10/24/44

Changes suggested by Mr. Henry Kaiser.
Change on page 10 was written by Dr. White.
THE ECONOMIC BILL OF RIGHTS

This evening I want to talk to you about the future which I feel is in store for the American people and to outline to you my plans for meeting here at home the problems of peace.

For the second time in twenty-five years America has proved her capacity to meet the challenge of total war. Twice in twenty-five years we have amazed the whole world-and ourselves-with our daring conception of what America could do when forced to war. We have astonished a grateful world by the stupendous number of planes, tanks and guns rolling off our assembly lines; with the bridge of ships we have erected across the oceans; by the overwhelming force with which America has turned the scales of battle.

Thus has America met the challenge of war—with boldness, courage and determination. Thus has America become the symbol—the world over—for the dynamic force of a free people fighting for a free world.

But what of the peace-time problems here at home which will follow the successful conclusion of this war? Is America prepared to meet the challenge of these peace-time problems as it has twice met the challenge of war? Will we approach the problems of peace with the same boldness of conception, the same courage and determination as we have approached the problems of war?
In the answer to these questions lies the future of America. To anyone who has faith in America the answer is clear. The American people are prepared to meet the problems of peace in the same inspiring way that they have met the problems of war. The American people are resolved that we shall insure that the youth of this nation will never again be called upon to fight in another war. And the American people are equally resolved that when our boys return home from this war, they shall come back to the brightest possible, the freest possible, the finest possible place on the face of this earth - to a place where all persons, regardless of race, color, creed or place of birth, shall live in peace, honor and dignity - free from want - and free from fear. To do otherwise would betray the faith of every soldier, every worker, every businessman, every farmer in this country who is giving his best for America.

In determining the course of action we should pursue after the war, it is well for America to pause and take stock of her capacities. For America's capacities should be the measure of America's future.

America's known capacities are not difficult to calculate. We are now producing goods and services to the gigantic total of $200 billion a year with 52 million workers and 12 million soldiers. In simple language that
means that today America is producing nearly twice as much as she had ever produced before the war. But an enormous part of the goods and services we are producing today does not find its way into the American home. No, it represents the ships, the guns, the planes and tanks we are using to fight this war.

But I know, and you know, that if we can produce a huge flow of ships and guns and planes and tanks, we can also produce an abundance of houses and cars and clothing and provide education and recreation and the other good things of life for all Americans.

And I know, and you know, that when our boys return home from the war and are again able to put their power into the stream of peace-time production, America's capacity to produce will be even greater than it is today. Yes, much greater than today even when we remember that some of our returning soldiers will prefer to resume their education; that some older people will begin a retirement delayed to participate in war work; and that many women will give up their jobs in favor of home-making. Making full allowance for these groups, the fact remains that America will have the capacity after the war for producing houses, cars, clothing, education, recreation and all of the other good things of life on a scale that staggers the imagination. That is what America can and will do if we have the courage and vision to give her the chance.
But to accomplish this task of utilizing our full productive capacity year after year, it is childish to think, as some would suggest, that we can depend upon the accumulated backlog of demand for 6 million automobiles, 3-1/2 million vacuum cleaners and 7 million alarm clocks and so on! Why an America geared to that limited conception of the future will find itself faced with millions of unemployed. In fact that kind of thinking sounds to me as though our doughboys returning from this war would have to face the prospect of peddling alarm clocks this time instead of apples.

I say to you here and now that we cannot set our sights to a level which we have long since passed. The same people who set their sights too low for war are now asking the American people to set their sights too low for prosperity. They do not grasp the strength and the spirit of America.

Nor do any of us think for a minute that there is any quack remedy or cure-all that can be automatically applied. The sober facts are that genuine progress will be achieved only through concrete plans and a real effort.

I made plain my views on this subject to Congress in January of this year. In that message, I set forth eight self-evident economic truths. I said then and I say now that these economic truths represented a second Bill of Rights under which a new basis of security and prosperity
can be established for all - regardless of station, race or creed.

America led the world in establishing political democracy. It must lead the world once more in strengthening and extending political democracy by firmly establishing economic democracy. Let us not forget the painful lessons of the rise of Fascism. Let us remember that political democracy is at best insecure and unstable without economic democracy. Fascism thrives on domestic economic insecurity, as well as on lack of or divided resistance to external aggression. Fascism is not only an enemy from without, it is also potentially an enemy from within.

We now must establish an Economic Bill of Rights not only out of common decency, but also to insure the preservation of our political freedoms. We must accord to this Economic Bill of Rights the same dignity - the same stature - in our American tradition as that we have accorded to the original Bill of Rights.

Let us therefore affirm this Economic Bill of Rights - and keep affirming it - until it is as familiar and real to us as our political Bill of Rights.

The Economic Bill of Rights as embodied in my message to Congress last January is:
The right to a useful and remunerative job in the industries, or shops or farms or mines of the nation;

The right to earn enough to provide adequate food and clothing and recreation;

The right of every farmer to raise and sell his products at a return which will give him and his family a decent living;

The right of every businessman, large and small, to trade in an atmosphere of freedom from unfair competition and domination by monopolies at home or abroad;

The right of every family to a decent home;

The right to adequate medical care and the opportunity to achieve and enjoy good health;

The right to adequate protection from the economic fears of old age, sickness, accident and unemployment;

The right to a good education.

But the achievement of this American Economic Bill of Rights will not come of itself. These rights will not come to those who merely sit and wait. Nor will they come through merely pious repetition. Our forefathers had to struggle for our political Bill of Rights; we will have to struggle for our Economic Bill of Rights. If we are going to make those Rights a living reality we must map out a vigorous and concerted course. We must set as our goal the implementation and fulfillment of the 8 self-evident truths which together constitute our Economic Bill of Rights.
The key to making this Economic Bill of Rights a part of the American way of life is as self-evident as are the rights themselves. The key is the wholehearted recognition by all our people of the simple fact that in America the future of the American worker lies in the well-being of American private enterprise; and the future of American private enterprise lies in the well-being of the American worker. The greatest single thing that this war has demonstrated on the home front is that when the American worker and the American businessman and the American farmer work together as one team, there are no limits on what America can accomplish.

But to work together as a team, however, there must be a common goal. In this war that goal has been the defeat of our enemies in the shortest possible period of time. In the peace to come the goal must be the well-being of America - and that is synonymous with the well-being of every American.

As I outline to you tonight my program for making each of these economic rights a part of our way of life, you will note this striking fact, namely, that to the extent that private enterprise grows in strength, the Economic Bill of Rights grows in reality - and to the extent that the Economic Bill of Rights grows in reality, American private enterprise grows in strength. Thus, all the measures which are proposed in this program for the
implementation of the Economic Bill of Rights are at the same time designed to make American capitalism and private enterprise work in the same great manner in peace as it has worked in war.

When I enunciated this Economic Bill of Rights last January I said that after this war is won we must be prepared to move forward, in the implementation of these rights, to new goals of human happiness and well-being. I asked the Congress to explore the means of implementing these rights and stated that from time to time I would have more to say on the subject.

Tonight, I want to discuss this Economic Bill of Rights with all of you. I want to outline how the adoption of concrete measures to implement these rights represents the very foundation of American prosperity in the years to come.

And I also want to emphasize what the implementation of these rights will mean to our service men and women. They have given America the opportunity to work out its destiny as a free nation in a free world. The America to which they return must be a land of economic opportunity in which they will find full opportunities not only for jobs but for economic advancement and independent enterprise in industry, commerce, agriculture and the professions. A grateful nation can do no less for her returning service men and women. The G. I. Bill of Rights
The first economic right is "the right to a useful and remunerative job in the industries, or shops, or farms or mines of the nation."

To assure the full realization of this right to a useful and remunerative job, an adequate program must provide America with 60 million productive jobs. We must have more jobs than workers; not more workers than jobs. Only with more jobs than workers can every man be guaranteed a job with good wages and decent working conditions. This requires private enterprise working at expanded capacity.

This necessary expansion of our peace time productive capacity will require new facilities, new plants and new equipment.

It will require large outlays of money which should be raised through normal investment channels. That to encourage the use of private capital the government authorize an accelerated rate of depreciation on new plants and new equipment. But while private capital should finance this expansion program, the Government should also recognize its responsibility for sharing
part of any special or abnormal risk of loss attached to such financing.

Therefore I propose that the Government guarantee the lender against all special and abnormal risks which may be involved. This will provide new and expanding industry with plenty of private credit at reasonable interest rates. Through this program we will merely be extending to the financing of old and new business the principles which have proved so successful in our experience with the V Loans, T Loans and the Federal Housing Administration loans.

I further propose that a comprehensive investment program dedicated to expanding the peacetime productive capacity of America is the very epitome of the American way of raising our standard of living. We build the plants for greater production so that all of us may share in their greater output. But greater output is not our only benefit from this plant expansion. In fact, our benefits also include the wages paid to the labor employed in building these plants, in constructing the machinery to be used in the plants and in operating the plants after they are erected. These payments as wages all contribute to the nation's buying power so that as a nation we will have more money with which to buy the goods produced by these expanded plants.

The importance of encouraging businessmen to expand their plants and to replace their obsolete or worn-out equipment with new equipment is far greater than appears at first sight. Economic progress depends largely upon the maintenance of a rapid rate of technological progress in industry. America is the great producer that it is today because technological advances in American industry have been the greatest in the world. By substantially accelerating the rate of depreciation for tax purposes we provide businessmen with additional incentives to expand their plants, replace old and obsolete machinery with modern equipment. That means more jobs for the worker, increased profits for the businessman, and lower costs to the consumer.
As a matter of fact a comprehensive investment program of this character could make possible $20 billion of new 
private investment each year. Why, just the job of 
building these plants and the machinery for them would give 
America 5 million more jobs a year than we had in this work 
before the war. And this does not include the workers who 
would be needed to operate these plants after they are built. 

In a nutshell, then, if we are going to have 
remunerative jobs for all, we must have an expanded private 
industry capable of hiring millions more men. I propose 
that the Government do its part in helping private 
enterprise finance this expansion of our industrial plant. 
It will be privately owned, privately operated and privately 
financed but the Government will share with the private 
investor the unusual and abnormal financial risks which 
may be involved in getting started.

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But, in providing jobs for everyone, we shall not only 
have to increase demand for our industrial and agricultural 
production here at home; but also abroad. Some parts of 
our industrial and agricultural production demand a high 
level of foreign trade to be efficient and prosperous. 
This is particularly true in our heavy equipment industries 
where our war demand will fall sharply but whose output 
will be needed by other countries for reconstruction and
development. The foreign demand for such farm commodities as cotton, tobacco and wheat will also be great if other countries have the opportunity to buy. We therefore must take steps, in cooperation with other countries to see that international trade and investment is resumed promptly on a sound basis.

This Administration has pioneered in the direction of international economic collaboration with its reciprocal trade program and the establishment of the Export-Import Bank. It has again taken the lead in suggesting international monetary stabilization and sound international investment measures - measures that are a fundamental prerequisite to healthy foreign trade and commerce. It was for the purpose of working out concrete measures of this character that I convened the United Nations Monetary and Financial Conference at Bretton Woods last summer. At the Bretton Woods Conference, forty-four countries agreed upon plans for an International Monetary Fund and an International Bank for Reconstruction and Development.

The International Monetary Fund, when approved by Congress, will aid the nations of the world in establishing sound currencies. It will clear the channels of foreign trade of discriminatory restrictions and controls so that there can be a genuine expansion of world trade.
With the help of the International Bank, American capital can play a great constructive role - and a profitable role - in the development of the economies of other countries. It will provide us with enormous post-war foreign markets. For our greatest markets are in prosperous, industrialized countries.

But America will not be merely a seller of goods abroad. A truly prosperous America - an America with jobs for all - will be a tremendous buyer of raw materials and products from abroad. It will be an America constantly enlarging the scope of our reciprocal trade agreements. It will be an America with the time and money to spend on tourist travel abroad as well as at home. It will be an America from which other countries can afford to buy more because they are selling more.

With Congressional approval of this program and with our program of jobs for all in this country - the foreign trade of the United States can be trebled after the war. This increase in our foreign trade should mean 3 million more jobs after the war than we had before the war.

Nor are the benefits of increased foreign trade and investment confined to increasing our prosperity. I want to emphasize that such cooperative measures for expanding international trade and investment are at the same time the economic foundation for a lasting peace. A prosperous world will be a world free of both economic and political
aggression.

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There is one further phase of this program of providing jobs for all which must be made an integral part of any long range program. That is the task of seeing to it that there are not just jobs for all next year - or for the year after that. No, we are talking about jobs for all as a permanent part of our American way of life.

But it is inevitable, however, that an economy of free enterprise like ours will have some fluctuation in the number of jobs it can provide. Adjustments in employment are an essential part of an expanding free economy. And for these minor fluctuations, we provide unemployment insurance. But we must not allow such fluctuations ever to deteriorate into panic or depression. We cannot again be caught in that vicious downward spiral of unemployment, wage cuts and stagnated business.

I say to you that whenever the number of gainfully employed in this country falls below 57 million, your Government must and will take prompt steps to see that new jobs are made available to keep the total from falling significantly below that figure. This is the floor below which we must not allow employment to fall.

The basic function of your Government in taking care of any such slack in jobs is to see to it that private enterprise is assisted until it can absorb this slack.
This is entirely possible. During the war the federal, state and local governments have found it necessary to put aside the construction of roads, buildings and public facilities to the value of many billions of dollars. We have a need, too, for vast programs of the type exemplified by TVA.

Some of this construction will have to be undertaken immediately after the war. A good deal of it, however, can be postponed so that its construction could be timed with periods when the volume of employment that industry, commerce and agriculture can offer begins to fall. We must have a reservoir of planned and approved federal, state and local projects ready to be tapped. And when employment falls below this floor of 57 million jobs, this reservoir of planned and approved public works should be opened up to provide more jobs and take up the slack.

Such useful and essential public works should not produce Government or "relief" jobs, however. No, they should produce private jobs. This is possible if we insist that this construction be done by private firms under contract with the Government; private firms employing labor at the prevailing rate of wages and under standard labor conditions.

This assurance of a reserve of private jobs, through constructive public works when needed to take up the slack, will have a profound effect on the whole direction of our
economy. In fact, the knowledge that Government accepts this responsibility of maintaining a floor under jobs will act as an immense stabilizing force on the whole economy.

II

The second economic right is "the right to earn enough to provide food and clothing and recreation."

America must remain pre-eminently the land of high wages and efficient production. Every job in America must provide enough for a decent living.

During the war we have been compelled to hold down wage increases that might have provoked runaway inflation. With all the arms and war materials we were producing, there was only a limited amount of consumption goods available. Increasing wages without increasing the amount of goods available to the consumer would have been an open invitation to inflation. By resorting to drastic price and wage control measures, I am proud to report that America is succeeding in holding the line against inflation.

However, the end of the war, even the end of the war in Europe, will change this picture. Then there will be more goods available for America to buy and it is only good common sense to see that the working man is paid enough to buy these goods.

The gains made by labor during the war must be retained in full. After the last war, as part of the process of returning to "normalcy", the old guard of the
Republican Administration adopted the slogan "labor must be deflated." This won't happen again. This time we must make sure that wage rates are not reduced when the wartime demand for labor is diverted into peace time channels. We must make sure that the labor market is not broken by unemployment and wage slashes.

I can say now that so long as I am in the White House, American labor can be assured that there are not going to be any wage cuts that I can stop. What is even more important - I am going to see that when the worker's hours are cut back to peace time levels a real attempt is made to adjust wage rates upward.

And I propose that wages should be constantly increased as the productivity of industry is increased. An expanding American economy can continue to expand only if the increased productivity is divided equitably between business and the worker. In fact - you know, and I know, that unless the worker does get his share of America's increased production in the form of increased wages and unless business gets its share in the form of increased profits - neither will prosper and all will lose.

But an increase in wages is not the only benefit the American worker should secure from increased productivity. He should also benefit in the form of shorter hours of work, in the form of increased leisure and opportunities for healthful recreation. Thus increased wages and shorter hours go hand in hand in solving prosperity the American way.
There is one further aspect of the wage-earner's problem that I want to touch on tonight. That is his aspiration for an annual wage or guaranteed annual income from his job. It is a terribly important part of any real attempt to implement America's Economic Bill of Rights. The size of the wage-earner's pay envelope is important - vitally important to American prosperity. But we all know that it is equally important to know how many pay envelopes he gets during a year. I want to see him get a guaranteed minimum annual wage and I think the time has come for America to begin tackling this most difficult problem.

Now this goal cannot be attained overnight. It cannot be achieved in a manner to harm business. Nor can it be achieved with the same speed in every business.

But we can start on the job of giving labor an annual wage. We can do a lot if we all will only agree that it is a problem business and labor must solve and if we all approach the problem with a genuine desire to succeed. And Government must do its part too. It must aid business in stabilizing its labor needs so that the burden of an annual wage will not be uneconomical. This in my opinion is the American way to bring about the annual wage and I have confidence in the American way of doing things.

III

The third economic right is "the right of every farmer to raise and sell his products at a rate which will give him and his family a decent living."
American farmers now have by far the largest farm income in history. This is their due reward for the greatest agricultural production in history. We must assure the farmers that there will always be a market for all their output at good prices. Concretely I propose to maintain an adequate floor on farm prices and thereby assure the farmer against the dangers of falling prices for his products. Our farm program must be one of expansion rather than curtailment. With jobs for all at good wages and with foreign markets greatly expanded, the farmer will be able to sell at good prices all that he can raise.

But this is not all. The farmer's income must have stability. To that end, I propose to establish a comprehensive federal crop insurance program which will secure the farmer against the hazards of crop failure. To this must be added concrete steps to raise the standard of living on the farm and in the rural areas. We need a complete program of new and modernized homes and farm buildings. We must press forward with rural electrification and improvement. Only in this way can we bring to the rural communities modern facilities for decent and healthful living.

IV

The fourth economic right is "the right of every business man large and small to trade in an atmosphere of freedom from unfair competition and domination by monopolies at home and abroad."
Where this Administration is to be distinguished most sharply from some others is in its refusal to curry favor with big business or entrenched monopoly. Our Economic Bill of Rights like our political Bill of Rights is based on freedom of enterprise - freedom of enterprise not merely and exclusively for the few, but broadly and inclusively for the many. The political Bill of Rights insured the destruction of special prerogatives and privileges. The Economic Bill of Rights will insure the destruction of special economic prerogatives and privileges.

No special class of business deserves to be the spoiled darling of government. This Administration has been mindful from its earliest days, and will continue to be mindful, of the problems of small business as well as large.

We must break through the barriers of monopoly and international cartels that stand in the way of a healthy expansion of free enterprise. Against these real enemies of free enterprise we shall continue unremitting warfare.

We must overcome the monopolistic frame of mind which thinks of business in terms of restricted output at high prices per unit. We must pass on to workers and consumers the benefits of technological progress and large scale production. Free enterprise in the American tradition can flourish only by doing a large volume of business at a small profit per unit.
My Administration is determined to protect free enterprise against monopolies and cartels through continued vigorous enforcement of the anti-trust laws. Private enterprise yields its full advantage to the consuming public and to other business only when it is genuinely free and competitive. Beware of that sinister enemy of free enterprise who pays lip-service to competition but also labels every anti-trust prosecution a "persecution."

Our economy has important new expanding sectors in air transport, frequency modulation, television, synthetic rubbers and fibers, plastics, and many other fields. These new expanding areas in particular must be kept free of the constricting hand of monopoly. There must be a place in them - as everywhere in our economy - for enterprising small firms. It is from these new and small firms that the great industries of the future will grow. We need new industries, new firms to have industrial progress and shall not permit them to be stifled by monopoly.

V

The fifth economic right is "the right of every family to a decent home."

Concretely, I propose that we adopt a housing program looking toward the construction through private enterprise of 2 million housing units a year and ridding this country of its urban and rural slums. We need to build at least
15 million new housing units if we are to eliminate all our slums and sub-standard dwellings. The right to a home is meaningless when that home is a shanty. We cannot afford slums.

A well-housed America must have modern homes - homes with all the latest electrical and mechanical equipment which will eliminate the drudgery of household work. We must be a land of homeowners, and to that end we must assure every family an opportunity for home ownership by making certain that there is available private credit on terms which will reduce the down-payment and out by one-third the monthly cost of buying homes.

New residential construction and the modernization of America's homes alone can provide jobs for 4 million people a year. This is 2 million more than the maximum amount engaged in such work prior to the war.

VI

The sixth economic right is "the right to adequate medical care and the opportunity to achieve and enjoy good health."

As Selective Service has revealed, too large a proportion of our younger men now fall below reasonable health standards. This is a warning signal to America with respect to the state of health of all segments of our population. This condition calls for immediate and drastic action.
We cannot permit the health of our people to be impaired by poverty or lack of medical and hospital facilities. I say to you that your Federal and State Governments have just as much responsibility for the health of their people as they have for providing them with education and police and fire protection. Health and adequate medical and hospital care are not luxuries. They are basic necessities to which all are entitled.

We must see that medical attention is available to all the people. But this health program must be achieved in the American way. Every person should have the right to go to the doctor and hospital of their own choosing. My program calls for the Federal and State Governments to work hand in hand in making health insurance an integral part of our Social Security program just as old age and unemployment benefits are today. And these health insurance benefits must be adequate to provide private medical and hospital care for every person in the United States.

We need more clinics and hospitals and doctors. I propose that we make sure that such facilities are available and that we aid in the financing of clinics and hospitals in every community, rural and urban, that does not now have such facilities for all of its people.
Never again can we afford the waste of poor health in America because of poverty or inadequate facilities. And I say to you now that this program will prove in the long run to be a saving to America.

We must not be content to provide medical attention for people after they become sick. We must implement and extend our knowledge of preventative medicine. To the end that we shall be much better able to attack diseases and to prevent illness, I propose that the Government appropriate needed funds to finance a greatly expanded program of medical research in private and public institutions.

VII

The seventh economic right is "the right to adequate protection from the economic fears of old age, sickness, accident and unemployment."

We must assure people who are disabled and temporarily unemployed that they will be taken care of adequately. We must assure them that they will not be in want because of loss of income during this period of compulsory unemployment. We cannot neglect these groups without incurring serious dangers to the stability of our whole economy.

But we should be wary of those who only pay lip-service to the principle of Social Security but have a sorry reputation when it comes to delivering on their promise. In 12 years of Republican Administration this, the richest country in the world, fell far behind other
industrial nations in the development of Social Security legislation. Every step in the establishment of our social security system has been fiercely resisted by the Republican Old Guard. Even now while advocating the extension of social security in vague, vote-catching terms, the Republican party evades all major concrete steps to expand Social Security. The Republican candidate for the Presidency, some weeks ago, made his formal obeisance to the need for Social Security by limiting his remarks to a few piddling generalities.

Meanwhile, for more than a year, there has languished in Congress a carefully-drawn, comprehensive Bill to extend the coverage and increase the benefits of Social Security. I refer to the Wagner-Murray-Dingell Bill, introduced into Congress by three liberal Democrats. It gives effective universal coverage and provides benefits for old age, unemployment, medical care and disability. Yet no prominent Republican - in or out of Congress - has raised his voice in support of this Bill. That in my mind is the tip-off of what America can expect when the "chips are down."

Being introduced in wartime, when we have been concerned about restraining consumers’ demand rather than expanding it, the Wagner-Murray-Dingell Bill will need to be revised to suit our postwar world - revised in both its scope and method of financing.
A broader program will be needed after the war. Old age insurance should be adequate to provide all of our older men and women with the means for decent living. Our present old age benefits are definitely inadequate. I propose that we immediately establish the principle of giving a minimum Federal old age pension of $60 per month to every person who has reached the age of sixty. This minimum $60 per month pension should be available to every man and woman over the age of 60 who makes application. If both husband and wife are over sixty, this will mean a monthly income of $120 per month. It should be deemed to be a right, not a charity, a right springing from the years of service each person delivers to the sum total of a better America.

This social security program will, of itself, by adding to the spendable purchasing power available to the people and by placing a floor on consumption, add from two to three million jobs a year.

VIII

The eighth economic right is "the right to a good education."

We must have an educated and informed America. Even now most of our rural areas and some of our urban areas are poorly provided with schools. Our teachers are underpaid. Our schools are badly understaffed. We need more schools and at least one-half million more teachers.
Through Federal aid to poorer communities for the development of locally controlled educational programs, we propose to equalize and extend educational opportunities throughout the land. We propose to provide facilities for technical and higher education for all qualified young men and women without regard to their financial means. In this America, the pioneer of free education, the right to technical and higher education should be as universal as the right to a secondary school education.

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This is the program that will bring to reality our Economic Bill of Rights. It is a program that will provide jobs, economic security and rising standards of living for all Americans - regardless of race, color or creed. Our democracy can be a living force only if it means the good life for all the people.

The millions of more productive jobs that this program will bring are jobs in industry. They are jobs based on the expanded demand for the output of our economy for consumption and investment. And this program need place no real burden on the Federal budget, notwithstanding the reduction in taxes which must come after the war. On the contrary, a program of this character can provide America with a national income of $200 billion. With a national income of this magnitude it will be possible to reduce the tax rates still further on personal incomes, on business profits, and on consumption, and still collect enough tax revenues to meet the needs of the Government, including orderly retirement of the national debt.
This, my friends, is our immediate goal, once final victory over our enemies has been achieved.

Now there will be, I am sure, those who will say that the goal which I have set for you is fantastic. These are the persons of limited vision and blunted imagination. These are the same persons who said I was dreaming when I declared in 1940 that the American people would produce 50,000 planes in one year. In fact the American people produced over 100,000 planes in one year. These persons also labelled 8,000,000 tons of shipping in one year a dream. The American people actually produced ____ tons. 45,000 tanks was supposedly another dream. In fact we produced _____. And these are also the same persons who scoffed at the idea that America could in less than 4 years build the greatest Army, the greatest Navy and the greatest air force in all the world. Do these Monday morning quarterbacks have that great faith in the American people, and in their way of life, which is required in order to understand the meaning of America?

And yet these same great visionaries who see but dimly into the future have excellent hindsight. As the great events of history march forward, while they look back, they are at least able to recognize what has passed them by. Only then do they shake their heads wisely and proclaim that of course it must be so. They have seen it with their own eyes. Thus, for example, they say, and I
am quoting:

"Of course, we need security regulation. Of course, we need bank-deposit insurance. Of course, we need price support for agriculture. Of course, the farmers of this country cannot be left to the hazards of a world price while they buy their goods on an American price. Of course, we need unemployment insurance and old age pensions and also relief whenever there are not enough jobs. Of course, the rights of labor to organize and bargain collectively are fundamental."

I suppose that after this program to which my Administration is pledged has become an accepted part of our way of life, the battle-cry of the hindsight artists will go something like this. They will say that of course the right to a useful and remunerative job in the industries or shops or farms or mines of the nation is self-evident; of course the right to earn enough to provide adequate food and clothing and recreation is self-evident; of course the right of every farmer to raise and sell his products at a return which will give him and his family a decent living is self-evident; and of course this and of course that. Oh, I forgot - there is one more "of course" that they will add. They will say "Of course, we could have done it better."

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I am confident, however, that the great majority of the American people share the same great faith in America and in the American way of doing things which I have expressed tonight. We know our way and the road ahead is straight and broad although there are many hills which we must climb. The program which I have set forth is only the first milestone, for the capacity of the American way of life in the years to come is beyond the vision of man. The American system of free enterprise is the best the world has ever known and through it we can obtain, God willing, the best that this world has to offer.
ADVANCE TEXT of an address to be delivered at
approximately 8:30 P.M., Tuesday, October 17, 1944
at the third session of the NEW YORK HERALD
TRIBUNE FORUM ON CURRENT PROBLEMS at the
Waldorf-Astoria Hotel in New York.

By Henry J. Kaiser, President
Henry J. Kaiser Company

"Jobs for All"

Good evening, ladies and gentlemen. On this one fact, there
is unanimous agreement: every man in the American Forces has the
right to come home not only to a job, but to Peace. Anything less
would be a denial of the true American way of life.

Peace means so much more than a cessation of hostilities!
Peace is a state of mind. It is based on the sense of security.
There can be no peace in the individual soul, unless there is
peace in the souls of all with whom we must live and work.

"Jobs for All" could well be the first slogan for a "just
and lasting peace." But the recognition of the need will not
create employment. The real problem is how! It is to this question
that I want to speak tonight.
When I heard Mrs. Reid’s challenging theme for the Herald Tribune Forum, I, too, wanted to be numbered with her among the "Builders of the World Ahead."

No one in the Forum audience last night, and no listener on the air will ever forget the stirring challenge from Lt. Bolte and Sergeant Caldwell. There can be no doubt that they spoke from the mind and heart of every man in uniform.

I have always believed that the future belongs to youth; it is theirs to build. Here is an opportunity to help youth see the pattern emerging out of a great surge of social forces. There must be purpose in the cause to which a whole generation of youth is giving their lives.

Can we shut out the world a few moments; close our eyes and let in the vision of this "World Ahead"!

Think of homes - not just shelter against the elements - but homes in the true spirit of the word. Millions of our people have never known what home really means in terms of space, light, sunshine, trees and comforts. Recently, I visited a unit of 400 such homes. With the thrill of accomplishment, the builder told how his dream had come true. The formula was simple: uniformity only in service units; wide selection in design and color; spacious lots, and good materials. From these ingredients he made houses so attractive that the owners straightway set about making them into homes. A community nursery supplied shrubs and trees, for as
little as ten cents each. "The down payment", said the builder, "is only the first step, but when the buyer has put two Saturday afternoons into making a garden, he is sold for good." The project provided broad streets and landscaped parkways. There was comforting release from the dread monotony of the all-too-typical industrial town.

I am convinced that two million homes should be built for ownership or rental in the first year and a half after conversion. There is the demand for many more. At least this many families can make a down payment. The monthly installments can be low. Financial agencies, both public and private, will carry the contracts at reasonable rates of interest. This means an expenditure of eight billions. It also means immediate employment for four million workers.

In the first peace year, there will be an actual demand for three billion dollars' worth of repairs and renovations in existing housing. This could well employ an additional one million, four hundred thousand workers.

With limited exceptions, the law requires that nearly five hundred thousand temporary and stop-gap units be torn down. We cannot allow this war-housing to become the slums of the future. Here also are jobs for thousands.
Often I am classified as a dreamer, particularly when I talk about health insurance. To live abundantly and take part in a productive economy, our people must have health. This is not only a matter of medical science, but of facilities. Health service can be rendered on a self-sustaining insurance basis, at a price well within the reach of all. The cost of such medical care might be incorporated in the monthly payments on the home, freeing the American family from the fear of illness and the loss of income!

We can go further and insure the payments when illness overtakes the head of the family. If American industry builds and equips modern hospitals in one thousand American communities in the first year after the war, prepaid medical service could then be organized around these facilities. The five hundred million dollars so spent will generate employment for two hundred and fifty thousand workers. I am speaking from the experience of operating seven hospitals on this basis. It is encouraging to read recent announcements that public health authorities are now thinking along these lines. Organized medicine is beginning to see the wisdom of this sound principle.
Think of highways. Think of them as already foreshadowed in the beautiful New York parkways. Great six and eight-lane arterials, parked with trees and lawns. Think of relieving the congestion in our city streets; breaking the bottlenecks in the metropolitan areas; opening up the suburbs to the health and happiness of rural life. The President's Committee on Highways recommends three billion dollars annually. This would supply jobs for one million, five hundred thousand workers.

Think of the highways as the servants of the new air world which is already a reality. Dare to envision five thousand airports ready to serve the youth who have learned to live and work in the air. The CAA has budgeted a billion dollars of federal aid for three thousand such airports. If they are built in the first post-war year, they would supply employment for four hundred and fifty thousand workers. Post-war demand for private airplanes will probably exceed one hundred thousand units. There must be airports to make such production possible.

Think of automobiles. The day of low-priced transportation, with a low operating cost per mile is at hand. The automobile industry has promised six million passenger cars in the first peace years. Many potential buyers will be disappointed. An additional output of utility cars would bring to many homes a car for service, as well as pleasure.
Automobile manufacture will provide direct employment for three million, two hundred and seventy-five thousand workers.

The combination of these two essentials - the automobile and the airplane - will attract a hundred thousand American families. They will drive their car of the air as simply and as often as they drive their car of the road. The family plane and the helicopter are nearer than we think. The age of the air is upon us. The highways and the skyways are one. It will require two hundred and twenty-five thousand persons to build these planes.

Think of railroads. They will not only survive, but prosper, in the "World Ahead." Designs are being completed for trains to be dispatched and controlled by continuous radio communication; fast trains built of light metals. Employment in this field alone, could keep four hundred thousand workers fully employed, not only for the first year, but for many years in this basic and essential industry.

Think of the opportunity to lease-lend or sell on the auction block a great part of the equipment which we have now outgrown. Many countries could use it to immense advantage in their present state of economic development. This is a prospect of tremendous promise.
Think about finance in the "World Ahead": a banking system, fortified to provide the incentive of risk capital; a fiscal policy encouraging obsolescence; write-offs which would send outmoded equipment to the junk pile; depreciation stimulating every scientist and inventor to create the new and to improve the old in productive equipment.

The total volume of employment thus far mentioned is eleven million five hundred thousand. And I have named only four of many essential industries!

Think of the vast number in the service industries. For every worker in manufacturing and mechanical lines, more than two are required to provide everyday essentials - farmers, clerks, telephone, radio, power, light and transport operators, barbers, postmen, and a hundred other similar activities.

The economists are now talking about the "multiplier." Don't ask me how to apply it! I'll just ask you to do the multiplying! Eleven and one-half million engaged in building houses, highways, automobiles, airports, and transportation. Two to one occupied with providing everyday needs. We don't need a sharp pencil to add it all up. To me this indicates jobs for thirty million persons - well over one-half of the post-war labor force of the United States.
Construction and transportation are the most powerful forces in the business cycle. Therefore, I venture the assertion that these four social economic factors - the home, hospitals, transportation and highways - would bring into play the immense power of the entire enterprise system. Under their stimulation, the whole economy would move forward on every front.

Think about foreign trade! Every thinking American knows that hope belongs to the world. Foreign trade must play a great part in "Jobs for All." It carries the concept beyond our borders to every nation on earth.

At last we have a Merchant Marine which can take an equitable place in world shipping. But we have to remember that a number of nations live by this business. There is a growing list of things we need from the rest of the world. We are getting ready for foreign trade which will employ many thousands. We have come at last to see that foreign trade is a two-way street. We must buy as generously as we hope to sell. Here again, it is time to do, as well as talk.

The possibilities for production in the "World Ahead" are fantastic; the greatest pent-up demand in modern history; the greatest productive capacity ever known; the most enlightened scientific force; the greatest amount of genius and invention.
Best of all, a generation of youth, blessed as never before, with ingenuity and courage, millions of young men learning in the hard school of war: how to meet emergencies with the tools at hand; how to improvise; how to overcome terrifying obstacles; how to press forward, not only against a ruthless enemy, but against the elements and the terrain; how to endure hardship; how to sacrifice; and, most important of all, how to win.

I have now asked ten times that we think about our economic future. Just what good will such thinking accomplish? None, unless we do something about it. We have reached that stage in a world crisis where industry faces its greatest task, namely, to continue every essential war effort, and, at the same time, to organize for peace.

I am not an economist, nor am I trained in social politics. - but this one thing I know: If we are to escape the booms and depressions of the business cycle, costs must be reduced, and living standards raised. In the prewar economics, reductions in cost were all too often made at the expense of labor. Therefore, purchasing power declined. There can be no doubt that the major portion of everything produced represents labor - from the mine and the forest, to the most intricate finished product. Therefore labor must benefit in the improved technology in the "World Ahead."
Remember, youth will not be handicapped by the prejudices or blindness of an outmoded past. The men and women who have accomplished the impossible in defense, in war, and in sustaining a war effort throughout the world, are not apt to be afraid. Our nation was created by men of faith, against obstacles such as you or I have never known. Our country is sustained by men of faith today in the midst of battle. There will be "Jobs for All" if the men of faith have their way.

************
Hello.
All right, go ahead.
Hello.
Hello, Henry.
Hello, Ed.
How are you, sir?
Fine.
Some of the political boys of the Department are asking how we stand on French Lend-Lease.
Yes.
I understand that's in your lap.
No. It's just under where I sit.
Under where you sit?
Yes.
Not in your lap?
No, sir.
What -- what's the plan?
Just sit.
Just sit?
Yeah.
Indefinitely?
No, but the President and Mr. Churchill said to sit for a while.
Yeah.
That's what they ....
But now we've recognized ....
I don't think that had anything to do with it, Ed.
Huh?
I don't think that had anything to do with it.
Has nothing to do with it?
No.
Well, now, what do we say to the French on the diplomatic level? When they came in on August the 23rd and we agreed, as I understand with your permission, to start negotiations and nothing has been done since. Now, we're getting toward November.
Well, supposing you ask the President the next time you see him.
Ask the President?
Yeah.
As to what he wants -- well, Henry, I understood he referred it to you.
He did, but all of these things like this -- how shall I say -- spring from him.
Yeah, well now you know that I'm not going to be able to spend much leisurely time with the President in the next little while.
Yeah.
And here we -- we're -- our fellows are -- we've got a full Ambassador now and the French are needling the hell out of our -- our fellows -- our Jimmy and Doc Matthews and we've got to say something to them.
Well, we gave the President a memorandum on it and it came up the time that the two of them were together and the both of them said just to sit on it.
Yeah.

HMJr: I recommended that we sit on it.

S: Uh huh.

HMJr: This has to do with reconstruction.

S: Yeah.

HMJr: But ....

S: Well ....

HMJr: .... it's a thing -- I mean, if you want to discuss it, I mean, I'm available. I can't do it on the phone.

S: Yeah. Okay, Henry, I'll -- I'll try to be in touch with you about it.

HMJr: Yeah, but I hope -- don't misunderstand me -- I hope I'm not going to read about this one now -- that I'm the fellow that's sitting on it.

S: Well, now, listen, you've never read a damn thing that I've ever leaked on you.

HMJr: No, but there are people over there that do.

S: Well, now, who? I wish you'd tell me.

HMJr: Well ....

S: I wish you'd tell me, Henry. It would be helpful if you would.

HMJr: Well, I -- all I know is that -- what the people say -- I mean, and ....

S: Well, they tell me about what -- what -- about your fellows, too, leaking all over town. I mean, you don't -- you and I don't want to have a misunderstanding on those things.

HMJr: No, but it's easy enough to throw a red herring but there's nothing in it for me to leak about this so-called Morgenthau Plan.
S: Well, do you think that came from the State Department?

HMJr: That's what I'm told.

S: Well, I think I can -- I think I can prove differently.

HMJr: Well, I wish you would.

S: I think you're wrong on that.

HMJr: Because I'm -- I'm not going to take -- wherever this stuff comes from -- I know it didn't come from the Treasury because it would be stupid to let it out of the Treasury and you know what happened up there. I mean, there's no reason why we should have aired it, but anyway, the strong inference was, and I'm not going to say it on the phone, but I'm perfectly willing to tell you any time I see you, that it did come from there.

S: Well, I'd like to see you and talk it out because I've -- I have a different impression entirely, Henry.

HMJr: Well, the first time we meet when we're alone let's talk about it.

S: All right, thank you very much.

HMJr: Thank you.
Dear Mr. Crowley:

This is in reply to your letter of October 17 concerning payment by the French of the outstanding obligation for civilian lend lease supplies delivered to French North and West Africa.

In advising the Treasury representative in Paris that he was transferring $50 million as a part payment of the existing debt for civilian supplies sent to French North and West Africa, the French Minister of Finance stated that the payment was made because he did not know the exact total of the indebtedness. The French Minister of Finance expressed his intention to settle as soon as possible the balance of the French debt to the Land Lease Administration and informed the Treasury representative that he was instructing his representative in Washington to reach an agreement with the Land Lease Administration as to the balance which remains to be paid. A copy of the note received by the Treasury representative in Paris from the French Minister of Finance is attached.

Officials of the State and Treasury Departments are now working out a procedure whereby the $50 million payment can be effected and it is hoped that the payment will be consummated within the very near future.

Payment to the French of the dollar counter value of the net troop pay has become involved in accounting difficulties which may not permit a transfer to be made for some weeks. The War Department reviewed the matter of proper accounting and issued new instructions to the field. Such dollars when made available may, of course, be applied against the outstanding obligation for civilian lend lease supplies, if the French so desire.

Very truly yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury:

Mr. Lee T. Crowley,
Administrator, Foreign Economic Administration,
Room 414, National Press Building,
14th and F Streets, Northwest,
Washington 4, D.C.

Enclosure.

46:

Regraded Unclassified

10/24/44
THE HONORABLE
THE SECRETARY OF THE TREASURY
WASHINGTON, D. C.

Dear Mr. Morgenthau:

Thank you for your reply of October 6, 1944 to my letter of September 18, 1944 concerning the application of the dollar counter value of troop pay of American troops in France to the outstanding obligations of the French for lend-lease supplies delivered to French North and West Africa.

Just prior to receipt of your letter I addressed a second letter on this subject to you dated October 5, 1944 in which I mentioned the fact that the obligation of the French for such supplies exceeds the fifty million dollars which the French are in the process of transferring to the United States Government, and there will be additional supplies furnished to Metropolitan France, as well as to North and West Africa, for which subsequent obligations will arise.

The length of time during which the existing indebtedness referred to above has been outstanding has caused some difficulty, and, in view of Mr. Valensi's letter to you of September 4, 1944, it would seem desirable to liquidate these amounts as soon as convenient from the troop pay dollars which are becoming available to the French. There is, of course, no question of the intention of the French authorities to meet their obligations in full; it is merely a question of the application of these available assets to specific obligations.

Sincerely yours,

Leo T. Crowley
Administrator
CONFIDENTIAL

October 24, 1944

In talking with Harry White at lunch I said that, thinking out loud, I realized in my own opinion that what the British are asking us to do is almost impossible if we take their figures at face value and that we have to approach it from some new and rapid manner, and I compared it to some international business that has its selling agencies all over the world that had lost its sales outlets and who had converted the home factory in the United States to making munitions. It seemed to me that in order to recondition that business, or the British Empire, the British Empire would have to give up some of its activities.

I raised the point that if we go on the assumption that the British navy is worn out and antiquated and they are expecting us to recondition it at great expense and at the expense of the American taxpayer, that with all the enemy navies out of the way, once we have defeated Japan why couldn't we say to the British and to the Russians, for example, there are a million units of navy fighting vessels and that we keep the biggest proportion and then either give or lease the remaining proportion of modern fighting ships to the English and the Russians and the three of us police the world, and this would keep us from spending a lot of money to recondition the British navy. White's comment on the plan was "it's too intelligent, too rational". However, I want to pursue it.

Furthermore, I want to raise the point with Admiral Leahy whether or not we need as large an army for the British Empire as they have to win the war. By that I do not mean I want to substitute our soldiers for their soldiers, but it does seem to me that there are certain theatres of the war which are getting us nowhere, particularly manned by the British for prestige purposes, which could be given up. For example, I would like to know where it is getting us by having
a million troops, or whatever the number of troops is, in India and what does it accomplish. Any chance of invasion of India on the part of the Japanese is out of the question and I would just like to raise the question why not withdraw all troops from India and certain troops from the Middle East. If either of these plans could be worked out it certainly would cut down the expenditure of the British Government by vast amounts and I gathered from White that Keynes raised the question in a conversation that he did not see why they needed to spend nearly so much for troops in the Middle East.
October 24, 1944

Dear Eleanor:

I have asked for a report on Ralph S. Savage, and have decided to have him reinstated and given another chance.

Affectionately yours,

(Signed) Henry

Mrs. Franklin D. Roosevelt,

The White House.
October 17, 1944.

Dear Henry:

I wonder if you could have him investigated and if he seems a good risk, give him a chance?

Affectionately,

[Signature]
OCT 13 1944

Mrs. Franklin D. Roosevelt
Washington, D. C.

My dear Mrs. Roosevelt:

For weeks I have been storming the Gates of Heaven with prayers for my reinstatement to a position in the government employ. Last night, in a dream, I was directed to write to you and explain my unenvied predicament. I was assured that you would aid me. I trust you will bear with me while I relate my "Case History" and place my problem before you.

At the outbreak of World War I, I was employed in the State Senate of Albany (Democratic appointment position). I resigned my position immediately, and enlisted in the 372nd Regiment. After serving for the duration, I was honorably discharged as an Army Sergeant on Jan. 18, 1919.

Shortly afterward, I attained a position in the Internal Revenue Department, 3rd District N.Y. (Democratic Political Appointment) as a field deputy.

For more than twenty years I held the position and had a splendid record.
Gradually a faithful service, then something happened in my private life which upset me emotionally and changed the whole course of my existence. Through mismanagement of the executorship of my father's estate, I lost an inheritance which I had counted on very much indeed. I started to drink very heavily as an escape from mental worry.

While in a stupor from liquor (often more liquor) on several occasions I spent government funds which I had collected. This went unnoticed for sometime. During this period, I was under the care of a physician who afterwards declared that I was too ill to be accountable for my deeds.

However, I suddenly came to myself and realized what I had done. I consulted my Father Confessor. He advised me to repay the money. I knew that by doing so it meant the discovery of my deeds, but I so wanted to make amends and clear my conscience that I did not hesitate. The result was I was dismissed from the service with prejudice; though I must have been obvious to my superiors that I was sick in mind.

For months then disgraced and broken-hearted, I tried to drink myself to death but God willed otherwise.

Then came the end and the attack on Pearl Harbor. This caused me to realize what else I had done. At last, I saw a way to repay Uncle Sam for my sins.
I tried immediately to enlist in the army but was rejected because of my age. A short time later, however, the Marine Corp sent out an appeal for men who had been Sergeants in World War I. I answered the call and was accepted on April 8, 1917, at the age of 47 years.

If you recall conditions at Parris Island at the beginning of the war, perhaps you can imagine how difficult and torturous it was for me, in my advanced years, to undergo the rigors of Marine Boot training there. But the pain in my heart was greater than other physical pain, and my determination made good keep me on my feet through it all, while dozens of strong young men but half my age dropped unconscious from physical exhaustion.

Well, I made it, thank God! At last I was a Sergeant in the Marines and so happy once again to be working for and with the Government of my country that it brought tears of gratitude to my eyes. I served to the best of my ability, and did everything in my power to make life a little sweeter and less harsh for the hundreds of young Marines with whom I came in contact. I was "Puf" A the Marine Corps for 2 1/2 years until I was honorably discharged on Sept. 20th last.

Then my trouble began again. You see Mr. Roosevelt it is extremely difficult for me to obtain a position because having always held Government appointments, I have
had no training whatever, for any other field of endeavor.

In all, including my service in both World Wars, I have been in government employment for some twenty-six years. That you will agree is a great interval of time to spend when seeking employment elsewhere. Then, too, fifty years in a late age to commence a period of training for such an exacting employment.

Now, Mrs. Roosevelt, (having obtained my honorable discharge and feeling that I have fulfilled my debt to my country) I beg leave to make this request of you. I shall be proud enough to exert your influence in having me transferred to a position in the Internal Revenue Department in one of the New York Offices. I should be entitled to have any clerkship, and am not particularly seeking the position of Field Deputy formerly held by you for so many years.

Though fifty years of age, I make a fine personal appearance and was declared in perfect physical condition by the Navy Medical men who examined me a short time ago. I am definitely employed.

My need is very great. Mrs. Roosevelt, I shall try someone nearer recently that William the ever great of the Great.
can hold out? They turned to 
your aid and our wish is to hold out, for
my daughter's sake, a friend and
fellow-fighter has been missing our army
since Sept. 13th and from information
derived from her - there is little chance of
her being captured, given that there is a two-
month-old daughter whom he has never
seen. I have the feeling that I must be
responsible for daughter and my daughter
for years to come. Therefore, I am more
than anxious to obtain a position imme-
diately, and prepare myself to accept the responsibility

You may wonder why I do not appear
hesitant to approach you upon this
matter Mrs. Roosevelt, why I do not fear
you may consider me presumptuous.

Frankly, my dear lady, it is because
I consider you among the few truly great
women of the world, and only the few
great are mindful of the trials and
domestic problems of those less fortunate than myself.

Few people have suffered more deeply because
of an error than I have Mrs. Roosevelt. I am
descended from, and I can assure you, that one
with an opportunity to work for my government
again, my record will exceed your

Ireland, the one I proudly held
near to my misfortune) for twenty years.

I feel that you will have compassion
on me and aid me. In return I can
only promise you my undying grati-
tude and the perpetual prayers of
my entire family for your welfare
and for the well-being of each and
every member of your family.

Sincerely yours,

Ralph F. Savage
My dear Mr. Attorney General:

I desire to call your attention to the situation existing in Philadelphia which is causing the Department considerable concern.

As you may know, there has been a rather widespread attempt throughout the country to make loans upon or to advance the redemption value of United States Savings Bonds. This is particularly prevalent in the case of workers buying under the payroll deduction plan and who naturally can less afford financial loss in connection with their purchases. The general mode of operation is for the bondholder to take his bond almost as soon as he receives delivery, to a loan shark or other person or organization operating in this field, and execute the request for payment, which is sometimes properly certified but more often certified by a notary public, I believe in many cases without the personal appearance of the registered owner. The owner then receives amounts varying from $12 to $15 for a bond, the redemption value of which is $18.75, and sometimes executes a power of attorney for the collection of the check. In at least one case the power is contained in a book at the head of each page, and all purchasers sign the book. Obviously such powers are not certified or acknowledged in accordance with Treasury requirements. The check, in accordance with the request, is delivered at the address of the person advancing the money. In many instances I believe the endorsements are forged.

The Department has taken such steps as are possible for it to break up this practice and generally has had very satisfactory co-operation from United States Attorneys where, through the Secret Service, it could be developed that a criminal offense had been committed, either by forgery of the endorsement on the check or through a conspiracy entered into by the owners, the persons advancing the money, and in some cases by certifying officers. One such case, that of Mr. and Mrs. Sonnenberg, doing business in Camden, New Jersey, was very vigorously attacked by the United States Attorney for that district who afforded the Secret Service of this Department the very fullest cooperation in the arrest of the two Sonnenbergs and their preliminary hearing. This case is still pending.
An equally flagrant case arising in the City of Philadelphia
while presenting equally vicious practices and what seemed to us
very clear evidence of forgery, has not been prosecuted, the United
States Attorney in Philadelphia taking the attitude that the man
should be warned. This man, James F. Lane, has carried on a very
extensive business of this character among the colored population
of a section of Philadelphia. He has several places of business and
has been carrying on this practice for some little time.

The Sonnenberg case received great publicity in the Philadelphia
newspapers. The activities of Mr. Lane were fairly well known and
were thoroughly investigated by the Secret Service. It has been a
cause of considerable embarrassment to this Department and to the
Federal Reserve Bank of Philadelphia, in whose district both cases
lie, that such diametrically opposite views have been taken by the
respective United States Attorneys.

I will appreciate it if you would issue such instructions as
may seem fit to the United States Attorney at Philadelphia in order
that the Lane case may be prosecuted with full vigor. That case
happens to be one of the most flagrant which has come to my attention
and the man already has a record of a number of arrests for various
offenses.

Very truly yours,

(Signed) M. Morgenthau Jr.

Secretary of the Treasury

Honorable Francis Biddle
Attorney General
Washington, D. C.

TWCunningham:fbs:10/20/44
MEMORANDUM TO THE SECRETARY

I am enclosing a list of the special items valued in excess of $50,000 as of October 23, 1944.

E. L. Olrich
Assistant to the Secretary

Enclosures
## Property for Disposal

### Special Items, Cost to Government in Excess of $50,000

**As of October 23, 1944**

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Unit Cost</th>
<th>Cost to Govt.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Furniture</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beds and cots, used</td>
<td>83,000</td>
<td>$3.50</td>
<td>310,760</td>
</tr>
<tr>
<td>Includes wooden, double-deck bunks; steel, single beds; folding, wood and canvas cots.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Pillows, used</strong></td>
<td>914,000</td>
<td>.73</td>
<td>667,220</td>
</tr>
<tr>
<td>Some cotton, some feather pillows, mixed in bales. Used pillows are not wanted.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mattresses, new and used</strong></td>
<td>533,000</td>
<td>5.50</td>
<td>2,931,500</td>
</tr>
<tr>
<td>About 1/3 are new. Substantial sales of used mattresses, for conversion into paper, take place regularly.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Stools, wood, revolving seat</strong></td>
<td>14,964</td>
<td>6.30</td>
<td>94,415</td>
</tr>
<tr>
<td>Disposal plan is being formulated.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Bed parts</strong></td>
<td>65,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Springs, heads, feet, and side rails; unassembled. Negotiating with bed mfrs. regarding re-purchase.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Mattresses, Innerspring, New**

- From O.C.D. stocks. New declaration - plans being formulated.

**2. Machinery**

**Trailer Hitch, Used**

- New declaration - no action as yet.

**Drill, Rock, Replaceable Tip**

- In kegs and drums. Have been offered to the original mfr. They are not interested.

**Ice Grousers, New**

- Ice gripping shoes to be attached to special rubber tired treads of high speed military tractors. There is no known application on standard machines; no market, except for scrap. There were 24 replies from 7000 folders, with no interest shown.

**Grousers**

- Non-standard mud cleats for crawler-type tractors. They are nothing but sheared pieces of structural angle iron, worth nothing except for scrap. Advertising folder will be issued.

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Unit Cost</th>
<th>Cost to Govt.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mattresses, Innerspring, New</td>
<td>9500</td>
<td>$6.00</td>
<td>$58000</td>
</tr>
<tr>
<td>New declaration - plans</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trailer Hitch, Used</td>
<td>767</td>
<td>$80.00</td>
<td>$61360</td>
</tr>
<tr>
<td>New declaration - no action as yet</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drill, Rock, Replaceable Tip</td>
<td>261097</td>
<td>$.25</td>
<td>$70933</td>
</tr>
<tr>
<td>In kegs and drums. Have been offered to the original mfr. They are not interested.</td>
<td></td>
<td>average</td>
<td></td>
</tr>
<tr>
<td>Ice Grousers, New</td>
<td>76726</td>
<td>$2.70</td>
<td>$207160</td>
</tr>
<tr>
<td>Ice gripping shoes to be attached to special rubber tired treads of high speed military tractors. There is no known application on standard machines; no market, except for scrap. There were 24 replies from 7000 folders, with no interest shown.</td>
<td></td>
<td>pieces</td>
<td></td>
</tr>
<tr>
<td>Grousers</td>
<td>43853</td>
<td>$3.00</td>
<td>$131559</td>
</tr>
<tr>
<td>Non-standard mud cleats for crawler-type tractors. They are nothing but sheared pieces of structural angle iron, worth nothing except for scrap. Advertising folder will be issued</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CONSTRUCTION MACHINERY, HEAVY

General inventory of used machinery, most of it in very poor condition. Sales are being made regularly but inventory mounts.

3. General Products

BATTERIES, DRY CELLS AND PACKS

Overage for Army use. New declarations come in and sales are reported regularly.

GENERATING SETS, USED

25 K.W., gasoline driven. New declaration - no action as yet.

HORSES

All horses will be sold according to established program of auctions.

CAMERAS, AIRCRAFT

Each camera has great variety of collateral equipment. Obsolete type. Physical inspection, being made. Informal negotiations with Fairchild Camera Co. in process.
It is reported that about 2 million boxes are coming in and we are awaiting further declarations before starting disposal.

4. Automotive

Large quantities on recent declarations are bolts, nuts, spark plugs, fuses - called "parts common" that can be used on any motor vehicle. Lists totaling 11 million parts worth $2,500,000 have been submitted to Ford and General Motors for them to analyze and determine parts acceptable.
AUTOMOTIVE PARTS OBSOLETE, USED

Majority are used, having been taken from used vehicles and put in stock. There are acres of used bodies, fenders, cowls, cabs, etc., at Blue Grass, Ky. and Fort Crook. Spot check inspection list has gone to Chrysler as a test action on disposal. Other lists are going to other manufacturers.

HYDRAULIC FLUID

378 459 gals.
Needs reprocessing. The manufacturer's telephone offer of $.50 per gal. for entire lot has not yet been confirmed.

MOTOR ANALYZERS (TESTERS)

1 500
Regional office has been authorized to re-sell to manufacturer on a 3 month's delivery basis.

JACKS, HYDRAULIC

10 741
4 wheel, roller type, for garage use. There are several makes. Two manufacturers have been requested to submit an offer.

5. Hardware
CARTS, FOOD

Hospital equipment. Inspection report still awaited. Will be transferred to Veterans' Administration.

MARKERS, MINE FIELD

Carrying case with 30 metal flagson pins. Several orders for small quantities have been received from state road commissions.

HELMETS, SAFETY, O.C.D.

Packed 10 to a carton. Have been allocated to each regional office for sale at established prices.

MASKS, GAS, USED

O.C.D. stock is being transferred to Chemical Warfare.

HOSE, RUBBER

Large size, 25 ft. lengths. Army will inspect.

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>UNIT COST</th>
<th>COST TO GOVT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>CARTS, FOOD</td>
<td>586</td>
<td>$368.00</td>
</tr>
<tr>
<td>MARKERS, MINE FIELD</td>
<td>10 000 sets</td>
<td>6.85</td>
</tr>
<tr>
<td>HELMETS, SAFETY, O.C.D.</td>
<td>330 000</td>
<td>.89</td>
</tr>
<tr>
<td>MASKS, GAS, USED</td>
<td>47 967</td>
<td>6.28</td>
</tr>
<tr>
<td>HOSE, RUBBER</td>
<td>10 000 plus short pieces</td>
<td>33.50</td>
</tr>
</tbody>
</table>
**COVERS AND SEALS, RUBBER**

Includes 3/4 ton seals, which are round rubber washers about 1 inch in diameter. There are 27 tons of new "covers" which are 2 in. lengths of black rubber hose - thin wall, about 1 inch in diameter. Inspection report awaited.

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>UNIT COST</th>
<th>COST TO GOVT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 3/4 tons</td>
<td></td>
<td>169 245</td>
</tr>
</tbody>
</table>

**BOLTS, MISCELLANEOUS**

The regional offices have been instructed to contact manufacturers and large jobbers.

Little interest shown.

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>UNIT COST</th>
<th>COST TO GOVT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 500 000</td>
<td></td>
<td>2 500 000</td>
</tr>
</tbody>
</table>

**STAPLES, GALVANIZED**

100 lbs. to a keg. Sales are being made in small quantities at price near cost to government.

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>UNIT COST</th>
<th>COST TO GOVT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 000</td>
<td>$4.52</td>
<td>81 360</td>
</tr>
<tr>
<td>kegs</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**WOOD SCREWS, BRASS, NEW**

The regional offices have been instructed to offer these screws to manufacturers and large jobbers.

Little interest shown.

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>UNIT COST</th>
<th>COST TO GOVT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>250 000</td>
<td>.25</td>
<td>62 000</td>
</tr>
<tr>
<td>gross</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SMOKE GENERATOR PARTS

Small metal parts (valves, fittings) for Army mobile smoke generator. The big chain stores and manufacturers are not interested. A N. Y. "distributor" is inspecting this material and has made an informal offer for selected items.

SNOWSHOES, NEW AND USED

Regular types. Represents about 6 years total sales in U. S. Sales are now being made in small quantity.

SHOTGUNS

Manufacturers are re-purchasing on contract.

EMPLACEMENTS, MACHINE GUN

A mount for a machine gun. No utility value known.

MACHINE GUNS, ELECTRIC

Practice gun. Specifications have been submitted to amusement park owners.
**SCABBARDS, BOLO**

Designed for bolo that is now obsolete. Few bolos available. This office has developed idea to work off this stock to toy manufacturers who will make toy wooden bolos to go with them.

**SPURS, NEW AND USED**

Some small sales have been made at $0.50 a pair. Additional prospects for large quantities are being developed.

**LANTERNS, OIL BURNING**

Navy will withdraw for transfer to Army.

**PLATFORM TRUCKS, STEEL, NEW**

Steel trucks on casters. The truck weighs 800 lbs., and it takes 2 men to push an empty truck. We have offer of $16.00 for a limited quantity. About 1500 were sold at $15.00 each.
**RESPIRATORS, DUST, COMMERCIAL**

Made for African combat use - some are suitable for industrial use. Bids have been received from three manufacturers and we expect to dispose of the entire stock.

**SIRENS, NEW**

Hand warning device in carrying case. Some sales have been made at $2.00.

**INCINERATORS, NEW**

Designed for human excreta but can be used for burning lower-water content material by remodeling at cost of $1000 each. Manufacturer decided against re-purchase. Starting to offer for sale direct to municipalities.

**IMPRINTING MACHINES, NEW**

Original manufacturer has shown no interest. Advertising folder is being prepared.

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>UNIT COST</th>
<th>COST TO GOVT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>61 127</td>
<td>$1.00</td>
<td>59 293</td>
</tr>
<tr>
<td>27 400</td>
<td>6.00</td>
<td>164 400</td>
</tr>
<tr>
<td>34</td>
<td>9,818.00</td>
<td>333 812</td>
</tr>
<tr>
<td>35 600</td>
<td>21.95</td>
<td>781 420</td>
</tr>
</tbody>
</table>
About half of original lot has been sold at established prices. Sales are slowing down as vacation season closes.

**SKIIS AND BINDINGS, USED**

All are used. They are gradually being sold.

**NUTS, SQUARE, NEW**

The regional office have been instructed to contact manufacturers and jobbers. Little interest shown.

6. **Textiles and Wearing Apparel**

All textiles and clothing in the hands of disposal agencies have been temporarily frozen to enable the Army to make selections for use in a program for occupied countries.

**APRONS, IMPERMIABLE**

Rubber coated, with sleeves. Manufacturer not interested in re-purchase. Samples have been distributed to regional offices with instructions to ask for bids.
COATS, FIREMEN'S SAFETY, NEW

New declaration - sample awaited.

HOODS, ANTI-GAS, NEW

Regional offices have been instructed to ask for bids.

HATS, ARMY SERVICE

The old-style, broad brimmed campaign hat. Of original amount of 91,000, half have been sold. Negotiations in process for balance.

W.A.C. CAPS

Samples have been given to exporters and others. This is an item that is hard to dispose of.

LEGGINGS

World War I stock, good only for salvage. Now being authorized for sale by Regions.

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>UNIT COST</th>
<th>COST TO GOVT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>22 000</td>
<td>$4.77</td>
<td>104 940</td>
</tr>
<tr>
<td>257 292</td>
<td>1.00</td>
<td>257 292</td>
</tr>
<tr>
<td>45 923</td>
<td>3.00</td>
<td>137 784</td>
</tr>
<tr>
<td>76 712</td>
<td>2.20</td>
<td>168 766</td>
</tr>
<tr>
<td>213 280</td>
<td>pr.</td>
<td>109 833</td>
</tr>
</tbody>
</table>
An apron of web fabric belt pockets to hold bullet clips. Samples have been sent to all regions to widen sales effort.

**BEET POCKET FOR CARTRIDGE CLIPS**

Web pocket with fastener. Radio advertiser is taking quantities under option as requests from program develop. Price received $0.06.

**RUCKSACKS, NEW AND USED**

Regions have been authorized to sell as they are in bad condition.

**MOSQUITO BARS, WITH RODS**

This balance represents the remainder of used mosquito bars after large sales of new material.

**TARGETS, ANTI-AIRCRAFT**

New declaration - sample awaited.

**PANELS, SIGNALING**

New declaration - sample awaited.
SLIDE FASTENERS

Inventories will be taken to determine quantities by manufacturer. They will be disposed of in same manner as prior lot.

GLOVES, RUBBER, ANTI-GAS

Gauntlet type - special design for anti-gas work. Agreement has been reached to dispose of this stock as crude rubber.

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>UNIT COST</th>
<th>COST TO GOVT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 009 694</td>
<td>$0.119</td>
<td>239 797</td>
</tr>
<tr>
<td>667 000</td>
<td>1.00</td>
<td>667 000</td>
</tr>
</tbody>
</table>

7. Medical & Surgical

BAGS, WET DRESSING

New declaration - sample awaited.

SCREEN, INTENSIFYING

X-ray equipment. New declaration. No action as yet.

ANESTHESIA & SUCTION APPARATUS

New declaration - samples awaited.

POUCHES, FIRST-AID, FILLED

New declaration - samples awaited.
SCALES, PRESCRIPTION

Lot apparently represents production of several mfrs. One has been contacted and is not interested.

DENTAL SUPPLIES

World War I stocks located at Perry Point, Md. Instructions have been given regional office for disposition.

DISHES, EVAPORATION, PORCELAIN

Laboratory equipment.

ACETOPHENTIDIN

5 gr. tablets, packed 1000 in a bottle. Obsolete item awaiting action by board of medical officers.

HYDROGEN PEROXIDE, 8% SOL.

Too strong for beauty parlor use. Stock all reported in leaky bottles. Bottles run from empty to two-thirds full. Probably worth only salvage value of the bottles.

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>UNIT COST</th>
<th>COST TO GOVT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>3,930</td>
<td>$23.30</td>
<td>92,897</td>
</tr>
<tr>
<td>58,525</td>
<td>.09</td>
<td>52,672</td>
</tr>
<tr>
<td>70,000</td>
<td>1.35</td>
<td>94,500</td>
</tr>
<tr>
<td>402,000</td>
<td></td>
<td>250,000</td>
</tr>
</tbody>
</table>
PROCAINE HYDROCHLORIDE
10 units in a box, 150 and 200 MM ampules.
Being offered to other govt. agencies by our regional offices (after test).

PEPTONE PROTEOSE BACT.
Has been offered to govt. agencies - not interested.

PEPTONE, DRIED, U.S.P. BLAG.
Has been offered to govt. agencies - not interested.

BURROWES SOLUTION
2.27 gm. tablets - 500 to a bottle. This item is being offered to the manufacturer.

SULFANILAMIDE
5 and 7.5 gr. tablets. 250,000 boxes of 12 tablets. 289,000 bottles of 1000 tablets.
Obsolete Army item. Awaiting action by board of medical officers.

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>UNIT COST</th>
<th>COST TO GOVT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROCAINE HYDROCHLORIDE</td>
<td>163 000 boxes</td>
<td>$2.75</td>
</tr>
<tr>
<td>PEPTONE PROTEOSE BACT.</td>
<td>35 000 pounds</td>
<td>6.20</td>
</tr>
<tr>
<td>PEPTONE, DRIED, U.S.P. BLAG.</td>
<td>96 500 pounds</td>
<td>4.00</td>
</tr>
<tr>
<td>BURROWES SOLUTION</td>
<td>18 000 bottles</td>
<td></td>
</tr>
<tr>
<td>SULFANILAMIDE</td>
<td>539 000 packages</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Quantity</td>
<td>Unit Cost</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>----------</td>
<td>-----------</td>
</tr>
<tr>
<td>Dichloramine T</td>
<td>359,000</td>
<td>$1.66</td>
</tr>
<tr>
<td>16 2/3% in Tri. World War I stock.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Awaiting action by board of medical officers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Haematoxylin, Light</td>
<td>99,000</td>
<td>$1.50</td>
</tr>
<tr>
<td>10 gram bottle. Awaiting action by board of medical officers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sodium Alurate</td>
<td>13,500</td>
<td>$7.50</td>
</tr>
<tr>
<td>3 1/2 and 1 3/4 gr. tablets packed in 500 unit boxes. Special Army package - manufacturer not interested.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Azochloramid in Triacetin</td>
<td>360,000</td>
<td>$4.55</td>
</tr>
<tr>
<td>World War I stock. Awaiting action by board of medical officers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stretcher, Canvas and Metal, New</td>
<td>8,400</td>
<td></td>
</tr>
<tr>
<td>New items from O.C.D. stocks. Negotiating with a large distributor of this equipment.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
SUTURES, SILK AND CATGUT

For sewing after surgical operations. Two of the numerous manufacturers might be interested in their own product if quantity could be determined. The inspection task is practically impossible as long as the stock remains in the custody of the Medical Department.

GAUZE, PLAIN, 25 YD. ROLLS

New. Region has been instructed to dispose of this item to govt. agencies. Also offering to our own Purchase Group for local government office use.

DRESSINGS, FIRST AID PKGS.

Withdrawals have been made and it is presumed that this balance represents quantities that have been purchased from commercial houses, not Red Cross.

BANDAGES, MUSLIN

Action is being taken to secure desirable outlet. Offers will be considered this week.

FLOSS, SILK, DENTAL

Samples awaited. Have been requested a second time.

<table>
<thead>
<tr>
<th>QUANTITY</th>
<th>UNIT COST</th>
<th>COST TO GOVT.</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUTURES, SILK AND CATGUT</td>
<td>13,500,000 tubes</td>
<td>2,397,000</td>
</tr>
<tr>
<td>GAUZE, PLAIN, 25 YD. ROLLS</td>
<td>150,000</td>
<td>$0.75</td>
</tr>
<tr>
<td>DRESSINGS, FIRST AID PKGS.</td>
<td>30,000,000</td>
<td></td>
</tr>
<tr>
<td>BANDAGES, MUSLIN</td>
<td>134,584 doz.</td>
<td></td>
</tr>
<tr>
<td>FLOSS, SILK, DENTAL</td>
<td>510,000 spools</td>
<td></td>
</tr>
</tbody>
</table>
DISK, METAL, ABRASIVE, 7/8"
Dental supply item - packed 12 disks on a card. Manufacturer is not interested, reporting big supply on hand from contract termination.

PETRI DISHES, WITH COVER
Laboratory dish for making germ cultures. Sample awaited. Have been requested a second time.

TEST TUBES, GLASS
Some samples have arrived and disposal plans are being made.

FLASK, WITH CUP
Made for soldier to carry liquid medicine in field - a small canteen. Probably of no commercial value.

BOTTLES, WIDEMOUTH, 250 CC
Purchase being considered by a large manufacturer.
STERILIZERS, NEW AND USED

Includes 1381 considered unsafe by Army, and 688 new sterilizers of inferior quality due to wartime restrictions on materials.

SURGICAL INSTRUMENTS

Stocks at Louisville, Ky. Current inventory unknown.

BOXES, TABLET

500 boxes in a carton. Believed to be World War I stock. Samples awaited. Have been requested a second time.

8. Paper and Office Supplies

NONE

Total ........................................... $54,780,417
## SURPLUS USED-TRUCKS REPORT

For 7 Days and Period Ended October 21, 1944
(Period Began January 1, 1944)

<table>
<thead>
<tr>
<th>Description</th>
<th>7 Days to Oct. 21, 1944</th>
<th>Period to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Used Trucks Declared</td>
<td>1313</td>
<td>42397</td>
</tr>
<tr>
<td>Less Declarations withdrawn</td>
<td>4</td>
<td>1439</td>
</tr>
<tr>
<td>Less Loans to Other Federal Agencies</td>
<td>0</td>
<td>150</td>
</tr>
<tr>
<td>Less Transfers to Other Federal Agencies</td>
<td>52</td>
<td>3073</td>
</tr>
<tr>
<td>Net Used Trucks Declared for Sale</td>
<td>1257</td>
<td>38235</td>
</tr>
<tr>
<td>Less Used Trucks Sold</td>
<td>2191</td>
<td>29595</td>
</tr>
<tr>
<td>Balance of Used Trucks on hand</td>
<td></td>
<td>3340</td>
</tr>
</tbody>
</table>

### ANALYSIS OF INVENTORY

- Inspected and ready for sale: 6782
- Not Inspected: 1558

Total: 8340
SURPLUS USED CARS REPORT
For 7 Days and Period Ended October 21, 1944
(Period Began January 1, 1944)

<table>
<thead>
<tr>
<th></th>
<th>7 Days to Oct. 21, 1944</th>
<th>Period to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Used Cars Declared</td>
<td>222</td>
<td>6186</td>
</tr>
<tr>
<td>Less Declarations withdrawn</td>
<td>1</td>
<td>113</td>
</tr>
<tr>
<td>Less Loans to Other Federal Agencies</td>
<td>0</td>
<td>19</td>
</tr>
<tr>
<td>Less Transfers to Other Federal Agencies</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>580</td>
</tr>
<tr>
<td></td>
<td></td>
<td>712</td>
</tr>
<tr>
<td>Net Used Cars Declared for Sale</td>
<td>217</td>
<td>5474</td>
</tr>
<tr>
<td>Less Used Cars Sold</td>
<td>458</td>
<td>4356</td>
</tr>
<tr>
<td>Balance of Used Cars on hand</td>
<td></td>
<td>1118</td>
</tr>
</tbody>
</table>

ANALYSIS OF INVENTORY

|                                |                        |                |
| Inspected and ready for sale   |                        | 849            |
| Not Inspected                  |                        | 269            |
|                                |                        | 1118           |
# SURPLUS MOTORCYCLE REPORT

For 7 Days and Period Ended, October 21, 1944  
(Period Began January 1, 1944)

<table>
<thead>
<tr>
<th></th>
<th>7 Days to Oct. 21, 1944</th>
<th>Period to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Motorcycles Declared</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less Declarations withdrawn</td>
<td>96</td>
<td>131</td>
</tr>
<tr>
<td>Less Loans to Other Federal Agencies</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Less Transfers to Other Federal Agencies</td>
<td>0</td>
<td>96</td>
</tr>
<tr>
<td>Net Motorcycles Declared for Sale</td>
<td>927</td>
<td>15105</td>
</tr>
<tr>
<td>Less Motorcycles Sold</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance of Motorcycles on hand</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## ANALYSIS OF INVENTORY

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspected and ready for sale</td>
<td>4562</td>
</tr>
<tr>
<td>Not Inspected</td>
<td>1620</td>
</tr>
<tr>
<td></td>
<td>6202</td>
</tr>
</tbody>
</table>

Regraded Unclassified
CABLE TO AMBASSADOR WINANT, LONDON, FOR MANN FROM FERBE

Reference is made to program of Queen Wilhelmina Fund (similar to Czechoslovak, French and Polish projects being operated from London). Queen Wilhelmina Fund remitted $90,000 for its project to McClelland and for disbursing by trustees, Clement and Krier, in Switzerland. We and interested groups here have just been advised that Oldenbruck, Dutch Trade Union representative in London, with whom Labor relief organizations discussed project at time Oldenbruck was in United States, negotiated (without prior notice to interested groups here) with Dutch Government which arranged for the equivalent of $90,000 to be made available in Holland. Dutch Government now desires to be reimbursed by payment to Dutch Minister in Bern. We are authorizing McClelland, Clement and Krier to make such payment to the Dutch Minister, provided assurances are received that equivalent has been made available in Holland.

Interested groups here request that you advise Oldenbruck that any future transactions of the foregoing type should be cleared by him with the interested groups in this country before effectuation. Since license requires reports, please obtain report from Oldenbruck concerning use of the $90,000 in question.

THIS IS WRB LONDON CABLE NO. 16.

4:37 p.m.
October 24, 1944
PARAPHRASES OF TELEGRAM RECEIVED

FROM: American Embassy, Lebanon
TO: Secretary of State, Washington
DATE: October 24, 1944
NUMBER: 3236

CONFIDENTIAL

From Elizabth Dexter for Charles Joy. Unitarian 357, WRB
230.

We refer herewith to your telegram of October 14, 1944,
No. 2732, Unitarian 226.

Refusal was given for Noel Fields validation France. It is
requested that you reopen the matter with the Department in view
of new regulations. Field cables that an attempt will be made by
him to check figures given by you but since he was not able to
take any documents when he escaped in 1943 from Marseilles, he
doubts success.

NORME

DCN: IDG: EFR 10/25/44
OLP-874

PLAIN

Lisbon

Dated October 24, 1944

Rec'd 10:05 p.m., 25th

Secretary of State,

Washington.

3246, 24th, 7 p.m.

JDC 98 WRB 231.

Twenty-six children and twelve adults sailed

aboard QUINE evening October 23rd. Local committee

arranged that all food and service completely accord-

ance with dietary rules. Three hundred eight

passengers embarking Cadiz October 25 and eighty-five

tangier thereafter.

NORMWEB

DU
CLF-677

PLAIN

Lisbon

Dated October 24, 1944

Rec'd 10:02 p.m., 25th

Secretary of State,

Washington.

3247, 24th, 7 p.m.

FOR LEAVITT FROM PILPEL JDC 97 WRB 232.

Further our 96 Perlman advises October 20 that 3
representatives of RAB group arrived Beli stating that
lack housing clothing and food threatens survival winter
at least half this group. British have agreed fly
500 pair shoes 300 blankets 300 pounds medical supplies
from their army stock totaling 2 tons. Quakers supply-
ing some children shoes. Our clothing shipment still
unarrived. Additional clothing needs would require 5
more plane loads. Army agreed provide bulk of clothing
needed but thus far unable supply additional planes;
Perlman plans transmit funds through Doctor Hinko
Gottlieb Croatian Red Cross representative Italy,
1400 Jews formerly interned RAB plus 2000 in another
area constitute sole surviving civilian Jews Yugoslavia.
Perlman urges your action Washington and London first
for resumption evacuation of group of 650 people of
whom still 29 evacuated and second half remaining 2750
who otherwise unlikely survive this winter.

MRM

Miss Chauncey (for the Army) Henderson, Sills, John, Perry, Beals,
Friedman, Gaston, Brand, Baker, Bean, Young, Lamocky, Nash, vehicle, Miss

Regraded Unclassified
Secretary of State,

Washington.

A-912, October 24, 1 p.m. Political Investigation of Baltic Refugees in Sweden.

The Legation has been advised by Mr. Henry Laretei, former Estonian Minister to Sweden, that under instructions issued by the Swedish Government all Baltic refugee camps in Sweden have been closed for the time being. This means that until further notice none of the refugees in the camps is to be discharged from the camps. Furthermore, the inmates of the camps may not receive visitors except in very exceptional cases. The period of the closing of the camps may be as long as six weeks.

According to Mr. Laretei, the Swedish authorities have taken the foregoing action in order to enable them to undertake a political investigation of all individuals still in the camps. An effort is thus being made to segregate those individuals who may be classified as quislings. The latter will, Mr. Laretei stated, be sent to the special quisling camps which have been set up for this purpose.

Mr. Laretei's remarks appear to be substantiated in an editorial appearing in the Stockholm daily newspaper, DAGENS NYHETER of October 22, 1944. The pertinent sections of this editorial are cited below:

"What the leading persons in the refugee committees have been concerned with has most certainly not been to bring German agents or anti-Russian agitators to Sweden. Above all else the committees have striven to give a more secure existence to the manifestly non-political Estonians. This appears also to have been largely successful. The task has not yet been completed, however ....."

"It is also
"It is also necessary to obtain a reliable survey of the composition of the Estonian refugee groups who have come to this country without thorough control on the part of the Swedish authorities. Most of these refugees are certainly trustworthy people — but there are also exceptions to the rule. It would be desirable to know, however, just how suspicious refugees, who should have made their way to Germany and not here (to Sweden), are treated."

JOHNSON

HEC/gd
Secretary of State,

Washington,

4323, Twenty-fourth.

Swedish politics.

HANDELSTIDNING 23rd. carries following report from its Stockholm office. Baltic refugee flow has now subsided. Additional 6,500 Estonian Swedes 20,000 Balts arrived Sweden of which 19,000 Estonians and remainder mostly Latvians with handful Lithuanians. Communist allegation refugees mostly Quelingites is exaggeration. Between seventy seventy-five percent simple country folk; that is, fishermen laborers handycraftsmen and peasants. Here some intellectuals and better situated persons but refugees generally constitute representative cross section society. Obviously fear of new regime one of motives for migration but it is equally clear many refugees simply took opportunity escaping from war's misery. Well informed person who is anything but pro-German stated he hasn't encountered more than two Balts who intimately cooperated with Germans. Some Balts think Russians dangerousest enemy whereas others fear Germans most because they are so systematic in oppression. HANDELSTIDNING's information from private and official channels contradicts allegations that Baltic refugees managed get to Sweden because of steps taken by Swedish authorities. It is true Baltic vessel SS JOHAN sailing under German flag brought refugees to Sweden and Swedish authorities were concerned with these transports but it was essentially Estonian Swedes travelled on JOHAN. Small number purely Baltic refugees including small children also came on vessel but that was outside schedule and Swedes been unable exercise any control over persons permitted embark in Baltic port. Overwhelming majority Baltic refugees have arrived in other ways aboard own craft. Germans attempted prevent flights from Balticum until Tallinn's fall but there- after they'd other things think about. JOHAN's trips are supposed to have been part sort private arrangement. Bureau Chief Schmidt of Aliens Commission told
HANDELSTIDNING Swedish authorities haven’t concerned themselves with any Baltic refugee journeys here save Estonian Swedes. Schmidt stated Baltic refugees immediately placed in medical quarantine coastal areas and simultaneously each refugee was subjected political investigation which attempts ascertain criminal elements collaborators and informers. This category treated along same lines as Quislingites among Norwegian Danish refugees. Schmidt stated formerly Kunemlantes was reception center Baltic refugees where they were sorted out but when influx suddenly increased authorities obliged effect police investigations everywhere in various coastal quarantine centers. Schmidt confirmed HANDELSTIDNING’s statistical data regarding Baltic refugees.

Communist NY DAG 24th, replies Lindstrom’s MORGENSTIDNINGEN editorial (see our 4189) stating Lindstrom’s defense against our criticisms of traffic likely make Sweden anti-Russian intriguer center took form violent attack against USSR and NY DAG. Lindstrom attempted legitimize Quisling elements who from fear retribution awaiting Germany’s collaborators took refuge Sweden. He defends shady traffic organized with air substantial monetary contributions from Swedish and American quarters. He defends Sedish authorities involvement in matter and finds it entirely in order that Baltic emigrants should create in Sweden large organization for anti-Russian Fascist activities which will develop into activities extremely hostile to Swedish interests definitely compromising Swedish foreign policy. Atlantic Charter declares only such territorial changes are recognized as are approved by peoples affected thereby. Baltic peoples in popular plebiscite conducted under democratic form by overwhelming majority voted join USSR as federal republics. There is no question forcible annexation, Balts moreover possess constitutional right secede from USSR when they desire. Swedish Government and others accepted plebiscites and regard Baltic republics as portions USSR. Thus Lindstrom discounts Swedish Government’s measures in matter. Our attack concerns organized importation war criminals and Quislingites. We have based case on Social Minister Meuller’s declaration that war criminals and Quislingites cannot expect Swedish asylum. We haven’t opposed idea that decent people who have fled from war and hunger should gain Swedish asylum. We maintain it’s Swedish interest that henchmen old Fascist regimes shan’t be allowed make Sweden into intrigue center for reactionary anti-Russian activities. It unserves Sweden’s purpose to assume role played by Finland Baltics Poland as cordon sanitaires against USSR. Stockholm must not play Riga and Helsinki’s former parts as purveyors reactionary anti-Soviet news.
Secretary of State

Washington

4325, Twentyfourth

Swedish and Finnish comment Finland TT 24th:
Violent fighting raged all night 22nd at Niesa north of Kolari between Finns and Germans heavy losses both sides. Main body of retreating Germans believed 30 kilometers north of Kolari last night.

Stockholm papers 24th report head Rabbi Professor Ehrenpreis at Inter-Nordic Jewish Conference held Stockholm 22nd expressed gratitude of Jewry to Finnish Government and people for humane treatment of Jewish people outpointing Finland only country Allied with Nazi Germany which had resisted pressure against Jews refusing deprive Jewish citizens of constitutional freedom and rights.

Swedish editorial 24th deals largely with Tanner's victory reported Legation's 4313, 23rd.

SVENSKA 24th believes that although so-called opposition continuing its efforts to oust Tanner, it's hardly possible turn current of labor opinion sufficiently during month remaining before party convention meets November 25. For time being Tanner firmly in saddle.

MORGONTIDNINGEN 24th: Despite Tanner's victory 22nd 'twould seem when party leaders have pursued policy which has failed 'tis their duty particularly as danger of split with Social Democratic Party has become obvious to order new election of delegates to party convention and ask convention for vote of confidence. If this not done only proper thing for these leaders to do is retire. Now generally recognized that split within party inevitable and imminent.

TIDNINGEN 24th believes present opposition within Finnish labor movement lacks leaders possessing same qualities that made Tanner strong man of Social Democratic Party.
DAGENS 24th considers whether it will be possible convince Russians that Tanner's remaining at head of Social Democratic Party is reliable expression of Finnish will collaborate with Soviet Union and proof of country's political reorientation. Soviet authorities on several occasions have emphasized that Russia wants Finland it can depend on; Finland which is not only loyal today when country is helpless and at mercy of victor but loyal also tomorrow and day after when world situation may be different. "Present Finnish regime does not fill measure in this respect. If 'Rightist solution' in cabinet makeup and Tanner administration in Social Democratic Party continue put their stamp on Finland then remarkable steadfastness is required of Stalin, Molotov and Zhdanov not to fall for temptation to interfere in Finland's internal affairs in one way or other".

IDBM quoting HANDELSTIDNINGEN 23rd writing that from swedish viewpoint seems remarkable that men who led Finland in 1941 to unfortunate adventure have felt no need of duty to accept consequences of failure. This attitude best illustrated by struggle over Tanner's leadership in Social Democratic Party.

All Stockholm papers 24th: According to official figures 30,006 people and 18,047 head of livestock arrived Sweden from north Finland by midnight 22nd.

TIDNINGEN 24th: Ryti operated on for cancer of stomach not ulcer as reported Legation's 4313 yesterday and is seriously ill in hospital.

Finnish editorials 21st deal largely with Tass accusation that Finns have been slow in fulfilling Article One of Armistice Agreement:

UUSI SUOMI outpoints that in roadless bridgeless territory of north ousting of Germans no easy task but nevertheless Finnish troops have advanced far beyond Roanion. "No doubt of fact that Finnish people desire good relations with Soviet Union but Finnish people are rather slow when it comes to making complete turns about".

HELSINKI SANOIMAT stresses difficulty for Finnish army which held different and distant lines suddenly to transfer north front. However after Finns commenced operations they advanced long distances have already taken principal German strongholds and continue against Germans with increased speed. Editorial concludes with reference to statement in "WAR AND WORKING CLASS" of
Soviet intention to respect Finnish independence and states this accepted with satisfaction amongst all classes in Finland where can be no doubt as to Finland's desire fulfill armistice terms.

HUGVULDSTADSBLADET 22nd writing on accusations of Soviet press says that impatience understandable but one must also understand difficulties confronting Finns.

HELSINGINS SANOMAT 22nd writing on strife in Social Democratic Party says can be no two opinions regarding fact that Finland's war policy led to unfortunate results. "One thing that must be done to ease fulfillment of difficult duties is to shift persons in responsible and visible leading positions *** it's even been noted abroad that a person who during most crucial periods influenced Finnish policy and who then by force of circumstances had to leave his position has been appointed to another high position and by evading usual procedure (undoubtedly kytty) *** one of best things about democracy is that when country's welfare demands men in responsible positions can be changed."

JOHNSON

Miss Chauncey (for the Sec'y) Abrahamson, Azzin, Cohn, Drury, DuBois, Friedman, Gaston, Hodel, Lesser, Marks, Mannon, McCormack, Pehle, Files.
CABLE TO MINISTER HARRISON AT BERN AND MCCLELLAND

Reference your 6853 to Department of October 14. Board's sole interest is to ascertain identity of persons behind this and similar schemes. Board has no interest in Aschner beyond its interest in any other victim of enemy persecution. Under censorship regulation no part of message demanding ransom has been or will be communicated to Minor, nor will information you may uncover be made available for private use. Board is however much interested in the ultimate unravelling of the story and urgently awaits reports of all developments.

THIS IS WRB BERN CABLE NO. 237.

9:30 a.m.
October 24, 1944
CABLE TO MINISTER HARRISON, BERN, FOR MCCLELLAND FROM WAR REFUGEE BOARD

1. Interested groups here have requested that you inform Clement and Krier that during the last quarter of 1944 there probably (repeat probably) will be available $75,000 for the Belgium project, $100,000 for the Dutch and $12,500 for the Luxembourg program. These amounts are in addition to sums already remitted or authorized by Treasury licenses. The funds will be available only for work in enemy-occupied territory. The foregoing information may be of assistance to Clement and Krier in developing their projects and if they feel that the additional amounts will be of assistance, please advise the Board at once so that necessary arrangements for allocation of the above-mentioned funds from the National War Fund can be made.

2. You will be advised later concerning question raised in your No. 6834 of October 13.

THIS IS WBB BERN CABLE NO. 238.
PARAPHRASE OF TELEGRAM SENT

FROM: Secretary of State, Washington  
TO: American Legation, Bern  
DATED: October 24, 1944  
NUMBER: 3623

SECRET

Reference is made to Message from the Legation dated September 14, Number 6047, and to despatch 8109, May 6.

The following with regard to Honduran Interests in Germany is transmitted.

In view of the scarcity of the information furnished, the Government of Honduras is apparently unable to pass on the claim of Pfifferling to be a Honduran, and the difficulty is obviously increased by German action in the denial of Swiss access to him. However, Pfifferling is undoubtedly one of the individuals for whose protection Category F was devised (please see message of September 6, Number 2310, from the Department) and for this reason the Swiss Foreign Office should extend to him all assistance that is fitting, in accordance therewith, to the extent that is feasible.

STRINGERUS
(Acting)

SWP:ARC:PAH
PARAPHRASE: DCR:ICW 10-27-44
Secretary of State,
Washington.

7045, Twenty-fourth.

German press commenting on Hungarian changes states Szalasi and Pfeilkreuz party stand without hesitation against so-called Jewish contamination of Hungarian race and predicts privileges maintained for certain Hungarian Jews particularly Jews married to Christians will shortly be abolished. Interior Minister Vejna declared he advocates radical solution Jewish problem and that anti-Jewish laws will be administered with Draconian severity should necessity so demand. Program new puppet government calls for intensive exploitation Jewish labor but retention Jews in Hungary.

HARRISON

RB
FROM: AMBASSADOR, Bern
TO: Secretary of State, Washington
DATED: October 24, 1944
NUMBER: 7048

SECRET

Legation's 6948, October 10, 1944.

It is reported by Swiss that delivery of notification
was made to Hungarian Foreign Office the eleventh of October.

HARRISON

10-26-44
DCR: EMS

Regraded Unclassified
PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATED: October 24, 1944
NUMBER: 7049

SECRET

This Legation desires to report, in connection with its message of October 20, No. 6950, that it has received information that the new Minister of Interior in Szalassy's Hungarian Government, Vajna, stated on October 17 in a radio broadcast that all anti-Jewish laws would be ruthlessly and strictly enforced, and that the Jewish problem would be liquidated without mercy. In addition, he is reported to have said that no protective documents of any kind and no foreign passports would be honored and that no interference either external or internal, would be tolerated, in particular.

An urgent request was made by the Legation on the 20th of October of the Swiss Foreign Office asking them to endeavor to confirm the above and to make vigorous protest with authorities of Hungary and take such steps as conditions at present warrant to accord suitable protection to Swiss protected nationals, if the above is found to be substantially true.

On October 9 the Swiss Foreign Office was requested informally to communicate to the German Legation in Bern, either officially or in an informal manner, the contents of message of October 7 from the Department, No. 3461. On October 20 a ranking official of Swiss Division Foreign Interests informed Legation secretary that the chief of that
division had called in the German Minister in charge of German Interests in Bern and informed him of the contents of message No. 3461 from the Department, orally. A few days later, evidently after having been in communication with the German Foreign Office, he stated that the German representative made statement as follows, in translation, to the chief of the Swiss Division of Foreign Interests which the latter has included in an informal communication to the Legation; it follows: The possibility of acceptance of such a communication from the Government of the United States with a view to its transmission to the Government of Germany is not envisaged by the German Legation in Bern. It is not necessary to observe that protecting power can at all times, through the intermediary of its representation at Berlin, address itself to the German Foreign Office, to the extent that the communication in question concerns people who are citizens of the United States. (The statement ends here)

It is the opinion of the Legation, that the purpose desired may have been accomplished in view of its message dated October 13, No. 6616. The Bern representative of OWI is taking the steps necessary for suitable dissemination, nevertheless.

At present it is believed to be desirable to emphasize that the Foreign Office of Switzerland is most reluctant to have its representative in Berlin associated unofficially with messages which are in the nature of threats to officials of Germany inasmuch as the Germans might jeopardize seriously the position of Feldscher at the Foreign Office in Germany and might consider these messages as an affront by the Swiss.
The above attitude of the Swiss may be looked upon as being applicable both to the third paragraph of message of July 21 from the Department No. 2490 and to message No. 3461 from the Department, which the Swiss Foreign Office declined to pass on to Falscher, on two occasions, August 5 and October 11. After the initial Swiss refusal, OWI representative took steps for suitable dissemination.

HARRISON
CABLE TO STEINHARDT, ANKARA, FROM DEPARTMENT AND WAR REFUGEE BOARD.

Now that Ira Hirschmann has returned to the United States, the WRB proposes to appoint Mr. Herbert E. Katzki as its Special Representative in Turkey with the designation by the State Department as Special Attache to the Embassy on war refugee matters, as provided in the President's Order of January 28, 1944.

If the appointment meets with your approval, you should advise Mr. Katzki that he is so designated, that he is to have diplomatic status, and that he has all the authority, duties and responsibilities which were given to Mr. Hirschmann in Department's no. 120 of February 12, 1944. It is assumed that there will be no objection on the part of the Turkish Government to this designation, although you may in your discretion approach the Turkish authorities informally if you consider it necessary or advisable to do so.

Please confirm action by cable.

THIS IS WRB ANKARA CABLE NO. 121.

9:30 a.m.
October 24, 1944
To the appropriate authorities and to use all possible means to give the fullest possible support to your information in this respect.

I am happy to note that our State Department has issued a warning to the following statement that I will be brought to justice and pay the penalty for their baseless statements and inferences.

You are requested to convey the contents of the foregoing statement to the President and War Secretary for immediate public distribution and for the following statement on October 10, 1944.

The following statement is made to Secretary Hull's statement of October 19, 1944:

Referring to Secretary Hull's statement of October 19, 1944, the following statement is made to Secretary Hull's statement on October 10, 1944.

The following statement is made to Secretary Hull's statement of October 19, 1944.
Information received up to 10 a.m., 24th October, 1944.

1. NAVAL

One of H.M. Cruisers has been transferred to the Royal Canadian Navy and was commissioned 21st. During minesweeping operations a French Destroyer, after being heavily shelled by shore batteries at San Remo on 20th, silenced 1 battery and hit an ammunition dump. A U.S. Destroyer also shelled enemy positions. Gun boats and motor torpedo boats sank 2 and captured 3 (corrupt group) off Zara (Adriatic) 21st. 95 prisoners taken.

2. MILITARY

WESTERN EUROPE. British armour and infantry are now within 2 miles of Hertogenbosch on east and southeast. Further progress by Canadians towards Rosendaal and in the Scheldt pocket. Over 100 men of the First British Airborne Division have been successfully rescued from the Arnhem area and ferried across the lower Rhine to our lines.

RUSSIA. In Finland Russians have captured Salmijary and cut the Rovaniemi-Kirkenes road. In Lithuania they have completely cleared the right bank of Niemen thus freeing all Memel Province except Memel itself and its immediate vicinity. They have crossed the East Prussian frontier in the neighbourhood of Goldap on an 85 mile front to a depth of 18 miles. In the Balkans they have reached the southern bank of the river Tisa north of Debrecen and have enlarged their bridgehead on the Western bank of the Sava west of Belgrade. In Yugoslavia they have captured Kocane.

3. AIR OPERATIONS

WESTERN FRONT. 22nd/23rd. An 8,000 ton ship and an escort vessel in convoy off Southern Norway set on fire by a Halifax.

23rd. Bad weather restricted operations. 92 escorted Liberators (4 missing) dropped 564 tons on a coastal battery flushing and 69 aircraft carried supplies to the continent. Mosquitoes attacked shipping off South West Norway setting on fire a 2,000 ton ship and 2 armed trawlers.

23rd/24th. Bomber Command sent out 1,188 aircraft: Essen - 1055 (8 missing), Berlin 138, other objectives and bomber support - 95. There was thick cloud over Essen. Aircraft bombed on sky markers which were accurately placed. 2 Mosquitoes on late reconnaissance report extensive fire glow on clouds.

MEDITERRANEAN. 21st/22nd. 43 medium bombers (4 missing) and 17 heavy dropped 162 tons Maribor Railway centre, Yugoslavia.

On 22nd, operations considerably restricted by bad weather. 99 fighters and fighter bombers (3 missing) attacked communications Northern Italy.

4. HOME SECURITY

23rd/24th. 24 flying bombs plotted in 2 phases.