. Our experience would seem to indicate that complete dependence could not be placed on the utilization of neutral shipping for this purpose. As you know, neutral shipping has been used in the past especially from Portugal to African destination, but it seems doubtful that a considerable volume of refugees could be handled through that means alone.

In view of the creation of the War Refugee Board, it would seem more appropriate to us that this proposal now be made by the Board to the Joint Chiefs of Staff, if the Board decided to pursue the project, particularly as the War Department is represented on the Board. Several members of our staff are quite familiar with the details of the preliminary discussions and studies which have taken place on this matter in the past and will, of course, be glad to confer with representatives of the Board on the matter.

With best wishes,

Sincerely yours,
(Signed) E. R. Stettinius, Jr.The Honorable
Henry Morgenthau, Jr.,
Secretary of the Treasury.

C O P Y

PLAIN

AMEMBASSY,

January 14, 1944

LONDON,

371

With reference to project for evacuation of Jews from Rumania and France referred to in your 139 January 7, Department is presenting for Embassy's information substance of conversation between Sir Ronald Campbell and Mr. Long January 11.

Mr. Long felt that there should be no embarrassment to either Government and that it will be practicable to provide transportation and places of temporary refuge for the persons in question. Cities in Tripoli and Cyrenaica which have been deserted by Arabs and Italians as we understand are standing unpopulated. Benghazi and other places on Mediterranean shore have water and buildings available. Food could be provided on rationed basis and the refugees could remain there until war's end provided British Government agrees. Then these people could return to former countries under arrangements which United Nations propose to adopt for repatriation of refugees. Refuge in the former Italian colonies should take pressure off of the British Government to admit persons to Palestine. Mr. Long was explicit that we were not opening up the Palestine question but simply expressing the belief that it would be helpful in several ways to use these cities in former Italian colonies for temporary residences for refugees.

In regard to problems of transportation and accommodation Sir Ronald was informed that the Department would approach Joint Chiefs of Staff with the hope that necessary shipping space might be secured when sufficient numbers of persons are assembled to warrant it. The refugees could then be transported from Spain to those places of temporary residence in Tripoli and along Mediterranean Coast. In addition, there was and presumably still is the established shipping service between Portugal and North Africa which has carried not less than 35,000 out of Spain to North Africa.

UNNRA will probably take care of these people once they are located since they come within its jurisdiction under terms of present discussions. It is probable that some may desire and obtain entrance into the United States.

Mr. Long made it clear that the situation as presented in the discussion with Sir Ronald was not a definite proposal but merely a conversation wherein suggestions were made with the idea that our two Governments may work out some favorable adjustment of a problem which may assume large and possibly urgent proportions.

VD:RU:RWG:FDGR:KG
1/12/44

Eu CI/L
Mr. Fell

A-L

TELEGRAM SENT

PLAIN

March 2, 1944

AMBASSY;

ANKARA

158, Second
TO HIRSCHMANN FROM THE WAR REFUGEE BOARD.

Bergson suggests that you contact Joseph Klarmen,
Pira Palace Hotel, Istanbul, as soon as possible.

STETTINIUS
(ACTING)
(GLW)

WRE:GLM:KG
3/1/44

TELEGRAM SENT

DMH

March 2, 1944

This telegram must be paraphrased before being communicated to anyone other than a Governmental agency. (SC-00)

2 p.m.

ANEMBASSY,

ANKARA.

159

FOR IRA A. HIRSCHMANN FROM MR. PEHLE, ACTING DIRECTOR,
WAR REFUGEE BOARD.

Arrangements are being made to have two thousand gold sovereigns for your use flown to the American Embassy at Ankara from Cairo. Acceptance of the shipment should be made by you as the War Refugee Board's special representative. Your ordinary administrative requirements will be taken care of in a different manner. The gold sovereigns are not repeat not being sent for that purpose. Cash payments therefrom are hereby authorized without receipts where receipts are not obtainable for the purpose of administering the policy set forth in the Executive Order and in carrying out your instructions. Under any circumstances keep careful record of expenditures and where possible obtain receipts therefor. You will be responsible for expenditures from these funds to me alone as they are confidential funds from the Emergency Fund of the President and may be disbursed without following the procedure usually required for Government disbursements. If you encounter any obstacles let me know immediately.

STETTINIUS

ACTING (GLW)

The following initialed the telegram before it was paraphrased.

See attached cancelled green copy. (WRB/MCC)

WRB/GLW/XG 3/2/44

NE

EH

Miss Chauncey (for the Sec'y), Messrs. Paul, H. D. White, Pehle, Luxford, DuBois, E. N. Bernstein, Stewart, Lesser, Friedman, Hodel, Pollak, Abrahamson, Miss Laughlin, Mrs. Cohn.

C A B L E G R A MCONFIDENTIAL

March 2, 1944

To Myron Black, WSA, c/o Regional Office, Cairo, Egypt

REFERENCE 192 TO ROBINSON. WAR REFUGEE BOARD URGENTLY IN NEED OF SHIPPING EXPERT TO ADVISE HIRSCHMANN, ITS REPRESENTATIVE IN ANKARA, CONCERNING PROBLEM OF EVACUATING REFUGEES FROM RUMANIA TO TURKEY. TWO PROJECTS NOW IN VIEW: (1) TURKISH GOVERNMENT MAY MAKE SS VATAN AVAILABLE FOR THIS TRANSPORTATION. WSA HAS ALREADY MADE COMMITMENT TO REPLACE VATAN AS LEND LEASE TRANSACTION IF VESSEL IS MADE AVAILABLE AND LOST. (2) IT MAY BE POSSIBLE TO SECURE NEUTRAL SWEDISH TONNAGE FOR THIS PURPOSE.

IT HAS ALSO BEEN SUGGESTED TO HIRSCHMANN THAT HE ATTEMPT TO SECURE OTHER TURKISH SHIPS. PLEASE COOPERATE WITH HIM AND MAKE ANY SUGGESTIONS YOU THINK DESIRABLE DIRECTLY TO HIM, KEEPING THIS OFFICE ADVISED. PLEASE PROCEED TO ANKARA AND ADVISE HIRSCHMANN. IF APPARENT THAT SHIPPING ADVICE WILL BE NEEDED FOR PROTRACTED PERIOD, PLEASE ARRANGE WITH ROBINSON TO SEND SOMEONE FROM HIS OFFICE TO REPLACE YOU. THIS CABLE IS SENT AT SUGGESTION OF McPHERSON.

Signed: E.S. Land

LAND

AMBecker/mab

cc: Mr. Pehle
Mr. Becker

WAR SHIPPING ADMINISTRATION
WASHINGTON

March 2, 1944

Mr. John W. Pehle
Acting Executive Director
War Refugee Board
Washington 25, D. C.

Dear John:

Attached hereto is a reply from Admiral Land to your letter of March 2, together with a copy of the cable sent to Myron Black, who is expected to arrive in Cairo on the 3d for a stay of three days.

Black should be able to leave for Ankara by about the 5th or 6th and I presume get there within a day or two.

Sincerely yours,

Arthur M. Becker
Lt. Comdr., USNR
Assistant General Counsel

Enclosures

WAR SHIPPING ADMINISTRATION
WASHINGTON

ADMINISTRATOR

MAR 2 - 1944

Mr. John W. Pehle
Acting Executive Director
War Refugee Board
Washington 25, D. C.

Dear Mr. Pehle:

This is in reply to your letter of March 2, 1944.

Mr. Myron Black, who is Field Director, Foreign Service Division of the War Shipping Administration, is at present in Cairo. I thought it would be best for us to ask Mr. Black to proceed to Ankara to survey the situation and to advise Mr. Hirschmann as to the shipping problems involved. Should this problem extend more than a few weeks, Mr. Black will be unable to remain in Turkey, but in that event, I have asked him to arrange for someone to be assigned from the Cairo office.

I enclose herewith a copy of the cable I have transmitted to Mr. Black.

Sincerely yours,

E. S. Land
Administrator

Enclosure

cc: Miss Chauncey : (for the Sec'y) Messrs. Abrahamson, DuBois, Friedman, Gasten, Lesser, Luxford, Paul, Pehle, Pollak, Stewart, H. D. White, Miss Laughlin, Miss Hodel, Mrs. Cohn

CONFIDENTIAL

near the Polish Government

No. 539

LONDON, March 2, 1944.

Subject: Present position of
Polish victims of Nazi
persecution and sug-
gestions for action
to facilitate rescue.

The Honorable
The Secretary of State,
Washington.

Sir:

Referring to the Department's instruction No. 634, January 28, 8 p.m., regarding the War Refugee Board and the general policy laid down in the President's Executive Order of January 22 for the rescue and relief of the Jews of Europe and other victims of enemy persecution, and referring also to our telegram No. 30 of March 1 reporting generally on conversations with officials of the Governments to which this Embassy is accredited, I have the honor to report below the substance of conversations with Count Emaryk Hutton-Czapski, Deputy Secretary General and Head of the Refugee Department of the Polish Ministry of Foreign affairs. In addition, there are enclosed two memoranda supplied by the Political Secretary of the European Division, World Jewish Congress, which deal with the general position of persecuted Jewish minorities of Polish origin and advance various suggestions for action to facilitate the rescue of these victims.

1/ 2/

Count Czapski expressed himself as in general accord with the policy set forth in the President's Executive Order and indicated that the fullest possible cooperation on the part of his Government could be expected.

As regards the present position of Polish victims of Nazi persecution, Count Czapski states that the countries to which these victims are trying to escape are Roumania, Hungary, Switzerland, France, Spain, Portugal, Italy and Sweden. He thought that few, if any, were trying to escape to Soviet Russia. In spite of the great difficulties in evading the German authorities, the number of these persecuted in Poland and held in the various concentration camps is so great that the small percentage of people who do manage to escape makes up a considerable number of people. Experience has shown that the possibilities of escape depend on (1) the situation of the camps; (2) the political conditions in the countries to which escape is made; (3) the efficiency of the organizations assisting in escape; and (4) the amount of money

put

put at the disposal of these organizations. Count Czapski appeared to be particularly well informed about the position in France and the Iberian Peninsula as he has only recently come to London after two years as Polish Consul General in Algiers and traveled by way of Gibraltar and Portugal in order to gather as much information as possible about the position of Polish refugees. Since 1940, when about 500,000 Poles were still left in France, including about 80,000 Jews, Count Czapski's information is that about 20,000 had managed to get out of France, mainly younger persons able to go into the Army. On the other hand, possibly 40,000 to 50,000 Poles had been brought into France by the Germans for work so that the number of Poles in France at the present time probably exceeds 500,000.

Count Czapski thought that the Jews were being generally treated worse than non-Jewish Poles and that some of the Polish Jews from Belgium have had an especially bad time. Once the Polish refugees succeed in getting through into Spain their needs are adequately taken care of, he states, as the Polish delegates in Spain have funds and enjoy adequate facilities for this purpose.

Replying to a question as to what special obstacles are interfering with the rescue and relief of Nazi victims, Count Czapski mentioned the following:

- (a) the failure of some of the Governments on whose territory these victims arrive to give sufficient cooperation;
- (b) the problem of passports and funds necessary for their existence and the continuation of their voyage;
- (c) the problem of visas.

He thought that the question of the transfer of money to Switzerland was especially important for helping refugees in Switzerland and in countries like France to which money can be transferred more easily from Berne than from other neutral centers, but he considered that Lisbon was also of importance in this respect.

One of the most important things that could be done immediately, in Count Czapski's opinion, was the provision of more passports entitling refugees to go to South American countries. This was of particular importance for Polish refugees in Switzerland. Some of the South and Central American countries, it appeared, had recently tightened up on issuing these passports.

Count Czapski said that the Polish Government was doing all within its power to assist refugees of Polish origin, mainly through the following measures:

- (a) interventions on behalf of refugees by Polish Legations in neutral countries and by Protecting Powers in the enemy occupied areas;

- (b) special organizations of rescue; and
- (c) material help in the form of passports, visas, food, money and clothes.

Discussing what opportunities there might be for special action by the American Government to facilitate the rescue and relief of the victims of enemy oppression, Count Czapski said that in his view the following measures were most important:

- (a) intervention with the Governments of those countries in which the United States are represented;
- (b) assistance with the passport and visa problems; and
- (c) permission for money to be transferred from America to different states in Europe.

The two enclosed memoranda dealing with the positions of the persecuted Jewish minority in Poland have been drawn up by two separate persons, both of whom, according to Mr. A. L. Easterman, Political Secretary of the European Division World Jewish Congress, are authorities on the subject. Although they overlap to a certain extent, taken together they appear to provide a comprehensive treatment of the subject from the Jewish point of view. Among specific suggestions for action, in addition to those suggested by Count Czapski, are the following:

(1) Establishment of an organization to provide would-be refugees with identity cards, ration cards, work cards, or other papers necessary for movement in enemy-occupied territory.

(2) Organization of liaison between officials of certain special services, representatives of Allied Governments, and officials of Jewish rescue agencies, so as to have continuous exchange of information as to possibilities of rescue.

(3) Pressure on Hungarian authorities to permit and facilitate entry of refugees from Slovakia, Moravia and Bohemia.

(4) Political action to secure that 9,500 Jews in Vittel already in possession of passports should be exchanged for Germans in those American countries from which these Jews have received their passports.

(5) Action by Allied Governments (a) to appeal to the peoples of their countries to extend all possible help to the remnants of the Jewish population; (b) to direct their official and secret agents to give protection to Jewish refugees in Hungary, Slovakia, Buhovina and France; (c) to ask underground movements in France, Poland, Roumania,

Greece, etc., to enlist all able-bodied Jews in their military activities and to protect women and children and the old by concealment and other means; (d) to give orders to burn extermination camps and to assassinate the executioners.

(6) Finding ways and means, in view of the dangerous situation of a considerable number of Jews now in Southern Portugal or directly to Palestine.

(7) Soviet Government to be asked to request military authorities to do that is possible to save remnants of Jews from extermination by retreating German Army.

(8) Provision of more havens of refuge for those able to escape.

Respectfully yours,

Rudolf E. Schoenfeld
Charge d'Affaires ad interim

Enclosures:

1/ and 2/ as stated.

Original and hectograph to Department.
JS:

Enclosure 1/ to Despatch No. 539,
Polish Series, March 2, 1944.

First Memorandum Submitted by European Division World Jewish Congress

STRICTLY CONFIDENTIAL

POLAND

I. Possibilities of Rescue.

There exists in almost all territories occupied by the Nazis rather important possibilities of getting out of the country a certain number of Jews by smuggling them through the border to adjoining neutral or satellite countries. This work is actually being carried out at the present moment, especially by representatives of the World Jewish Congress and of the Jewish Agency for Palestine.

According to our latest information, 7500 Jews were, so far, brought in this way from Poland to adjoining countries, namely: 3,000 to Hungary, 3,000 to Roumania, and 1,500 to Slovakia, the same work is being carried out in France by smuggling people through the border to Switzerland and Spain. Five hundred Jewish children were brought in this way by the representatives of the World Jewish Congress from France to Switzerland. The number of adults who succeeded in crossing legally the border from France to Switzerland is estimated at 8/10,000. The same number may apply to the people who crossed the border from France to Spain as it is quite impossible to give the exact estimate at the present moment. This work is being continued.

The actual activities in this field, as far as the World Jewish Congress is concerned, are being directed by the Geneva Office of the World Jewish Congress in the closest co-operation with the Headquarters in New York. A second Office for this particular purpose is being established now in Spain.

II. Obstacles in the way of Rescue

The main obstacle interfering with the work of rescuing Jews is of a financial nature. Would there be much more considerable funds available for the work of rescue, much more could be done in this field. For instance, the cost involved in bringing people over the border from Poland to Roumania or Hungary is 150 dollars per person; the cost of smuggling people from France into Spain is much greater, viz:- at present, approximately, 800 dollars per person. This problem is, in reality, a two-fold one, i.e. firstly, of securing the necessary funds, and secondly, of securing a license to have the funds transmitted to neutral countries and used for this particular purpose. Funds for rescuing people from Poland and other Nazi-occupied territories must be transmitted to Switzerland; funds for rescuing people from France are being transmitted to Switzerland and Spain, and Portugal, respectively.

Funds transmitted for rescue work are being used, actually, not only in order to cover the expenses of smuggling people over the borders, but also in order to provide them with certain quantities of food to save them from the danger of starvation and to arm them and enable them to fight against the Germans and to provide them with certain documents, especially passports to South and Central American countries which may save them, at least for the time being, from the danger of deportation and extermination.

III. Suggestions for Rescue

In order to improve the existing possibilities of rescue, the following ought to be done:-

- (a) Considerable funds must be placed at the disposal of organisations active in the field of rescue, and eventually at the disposal of the special representatives of the War Refugee Board to be appointed in the neutral countries of Europe, especially in Switzerland, Spain and Portugal.
- (b) The Governments of the neutral countries of Europe must be informed that the United States Government are greatly interested in the work of rescue and expects their co-operation in this field, especially by admitting all refugees who will manage to escape to their territory. The same information must be transmitted to the Governments of the neutral countries must also be informed that the United States Government is ready to cover the expenses involved in the maintenance of the refugees and to ship to the respective countries the necessary quantities of food for this purpose.
- (c) The Governments of the Central and South American countries must be requested to place at the disposal of their Consulates in Switzerland and in Spain, a certain number of passports to be granted to persons in occupied territories, whose lists will be submitted by the Offices of the World Jewish Congress, on the understanding that these passports are being issued only for purposes of rescue and that the bearers will claim no additional rights, especially the right to enter the particular country or to be recognized as its citizens after the War.
- (d) Immediate steps should be taken to have persons with Latin-American passports interned at present in special camps in France and in Germany exchanged for Germans in their respective countries, eventually also for Germans in other countries, as for example, in South-West Africa.

* Insert: Governments of the satellite countries. The

- (e) Pressure should be exerted on the Roumanian Government to have Jews deported to Transnistria repatriated as soon as possible, and also to enable as many Jews in their country as possible to proceed from Roumania to Palestine or to other countries in the Near East. The same pressure should be exerted of the Bulgarian Government, especially as far as the emigration of children to Palestine is concerned.
- (f) Proper steps shall be taken to save Jewish children in France from the danger of deportation and extermination. This can be done by securing visas for these children to the United States and other American countries, and also by influencing the Vichy authorities to issue exit visas for them. The number of children involved is about 8,000.
- (g) Negotiations shall be continued with the Swedish Government to approach the German authorities and secure exit visas for a certain number of Jewish children in the occupied territories to go to Sweden, on the understanding that all expenses involved will be covered by the British and the United States Governments, that the necessary food will be shipped to Sweden and that the repatriation of the children will be guaranteed immediately after the War.

IV. Forestalling Extermination

To forestall the Axis plot to exterminate the Jews, the following measures should be carried out in addition to those suggested in the previous answers:-

- (a) A new warning shall be issued in the strongest possible form directed both to Germans and to the satellite nationals stressing that every person in any capacity whatsoever responsible, directly or indirectly, for atrocities against the Jewish population, will be punished with all severity of the law immediately after the war, or even during the war when captured by the Allies. It would be very advisable to repeat the Moscow Declaration of the Allied Powers with special reference to Jews, who, unfortunately, were then omitted altogether.

In view of the fact that the civilian population in Germany may not be fully informed about atrocities committed by German officials and soldiers in the occupied territories, it may be advisable to disseminate information about them and also to give a warning in the form of leaflets dropped from planes. The importance of these activities is especially great at the present moment; on the one hand, the danger of extermination of the remnants of European Jewry during the withdrawal of the German Armies and, on the other hand, the German officials and soldiers may be strongly impressed by words of warning now that the near defeat of Germany is, in all probability, clear even to them.

- (b) The United Nations Commission for the Investigation and punishment of Nazi crimes must be brought to full activity. Facts made known by investigations of this Commission, and also sentences issued by them, should be published and disseminated as fully as possible. Special importance from this point of view should be attached to the publication of all lists of criminals prepared by the Commission, and also all sentences issued against them.
- (c) The underground movement in all occupied countries and the guerrilla armies must be made conscious of the special task to save Jews in all possible ways.
- (d) The Jewish population in the occupied territories should be armed in a proper way and enabled to defend themselves.

V. Help by Neutrals

The main help which can be given by neutrals is by admitting the Jews who managed to escape from occupied territories and by making it possible that food and medicaments be sent from those countries to the occupied territories. This problem has been dealt with in the preceding answers. The same refers to certain satellite countries, especially Hungary.

VI. Special Help by the United States

The existing possibilities of help to be granted by the United States Government are enumerated in the answers to question I and II. In order to have this help organized in a proper way, it is most advisable to have representatives of the War Refugee Board appointed in the neutral countries of Europe, namely: in Switzerland, Spain, Portugal, Sweden and Turkey. Contact could be established between them and the existing offices of the Jewish organizations active in the field of rescue, especially the Jewish Agency for Palestine, the World Jewish Congress and the American Joint Distribution Committee, which would be glad to assist with their experience and advice and to direct the attention of the representatives of the War Refugee Board to the existing possibilities in this field.

VII. Governments in Exile

Special measures regarding rescue of the Jewish population were adopted by several Governments in Exile. The Governments of Belgium and Holland issued strong warnings to their nationals not to yield to anti-Semitic propaganda conducted by the Germans but, on the contrary, to combat it. The Dutch Government is now preparing a special campaign of rescue for its Jewish nationals deported to Poland.

Several meetings of representatives of the Polish, Yugoslav, Greek and Czech Governments, together with representatives of the World Jewish Congress, were held in New York to discuss the possibilities of rescue work to be carried out for the Jewish population of all those countries. The underground division of the Polish Government, situated in Poland itself, has a special department for rescuing Jews in which the four leading Polish parties, and the Jewish population, as such, is represented. This department takes care of concealing Jews among the gentile population and of arming the Jewish population, and also of smuggling Jews out of the territory of Poland. The expenses are covered by the Polish Government and by subsidies of several Jewish organizations.

VIII. Comment on War Refugee Board

The establishment of the War Refugee Board made a deep impression on public opinion throughout the world. The example of the United States Government may be followed by several other Governments. The Polish Government is now considering a plan to establish a special division, to be affiliated to the office of the Prime Minister, for the rescue of Polish Jewry. A similar institution is being organised by the Dutch Government.

Enclosure No. 2 to Despatch Polish Series 539
March 2, 1944

Second Memorandum submitted by European Division World Jewish Congress. The cross-headings for Sections IV, V, and VI have been inserted.

CONFIDENTIAL:

9th February, 1944

POLAND

1. General Position.

From the Jewish point of view there are, roughly speaking, three different areas in Poland, a western and north-western area, which consists of the part incorporated into the Reich, a central area, the so-called General Government, and the eastern area. There are still some Jews in the first area in a number of places, in particular in Lodz and its surroundings. In the second area a concentration of Jews into 54 villages or rather Ghettos took place during November 1942. The majority of these Jewish Settlements and ghettos have already been liquidated. There the Jews are to be found in the majority of cases, or in labour camps, or in hiding in Polish houses, especially in Warsaw and in the villages and mostly under false names. These are all baptized Jews or the intelligentsia or workers, or other words the leaders of the underground movement. In the third area the number of Jews left is negligible. The situation of those remaining Jews shows the following three features:

1. Starvation as a result of exhaustion, under-nourishment and diseases.
2. Deportation of the unemployable elements to the extermination centres, in particular, Treblinka, Sobibor, Majdanek, Oswiecim, Belzec.
3. The rounding up of Jews in hiding in forests, villages etc. and their execution.

The Germans have fixed special remuneration for disclosing the places of hiding. In November 1943 the Jews of Sobibor destroyed the extermination camp and killed several hundred Germans. As a result a part of the Jews were killed off and the remainder escaped into the woods.

Possibility of rescue from Poland would depend upon (a) the possibility of concealment; (b) the opportunity of escaping from a labour or extermination camp; (c) crossing the Hungarian, Slovak or the Dukovina frontier, by means of payment on the Polish side and with the help of our organizations outside Poland; (d) in certain cases on receiving foreign passports and getting into Switzerland or France. In the last few months about 1,500 Jews entered in this way into Hungary.

11. Special difficulties in the way of saving Jews are:

- (a) Lack of food to hold out, lack of adequate funds necessary for crossing the Polish border.
- (b) Lack of proper political pressure on the populations of the countries south of Poland to give organized help to Jews crossing the frontier (threat of retribution or the promise of concessions in future).

111. Suggested measures to improve rescue measures.

111. Suggested measures to improve rescue measures:

- (a) Political action in the American countries to increase the number of foreign passports for the Jews in Poland.
- (b) Political action in the American countries to secure that those Jews who possess already the passports and are at the present moment in Vittel andand other camps, will not lose their passports. The number of those Jews is estimated to be 9,500.
- (c) Political action to secure that those 9,500 Jews will be exchanged for Germans in those American countries, from which the Jews have received their passports. If this does not happen, the Jews will be threatened with re-deportation and extermination. Action is, therefore, required to get for all these Spanish and Portuguese transit visas, so that they should be able to proceed from Portugal to those countries to which they have got passports or to Palestine. It will be necessary, of course, to assure to those people means of existence and means of transport.
- (d) Jewish refugees from Poland who are now in Hungary, Slovakia and Dukovina, are there in a very dangerous situation, in particular will the danger be increased with the German withdrawal. It is, therefore, very urgent to get them out in time. The road to Turkey is barred by Roumanian, Yugo-Slavia and Bulgaria. At the present moment, therefore, there are only the following ways of escape for that group:
 - 1. Spreading them out and getting them into hiding and not keeping them in camps, because the Germans have got an easy access to those camps.
 - 2. Getting them out occasionally by air - with Hungarian help - or getting them out via Constanza - Istanbul. This road is possible, if Roumanian help can be assured through political pressure.
 - 3. Getting them out of Hungary at the moment the Soviet forces occupy Dulovina and Bessarabia by way of those countries and by sea to Turkey and from there to Palestine. They have to be assured, of course, of Palestinian certificates and Turkish Syrian and Lebanese transit visas, because until the liberation of Greece and the Aegean Sea, the sea route is almost excluded.
- (e) Directives by the Allied Governments to their official and secret agents to give protection to Jewish refugees in Hungary, Slovakia and Bukovina and France.
- (f) Directives by the Allied powers to their diplomatic and consular representatives in Berne, Stockholm, Ankara, Istanbul and Madrid that (a) they should get into contact with the representatives of the World Jewish

Congress

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Congress and the Jewish Agency in those places in order to organize help; (b) the putting at the disposal of these organizations by the War Refugee Board of financial means to finance the rescue of Jews from Poland and other actions. This can be done either by drawing on the money reserves which are in the possession of those diplomatic and consular authorities or by special allocations.

- (g) A considerable number of Polish Jews are now in Southern France. There are also children there who are in hiding. Their situation is dangerous. Ways have to be found to get them to Spain and from there to Portugal or from Spain directly to Palestine (as it happened with the last transport from Spain to Palestine.
- (h) It is recommended that the Governments of the United States and of Great Britain or the War Refugee Board should ask the Soviet authorities that the Soviet military authorities should do what they can to save the remnants of Jews from their extermination by the retreating German army.
- (i) The establishment of contacts between the Allied Governments and the pro-Allied underground movements in France, Poland, Roumania, France, Greece and to ask them that (a) all able-bodied Jews should be enlisted in their military activities; (b) that the old, children and women should be protected by concealment and other means.

IV. Suggested measures involving pressure on the Enemy Countries.

- (A) A new united declaration by the Governments of the U.S.A., Great Britain, U.S.S.R., China, the Dominion which would reiterate the warning of retribution, if the extermination policy is not discontinued.
- (B) A similar declaration by the other Allied Governments.
- (C) A systematic campaign through radio to drive home to the German people the nature and extent of the annihilation policy practiced on the conquered peoples, especially the Jews, and to call upon the German people to take action against it.
- (D) The dropping of millions of leaflets over Germany and the German occupied countries. These leaflets ought to contain details of the massacres.
- (E) The Parliaments of the U.S.A., Great Britain, U.S.S.R., and the Dominions should once more express their resolve to punish all the direct and indirect perpetrators of atrocities
- (F) A similar declaration should be made by the lessors of the various Churches.
- (G) A systematic press campaign in the same spirit.
- (H) The publication of 10,000 names of German war criminals guilty of massacres of the conquered peoples, especially Jews. Their names should be given in the leaflets, dropped over Germany and the occupied territories and should be

broadcast

-4-

broadcast on the wireless. It should be stressed that the punishment will be most severe if the extermination policy is carried on.

V. Suggested action by U.S.A.

- (a) More asylum should be secured for Jews who might be able to escape.
- (b) Financial guarantees to the neutral countries for the maintenance of the refugees should be given by the War Refugee Board.
- (c) NOTE. Suggestion that the U.S.A. Government should ask its secret agents to investigate where the Polish and other Jews deported to Poland are to be found at the present moment, and to ask the Polish Government to give orders to its agencies to extend every possible active help to the Jews and, if possible, to rescue them by force from the concentration, labour and extermination camps and to place them in widely spread and secure hiding places or to incorporate them into the activities of the underground movement.

VI. Suggested measures by the Allied Governments established in London.

- (a) An appeal of these Governments to the peoples of their countries to extend all possible help to the remnants of the Jewish population.
- (b) The Governments should give secret orders to their underground movements and their underground armies to give organized help to the Jews.
- (c) Those Governments ought to declare that the tearing down of the walls of the ghettos is one of the aims of the underground movement.
- (d) Orders should be given to burn extermination camps and to assassinate the executioners.
- (e) To enlist the Jewish population into military activities.
- (f) The leadership of the labour movements in exile ought to call upon the workers of the respective countries to put themselves at the head of the activities mentioned in b - f.
- (g) The Committee set up by the various Allied Governments in exile to collaborate with the War Refugee Board in the U.S.A. or with its representation in London, ought to include one or two representatives of the Jewish population of their countries.
- (h) The leadership of the various underground movements ought to include representatives of the Jewish population (where this is not the case.)

cc: Miss Chauncey (Sec'y), Cohn, Hodel, Laughlin, Pehle, Abrahamson, Akzin, Bernstein, DuBois, Friedman, Gaston, Lesser, Luxford, Mann, McCormack, Paul, Pollak, Rains, Standish, Stewart, H. D. White, Files

MJK-680

This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (HR)

Lisbon

Dated March 2, 1944

Rec'd 8:45 p.m.

Secretary of State,
Washington.

659, March 2, 1 p.m., (SECTION ONE)

Department's 618, February 29. FOLLOWING FOR
F. W. PERLE ACTING EXECUTIVE DIRECTOR WAR REFUGEE
BOARD FROM JOSEPH SCHWARTZ.

"Your message reached me a few hours before departure for London hence can reply only hurriedly. Following possible programs rescue and transportation refugees.

One. Evacuation 5,000 children now Rumania to Palestine. Rumanian authorities seem inclined grant exit permits and major difficulty seems to be transportation which we have been asked to supply. Have been negotiating Portuguese steamship which considering the matter but costs would be one million to one million five hundred thousand dollars.

Two. Possibility evacuations children, adults from Bulgaria via Turkey to Palestine. Chief difficulty lies arranging exit permits this group and any pressure that could be exerted on Bulgarian Government this connection might be helpful. Also important obtain from Turkey transit facilities this and other groups who might be able escape from Balkans.

Three. At this time all possible pressure should be applied Balkan satellite countries to grant exit facilities to Jews their border to proceed Turkey en route Palestine. There has been considerable loosening up on granting exit visas particularly in Hungary and with additional pressure perhaps more could be obtained.

Four. A group of 450 refugees from Bochara now stranded Tehran with Palestine visas but unable proceed Palestine because of refusal Iraqi Government grant transit facilities. We have been asked procure sea transportation which may be possible but will cost approximately \$300 per head. All movement of refugees via Tehran dependent upon ability secure transit facilities Iraq which up to now has steadfastly refused. Perhaps Iraqi Government could be approached on this subject.

-2-, 659, March 2, 1 p.m. (SECTION ONE) from Lisbon.

Five. Swiss Government has indicated readiness accept many hundreds additional children from France provided some assurance could be given that these children will be emigrated at earliest opportunity. With an assurance of ultimate emigration Switzerland would be willing approach French authorities for release these children. In this connection any guarantees to Swiss Government for repatriation or emigration refugees coming into country would be most helpful.

Six. Similar guarantee might be given to Portuguese Government with a request that they approach French authorities permit a number of children to come to Portugal. Portuguese Government will not admit any one to come into country without an overseas end visa but a guarantee on the part of our Government that any children coming into Portugal will be brought away to the United States or other overseas countries would be sufficient to have Portuguese authorities admit these children.

Seven. A limited number of children can be brought into Spain through the services of professional guides who bring them illegally across the mountains for a fee.

NORWEB

EDA

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

Lisbon

Dated March 2, 1944

Rec'd 10:50 p.m.

Secretary of State,
Washington.

659, March 2, 1 p.m. (SECTION TWO)

Difficulty lies cost of guides which approximately \$250 to \$300 per child also because Spanish Government looks upon such activity as undesirable. If representatives agencies Spain could be supplied with funds this purpose at least several hundred children could be brought into Spain. Spanish authorities might look upon this more favorably if they receive assurances that these children will be taken out of the country and that this has support of responsible government bodies.

Eight. Group six hundred refugees now Tangier wholly unemployed status precarious. Possibility exists bring at least portion this group Palestine provided transportation and Palestine visas available. We believe we can arrange transportation if Palestine Government grants necessary visas. Would also be helpful if Canadian Government which now selecting refugee family units for Canada on duration visas could not be persuaded to include Tangier group.

Nine. Generally speaking rescue and maintenance refugees could be facilitated if regulations concerning transfer funds from the United States to Switzerland and Turkey could be liberalized and if representatives private agencies these countries could be permitted negotiate with bona fide individuals for purchase currencies occupied territories to be made available there for legitimate purposes. Order do this our committees should be authorized to give receipts to individuals indicating repayment for such advances will be made after the war or where this impossible could be permitted to make payments either in Switzerland or in Turkey. Naturally all of us would take every possible precaution to see that enemy is not helped by such transactions.

Ten. American relief organizations functioning in neutral countries should be permitted to communicate with bona fide refugee organizations and leaders in occupied territories. This would facilitate gathering reliable information and formulating plans and programs for rescue and relief. Should you wish more detailed information will be glad supply it upon my return". (END OF MESSAGE).

EDA

NORWEG

NOT TO BE RE-TRANSMITTEDU.S. SECRETCOPY NO. 12BRITISH MOST SECRETOPTEL NO 71

Information received up to 10 A.M. 2nd March 1944.

1. NAVAL

Early this morning a tank landing ship in homeward bound convoy was torpedoed by a U-Boat in South West Approaches. Improved weather ANZIO 29th. Two tank landing ships damaged by shell fire while unloading.

Italian Cruiser mined off Southern Italy while on passage from PORT SAID to TARANTO but reached AUGUSTA. One of H.M. Frigates torpedoed and sunk yesterday evening North East of AZORES. Another of H.M. Frigates counter attacked and sank the U-Boat. 34 survivors from the first ship and one from U-Boat.

2. MILITARY

Italy to noon 1st. Allied bridgehead Force. Early 29th sharp attack against U.S. Sector 6 miles East of ANZIO-ROME road resulted in some penetration on narrow front. At dusk same evening U.S. troops counter attacked and reports indicate good progress. Remainder of front held firm under strong pressure. Increased shelling against left of British sector.

3. AIR OPERATIONS

Western Front 1st. Beaufighters attacked a Convoy off HOLLAND. A 5,00 ton ship was left aground and in flames and 4 escort vessels were seriously damaged.

1st/2nd 653 aircraft despatched: STUTTGART 557, various objectives GERMANY, HOLLAND and FRANCE 43, Leaflets 21, Intruders 32. 4 aircraft outstanding from STUTTGART. About 120 enemy aircraft flew over South East England, 10 penetrating to Greater LONDON Area: Mosquitoes destroyed 5 over BRITAIN and one over FRANCE. Fatal casualties reported LONDON 10, elsewhere 1.

Italy 29th. 221 medium, light and fighter bombers attacked objectives in the battle areas and 60 Marauders dropped 64 tons on VITERBO Airfield.

OFFICE
SECRETARY OF TREASURY

1944 MAR 3 PM 1 08

TREASURY DEPARTMENT