

Committee up there is pushing it but I'll
you invited during the day.

, do you think it's a good thing for me to

. I think it's a very good thing, and you'll
it.

ill?

. And you'll hear from me today on it.

ak you.

OFFICE OF
THE SECRETARY OF THE TREASURY

8

October 31, 1944

TO: Secretary Morgenthau
FROM: Mr. FitzGerald
SUBJECT: Message from Mayor LaGuardia
(Through his Secretary - 1:25 p.m.)

The Harlem meeting on Sunday will be a large one under the auspices of the American Labor Party.

An invitation explaining the details is in the mail now.

If you decide to accept, the Mayor offers to put a car at your disposal.

October 31, 1944
11:49 a.m.

HMJr: Hassett.

Wm. D.
Hassett: Yes. Good morning, Mr. Secretary.

HMJr: How are you?

H: Fine. Never better.

HMJr: Good. Look, I got the Beacon paper and it says the President is going to be up there but doesn't give the time.

H: Well, that -- the time has been released now.

HMJr: Oh, has it?

H: Yes, they have been told, and the censorship has approved it, that all of the papers can exact -- can announce the exact hour and all the details of the swing around the circle.

HMJr: Well, that -- the whole purpose of my call was to urge you to release it.

H: Yes, well, we have arranged that and they understand it and Jim Benson understands it too.

HMJr: Oh.

H: So that they'll have all the -- the complete schedule from now on.

HMJr: Good.

H: Yes.

HMJr: Because it takes a little time to get organized.

H: Yes, that's what we thought.

HMJr: Do you have a copy of the schedule that you gave out?

H: We didn't give out the schedule; that is, it's just as we -- as we determined it that morning in the President's study.

HMJr: Oh.

H: He starts out right after lunch and goes first to Beacon, that is, over to Newburgh, then to Kingston

HMJr: Yes.

H: back and over the Poughkeepsie Bridge and speaks in front of the Post Office at 5:30.

HMJr: Thank you.

H: Yes, sir.

HMJr: Bye.

H: Good bye.

October 31, 1944
3:21 p.m.

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HMJr: All right, go ahead.

Operator: Go ahead.

HMJr: Hello.

Charles
Collins: Hello, Secretary Morgenthau.

HMJr: Speaking.

C: We regret very much to call you on such short notice but we are sponsoring in Harlem this coming Sunday afternoon at three o'clock a final wind-up rally for President Roosevelt.

HMJr: Yes.

C: It is the unanimous feeling of all the executives concerned with the meeting that you should appear.

HMJr: Yes.

C: And knowing how pressed it is for time, we didn't want to wait until we could send a wire to call you.

HMJr: Yes.

C: The other speakers are Senator Wagner, Representative Marcantonio, Congressman-elect Powell and myself.

HMJr: Yes.

C: We deeply desire that -- considering the emergency situation under which we are calling you -- that you would give this favorable consideration and authorize us to announce that you will appear.

HMJr: Well, Mr. Collins, I am very pleased that you think of me now, because I'm -- what's happened was that Mayor LaGuardia called me up this morning on a War Bond matter.

C: Yes.

HMJr: And I told him that I had under consideration with Mr. Hannegan the possibility of going up there either Friday or Saturday....

C: Yes.

HMJr: under the auspices of the State Democratic Committee and LaGuardia said, "Well, do you know about this rally on Sunday?" And I said, "No." So he, in his usual volcanic manner said -- and friendly -- said, "Well, I'll see that you're invited to that." (Laughs)

C: Well, I'm glad the Mayor agrees with us. I wish he had given us that tip that he was going to call you because I'm telling you we would have told him to issue the invitation formally for us.

HMJr: Well, that's where the thing came from though. He called me on a War Bond matter.

C: Yes.

HMJr: And then I was asking his advice whether he thought it would be helpful or not for me to appear in Harlem and then out of that, I guess, he must have gotten in touch with somebody in your organization. Now, what I -- I've got to wait until I hear from Mr. Hannegan. Hello?

C: Yes.

HMJr: And if I can have where I can reach you, I'll either telephone or telegraph you but I can't do anything until I hear from Mr. Hannegan.

C: I see. Do you expect to hear from him today?

HMJr: Yes.

C: Could I give you our telephone number and you could call us collect?

HMJr: Well, I -- I can pay for a telephone

C: Or your secretary.

HMJr: I'll pay for it personally. I still -- I'm selling a few apples these days.

C: I see. Very good.

HMJr: All right. Now where can I reach you, Mr. Collins?

C: Atwater 9

HMJr: Atwater 9 -- yes.

C: 4-6.

HMJr: Yes.

C: 3-0.

HMJr: Right.

C: And I shall be expecting to hear from you any time this afternoon.

HMJr: Well, that -- a little bit depends upon Mr. Hannegan.

C: Well, I don't know what I can do with Mr. Hannegan but I'll try to find some way to see that he urges you to come down here on that other business too.

HMJr: All right.

C: I'm very serious, Mr. Secretary, we feel that this rally can be the final decisive thing to turn out these forty-seven electoral votes. We have a hundred and thirteen thousand registrations us here.

HMJr: Yes.

C: The sentiment is overwhelmingly for the President but we don't want to leave anything to chance.

HMJr: Now, where is this meeting going to take place?

C: It's taking place at the Golden Gate Ball Room.

HMJr: I see.

C: At 142nd Street and Lenox Avenue. The inside capacity is about five thousand.

HMJr: Yes.

C: And we are expecting an overflow crowd just as we've had in the previous rally for Mrs. Roosevelt.

HMJr: Oh, yes.

C: And in that event there should be not less than approximately ten thousand people in attendance. I may say, just for example, in preparation for the meeting we are sponsoring forty-five outdoor sound-truck rallies beginning this afternoon at one o'clock.

HMJr: Yeah.

C: And at each one of these rallies we are advertising this meeting as a final wind-up rally for the President, and I feel quite confident that the people of our community would be greatly happy to welcome you and to see you and to hear you speak in behalf of that in which we are so deeply interested in jointly.

HMJr: Now, did Mrs. Roosevelt speak under your auspices?

C: No, she spoke under the auspices of the Non-partisan Women's Committee for the Re-election of the President.

HMJr: Oh, yes. Well, now, this is Atwater 9-4630?

C: Yes.

HMJr: And your first name?

C: Is Charles.

HMJr: Collins.

C: Collins.

HMJr: I've got it.

C: Yes.

HMJr: Well, the minute I hear from Mr. Hannegan, I'll get in touch with you.

C: Thank you very much, sir.

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HMJr: And thank you so much for inviting me.

C: Good bye.

Congressman William Dawson
Democratic National Committee
Biltmore Hotel
New York, New York

Murray Hill 3-4300

Chicago - 3520 South State Street
Calumet 7073

Channing Tobias
Y.M.C.A.
347 Madison Avenue
New York, New York
Murray Hill 6-1200
Home phone - Monument 2-2153

Walter White
69-5th Avenue
New York, New York
Algonquin 4-3551
Home phone - Edgecombe 4-9311

Lester A. Walton
U. S. Minister to Liberia
Edgecombe 4-8899

OF HUMAN RIGHTS

Original No. 17
Draft #2 18/31/44

I am sure that you will forgive me if I do not discuss with you tonight the subject of business. As business men you already know that under the Roosevelt Administration American business has been enabled to rise from the depths of a terrible depression. And the President has indicated plainly, fully and unequivocally his determination to assure the future of business in this great country of ours.

Before introducing my subject for this evening I should like to pay high tribute to the support which my fellow citizens of the Negro race have given to the Treasury Department in its vast program of financing the war through the sale of War Bonds. Over three years ago, as you know, we initiated a nation-wide program for making as many Americans as possible money-partners with their government in financing national defense and the war effort. We knew that people who were giving their sons and brothers to the armed forces and their own efforts to war production would welcome the chance to put their fighting dollars to work to buy equipment for our fighting men.

Six months before Pearl Harbor we established an Inter-Racial Section of the Treasury's War Bond office to take this program to our colored fellow citizens. Some people said that we were wasting our time, that Negroes were unskillful in handling money and did not know how to save. This idea, I'm glad to say, has been proved false over and over again in the last three years.

Just as Dorie Miller sprang to a machine gun on the deck of a burning war ship in Pearl Harbor on December 7, 1941, and gave the first proof of how bravely our colored sailors and soldiers can fight, so we have had from the very beginning one impressive

evidence after another of how generously our colored fellow citizens can pour out their money in support of our fighting men. It is hard to identify all of the fighting dollars which travel from the pockets of Negro citizens into the United States Treasury for the purchase of War Bonds, since Treasury records do not identify individual purchasers by race or color; but the records of the War Finance Division show that those fighting dollars do add up into millions and hundreds of millions. The patriotism shown in this program is an important factor in financing the war, and it will also prove an important factor in assuring and improving the economic welfare of millions of our Negro fellow citizens after the war. The national administration welcomes both results of your loyalty.

I want to speak tonight of something which I consider of the greatest importance to the future well-being of every American. I want to speak of Franklin D. Roosevelt - the friend of all Americans regardless of their race, color or creed, of all Americans whether their ancestors reached these shores in 1620 or in more recent times. And I want to speak as one American to all my fellow Americans.

The human rights of man and the economic rights of man go hand in hand. It is essential that they both be realities and not mere theories if every American is to enjoy our national heritage. It is of these human rights that I am going to speak tonight.

I have worked with Franklin D. Roosevelt, Governor and President, for many, many years. I have also known Franklin D. Roosevelt, the man, for many, many years. During all

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these years he has always stood out in my mind, first and foremost, as the true friend of his fellow man. I know for what it is, the great heart of this man and of his determination at all times to see to it that the downtrodden in America are accorded their full opportunity to share in our heritage.

I would be less than frank with you if I did not tell you that I am not as confident that the present leaders of the Republican party have this same determination to see to it that every man who walks on this land of ours walks with dignity.

In this political campaign, those seeking a change in the administration of the Federal Government rely heavily upon appeals to segments of the American population who because of their relatively recent arrival here, or for other reasons, are readily identifiable. This election year interest of the Republican leaders in the Poles, Czechs, Italians, Yugoslavs, and the Greeks and others who have a justifiable pride in the language, culture and traditions of the countries of their origin is familiar to all of us. And we are also acquainted - in fact only too well acquainted - with the concern of the Republicans every fourth year in the problems of the Negro and other groups which unfortunately still suffer economic and social disabilities.

To some people this trafficking in human values - this perversion of human rights - has become an accepted part of a political campaign and, as such, I suppose they have become

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callous to its implications. To me, however, these human rights, these human values, are far too dear to be made the chattels of a political campaign. To me this election year exploitation of the hopes and problems of the downtrodden adds only to their suffering and despair. These tactics tend to obscure the important fact that regardless of our origin, our color and our religion we are all Americans. We must decide the great issue before us as Americans and not as members of any particular group.

Never let us forget that we are a nation fused from the people of every conceivable country, every known race, and representing every religion. All of us have been thrown into the great melting pot of freedom and all of us have emerged Americans.

Unfortunately, there are among us in this country today some who have forgotten that their ancestors came to America as fugitives from injustice, oppression and persecution. Preaching the Nazi doctrine of hatred and intolerance, these bigots maintain that certain groups of their fellow Americans are not entitled to all the privileges of America.

And it is not only the minority groups who are discriminated against who suffer from such intolerance. The whole American way of life is degraded by the existence of this form of persecution and when the American way of life is degraded, every American whether he be of the minority or not suffers.

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In the time of Abraham Lincoln there was also a vocal minority which hated other Americans. And it, too, had political aspirations and friends. The un-Americans of that day called themselves the "Know-Nothings." And Lincoln, the great American, unlike some Republican politicians of the present moment, made clear his abhorrence of this un-American philosophy just as Franklin Roosevelt has done in our day. In 1855 he stated:

"You inquire where I now stand. That is a disputed point. I think I am a Whig; but others say there are no Whigs, and that I am an Abolitionist. * * * I am not a Know-Nothing; that is certain. How could I be? How can any one who abhors the oppression of Negroes be in favor of degrading classes of white people? Our progress in degeneracy appears to me to be pretty rapid. As a nation we began by declaring that 'all men are created equal.' We now practically read it, 'all men are created equal, except Negroes.' When the Know-Nothings get control, it will read 'all men are created equal except Negroes and foreigners and Catholics'."

The issuance of proclamations, the making of pious statements, attending meetings sponsored by minority groups, and the making of pretty speeches will never cure the evil. It takes deeds and not words to make this a land where all persons regardless of race, color, creed or place of birth may live in peace, honor and dignity, free from want and free from fear.

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And all America knows that the record of President Roosevelt on this fundamental issue is written in deeds and not merely in words. During the Roosevelt administration, for the first time in American history, the President of the United States required all Government agencies to include in their contracts with private business and industry a provision prohibiting discrimination in employment because of race or color. The President's famous executive order establishing the Fair Employment Practice Committee has been backed by action.

Today a million and a half Negroes are in jobs in war plants, many at lathes and benches where before no Negroes were allowed to work and they are receiving equal pay.

In the Philadelphia transit strike in August of this year, the President did not hesitate to implement the non-discriminatory orders of the Fair Employment Practice Committee and the War Manpower Commission. The President, through the National Labor Relations Board and the War Labor Board, long ago established the principle for equal pay for equal work regardless of race, color or creed.

Under the Farm Credit Administration, the Farm Security Administration and other agricultural agencies tens of thousands of Negro share-croppers were helped to become farm owners. Negro-owned businesses have recovered from the days of depression and are flourishing. Great housing projects have removed more than 75,000 Negro families from the slums

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and into decent homes. The Home Owners Loan Corporation and the Federal Housing Administration helped tens of thousands of Negroes to buy their own homes. Negroes have been given better medical attention and the real opportunity for a good education. This is what I mean by deeds. This, not words, is what America needs.

Americans of every race, color and creed have all been given equal opportunities for Government work and to the extent that it has been within the power of the Federal Government they have been given equal opportunities in private enterprise. Persons of every race, color and creed are in all branches of the Army, including the Air Force - and they hold every rank from private to general. There are Negroes in the Navy and I mean fighting men - not merely mess boys. There are Negro Marines. And for the first time in our history there is a Negro General.

Now let us examine the record of Governor Dewey on this issue. On some issues Governor Dewey does not have any positive record of affirmative misdeeds. It is rather a record of doing nothing together with a lot of pretty speeches filled with "me too"s. On this particular issue, however, Governor Dewey was not cautious enough. He stepped out into the sunlight. I will let you judge for yourself what he really looks like.

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On March 29, 1941, Governor Lehman appointed a Committee on Discrimination in Employment, as part of the New York State Council on Defense. This Committee consisted of twenty-seven distinguished citizens representing industry, labor, church, and minority groups. Thereafter the New York Committee undertook an extensive program to eliminate discriminatory employment practices in New York. It circularized employers, visited plants throughout the State, published pamphlets, conducted hearings, prosecuted some cases in the courts, and began in earnest to enforce the New York policy against racial or religious discrimination in employment.

On January 1, 1943, Governor Dewey assumed office. He at once displayed indifference if not active hostility to the New York Committee on Discrimination. In May 1943, representatives of the City Wide Citizens Committee of Harlem, composed of twenty civic organizations interested in racial problems met with Governor Dewey and urged him to support an adequate budget for the New York Committee. The budget for the fiscal year ending June 30, 1943 was then \$58,000. Governor Dewey told these representatives that this small sum spent by the New York Committee "might just as well have been thrown down the drain" and that a budget of \$10,000 for the next fiscal year would be ample.

On August 4, 1943, Governor Dewey appointed a new Committee on Discrimination consisting of twenty-seven members and placed it under the supervision of his Industrial

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Commissioner. At its first meeting in September 1943, the Committee decided to draft and seek the enactment of permanent legislation. On February 23, 1944 the Committee met, approved the draft of two bills and sent them on to Governor Dewey urging him to recommend their passage to the New York State legislature then in session.

On March 8, 1944, the two bills were introduced in the State Senate without the benefit of even the customary message from the Governor declaring whether he was for or against their passage. As day after day passed, the New York Committee anxiously awaited some public word from Governor Dewey, but none was forthcoming.

Finally, after public protest, Governor Dewey on March 17, 1944, the day before the legislative session ended, sent a message to the legislature concerning these bills. The Governor described them as "well intended" and said that he was "in accord" with the principles expressed. One would naturally expect that these remarks would be followed by "I, therefore, urge the adoption of these two bills to end discrimination in the great State of New York". But that was not what Dewey said. What he did say was, and I quote, "I, therefore, recommend to you honorable bodies the creation of a temporary state commission to make a study of the entire subject of discrimination in our state * * *." It seems incredible,

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but this new commission was to be given precisely the same mandate and functions as the commission which Dewey himself had created almost twelve months before, which had finished its task and whose recommendations he had approved "in principle." In other words, the Governor, although approving the recommendations of his own committee, refused to follow them. Instead he abandoned the committee, its investigation and its bills and called for a new committee, more investigation and more bills. At first blush there would seem to be no rational explanation of this bureaucratic and wasteful duplication of work. But the answer is simple when we note that the new commission was asked to report in 1945, after the election.

This manœuvre deceived no one. Dewey's scuttling of the bills drawn by his own Committee after months of study was roundly denounced by almost every Negro organization in the State. And eight members of the Committee resigned in protest of the Governor's action.

I can think of no more effective commentary on the Governor's action on this vital question than the burning statements made by Dr. Channing Tobias, Senior Secretary of the YMCA, and life-long Republican, upon his resignation from the Committee. Dr. Tobias said that he had decided to part company with the man, and I am quoting, "who would play politics with the bread and butter of the least economically advantaged people in his state." Dewey, Tobias said,

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"was willing to be governed by the counsels of caution as to race prejudice" in order to obtain the nomination and added "we cannot trust a man who has shown what he would do in such a pinch."

John W. Bricker, the Republican Vice Presidential candidate, has also let the cat out of the bag on this issue. He has at the same time made clear what Republican candidates and orators really have in mind when they joyfully repeat that phrase of their own fabrication "Clear Everything With Sidney."

In a speech in Denver, Colorado, on October 23, Bricker made a scurrilous attack upon President Roosevelt's humanitarian action in bringing to an Emergency Refugee Shelter in this country for the duration of the war 1000 homeless and helpless men, women and children, all victims of Nazi brutality and terror. Bricker concluded his vicious diatribe against these innocent sufferers with the following words: "I am not saying that this group was 'cleared with Sidney.' I do not know."

Now why did Bricker see fit to use this phrase deliberately in such a context? The answer is clear and it has such ominous implications that it must be understood by all. These poor and friendly people to whom for a temporary period we are giving no greater comfort or privileges than we give to Nazi prisoners of war are of many nationalities. Included, among others, are Poles, Czechs, Yugoslavs, Greeks and Austrians. Although most are of the Jewish faith, there

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are Catholics and Protestants in the group. But, and, this is important, if we are to understand John Bricker's words, they are all "foreigners". And John Bricker, at least, feels it necessary to assure the lunatic fringe of the isolationist group that he will not condemn or restrain their intense hatred of other Americans who are Negroes, Catholics or Jews, or whose parents, grandparents or great grandparents were born in Italy, Poland, Greece or some other part of Europe.

This, then, is the meaning of "Clear Everything With Sidney". It is the symbol of the fatal doctrine that there are some American citizens who have lesser privileges than others because their ancestors arrived here later than 1620. Remember this when you next hear a Republican orator gleefully read the phrase. It is not merely an appeal for the votes of those who hate Negroes or Jews or Catholics or Italians or Greeks or Poles. It is an attack upon the basic principle upon which this nation was founded and has endured.

Not far from this place there is a statue that truly symbolizes the real essence of our America of yesterday and today - the Statue of Liberty. And chiselled in the marble of this statue are these words which some Americans forget but which should be engraved in the hearts of all of us:

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"Give me your tired, your poor, your huddled masses yearning to breathe free - the wretched refuse of your teeming shore. Send these, the homeless, tempest tost to me. I lift my lamp beside the golden door."

This fundamental issue of human rights goes even deeper than I feel I have expressed tonight. Every society has its underdogs from time to time, for various reasons. Basically the issue is whether or not those who may become underdogs at any particular time in the life of this great country shall be lifted up by the great force of our way of life. And this does not apply only to those who, because they are in the minority, are discriminated against on account of race, color, creed, or place of birth. I believe that the thought I am trying to convey is best expressed in a letter from a GI Joe published on October 25 in the Washington Post. This GI Joe writes as follows:

"I am not sure in my heart that Thomas Dewey is for me. Who am I? Just a little guy with no angles, political or economic. My being in uniform does not matter in this discussion. My being a citizen does matter. I have a very clear remembrance of 1928 and 1929 and 1930. And all this gives me no peace when I contemplate Thomas Dewey.

"I'll grant you that President Roosevelt makes mistakes, but he has convinced me that he is for me.

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I don't mean that I believe that he will pass me favors out of proportion to my status in the economic system.

"I do mean that I have come to believe that he won't let me have my little share of American submitted to the kind of well-organized shaving with which I believe Thomas Dewey to be associated."

October 31, 1944

My dear Eleanor:

I am enclosing herewith copy of the
Gallup Poll as of October 27th.

Affectionately,

Henry.

Mrs. Franklin D. Roosevelt,
The White House.

October 31, 1944

My dear Grace:

I am enclosing herewith a copy of the Gallup Poll as of October 27th, which I thought the President might like to see.

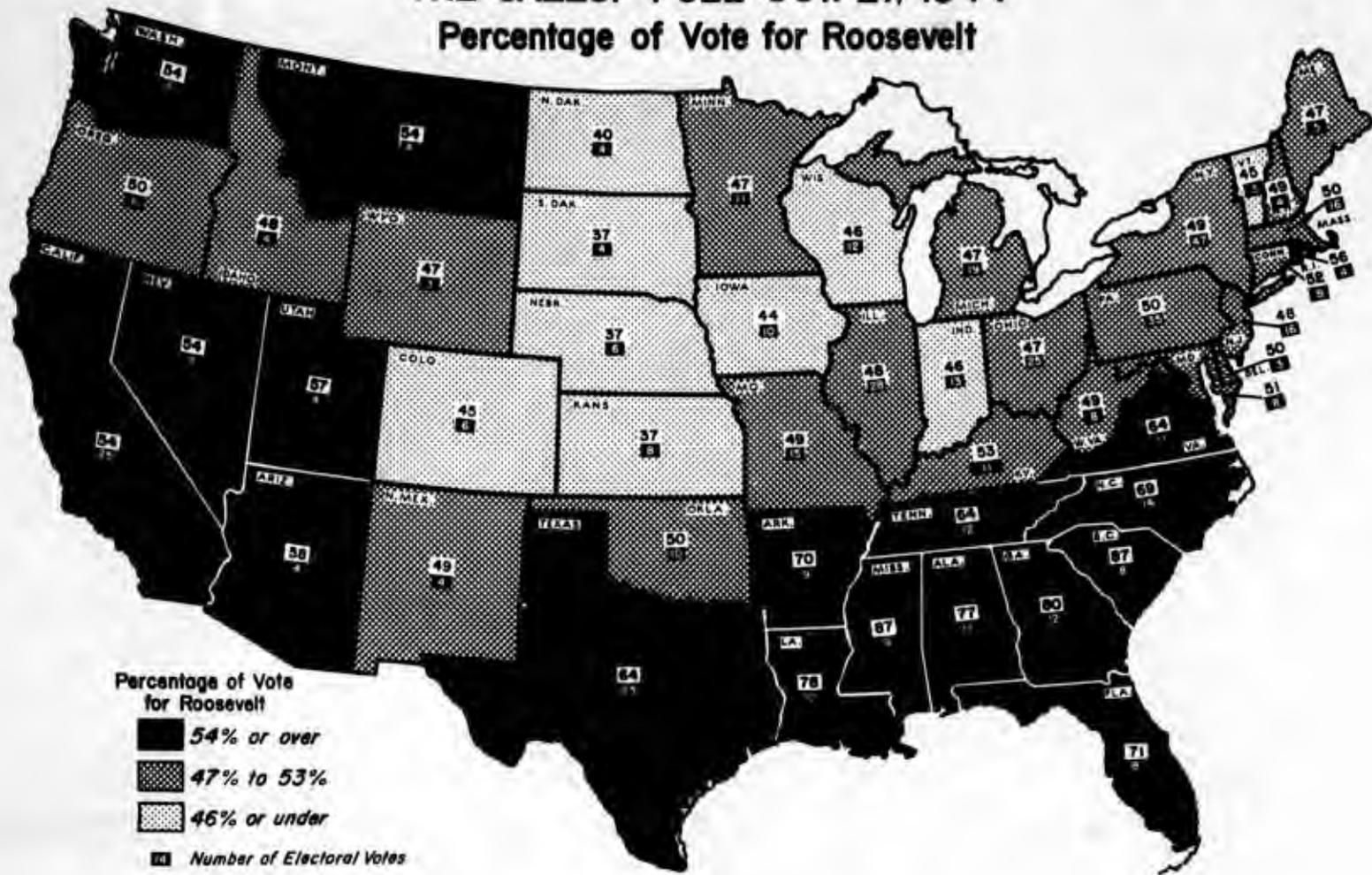
Sincerely yours,

HW

Miss Grace Tully,
Secretary to the President,
The White House,
Washington, D.C.

THE GALLUP POLL OCT. 27, 1944

Percentage of Vote for Roosevelt



Percentage of Vote for Roosevelt

■ 54% or over

▨ 47% to 53%

▩ 46% or under

Ⓜ Number of Electoral Votes

State	Current Vote		State Electoral Vote		% Change since Oct. 16, 1944		State	Current Vote		State Electoral Vote		% Change since Oct. 16, 1944	
	For Roosevelt	For Dewey	For Roosevelt	For Dewey	+ For Roosevelt	+ For Dewey		For Roosevelt	For Dewey	For Roosevelt	For Dewey	+ For Roosevelt	+ For Dewey
Ala....	77%	23%	11			1%	Nebr....	37%	63%	6		1%	
Ariz....	58%	42%	4				Nev....	54%	46%	3		1%	
Ark....	70%	30%	9			4%	N.H....	49%	51%		4		1%
Calif....	54%	46%	25		1%		N.J....	48%	52%		16		
Colo....	45%	55%		6			N.Mex..	49%	51%		4		
Conn....	52%	48%	8		1%		N.Y....	49%	51%		47		
Del....	50%†	50%†				2%	N.C....	69%	31%	14			2%
Fla....	71%	29%	8			3%	N.Dak..	40%	60%		4		5%
Ga....	80%	20%	12			3%	Ohio... 47%	53%		25			
Idaho... 48%	52%			4			Okl... 50%†	50%†					1%
Ill....	48%	52%		28	2%		Oreg... 50%†	50%†					
Ind....	46%	54%		13	1%		Pa....	50%†	50%†				
Iowa... 44%	56%		10				R.I....	56%	44%	4		1%	
Kans... 37%	63%		8		1%		S.C....	87%	13%	8			4%
Ky....	53%	47%	11			2%	S.Dak.. 37%	63%		4			1%
La....	78%	22%	10		1%		Tenn... 64%	36%	12				3%
Me....	47%	53%		5	1%		Texas.. 64%	36%	23				10%
Md....	51%	49%	8			1%	Utah... 57%	43%	4				
Mass... 50%†	50%†					1%	Vt....	45%	55%		3	1%	
Mich... 47%	53%		19	1%			Va....	64%	36%	11			
Minn... 47%	53%		11		1%		Wash... 54%	46%	8				
Miss... 87%	13%	9					W.Va... 49%*	51%*		8*		3%	
Mo....	49%	51%	15		1%		Wis... 46%	54%		12	1%		
Mont... 54%	46%	4		1%			Wyo... 47%	53%		3	3%		
							Total			206†	255†		

† Electoral votes not counted, Del. 3, Mass. 16, Idaho 10, Oreg. 6, Pa. 35.

* Change in column

THE WHITE HOUSE
WASHINGTON

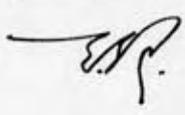
October 31, 1944

Dear Henry:

Thank you for sending me the copy of
the Gallup Poll for October 27.

Either Gallup is no good or F.D.R.
is losing?

Affectionately,



Handwritten notes on the right margin, including a large 'B' and other illegible scribbles.

October 31, 1944

Dear Sam:

I am sending you herewith copy of a memorandum from Assistant Secretary Sullivan to me in regard to the matter you wrote me on October 25th.

Sincerely yours,

(Signed) Henry

Honorable Samuel I. Rosenman,
The White House,
Washington, D.C.



ASSISTANT SECRETARY

TREASURY DEPARTMENT

Washington,

October 28, 1944

MEMORANDUM FOR SECRETARY MORGENTHAU

From: Assistant Secretary Sullivan

JHS

I have discussed with Joe O'Connell the letter which Mr. Benjamin Rabin sent to Judge Rosenman relating to Governor Dewey's criticism of the Salary Stabilization Unit. We agree that it would be unwise to answer this charge for the reason that it is impossible to prove that no such thing happened. Mr. Rabin apparently is convinced the applicant Governor Dewey referred to was Merlyn S. Pitzels. We, of course, could deny the charge in this instance but it would be easy enough for the Governor to state that this was not the case he had in mind. You will note that in the memorandum of transmittal, Judge Rosenman recognized that the idea was of doubtful value.

FOR DEFENSE

BUY
UNITED
STATES
SAVINGS
BONDS
AND STAMPS

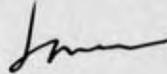
THE WHITE HOUSE
WASHINGTON

October 26, 1944

Dear Henry:

I am sending this
over to you for what it is worth.

Very sincerely,



SAMUEL I. ROSENMAN

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

OCT 26 1944

RECEIVED
OCT 26 1944

DIAMOND, RABIN & MACKAY

598 MADISON AVENUE

NEW YORK 22, N. Y.

TELEPHONE PLAZA 8-8300
CABLE ADDRESS-MILDIAMOND, N. Y.

CHARLES POLETTI
COUNSEL

MILTON DIAMOND
BENJAMIN J. RABIN
DAVID MACKAY
BENJAMIN POLLACK
JEROME H. ADLER
RUDOLF H. LITTAUER
DANIEL KORNSLUM
NATHAN TANEN
ROBERT A. KLEIN
RICHARD HUSSBAUM

October 25, 1944

Hon. Samuel Roserman
The White House
Washington, D. C.

Dear Judge:

On October 20th, Governor Dewey made a speech in which he referred to a friend of his, who is an employee of a publishing house, who was held up for fifteen months before the "appropriate government bureau" passed on his increase in salary - and "that is why it is time for a change." I guess you know the part of the speech to which I refer.

On October 18th, Drew Pearson, in his column, referred to the fact that one Merlyn S. Pitzele was working with Dewey.

Could it be that this white collar friend of Dewey's was the same Pitzele? Pitzele was employed as the Labor Editor of Business Week, a McGraw-Hill publication. He made an application for an increase in salary. He was allowed 50% of what he asked for. The difference was split, as Governor Dewey says. However, instead of taking fifteen months before getting his decision, the decision was handed down in less than two months. A check of the Treasury Department files will give you the following record:

Merlyn S. Pitzele	
February 10, 1944	- Application received requesting increase from \$8,000. to \$10,000.
April 4, 1944	- Application granted to \$9,000.
April 18, 1944	- Employer appealed and requested conference

Hon. Samuel Rosenman

October 25, 1944

May 23, 1944 - Conference held

June 1, 1944 - Appeal denied

June 14, 1944- Employer requested further
conferenceAugust 4, 1944- Appeal tentatively denied
subject, however, to addi-
tional facts being submittedAugust 19, 1944- Additional facts submitted
and conference requested

September 12, 1944 - Conference held

September 19, 1944 - Appeal denied

This record indicates the facts to be quite different from what the Presidential candidate stated them to be in a coast to coast hook-up. The white collar worker got his relief in less than two months, rather than after fifteen months.

The record of this white collar worker is as follows:

Labor editor of Business Week

April 6, 1940 - employed at a salary of \$5,000.
per year

January 1, 1941 - increased to \$6,000. per year

January 1, 1942 - increased to \$7,000. per year

January 1, 1943 - increased to \$8,000. per year.

His application was for an increase to \$10,000.
per year.

He was given \$9,000. per year.

Hon. Samuel Rosenman

October 25, 1944

If Dewey should claim this is not the case, then let him try to find another one of a friend of his who is an employee of a publishing house and who got a 50% decision on such an application.

Do you think this calls for a reply from the Treasury Department? It should be shown up because this is a deliberate misstatement of facts.

Regards.

Sincerely,

A handwritten signature in cursive script, appearing to be 'BJR', written in dark ink.

BJR:MF

October 31, 1944.

Memorandum to The President:

I am attaching a proposed letter for your signature, addressed to General Eisenhower, which I hope you will sign.

As a result of my conversations with General Eisenhower and others in the European Theater of Operations this summer we sent over a group of four good men from War Savings, headed by Professor Peter Odegard of Amherst. They recommended a special War Bond drive having as one of its chief objectives the diversion of soldiers' pay which would otherwise go to aggravate the inflationary situation in that theater. It is to be called the Silver Lining War Bond Drive and the objective is to raise \$100,000,000 in six months. The present rate of War Bond sales in the theater is \$57,000,000 in six months and the new drive is therefore for an additional \$43,000,000 in the same period, or an average total of \$8.50 per man per month. The higher officers generally regard it as important that the net retained pay in the European Theater be reduced as a counter-inflationary measure. They also regard War Bond promotion as helpful to morale. It is not resented by the troops.

The program is to be kept on an entirely voluntary basis.

If you sign the letter will you be so good as to return it to me and we will forward it through Army channels.

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

*VL Jones
Pres*

*42
Photostat*

**THE WHITE HOUSE
WASHINGTON**

November 2, 1944

MEMORANDUM FOR THE SECRETARY OF THE TREASURY:

The President has signed the letter addressed to General Eisenhower which you submitted with your memorandum of October thirty-first. It is herewith returned for forwarding as you suggest.

M. C. Latta

M. C. LATTA
Executive Clerk

13-

THE WHITE HOUSE
WASHINGTON

November 1, 1944

My dear General Eisenhower:

I am most happy to give my support and endorsement to the Silver Lining War Bond Drive now under way in the European Theater of Operations. As Commander-in-Chief it is a source of great satisfaction to know that the American soldier, in the midst of the grueling discipline of war, has the wisdom and foresight to make provision for his future through the purchase of War Savings Bonds. It proves once again that the men and women who make up the American Army are not only the finest soldiers in the world, but prudent citizens as well.

My hearty congratulations and best wishes for a successful drive. Through purchase of War Savings Bonds we all, civilians and soldiers alike, can put a silver lining of promise on the clouds that stand between us and a better world of peace and plenty.

Sincerely,



General Dwight D. Eisenhower
Supreme Commander
Allied Expeditionary Forces
European Theater of Operations

November 1, 1944.

My dear General Eisenhower:

I take pleasure in sending you a letter from the President on the subject of the new Silver Lining War Bond Drive.

At the same time I wish to congratulate you and through you the officers and men of the United States Army in the European Theater on the decision to improve their good savings record through this means.

War Bonds as you know are the device by which we save for the war and save for the future at the same time. They are a mighty factor in maintaining our war production record. They will be a great factor too in providing jobs and comfort after the war.

I applaud the firm decision of the soldiers of this war to stake out for themselves a better share in a better world.

I wish you and them all possible success.

Sincerely,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

General Dwight D. Eisenhower
Supreme Commander
Allied Expeditionary Forces
European Theater of Operations

HEC/mah




THE SECRETARY OF THE TREASURY
WASHINGTON

October 31, 1944.

I take pleasure in sending you a letter from the President on the subject of the new Silver Lining War Bond Drive.

My dear General Eisenhower:

I congratulate you and through you the officers and men of the United States Army in the European Theater on the decision to improve their good savings record through the ~~Silver Lining War Bond Drive~~ *this means.*

At the time of the decision to

War Bonds as you know are the device by which we save for the war and save for the future at the same time. They are a mighty factor in maintaining our war production record. They will be a great factor too in providing jobs and comfort after the war.

I applaud the firm decision of the soldiers of this war to stake out for themselves a better share in a better world.

I wish you and them all possible success.

Sincerely,

Henry M. [Signature]
Secretary of the Treasury.

General Dwight D. Eisenhower
Supreme Commander
Allied Expeditionary Forces
European Theater of Operations



TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE Oct. 30, 1944

TO Mrs. Klotz
FROM Ted R. Gamble

I'm attaching the memo that the Secretary requested to accompany the letter that we want the President to sign to General Eisenhower. On the two letters of the Secretary's, one to Eisenhower, one to General Cobbs, as well as the President's letter, we would like to have them all back to turn over to General Carter for delivery to the proper parties abroad.

Attachment

prepared by Gamble
but re-written

General Eisenhower, and the
Officers and Men of the ETO

The men and women of the Armed Forces of the United States have already made an enviable record in the purchase of War Bonds. You have now set out to beat that record in this Silver Lining War Bond Drive. I wish you every success.

War Savings Bonds offer an ideal form of saving for the future. When the war is won and you return again to your homes and the ways of peace, these savings will give you a stake in the better world your courage and sacrifice have won.

Sincerely yours,

10-23-44
PHO:MC

PHO

Could be more copies
TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE October 31, 1944

TO: Secretary Morgenthau

FROM: R. W. Coyne

I am forwarding herewith a copy of the pamphlet "These Are Their Words" which I discussed with you in Los Angeles. This went to the field following the opening broadcast of the Fifth War Loan. There is in preparation now a pamphlet highlighting excerpts from your recent War Finance meeting speeches which should be ready very shortly.

Rwb

THESE ARE THEIR WORDS

On Freedom vs. Tyranny



Excerpts from the Broadcast
Launching the Fifth War Loan

PUBLISHED BY THE WAR FINANCE DIVISION
TREASURY DEPARTMENT

THIS is the time for remembering just what it is we are fighting: The devil's brood of a lunatic philosophy that a few years ago many honest Americans thought too fantastic to be taken seriously.

We have seen those fantastic notions translated into deeds that shocked and rocked the world. If the subject of this leaflet were **THESE ARE THEIR DEEDS** it could not be covered adequately in a five-foot shelf of horror-packed volumes.

The broadcast of June 12, 1944, opening the Fifth War Loan, recalled some of the words of our enemies, who are the enemies of all free men and men who would be free. Reading them, you will not need to be reminded that we must back the attack on tyranny as never before.

Set off against them are a few statements from free men of many lands—restatements of old truths and hopes that men of goodwill have been fighting for since the first tyrant beat his chest and proclaimed: "I am the Leader! My will is supreme! My word is Law!"

In this hour it is comforting and strengthening to restate those simple, lean, and sinewy truths that have survived so many tyrants, so many temporary conquerors, so many usurpers of the rights of the common man.

These, then, are the words of wise men—and of those who call them fools. Whatever it may cost in toil and agony, we know that we shall have the last word, for the last word will be the Truth.

Henry Morgenthau Jr.
Secretary of the Treasury



THESE ARE THEIR WORDS



On Freedom of Speech and Thought:

☞ The other side has no right to criticize. They should be grateful that they are still alive.

—*Dr. Alfred Rosenberg, Reichs Leader of the Nazi Party.*

🔔 The most beautiful thing in the world is freedom of speech.

—*Diogenes Laertius, circa A. D. 225.*

☞ With us the subordinate does not criticize his superior, but only the superior subordinates.

—*Dr. Joseph Goebbels, Reichs Minister of Propaganda.*

🔔 To speak his thoughts is every man's right.

—*Homer.*

☞ Discussion of matters affecting our existence and that of the Nation must cease altogether.

—*Fritz Sauckel, Gauleiter of Weimar, etc.*

🔔 Liberty of thought is the life of the soul.

—*Voltaire.*

On Dictatorship vs. Democracy:

🔔 All men are by nature equal.

—*Plato.*

🔔 Democracy arose from men's thinking that if they are equal in any respect they are equal absolutely.

—*Aristotle.*

🔔 No one can be perfectly free till all are free.

—*Herbert Spencer.*

🔔 No man is an island entire of itself; every man is a piece of the continent, a part of the main; if a clod be washed away by the sea, Europe is the less, as well as if a promontory were . . . any man's death diminishes me because I am involved in mankind, and therefore never send to know for whom the bell tolls; it tolls for thee.

—*John Donne.*

🔔 As soon as any man says of the affairs of the state, "What does this matter to me?" the state may be given up for lost.

—*Jean Jacques Rousseau.*

⚠ Where every man feels that he is a participator in the Government of affairs, not merely at an election one day in the year but every day; when there shall not be a man in the state who wilt not be a member of one of its councils, great or small, he will let his heart be torn out of his body sooner than his power be wrested from him by a Caesar or a Bonaparte.
—Thomas Jefferson.

⚡ A nation must be deceived if one will secure the devotion of the masses of the people.

—Adolph Hitler.

⚠ The American Revolution has shown us the happy truth that man is capable of self-government and only rendered otherwise by the moral degradation designedly superinduced on him by the wicked acts of his tyrants.

—Jefferson.

⚡ The bases of my program are blood, fire, and personality.

—Adolf Hitler.

⚠ Only free peoples can hold their purpose and their honor steady to a common end and prefer the interests of mankind to any narrow interest of their own.

—Woodrow Wilson.

On Education in Nazi Land:

⚡ Our youth will be educated to think and act as Germans. As long as they live, our German youth will never again be free.

—Adolph Hitler.

⚡ We begin with the child when he is three years old. As soon as he begins to think he gets a little flag put in his hands. Then follows the school, the Hitler Youth and Military Training. We don't let him go until the grave—whether he likes it or not.

—Dr. Robert Ley, Nazi Labor Front Leader.

⚡ Peasants, leave your sowing,
Little flowers will still be growing;
Peasants, leave your plowing,
We plow soon with the sword.
Heil, Hitler!

—Nazi Children's Song.

⚡ There is no place in German universities for truth for truth's sake.

—Ernst Kriek, Rector of the University of Frankfurt-am-Main.

On Woman's Place:

⚡ Mothers must exhaust themselves to give life to children.

—Franz von Papen, Nazi diplomat.

⚡ The holiest thing in the world is the wife who is both servant and slave.

—Gottfried Feder, Nazi Kommissar of Resettlement of Conquered Lands.

⚡ All I had to do was wink and the brigadiers put the young girl over a wooden pole. They then beat her with horse whips until there wasn't a white spot left.

—Manfred Freiherr von Killinger, Nazi Premier of Saxony.

⚡ The young employee—a girl—who had held her position for five years, was dismissed. The official reason given for the dismissal was the allegedly hostile mentality of the girl's father against the state.

—Nazi news report.

⚡ We request that every hen lay between one hundred and thirty and one hundred and forty eggs a year.

—A Nazi Minister.

The Nazi Bill of Rights:

⚡ Heil, Hitler! We do not recognize any tradition of civil rights; we do not recognize civil rights. Heil, Hitler!
A dismissal without notice can be based upon reasons having taken place after the dismissal. Heil, Hitler!

—Dr. Hans Frank, Nazi Minister of Justice.

⚡ If, after a period in a concentration camp, anyone fails to appreciate the privileges of citizenship in the Third Reich, he had better leave the country.

—Julius Streicher, Gauleiter of Nuremberg.

⚡ The tennis team of Blau-Weiss has been deprived of its victory because of the unsatisfactory result of the discussion on political philosophy which the district sport leader had with the members of the team after the matches. Victor in a sport contest in the Third Reich can only be he who is fully conversant with our way of thinking.

—Nazi sport news.

On Freedom of Worship:

⚡ God has manifested himself not in Jesus Christ but in Adolph Hitler.

—Hanns Kerrl, Minister of Justice for Prussia.

⚡ My will—that must be the creed of all of us. Everything that you are, you are through me!
—Hitler.

⚡ Heil, Hitler! The Catholic and Protestant churches must vanish from the life of our people.
—Dr. Alfred Rosenberg.

⚡ Everything the Fuehrer utters is religion.
—Goebbels.

⚡ My will. That is your faith. My faith is for me.
—Hitler.

⚡ You, my Fuehrer, have given us our daily bread.
—Goebbels.

⚡ Fortunately the Italian people are not accustomed to eating several times a day.
—Benito Mussolini (*Ex-Duce of Fascist Italy*).

⚡ It is only on one or two exceptional points that Christ and Hitler stand comparison, for Hitler is far too big a man to be compared with one so petty.
—Julius Streicher.

⚡ Christ was a false prophet, addicted to drink and cowardly like all Jews.
—General von Ludendorff.

⚡ Jesus is the enemy of all Germans. Jesus is the enemy of blood and race.
—Streicher.

⚡ It has been claimed that every race on this earth is a thought of God. Therefore, we claim complete separation between blood and blood in order to avoid God's thoughts being disturbed.
—Dr. Gross, *Nazi Office for Race Politics*.

⚡ Resistance to tyrants is obedience to God.
—Thomas Jefferson.

The Price of Freedom:

⚡ Has any benefit or progress ever been achieved by the human race by the submission to organized and calculated violence? As we look back over the long story of nations we must see that, on the contrary, their glory has been founded upon the spirit of resistance to tyranny and injustice.
—Winston Churchill.

⚡ We are not to expect to be translated from despotism to liberty in a featherbed.
—Jefferson.

⚡ These are the times that try men's souls. The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of their country; but he that stands it *now* deserves the love and thanks of man and woman. Tyranny, like hell, is not easily conquered; yet we have this consolation with us that the harder the conflict, the more glorious the triumph. What we obtain too cheap, we esteem too lightly; it is dearness only that gives everything its value. Heaven knows how to put a proper price upon its goods; and it would be strange, indeed, if so celestial an article as FREEDOM should not be highly rated.

—Tom Paine, *The American Crisis*, 1776.

⚡ We shall fight for the thing we have always carried nearest our hearts, for democracy, for the rights of those who submit to authority to have a voice in their own governments, for the rights and liberty of small nations, for the universal dominion of right by such a concert of free peoples as shall make peace and safety to all nations and make the world itself at last free.

—Woodrow Wilson.

Of the People, By the People . . .

⚡ As I would not be a slave, so I would not be a master. This expresses my idea of democracy. Whatever differs from this to the extent of the difference is no democracy.
—Abraham Lincoln.

⚡ Democracy is talking itself to death. The people do not know what they want.
—Mussolini.

⚡ I know no safe depository of the ultimate powers of society but the people themselves.
—Jefferson.

⚡ The people do not know what is best for them.
—Mussolini.

⚡ Why should there not be a patient confidence in the ultimate justice of the people? Is there any better or equal hope in the world?
—Lincoln.

⚡ All that you are, you are through me! My will: that is your law!
—Hitler.

⚡ The real wisdom of human life is compounded out of the experiences of ordinary men. America does not consist politically of the men who set themselves up to be political leaders; she does not consist of the men who do most of her talking—they are important only so far as they speak for that great voiceless multitude of men who constitute the great body and the saving force of the Nation.

—Woodrow Wilson.

🔔 The genius of the United States is not best or most in its executives or legislatures, nor in its ambassadors or authors or colleges or churches or parlors, nor even its newspapers or inventors . . . but always most in the common people . . . their deathless attachment to freedom—the fierceness of their roused resentment—the air they have of persons who never knew how it felt to stand in the presence of superiors . . . their good temper and open-handedness—the terrible significance of their elections—the President's taking off his hat to them; not they to him.

—Walt Whitman.

🔔 If all Europe were to become a prison, America would still present a loophole of escape and, God be praised, that loophole is longer than the dungeon itself.

—Heinrich Heine, German poet of Democracy.

🔔 I think the true discovery of America is before us. I think the true fulfillment of our spirit, of our people, of our mighty and immortal land, is yet to come. I think the true discovery of our own democracy is still before us. And I think that all these things are certain as the morning, as inevitable as noon.

I think I speak for most men living when I say that our America is here, is now, and beckons on before us, and that this glorious assurance is not only our living hope, but our dream to be accomplished.

I think the enemy is here before us, too. But I think we know the forms and faces of the enemy, and in the knowledge that we know him, and shall meet him and eventually must conquer him is also our living hope. I think the enemy is here before us with a thousand faces, but I think we know that all his faces wear one mask. I think the enemy is single selfishness and compulsive greed. I think the enemy is blind, but has the brutal power of his blind garb. I do not think the enemy was born yesterday, or that he grew to manhood forty years ago, or that he suffered sickness and collapse in 1929, or that we began without the enemy, and that our vision faltered, that we lost the way, and suddenly were in his camp. I think the enemy is old as time, and evil as Hell, and that he has been here with us from the beginning. I think he stole our earth from us, destroyed our wealth, and ravaged and despoiled our land. I think he took our people and enslaved them, that he polluted the fountains of our life, took unto himself the rarest treasures of our own possession, took our bread and left us with a crust, and, not content, for the nature of the enemy is insatiate—tried finally to take from us the crust.

—Thomas Wolfe.

What Are We Fighting For?

🔔 Success is the sole earthly judge of right and wrong. The very first essential for success is a perpetually constant and regular employment of violence.

—Hitler.

🔔 We fight not to enslave, but to set a country free, and to make room upon the earth for honest men to live in.

—Tom Paine.

🔔 Security for ourselves in a free world . . .

—Gen. Dwight Eisenhower.

🔔 I will not believe our labors are lost. I shall not die without a hope that light and liberty are on a steady advance. We have seen, indeed, once within the record of history, the complete eclipse of the human mind continuing for centuries. . . . Even should the cloud of barbarism and despotism again obscure the science and liberties of Europe, this country remains to preserve and restore light and liberty to them. In short, the flames kindled on the Fourth of July, 1776, have spread over too much of the globe to be extinguished by the feeble engines of despotism; on the contrary, they will consume these engines and all who work them.

—Jefferson.

🔔 It's true we're fighting to defend our way of life, but—I think there's more to it than that. We're fighting for a better life—a freer life, a larger promise for the generations ahead of us. I think we're all of us convinced today that we owe something to the needy and to the old and to the sick. . . . I think we're fully convinced at last that we simply haven't the right to let anybody starve for lack of food or a job.

We have strong allies now, brave friends fighting beside us in the field. We have the finest Army in our history and the biggest Navy in the world . . . and now we're sure of winning. But it won't be easy, we know that, too. It may be very hard—terribly hard . . . but here at home we can make winning easier, and we can make it shorter . . . what's more, we can make this most recent battle in our long war to win freedom and to hold it . . . the last battle.

That's up to us. This is a people's war. It isn't financed by the banks. Because they believe in this war—in its full justice . . . because they have confidence in the outcome and faith in its high purpose, the people are financing it.

This people's war of ours is fought on fronts all over the world. Last week we opened a new front on the continent of Europe. That front alone is the biggest project in military history. You can be sure that the invasion didn't begin until we were ready—and you must know that getting ready cost a lot of money. General Marshall told me last Wednesday before he left for England that our war expenditure for the last 3 months of this year will be the highest yet. . . . "And we've just started," he told me—these are his words—"We've just started on the beaches of France a flaming war . . ."

Now here are some cold facts—it costs 86 thousand dollars to lay a smoke screen across a 20-mile beachhead. I ask you to imagine the money required to land a single division of men. *

To march from Naples to Rome it cost us six billion seven hundred million dollars including equipment, training, etc. I leave it to you to imagine what it will cost to march from Rome to Berlin.

The cost of taking the Marshall Islands was six billion dollars. That includes planes, oil, ammunition, ships, and the training and equipping of personnel—six billion dollars! Again I leave it to you to imagine what it will cost us to go from the Marshall Islands to Tokyo.

We've spent almost two hundred billion on the war already. By the end of the next fiscal year we will have spent at least ninety-nine billion more for all purposes. Some of this we'll get from taxes—out of every dollar, 95 cents goes to pay for the war—but we're still going to be fifty-seven billion dollars short, and this money we're going to have to borrow from you.

With the United Nations, America is pledged to the total defeat of the enemy. Pledged—in the words of General Eisenhower—"to bring about the destruction of the German war machine, elimination of Nazi tyranny over the oppressed peoples of Europe, and security for ourselves in a free world." That's our definition of Victory.

We must not let the President—our Commander in Chief—worry whether we'll be able to pay for that Victory. The harder we fight the sooner we're going to win. We are going to give our armed forces the money they need. The very life of democracy is the people's trust in themselves. The people can finance their security in a free world. We're doing it now, but the amount needed is tremendous. It begins with 10 cents . . . it goes up to anything you can afford, and it ends with victory—full victory—and a sure peace. —Secretary Morgenthau.

The President's Message

FROM THE WHITE HOUSE THE PRESIDENT
CONCLUDED THE BROADCAST:

ALL our fighting men overseas today have their appointed stations on the far-flung battle fronts of the world. We at home have ours too. We need, and are proud of, our fighting men—most decidedly. But, during the anxious times ahead, let us not forget that they need us too.

It goes almost without saying that we must continue to forge the weapons of victory—the hundreds of thousands of items, large and small, essential to the waging of the war. This has been the major task from the very start. It is still a major task. This is the very worst time for any war worker to think of leaving his machine or to look for a peacetime job.

And it goes almost without saying, too, that we must continue to provide our Government with the funds necessary for waging war not only by the payment of taxes—which, after all, is an obligation of citizenship—but also by the purchase of War Bonds—an act of free choice which every citizen has to make for himself under the guidance of his own conscience.

Whatever else any of us may be doing, the purchase of War Bonds and Stamps is something all of us can do and should do to help win the war.

I am happy to report tonight that it is something which nearly everyone seems to be doing. Although there are now approximately sixty-seven million persons who have or earn some form of income (including the armed forces), eighty-one million persons have already bought War Bonds. They have bought more than six hundred million individual bonds. Their purchases have totaled more than thirty-two billion dollars. These are the purchases of individual men, women, and children. Anyone who would have said this was possible a few years ago would have been put down as a starry-eyed visionary. Of such visions, however, is the stuff of America fashioned.

Of course, there are always pessimists with us. I am reminded of the fact that after the fall of France in 1940 I asked for the production by the United States of 50,000 airplanes per year. I was called crazy—it was said that the figure was fantastic; that it could not be done. Today we are building airplanes at the rate of 100,000 a year.

There is a direct connection between the bonds you have bought and the stream of men and equipment now rushing over the English Channel for the liberation of Europe. There is a direct connection between your War Bonds and every part of this global war today.

Tonight, therefore, on the opening of this Fifth War Loan Drive, it is appropriate for us to take a broad look at this panorama of world war, for the success or failure of the drive is going to have so much to do with the speed with which we can accomplish victory and peace.

While I know that the chief interest tonight is centered on the English Channel and on the beaches and farms and cities of Normandy, we should not lose sight of the fact that our armed forces are engaged on other battle fronts all over the world, and that no one front can be considered alone without its proper relation to all.

It is worth while to make over-all comparisons with the past. Compare today with just two years ago—June 1942. At that time Germany was in control of practically all of Europe, and was steadily driving the Russians back toward the Ural Mountains. Germany was practically in control of North Africa and the Mediterranean, and was beating at the gates of the Suez Canal and the route to India. Italy was still an important military and supply factor—as subsequent, long campaigns proved.

Japan was in control of the western Aleutian Islands; and in the South Pacific was knocking at the gates of Australia and New Zealand—and also threatening India. She had seized control of nearly one-half of the Central Pacific.

American armed forces on land and sea and in the air were still very definitely on the defensive, and in the building-up stage. Our Allies were bearing the heat and the brunt of the attack.

In 1942 Washington heaved a sigh of relief that the first War Bond issue had been cheerfully oversubscribed by the American people. In those days America was still hearing from many “amateur strategists” and political critics, some of whom were doing more good for Hitler than for the United States.

Today we are on the offensive all over the world—bringing the attack to our enemies.

In the Pacific, by relentless submarine and naval attacks, amphibious thrusts, and ever-mounting air attacks, we have deprived the Japs of the power to check the momentum of our ever-growing and ever-advancing military forces. We have reduced their shipping by more than 3,000,000 tons. We have overcome their original advantage in the air. We have cut off from a return to the homeland tens of thousands of beleaguered Japanese troops who now face starvation or surrender. We have cut down their naval strength, so that for many months they have avoided all risk of encounter with our naval forces.

True, we still have a long way to Tokyo. But, carrying out our original strategy of eliminating our European enemy first and then turning all our strength to the Pacific, we can force the Japanese to unconditional surrender or to national suicide much more rapidly than has been thought possible.

Turning now to our enemy who is first on the list for destruction—Germany has her back against the wall—in fact three walls at once!

On the south—we have broken the German hold on central Italy. On June 4 the city of Rome fell to the Allied armies. Allowing the enemy no respite, the Allies are now pressing hard on the heels of the Germans as they retreat northward in ever-growing confusion.

On the east—our gallant Soviet Allies have driven the enemy back from the lands which were invaded 3 years ago. Great Soviet armies are now initiating crushing blows.

Overhead—vast allied air fleets of bombers and fighters have been waging a bitter air war over Germany and Western Europe.

They have had two major objectives: To destroy German war industries which maintain the German armies and air forces, and to shoot the German Luftwaffe out of the air. As a result German production has been whittled down continuously, and the German fighter force now has only a fraction of its former power.

This great air campaign, strategic and tactical, will continue—with increasing power.

On the west—the hammer blow which struck the coast of France last Tuesday morning was the culmination of many months of careful planning and strenuous preparation.

Millions of tons of weapons and supplies and hundreds of thousands of men assembled in England are now being poured into the great battle in Europe.

From the standpoint of our enemy we have achieved the impossible. We have broken through their supposedly impregnable wall in northern France. The assault has been costly in men and materials. Some of our landings were desperate adventures; but from advices received so far, the losses were lower than our commanders had estimated would occur. We have established a firm foothold; and are now prepared to meet the inevitable counter-attacks of the Germans—with power and confidence. We all pray that we will have far more than a firm foothold.

Americans have all worked together to make this day possible.

The liberation forces now streaming across the Channel and up the beaches and down the highways of France are using thousands and thousands of planes and ships and tanks and heavy guns. They are carrying with them many thousands of items needed for their dangerous, stupendous undertaking. There is a shortage of nothing—nothing! This must continue.

What has been done in the United States since those days of 1940—when France fell—in raising and equipping and transporting our fighting forces, and in producing weapons and supplies for war, has been nothing short of a miracle. It was largely due to American teamwork—teamwork among capital and labor and

agriculture, between the armed forces and the civilian economy—indeed among all of them.

And every one who bought a War Bond helped—and helped mightily!

There are still many people in the United States who have not bought War Bonds, or who have not bought as many as they can afford. Everyone knows for himself whether he falls into that category or not. In some cases his neighbors know also. To the consciences of those people, this appeal by the President of the United States is very much in order.

All of the things which we use in this war, everything we send to our fighting allies, costs money—a lot of money. One sure way every man, woman, and child can keep faith with those who have given, and are giving, their lives is to provide the money which is needed to win the final victory.

I urge all Americans to buy War Bonds without stint. Swell the mighty chorus to bring us nearer to victory!

—FRANKLIN DELANO ROOSEVELT.



OCT 31 1944

Dear Mr. Koussevitsky:

As I know you are aware, the Sixth War Loan to raise \$14 billion will be conducted from November 20th through December 16th. In each War Loan Drive the Treasury Department finds it necessary to conduct throughout the country more impressive and effective promotions in order to stimulate extra War Bond sales.

It is for this reason that I am writing you to ask if it might be possible for you to conduct a special Boston Symphony Concert in the Boston Garden? It is my opinion that such a concert will constitute a major contribution to the fulfillment of the Greater Boston War Bond quota, and will most certainly lend tremendous prestige to the War Loan campaign in the State of Massachusetts.

If you are able to arrange this performance, our Massachusetts War Finance Committee office is prepared to follow through on all necessary details. I sincerely hope that this suggestion meets with your favor.

With kindest personal regards,

Sincerely,

(Signed) H. Morgenthau, Jr.

Dr. Serge Koussevitsky,
Boston Symphony Orchestra,
251 Huntington Avenue,
Boston, Massachusetts.

RWC:deb

TREASURY DEPARTMENT

51

INTER OFFICE COMMUNICATION

DATE Oct. 30, 1944

TO Mrs. Klotz
FROM Ted R. Gamble

Our people in Massachusetts have already contacted Dr. Koussevitsky and have advised me that they have an informal understanding with him that he will be delighted to do this, but for a number of reasons would like the request to come from the Secretary of the Treasury. He indicated that he knew the Secretary would be delighted to do this for him.

↓
(conduct a special Boston Symphony Concert in the Boston Garden during 6th War Loan Drive.)

WAR FINANCE DIVISION
Teletype Service, Rm. 740, Washington Bldg.
Telephone Extensions: 5222 - 5300

TO Coyne

Boston Philadelphia Cleveland Chicago San Francisco
New York Newark Detroit St. Louis Los Angeles

BS 576 10-21-44
MR. R. W. COYNE

Rec'd Boston 3:30 -- as --

CONFIRMING CONVERSATION, BELIEVE BOSTON SYMPHONY WILL DONATE CONCERT BOSTON GARDENS. HAVE RESERVED GARDEN FOR DECEMBER 14. SYMPHONY FINISHES MID-WESTERN TOUR AT ANN ARBOR, MICHIGAN, DECEMBER 11TH AT 8/30 PM. WOULD BE OF GREAT HELP IF MR. MORGANTHEAU WHO KNOWS DR. KOUSSEVITZKY WELL WOULD WRITE HIM A PERSONAL LETTER TO THE FOLLOWING EFFECT,

DEAR DR. KOUSSEVITSKY,

AS I KNOW YOU ARE AWARE, THE SIXTH WAR LOAN TO RAISE FOURTEEN BILLION DOLLARS WILL BE CONDUCTED FROM NOVEMBER 20TH THROUGH DECEMBER 16TH. IN EACH WAR LOAN DRIVE THE TREASURY DEPARTMENT FINDS IT NECESSARY TO CONDUCT THROUGHOUT THE COUNTRY MORE IMPRESSIVE AND EFFECTIVE PROMOTIONS IN ORDER TO STIMULATE EXTRA WAR BOND SALES.

IT IS FOR THIS REASON THAT I AM WRITING YOU TO ASK IF IT MIGHT BE POSSIBLE FOR YOU TO CONDUCT A SPECIAL BOSTON SYMPHONY CONCERT IN THE BOSTON GARDEN QUESTION. IT IS MY OPINION THAT SUCH A CONCERT WILL CONSTITUTE A MAJOR CONTRIBUTION TO THE FULLFILL MENT OF THE GREATER BOSTON WAR BOND QUOTA, AND WILL MOST CERTAINLY LEND TREMENDOUS PRESTIGE TO THE WAR LOAN CAMPAIGN IN THE STATE OF MASSACHUSETTS.

IF YOU ARE ABLE TO ARRANGE THIS PERFORMANCE, OUR MASSACHUSETTS WAR FINANCE COMMITTEE OFFICE IS PREPARED TO FOLLOW THROUGH ON ALL NECESSARY DETAILS. I SINCERELY HOPE THAT THIS SUGGESTION MEETS WITH YOUR FAVOR.

WITH KINDEST PERSONAL REGARDS.

SINCERELY,

DR. KOUSSEVITSKYS ADDRESS IS, DR. SERGE KOUSSEVITSKY, BOSTON SYMPHONY ORCHESTRA, SYMPHONY HALL, 251 HUNTINGTON AVENUE, BOSTON, MASS.

PLEASE ASSURE THE TREASURER THAT I FEEL THAT IT IS MOST IMPORTANT AND WOULD BE MOST HELPFUL.

F. W. DENIO, STATE CHAIRMAN

END JDS.

WAR FINANCE DIVISION
Teletype Service, Rm. 740, Washington Bldg.
Telephone Extensions: 5222 - 5300

TO Coynne

Boston	Philadelphia	Cleveland	Chicago	San Francisco
New York	Newark	Detroit	St. Louis	Los Angeles

WA WFD GA PLS
WFC BS 576 10-21-44
R. W. COYNE

Rec'd Boston 3:50 as Coyne

SUPPLEMENTING TT REGARDING SYMPHONY IT WOULD SEEM ODT COULD PERMIT
THE FIVE PULLMANS AND GXH BAGGAGE CAR FOR THIS SITUATION FOR
DECEMBER 11 SINCE ELECTION WILL BE OVER AND LARGE NUMBER OF SPECIAL
PULLMAN TRAINS SHOULD BE AVAILABLE. HOPE REAL TOP MANAGEMENT
PRESSURE CAN BE USED IF NECESSARY.
DENIO
END MCS

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE
October 31, 1944

TO Mr. Charles Bell

FROM Mrs. Doyle *mwd*

I have now completed one year of service in the Treasury as of October 16, 1944. After my first six months of service I made a report to you which you presented to the Secretary. I herewith report again on progress for the information of the Secretary.

I. Care of Children

A. The program of information for working mothers in the Treasury is being maintained.

1. Informational circulars on child care facilities are issued regularly to the mothers and to personnel and employee relations officers. Personal interviews are held with unusual cases.
2. Each month I meet with representatives of the larger bureaus and have present the representatives of nursery school, school age and recreational facilities to explain their programs and answer questions. Nursery schools have been visited. These meetings are very effective.
3. A special effort was made to help mothers through the school vacation period by informing them of available playground facilities, and by obtaining the assistance of the D. C. Recreation Division on special cases. The results of this program are as follows:

Resignations in summer months to care for children:

	<u>1943</u>	<u>1944</u>
July	59	25
August	28	23
September	27	17

B. Working Children of school age who had not graduated from high school

Through our luncheon meetings information was distributed so that:

1. Children who worked in the summer in the Treasury and who had not graduated from high school would be urged to go back to school.
2. If all arguments to get them back to school failed, information was provided so that personnel officers could urge them to complete their high school education in night school.

II. Health Program

A. The progress of the Health Program has been gratifying

1. The Public Health Service has been expanded in the Treasury. At the present time the health project utilizes the services of a Chief Medical Officer, four Medical Officers and thirty-eight nurses.
2. The Health Unit has been moved to attractive rooms and has been planned to insure privacy for patients.
3. The program at the Bureau of Engraving and Printing is under way. This should help the absenteeism problem at the Bureau in some degree.
4. Improvements are being made gradually in the Health Units by better location or better use of space.
5. Nurses training: 13 nurses in the Treasury are taking advantage of advanced work in public health nursing by taking courses at Catholic University. There is discussion of having such a training program set up in the Treasury Health Units.
6. Health records of new employees will be kept in the Health Unit so that the doctor can check on any occupational handicaps to be sure that assignments are not made improperly.
7. Arrangements have been made with the Health Unit for full cooperation with personnel officers on the care of returned veterans.
8. I have had several conferences with you, the officials of the Public Health Service, and the Treasury Medical Officer, Dr. Hesdorffer, on the Health Project.
9. I testified for the Treasury before the Subcommittee of the House Committee on Civil Service on H. R. 4909, a bill to provide for health programs for Government employees.
10. I work on individual cases sent to me by Dr. Hesdorffer.

B. Future Plans

1. Conference of all Personnel Officers with the Medical Officer of the Treasury so that the Medical Program may be fully appreciated. At such a conference medical problems covering the reemployment of veterans could be discussed.
2. Introduction of the Visiting Nurse service under the supervision of the Chief Medical Officer of the Treasury.

III. Cafeterias

A. The cafeteria in the Main Treasury is excellently managed. The Cafeteria Committee regularly gives attention to matters concerning the cafeteria. It is hoped that music for which the wiring is now in, will soon be available.

B. Other Cafeterias

I have visited all the cafeterias after a conference with Mr. Daniel W. Bell. With the cooperation of Mr. Bell and the late Mr. Barnes, plans are on foot to have a Cafeteria at the Liberty Loan Building, as well as to enlarge the Cafeteria at the Auditors' Building. Improvement has already been made in eating conditions at the Liberty Loan Building.

IV. Visits in the Field

Complete reports are on file, but I mention herewith special problems.

A. Chicago

Mr. Wilson recently visited the Public Debt offices in Chicago and tells me that many of the improvements which Mr. Sloan and I discussed are now in effect. These include better eating facilities, rest rooms and continuous improvement of working conditions. Progress has been made on the two matters in which the Secretary was interested. There are now sandwiches for 10 cents and 12 cents, although prices continue high in Chicago. The Public Health Service is taking over the employment of the nurses in the Health Unit with supervision by a doctor in the Marine Hospital.

B. New York

1. The Emergency Room in the Internal Revenue office in Brooklyn was not functioning when I was there in June. Through your office the matter was taken up with the Commissioner of Internal Revenue. I am informed that a nurse is now on duty.
2. Through my visit to the Procurement Unit in New York City, I have been able to advise officials here concerning working conditions there.

C. New Orleans

1. Facilities for soft drinks and coffee

The authorities in New Orleans were concerned with the fact that the Public Buildings Administration permitted the selling of "cokes", etc. only in a dirty basement filled with gasoline fumes because trucks came in and out. Through your office negotiations were started to change this situation and I am informed that progress is being made.

2. Rest Rooms for girls

Mr. Pratt immediately took steps to have broken furniture in this room replaced and is making other improvements.

D. Boston

Facilities for the Bureau of Internal Revenue are not good, being infested with vermin and lacking sufficient rest room facilities. After the war steps will doubtless be taken to obtain a better location. Mr. Delaney, the Collector of Internal Revenue, is doing everything he can to alleviate the situation.

V. Conferences with the United Federal Workers of America

Pursuant to a request from the Secretary, I have had two conferences in my office with the United Federal Workers of America, and attended an all day conference held by them on child care. My report was made on August 7, 1944.

VI. General Conditions

- A. 1. Rest Periods: These have now been extended to practically all divisions and bureaus.
2. Elimination of Midnight to 8 a. m. shift: This was eliminated in the Liberty Loan Building. One of the main results of the closing out of this shift is that the building can now be thoroughly cleaned. This was not possible before.

Procurement, too, has eliminated the Midnight to 8 a. m. shift, having only a few who work until 10 p. m.

B. Improvement in conditions worked out with the Medical Officer

1. Improvement of lighting and air circulation in one office.
2. Greater cleanliness at a refreshment counter.
3. Industrial hazard removed.
4. Better working facilities for a group of women.

VII. Resume of Individual Interviews

Interviews include problem cases of every variety, such as personal, ill health or mental disturbance, post-operative care of girls living alone, financial difficulties, maladjustment on the job, difficulties in working conditions.

Every effort is made not only to solve the personal problem involved, but to inaugurate a program that will benefit others in similar situations.

VIII. Personnel Conferences

Mr. Wilson is planning regular meetings of bureau personnel officers on important personnel matters. These will contribute much to the understanding of current problems such as reemployment of veterans, reduction in force, medical program, wage decisions, recruitment policies, in-service training, etc.

A short talk by Secretary Morgenthau at one of these meetings would make them constructive, cooperative conferences and would help to increase both the efficiency and the well-being of Treasury employees.

October 31, 1944

My dear Mr. President:

I have received your memorandum of October 25th with which you enclosed a letter from Morris Ernst.

John Pehle is an extremely able man, but I do not believe his training would particularly fit him as a successor to Mr. Fly. Furthermore, Mr. Pehle is very desirous of staying with the Treasury.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

The President,
The White House.

THE WHITE HOUSE
WASHINGTON

October 25, 1944.

MEMORANDUM FOR

HON. HENRY MORGENTHAU, JR.

What would you think of
this?

F.D.R.

GREENBAUM, WOLFF & ERNST
285 MADISON AVENUE
NEW YORK 17, N. Y.

TELEPHONE CALEDONIA 8-1882

THE WHITE HOUSE
OCT 24 11 39 AM '44
RECEIVED

LAWRENCE S. GREENBAUM
EDWARD S. GREENBAUM
HERBERT A. WOLFF
MORRIS L. ERNST
THOMAS J. SHAPIRO
SAMUEL J. SCHUP
ALEXANDER LINDSEY
JEROME HANDLER
THEODORE S. JAFFIN
BENJAMIN KAPLAN
LEO ROSEN
HAROLD H. STERN
HARRIET F. PILPEL

SYLVESTER BENJAMIN
RAYMOND HERZOG
CASSRELL GREENBERG
HOMER R. LAZERE
ELLIOTT E. RUBIN
CECILE BENNETT
J. OZIAS KAUFMAN
ALAN L. ROSENBLUM

October 23, 1944.

Hon. Franklin D. Roosevelt
The White House
Washington, D.C.

Tidbit

Dear Governor:

You are going to have a tough time replacing Jim Fly. My guess is that John W. Pehle is the only lawyer I know who would be tough enough to handle Paley, Sarnoff, et al, who are bottlenecking the air of America.

Yours


October 31, 1944

Dan Bell

Secretary Morgenthau

Please ask the Federal Reserve over their telegraph system to ask the Federal Reserve of New York and the Federal Reserve of Boston what is the legal Thanksgiving Day in New York and Massachusetts and let me know. *See Bell's memo*

of 10/31/44

TO:

Oct. 31, 1944

63

Mr. Bell has confirmed that
November 23rd is Thanksgiving
for New York and Massachusetts.

P.B.M.

From: Mr. FitzGerald

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

Z-1501 (On office
copies only)

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD



October 19, 1944.

*This looks like the
23rd is Thanksgiving
for N.Y. & Mass. I am
checking. NewB*

Dear Sir:

On Tuesday, November 7, General Election Day, Saturday, November 11, Armistice Day, and Thursday, November 23, Thanksgiving Day, there will be no Interdistrict Settlement Fund clearings and the books of the Fund will be closed.

The Board is advised that on the above-mentioned dates all Federal Reserve Banks and branches will be closed, with the exception of the following:

November 7

- Boston
- Philadelphia 1/
- Cleveland 2/
- Cincinnati 2/
- Richmond
- Baltimore 3/
- Charlotte 3/
- Atlanta
- Birmingham
- Jacksonville
- Nashville
- New Orleans
- Little Rock
- Louisville
- Omaha
- Salt Lake City

November 11

- Philadelphia 1/
- Richmond
- Baltimore 3/
- Charlotte 3/
- Atlanta
- Birmingham
- Jacksonville
- Nashville
- New Orleans
- Little Rock

November 23

- Richmond
- Atlanta
- Jacksonville
- Little Rock
- Memphis
- Omaha
- (Advice not as yet received in regard to Birmingham and Nashville.)

- 1/ Will not function any book entries.
- 2/ Open until 1 p.m. EST.
- 3/ Open for Fiscal Agency operations only.

FOR VICTORY



BUY
UNITED STATES
WAR
BONDS
AND
STAMPS

-2-

The Board is advised also that the following Federal Reserve Banks and branches will be closed on November 30 in observance of Thanksgiving:

Richmond

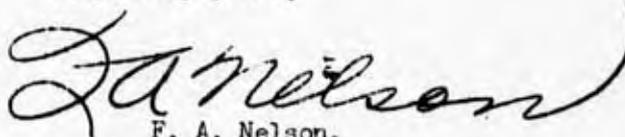
Omaha

Atlanta
JacksonvilleDallas
El Paso
Houston
San AntonioLittle Rock
Memphis

While All Saints Day will be observed as a holiday in the State of Louisiana on Wednesday, November 1, advice has been received that the New Orleans Branch of the Federal Reserve Bank of Atlanta will be open during the usual business hours and will participate in the Interdistrict Settlement Fund clearing.

Please notify branches.

Very truly yours,



F. A. Nelson,
Assistant Secretary.

TO THE PRESIDENTS OF ALL FEDERAL RESERVE BANKS.

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE OCT 31 1944

TO Secretary Morgenthau
FROM J. J. O'Connell, Jr., and H. D. White

In view of your Gold Statement of February 1944, the adoption of Resolution VI by the Bretton Woods Conference, and the representations made in connection therewith by the United States to the neutrals, it is essential that trained financial intelligence officers who are familiar with the pattern of German financial manipulation be assigned immediately to augment the staff of American missions in the neutrals, particularly in Switzerland. This immediate need is emphasized by recent fragmentary reports, samples of which are attached hereto, indicating that the Germans are now transferring gold, acquiring foreign exchange assets through cloaks, and concealing existing external assets. The success of our German program requires that these attempts be frustrated.

The presence of such officers in neutral countries will, furthermore, facilitate the marshalling of German external assets for control and disposition by the Allied authorities after the occupation of Germany.

If you agree, we will undertake to make the necessary arrangements with the Department of State for the designation of Treasury representatives to perform this function.

Attachments.

J. J. O'Connell, Jr.
H. D. White

I Approve:

HMZ

ATTACHMENT

(1) It is reported that Wolff and Von Wedel, directors of the Reichsbank, visited Switzerland during September and attempted to induce the Swiss Bank Corporation to make loans to German companies in Switzerland. The proceeds of the loans were to be secreted in numbered accounts with the Bank, while the loans themselves were to be promptly paid out of other funds in accounts standing in the names of the companies. The Swiss Bank Corporation refused to become a party to this scheme, but no information is available as to any success the Germans may have met with elsewhere.

(2) It is reported that since March, Prince Max Hohenlohe-Langenbur and Reinhard Spitzzy have been working on the organization in Spain of a corporation to hold interests in Skoda looted by the Germans. No information has been received with respect to the progress, if any, of this project.

(3) It is reported that Dr. Koch, a member of the staff of the German Legation at Stockholm, has been selling looted diamonds. He receives his merchandise through the diplomatic pouch and no documents evidencing his sales are made. No information as to suspected purchasers has been forthcoming.

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In reply please
refer to: 77999

OCT 31 1944

My dear Mr. Secretary:

I am in receipt of your letter of October 23, 1944, with respect to the Marsman matter.

As your letter points out, the discussions had in May of 1943 between representatives of the High Commissioner to the Philippines and of this Department related to a proposed conversion into dollars of certain gold bullion brought to the United States by the High Commissioner. Certainly, any failure on the part of our people to disclose the fact that other transactions involving funds of Marsman & Company, Inc. (not gold) had been licensed was not based on any desire on our part to conceal any material facts from your representatives. Any such failure to disclose must have been because we had not thought the prior issuance of licenses permitting other transactions involving funds of Marsman & Company, Inc., was necessary to a discussion of the problems involved in the disposition of the gold bullion.

I think it should also be pointed out that the gold bullion transaction was carried out in a way which we believe was entirely consistent with the representations made in the letter of June 4, 1943, from the Under Secretary of the Interior to Mr. Randolph Paul. Specifically, all of the proceeds of the gold bullion in question are held in special blocked accounts and no payments, transfers, or withdrawals from such accounts have been permitted.

In the recent informal discussion between the Acting Chief Counsel of Foreign Funds Control and representatives of your office it was our desire to obtain the views of your Department regarding the desirability of licensing an agreement pursuant to which Mr. and Mrs. Marsman and Mr. Dankwerth would guarantee to repay to Marsman & Company, Inc., funds which may have been unlawfully advanced to and used by Marsman of California.

Whether or not Mr. and Mrs. Marsman and Mr. Dankwerth are willing to enter into such an agreement in expectation that there may be no criminal prosecution, no such hope has been held out to them by representatives of this Department, the agreement being, in our view of the matter, entirely without strings and one which is fairly calculated to protect the rights of any stockholders or creditors of Marsman & Company, Inc., who may have been damaged by prior transactions involving funds of that company. The Department has made no decision as to whether criminal prosecution in this case is warranted.

As you point out, the final decision in this matter rests entirely with the Treasury Department. However, I had been anxious, before making it, to have your views both with respect to the proposed agreement and any possible criminal prosecution. Certainly that has been our purpose right along, and I would not like to have that fact obscured by a feeling some of your people may entertain that they were not sufficiently consulted or sufficiently advised of all relevant facts known to us in the beginning. I am sure you realize that the information recently disclosed to your representatives respecting violations of Executive Order 8389 by Marsman enterprises was not known to the Department at the time of our discussions of the gold bullion situation in May of 1943.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

The Honorable

The Secretary of the Interior



THE SECRETARY OF THE INTERIOR
WASHINGTON 25, D. C.

OCT 23 1944

My dear Mr. Secretary:

There has been referred to me a memorandum left with the Office of the United States High Commissioner to the Philippine Islands on October 12 by Mr. I. G. Alk, Acting Chief Counsel of the Foreign Funds Control Division of the Treasury Department. The memorandum sets forth the circumstances of the violation of provisions of Executive Order 8389 by the Marsman enterprises in the United States. Accompanying the memorandum is the draft of an agreement between J. H. Marsman and George Dankwerth purporting to act for Marsman Company of California, a California corporation beneficially owned in its entirety by Marsman & Company, Inc., a Philippine corporation, and the same J. H. Marsman and George Dankwerth purporting to act for Marsman & Company, Inc., (both corporations being owned by Marsman Investments, Ltd., a British corporation).

The agreement is to the effect that Marsman of California will give substantial guarantees to repay to Marsman & Company, Inc., certain of its funds which appear to have been unlawfully used by Marsman of California. It is probable that J. H. Marsman and George Dankwerth offered the agreement in expectation that if it should be licensed there might be no criminal prosecution.

Mr. Alk feels that criminal prosecution is not warranted and, accordingly, he is inclined to recommend that the agreement and further operations of Marsman Company of California be licensed. The High Commissioner to the Philippine Islands (effectively, the Secretary of the Interior) is offered an opportunity to express an opinion relative to the licensing of the agreement.

It is desired to make of record at this point that representatives of the High Commissioner (Mr. E. D. Hester and Mr. George F. Luthringer) conferred twice with officers of the Foreign Funds Control Division, on May 21 and May 25, 1943, relative to Marsman interests. The question was whether to license the sale of gold bullion, the property of Philippine mining companies, brought to the United States by the High Commissioner in furtherance of the custodial program undertaken under authority of the Secretary of the Treasury. At these conferences, and later in the letter of June 4, 1943 from the Under Secretary of the Interior to Mr. Randolph Paul, it was made clear that we questioned the authority of Mr. J. H. Marsman and others, or any group in the United States to represent a majority of the directors or stockholders of Marsman & Company, Inc.

I understand that at neither of the conferences was it disclosed that any licenses had been issued or any approval given to transactions involving any of the funds of Marsman & Company, Inc., or of Philippine mining companies

in contractual relations with it. Mr. Alk's report of the dealing of the "committee of Mrs. Marsman and other Marsman representatives in this country" and of Marsman Company of California, presumably under Treasury license and prior to the conferences, comes as a complete surprise to this office. It is to be regretted that the Department of the Interior was not fully consulted from the beginning.

I believe the situation as it has developed reflects a regrettable carelessness on the part of those responsible for the control of blocked accounts of Philippine companies. But, in consideration of all circumstances, and fully recognizing the authority of the Treasury Department over all operations of blocked accounts, it is my opinion that the decision in this matter should rest entirely with the appropriate authorities in the Treasury Department.

Sincerely yours,

Harold L. Fehes

Secretary of the Interior.

Hon. Henry Morgenthau, Jr.,

Secretary of the Treasury.

June 18, 1943

COPY

My dear Mr. Fortas:

This will acknowledge your letter of June 4, 1943, which sets forth your views with respect to the gold bullion presently in the custody of the United States which was produced by the Itegen Mining Company, a Philippine corporation.

You may be assured that this Department is not unmindful of the responsibilities which it has to the creditors and stockholders of the Itegen Mining Company and the other Philippine mining companies. The views stated in your letter will be given full consideration by this Department before taking any action on any applications for licenses which may be filed with respect to such gold bullion or the proceeds thereof. We will be glad to afford the officers of the staff of the High Commissioner to the Philippines an opportunity to express their views with regard to any such applications which would appear to be within the scope of their interests.

Reference is also made to your letter of May 28, 1943, which states your views with respect to the treatment to be accorded the security portfolios maintained with the National City Bank of New York by the Philippine Guaranty Company, Inc., and the Insular Life Assurance Company, Ltd., both of which are Philippine companies.

We still have under consideration the applications of the National City Bank asking that directive licenses be given to it to manage these security portfolios. We appreciate the expression of your views, and we will advise you as to our final determination with regard to these applications.

Very truly yours,

(Signed) Randolph Paul

Acting Secretary of the Treasury

Honorable Abe Fortas
Under Secretary
Department of the Interior
Washington D. C.

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UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON

C
O
P
Y

June 4, 1943

Mr. Randolph Paul,
General Counsel,
Treasury Department.

Dear Randolph:

I am informed by officers of the staff of the United States High Commissioner to the Philippines that in recent discussions with officers of your Department it was indicated that some of the gold bullion which had been received in custody by the United States High Commissioner in the Philippine Islands prior to his departure from Corregidor and which was subsequently delivered into the custody of the Treasury Department has been converted into dollars at the request of officers of the Philippine mining companies in the name of which the gold had been received. It is my understanding that the proceeds of the sale of this gold have been transferred to blocked bank accounts which are at the disposition of the officers of the Philippine companies to the extent permitted by Treasury license under Executive Order No. 8389, as amended. I am informed that the Treasury Department is presently considering a request by Mr. J. H. Marsman that certain gold of the Itegon Mining Co., of which Mr. Marsman is President and part owner, and with which Marsman & Co., Inc. had a managerial contract, be sold to the Treasury Department and the proceeds placed in a blocked account in the name of the Itegon Company. The gold in question, which is understood to have a value of some \$150,000, was among the gold received in custody by the High Commissioner.

From the point of view of the interests and responsibilities of the Department of the Interior in Philippine matters, my chief concern is that to the extent that the gold which the High Commissioner received in custody is sold the proceeds be safeguarded for the benefit of all of the owners and creditors of the Philippine companies, and further that the proceeds be held in highly liquid form so that this capital may be promptly available to the companies for financing the resumption of mining operations when the Japanese shall have been driven out of the Philippines. I believe that primary consideration should be given to the safety of the principal of these custodial assets and their liquidity; little consideration in the circumstances should be given to arguments for seeking to realize a return in the form of interest or profit.

Whether the gold is held in the form of bullion in the custody of the Treasury or converted into dollars would appear to be largely a question of monetary policy. I believe, however, that the policy in this matter should be uniform and that all of the gold should be converted into dollars or kept in the form of bullion held in custody of the Treasury. In my opinion it is not advisable to make the sale of the gold depend upon requests by officers of the companies whose legal authority to act is difficult if not impossible to establish conclusively in existing circumstances. Conversion of the gold into dollars on the request of officers of mining companies will in all probability be followed by applications for licenses for expenditure or investment of the proceeds in ways which may not be to the best interest of the mining companies. The fact that the gold would initially have been converted into dollars at the request of the officers making the applications will in my opinion both stimulate such applications and make their denial more difficult. The dollar proceeds of custodial gold should not in my opinion be subject to disbursement for salaries, attorneys' fees or other expenses of the mining companies in the United States so long as their mines are in enemy occupied territory and a majority of the stockholders by number are interned and unable to communicate with the United States. I believe further that the investment of such proceeds should not be permitted except in short dated securities of the Federal Government or in Federal securities selling on a discount basis.

I appreciate the opportunity given by the Treasury Department to officers of the staff of the High Commissioner to express their views with respect to the proposed disposition of the gold of the Itoigon Mining Company. These views, as I understand it, are essentially the same as the views set forth in this letter. I would further appreciate it if this Department is given an opportunity to express its views with respect to licenses which the Treasury Department may propose to issue in the future with regard to the proceeds of the gold bullion of Philippine mining companies at one time under the custody of the High Commissioner.

Sincerely yours,

(Signed) Abe Fortas

Under Secretary.

MEMORANDUM

Re: Marsman Companies

In 1925 J. H. Marsman (a native of Holland who acquired Philippine citizenship in 1934) and his wife began the establishment of a chain of Philippine corporations engaged in gold mining and other business activities. At the head of the Marsman organization is Marsman Investments, Ltd., a British corporation whose principal office prior to the war was Manila, but is now San Francisco. J. H. Marsman and his wife control approximately 43% of the outstanding shares of this company and their associates control an additional 6% to 7%. Control of this company is in the Marsman group who are outside of enemy territory, Mr. and Mrs. Marsman now being in the United States. Marsman Investments, Ltd. owns approximately 75% of the outstanding stock of Marsman & Company, Inc., (hereinafter referred to as Manila) a Philippine corporation and the principal control of the various Philippine mining and business enterprises owned by the Marsman interests is exercised through Manila. Manila under management contracts, acts as general manager of various Philippine gold mining corporations.^{1/} Originally in many of these cases the corporations were 100% owned by Manila. As a result of the enactment of Philippine legislation in 1929 prohibiting the holding of more than 15% of the stock of any mining corporation by any one person, the stock ownership of Manila in these corporations was reduced to less than 15%, but the various Marsman companies and their associates continued to control substantial blocks of stock of these companies.

In addition to managing and supervising the activities of these Philippine gold mining companies Manila also controls directly or with other affiliated companies nine Philippine and two Far Eastern corporations.^{2/}

-
- 1/ Coco Grove, Inc.
 Itegon Mining Co.
 San Mauricio Mining Co.
 United Paracale Mining Co.
 Palidan Suyoc Deep Level Tunnel Co.
 Tuba Project, Northern Mining & Development Co.
 Suyoc Consolidated Mining Co.
- 2/ Cardinal Insurance Co., Manila
 Insular Drug Co., Manila
 M. P. Franco, Inc., Manila
 Manila Machinery and Supply Co., Manila
 Marsman Building Corp., Manila
 Marsman Development Co., Manila
 Marsman Exploration Co., Manila
 Marsman Trading Corp., Manila
- Philippine Smelting Co., Manila
 Marsman Hongkong-China Ltd.,
 Hongkong
 Marsman Algemeene Ioratie
 Maatschappij, Batavia, N.E.I.

- 2 -

In 1940 Manila organized Marsman Company of California, (hereinafter referred to as California) a California corporation 100% beneficially owned by it. Following the Japanese occupation of the Philippines, affidavits were filed with Foreign Funds Control by Manila and by California as Philippine nationals, and California continued to operate pursuant to a business enterprise license issued by Foreign Funds Control.

About August 1943 it appeared from certain information furnished by the Marsman companies that they had previously made false reports to Foreign Funds Control concerning their relationship with one another and with the Marsman organization. As a result, an investigation was conducted of the corporate structure and activities of the various companies comprising the Marsman organization. Hearings were held at which Mr. J. H. Marsman and other officials of the Marsman organization were examined. At these hearings it was disclosed that upon the outbreak of the war in December 1941, while J. H. Marsman was in Hong Kong, the acting head of the Marsman organization in the Philippines authorized the formation of a committee composed of Mrs. Marsman and other Marsman representatives in this country to safeguard the Marsman interests here. This committee determined to keep open the office in California in order to collect sums due various of the Marsman Philippine companies and to liquidate distress merchandise belonging to these companies. It was also ultimately decided that California should limit its activities to salvage operations and the exploitations of mining ventures in the United States. Until J. H. Marsman escaped from internment in Hong Kong and returned to the United States and took over active management of the Marsman interests in May 1942, this committee managed the Marsman organization in the United States. In the early part of 1942 while this committee was controlling the Marsman organization an affidavit was filed with Foreign Funds Control by California concerning its capital structure which failed to disclose that its stock was beneficially held by Manila, it being stated that its stock was owned by American citizens. At about the same time Manila failed to disclose in a similar affidavit which it submitted its connection with California or with any of the other Marsman companies. It was falsely stated in this affidavit that Mrs. Marsman controlled 78% of the stock of Manila. These affidavits had been submitted in connection with applications to transfer substantial amounts from the blocked account of Manila to California.

In addition to disclosing these false statements by Manila and California, it was also revealed at said hearings that California had expended the greater portion of funds advanced to it by Manila and the funds collected by it on behalf of various Marsman Philippine corporations in speculative mining ventures, all of which proved to be unprofitable with

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the exception of one, the Altona Quicksilver mine. The lease of this successful mine had been transferred by California without a Foreign Funds Control license to a partnership composed of J. H. Marsman and other members of his organization and provision was made whereby California was to receive only ten percent of the profits of this mine, the balance to accrue to the partners. Foreign Funds Control insisted that this partnership be dissolved and that the properties which had been transferred to it should be reconveyed to California and this has since been done.

Between February 1, 1942 and the hearings in September 1943 Manila had loaned to California \$259,417.75. It was brought out at the hearing that various of the Marsman Philippine corporations had or might have an interest in the funds in Manila's account which were used to make these advances. This situation arose from the fact that Manila had acted as banker for the various Philippine mining companies. It had been the practice of these mining companies to ship gold to the United States on which Manila made advances to the companies and collected the proceeds of the sale of the gold. These proceeds and certain insurance monies collected by Manila for the Philippine companies were deposited by Manila in its own account. Manila also had made other advances to the various Philippine companies. Due to the fact that the records of these transactions are in the Philippines it is impossible at the present time to determine the status of the accounts of Manila with these Philippine companies. The officers of Manila took the position at the hearing that if any of the funds of the Philippine companies were loaned to California by Manila, that such loans were authorized under the management contracts with said companies as they did not consider the management contracts suspended though the companies could do no mining. They maintained that they were authorized to use the funds of the mining companies to promote their welfare. Although Foreign Funds Control licenses were obtained to effect these loans by Manila to California, the applications for these licenses did not state that Philippine companies other than Manila had, or might have, an interest in the funds on deposit in Manila's account.

It also developed at the hearing that one of the principal activities of California after the occupation of the Philippines was the liquidation of distressed merchandise belonging to various of the Philippine corporations controlled by Marsman interests. Although not so authorized by its business operating license, California deposited in its own general account the amounts which it collected on the distressed merchandise belonging to these companies. It was then the practice of California to credit the account of Manila with the amount so collected the understanding being that the latter company would later make the distribution on its books as among the respective Philippine companies entitled to payment. California thus collected on behalf of various Philippine and Far Eastern companies controlled by Manila, a total of \$38,515.20 and on behalf of

Manila itself \$26,365.52. By thus depositing the proceeds of merchandise and accounts receivable collected for Philippine companies in its own account, rather than in the special blocked accounts of these companies, California was able to disburse the same in mining ventures and otherwise.

Following these hearings the attorneys for the Karzmans were asked whether they desired to prepare and submit to the Treasury Department a remedial plan to correct the violations of Executive Order No. 8389, as amended, which had been disclosed, before this Department took any action with respect to this situation. Thereafter the Karzmans submitted a proposal whereby California would agree to repay Manila all the advances which the latter had made to it and all collections made by California on behalf of Manila and the other Philippine corporations since January 1, 1943, such agreement to be guaranteed and collateralized by Mr. and Mrs. Karzman. Negotiations followed with the Karzmans as to nature and amount of the collateral and as to the terms of the agreement providing for the repayment of said amounts and of the other documents to be executed in connection therewith. Throughout these negotiations with the Karzman representatives they were advised that the Treasury Department was not compelling them to make any proposal in this matter, that the Department was merely making suggestions to them in connection with the serious situation which had been disclosed.

The negotiations were protracted and it was not until August 1944 that the final documents were submitted by the Karzmans. The agreement and guaranty in the form attached provide for:

- (a) The payment by California to Manila of all amounts advanced by the latter to the former (\$259,417.75) and all amounts collected on behalf of the latter (\$26,365.52), the total being \$285,783.27.
- (b) The payment by California to Manila of all amounts collected by California on behalf of other Karzman Philippine corporations totaling \$58,515.20.
- (c) The holding by Manila in a blocked account of all amounts repaid in trust for itself and the other Karzman Philippine corporations as their interests may appear.
- (d) That California shall not set off against its obligations under the agreement any claims which it may have against Manila or the other Karzman Philippine companies until such claims are approved by the directors and stockholders of Manila and the other Karzman Philippine companies.
- (e) There is to be no modification of the agreement during the existence of freezing control without a Treasury license

- 5 -

and to be no modification of the agreement until one year subsequent to regularly called meetings of stockholders of Manila and of each of the other Philippine companies.

- (f) The obligations of California are jointly and severally guaranteed to the extent of \$250,000 by Mr. and Mrs. Marsman and George C. Dankwerth (a Marsman official).
- (g) The agreement is to be ineffective if a Treasury license is not granted.

The guarantors have deposited with the Bank of America N.T. and S.A. (which has been substituted for J. Barth & Co. are holders of the collateral) in agency accounts cash and marketable United States securities amounting to approximately \$250,000. Letters have been received from the Bank of America N.T. and S.A. to the effect that the cash and securities deposited with it are being deposited under the guaranty contained in the above-mentioned agreement between California and Manila. The parties and the depository of the collateral have also executed documents indicating their understanding that licenses from the Treasury Department are necessary to trade in the collateral. There has also been submitted an opinion by Marsman's counsel that the agreement and guaranty are binding obligations. The parties to the above-mentioned agreement and guaranty have filed applications for Foreign Funds Control licenses authorizing execution of the agreement and guaranty. If it is determined to issue such licenses no further action would be required by the Marsmans to put this plan into effect.

It is to be noted that at the commencement of these negotiations California was deriving a profit from the operations of the Altoona Quicksilver mine its only profitable mining venture. A net income of approximately \$2,400 per month was being obtained from this mine and increased production had been expected by the company to increase its net profit therefrom to \$10,000 per month. Within recent months, however, due to the fact that the United States Government has stopped buying quicksilver, production has been drastically curtailed. As of June 30, 1944 California had a deficit of approximately \$217,000. For the six months period ending June 30, 1944 California showed a loss of approximately \$9,000. Although the Altoona mine operations showed a profit of approximately \$8,000 during this period, the office expenses of California resulted in this net loss of \$9,000.

Although many violations of Executive Order No. 8389, as amended, by the Marsman enterprises have been disclosed it is my personal feeling that a criminal prosecution is not warranted since it is not clear that the violations were willful and they may have resulted from misinterpretations of the freezing regulations. Accordingly, I am inclined to recommend the licensing of the above-mentioned agreement and guaranty and to continue to license the operations of California, the Marsman enterprise in this country, so long as such operations do not involve the use of funds belonging to any of the Marsman Philippine corporations.



TREASURY DEPARTMENT
PROCUREMENT DIVISION
WASHINGTON 25



OFFICE OF THE DIRECTOR

October 31, 1944

SECRET

MEMORANDUM TO THE SECRETARY:

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

A requirement has been received for the fabrication of 854,000 dresses (girls' and women's) amounting to approximately \$3,162,000.00 for liberated areas under the FEA Program.

A. J. Walsh
Acting Director of Procurement

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SECRET

LEND-LEASE
 TREASURY DEPARTMENT, PROCUREMENT DIVISION
 STATEMENT OF ALLOCATIONS, OBLIGATIONS (PURCHASES) AND
 DELIVERIES TO FOREIGN GOVERNMENTS AT U. S. PORTS
 AS OF OCTOBER 25, 1944
 (In Millions of Dollars)

	<u>Total</u>	<u>U. K.</u>	<u>Russia</u>	<u>China</u>	<u>Administrative Expenses</u>	<u>Miscellaneous & Undistributed</u>
Allocations	\$5574.6 (5574.6)	\$2627.1 (2627.1)	\$2257.3 (2257.3)	\$133.9 (133.9)	\$15.9 (15.9)	\$540.4 (540.4)
Requisitions in Purchase	\$ 220.7 (212.8)	\$ 26.3 (28.3)	\$ 66.3 (61.5)	\$ 1.9 (1.9)	- -	\$126.2 (121.1)
Requisitions not Cleared by W.P.B.	\$ 128.3 (137.4)	\$ 30.9 (31.7)	\$ 83.9 (91.8)	\$.3 (.2)	- -	\$ 13.2 (13.7)
Obligations (Purchases)	\$4209.7 (4180.7)	\$2022.6 (2020.6)	\$1777.5 (1759.1)	\$ 67.9 (67.7)	\$14.5 (14.4)	\$327.2 (318.9)
Deliveries to Foreign Governments at U. S. Ports*	\$2526.3 (2499.2)	\$1503.0 (1497.7)	\$ 945.9 (924.6)	\$ 25.1 (24.7)	- -	\$ 52.3 (52.2)

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

Note: Figures in parentheses are those shown on report of October 18, 1944.

SECRET



TREASURY DEPARTMENT

WASHINGTON 25

October 31, 1944



MEMORANDUM TO THE SECRETARY

I am enclosing a list of the special items valued in excess of \$50,000 as of October 30, 1944.

E. L. Olrich
by *Autrey*

E. L. Olrich
Assistant to the Secretary

Enclosures

PROPERTY FOR DISPOSAL

SPECIAL ITEMS, COST TO GOVERNMENT IN EXCESS OF \$50,000

AS OF OCTOBER 30, 1944

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
1. <u>Furniture</u>			
<u>PILLOWS, USED</u>	916 000	\$0.73	668 680
Some cotton, some feather pillows, - mixed in bales. Used pillows are not wanted.			
<u>MATTRESSES, INNERSPRING, NEW</u>	9 500	6.00	58 000
From O.C.D. stocks. New declaration - plans being formulated.			
<u>MATTRESSES, NEW AND USED</u>	485 000	5.50	2 667 500
About 1/3 are new. Substantial sales of used mattresses, for conversion into paper, take place regularly.			
<u>BEDS AND COTS, USED</u>	83 000	3.50 average	310 760
Includes wooden, double-deck bunks; steel, single beds; folding, wood and canvas cots.			
<u>BED PARTS</u>			65 000
Springs, heads, feet, and side rails; unassembled. Negotiating with bed mfrs. regarding repurchase.			

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>STOOLS, WOOD, REVOLVING SEAT</u>	14 964	56.30	94 415

Disposal plan is being formulated.

2. Machinery

<u>CONSTRUCTION MACHINERY, HEAVY</u>	6 500	1,000.00	6 500 000
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General inventory of used machinery, most of it in very poor condition. Sales are being made regularly out inventory mounts.

<u>GROUSERS</u>	43 853	3.00	131 559
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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.

<u>ICE GROUSERS, NEW</u>	76 726 pieces	2.70	207 160
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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.

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>DRILL, ROCK, REPLACEMENT TIP</u>	281 097	\$0.25 average	70 933

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

3. General Products

<u>AMMUNITION BOXES, METAL, USED</u>	2 856 020	.57	1 627 931
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Awaiting reports from other regions. National sales plan will be announced this week.

<u>BATTERIES, DRY CELLS AND PACKS</u>			130 000
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Overage for Army use. New declarations come and sales are reported regularly.

<u>GENERATING SETS, USED</u>	12	5,000.00	60 000
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25 K.W., gasoline driven. New declaration - no action as yet.

<u>CAMERAS, AIRCRAFT</u>	96		307 386
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Each camera has great variety of collateral equipment. Obsolete type. Physical inspection being made. Informal negotiations with Fairchild Camera Co. in process.

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>FILM & PAPER, PHOTOGRAPHIC</u>	60 000 pkgs.		360 000

Rolls, cut film, and packs - mostly overage. The overage material will be processed to recover the silver and chemicals. About \$37,000 worth of non-expired material is out on bid.

<u>HORSES</u>	2 200	\$165.00	333 000
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All horses will be sold according to established program of auctions.

4. Automotive

<u>AUTOMOTIVE PARTS, OBSOLETE, USED</u>			2 000 000
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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 test action on disposal. Other lists are going to other manufacturers.

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>AUTOMOTIVE SPARE PARTS, NEW</u>	17 000 000		11 000 000

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

<u>JACKS, HYDRAULIC</u>	10 741	\$79.00	848 539
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4 wheel, roller type, 10 ton capacity, for garage use. Two manufacturers have been requested to submit offers. Region is making a re-inspection to determine quantity belonging to each.

<u>HYDRAULIC FLUID</u>	378 459 gals.	1.74	658 580
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Needs reprocessing. Packed in 1 gal. cans. The manufacturer's telephone offer of \$.50 per gal. for entire lot has not yet been confirmed.

<u>MOTOR ANALYZERS (TESTERS)</u>	1 500	100.00	150 000
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Regional office has been authorized to re-sell to manufacturer on a 3 month's delivery basis. (Held up awaiting W.P.B. action. As L-270 is involved).

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
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5. HardwareSKIIS AND BINDINGS, USED

	4 000	\$16.00	64 000
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All are used. They are gradually being sold.

RAFTS, PNEUMATIC, 5-MAN

	1 300	200.00	260 000
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About half of original lot has been sold at established prices. Sales are slowing down as vacation season closes.

SPIRS, NEW AND USED

	200 000	1.30	260 000
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Some small sales have been made at \$.50 a pair. 100,000 pr. sold at \$.25.

NUTS, SQUARE, NEW

	925 000		87 350
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The regional office have been instructed to contact manufacturers and jobbers. Little interest shown.

BOLTS, MISCELLANEOUS

	6 500 000		2 500 000
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The regional offices have been instructed to contact manufacturers and large jobbers. Little interest shown.

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>STAPLES, GALVANIZED</u>	18 000 kegs	\$4.52	81 360
100 lbs. to a keg. Sales are being made in small quantities at price near cost to government.			
<u>WOOD SCREWS, BRASS, NEW</u>	250 000 gross	.25	62 000
The regional offices have been instructed to offer these screws to manufacturers and large jobbers. Little interest shown.			
<u>HOSE, RUBBER</u>	10 000 plus short pieces	33.50	372 446
Large size, 25 ft. lengths. Army will inspect.			
<u>SMOKE GENERATOR PARTS</u>			341 000
Small metal parts (valves, fittings) for Army mobile-smoke generator. Expect to make a number of sales before the end of the week.			
<u>COVERS AND SEALS, RUBBER</u>	27 3/4 tons		169 245
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.			

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>RESPIRATORS, DUST, COMMERCIAL</u>	61 127	\$1.00	61 127
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.			
<u>HELMETS, SAFETY, O.C.D.</u>	330 000	.89	293 700
Packed 10 to a carton. Have been allocated to each regional office for sale at established prices. Orders now coming in.			
<u>MASKS, GAS, USED</u>	47 967	6.28	301 399
O.C.D. stock is being transferred to Chemical Warfare.			
<u>MARKERS, MINE FIELD</u>	7 600 sets	6.85	52 060
Carrying case with 30 metal flags on pins. Several orders for small quantities have been received from state road commissions.			
<u>SHOTGUNS</u>	1 880	55.00	101 332
Manufacturers will repurchase.			

<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>EMPLACEMENTS, MACHINE GUN</u>	32 \$5,300.00	169 600
A mount for a machine gun. No Utility value known.		
<u>MACHINE GUNS, ELECTRIC</u>	707 279.00	197 253
Practice gun. Specifications have been submitted to amusement park owners.		
<u>SCABBARDS, BOLO</u>	140 000 1.60	224 000
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.		
<u>LANTERNS, OIL BURNING</u>	34 460 3.00	107 316
Navy will withdraw for transfer to Army.		
<u>PLATFORM TRUCKS, STEEL, NEW</u>	7 000 75.00	525 000
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.		

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>IMPRINTING MACHINES, NEW</u>	35 600	\$21.95	781 420

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

<u>FIRE EXTINGUISHERS, NEW</u>	12 000	7.60 average	91 000
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Includes 10000 carbon tetrachloride hand
extinguishers. Will be sold back to the
manufacturers.

2. 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.

<u>GLOVES, RUBBER, ANTI-GAS</u>	667 000	1.00	667 000
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Gauntlet type - special design for anti-gas
work. Agreement has been reached to dispose
of this stock as crude rubber, or to sell
for export shipment only.

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>APRONS, IMPERMEABLE</u>	93 989	\$5.00	469 945
Rubber coated, with sleeves. Manufacturer not interested in repurchase. Samples have been distributed to regional offices with instructions to ask for bids.			
<u>COATS, FIREMEN'S SAFETY, NEW</u>	22 000	4.77	104 940
New declaration - sample awaited.			
<u>HOODS, ANTI-GAS, NEW</u>	257 292	1.00	257 292
Regional offices have been instructed to ask for bids.			
<u>W.A.C. CAPS</u>	76 712	2.20	168 766
Samples have been given to exporters and others. This is an item that is hard to dispose of.			
<u>HATS, ARMY SERVICE</u>	45 928	3.00	137 784
The old-style, broad brimmed campaign hat. Of original amount of 91,000, half have been sold. Negotiations in process for balance.			

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>LEGGINGS</u>	213 260 pr.		109 833
World War I stock, good only for salvage. Now being authorized for sale by Regions.			
<u>SHEETING, NEW</u>	150 419 yds.	.38	57 159
Will be transferred to Lend Lease.			
<u>MAGAZINE BELTS</u>	55 369	2.35	130 325
An apron of web fabric belt pockets to hold bullet clips. Samples have been sent to all regions to widen sales effort.			
<u>BELT POCKET FOR CARTRIDGE CLIPS</u>	1 000 000	.10	100 000
Web pocket with fastener. Radio advertiser is taking quantities under option as requests from program develop. Price received \$0.06.			
<u>MOSQUITO BARS, WITH RODS</u>	40 000	5.90	236 000
This balance represents the remainder of used mosquito bars after large sales of new material.			

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>RUCKSACKS, USED</u>	7 500	\$12.66	94 950

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

<u>TARGETS, ANTI-AIRCRAFT</u>	8 861	14.32	126 891
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New declaration - sample awaited.

<u>PANELS, SIGNALING</u>	37 024	2.00	74 048
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New declaration - sample awaited.

<u>SLIDE FASTENERS</u>	2 009 694	.119	239 797
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Inventories will be taken to determine quantities by manufacturer. They will be disposed of in same manner as prior lot.

7. Medical & Surgical

<u>POUCHES, FIRST-AID, FILLED</u>	144 350	1.19	171 776
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New declaration - samples awaited.

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>BAGS, WET DRESSING</u>	105 000	\$0.58	61 500

New declaration - sample awaited.

<u>DRESSINGS, FIRST AID PKGS.</u>	30 000 000		3 582 000
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Four possible outlets are being contacted.

<u>BANDAGES, MUSLIN</u>	134 584 doz.		128 034
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Action is being taken to secure a desirable outlet. Offers have been transmitted to owning regional offices.

<u>FLOSS, SILK, DENTAL</u>	510 000 spools .		173 400
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Samples awaited. Have been requested a second time.

<u>GAUZE, PLAIN, 25 YD. ROLLS</u>	150 000	.75	112 500
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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.

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>STERILIZERS, NEW AND USED</u>	2 069		579 313
Includes 1381 considered unsafe by Army, and 688 new sterilizers of inferior quality due to wartime restrictions on materials. Largest manufacturer is not interested.			
<u>CARTS, FOOD</u>	586	\$86.00	50 396
Hospital equipment. Just received by Medical Division. Disposal plan will be formulated.			
<u>SCALES, PRESCRIPTION</u>	3 980	23.30	92 897
Lot apparently represents production of several mfrs. One has been contacted and is not interested.			
<u>STRETCHERS, CANVAS AND METAL, NEW</u>	8 400		54 000
New items from O.C.D. stocks. Have found no interest among government agencies or mfrs.			
<u>SCREEN, INTENSIFYING</u>	7 000	9.00	63 000
X-ray equipment. New declaration. Samples awaited. Names of mfrs. being determined.			
<u>ANESTHESIA * SUCTION APPARATUS</u>	490	173.00	84 770
New declaration - samples awaited. Being offered to original manufacturers.			

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>DISHES, EVAPORATION, PORCELAIN</u>	58 525	\$0.09	52 672
Laboratory equipment.			
<u>DISK, METAL, ABRASIVE, 7/8"</u>	134 000 cards	.60	80 400
Dental supply item - packed 12 disks on a card. Manufacturer is not interested, reporting big supply on hand from contract termination.			
<u>TEST TUBES, GLASS</u>	4 670 000	.03	140 100
Some samples have arrived and disposal plans are being made.			
<u>FLASK, WITH CUP</u>	200 000	.33	66 000
Made for soldier to carry liquid medicine in field - a small canteen. Probably of no commercial value.			
<u>BOTTLES, WIDEMOUTH, 250 CC</u>	201 307	.45	90 588
Purchase being considered by a large jobber for re-sale to vinegar bottlers.			
<u>PETRI DISHES, WITH COVER</u>	230 000	.27	62 100
Laboratory dish for making germ cultures. Pro- curement Division or manufacturer may take.			

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>SUTURES, SILK AND CATGUT</u>	13 500 000		2 397 000
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.			
<u>BOXES, TABLET</u>	320 000 cartons	\$0.40	128 000
500 boxes in a carton. Believed to be World War I stock. Bulk of this stock is out on bids.			
<u>DENTAL SUPPLIES</u>			100 000
World War I stocks. located at Perry Point, Md. Instructions have been given regional office for disposition.			
<u>SURGICAL INSTRUMENTS</u>			250 000
Stocks at Louisville, Ky. Current inventory unknown. Repurchase of certain items by original manufacturers is going on.			
<u>ACETOPHENETIDIN</u>	70 000 bottles	1.35	94 500
5 gr. tablets, packed 1000 in a bottle. Obsolete item awaiting action by board of Med. Officers.			

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>HYDROGEN PEROXIDE, 3% SOL.</u>	402 000		250 000
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.			
<u>PROCAINE HYDROCHLORIDE</u>	163 000 boxes	\$2.75	448 250
10 units in a box, 150 and 200 MM ampules. Being offered to other govt. agencies by our regional offices (after test).			
<u>PEPTONE PROTEOSE MACT.</u>	35 000 pounds	6.20	217 000
Has been offered to govt. agencies - not interested.			
<u>PEPTONE, DRIED, U.S.P. BLAG.</u>	96 500 pounds	4.00	386 000
Has been offered to govt. agencies - not interested.			
<u>BURROWES SOLUTION</u>	18 000 bottles		144 000
2.27 gm. tablets - 500 to a bottle. This item is being offered to the manufacturer.			

	<u>QUANTITY</u>	<u>UNIT COST</u>	<u>COST TO GOVT.</u>
<u>SULFAMILAMIDE</u> 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.	539 000 packages		344 930
<u>DICHLORAMINE T</u> 16 2/3 in Tri. World War I stock. Awaiting action by board of medical officers.	359 000 pints	\$1.66	595 940
<u>HAEMOTOXYLIN, LIGHT</u> 10 gram bottle. Awaiting action by board of medical officers.	99 000 bottles	1.50	148 500
<u>SODIUM ALURATE</u> 3 1/2 and 1 3/4 gr. tablets packed in 500 unit boxes. Special Army package - manufacturer not interested.	13 500 boxes	7.50	101 250
<u>AZOCHLORAMID IN TRIACOTIN</u> World War I stock. Awaiting action by board of medical officers.	360 000 quarts	4.55	1 638 000

QUANTITY UNIT COST COST TO GOVT.

8. Paper & Office Supplies

NONE

Total. \$ 51 185 597

SURPLUS USE TRUCKS REPORT

For 7 Days and Period Ended, October 28, 1944
(Period Began January 1, 1944)

7 Days to Oct. 28, 1944 Period to Date

Total Used Trucks Declared		<u>526</u>	<u>45423</u>
Less Declarations withdrawn	<u>28</u>		<u>1467</u>
Less Loans to Other Federal Agencies	<u>0</u>		<u>150</u>
Less Transfers to Other Federal Agencies	<u>10</u>	<u>58</u>	<u>3083</u>
			<u>4700</u>
Net Used Trucks Declared for Sale		<u>468</u>	<u>38723</u>
Less Used Trucks Sold		<u>2362</u>	<u>32257</u>
Balance of Used Trucks on hand			<u>6466</u>

ANALYSIS OF INVENTORY

Inspected and ready for sale		<u>5283</u>
Not Inspected		<u>1183</u>
		<u>6466</u>

SURPLUS USED CARS REPORT

For 7 Days and Period Ended October 28, 1944

(Period Began January 1, 1944)

7 Days to Oct. 28, 1944 Period to Date

Total Used Cars Declared		<u>103</u>		<u>6299</u>
Less Declarations withdrawn	<u>18</u>		<u>131</u>	
Less Loans to Other Federal Agencies	<u>0</u>		<u>19</u>	
Less Transfers to Other Federal Agencies	<u>2</u>	<u>20</u>	<u>582</u>	<u>732</u>
Net Used Cars Declared for Sale		<u>33</u>		<u>5557</u>
Less Used Cars Sold		<u>235</u>		<u>4591</u>
Balance of Used Cars on hand				<u>966</u>

ANALYSIS OF INVENTORY

Inspected and ready for sale				<u>682</u>
Not Inspected				<u>284</u>
				<u>966</u>

SURPLUS MOTORCYCLE REPORT

For 7 Days and Period Ended October 28, 1944
(Period Began January 1, 1944)

	<u>7 Days to Oct. 28, 1944</u>		<u>Period to Date</u>
Total Motorcycles Declared		<u>218</u>	<u>15323</u>
Less Declarations withdrawn	<u>7</u>		<u>138</u>
Less Loans to Other Federal Agencies	<u>0</u>		<u>0</u>
Less Transfers to Other Federal Agencies	<u>0</u>	<u>7</u>	<u>348</u>
Net Motorcycles Declared for Sale		<u>211</u>	<u>14975</u>
Less Motorcycles Sold		<u>579</u>	<u>9141</u>
Balance of Motorcycles on hand			<u><u>5834</u></u>

ANALYSIS OF INVENTORY

Inspected and ready for sale	<u>4480</u>
Not Inspected	<u>1354</u>
	<u><u>5834</u></u>

EXECUTIVE OFFICE OF THE PRESIDENT
WAR REFUGEE BOARD
WASHINGTON 25, D. C.



OFFICE OF THE
EXECUTIVE DIRECTOR

OCT 31 1944

My dear Mr. Secretary:

I am pleased to send you herewith a copy of the report of the War Refugee Board for the week of October 16 to October 21, 1944.

Very truly yours,


J. W. Pehle
Executive Director

The Honorable,

The Secretary of the Treasury.

Enclosure.

Report of the War Refugee Board
for the Week of October 16 to 21, 1944

SITUATION IN HUNGARY

The increasingly threatening portent of recent reports of the unstable situation of the Jews in Hungary this week swelled to an unmistakable signal of the murderous finale which the Germans intend to stage before the role of the last satellite is concluded. According to radio broadcasts from Budapest intercepted in Istanbul and relayed to us by our representative in Ankara, the Jews are being blamed in part for Hungary's present difficult position. They have been forbidden to leave their homes under any circumstances until further notice, and visits to Jewish homes by non-Jews are prohibited. From statements made in a broadcast on October 17 by the Minister of Interior of the new Hungarian Government, it is apparent that renewed excesses against the Jews are imminent. To him, Jews are Jews, and the status of those holding baptismal certificates or foreign passports is no different from that of Jews without such documents. He declared that any "atrocities, crimes, or irregularities" committed against Hungarian soldiers and their allies will be punished by increasing severity upon the Jews of Hungary. A report received by the Grand Rabbi of Rumania and believed to be reliable indicated that with the military occupation of Budapest the momentary "liquidation" of all Jews there is very much feared. The report was accompanied by pleas for statements by the President and other Allied leaders to be broadcast to warn individuals involved in the killing of Jews of drastic punishment awaiting them for participation in such actions.

The Board cabled to Mr. Myron Taylor a request that he approach the Pope with the suggestion that the latter broadcast an appeal to the people and the Clergy in those parts of Hungary under German control urging them to aid to the utmost of their abilities the temporary concealment of Jews and to oppose their deportation and extermination. It was also requested that in making this suggestion he indicate that in the Board's opinion an appeal such as this appears to offer the best possible chance of keeping these people alive, since it seems unlikely that approaches to local authorities will accomplish the purpose.

- 2 -

That the very slenderness of rescue opportunity has become an impellent for every step that can possibly be taken to protect the Jewish people whose lives are in jeopardy is evident in recent moves by the Swedish and Swiss Governments. Minister Johnson advised us that the Swedish Foreign Office wired the Swedish Minister at Budapest requesting that the appeal of the King of Sweden concerning the treatment of Jews, particularly the 4,000 who were given Swedish passports, be brought again to the attention of the present Hungarian authorities. The Swedish Minister was instructed to ask for a prompt answer, and the matter of withdrawal of his mission if assurances are not promptly given was left to the Minister's discretion. While the Swedish Foreign Office is of the opinion that it is desirable to maintain its Legation at Budapest as long as possible in order to aid the Jews, it does not expect the approach to Hungarian officials to have a satisfactory effect, since the latter have indicated that they will not respect Swedish passports issued to Jews before March 13. Furthermore, the staff of its Budapest Legation is in real danger, even non-Jewish members having been molested. Four adherents of the new Hungarian government have been ejected from the Hungarian Legation in Stockholm by the Swedish Government, which contemplates holding them to ensure the safe return of Swedish personnel at Budapest.

We advised Minister Harrison and Representative McClelland that the Swiss Minister in Washington had inquired of the Board how his government might help in the serious situation of Jews in Hungary and at Oswiecim and Birkenau. He promised to notify his government of the steps taken by the Swedes, of which he was confidentially informed, and to suggest that it take parallel action.

SITUATION IN SLOVAKIA

Overtones of the tragedy in Hungary found a sounding board in Slovakia. Confirmation of McClelland's report of last week appeared in a report from Ankara that 5,000 Jews have been interned in concentration camps in Slovakia under the worst of conditions and that 2,000 of these were threatened with deportation. Representatives of the Jewish community in Budapest, who apparently had been able to obtain a postponement of action against the internees, have transmitted an urgent plea for assistance from the Vatican, the International Red Cross, and the United States Government to prevent deportations from Slovakia.

- 3 -

From McClelland, we learned of a report made by a courier recently arrived in Switzerland from Bratislava that 300 to 400 Jews holding Latin-American documents were arrested in Bratislava and, as a result of intervention by the Central Jewish Office, were first interned at Mariathal near Bratislava. On or about October 8, they were summarily transported to a destination believed to be Germany; the courier declared that the Slovak government knows where they have been taken. It was indicated that approximately 90 of these persons were bearers of El Salvador nationality certificates, the remainder holding Paraguayan passports. McClelland inquired as to the possibility of determining through the Vatican and the Papal Nunciature in Bratislava the destination of this group in order that Swiss and Spanish protection to which they are entitled might be exercised.

We cabled our representatives in Bern and Ankara the text of a communication received from the Apostolic Delegate in Washington under date of October 14 which advised us that the Holy See has been informed by the Apostolic Nunciature in Bratislava that the Minister of Foreign Affairs notified the German Legation on October 5 that the Slovak government could not consent to the deportation of Jews since they were under the protection of the constitution and laws of Slovakia. Mr. Carol Sidor, a member of the Tiso cabinet, has written the Vatican that "Jews having American citizenship" who have asked the protection of the Slovakian government have been assembled in a castle at Marianka under Slovak police protection. The phrase in quotation marks is assumed to mean Jews holding passports and other documents issued in the names of American republics or otherwise claiming nationality of an American republic. The communication further informed us that the Vatican has transmitted to the Apostolic Nunciature in Bratislava our message for Dr. Tiso repeating previous warnings of the position of this government with respect to the deportation and persecution of Jews.

A report from Budapest dated October 11 received from a private organization through our representative in Lisbon stated that 5,000 Jews have already been deported from Slovakia.

SITUATION IN POLAND AND THE BALTIC STATES

In response to our request that any available channels be utilized to convey to German authorities our proposed message concerning the Himmler order for extermination of Jews at Birkenau, Naeuss, and Oswiecim, Minister Johnson advised us that the substance of the message has been communicated to the head of the Political Department of the Swedish Foreign Office, who has undertaken to make every effort to have the message reach German authorities. Ambassador Norweb advised us that he

- 4 -

is taking steps to the same end and will keep us informed as to the results of his efforts.

GOVERNOR DEWEY'S STATEMENT ON NAZI ATROCITIES

On October 19, Governor Thomas E. Dewey, of New York, issued the following statement:

Information comes to this country from unquestionably reliable sources that the Nazis, trapped and knowing that they are faced with inevitable defeat, are now resorting to the known gangster terror device of threatening to exterminate their very victims--Poles, Jews and other non-German nationals--now imprisoned by them in their horrible concentration camps in parts of Poland and other countries still occupied by the Nazis.

The civilized world is now in a position in unmistakable terms to warn the Nazis--military commanders, members of the German Government, their aides, abettors and supporters--that certain and inevitable justice awaits them for these brutal and wanton murders if their schemes should be carried out.

I am happy to note that our State Department has issued a warning that "if these plans are carried out those guilty of such murderous acts will be brought to justice and pay the penalty for their heinous crimes." American public opinion will fully support the statement issued by our Department of State.

Secretary Hull's statement and Governor Dewey's statement are being given wide publicity abroad through all available channels.

SITUATION IN RUMANIA

From an individual who recently went to Bucharest from Istanbul as the representative of a private organization our representatives in Bern and Ankara received reports indicating that of approximately 290,000 surviving Jews in Rumania, 90,000 returned from forced labor service, 17,000 repatriated deportees, 20,000 returned from outlying districts, 10,000 evacuees from war-stricken regions, and 20,000 who have been bombed out in Bucharest are almost completely destitute. Among the refugees in Rumania there are 1,300 Polish Jews, 900 Hungarians, 110 Germans and Austrians, and 15,000 repatriates from Transnistria. The Rumanian government is said to have approved requests made

- 5 -

in Bucharest for admission of approximately 7,000 Jews from Yugoslavia. This informant stated that although Jews have been restored to their former status and in principle enjoy full civic rights, no practicable steps have been taken toward their economic rehabilitation. He gave it as the opinion of the president of the National Jewish Party and Zionists that fully 150,000 Rumanian Jews will never be economically re-established and urged that repatriates from Transnistria be evacuated from Rumania.

SITUATION IN YUGOSLAVIA

McClelland advised us that a private organization with an excellent reputation for efficient operation recently sent a mission supplied with surgical materials to work in Free Yugoslavia. It now plans to send a second mission, headed by a former League of Nations High Commissioner who is well known for his typhus research work among civilian refugees. This information was forwarded as of possible interest to relief organizations in the United States in a position to assist in financing a very worthwhile project.

RECOGNITION OF LATIN AMERICAN PASSPORTS

We cabled our Embassy in Quito the text of a cable from our Embassy in Bern concerning clarification of instructions sent by the Government of Ecuador to the Ecuadoran Consulate with respect to individuals in Germany claiming Ecuadoran nationality. In view of the contradictory nature of the instructions, the Swiss were unable to take any action in the interest of the persons concerned, and we have therefore requested our mission in Quito to endeavor to ensure that a clarifying message is sent to the Ecuadoran Consulate in Bern.

For their information and appropriate use, Minister Harrison and Representative McClelland were cabled a summary of the action taken by various Latin American countries with respect to documents issued in their names as set forth in recent reports.

FOOD PARCELS FOR CONCENTRATION CAMPS

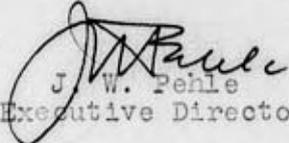
War Refugee Board Program

Approximately 185,000 of the 300,000 parcels involved in the program will be ready for shipment from the United States by November 10th. Upon the recommendation of the International Red Cross, these parcels will be sent via the Marseilles route.

- 6 -

Shipment from Sweden

The American and British blockade authorities have approved the shipment of 93 tons of food parcels from Sweden to unassimilated persons in concentration camps in German-controlled areas. The parcels will be distributed under the supervision of the Swedish Y.M.C.A.


J. W. Penle
Executive Director

PARAPHRASE OF TELEGRAM RECEIVED

FROM: AMEMBASSY, London
TO: Secretary of State, Washington
DATED: October 31, 1944
NUMBER: 9387

SECRET

This message was repeated to Stockholm as Embassy's 655.

The British Legation at Stockholm has informed Foreign Office that information has been received from the Government of Sweden to the effect that the Government of Hungary has declared its willingness to permit 4500 Jews possessing Swedish protective passports to depart from Hungary; also that authorities of Germany have stated that they will allow transit through Germany of a group of 400 to 500 such persons.

The British Legation at Stockholm has been instructed by Foreign Office to urge Swedes to arrange to transport and receive such a group of persons. In addition, the Foreign Office is trying to get the Governments of Switzerland and Sweden to take similar action for the benefit of the remaining 4000 persons in Hungary who hold Swedish protective passports.

GALLMAN

11-1-44

DCR:EMS

October 31, 1944

10 a.m.

AMEMBASSY

LISBON

2851

Referring your 3263 October 26. Statement appeared
New York Times October 20. Paraphrasing authorized.

STETTINIUS
ACTING
(GLW)

WRB:MMV:KG
10/30/44

WE

Miss Chauncey (for the Sec'y) Abrahamson, Ackermann, Akzin, Cohn,
Drury, DuBois, Friedman, Gaston, Hodel, Lesser, Marks, Mannon,
McCormack, Pehle, Files.

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, Lisbon
TO: Secretary of State, Washington
DATED: October 31, 1944
NUMBER: 3811

CONFIDENTIAL

In connection with Embassy's cable of October 26, No. 3263, and with further reference to circular dated October 24 from the Department, on October 20 the press office received the Dewey statement textually in clear.

NORWEB

DCR:CPW

ll-4-44

Miss Chauncey (for the Sec'y) Abrahamson, Ackermann, Aksin, Cohn, Drury, DuBois, Friedman, Gaston, Hodel, Lesser, Marks, Mannon, McCormack, Pehle, Files.

CABLE TO MINISTER JOHNSON, STOCKHOLM, FOR OLSEN, FROM WAR REFUGEE BOARD

Reference your 2113 of June 12 and our 1223 of June 19.

Please furnish inventory of office equipment which will become surplus material when WRB concludes operations.

List each article and approximate value. At proper time further instructions concerning disposal will be forwarded.

THIS IS WRB STOCKHOLM CABLE NO. 130.

4:45 p.m.

October 31, 1944

Miss Chauncey (for the Sec'y) Abrahamson, Cohn, DuBois, Friedman, Hodel, Lesser, Mannon, McCormack, Files.

DWhite:agr 10-30-44

CABLE TO MINISTER JOHNSON, FOR OLSEN, FROM WAR REFUGEE BOARD.

Please deliver the following message to Chief Rabbi Ehrenpreis and Congress Committee, Stockholm, from Dr. Kubowitzki of the World Jewish Congress:

"UNDERSTAND 16,000 KAUNAS JEWS DEPORTED GERMANY BEFORE GERMANS RETREATED. CAN YOU CHECK ON THIS INFORMATION AND FIND OUT THEIR WHEREABOUTS? WIRE ALSO YOUR SUGGESTIONS CONCERNING THEIR RELIEF AND RESCUE."

THIS IS WRB STOCKHOLM CABLE NO. 227.

12:15 p.m.
October 31, 1944

Miss Chauncey (for the Sec'y) Abrahamson, Cohn, DuBois, Friedman, Hodel, Lesser, Mannon, McCormack, Files

RDrury 10/30/44

PARAPHRASE OF TELEGRAM RECEIVED

FROM: AMLEGATION, Stockholm
TO: Secretary of State, Washington
DATED: October 31, 1944
NUMBER: 4426

CONFIDENTIAL

See Legation's 4262, 19th October.

The Swedish Minister at Budapest answered to the effect that assurances had been given by the Government of Hungary that Swedish protective passports would be respect by officials. Simultaneously he expressed the hope that between Sweden and Hungary it would be possible to reestablish normal diplomatic relations.

The Swedish Minister at Budapest in a subsequent wire, dated 24th October, reported that the Papal Nuncio, when submitting his letters of credence and informing that the aim of his mission was to represent the Pope in Christ's service and therefore to afford protection to the Jews, was advised that representations concerning the treatment of the Jews had been made by other Governments and that under the protective custody of the countries with which Hungary maintained normal diplomatic relations there would be no molestation of Jews.

JOHNSON

11-2-44

DCR:EMS

Stockholm

Dated October 31, 1944

Rec'd 1:46 p.m.

Secretary of State,
Washington.

4430, October 31, 5 p.m.

FOR DEXTER FROM OLSEN

The following telegram has been sent to Matamoros,
22, October 30, 5 p.m.

Margolis sends message below to Pilpel of Joint
Distribution Committee and is repeated to Washington
as our No. 96 for War Refugee Board.

Committee here headed by Ehrenpreis received a
cable yesterday from Schlenoff of Osein, Switzerland
(through WRB representatives in Bern and Stockholm)
advising that their representative in Lublin,
Dr. Hirshenhum (*) relief funds. Ehrenpreis committee,
however, wishes to continue to do its relief work
directly and best we can hope is that mutual clearance
of activities will avoid duplication. Ehrenpreis is
agreeable to such coordination. Please forward any
information you have regarding Lublin and its current
needs. Local section of World Jewish Congress has
initiated program of sending parcels to the Resienstadt
and has procured eight thousand names from Zurich
section. There appears to be no need of enlarging
project at this time but please send lists of
internees in the Resienstadt, Birkenau, and Bergenbelsen
for possible use. Advise if Sally Mayer is sending
funds to Budapest to whom and what amount.

JOHNSON

EMB

(*) apparent omission

EK-675
Distribution of true
reading only by special
arrangement. (SECRET W)

Stockholm
Dated October 31, 1944
Rec'd 5:45 p.m.

Secretary of State,

Washington.

4432 October 31, 6 p.m.

This is our 100 for WRB.

Have discussed contents of WRB 223 (Department's
2152, October 26, 8 p.m.) with Glen Whisler of Red
Cross.

He has taken all steps necessary to have parcels
repackaged and shipment is moving forward in a few days.
He has done a very good job. Legation would appreciate
clarification of meaning of words "unassimilated persons
in concentration camps".

JOHNSON

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Stockholm
 TO: Secretary of State, Washington
 DATED: October 31, 1944 (received November 1, 3:09 a.m.)
 NUMBER: 4440

SECRET

This is being repeated to London as No. 1400.

The following refers to Department's message to London dated September 27, No. 7881, which was summarized to Legation in London's No. 513.

It is now the desire of Red Cross officials and Polish Legation to forward additional shipment to Pruskow through same channels and in same way as outlined in our message of September 15, No. 3681, which was repeated as No. 1806 to London. The Poles submit copy of telegram from Intercross as evidence of safe arrival of former shipments made in September. This telegram also outlines additional requirements of Pruskow Poles and quotes as number of people passing through camp the German control figure of 238,000.

The following items are included in proposed shipment: 4,000 kilos underclothes; 2500 kilos shoes; 15,000 kilos soap; 20,000 kilos used clothing collected in Sweden; 10,000 kilos Hungarian pea meal.

Arrangements have been made to send shipments through Denmark via rail, we are told by Polish Legation.

Urgent approval is recommended by Legre.

JOHNSON

DCR:GPW
 12-6-44

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Legation, Bern
DATE: October 31, 1944
NUMBER: 3716

SECRET

To Minister Harrison and McClelland from War Refugee Board.

Please refer to your No. 7115 of October 26.

Your excellent analysis and suggestions are greatly appreciated.

We here have been giving considerable thought to action along such lines and for several weeks have been working on a project which, if successful, may accomplish some of the objectives mentioned in your cable.

This is WRB Bern cable No. 249.

STETTINIUS
ACTING

Miss Chancery (for the Sec'y) Abrahamson, Ackermann, Akain, Cohn, Drury, DuBois, Friedman, Gaston, Hodel, Lesser, Marks, Mannon, McCormack, Pehle, Files.

CABLE TO MINISTER HARRISON, BERN, FOR MC CLELLAND, FROM WAR REFUGEE BOARD.

Please deliver the following message to Gerhart Riegner, 37 Quai Wilson, Geneva, from Dr. Kubowitzki of the World Jewish Congress:

"UNDERSTAND 16,000 KAUNAS JEWS DEPORTED GERMANY BEFORE GERMANS RETREATED. CAN YOU CHECK ON THIS INFORMATION AND FIND OUT THEIR WHEREABOUTS? WIRE ALSO YOUR SUGGESTIONS CONCERNING THEIR RELIEF AND RESCUE."

THIS IS WRB BERN CABLE NO. 250.

12:15 p.m.
October 31, 1944

Miss Chauncey (for the Sec'y) Abrahamson, Cohn, DuBois, Friedman, Hodel, Lesser, Mannon, McCormack, Files.

RDrury 10/30/44

CABLE TO HARRISON, BERN, FOR MCCLELLAND FROM WAR REFUGEE BOARD

(1) Reference your No. 6837 of October 13. Groups interested in Friends of Luxembourg program have advised Board as follows concerning suggestion that \$15,000 be used for relief in Luxembourg:

"Impossible to ask clearance of request to use relief funds in Luxembourg unless we know specific purposes trustees have in mind. Not knowing situation, cannot suggest categories of relief. Await further information."

(2) Queen Wilhelmina Fund is remitting additional \$50,000 this week under recent Treasury license authorizing remittance of \$100,000 for operations permitted by license No. W-2229.

THIS IS WRB BERN CABLE NO. 251.

12:15 p.m.
October 31, 1944

CABLE TO AMBASSADOR STEINHARDT, ANKARA, FOR KATZKI, FROM WAR REFUGEE BOARD

Reference your October 2 memorandum to Hirschmann indicating office equipment expenditure. Please furnish inventory listing each article and approximate value and from what funds purchased. At proper time further instructions will inform you concerning disposal.

THIS IS WRB ANKARA CABLE NO. 123

4:45 p.m.
October 31, 1944

Miss Chauncey (for the Sec'y) Abrahamson, Cohn, DuBois, Friedman, Hodel, Lesser, Mannon, McCormack, Files

NOT TO BE RE-TRANSMITTEDCOPY NO. 11SECRETOPTEL No. 354

Information received up to 10 a.m., 31st October, 1944.

1. NAVAL

Further to yesterday's telegram, aircraft from the British Fleet Carrier sank two 5,000 ton ships and a frigate off Lodingen. On 27th and 28th two French cruisers and U.S. Destroyers bombarded a position on south coast of France. On 27th/28th Coastal Forces sank 3 F-lighters off Rapallo.

2. MILITARY

WESTERN EUROPE. Second Army troops approaching Maas on wide front have captured Geertruidensberg within 2 miles of the easternmost of the two bridges, and are rapidly closing on second bridge at Moerdijk. Oosterhout, Breda and Roosendaal captured and whole of South Beveland now clear of enemy. Canadians have reduced Scheldt pocket to immediate neighbourhood of Knoeke. On Eastern flank of Nijmegen salient majority of ground lost in recent German counter attacks has been regained.

ITALY. Bad weather has continued to hamper operations. Eighth Army troops have advanced towards Ravenna up coastal road and are now only $4\frac{1}{2}$ miles from outskirts. Meldola, 10 miles west Cesena, captured and bridgehead north of former enlarged.

GREECE. 28th. Kozani occupied by British troops after engagement west of town. Other patrols reached Vasilika, S.E. of Salonika.

3. AIR OPERATIONS

WESTERN FRONT. 29th/30th. The Mosquitoes on Bomber support damaged 22 trains; 29 other Mosquitoes also attacked communications with good results.

30th. Of 215 Bomber Command aircraft despatched, 96 (1 missing) dropped 556 tons in moderate visibility on gun positions and strongpoints Walcheren Island. 102 dropped 527 tons through cloud on Wesseling Synthetic Oil Plant, 9 miles south Cologne.

643 U.S. heavy bombers (2 missing) attacked objectives N.W. Germany - 139 of them bombed oil refineries Hamburg 250 tons; and 401 railway centres Hamm and Munster - 830 tons. Pathfinder technique employed. 8 escorting fighters missing. 654 aircraft carried supplies to the Continent.

30th/31st. 1059 Bomber Command despatched:-
 Cologne 904 (none missing, complete cloud conditions)
 Berlin 62 (1 missing)
 Other tasks 93 (1 missing)

MEDITERRANEAN. 29th. 35 Liberators (2 missing) bombed Munich West Railway Centre through cloud.

4. HOME SECURITY

About 6:30 a.m. today 6 flying bombs plotted.