DIARY
Book 838
April 17-18, 1945
HMJr: Hello.
Operator: Mr. Connolly is in now. They've put him on.
HMJr: All right.
Operator: Go ahead.
Mr. Connolly: Hello.
HMJr: Oh, Mr. Connolly.
C: Yes, good morning, Mr. Secretary.
HMJr: I had a couple of things that I could very easily tell you if you would pass them on to President Truman. I told Simmons I'd see him or I could pass them on to you. Hello?
C: Hello.
HMJr: Have you got a pencil?
C: Yes, sir.
HMJr: Did Simmons give you my message?
C: No, I just got here, Mr. Secretary.
HMJr: Oh, well, then, there may be a little crossing up. When I couldn't get you, I asked for Simmons. But I'll talk to you, and then you would you tell Simmons?
C: Yes, I'll check with him.
HMJr: Thank you. Well, I hope the President can see his way to saying something about Bretton Woods at his Press Conference, or as early as possible. We start hearings up there again, see? And if you would mention that to him.
C: I will.
HMJr: Then we've got a beautiful 7th War Loan poster which is the raising of the flag on Iwo Jima, you know?
C: Yes.
HMJr: And President Roosevelt had ordered the men back who had raised this flag to assist during the 7th
HMJr: Then I always told President Roosevelt when I was out of town. I'm going at noon up for 36 hours, to see my daughter graduate at Vassar.

C: Yes.

HMJr: I'll be back tomorrow afternoon.

C: Back tomorrow afternoon.

HMJr: Yes. And the other and last thing was I had my regular Press Conference yesterday, and the boys just put the heat on me whether I was or was not going to resign. I told them first off the record of my conversation with President Truman Saturday in which he had asked me to stay, and that he would back me. And then they insisted that they could have it for background, and I let them have it that way.

C: Oh, I think that's all right.

HMJr: Hello?

C: Yes.

HMJr: And I wanted to let him know that.

C: Fine. I'll tell him that too.

HMJr: But the heat was on me.

C: Oh, I know that.

HMJr: With the --- the reason --- with the 7th War Loan on and all my State Chairman telegraphing in whether they are going to continue, and all the rest of the stuff. I wanted to clear that up.

C: Oh, I think it should have been.

HMJr: As long as President Truman asked me to stay.

C: Surely.

HMJr: And then, with the Bretton Woods legislation pending. I mean, either I am or I'm not Secretary of the Treasury.

C: Yeah.

HMJr: And as long as he wants me to stay --- I want to be helpful, and I thought we had better clear it up.

C: C.K., fine, sir.

HMJr: Now, I say I need 15 minutes with him either Thursday morning or Friday morning, and I would like to publicly, so to speak, present that poster to him.

C: Right.

HMJr: Thank you.

C: I'll check all them.

HMJr: And you'll let me --- I'm leaving today on the 12 o'clock train.

C: Oh, well, I'll have an answer before then for you.

HMJr: Thank you.

C: Right.
April 17, 1945
10:45 A.M.

HMJr: Hello.

Congressman Spence: Hello. How are you, Mr. Secretary?

HMJr: I'm all right. I wanted you to know that I sent word over this morning to President Truman that I hoped he would say something in his Press Conference about Bretton Woods.

S: Yes.

HMJr: And I sent him this message I got from you from Luxford, see?

S: Yes.

HMJr: So I hope he will say something, but I sent it over in plenty of time.

S: Well, now the reason I said that. Some of these newspaper reporters come in and say, "How does he stand?", you know.

HMJr: Ahuh.

S: Well, I said, "I judge from what he said that he is going to carry out the foreign policies of President Roosevelt. He couldn't very well be opposed to Bretton Woods."

HMJr: Well, I happen to know that he is very enthusiastic for it.

S: Do you?

HMJr: And I hope he will say something at his Press Conference.

S: All right, thank you. Now, I'll tell you what I've done too.

HMJr: Yes.

S: I've got an engagement to meet -- I had an engagement to meet Berry here this morning.

HMJr: Yeah.

S: He said he would be a little late, but he would come in at eleven o'clock.

HMJr: Yeah.

S: I'm just going to put it up to him. I'm going to tell him he's the key man. He can wreck it or make it. I'm going to give him all the credit, and tell him if he goes along with us that I'm going to see that everybody that is interested will know what he's done.

HMJr: Ahuh.

S: And I'm going -- he'll be here in a little while.

HMJr: Well, I'm leaving here at 11:30 to go on the train to New York to my daughter's graduation. If you know anything before 11:30, will you let me know?

S: Yes, I will. I don't think I'll get to it before 11, because Sherman is coming in to see me. You know, the Book-of-the-Month?

HMJr: Oh, yes.

S: He said -- he called me up from downtown and said he wanted to come up and see me, and if he could help he would be glad to do it.

HMJr: Yeah.

S: And that would sound very favorable.

HMJr: Fine. Well, whenever you get through with Berry--

S: I'll let you know. I'll call up White and -- or Luxford.

HMJr: Call up White.

S: I'll call up White.

HMJr: Will you?

S: I'll call up White.

HMJr: Right.

S: All right.

HMJr: Thank you.

S: Goodbye.

HMJr: Bye.
Operator: Go ahead.
HMJr: Hello.
Congressman: Hello.
HMJr: I don't know whether you have heard the news, but President Truman went all out for Bretton Woods!
S: Did he? Fine!
HMJr: He opened his Press Conference with it.
S: That's fine!
HMJr: And went 100%.
S: Well, that's fine. I had that gentleman in here, and he made some objections here and there. I told him he was key man. He said, 'I'll do nothing to wreck it.' He promised me that.
HMJr: Barry?
S: Yes.
HMJr: But he wouldn't promise you the vote.
S: Well, he said he would do nothing to wreck it, so I mean, he'll vote for no amendments that he thought would destroy it. That's what he said.
HMJr: I see.
S: See?
HMJr: But you can't count on his voting for it.
S: Not in its entirety, I don't think, but he said he would do nothing. He wanted the bank and fund...
HMJr: Right.
S: ... to be consolidated. And I said that was the very basis on which the fund was organized first. And we'd have to be a member of the fund to be a member of the bank.
April 17, 1945
11:50 a.m.

BRETTON WOODS

Present: Mr. White
Mr. Dubois
Mr. Luxford
Mr. Bernstein
Mr. Felts
Mrs. Klotz

H.M.Jr: Have you heard the news? Luxford was going to bring it in to you.

I was on the phone at nine o'clock this morning before I got your memo, and then I got your memo and I turned it over just as you wrote it.

Mr. LUXFORD: Fine.

H.M.Jr: ...to Matt Connelly, but I had the idea myself. I sent it over.

Mr. LUXFORD: That will help a lot, because there were rumors.

Mr. WHITE: Is that the way it happened?

H.M.Jr: I can't see how he can help you. I said, "Please give this to the President before his press conference.

Mr. LUXFORD: Mr. Secretary, the Tass News Agency Reporter called me and wanted to know what Snyder's policies were because he was worried. He was seeing Truman on Bretton Woods. That's how much concern there was.

H.M.Jr: I thought you boys might like to know.

Mr. WHITE: Who is Connelly?

H.M.Jr: I have already made my connections.
MR. WHITE: Murray is going away for a month. That was the only reason.

MRS. KLOTZ: He called somebody and said he will be free Thursday night, so we have decided to tell him that it was called off.

H.M.JR: It was.

Mr. WHITE: He didn't have Monday night and you didn't have Tuesday night, and my knowledge at the time was that Murray was going away. He is going to be gone for a month. That was the only reason. We'll let it ride.

H.M.JR: Just sit on it. I am sure you agree.

Mr. FELTUS: I don't know what it is.

H.M.JR: Building up the CIO with me.

Mr. FELTUS: By all means, let it go.

H.M.JR: I never know where Luxford stands.

Mr. BEINSTEIN: Is it good or bad for Breton Woods, Mr. Secretary?

H.M.JR: No, I just thought this was--

Mr. WHITE: The only other thing is, hearings are going to open Wednesday and they are getting some people up on various hearings.

H.M.JR: I want to--right now I just don't want to meet with that crowd.

Mr. LUXFORD: Around was in my office.

H.M.JR: No, no, not I mean--

Mr. WHITE: The other thing is dead.

H.M.JR: The CIO.

H.M.JR: Well, this ought to put the thing across, boys. (Indicates article in Times-Herald dated April 17, 1940.)

Mr. FELTUS: I think it's in.

Mr. WHITE: I think so.

H.M.JR: By the way, don't they owe us a little money? I don't know if the rest of them saw the paper this morning.

Mr. WHITE: Yes, the cigarettes.

H.M.JR: Look.

Mr. LUXFORD: Don't you lie, Mr. Secretary.

H.M.JR: "Byrnes is leaving Washington." "Morgenthau is asked to stay." I am going to keep that.

Mr. LUXFORD: I want to know where they got the story.

Mr. DANOIS: I won't pay off yet, Luxford.

H.M.JR: Byrnes gave it himself.

Mr. LUXFORD: Who did you meet down at the train? (Laughter)

Mr. WHITE: I looked in the Times Herald, too.

That's the Herald-Tribune, you have it wrong.

H.M.JR: Did you see him?

Mr. LUXFORD: I just guessed. I talked to him yesterday, but he didn't tell me anything. He didn't need to.

H.M.JR: Why?

Mr. LUXFORD: I can read between the lines.

(The Secretary holds a telephone conversation with Grover Hill.)
H.M.JR: I don't get the significance.

MR. LUXFORD: I was just kidding you.

H.M.JR: I couldn't plant that story.

MR. LUXFORD: I know you couldn't, Mr. Secretary.

MR. WHITE: Mr. Secretary--neither can he get it in the Herald-Tribune.

MR. LUXFORD: I'll lay you dollars to doughnuts that a man can plant a story in any paper.

H.M.JR: At a price.

MR. WHITE: That's true.

MR. LUXFORD: I just mentioned to Harry that it would be wise temporarily to give Stetlinus a Secret Service guard until this thing settles down a little bit. I don't know if you want to focus on it.

MRS. KLOB: Don't answer that.

H.M.JR: I thought you were going to say how about Randolph Burgess.

MR. LUXFORD: He needs one, too.

MR. WHITE: He needs a priest.

MR. LUXFORD: Fraser needs one, too.

Mr. Den
Bell: Well, I don't know what you mean. He's told me about the order, and about -- I've got the press release before me.

HM Jr: Well, I mean -- what is your opinion about -- do we transfer the whole works or just the surplus.

B: Well, I think you had better go for the whole thing.

HM Jr: You do.

B: As John Pehle says you'll have an employee problem down there that most of the people will want to stay in the Treasury and try to get into the procurement division. It will be a terrible job, splitting the functions now they've been so integrated....

HM Jr: Ahuh.

B: ..that you had better try for the whole thing.

HM Jr: Let me talk to John a minute, please.

B: All right.

Mr. John
Pehle: Yes, Mr. Secretary.

HM Jr: John, what do you advise me?

P: Mr. Secretary, I think from the over-all government standpoint...

HM Jr: Yes.

P: ... its terrible important that the whole thing be transferred. You're asking Wallace to take on a very difficult job anyhow....

HM Jr: Yeah.

P: ... and if you do it, and most of the good people won't go along and will try to get into Prominent, you're really giving him an awful snowball. I think that it is important that this job be done right, and the best chance to do it is to transfer the whole thing. That way there's some chance of holding most of the organization together.
HMJr: Well, then, I'll do that. And you are not too upset?

Pi: I'm not upset at all, Mr. Secretary. I've known for a long time that you've felt that surplus property was better out of the Treasury, and I agree with you. I hope the timing isn't bad, and I hope that it won't look as though Truman took something out of the Treasury.

HMJr: Well, I'm going to insist that in the publicity that I initiated this thing.

Pi: Well, we have a draft of a press release here. Would you like it read to you?

HMJr: Yes, I would.

Pi: Want me to read it?

HMJr: Upon the recommendation of Secretary Morgenthau and with the concurrence of Secretary Wallace, the Director of War Mobilization, and the Surplus Property Board, President Truman today announced that the Procurement Division of the Treasury Department including the Office of Surplus Property, is being transferred to the Department of Commerce. The transfer of the Procurement Division to the Department of Commerce places the sale of surplus consumer goods and the procurement of non-military supplies with a parent agency whose basic functions are closely associated with the commercial and industrial life of the nation. The Department of Commerce is, by law, charged with the responsibility for assisting in the development of both domestic and foreign commerce, and it is believed that these activities carried on by the Procurement Division will blend well with the important business service functions of the Commerce Department. As is the case with all surplus disposal agencies, the Procurement Division's Office of Surplus Property will continue to function under the over-all policy direction of the Surplus Property Board.

That's as far as we have gotten.

HMJr: Well, that's all right. What are you going to do, John?

Pi: I'm going to -- if Wallace asks me to -- help the
B: All right, sir, we'll have that all ready. We can hold that until you get back.

HMJr: Well, that -- no. When Charlie Sheaffer knows that the President is going to give out this thing, see?

B: Yes.

HMJr: Hello?

B: Yes.

HMJr: And for heavens sake, listen, Charlie. You know he's going to give it out at, say, 11 o'clock --

B: It'll probably go out tomorrow morning.

HMJr: All right. Well, then, when it goes out, Charlie Sheaffer or somebody that's got some brains should go down and see the Press boys, see?

B: Right.

HMJr: ... and explain this to them that this is something that I wanted; that last week I took this think up with Colonel Miller, and I took it up with Wallace, and I took it up with Vinton, and I initiated this whole thing.

B: I understand.

HMJr: And I want to make 100% sure that they know that I've been trying to get rid of this thing -- I initiated this thing, simply in order that I didn't think feel the thing belonged in the Treasury.

B: All right, sir, we can give them a good statement on that.

HMJr: Well, it isn't a written statement. Somebody has got to tell it to them by word of mouth.

B: All right, sir, then I'll go with Charlie Sheaffer. I have the whole background.

HMJr: I mean it's got to be done by word of mouth.

B: All right, sir.

HMJr: Never mind what Wallace thinks. I mean, he wants this -- he wants it like hell, but I only say to do this for background when they write the story.
P: (cont.) fast, and I was just afraid that somebody would tie this together with all the Cabinet things, and say they are stripping the Treasury. But I agree that if the story.....

HMJr: No. We'll show --- we'll give the papers the letter.

P: That's right.

HMJr: We'll give them a letter showing that I wrote the President.

P: I think we ought to show them the letter. I don't think we ought to give out the letter.

HMJr: Well, we can show it to them.

P: Yeah.

HMJr: Because I want Charlie to go right through this whole thing--

P: Oh, I'm sure he can do it.

HMJr: All right. What else?

P: You want to talk to Dan again?

HMJr: No, thank you.

P: O. K. We have nothing further.

HMJr: All right.

P: All right.
April 17, 1945.

My dear Lord Halifax,

First let me thank you for your courtesy in conveying the message which the Chancellor of the Exchequer asked you to pass on to me. I am rejoiced through you, with the cordial expression of my appreciation of his thought.

I want also to tell you how much your word of personal sympathy must to me. Thank you again for your letter.

Sincerely,

(Signed) H. Morgenthau, Jr.

The Right Honorable
Lord Halifax
British Embassy,
Washington, D.C.

Enclosure.

BRITISH EMBASSY,
WASHINGTON, D.C.

April 18th, 1945

My dear Morgenthau,

I have been asked by the Chancellor of the Exchequer to convey to you the following message:

"I cannot refrain from expressing to you my heartfelt sympathy in this grievous loss that has befallen you, your Country and the Grand Alliance."

May I add my own word to this? I know how much on the personal side this will mean to you.

Yours ever,

(Signed)

Henry Morgenthau, Jr.

United States Treasury,

Washington, D.C.
Mr. Feltus
Secretary Morgenthau

Your memorandum of April 14th in regard to the National Cotton Council of America is most encouraging.
TO	Secretary Morgenthau
FROM	Ralph Su.

DATE April 14, 1945

The National Cotton Council of America has sent us the following report of their activities. I am quoting it verbatim:

The following is an outline of our activities on the Bunting Woods campaign:

1. Mr. Johnston's statement is going out today to all Cotton Belt Congressmen and Senators, with an individually written letter of transmittal.

2. A press release on Mr. Johnston's statement with a release date for Sunday morning, April 9, is already in the mail to all 450 dailies in the Cotton Belt, all cotton industry publications, and all new services.

3. A general letter to all 400 officers, directors, and members of the Council, with Mr. Johnston's statement attached, is being mailed tomorrow. Those at a great distance, like California, will be sent airmail so that they will be received by Monday morning.

4. A general letter also is being mailed tomorrow to all 450 cotton interest organizations, with copies of letter to Council directors and Mr. Johnston's statement attached.

5. A letter from Mr. E. M. East, chairman of our Report Committee, to all of the members of his committee will go out Monday or Tuesday of next week as a follow-up to Mr. Johnston's letter, urging special activity by the committee members.

6. Mr. East also is contacting a large number of leading cotton shippers through the Cotton Belt in an effort to quickly organize a speakers' committee to make talks on Bunting Woods before the civic clubs (Rotary, Kiwanis, Lions, etc.) throughout the Belt. We shall keep you posted on this development also.

(7) I have contacted Mr. Caffey Robertson, who is one of the cotton exporters here on the Memphis market and who is chairman of the Foreign Trade Committee of the Memphis Chamber of Commerce, and have asked that he try to get the Memphis C of C to take favorable action on Bunting Woods immediately. Mr. Robertson started on this today and hopes to get it through by the middle of next week. As soon as this is done, we are going to try to get the Memphis C of C to communicate with all of the other Chambers of Commerce in the Cotton Belt, urging them to take similar action. Copies of all resolutions by the Chambers of Commerce will, of course, be forwarded to Congressmen and Senators. We shall keep you posted on the progress made in this connection.

(8) A number of the leading newspapers in the Cotton Belt already are sponsoring Bunting Woods editorially. Frank Allgren, editor of the Commercial Appeal, made a fine speech on it here yesterday before the Memphis Club. We are arranging to have the proper local people in the other principal cities of the Cotton Belt contact personally the editors of the leading papers to get their strong editorial support.

If you have any suggestions on other activities, please let me know.

Most regards.

/s/ Ralph Blake

R.

Regraded Unclassified
Monday afternoon Sir Oliver littleton called on me and said he wanted to thank me for all I had done helping them on this Lend-Lease at conferences with Keynes after the Quebec meeting. I got him to talking about the food situation, and he said it was very bad. He had been here for weeks and had been unable to make any progress. I asked him, looking from the outside, what was the trouble? He said that we had plenty of cattle, but it is the method of slaughter and distribution. The trouble was that so many cattle were slaughtered through non-Federal inspected slaughter houses, and that a lot of the meat didn’t go where it was supposed to go.

I told him of my idea of a couple of years ago that the government should have bought all the beef it takes, allow it on the farm and then begin to control the slaughter distribution from that point on. He thought it was an excellent idea.

He was very friendly, just called in to say thank you.

Up at the Capitol, I saw Halifax, and told him that I couldn’t come for the dinner Tuesday night because I would be up with Joan. I then said I would be glad to come around and have a cup of tea, and he invited me for five o’clock and I went up there. As usual, Halifax asked a lot of very pointed questions. He wanted to know how the thing was getting along with Germany, on this side of the water. I told him that we had finished the new directive which the President signed at the last Friday that he had Cabinet, which I said was two or three weeks ago, and that we were busy working on a directive for the Army. He asked how we were getting along, and I said that so far we had done the easy things, but the hard things were still ahead of us.

He then got on to reparations, and he said that the British Treasury was taking a very active interest in reparations, but the British Treasury felt that the question of disembarkment should be settled ahead of reparations. He said that the British Treasury felt that, for instance, that if they divided South Germany, Bavaria, and Catholic countries separate, that they might get special treatment and that they would rather get out of them in the way of reparations as they would out of some other country.

Then Eden and Halifax were complaining that Russia had the best part of Germany in the fact that she produced the food. America would have the part that had the coal. We would have the industrial section, and that had been all bombed to hell. And they thought they had the poor end of the bargain. He said that Russia with its large food-producing areas and the food-producing of Germany, would have to be willing to swap food for machine tools, where he thought the machine tools would be produced, I don’t know. But they were in a kind of a bad mood, and complaining, and oh, I hate to say this about Englishmen, but almost on the whimsy side. And they went on to say how we were shipping tons and tons of food to Russia right now, and England wasn’t getting any and France and Belgium aren’t, and the first thing you know we would either have Communism or Fascism back in Belgium and France. So I spoke up and said, Well, from my own experience, I felt you had to show confidence in Russia in your treatment with Russia, and if you showed you had confidence in Russia, they Russia, and if you showed you had confidence in you, but too many people are suspicious of them, talking about making war against them. The Russians are very sensitive to this, and when they felt a person didn’t trust them, they just drew back into their shell. I don’t think that Halifax or Eden liked that too well, but they recovered quickly. I said, “After all if we want peace in this world, we’ve got to work with Russia.” Halifax told a story. He said that when he was in the last war, he was loading mules into a French boxcar and he learned that if you stood five feet away you’d get kicked, but if you leaned right up against the mule and pushed you were safe. He said that was the way it was with Russia; you had to get right up close to her. And then he said as long as we all feel the same about Russia, he agreed that in order to keep peace we had to work closely with her. I’m sure that if I hadn’t said something they would go on more and more, but he’s kind of fed up to all that kind of talk, and I thought they might just as well know where I stood.
Excerpts from the records of the German Commissary with Enqué de France.

Subject: Morgan & Co.

During a dinner to which I was invited by the French partner of this firm, Mr. Pessin-Dillon, the latter told me among other things, that all the American partners are now in America or on the way there. Mr. Carter, however, hopes to return in the fall; he has now returned to the USA, contrary to his original intentions (see my last report). The reason for his departure is by no means a political one but solely, that the business in Paris is not sufficient to warrant his presence here. Mr. P. D. again spoke indignantly about the clique in America which continually attempts to draw the United States into an unjustifiable as well as ridiculous war. He told me that I would know from my stay in New York and Boston, the views of the partners of his firm and also how they hate Roosevelt; that Roosevelt is driving America toward a catastrophe by his economic and foreign policies. The development over the last 30 years represents a policy of racial favoritism, insofar as the old established Anglo-Saxon, Swedish and German element had to relinquish its power to the Polish, Czech and Jewish elements which immigrated since 1800. For the New York and Boston circles, this development is terrible. He hopes that one of these days the increased immigration of Jews will unleash such an anti-Semitism that an American turnabout will follow. Mr. P. D. compares Roosevelt with Leon Blum and his actions with the blessing of the Front Populaire, for which France paid dearly. He expressed the hope that the interregnum and particularly the intercontinental business will, after settlement of the present German-British conflict, take such an upswing that his firm will be in a position to take an active part in the developments through the granting of reparation credits. With respect to England Mr. P. D. hopes that the conservative party under Sir Samuel Hoare and Lord Londonderry will get the upper hand over the Churchill clique one of these days, and that the worst may still be avoided for England. The principal culprit in this war is Roosevelt who, by vague promises instigated by the criminal clique surrounding him, had driven England as well as France into this war, against their will.

These remarks were made to me by Mr. P. D. privately, since in the States the Morgans are very friendly toward a firm with which I worked, namely Kildner, Peabody & Co. and they also know one of my distant relatives in Boston. They (remarks) may well be taken to reflect the opinion of this international aryan banking firm.
TRANSLATION

Excerpts from the documents of the German Commissary with Banque de France concerning the banking firm Morgan & Cie.

Memorandum for the files.

Morgan & Cie

(Fourth and fifth paragraphs)

... Mr. Peason-Dilion expressed the hope that America would not enter the war. He said to me that he, being acquainted with Morgan & Co., New York, well knows that President Roosevelt is not very well liked by the firm. Morgan & Co. is a bank which never had a Jewish employee and they are bitterly opposed to the machinations of the Jewish clique surrounding Roosevelt. Unfortunately he believes that the USA will do what Roosevelt desires, and it is well known that Roosevelt will do only what is advantageous to his own person. Roosevelt is surrounded by a Jewish clique whose power is concentrated in the backrooms of all the American government offices, as well as the press of the Eastern United States. The country has suffered from this clique and this government.

I write this in these notes because Mr. Peason-Dilion has opened up much more in his remarks than the other partners of Morgan & Cie., who had called at the administration office. I hear from other sources that there is great discord between the American Embassy and Mr. Carter of Morgan & Cie., because the firm did not comply with certain wishes of the American Government. Mr. Carter is presently on a trip in the unoccupied zone and has not, as was assumed, returned to the United States......

Paris, 21 April 1941.

/s/ v. Beringer-Goeler
Mr. Coe

Secretary Morgenthau:

Re: Your memorandum on Top Financial Man for Germany

Frankly, I don't think much of your suggestions.
TO: Secretary Morgenthau (For Information)
FROM: Mr. Goe PC

DATE: April 12, 1945

SUBJECT: Top Financial Man for Germany

It seems to me important that any outside person proposed for the top German job in finance should first have a long talk with himself or with some of your chief aides, in order that we make sure that there is general concurrence on policy. For example, unless you know that Chester Davis is in general agreement with you on this matter his name ought not to be put forward. The fact that a man is a good liberal, a supporter of the Administration, a good administrator, or that not, is not enough. Therefore, a little more time is needed to get a list of prospects and to interview them.

1. Outside People:

There must be bankers in New York who would do for this work but it would take someone like Dubois or myself several days of talking to get leads and find out who thinks what.

2. Inside People:

Of inside people you might wish to give consideration to:

a. Luxford
b. Paul

c. Bill Taylor

Because of older relations it might be difficult for Bernstein to have to work under any one of these people but rather than have a man above Bernstein who would disagree with him and frustrate him, it would be better to have a top man who would carry out the policy, even if this meant that Bernstein would want to shift to other work.

3. Ralph Flanders:

Joe Dubois wants to make it clear that all he knows about Ralph Flanders is the one article he wrote, which indicated general accord with Treasury policies.

4. Ben Dubois:

Luxford says that Ben Dubois on the Independent Bankers Association might be a candidate, and that he would probably let Bernie run the show.

5. General O'Dwyer:

I think that General O'Dwyer would be good, but I understand that he wants to stay here.

6. Conant:

I have just found his article, but others who have analyzed it tell me that he is as much in favor of the Henderson Plan for Germany as he is the Morgenthau Plan.
April 17, 1945

Dear Ed:

On returning to my office, I got a copy of your splendid speech which you delivered in Chicago on April 4th. I am confident that your remarks about Bretton Woods will be most helpful in getting the legislation through the Congress. Thank you very much.

Sincerely yours,

(Signed) Henry

Honorable Edward R. Stettinius, Jr.,
Secretary of State,
Washington, D.C.
My dear Mr. Secretary:

I have received Mr. Lovett's letter of April 12 advising that the Joint Chiefs of Staff have refused a military permit for the entry of Treasury personnel into the Philippines.

I note from your letter that the Theater Commander considers the Treasury's request to be premature and believes that the reopening of banks should not await the re-establishment of Foreign Funds Control in the Islands.

I join with the Theater Commander in his desire that private banks be reopened in the Islands as soon as possible. There must, however, be some misunderstanding in the Theater with regard to the purposes of Foreign Funds Control in the Philippines. The Theater Commander seems to believe that the purposes of Foreign Funds Control would be served by having all foreign transfer of funds cleared through banking institutions in the United States. This, however, could not fulfill the purposes of Foreign Funds Control even if, in addition, the Army in Manila undertook through its counter-intelligence the difficult and onerous task of screening banking transactions.

The Treasury has the responsibility not only to control and regulate transactions between the Philippines and foreign countries but also between the Islands and the continental United States. Moreover, the flight of looted currency, securities, bonds and other financial instruments must be prevented; Japanese wealth in the Islands must be uncovered and immobilized; the financial activities of foreign nationals within the Islands and persons acting for foreign interests must be examined. Controls to achieve these aims must be instituted and properly administered. We have discussed this matter with the Philippine officials in this country. They agree with us that these controls must be instituted immediately and can only be effectively operated by trained U. S. Treasury personnel fully cognizant of the many complex and highly technical regulations which apply to the Philippines and adequately experienced in the administration of the documents pertaining to Foreign Funds Control.

Furthermore, Philippine funds in this country are blocked under the Treasury freezing controls and financial transactions involving these funds cannot be affected except pursuant to Treasury licenses. We would like to do all possible to expedite such transactions. However, until a Foreign Funds Control office is established in the Islands and the necessary control measures instituted, there would necessarily be delays involved in authorizing any financial and commercial transactions involving the Philippines. You will appreciate that any other course of action might permit the completion of transactions affected under duress and might provide the very opportunity that our enemies and their collaborators are seeking to secrete their wealth and to avoid the controls which are contemplated. The establishment of a Foreign Funds Control office in Manila would therefore greatly expedite the Treasury's acting on applications for Treasury licenses involving Philippine funds in continental United States.

In view of these circumstances, it is hoped that the situation with regard to operational conditions and devastation has sufficiently changed during the last six weeks to permit Treasury personnel to proceed immediately to the Islands. I am sure that the facilities and accommodations which are available for the private bankers who have received military permits would also be entirely suitable for our Treasury personnel.

Accordingly, I am resuming my request that the necessary arrangements be made for Treasury personnel to proceed promptly to the Islands.

Sincerely yours,

[Signature]

The Honorable
The Secretary of War

APR 17 1945

Regarded Unclassified
The Honorable
The Secretary of the Treasury
Dear Mr. Secretary:

On 8 March 1945 you addressed a letter to the Secretary of
War requesting that members of the Foreign Funds Control Division
of the Treasury be permitted to re-enter Manila at the same time
as, or prior to, the entrance of private bankers. As you were
informed, your request was forwarded to the Joint Chiefs of Staff
with a favorable recommendation.

I now have to advise you that the responsible agency of the
Joint Chiefs of Staff has refused a military permit for the Treasury
officials on the ground that the request was referred to the Theater
Commander and disapproved by him. This action was taken in accord-
ance with established procedure, whereby a military permit is not
issued on any application which the Theater Commander disapproves.

The ground upon which the foregoing action was taken was that
present operational conditions and devastation in the Philippines
render the Treasury request premature at this time, but that the re-
opening of banks is so important that it cannot await the re-estab-
lishment of former Foreign Funds Control. It was believed that
control of transactions with countries outside the United States and
the Commonwealth would be assured by having all foreign transfer of
funds cleared through banking institutions in the United States.

The Treasury officials will be called forward as soon as the
situation permits and you will, of course, be notified immediately
upon receipt of further advice from the Theater.

Sincerely yours,

ROBERT A. LOYDST
Assistant Secretary of
War for Air

APR 12 1945
THE SECRETARY OF STATE
WASHINGTON

April 17th, 1945

Dear Henry:

Thank you for your letter of April 12th suggesting that we set up a small inter-departmental steering group to follow through on the Safehaven Program in the neutral countries.

In view of the imminence of the San Francisco Conference, I am asking Will Clayton to look into this matter and to get in touch with you promptly.

With best wishes,

Sincerely yours,

The Honorable
Henry Morgenthau
Secretary of the Treasury
April 17, 1945.

My dear Admiral Peers,

It was such kind of you to write as you did on April 14, expressing your sorrow in the death of President Roosevelt, and sending with so much affection of the part he has played during the past difficult years. I appreciate your tribute to him and your word of sympathy in our great national loss.

Sincerely,

(Signed) H. Morgenthau, Jr.

Vice Admiral H. Peers,
Chief of the French Naval Mission
In the United States,
Meditation Building,
Washington D.C.
My dear Mr. Secretary,

Allow me to express to you how deeply grieved I am at the death of the President.

The loss of that great personality seems doubly tragic in the days we are living. He personified for all democratic countries, that Liberty we are fighting for.

His faith in our final victory and in the betterment of our world will not be in vain, for he left with those, who like yourself, worked in such close cooperation with him, his high ideals to carry on.

With renewed expressions of my deepest sympathy in this great loss of your country, I remain, dear Mr. Secretary,

Yours very sincerely,

Vice Admiral R. Fenard,
Chief of the French Naval Mission in the United States.

The Honorable Henry Morgenthau, Jr.
Secretary of the Treasury,
Washington - D.C.
April 17, 1943.

Dear Mr. Chen,

Let me thank you for your letter of April 12, which speaks with such understanding of the part that President Roosevelt played during the past difficult years, and pays such high tribute to his character and achievement. I shall be glad to convey to Mr. Morgenthau and two of personal sympathy which you asked me to express to them. Thank you again for writing as you did.

Sincerely,

(Signed) H. Morgenthau, Jr.

Mr. Huang Po Chen,
800 51st Avenue,
Dear Mr. Secretary,

I share with the freedom-loving people of the whole world in the feeling of a deep sense of irreparable personal loss over the death of our great United Nations' leader. Please accept my heartfelt sympathy with you for the loss of your most illustrious President.

Today the whole world is in mourning of the tragic death of its first citizen. My country has lost her staunchest and most steadfast friend at a very critical time of her history. But the great spirit and the indomitable courage that President Roosevelt has given to the oppressed people all over the world will be among the most treasured legacies of the world's common man for many generations to come.

Through your courtesy, I have had the high privilege of meeting President Roosevelt on my previous missions to this country. I can still recall very vividly almost every word and gesture that he said and made to me. He was indeed a friend of man and the greatest champion for social and international justice that this world has produced.

I will greatly appreciate it, Mr. Secretary, if you will be kind enough to convey my sympathy and condolences to Mrs. Roosevelt and her family.

With my kindest personal regards, I remain,

Yours very truly,

Kwong Pu Chen

The Hon. Secretary Henry Morgenthau, Jr.
Department of Treasury
Washington, D. C.
April 17, 1945.

Dear Mrs. Finletter:

It was next kind of you to write so expressing your personal sympathy in the loss of our national leader and my good friend, President Roosevelt. It comes, of course, as a terrific blow to us all, and I knew that Mrs. Morgenthau will also appreciate that you said of our own part in his administration. Thank you for your sympathy and understanding.

Sincerely,

(Signed) H. Morgenthau, Jr.

Mrs. Thomas R. Finletter,
620 East 86th Street,
New York, New York.
In the last difficult years,
I am so sorry for you and
Mr. Myatt. My condolences and
my best wishes.

I hope it brings some solace to your family
and that they are able to find comfort in your
thoughts.

Very sincerely,

Julia Doggett Finletter
April 19, 1945.

My dear Mr. Secretary:

Your letter of April 13, expressing your personal grief in the passing of President Roosevelt, and speaking with such understanding of the part he had played in the cause we pursue, has my warm appreciation. I want to thank you for your expression of sympathy in this great national loss, and for your personal kindness as well.

Sincerely,

(Signed) H. Morgenthau, Jr.

[Address]

(Marked Unclassified)

My dear Mr. Morgenthau:

As you may well know the sad news of the passing away of President Roosevelt deeply shocked me.

President Roosevelt belongs to the World. Every man and woman in the United Nations and every lover of Democracy in other Countries feels the death of your great leader as a personal bereavement.

May you, Mr. Secretary, and the citizens of your great Nation find consolation in the fact that the people of the whole World are grieving with you.

Sincerely yours,

Eduardo Sárez.
Secretary of Treasury of Mexico.

To The Honorable
Henry Morgenthau, Secretary of Treasury.
Washington, D.C.
April 17, 1945

Dear Sirs:

It was good of you to send us a note of personal sympathy in the loss of our President. This has been, of course, a terrible blow to every one, and the understanding and sympathy of our friends means much during these difficult days.

Sincerely,

(Signed) H. Morgenthau, Jr.

Mr. Geo. Atlee,
Bentel Hotel,
Wilmington, Delaware.

GMS/the
Dear Mr. Secretary,

Rather than add my letter to the mélange which will come to the White House, I send this to you.

Suffice it to say that I am aware of what you must be feeling—ones who were so close to him.

My deepest sympathy.

[Signature]

Hotel du Pont
Wilmington, Del.
EXECUTIVE OFFICE OF THE PRESIDENT
WAR REFUGEE BOARD
INTER-OFFICE COMMUNICATION

DATE April 17, 1946

TO Secretary Morgenthau
FROM Miss Hodel

The attached cable from Mr. McGinnis contains a discouraging report on the possibilities of evacuating internes from German concentration camps.

Miss Hodel

Secretary of State,
Washington,

2170 April 13, 8 p.m.

Surcharges of IONC called special meeting at dawn of April 15 concerning current possibilities to evacuate "Jewish children" from German concentration camps. (FROM J. G. HEINEN-SCHMIDT & F. D. A. S. April 11) Practically speaking, after several weeks of IONC negotiations with the Germans, only women appear to be willing to permit exit from Germany of only non-German women, with some of them by train or ship. However, it is not held by French and Belgians. Germany, however, does not hold that exchanges are on and for the sake of civilians. The exchanges are to be limited as previously reported to women, children and elderly people (over 60) of each sex.

Within these national groups Germans do not seem to be willing to permit exit from Germany of only Jewish women. There were no children although this was originally requested. Included: Jewish women.

Endpapers of SS informed Dr. Meyer, IONC delegates, that IONC could evacuate all remaining French women from this camp as soon as the Institute wanted. There seemed, however, to be only 500 more French women actually still in Ravensbruck, whereas last fall (October) there were at least 550. Apart from those who have died (certainly over 500) this leaves many hundreds unaccounted for. This is probably in the number of women who have died. It is not possible to count of infections. In case the Institute holds that Italians are being used as labor. In case not only these French women but of civil deadness in general this probably constitutes a policy of simply working deadness to death. When they are no longer able to work this insane material is literally discarded.
In light of this information LOAG is now making special effort to obtain immediately a few buses from Swiss army to supplement limited number of POW parcel trucks available for such evaucations. LOAG is also examining possibility of using blocked POW parcel train now at Hodenburg for similar purpose. Committee has hopes that outside of French and Belgian detainees they may be able to get some of other nationalities on an "ad hoc" basis depending on attitude of individual camp commanders.

Will keep you informed.

HARRISON

JRS
April 17, 1945

My dear Mr. Connally:

I thought you would like to show President Truman a proof of the poster that I would like to present to him on either Thursday or Friday morning.

If this is agreeable to President Truman, the sooner you let me know the better because it would take me a little time to bring to Washington the survivors of the flag raising.

I think I explained to you over the telephone that these men had been ordered to this country to assist us during the Seventh War Loan.

Sincerely yours,

[Signature] H. Morgenthau, Jr.

Mr. Matthew Connally,
Secretary to the President,
The White House,
Washington, D.C.
TREASURY DEPARTMENT
INTER OFFICE COMMUNICATION

DATE APR 7 1946

TO Secretary Morgenthau
FROM Mr. H---
SUBJECT: Current Developments in the High-Grade Security Market

I. Market for Governments Continues Strong

Prices of Government securities remain at substantially higher levels than at the end of the Sixth War Loan. From the close of the drive to the close of the market Monday, medium-term taxable bonds gained an average of 2 and 5/32 points, long-term taxable gained an average of 1 and 17/32 points, and the longest-term partially tax-exempt securities advanced an average of 2 and 1/32 points.

During the interval between the Sixth War Loan and the announcement of the terms of the Seventh, the dominant force in the market was the belief (or rumor) that the Seventh War Loan would involve substantial alterations in the structure of coupon rates and the marketable Government of the security offerings. This influence is reflected in the attached chart, which shows the price histories, for the first day of trading, of the marketable securities issued during the Sixth War Loan.

One change anticipated by the market was the elimination of a 2 percent bond. The other major change expected was the substitution of a 2-1/4 percent bond for the 2-1/2 percent bond or a material lengthening of the maturity of the next 2-1/2. These expectations resulted, in a sharp rise of the outstanding 2-1/4's and 2-1/2's, based on the impending scarcity of new issues bearing these coupons. The announcement of coupon rates bearing these coupons, on March 2, confirmed expectations for the Seventh War Loan, on March 31, 1944, for the 2-1/4's and 2-1/2's, but not with respect to the 2-1/4's, to the 2-1/2's. The result was that the outstanding 2-1/2's to the 2-1/2's fell sharply in anticipation of the decision that the coupon rate would be retained, and then leveled off.

Secretary Morgenthau - 2

Certificates of indebtedness have declined in yield (i.e., risen in price) since the close of 1944. The pattern of certificate rates has now been restored to the September 1, 1944 level requested in your letter of December 22, 1944, to Chairman Eccles.

II. Changes During 1944 in the Distribution of Government Security Holdings and Interest Payable by Investor Classes

Table I shows the estimated distribution of ownership of the interest-bearing direct and guaranteed public debt on December 31, 1943; June 30, 1944; and December 31, 1944. The most striking feature of this distribution is the relative stability during 1944. Despite an increase of more than one-third in the total amount of the debt outstanding, the proportions held by most of the major investor classes changed very little.

Table I

<table>
<thead>
<tr>
<th>Estimated Distribution of Holdings of United States Government Direct and Guaranteed Obligations, by Classes of Investors (Amounts are in billions of dollars)</th>
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<tr>
<td>Commercial banks</td>
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<tr>
<td>Federal Reserve Banks</td>
</tr>
<tr>
<td>Mutual savings banks</td>
</tr>
<tr>
<td>Insurance companies</td>
</tr>
<tr>
<td>Federal Government agencies and trust funds</td>
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<tr>
<td>Other holders:</td>
</tr>
<tr>
<td>Individuals</td>
</tr>
<tr>
<td>Others</td>
</tr>
<tr>
<td>Total, other holders</td>
</tr>
<tr>
<td>Grand total</td>
</tr>
</tbody>
</table>

Note: Figures are rounded and will not necessarily add to totals.
Commercial banks continue to constitute the largest single group of holders of United States Government securities, although their holdings fell from 35.3 percent to 33.4 percent of the total outstanding during 1944, reflecting a decline in the proportion of new borrowing absorbed by them. The necessity for Federal Reserve Banks to add to their holdings of Government securities in order to maintain member bank reserves is evident in the increase in the holdings of these institutions from $11.5 billion to $18.8 billion.

Table II shows the computed annual interest payments on the estimated holdings of the various investor classes. This was calculated by multiplying the securities held by their coupon rates. On the entire debt this charge works out at $4.4 billion for December 31, 1944. Interest payable to commercial banks rose from $1.9 billion to nearly $1.3 billion. Interest payable to insurance companies increased from about $765 million to about $862 million. The annual amount of interest payable to Federal Reserve Banks increased from $0 million to $135 million.

Table II

<table>
<thead>
<tr>
<th>Estimated Distribution of Interest Payable to Various Classes of Holders of United States Government Direct and Guaranteed Obligations (Amounts are in millions of dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 31,</td>
</tr>
<tr>
<td>1943</td>
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<td></td>
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<tr>
<td>Commercial banks</td>
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<tr>
<td>Federal Reserve Banks</td>
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<tr>
<td>Mutual savings banks</td>
</tr>
<tr>
<td>Insurance companies</td>
</tr>
<tr>
<td>Federal government agencies and trust funds</td>
</tr>
<tr>
<td>Other holders</td>
</tr>
<tr>
<td>Grand total</td>
</tr>
</tbody>
</table>

Note: Figures are rounded and will not necessarily add to totals.

Although a breakdown of the interest charge payable to "other holders" between individuals and others is not available, it is estimated that the share of individuals is between $1.2 billion and $1.4 billion, or about 30 percent of the interest distributed.

The interest rate on the entire debt declined 4 basis points during the year to 1.92 percent (Table III). The average rate on securities held by commercial banks fell 3 basis points to 1.65 percent; that on securities held by insurance companies fell 5 basis points; and that on securities held by mutual savings banks fell 6 basis points, reflecting, in the case of insurance companies and savings banks, a tendency not to concentrate their drive purchases in the highest-coupon issues as much as previously.

Table III

<table>
<thead>
<tr>
<th>Estimated Interest Rate on Holdings of United States Government Direct and Guaranteed Obligations by Various Classes of Investors (Percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 31,</td>
</tr>
<tr>
<td>1943</td>
</tr>
<tr>
<td>Commercial banks</td>
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</tr>
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<td>Insurance companies</td>
</tr>
<tr>
<td>Federal Government agencies and trust funds</td>
</tr>
<tr>
<td>Other holders</td>
</tr>
<tr>
<td>Total debt</td>
</tr>
</tbody>
</table>

It should be noted, of course, that these figures pertain to the interest payable to the United States and will not necessarily correspond with the investment yields received by the holders of the securities for two reasons: (1) in many cases the securities were acquired in the market at prices above par so that a premium must be amortized to arrive at the true return; and (2) the charge on United States savings bonds and Treasury savings notes is computed
Secretary Morgenthau - 5

In each case at the yield if held to maturity, but the actual interest paid out will be less to the extent that the securities are presented for redemption before maturity. Thus the yield to the Federal Reserve Banks on their holdings of Government's may have been as much as 10 basis points below the computed average interest rate shown in the table. This is probably an extreme example, however. On the whole, the premium for market purchases of securities offered during the war, which constitute the greater part of all the outstanding United States Government securities, have at no time been large, so that the difference, due to this factor, between the interest charge from the Treasury's point of view and the investment yields realized by the holders of the securities is unlikely to have been large either. The difference due to the method of treating savings bonds and notes affects principally the group designated "other holders".

III. Canadian Eighth Victory Loan Opens April 23

The minimum goal of Canada's Eighth Victory Loan, which will open April 23, has been set at $1,750 million -- $50 million above the goal of the seventh loan last Fall. The objective for individuals is $675 million, compared with $600 million in the last campaign. This leaves a minimum of $675 million to be subscribed by "special names" -- businesses and corporations, and individuals capable of subscribing more than $25,000.

The terms of the issues are as follows:

<table>
<thead>
<tr>
<th>Bond Type</th>
<th>Dated</th>
<th>Due</th>
<th>Term</th>
<th>Issue price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-3/4% bond</td>
<td>May 1, 1945</td>
<td>Nov. 1, 1949</td>
<td>4 yr. 6 mo.</td>
<td>100</td>
</tr>
<tr>
<td>3% bond</td>
<td>May 1, 1945</td>
<td>Oct. 1, 1955</td>
<td>10 yr. 9 mo.</td>
<td>100</td>
</tr>
</tbody>
</table>

* Callable in 1959.

IV. Sales of British 1-3/4% Exchequer Bond Accelerate

Sales of the British 1-3/4% Exchequer Bond, which has been on tap since last November 7, have been at a higher level since the announcement, on February 6, that the issue would not be replaced by a longer issue at the present time. It will be recalled that at the time the issue was offered, the statement was made that it would be on tap for only a few months, and then would be replaced by an issue of the type of the 2-1/2 percent National War Bond, which it had replaced. This was commonly interpreted in the market to mean that on February 15, when the 1-3/4 percent bond became a 5-year issue (and, therefore, in the British parlance, a "short"), it would be withdrawn.

Weekly sales in the 7 weeks following the February announcement averaged $15.3 million, compared with an average of $6.3 million in the preceding 7 weeks. Sales through March 27 totaled $199 million.

Attachment
PRICES OF MARKETABLE TREASURY NOTES AND BONDS
ISSUED IN 6th WAR LOAN
CABLE TO AMERICAN LEGATION, RUSH, FOR TRANSMISSION FROM WAR REPOSSESSION BOARD

Please deliver the following message to Sally Mayer, St. Paul, from N. A. Leavitt of American Jewish Joint Distribution Committee:

"QUOTE: IS IT POSSIBLE SEND INTEREST ON OUR ACCOUNT WITH BANK NATIONAL BANK IN BASE YOUR REQUEST FOR DEPOSIT ON UNDERSTANDING INTEREST PAID. UNQUOTE.

This is with these cable No. 504.

11:00 a.m.
April 17, 1945

CABLE TO AMERICAN LEGATION, STOCKHOLM, FOR GLENN, FROM THE WAR REPOSSESSION BOARD

Please deliver the following message to Rabbi Wilhelm Noixe - II Diewegottan Strasse, Stockholms, from Rabbi Abraham Halmanowitz of Yaas Mahatzela Emergency Committee:

"QUOTE: STATE DEPARTMENT ADVISED US OF LIEUTENANT'S REPORT ON YOUR WORK REGARDING NAZI INSTRUMENTS FROM SHANGHAI SUGGEST YOU CONTACT STEN SADAR STEWARDSHIP AGENCY APPROACH CHAMBER LEAD HISTORIC LOCAL SUGGESTIVE TRAVEL VIA VITAL AIR TRANSPORT. CONTACT INTERNATIONAL RED CROSS. UNQUOTE.

This is with these cable No. 555.

10:50 a.m.
April 17, 1945

Regraded Unclassified
CABLE TO AMERICAN EMBASSY, PARIS, FROM THE WAR REFUGEES BOARD

Please deliver the following message to Arthur Greenleigh from L. A. Leavitt of American Jewish Joint Distribution Committee:

QUOTE: PLEASE CONFIRM RECEIPT OF 10,000,000 FRANCS TO BE CREDITED TO YOUR ACCOUNT FROM NAZI INTERNMENT FUND AGAINST WHICH WE PAYING 100,000 DOLLAR BANKER'S BILL. UNQUOTE.

11:00 a.m.
April 17, 1945

CABLE TO HARRISON, ME., FOR MCCULLARD FROM WAR REFUGEES BOARD

Reference your No. 2174 of April 13, 1945.

Information concerning condition in which concentration camps are found upon liberation is received in Washington from G-5 of SHAEF, Paris. No information is available here to date on camps named in your No. 2174. It is suggested that you may be able to obtain desired information through American Embassy in Paris. Board will send you any data received in Washington.

11:15 a.m.
April 17, 1945
CABLE TO AMERICAN LEGATION, GENEVA, FROM WAR REFUGEES BOARD

Greek War Relief Association here, upon receipt of a report from H. Melas, Delegation H. Hellinique, 1276/20/4, Geneva, has called the attention of the Board to the plight of 320 Greek civilian nationals who are detained by the German Government. According to our information these people could be reached with supplies by Intercross. Consequently, you are instructed to advise Intercross to divert when and where possible from War Refugees Board stocks, parcels in sufficient quantity to meet the needs of these Greek nationals along with the nationals of other United Nations who are in an unassisted category.

10:45 a.m.
April 17, 1945

THIS IS WAR REFUGE CASE No. 501
CABLE TO AMERICAN EMBASSY, LONDON, FROM THE WAR REFUGEES BOARD

Please deliver the following message to Harold Troop from H. A. Leavitt of American Jewish Joint Distribution Committee:

QUOTE: SHIPPED 500,000 DOLLARS FIRST HALF APRIL. RECEIVED 400,000 DOLLARS. YOUR APPEL FILLED 100,000 CENTRAL BANK. UNQUOTE.

THIS IS WAR CABLE NO. 171

11:00 a.m.
April 17, 1945

CABLE TO AMERICAN EMBASSY, LONDON, FOR HAMN, FROM THE WAR REFUGEES BOARD

Please deliver the following message to Haines, Treasurer, Inter-governmental Committee on Refugees, London, from H. A. Leavitt of American Jewish Joint Distribution Committee:

QUOTE: WE DESIRE CONFIRMING TO YOU THAT ALL PLANS MENTIONED IN OUR PREVIOUS EMBASSY LETTERS, CERTIFICATES RAN TO 25% OF THE AMOUNT FURNISHED. REGARDING COMMITMENTS FOR FUTURE, WE CONFIRM TO YOU ONLY THAT WE INTEND EXPENDITURES FOR FUTURE, BUT NOT TOTAL EXPENDITURES IN TOTAL DURING ELECTRICAL PERIOD. SUCH DATA NOT AVAILABLE TO US. AS SOON AS WE RECEIVE SUCH DATA WE SHALL ADVISE YOU. WE ANTICIPATE APPROXIMATELY 300,000 IN STANDING OR ASSUMPTION THERE WILL BE NO DIFFICULTY IN TRANSFERRING THIS STANDING TEAD TO PALESTINE TO BE USED IN PALESTINE FOR OUR CURRINT ACTIVITIES.

UNQUOTE

THIS IS WAR CABLE NO. 69

10:45 a.m.
April 17, 1945
CARLS TO AMERICAN Embassy, London, for Hand, from War Refugee Board

Please deliver the following message to Harold Linder, London, from N. A. Leavitt of American Jewish Joint Distribution Committee:

COPY. WE CARRIED YOURS TREATED TO INFORM YOU WE DESIRE TO CONFIRM TO YOU THAT ALL FRANCS MENTIONED IN OUR MESSAGE OF MARCH 27TH AND AUDITORS CERTIFICATES March 24TH AND YOURS FRANCS, REGARDING CONSTITUENTS FOR FRANCE WE CONFIRMED TO YOU ONLY SWISS FRANCS EXPENDITURES FRANCS BUT NOT TOTAL EXPENDITURES IN FRANCE DURING RELEVANT PERIOD SUCH SWISS DATA NOT PREVIOUSLY AVAILABLE TO US, AS SOON AS WE RECEIVE SUCH DATA WE SHALL ADVISE YOU. WE AGREE THAT REVISED $600,000 IN STERLING ON ABORTION FUND WILL BE NO DIFFICULTY IN TRANSFERRING THE STERLING CHARGE TO PALESTINE TO BE USED IN PALESTINE FOR OUR CURRENT ACTIVITIES, AND IMMEDIATELY WE REQUESTING ORIGINATION SIMPLY NECESSARY SWISS FRENCH DATA. UNDERTAKE

THIS IS WAR LONDON CABLE NO. 56

The Royal Danish Legation here has called to the attention of the Board the plight of some 5,000 Danish patriots who, following the occupation of Denmark by Germany, were removed to certain concentration camps and prisons in German-controlled territory and who, because of their assimilated status, are in need of help. The Danish Legation further informs us that recent negotiations with the German authorities have resulted in the concentration of all Danish and Norwegian prisoners who have heretofore been held in various camps in Germany to one single camp which will be supervised by Swedish Y.M.C.A. representatives. Gosta Hedin, director of prison activities for Swedish Y.M.C.A., has informed them that the removal of these prisoners to one camp is already in progress. You are requested to make arrangements with either intercessor delegate in Sweden or representatives of Swedish Y.M.C.A. for the forwarding of parcels from the SW stockpile held at Goteborg for distribution to these internees.

THIS IS WAR STOCKHOLM CABLE NO. 356

11:00 A.M. April 17, 1945

Regraded Unclassified
This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (RESTRICTED)

Secretary of State,

Washington,

RE URGENT

2207, April 17, 8 p.m.

From C.I.O. of HRN from Nuckland

Legation's 2131, April 11.

Special convoy of ten Renault trucks running on fuel obtained at Genoa and carrying 42,000 kilos relief supplies including 500 HRN parcels left Genoa 5 a.m., April 17 for concentration camp of Nassauer, 25 kilometers east of Lima, in former Austrian territory. In view rapid approach eastern fighting fronts to this large and very bad camp ICM felt extraordinary, last minute effort send in parcels should be made. Presence of extra ICM personnel there at this critical moment might also afford opportunity protective action. Combined camp and penitentiary of Nassauer, which have always been among worst in East System, house a great many Poles, French, Italian and lesser numbers Italians other nationalities.

Four more Renaults also left Genoa April 17 travelling with National convoy out destined for Emilie area. They carried 10,000 liters gasoline only. This fuel will be placed ICM's depot and used operate trucks distributing relief during coming weeks to camps that region. Parcels, including 500 ICM will be shipped by train according to present plan. Ten more Renaults will be assigned to ICM's IBA during next ten days for carrying relief to unassimilated persons all categories.

We now have more trucks available through ICM than fuel to operate them. As our telephone conversation from Paris, could you therefore examine with our Department possibility release additional gasoline to ICM for HRN programs during this final emergency period? Our present quota is 2,000 gallons weekly. Could this be increased to 3,000 or more? This fuel for HRN in Switzerland comes up from Delhi Base section communications since along with that supplies ICM for HRN relief. Please let us know about this fuel question as soon as possible.

END OF MESSAGE

[Signature]

[Date]

[City]

[Address]
AMINATION

STOCKHOLM

April 17, 1945

6 p.m.

Distribution of true reading only by special arrangement (SUCHAs W)

AMINATION

THE following for Glenn is WRA 354.

Conference Department's no. 406 of March 16, 1945.

Interested Greek groups are very anxious to know how long presently available funds will last for financing Norwegian projects. Please report urgently to Board.

Please also confirm receipt of $90,500 war aid to Greek funds transferred from Ankara to you.

STRAINS

(OMX)
NADANSK

Lublin celebrates its liberation.
This day marks the end of the Hitlerite occupation as the Red Army and units of Polish soldiers enter the city.
In those days the whole world learned a terrible name: Naidanek.

Inmates of Naidanek. These are the survivors whom the Germans were unable to kill in their flight before the advancing Red Army.
Naidanek was the name of the concentration camp built about a mile and a half from Lublin. It has become known throughout the world as the factory of death. The Germans called it "Terrorbunker"- the camp of destruction.
Just before their escape from Lublin, the Nazis tried to destroy every remnant of the camp, every eyewitness. But they did not quite succeed...

Among the prisoners captured in that sector were found several who had been assigned to work at the camp.

A joint Polish-Soviet Commission was created to investigate Nazi atrocities in Naidanek.

Construction on the Naidanek "Terrorbunker" was started in 1940 and completed at the beginning of 1942. The camp consisted of six sections surrounded by barbed and high-tension wire.

Frequent signs were posted reading: "Stop! No cameras allowed. Any violation punishable by death!"

This sign reads: "Deutschland uber alles!"

Guarding the camp were machine-gun emplacements manned by Storm Troopers.

The 140 barracks in Naidanek could hold 46,000 prisoners at one time.
The inmates came from all occupied countries in Europe: France, Belgium, Holland, Italy, Czechoslovakia, Yugoslavia, Greece, Denmark, Norway, Poland and occupied territories of the U.S.S.R. Hundreds of thousands were brought from these countries to be killed.

All this was done under orders by the Hitlerite Government. The decision to use Naidanek as a camp for human destruction was made by Himmler himself in the summer of 1942.

The prisoners were killed systematically. Naidanek became the last stop for all prisoners who were brought there.

A Nazi camp worker, Reten-Chefar S. G. Theodore Slopey, stated before the Investigating Commission: "This camp was called the 'camp of destruction' because a huge number of people were slaughtered here."

The investigation brought out new details of the methods used by the Hitlerite murderers in Naidanek.

Medical experts found that it was customary for the Nazis to shoot their prisoners at close range.

Mass shootings was one of the methods used in Naidanek by the Nazis. On one known occasion, over one thousand were shot simultaneously with machine guns.

A Polish prisoner, a survivor, told the Commission: "On November 3rd, in one day, 18,400 prisoners were shot. To prevent the sounds of the shots from being heard, the Nazis installed loudspeakers throughout the camp blaring martial music. The Nazis called this a "special measure."

Another Polish survivor, Thaddeus s. Schostyew, told the Commission: From Greece the Germans brought a group of specialists and scientists, 1000 professors, engineers and doctors to Naidanek. These were all slaughtered.

Other methods of mass slaughter were gas and poisoning. Here is one of six gas chambers used in Naidanek.
The gas was released from here.

From this observation window the executioners could see the effects of the gas.
The Germans also used a poison gas called "Zyclon.
Under the pretense of having to take a bath, the prisoners were brought here and
asked to undress and were then brought through this door, actually the entrance
to a gas chamber and put to death with Zyklon.
Oberscharführer E. S. Teines told the Commission: "I personally learned from
Sturmbannführer Doctor Windisch that on the evening of October 21, 1943, 200
children, between 3 and 10, were killed in one gas chamber with Zyklon."

A Dutch prisoner, Yosin, stated: "From the time I entered this camp in April of
1943, I saw 200 prisoners die. I saw them enter the building which was supposed
to be a bath house and later I saw their bodies carried out."

Here is another Nazi who worked in the camp. He was a member of the camp police.
His name is Weiss. He said: "In July of 1944, 30 prisoners assigned to the camp
personnel, were suffocated in the gas chambers to prevent them from giving out
information.

The President of the Polish Committee of National Liberation, Szuch-Misiewsky,
visited Haldansk.

At the beginning of 1940, the Hitlerites thought of cremating bodies in especially
built ovens.
The ovens were kept at a temperature of 1600 degrees and were in continuous use.
Each oven had a capacity of four bodies. The bodies were kept in the oven 18
minutes. All the ovens could take care of 1900 bodies at one time. The smell
of burning human flesh could be felt throughout the camp. Here are some photo-
graphs of victims. The ovens alone burned 800,000 bodies of Haldansk prisoners.

Among members of the Polish Judgment Committee are: Professors Mikhailovitch and
Poniatowski, and other representative members of European culture.

A Nazi captive who worked in the camp confirms the fact of having seen a Polish
woman taken out of a cremating oven half-alive.

These cremating ovens and other installations in Haldansk were constructed by
the firm Rechamn.

1600 cubic meters of human bones, part of 700,000 bodies, were found in and near
the camp.
Altogether, in Haldansk 1,800,000 human lives were destroyed.
The Germans grew cabbage near the camp using human fertilizer.

Clothing of victims, and shoes from all parts of Europe: Men's shoes, women's
shoes and children's, all different styles and sizes. 800,000 pairs of shoes
were found by the investigators. The Nazis had another warehouse, in the center
of Lublin, on Chopin Street, where articles of the victims were collected to be
sent to Germany.

Children's toys and dolls.

Everything was to be salvaged.

Oberscharführer E. S. Jago told the Commission: "I alone in a short time during 1944
sent to Germany 16 carloads of articles collected in Haldansk. The freight cars
were addressed: "Staatsbahn, Berlin."

Documents of the victims: Polish, Russian, Dutch, French, Czechi, Norwegian, Greek...
This passport belonged to Moser Fontaine, French, age 20.
Bruno Cherlin, Italian school-teacher.
Ezra Szimrich, Greek.
Irvin Peters, age 50, Polish from the city of Radom.

These prisoners escaped death in Haldansk: they are: Carenten, French; Semen, Dutch;
and Znowianek, Czechi.

The members of the Commission, completing their investigation indicted for these
crimes the Hitlerite Government, Himler and his S. S.
Scenes of a mass burial in Lublin.

Regraded Unclassified
Apr. 17, 1945

D. N. Bell
Harry White
Secretary Morgenthau

I talked with Chester Davis today about his going as top man in the Financial Section to Germany. He felt that he was too old, and he said that he had had too many unpleasant experiences with the Federal Government. But he wanted me to know that he was not turning me down flat.

He made a number of suggestions, but the best suggestion he made was Al Williams of the Federal Reserve Bank of Philadelphia. I didn't know that he formerly was Dean of the Wharton School of Finance, University of Pennsylvania.

Please talk it over, and please be sure to bring it to my attention again on Thursday.
Western Front: GROIXE. Further slight progress made against enemy positions both sides GROIXE Estuary.

Southern Sector: First French army advanced on whole front between EMINE and PHILIPHEB. Troops of Seventh U.S. Army entangled cleared pocket at BALIBERG and advanced 20 miles towards MUREBERG down autobahn from BAYOUTH.

Central Sector: Third U.S. Army reached HOF and made further seven mile advance north of OBERITZ.

Northern Sector: Second British Army made further progress towards HAMBURG. Clearance eastern HOLLAND by First Canadian Army proceeding satisfactorily.

Eastern Front: Southern Sector: Russians report clearing of SALLAU Peninsula, west of KOSCHELBERG except for Port of PILLAU where fighting continues.

Central Sector: Germans report strong Russian attacks in area north of FRANKFURT and in area from TORN to GORLITZ.

Southern Sector: Russians report captured of ZISTERSBURG (26 miles NE VIEUZ) centre of Austrian oil region.

Italy: On Eighth Army Front ANZIO now completely surrounded but still holds out. Further south considerable advance made against light opposition and New Zealand forces only four miles short of MILIAC. Polish troops overran CASTEL S. PIETRO and advanced up highway nine. South of road Italian forces made further gains. Fifth Army attack south of BOLOGNA met with very heavy opposition and little progress made. Further west U.S. Mountain troops advanced several miles. Ground gained on LIGURIAN Coast.

Balkans: 16th: Our troops captured SHEIYO, 26 miles south of YAMBIN against slight opposition.

Air Operations:

Western Front: 16th. French Bombers 333 dropped 550 tons on defended areas GROIXE ESTUARY and allied fighters 926 operated over this area and southern CELAUY destroying many vehicles 16th/17th. Night. Ref: Optel 123, para. 9. In operations reported 690 tons dropped at FILES and 630 tons at SCHWANGOF.

17th. Escorted U.S. Heavies 981 (10 outstanding) dropped 2532 tons on nine railway centres in BRUSSELS-PARIS-AMSTERDAM area. Supporting fighters 782 (22 outstanding) destroyed 13 enemy aircraft in co-bat and 266 on ground. Mediums 1077 (two missing) despatched 61 principal targets 152 targets, ordnance depots, dumps and gun positions SOUTHERN CELAUY 731 tons. Aircraft 444 flew reconnaissance and fighter and fighter-bombers 3,000 (17 missing) flew offensive sorties over all sectors. LT 783, Locomotives 222 and railway vehicles 311 destroyed. Enemy casualties 152/113 in co-bat and 152/114 on ground.

17th/18th. Night. Bomber Command aircraft 266 despatched CH railway centres (30 miles BE LIEBENGUR) 101, BERLIN and INGLERSTADT 103 and bomber support 64.

Mediterranean: 15th/16th. Night and 16th. Tactical aircraft 1692 attacked reserve troop areas and targets in close support of Fifth and Eighth Armies.
TREASURY DEPARTMENT  
INTER OFFICE COMMUNICATION  

DATE: April 17, 1945  

TO: Secretary Morgenthau  
FROM: Charles S. Bell  

I had a satisfactory conference with Secretary Wallace yesterday. While a little cool to the idea of taking over surplus in the beginning, he warmed up to the extent that he instructed Mr. Gladieux to proceed at once to work out the necessary details incident to such a transfer and made an appointment for me this morning at eleven o'clock to discuss this matter with Senator Gillette.

Secretary Wallace asked for a memorandum dealing somewhat with the historical background of the program, and in yesterday's discussion, which lasted for over an hour, it was agreed that Harold Smith should be consulted before an executive order accomplishing this purpose was submitted, this largely for the reason that the Director of the Bureau of the Budget would have to pass upon the executive order, and it would only pave the way for a smooth procedure.

I am attaching the memorandum requested, which gives a historical background and quite naturally omits comment on any of the difficulties we have encountered in this program of work. Frankly, it paints the picture in a rather favorable light. I have prepared it in this manner because I feel that most of the difficulties with Procurement are over excepting possible graft implications which will be a constant problem of the program.
MEMORANDUM FOR SECRETARY WALLACE

SUBJECT: DISPOSAL OF SURPLUS CONSUMER GOODS

Pursuant to our discussion on April 16, this memorandum is offered with a view toward providing you with background information on the Treasury Department's share of the surplus property disposal program. It is hoped that there is set forth herein substantially all of the material necessary for drafting a recommendation to the President covering the proposed transfer.

I. ORGANIZATIONAL HISTORY

A. WORK UNDER EXECUTIVE ORDERS

Prior to the war the Treasury Department's Procurement Division carried on a limited program of redistributing surplus government property by transfer from one agency to another and by public sale. This activity was strengthened and enlarged into the Federal Property Utilization program of the Procurement Division as a result of Executive Order 9235, issued October 16, 1942. Under this Order the Procurement Division administered regulations promulgated by the Bureau of the Budget and commenced handling a wide variety of commodities declared surplus by the Army and Navy, and resulting from the liquidation of the WPA and NYA. The nucleus of today's organization was created during this period.

The magnitude and complexity of the over-all task of disposing of surplus property gave rise to Executive Order 9425, issued in February of 1944. Working under the policy guidance of the Administrator established by that Order the Treasury immediately undertook a substantial reorganization and expansion of that part of the Procurement Division concerned with the sale of surpluses. Executive Order 9425 set up for the first time a single top authority charged with the responsibility for total direction of the disposal of surplus goods. Except as might be modified by the Director of War Mobilization, the Order assigned the disposal of "consumer goods" to the Procurement Division of the Treasury Department. The Administrator further defined and catalogued the particular types and classes of commodities to be sold by Treasury as well as the other operating units. From the standpoint of physical volume and merchandising difficulty the block of goods assigned Treasury presented perhaps the most perplexing problems.

The Secretary of the Treasury brought into the Department outstanding commercial merchandisers to set up the
organization that was to deal with the war surpluses then beginning to accumulate in volume. Between the issuance of R.O. 9425 and the passage of the Surplus Property Act the Treasury devoted its efforts to roughing out an organizational structure that would be adequate to perform the immediate task, and at the same time flexible enough to absorb whatever volume of work might be thrust upon it in the future.

The merchandising talent recruited during this period supplied expert counseling service to the Surplus Property Administrator who in turn used the Treasury operation as an experimental agency for testing policies, methods, and operating procedures. Many of the lessons learned by the Procurement Division were passed on to other disposal agencies as a guide to the building of their sales organizations.

Treasury’s sales force developed rapidly under the stimulus of industrial personnel who worked effectively with Administrator Clayton. The administrative machinery was improved greatly during this period, as evidenced by the development of new documentation to cover transactions and the installation of machine records and accounting controls. Field offices were built up to assume full, decentralized responsibility for the work in the various regions.

Though cognizant of the far reaching economic ramifications of the marketing of surplus goods, the Treasury Department operated during this period somewhat on the theory that it was performing a service function unrelated to the prime fields of Treasury activity. It soon became apparent that the force of circumstances had lodged a huge new program within the Department without particular regard for the fact that Treasury was neither equipped physically for the job, nor functionally interested in it. We found that it did not follow as an operative fact that an organization designed to purchase could also perform a sales task.

So long as it was possible to utilize the services of leading commercial merchandisers, giving them a relatively free hand under the policies formulated by an equally commercial-minded Administrator, the Department accepted the task as one that could perhaps be handled expeditiously with a small force of market-minded, non-career employees.

B. THE SURPLUS PROPERTY ACT

The passage of the Surplus Property Act in October of 1944 caused much apprehension on the part of commercial employees then in charge of the Treasury segment of the work. They believed that the bill would be extremely difficult to administer.
A major objection to the bill, from the standpoint of industrial personnel, arose from the fact that Section 27 imposed heavy penalties on employees from outside Government who might at some later date return to their former businesses and desire to engage in work associated with the ultimate sale of surplus property. Moreover, the elaborate system of priority purchase rights called for substantial changes in the method of handling goods. Small lot purchasers would have to be accommodated, priority schedules had to be devised and preferential buyers given time in which to make their claims on the available commodities. This meant wider circularization of availability lists, and inevitable delays in moving property declared surplus.

In brief, the provisions of the bill were repugnant to the working policies of the merchandisers then heading the Treasury area of the work.

C. PRESENT ORGANIZATION

As a consequence of the passage of the Surplus Property Act an appreciable number of the merchandising officials were lost to the Treasury and the Department turned to the building of a more stable Civil Service type of organization under the leadership of a careerist Assistant to the Secretary. It was believed that under the law the task of selling and otherwise disposing of surplus consumer goods would be a fairly long-range undertaking requiring the services of people skilled in old-line government methods, and prepared to devote several years of work to the job.

Following the pattern set up while operating under E.O. 9425, the Procurement Division was divided into three major parts: (1) Office of Procurement (To carry on the customary buying activity, including Lend-Lease and UNRRA purchasing.) (2) Office of Surplus Property, and (3) Management Services (To handle the budget, personnel and general business management functions for both operating groups.)

The relative importance of the Office of Surplus Property is demonstrated by the fact that almost 4000 employees, nearly one-half of the total Procurement force, are now engaged in surplus property work. A great many personnel changes, both in Washington and in the field offices have been occasioned by this shift in program emphasis. We have found it a difficult and challenging task to staff and perfect an organization to carry the rapidly growing work load. It is felt, however, that during the past five months tremendous progress has been made in constructing the components and fitting together a serviceable mechanism for selling consumer goods in a fashion compatible with the intent of Congress and the policy direction of the Board.
The Procurement Division of Treasury has in fact been remade in an effort to accomplish these objectives.

The budget and personnel needs for the surplus property organization during the fiscal year 1946 are estimated at about 16 million dollars to cover more than 5000 positions. These needs are subject to change as may be required by the demands of an almost totally unpredictable work load. It has been estimated that the surplus consumer goods program may ultimately call for the disposal of as much as 15 billion dollars worth of merchandise.

II. PROPOSAL TO TRANSFER SURPLUS PROPERTY PROGRAM

A. BASIC CONSIDERATIONS

The Secretary of the Treasury adheres to the view that the disposal of surplus property is a task having such an impact on domestic and international commerce as to warrant having it performed under the general direction of parent agencies whose basic functions are more closely associated with the commercial and industrial life of the nation. The Treasury Department is currently carrying on fiscal and monetary operations that consume the full strength of its executive leadership, and it is believed to be in the interest of the Department, and the Government as a whole, to have placed elsewhere the virtually unrelated operating job of disposing of surplus war goods.

The recommendation that the Department of Commerce be given the portion of this work now being carried on in the Treasury is predicated on the belief that the activity will blend well with the important fundamental functions of Commerce. Many of the decisions to be made with respect to the handling of surpluses can only be properly reached in the light of extensive information on particular business and trade structures. Commerce has within itself the foundation information so necessary to intelligent administration of this field of work.

Further, the problem of international trade and the use of surpluses in export traffic is one that can best be treated by the agency whose job it is to appraise and assist in the development of United States commerce abroad. Moreover, it is contemplated by the Act that surpluses shall be used to stimulate small enterprises, aid in reestablishing veterans interested in going into business, and foster cooperative endeavors. The reaching of these aims, while at the same time avoiding perilous dislocations in a reconverting economy, are rightly an undertaking of the Department of Commerce, rather than the Treasury.

Logically, the responsibility of the Commerce Department in the immediate years ahead make it an excellent choice as a principal sales agency. The taking over of the
consumer goods phase at this time might well prove to be a step in the direction of achieving a merger of other disposal groups. Experience has demonstrated that there is little organic affinity between the buying and selling functions of the Federal Government.

Thus, there has been presented cogent argument for consolidating into one agency the entire selling job. There is thought to be considerable duplication and actually some competition between the existing units charged with the sales responsibility. Also, it is difficult to give the public the sort of service to which it is entitled, or to achieve the uniformity of operating policy necessary to good administration when so many separate groups are performing the operating job. While the Board sets basic policy, each disposal agency makes its own interpretative use of that policy.

B. MECHANICS OF TRANSFER

The transfer of the function now being performed by the Procurement Division could probably be accomplished by the President on Executive Order, provided, of course, that the Cabinet members concerned, the Surplus Property Board, and the Director of the Bureau of the Budget are in agreement. It seems particularly important to bear in mind that if such a transfer is to be made it should be accomplished at the earliest possible date, particularly if the surplus program is to be separated from the procuring job because administratively the two offices are rapidly becoming interlaced.

The physical task of actually separating from the Treasury Procurement Division its surplus property organization presents a great many complications but is thought to be feasible from the management standpoint. At the Washington level the job of turning over the supervision of the program to the Department of Commerce would not be particularly difficult. The top structure within the Procurement Division is divided quite clearly as between surplus and all other activity. However, more difficulty would be experienced in reshaping the field offices to eliminate the surplus activity. In many instances Regional Directors were selected primarily for their merchandising ability, and the organizations have been recently expanded with special emphasis on property disposal.

It would no doubt be much simpler to transfer the entire Procurement Division to another parent organization, and inasmuch as it seems likely that the matter of "central procurement" will be reexamined in the not too distant future in an effort to better locate and further consolidate that
- 11 -

function, it is perhaps desirable to avoid making a separation at this time.

(Signed) CHARLES S. BELL

Administrative Assistant to the Secretary.
Following your instructions, I called on Secretary Wallace at 3:00 p.m. on Monday and acquainted him with the surplus property and procurement program being carried on by the Treasury Department and discussed plans for Commerce taking over this activity, omitting any reference to difficulties heretofore encountered by us. Mr. Wallace showed considerable enthusiasm at the end of the conference and indicated quite clearly that he desired the whole of the procurement program transferred to his Department. Mr. Wallace made an appointment with Senator Gillette for me for the following morning.

I met with Senator Gillette and he had present Governor Hurley and Colonel Hulse, also Colonel Hulse, the Administrator of the Surplus Property Board, and Mr. Gladieux, Assistant to Secretary Wallace. I believe that I gave the Board an all inclusive argument for the Treasury being relieved of the surplus property responsibility and dealt lightly with the procurement side of the picture, stating that Secretary Wallace had indicated a desire to have this side of the surplus property and I felt reasonably sure that you would not object too seriously to this arrangement. Senator Gillette was the principal spokesman and he seemed to recognize that this would be a good Government move but he feared criticism on the part of the Conservatives in Congress. However, he indicated that he would seek Judge Vinson's advice.

Upon my return to the Treasury I discussed my meeting with the Board with Mrs. Klotz who informed me that you had already paved the way with Judge Vinson. About 4:00 p.m. yesterday Governor Hurley called me and stated that the Board had just been in executive session and had agreed to the proposal. Hurley indicated that Judge Vinson had talked with Senator Gillette and had urged that the transfer be arranged without delay, that the White House wished to get out a press release and that he, Vinson, had cleared it with the President. Hurley requested me to write the press release as well as the executive order. When I inquired about the procurement feature Hurley suggested that I talk with Judge Vinson. I talked with Judge Vinson who informed me that you had only talked with him about surplus and he had only talked to the President about surplus property and he would not go along with the procurement angle. In view of this, I felt obliged to acquaint Secretary Wallace with this new development. Secretary Wallace instructed me to proceed with the press release and an executive order contemplating the transfer of both surplus and procurement and he would sell the program to Judge Vinson at dinner last night, to which Hurley was invited.

I prepared these two items with the aid of John Fehle, Larry Lesser and members of my own staff, and we turned them over to Secretary Wallace at six o'clock.

At about 9:20 p.m. Secretary Wallace called me and stated that he could not break Judge Vinson down on the plan for transferring the entire unit and that the press release and the executive order would have to be rewritten to contemplate only the transfer of the surplus property program. I talked with Fehle, Dan Bell and Cliff Mack on the feasibility of this arrangement and then called you at the farm. At 9:40 this morning I had a call to come to Judge Vinson's office and at Judge Vinson's request went into a huddle with the Commerce man and Governor Hurley and we rewrote the press release which is attached hereto and which has been approved all along the line up to the President. I am also attaching the executive order which is being sent to Judge Vinson for transmission to Budget and the President as rapidly as it can be presented. This about covers the major steps thus far taken.

I believe that you should know that we have every indication that Harold Smith has thrown a monkey wrench into the machinery. I pointed out to you earlier this morning on the phone that I purposely attempted to clear this program with Hurley and could get past his Secretary. I explained to her quite fully what was in contemplation and that I desired to talk with Mr. Smith about it but received no call back. I have already related to you what Pritchard told me this morning respecting the Wallace-Smith conversation. Since talking with you, I have again talked with Pritchard, who informs me that the President will not let the press release go out until he has received the executive order. This is contrary to my understanding with Judge Vinson and simply affords Smith an opportunity to delay this transfer, if not knock it out entirely. Hurley was right free in suggesting that Smith had an appointment with
the President this morning and in all likelihood sold the
President on the idea of holding up on this whole matter until
he, Smith, could pass on the executive order. This is Fritchard's
guess and I am inclined to agree with it because only this morning
Jim Scott of the Bureau of the Budget called our Mr. Parsons in
the Procurement Division, a former Bureau of the Budget employee,
and inquired of him what he knew about the Treasury's preparing
an executive order to perfect this transfer. Parsons suggested
to Scott that he ask his boss, Harold Smith, whereupon Scott
indicated that that did him no good as that's where the request
for the information originated.

It is my belief that Harold Smith will go along with the
executive order as prepared, notwithstanding his conversation
with Wallace yesterday. I think the thing that troubled him
most was that he felt that we were transferring out of Treasury
the procurement division proper to the Department of Commerce
and I happen to know that the Bureau of the Budget have for
some time considered the possibility of having the Procurement
Division transferred to them. I will, nevertheless, continue to
follow this whole program as closely as possible and await any
further instructions from you.
My dear Judge Vinson:

Transmitted herewith is the Executive Order designed to accomplish the transfer of the Surplus Property Program from the Treasury Department, Procurement Division, to the Department of Commerce.

I believe it was our mutual feeling this morning that the press release should go out at the earliest possible time inasmuch as the entire matter is rapidly becoming public information. I am informed from the press side that the President did not desire to release the new statement in the absence of the Executive Order. If this is the case, I strongly urge that clearance of the Executive Order with the Bureau of the Budget and the Justice Department be accomplished today if possible.

Very truly yours,

(Signed) CHARLES S. BELL
Administrative Assistant
to the Secretary.

Honorable Fred M. Vinson,
Director, Office of War
Mobilization and Reconversion,
The White House,
Washington, D. C.

Regraded Unclassified
EXECUTIVE ORDER

TRANSFERRING THE OFFICE OF SURPLUS PROPERTY OF
THE PROCUREMENT DIVISION OF THE DEPARTMENT OF THE
TREASURY TO THE DEPARTMENT OF COMMERCE

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

1. The Office of Surplus Property of the Procurement
Division of the Department of the Treasury is hereby trans-
ferred to the Department of Commerce.

2. All records, property (including office equipment),
and funds (including all unexpended balances of appropriations,
allocations, and other available funds) of the Procurement
Division which are used primarily in the administration of
the functions, powers, and duties of the Department of the
Treasury as a disposal agency under the Surplus Property
Act, all contracts of the Procurement Division relating prima-
arily to the administration of such functions, powers and duties,
and all personnel of the Procurement Division engaged primarily
in the administration of such functions, powers and duties,
as the Secretary of the Treasury and the Secretary of Commerce
shall jointly determine, shall be transferred to the Department
of Commerce for use in connection with the exercise and performance of such functions, powers, and duties.

3. The Department of the Treasury and the Department of Commerce shall supply and render, each to the other, materials, supplies, equipment, work and services in accordance with section 7 of the Act of May 31, 1930, as amended (U.S.C. title 31, sec. 626), to the extent and for such period after the effective date hereof as may be mutually agreeable to the Secretary of the Treasury and the Secretary of Commerce in order to facilitate the purposes of this Order.

4. This Order is effective May 1, 1943.

THE WHITE HOUSE
IMMEDIATE RELEASE  APRIL 10, 1945

TRANSFER OF THE OFFICE OF SURPLUS PROPERTY OF TREASURY PROCUREMENT DIVISION TO THE DEPARTMENT OF COMMERCE

Fred M. Vinson, Director of War Mobilization and Reconversion, today announced that the Surplus Property Board has designated the Department of Commerce as the disposal agency for surplus consumer goods. Pursuant to this designation by the Surplus Property Board, the President is transferring, by executive order, the Office of Surplus Property of the Treasury Procurement Division to the Department of Commerce. This designation and transfer were recommended by Secretary Morgenthau and concurred in by Secretary Wallace and the Director of War Mobilization and Reconversion. Typical commodities in the consumer goods category which will now be handled by Commerce are: automobiles and trucks, clothing, hardware, agricultural implements, medical equipment, and construction machinery.

The transfer of the Office of Surplus Property of the Treasury Department Division to the Department of Commerce places the sale of surplus consumer goods with a parent agency whose basic functions are closely associated with the commercial and industrial life of the nation and relieves the Treasury of an activity not directly related to its field of responsibility. The Department of Commerce is by law charged with the responsibility for assisting in the development of both domestic and foreign commerce, and it is believed that the surplus property disposal activities heretofore carried on by Treasury will complement the important business service functions of the Commerce Department.

Moreover the basic economic analysis, standardization, and statistical activities of the Commerce Department and its wide spread contacts with business will contribute materially to the efficient discharge of surplus disposal responsibilities. Further, there will be established central offices in the various regions to which those interested in the purchase of all types of surplus property may come.
TO THE SECRETARY:

Chester Davis called this morning and said he was leaving town but he wanted to report in accordance with the Secretary's request to furnish the Treasury any names of individuals that he might recommend to go to Germany to head the Financial Section.

Mr. A. H. Williams, President, Federal Reserve Bank of Philadelphia. I said I thought his health was bad and he replied that so far as he knew he was in good health and, in view of the fact that he had not had any governmental function to perform during this war, he might be receptive.

Matt Bryszak, Governor, Federal Reserve System. Mr. Davis said he knew that Mr. Bryszak would like to get into some of these fields and he thought that he could do a good overall job.

Henry Grady, Chairman of the Board, Federal Reserve Bank of San Francisco. He thought Mr. Grady had been around Washington long enough for you to know all about him.

Jesse Tapp, Vice President, Bank of America, San Francisco. Chester thought that the institution with which he is connected might prevent his selection but he did want to say that he is a very excellent man and he thought he would do a good job although he is not well known except in agricultural circles.

I have known Jesse Tapp for a number of years. He was with the Agriculture Department in the early days and he is a very capable man. He has only been with the Bank of America for about three years.

Hilton Eisenhower, brother of General Eisenhower and now President of the Kansas State College. He was formerly head of Public Relations in the Department of Agriculture under Secretary Wallace. He is an able man.

Colonel Jay Taylor, from Amarillo, Texas, Chairman of the Board of the Federal Reserve Bank of Dallas. He is now in the War Department handling World Oil problems for the Army. Chester says he is a very able individual but the General to whom he reports is now ill and the whole job is falling on Colonel Taylor's shoulders. He is quite certain that we could not get him but if we could we would get a person who could do a good job.
Franklin Delano Roosevelt
1882-1945
Regraded Unclassified
The New York Times
APR 13 1945

FRANKLIN D. ROOSEVELT
A great and gallant wartime leader has died almost in the very hour of the victory to which he led the way. It is a cruel and bitter irony that Franklin D. Roosevelt should not have lived to see the Allied armies march into Berlin. It is a hard and stunning blow to lose the genius and the inspiration of his leadership in the decisive moment of the war. The people of the United States, in the怪re and the Allied nations, of democracy throughout the whole free world, have suffered a heart-breaking loss.

History will honor this man for many things, however wide the drain of many of his conquests with some of his policies and his actions. It will honor him above all because he had the vision to see clearly the supreme crisis of our times and the courage to meet that crisis boldly. Men will thank God as their leader, a hundred years from now, that Franklin D. Roosevelt was in the White House, in a position to give leadership to the thought of the American people and to the direction of the activities of their government, in that dark hour when a powerful and ruthless faction threatened to overturn the civilization of the Western World and to destroy the work of centuries of progress. And when, in that dark hour, it was to Mr. Roosevelt's extraordinary credit that he was able to bring the free world together in a united, winning war effort, every liberty and every value we hold dear was preserved.

Stop by stop, under Mr. Roosevelt's leadership, this policy developed. Step by step, the people seeking, Congress of the United States did away with some denounced restraints which had limited our freedom of decision. Step by step we met the aggressions of the new barbarism with compensating and counterbalancing steps. Step by step we took our rightful place at the side of the nations fighting to defend their own freedom. The policy upon which Mr. Roosevelt embarked in the darkest hour of the war has had its full fruition in this hour of increasing triumph. It was his hand, more than that of any other single man, that built the great coalition of the United Nations. It was his genius for finding ways of accommodating apparently irreconcilable opinions that held this coalition together in the hard days of frustration and doubt. It was his leadership which inspired free men in every part of the world to fight with greater hope and courage.

Gone, now, is that talent and skill, so useful to the Grand Alliance, as indispensable in the time of greatest need. Gone is the enthusiasm and the indomitable courage that inspired the highest personal attachments and recorded hardships of physical discomforts. Gone is the fresh and spontaneous interest which this nation, as naturally as he breathed in it, shared with the nations of the Grand Alliance and the people of the world in the hope of liberation.

To the pages of history we may add only the fact that the cooperation and the support of the Free World was not the product of Mr. Roosevelt's personality alone. The secretaries of state, the foreign ministers of the nations of the Grand Alliance, the military and naval leaders, the leaders of the people of the Free World, were men of such high ideals and such high purpose that the reign of infamy was justly repudiated.

The President

The staggering shock with which yesterday's news came to an entire nation—and to a world beyond the nation—is the best possible measure of the place which Franklin Delano Roosevelt held for himself in the history of the American people. There was no one, of whatever party or persuasion, who did not feel in the first instant that a galvanizing figure had been snatched suddenly from our common life, that one historic page in our common national adventure had been suddenly turned down.

Franklin Roosevelt's long Presidency has left his mark very deep upon the life and destiny of the United States. It is impossible in a few moments to review that long career, about which there best so far from all the controversies of social change, all the strain and stress of the greatest international crisis of the modern world. It is impossible to measure that character, always complex, always subtle, mingling a far-sighted statesmanship with an artistic political sense, a broad grasp of international strategy with a curious insensitivity in diplomatic detail, a sense of the urgency of the great social forces of our times with an inability to create the administrative machinery necessary to translate into sound and effective action the basic policies which the people made necessary.

It will take years of analysis, of reflection, of experience with the consequences of the many initiatives which he advanced to arrive at any final estimate of the twelve years of Franklin Roosevelt's tenure as Chief magistrate of the United States. Some things, however, can be said at once. He has died in the moment of triumph in the greatest war the United States has ever waged, and a moment of triumph, also, for his basic appreciation of the realities of the international crisis. When he took office in 1933 the world was sick—it was sick internationally with a poison which was sapping also at the structure of our domestic life. His remedies for the domestic problem were many; some were essential and will endure long; some were misguided and proved total failures; some have been of vicious effect. But behind the domestic problem there was always war, and war, and war, with the vast international repercussions.

Franklin Roosevelt understood it in its essentials, even when he was over-scrupulous or over-cautious or confused in his approach to it. He knew that this was shaping into the greatest single crisis in American history; he knew how to lead it through the peril of the great war which was inevitable and into a firm coalition with the other five peoples of the earth—the kind of coalition which is the essential foundation for any sure peace and stable world order in the years to come. That was an immense work, for which his country will never cease to be grateful to his memory. And that work was in the main, completed in the moment of his death, in which he was abruptly taken from the scene.

There remain, of course, a very great work before us. The war has been substantially won; Europe is winning; the Far East has been made a virtual reality; the great machinery of military power is required to carry through to the end the war which has been dead and planted in firm hands. The foundations of a future peace have been laid. But the peace itself is still to be built. Peace has placed that tremendous responsibility upon President Truman's shoulders. There will be one who will not support him loyally in his onerous task. Franklin Roosevelt is dead. The whole nation grieves at his loss, but one hundred and thirty millions of the American people will move on no less sure in their great, glorious, national destiny.
The Journal of Commerce

APR 13 1945

Franklin D. Roosevelt

The nation mourns today the passing of its President. Only once before has a Chief Executive died under similar circumstances. Lincoln was stricken down as the Civil War came to a close. The death of Franklin D. Roosevelt comes at such a turning point, not only in American but also in world history.

The most destructive of all wars is happily drawing to an end, at least in Europe. The President was devoted himself single-mindedly during the last months of his life, to planning and shaping a new world organization that would prevent mankind from a repetition of this need for self-destruction. Others must now complete a task which he had hopefully begun.

Few men have left so deep an impress upon these United States as Franklin Delano Roosevelt. He assumed office in the midst of perhaps the most severe of our economic crises. He launched a far-reaching program of economic and social reform, which was only sustained when the outbreak of war in Europe and Asia threatened the nation's safety. He was a strong leader through the greatest military effort in the nation's history, and lived to see victory just beyond the horizon.

Almost President Roosevelt united many and bitter controversies. He did not hesitate to make enemies, even among those who had been his friends. We must learn to history the ultimate judgment upon his works. Republicans themselves will doubtless be as ready in appealing him and his record in awe to come.

But the many talents, the personal charm, the mental agility and the political acumen of President Roosevelt are going to become legendary, we may be sure. No other man was elected to the nation's highest office for four successive terms. No other figure in our history could defy traditions as often and as repeatedly. And yet, throughout, the essentials of our Democracy have been kept intact.

The ideals which Franklin D. Roosevelt preached—peace, freedom, democracy, and the rights of man—are also the ideals of the American people. The nation remains dedicated to their fulfillment. More controversial aspects of President Roosevelt's program will be debated. But, as always in a Democracy, and the people will ultimately decide whether they want to retain, modify or abandon them.

The Washington Post

APR 13 1945

Mr. Roosevelt

All the politics of the moment are united by the overwhelming news from Warm Springs. For is DEAD. The folks over there don't stack and simple. It recorded the end of the life cycle of a single individual. But, as one lesson in life, the three words seemed to grow bigger and bigger, and one groped to clothe them with meaning. The group will go on for many a day. For the news comes like a bolt from the blue, and the thunder is still echoing and resounding through the diameter of our planet. The shock is felt with a poignant sense of personal loss by men and women of every race and color. It is as if a presence has been removed from the daily lives of all nations. A minute before the shocking news came through the ether and over the wires, the hazy world had been lost in its work and its war. Then there was this silence, this solitude, while men everywhere looked at each other bewilderly. The companion of this man who has died is, indeed, the whole earth.

At this time the general performance of the President is in all our minds. Franklin Delano Roosevelt has put a stamp upon history which may well be unique in recorded time. Four times elected President of his country, he has placed all his own in our American annals. He dies as his country stands at a dizzy height of prosperity. No nation, not even ancient Rome, has ever attained such eminence, and the entire world looks to the United States for guidance in bringing the war in both oceans to a victorious end, and for aid in putting the world in the way of recovery from its awful travail. Franklin D. Roosevelt was the leader of this archipelago of the world's destinies. To many millions of people he personified the United States. The aged age Mr. Roosevelt in the company of the very greatest back in America.
The Philadelphia Inquirer
APR 13 1945

Franklin Delano Roosevelt

Immeasurably shocked by the sudden death of their President, the American people feel an acute sense of loss that is intensified by the especially tragic circumstances of his passing at the climax of his long and devoted service to his country's welfare.

To be deprived of Franklin D. Roosevelt's magnificent leadership just as the day of victory over America's cruel foes is beginning to dawn, just as he was preparing to exercise his powerful influence toward insuring the future peace of the world, constitutes a stunning blow to the Nation as it loses its head in sorrow.

Few of his illustrious predecessors had been forced to bear so many and so grave responsibilities and burdens. None had been called upon to contend against such a grievous physical handicap as marked his long years of office.

President Roosevelt's splendid triumph over his grave disability, which would have caused a lesser man to give up in despair, will ever remain an inspiring object lesson to American youth. His death at this particular hour of the Nation's history recalls poignantly the tragedy of Abraham Lincoln who also laden with the cares of a great war, died only a few days after the preservation of the Union had been assured.

History will appraise Mr. Roosevelt's true place among the world's great statesmen, but at this moment of national mourning certain facts stand out, in the amazing career of the man who was four times elected President of the United States, that admit of no dispute.

From early manhood and during his service as a member of the New York Legislature and Governor of the State, Mr. Roosevelt had evinced a keenly sympathetic interest in the lot of the poor and underprivileged.

After he became President it was natural that he should continue this humanitarian interest by proposing and urging far-reaching measures of social reform, including the system of social security which provides pensions for the aged unable to earn a living.

Before his death, Mr. Roosevelt had lent his active support to plans for greatly expanding these benefits to our people.

The Nation-wide campaign for the prevention and care of infantile paralysis will ever be associated with Mr. Roosevelt's name. The famous institution at Warm Springs, Georgia, was especially near to his heart, and the March of Dimes has become an annual national enterprise productive of untold good to countless sufferers from the dread disease.

His leading part in this beneficent work will never be forgotten.

At a time when the danger signals were flying over unhappy Europe, Mr. Roosevelt was prompt to receive the gathering storm and to warn his countrymen to be prepared.

In his memorable and striking speech in Chicago, he clearly portrayed the peril to America of a world afloat with war and urged the adoption of measures to quarantine and curb all would-be aggressors.

He was quick to realize the folly of attempting to appease such bloodthirsty monsters as Hitler and Mussolini and to advocate preparations for the defense of our own country on a scale commensurate with its huge material and military resources.

A beginning was made toward strengthening our Nation's bulwarks, but only a beginning, for it was difficult to overcome the obdurate prejudices and shortsightedness of those isolationists who foolishly believed that the United States could withdraw into a watertight compartment and be secure.

Then came the Japanese stab in the back at Pearl Harbor, unparalleled, as Mr. Roosevelt so rightfully declared, in the annals of infancy, and an aroused Nation leaped into the war under his vigorous leadership.

Long before America was forced to join the fight against the international gangsters, Mr. Roosevelt had perceived the impossibility of pursuing a neutral course. With scant regard for precedents and technicalities, he had moved to obtain for our Nation strategic outposts of defense which were later to prove their inestimable value.

When war came, President Roosevelt did more than issue a clarion call to arms. Under his direction Congress moved swiftly to fit the Nation for a conflict which, he warned, would be long and arduous.

The Philadelphia Inquirer
APR 13 1945

He initiated the program for building the greatest Navy the world had ever seen and with its successful conclusion he stressed the need for harnessing every major industry in the land to the war effort. Today we are reaping the fruits of this enterprising, enlightened leadership.

In order to further the progress of the war, Mr. Roosevelt never spared himself but endured the dangers and hardships of long-distance journeys by air and sea to confer and plan with the leaders of our Allies.

It was natural that the stress and strain induced by these extraordinary exertions, enough to break down a healthy man of half his age, should have given rise to constant fears and anxieties on the part of all good Americans. The supreme tragedy is that he did not live to see his efforts for victory and an enduring peace brought to final accomplishment.

It may be said of President Roosevelt that he gave his life for his country as truly as the soldier who slays on the firing line. He died in the path of duty. He could have wished for no better epitaph.
Franklin D. Roosevelt was great man. Those who opposed him every act and every policy and those who, more judiciously, found in his program much to condemn as well as much to admire can join in tribute to his genius with those who accepted him without question.

Most winning among his attributes was his human sympathy. His political philos- ophy may have been but imperfectly understood, but his desire to do the right thing in the long run was never to be questioned. Millions of people who did not bother to understand the nature of his policies responded to him because they sensed the depth and sincerity of his intent.

As a popular leader, he ranks with the great Presidents of our past. The hold of Mr. Roosevelt on the overwhelming majority of the people of the country was his greatest asset and the only power's greatest source of strength during the long years of the depression. It was surely an almost equally great source of strength when war came upon us. For no President, however capable, could have carried our people to the heights they have reached in the past three years had he not been gifted with that fine sense of human relationships which Mr. Roosevelt possessed. Tell of his failures as you will and you still have remaining the fact that he took an inert and profoundly insistent people and brought them to support a necessary war on a scale never before imagined.

This is no time to attempt to forget out of sources of his strength nor to abate all his accomplishments. Only history can do that. But we can all understand that his death lays upon us as a people and upon his successor, Mr. Harry S. Truman, responsibilities so grave that they can be approached only in the spirit of the deepest humility.

Under Mr. Roosevelt's leadership we have won only about half of this war. Under his leadership we have gone only about a quar- ter of the way toward that better world over which we hope will be our reward for the sacrifices we and our allies have made. So many difficulties lie ahead of us, so many knotty problems remain to be solved, so many hardships are still to be laid on our shoulders, that the imagination boggles and the will fails.

The best proof we can give of our understand- ing of the loss we have suffered is to resolve to devote ourselves more whole- heartedly to the completion of our assign- ment. There will be small-minded men who will arise upon the opportunity now given them to belittle what has been accomplished and to insinuate that the time has come for us to give up the struggle for a better world. Such men must not be heeded.

Good citizens will not be led astray by counsels of cynicism and despair. Rather, they will turn to Mr. Truman the full authori- ty to which he is entitled and they will sup- port him with the same open-eyed under- standing and, on occasion, with the same fervor which they learned to accord to Mr. Roosevelt.

We need have no fear. The whole lesson of our history is that this great country at every turn in times of stress, an able man to lead it. The man grows to fit the job.
FAMOUS SAYINGS OF FRANKLIN D. ROOSEVELT

First Inaugural Address, March 4, 1933:

"This is presumably the time to speak the truth, the whole truth, frankly and boldly... This great nation will endure as it has endured— amid hard years earlier and circumstances more difficult than any we have ever known, unafraid, unsullen, unimpressed, and unswerving in the cause of the American people."

Aug. 14, 1936, At Chautauqua, N. Y.:

"I have seen war... I have seen the blood running from the wounded. I have seen men coughing out their wasted lungs. I have seen the dead in the mud... I have seen the agony of mothers and wives. I hate war."

At his second inaugural in 1937:

"It is the duty of our government to do more for the abundance of those who have much; it is whether we provide enough for those who have little."

Oct. 5, 1937, the President's Quarantine Speech, Chicago:

"We must have unity. America hopes for peace. Therefore, America actively engages in the search for peace."

At the University of Virginia, Charlottesville, after D-Day entry in war:

"... this tenth day of June, 1940, the hour that held the daggers has struck it into the back of its neighbor."

At Boston, in an election campaign speech on Oct. 30, 1940:

"I have said this before, but I shall say it again, and again, and again: Your boys are not going to be sent into any foreign wars. They are going into training to form a force so strong that, by its very existence, it will keep the threat of war away from our shores."

His "moral order" statement on Jan. 6, 1941, before Congress:

"We look forward to a world founded upon four essential human freedoms:

1. Freedom of speech and expression—everywhere in the world.
2. Freedom of every person to worship God in his own way.
3. Freedom from want—economic understandings securing every nation a healthy peacetime life for its inhabitants.
4. Freedom from fear—world-wide reduction of armaments so thorough that no nation would be able to commit an act of aggression against any neighbor."

War message before Congress, Dec. 8, 1941:

"Yesterday, Dec. 7, 1941—a date which will live in infamy—the United States of America was suddenly and deliberately attacked by naval and air forces of the Empire of Japan... No matter how long it may take us to overcome this premeditated invasion, the American people in their righteous might will win through to absolute victory. I believe I interpret the will of the Congress and of the people when I assert that we will not only defend ourselves to the uttermost but will make it very certain that this form of treachery shall never again endanger us."

Fourth Inaugural Speech, Jan. 20, 1953:

"We Americans of today, together with our allies, are passing through a period of supreme test... As I stand here today, having taken the solemn oath of office in the presence of my fellow countrymen—in the presence of our God—I know that it is America's purpose that we shall not fail."

Message to Congress, March 20, 1955:

"The point in history at which we stand is full of promise and of danger. The world will either move forward toward unity and widely shared prosperity or it will move apart into unnecessarily competing blocs. We have a choice, we citizens of the United States, to use our influence in favor of a more united and cooperative world. Whether we do so will determine, as far as it is in our power, the kind of lives our grand-hildren can live."

AN EDITORIAL

Franklin Delano Roosevelt

It is with the deepest sorrow, it is with a sense of personal loss, that we record the death of our great President yesterday. It is hard to believe that that fighting heart is stilled, that buoyant spirit speechless.

Mr. Roosevelt seemed tired and worn on his return from Yalta. His burdens had been heavy. It is painful to think that our great leader should have died without seeing final victory in the war, without living to carry us on to the stable peace on which his heart was set.

No other President in our history, neither Washington nor Lincoln nor Wilson, carried a heavier load of care and responsibility. None acquired himself more nobly than did Mr. Roosevelt.

We owe him so much. He brought our country out of the worst depression in its history. In an age of dictatorship he demonstrated that free government and democratic processes could cope with the sharpest of crises. He was leading us to victory in the greatest war of all history when he was taken from us.

Except for Wilson and Lincoln, no other American President had so captured the imagination and won the affection of mankind. He will be mourned today in distant places.

We can best register at this moment the grief we feel, the grief millions of Americans and millions abroad share. We are fearful of what the President's passing may mean in terms of the peace. America has lost a great leader, discovered a champion at once tough and true. Our hearts go out in sympathy to Mr. Roosevelt.

Etcetera or PM

Regraded Unclassified
The Evening Star

APR 13 1945

Franklin Delano Roosevelt

Millions of words will be written about the life and works of Franklin Delano Roosevelt. But the one word which comes closest to being synonymous with the man is "hero." It was courage that kept him back from the shadow of a physical ailment which would have broken a lesser man. There was courage in the unparalleled message—the only thing we have to fear is fear itself—which he brought to a prose and demonstrated Nation twelve years ago. And it was courage—courage born of faith and high conviction—that supported him through the black days of this war and drove him on, even when his health had begun to fail, toward the ultimate goal of a secure and lasting peace.

Now we are faced with the stunning fact that Franklin Roosevelt is dead. For twenty long years he smiled and bowed his head—and carried burdens heavier than those of any other American President. But there is a limit beyond which no man can go. A point at which cumulative strain and worry exact their own terrible toll. And today, the country mourns the death of a great President. But it is also a day of consolation knowing that its last national leader has been replaced, yet resolved to carry on in the light of the example he set.

Last summer, when the time came for the President to announce a decision in the matter of running for a fourth term, he wrote: "All that is within me cries out to go back to my home in the country. But of this generation chance to live a day and hour when our Nation has been attacked. To win this war...as quickly as we can. It is the first and foremost duty of the first importance. To win this war in such a way that there will be no further world wars in the foreseeable future in our own lifetime."

Now, as then, these are the primary goals. Nothing should be permitted to interfere with their attainment. An iron-souled Roosevelt should not live to witness disaster. It should be as it was among the first to perceive its menacing out-

The President also was active and effective on the international political stage. Merely to call the roll is to tell the story. First came the meeting on the Atlantic with Wil- lls Churchill—before Pearl Harbor—from which emerged the Atlantic Charter. Then there were Cen-

Regarded Unclassified
The News
APR 13 1945

FRANKLIN DELANO ROOSEVELT

The nation has lost its leader. It had honored him with its highest office beyond the tenure of any other President. He responded with the best that was in him. Thru depression and war the people looked to him. And in his courage the nation found greater strength to surmount the crises that beset it.

The finest tribute to the qualities of President Roosevelt—and to the American people—was the national unity achieved after the last election. As a fighter he had made enemies. He had made mistakes, as all men do. There was bitterness in the campaign. But when America had preserved the electoral process in the midst of war, the entire nation regardless of party rallied for victory behind the chosen leader.

In that spirit all Americans grieve for him today. In every home, and on all the seas and in the foxholes of every fighting front, his fellow citizens pay homage to their fallen Commander in Chief.

Their grief is personal. People felt they knew him. As no other man of his generation, and few of any age, he inspired a highly individual regard. "My friends," he would say. And somehow that commonplace address, infused with the warmth of his personality, carried over the air and thru the printed word into the hearts of ordinary folks who felt that the President was just that—their friend.

There was a gay gallantry about him that none will forget. In little things, the jaunty angle of his cigarette-holder, the humorous turn of a phrase, the flashing smile. And in deeper things as well, for his poise and cheer had overcome long suffering and physical handicap. The public sensed this. It strengthened the human bond.

History will rate him high. He was not all things to all men, and no man could have been equal to all the burdens he carried. But this can be said of him: that, not once but twice, he led this nation thru perils in which it might have perished. When he took office in 1933 he brought lift to people in despair, he stopped panic, he set the wheels going again. He did not have all the answers, he moved by trial and error, and the price was often great. But he saw us thru. In after years, many who disagreed with his later policies remembered that—and kept him in office.

Again, when war came, he rose to that supreme emergency. Under our Constitution, which so carefully counter-balances the executive authority in peacetime, he became the most powerful chief of state in all the world. Then in a unique sense he was our leader. As such was the fearful responsibility for our record in this war—for the blunders and inadequacies and for the efficiency and the successes, the bad and the good.

This net is victory. That is the epitaph of Franklin Delano Roosevelt.

He lived to see that victory was certain. He died at his work. And all the United Nations of the world joined his compatriots in blessing the fruits of his labor.
The News

APR 13 1945

TO our new President, Americans will give loyal co-operation in the unfinished task. As Mr. Roosevelt 12 years ago received the prayerful best wishes of the nation, so they go out to Mr. Truman in this emergency.

Our comrades abroad will hope that this people in arms will fall out of step, if only for a little while during the change in leadership. Those evil hopes are vain.

The abiding strength of democracy is that in time of need it produces men equal to the demand. Always in our history this has been so. More than once humble men have been lifted to our highest office, and served the best.

There will be no change in military policy. That will to victory savings from the souls of 135,000,000 Americans.

There will be no change in foreign policy. The determination to make this a just peace, and the commitment to American participation in an international security organization, have been confirmed by both parties in a national election and by Congress.

There will be no change in the desire to make this a better country in which to live, especially for those who have risked their all to save it. That policy is nation-wide.

There will be no change in the sanity and decency and courage of the people, which brought forth this Republic, which sustained it thru a century and a half, and which remain the promise of its future.
The News

APR 13 1945

UNITED NATIONS

Regarded Unclassified
A NATION MOURNS

President Roosevelt is dead, and the
whole nation is moved into mourning,
those who opposed him in politics no less
than those who followed him.
History will appreciate his work. For the
moment we can only express the deep
sorrow which all Americans feel at the
passing of their chosen leader.
President Roosevelt did not live to see
the victory for which he strived but he
died in the certainty that the hour of
triumph could not be long postponed. He
earned his rest.
To his widow and to his children, the
people of this nation extend their deepest
sympathy. His successor, President Tri-
man, inherits an immense task at a diffi-
cult hour. He will receive the loyal sup-
port of all of us.

Chicdgo Daily Tribune

New York World-Telegram

APR 19 1945

Franklin Delano Roosevelt.
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New York World-Telegram
APR 13 1945

Again when war came, he rose to that supreme emergency. Under our Constitution, which is essentially a balance of powers, he became the most powerful Chief of State in all the world. Then in a unique sense he was our leader. As such was the fearful responsibility for our record in this war—for the blunders and inadequacies and for the efficiency and the successes, the bad and the good.

The net is victory. That is the epitaph of Franklin Delano Roosevelt.

He lived to know that victory was certain. He died at his work. And all the United Nations of the world join their countries in blessing the fruits of his labor.

To our new President, America will give loyal cooperation in the unfinished task. As Mr. Roosevelt 12 years ago received the prayerful best wishes of the nation, so they go out to Mr. Truman in this emergency.

Our enemies abroad will hope that this people in arms will fall out of step, if only for a little while during the change in leadership. Those hopes are vain.

The abiding strength of democracy is that in time of need it produces men equal to the demand. Always in our history this has been so. More than once humble men have been lifted to our highest office, and served the best.

There will be no change in military policy. That will to victory springs from the souls of 135,000,000 Americans.

There will be no change in foreign policy. The determination to make this a just peace, and the commitment to American participation in an international security organization, have been confirmed by both parties in a national election and by Congress.

There will be no change in the desire to make this a better nation in which to live, especially for those who have risked their all to save it. That policy is national.

There will be no change in the family and decency and courage of the people, which brought forth this republic, which sustained it through a century and a half, and which remains the promise of its children.

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HARRISBURG and TAYLOR were soldiers.
The war in which they died. He dramatized his own leadership and the country's determination with his stirring war message. He began his gigantic program of armament, his call for budgets bigger than those any other country had ever dared to frame. In North Africa, in Sicily, in Italy, on the beaches of Normandy, at the Rhine, at the Elbe, in Austria, in New Britain, in the Philippines, at Guadalcanal, at Iwo Jima, and now at Okinawa—in camp, on the field of battle, in the farm, the factory and home, American arms, American production and American capacity for organization have given triumphant response to this dynamic leadership—have given it in a way that is the supreme wonder of the modern world.

Today's grief is not confined with our borders. It is a sign of the changes brought upon the whole world by this war that the death of an American President comes as a personal loss to the embattled Allies on the Oder, the sentry in Central China and the truck driver on the Burma Road. Not only since the beginning of our own actual war, but for months before, President Roosevelt had been looked upon by the people of many countries as the leader of a new world. England and Free France, Poland and the Baltic lands, the Lwow Countries, China, all the other nations either overwhelmed or battered by the brutal conquerors of Europe and Asia—relied upon his encouraging words and whatever material help he was able to send.

As for the man himself, apart from his great office, this was the end of a remarkable battle. No other American in high place ever had to overcome such a host of
Regraded Unclassified

New York Daily News

"He did his job to the end, as he would want you to do."—Eleanor Roosevelt’s message to her son.

Franklin D. Roosevelt

We cannot rise at once above the delusion which swept over us at the moment we heard the news. But rise we must. There must be no fear mingled with our grief. We must take courage once more from the valiant words of the man from whom all mankind has drawn, and will ever draw, so much comfort and faith and hope:

"The only thing we have to fear is fear itself."

These and other of his words and his mighty works will live as long as man himself; through the days and years to come they will be a constant testimony to the fact that the spirit of Franklin Delano Roosevelt is imperishable.

His legacy to us, the living, is faith in the power of men and women of good will united to win the war against poverty, ignorance and disease. His legacy to us is, above all, courage. Courage to continue the fight for what we think is honest and right, no matter how great the odds, how bitter the criticism.

His legacy to us is cheerfulness to forget without self-pity the disappointments, the sorrows which every one of us must experience.

This is a rich inheritance. Let us not use it wantonly but cherish it and remember it always, especially in dark moments of despair, such as today.

We can lose those things for which Franklin Roosevelt stood, any more than sorrowing people of the Union lost the freedom that Abraham Lincoln had won for all of them, or the sense of union. They did not pass with Franklin Roosevelt, for they are written in our laws, in our minds, and familiar to our tongues.

He told us almost ten years ago that we Americans had a prodigious destiny. He brought us to that rendezvous as swiftly as he could, yet taking care to travel slowly enough so that at the end we would all still be together.

The command he gave to the last was forward. He marshaled our armies and our thinking and reminded us. He did all these things meaningly, with tolerance and wisdom, conscious always that what he wrought he never wrought of his own, but that the people had willed it.

There must be no sense of losing our direction because he has left us. We did not follow blindly. We were taken where we wanted to go.

The tribute we can pay Franklin Roosevelt is to build the world that he wanted. Which is the world we want.

He labored all the years he was able to serve us so that, when he passed on, the idea of fighting for liberty, for security, for a world that gave "every man, woman and child the right to stand erect in pride and self-respect" would come naturally to us, as part of the air we breathed, the enriched American heritage we drew on.

We are simultaneously in sight of peace, in sight of world security, in sight of 60,000,000 jobs, enough for all Americans—his goal. His great skill was that he knew how to translate our democratic destiny into reality, manifest acceptance. He knew how, for he stood in the center of our American way, drawing his strength and purpose from all sides. He knew that Main Street and Wall Street had a
New York Post
APR 13 1945

new world to live in and he fitted them—more gently than most people realized—into this world.

The internal stresses, the poverty in the midst of plenty that he saw when he first came to office, he went for years frustrating. Not so fast as some desired, but then he wanted to save our fabric. He labored to make it perfect but he was insistent that it endure.

Some did cry out that Franklin Roosevelt was changing our way of life. Franklin Roosevelt loved our way of life. But he knew that it was dynamic, not static. He tried to save it and he did save it. He preserved strong and more adaptable than ever our institutions and heritage. He did more than merely preserve them. He gave them life, and nourished their renewed growth.

The external stresses that were rending the world within a few years after he came to office, under which the lights of Europe were extinguished one by one, he saw before anyone else. He warned the world eight years ago that fascism and democracy could not live side by side and he tried to prepare us for the day when we would have to fight for a world fit for human beings to live in.

Our armies are about to enter Berlin and meet their great Allies, the Russians. At a time when all seemed lost, even before we had taken our place in the fight, Franklin Roosevelt showed us the stern necessity of siding gallant Britain so that she could continue to hold off her enemy and our enemy and Russia's enemy.

That we shall meet in San Francisco and there undertake a union of all the lands for peace and unity we owe to Franklin Roosevelt. At Cairo, then at Teheran and later at Yalta he sat between Churchill the Tory and Stalin the Communist. He was their means of talking to each other and because they could talk to each other, we are victorious. He kept the coalition. And the coalition won the war.

Then he was the bridge between the Tory and the Communist, between the isolationist-minded and a world in which isolationism could not endure, between capital and labor, between Main Street and Wall Street. He bridged the dangerous gaps that developed between our past and the stormy present. And because he bridged the gaps he saved us, at home and abroad, and left us with our heritage intact and ready for the tasks of tomorrow.

NEW YORK DAILY WORKER - April 13, 1945

With the Heavy Hea
AN EDITORIAL

Our country's first soldier, our commander-in-chief, has passed away. He died like a soldier, in battle, in the heaviest battles on the eve of his greatest victory.

The tragedy engulfs the nation, overwhelms our armies on far-distant fields of battle, stuns our allies, large and small.

The greatest American since Lincoln has—like Lincoln—suffered the cruel fate of unfinished work. How can we comprehend this loss?

We think first of Franklin Roosevelt as the leader of our nation in its most difficult crisis—the sacred struggle to prevent the barbaric hosts of fascism from crushing out civilization.

He saw this crisis coming before others; he understood its meaning. And as the comrade-in-arms of Stalin and Churchill, he was the architect of the most difficult crisis—the sacred struggle to prevent the barbaric hosts of fascism from crushing out civilization.

Franklin Roosevelt was always the President of all Americans, of all classes, occupations, colors, creeds. But he was particularly the champion of the common people, the laboring people. Upon them he relied. Their hopes he championed and that is what made him great.

The enemies of democracy were his enemies, and together with the people he conquered those enemies again and again. In 12 long, difficult years, democracy grew stronger in our country because of his leadership.

Now he is gone.

Courage—that was Franklin Roosevelt's great quality.

Faith in the ability and future of our citizens—that was his immense contribution.

Resilience upon the whole people of this country, marching together with great allied nations—that was his creed.

To carry on, and to carry forward to completion his unfinished work.
The Evening Star
APR 13 1945

President's Death
Long Foreshadowed

But the News Itself Came With
Indescribable Shock

By David Lawrence

The sad news which for months and
months most people on the inside here
and Japan—ties the sudden death of the
President—has come as a shock to
Washington that is truly indescribable.

The tragedy of an abrupt ending of the
career of the man who had
occupied four terms in the presidency and
served longer than any other Chief Executive
in all its history. We will feel throughout the
world. For no remarkable event in the
Government of the United States in the last 13 years has been so
accompanyed with the personality of Franklin D. Roosevelt.

Roosevelt will say of him that he was
courageous and even daring. He raised
his life to make the long journey over
sea to create a new future for his sons.

Today's new President, Harry S. Truman—take the role of government in
accordance with constitutional powers
will be a good man. He is well liked by
Republicans and Democrats on Capitol
Hill. They have a chance to know him
intimately and they speak of him
with respect and affection. They
consider him a square-shooter and a man
who is no political novice.

This correspondent happened to
attend on Wednesday morning of this
week a breakfast with a dozen legislators
from both parties and Mr. Truman.

The atmosphere was one of confidence and
understanding—political understandings of human problems. One did not
suspect then that before 60 hours
Mr. Truman would become the
head of our Nation. Curiously enough,
before Mr. Truman arrived, one of the
members of the breakfast group,
Mr. Daniel White, Director of the
Roosevelt's press office. But
someone else who knew the men and
descript, there was a tendency
to think that perhaps these rumors we
barefaced.

Yet through the last campaign
there were men who claimed to know
of the President's physical condition and
spoke of the future with forebodings. It was
considered possible to discuss
the President's health, and yet it was
apparent that the majority of his
friends were concerned by his
condition. As his work as President was
completing a victorious end, his
fulfillment

Roosevelt's Political Will

FRANKLIN DELANO ROOSEVELT'S last will and
testament to the nation he loved and served
you must go to three documents: His State
of the Union message to Congress on Jan. 6. His
Budget Message of Jan. 9. His report on the
Yalta conference on March 1. These are the
things which the man who was President longer
than any man in U. S. history wished for his
country.

"The war must be waged—everybody and
have a share in it—down to the
worker. We must use the industrial, the
political, and cultural facilities of the
people throughout the world."

"We can win the war, we can win
the peace, but the peace must
be a just peace."

"The plan is perfect. Whatever is
adopted at the Yalta conference will
dominate the world as it
done over in Europe."

"In the future we must not
ignore the fact that we are
weary—our people are for
peace—peace that is durable and
secure.

"This new year of 1945 can be
the year in which peace
will be won unless we
accept our share of
resistance history."
Little People's Loss

By William Philip Simms

Britain in exchange for some bases in the Atlantic.

The News
APR 13 1945

Orson Welles Today

New York Post
APR 13 1945
The Sun
APR 13 1945

Dave Boone Says:

Great was the death of Franklin Delano Roosevelt, even among those who could not always see eye to eye with him, in deep and genuine sorrow. There is no reason to be shocked; he will not admit that this man, assuming terrible burdens and fighting on wheels and tired, had gallant soul.

Throughout the world his sudden death is a war casualty upon which the tide of world events from this point on greatly depends. Hitler and Stalin, in a new hope. But Franklin Delano Roosevelt will be a greater force for victory and peace as a symbol than he was in life.

The memory of his fight for a better world will be like a bright flame in all the contest, devastating partnership and petty concerns.

Physically handicapped, weary and obviously failing under his task, an American has borne since Lincoln's death 50 years ago for months past, yet we all hoped we were wrong in recognizing it. The news seems to be that he passed on without suffering, as if struck by an angel's wings.

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New York Post
APR 13 1945

President Roosevelt belongs to history today. And as the epigraphed cloud of political controversy and bitterness dissolves around his massive head there can be no doubt that history will rank him with the very greatest of world figures. After his death of the nation's Armed Forces was sometimes thinned by political fact during his lifetime. But facts are tough things. And the facts disclose him as a great war President and as the great architect of the victory which the nation's Armed Forces were rapidly winning when he died.

The nation is now the nation which he personally made the task of a final and decisive. At the time the Battle of the Atlantic is in the offing, the nation which strengthened our own defenses of this hemisphere.

The acquisition of bases in Greenland and Iceland.

1. The conquest of the Lend-Lease Act, which has proved democracy's greatest single weapon in the war.

2. The mobilization of America's industrial resources, starting in the summer of 1940.

3. His decision at the fall of Washington conference with Prime Minister Churchill, immediately after Pearl Harbor, to concentrate on knocking Germany out of the war before turning our full strength against Japan.

4. The global strategy of throwing the Axis out of North Africa as a preliminary to the assault on Hitler's Fortress Europe.

5. The formulation of the policy of "unconditional surrender," a phrase which will live in the history of this war. It was the record of war which his task was to make. It could not have been made by purely military leaders, to whom the President's political decisions sometimes attributed—to what might have been right, but which the President, his political decisions.

But President Roosevelt's greatest achievement as a war leader was his success in welding a solid bond of United Nations' unity around the Axis aggressors. Never before in history have all the Allies fought a joint war with such complete co-operation and unity. For this, the greatest credit is due to President Roosevelt for his determination that nothing should be allowed to drive a wedge between the United Nations.

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Regraded Unclassified
PRAYER

The day is beautiful with Spring.

The valiant leader goes home through the land he loved for the long rest and the vast forever.

Gallant leader!
Laughing as he fought our battles, parrying our own barbs with twinkling wit, the chin outthrust, upraised, the cigarette at the jaunty tilt, the spectacles catching the light.

Brave leader!

Stirring the chill blood in our hearts, challenging, chiding:

This great nation will endure as it has endured, will revive and will prosper...the only thing we have to fear is fear itself.

Learning patience in pain. Learning the
tanquity of pain in work. Learning the
team of humor:

I hope you will pardon me for the unusual posture of sitting down...I know you will realize it makes it a lot easier for me

in not having to carry about 10 pounds of steel around on the bottom of my legs...

Victorious leader!
Demanding the difficult. Assuming the impossible.
Calling upon America for 100,000 planes. ("Impossible!" some said.) Calling for 75,000 tanks. ("Impossible!") Calling for 10,000,000 guns, 10,000 ships. ("Impossible!")

The impossible becoming the usual. And the quiet, terrible might of America outstripping every goal.

Our armies shattering the evil idols. Smashing the ridiculous egotists of the east and west. Our flags astream, our victory near, and then...

In the newspaper offices, the radio stations, over the air, into the homes, the bullet-like shock of the words—THE PRESIDENT IS DEAD.

The finality and the beginning.

For him who phrased the Freedoms, who believed in "the triumph of the ideal," who hated war, who died that men might not senselessly die again, we to whom the grief is close, and humble millions throughout the world, beseech the grace of God.
TIMES-HERALD
Washington's Independent
Newspaper

Roosevelt in History

The train bearing the body of Franklin Delano Roosevelt from Warm Springs, Ga., is scheduled to arrive in Washington at 10 a.m. today, (E.W.T.). Funeral services are set for 4 p.m. in the East Room of the White House. Burial will be at 10 a.m. tomorrow at the Roosevelt Hyde Park, N. Y., estate, in the family garden between the house and the library. Thus the thirty-second President of the United States enters into history.

It is too soon to try to make a complete evaluation of Roosevelt's place in U. S. and world history, some of the domestic reforms introduced in the early years of his New Deal looked and still look good. There were Social Security, with its old age pension and unemployment insurance features; stock market supervision by the SEC; Federal bank deposit insurance; the Wagner Labor Relations Act; the TVA, a notable success as a project for flood control, soil conservation and power production, and a forerunner in all likelihood of related projects in the Missouri and Ohio river systems.

About one of Roosevelt's achievements there is no dispute. It is historic fact that he was the first U. S. President to win and serve a third term, and to be elected to a fourth. Grant and Theodore Roosevelt tried for third terms, after intervals out of office, but were unsuccessful. Roosevelt, for better or for worse, broke the George Washington no-third-term tradition. It is the matter of Roosevelt's foreign policies which makes a final assessment of his rank in history impossible at this time. Such an assessment will not be possible; we'd guess, for 20, or more, years.

There were grave misgivings in this country over Roosevelt's open sympathy with the Allies from the outbreak of the European war in 1914. Purious differ-

Give Truman a Break

and not to begin differing with him from the word go. That can come later.

He is the thirty-third President of the United States, by virtue of the laws that operate when a President dies in office. He is thus our new war President; and the war to repeat, is not yet won.

We cannot see how any of us can hurt ourselves, our country or our war effort by rallying around and giving President Truman a hand and a build-up as he takes over the burdens of the toughest political job in the world today.

When President Roosevelt was first inaugurated, back in 1933, we promised to withhold adverse criticism of his actions until he completed the six years of his term. We have observed that policy. Now, in 1945, we are under just the same obligation to Truman, and we do so. We give him a clean, straight, and unqualified reception.

He Has a Tough Job

A year is a long time, as the world wages in these cataclysmic times of wars, revolutions, and probable postwar upheavals of kinds as yet unforeseen.

But we do say now that we'll be editorially respectful, friendly and helpful according to our lights, toward President Truman for at least the next three months, and probably for the next six months.
Looking Ahead

Loss of a great President, especially in wartime, is a profoundly disturbing emotional experience. In the case of President Roosevelt, the shock was intensified by the suddenness of his passing. The people were utterly unprepared for the tragic announcement. To be sure, many knew that the President had been ill for months. But rumors about his condition had so often proved false that most of us had put aside the fear that he might not live to see the peace established. His strenuous trips further suggested that his regal constitution was holding up well under the staggering burden he was carrying. Then suddenly it happened. The resulting shock and psychological depression literally overtook a vast number of people.

Reasons for the intense anxiety that swept over the Nation are not difficult to find. Mr. Roosevelt was not only Chief Executive and Commander in Chief of the Army and Navy. He was also leader of the American people in an undertaking of global magnitude. Millions of people had come to rely upon him as a symbol of the democratic cause in war and peace. In the sphere of national and international affairs the rank and file looked to him as their leader for guidance and protection. Because of his broad experience and his close and supple relationships with the leaders of the other big powers, this reliance became ever more widespread. Mr. Roosevelt was indeed the American symbol of hope for a better world. With his death, that symbol was suddenly knocked out. What had seemed to be relatively stable and secure appeared instantly to lose its substance. The tried and known was supplanted by the untried and little known. Psychologists tell us that this is the chief reason why our sense of personal and national loss was so unexpectedly and cataclysmically strong.

Natural as this reaction is, it must not be permitted to color our thinking about the future. Out of respect for our deceased President, as well as in pursuit of our national interests, we must summon the courage and the confidence to carry on this great undertaking with as much energy and determination as he would have thrown into it had he lived.

Tragic as the President’s passing is, it might easily have been worse. He might have died before the Yalta Conference at a time when the Big Three were tending to pull apart rather than together. Or he might have lived on helplessly after suffering a stroke, as did President Wilson at a time of crisis a generation ago. His sudden passing will force us to meet many new problems. But that is the way of democracy. Under our system the success of great national projects is not contingent upon the fate of any one individual. The loss of a great leader may temporarily shake our confidence, but there is always a new President to take over the helm. There is always confidence in our constitutional system.

Today we may well ponder the wisdom of Mr. Roosevelt himself on this point. Speaking in Madison Square Garden at the close of his 1932 campaign, he said:

The genius of America is stronger than any candidate or any party. This campaign, bad as it has been, has not shattered my sense of humor or my sense of proportion. It still lives in my heart and mind. America is not America cannot depend on any one man. The greatness of America is grounded in principles and not on any single personality. I, for one, shall remember that, even as President. Unless by victory we can accomplish a thorough and real toward Liberal effect, we shall have done little indeed.

These words are golden now. Many people who have been so utterly disillusioned in recent years may sincerely believe that the United States has been crippled. But every American with the feel of freedom and democracy in his bones knows otherwise. The best way in our opinion, to overcome fear of the new situation by which we are confronted is to redouble our support of the new Administration to attain our truly national objectives.

The Washington Post

APR 14 1945

Mourning a Great Humanitarian

By fitting proclamation of President Truman, this is the Nation’s official day of mourning for its departed leader, Franklin D. Roosevelt. But in this hour of heartfelt grief, following the shock of his sudden passing, the American people need no bidding to pay their tribute of respect to his memory and recall the inestimable services he rendered to his beloved country.

Now will they be alone today in the expressions of genuine sorrow elicited by the untimely death of their great President at this critical hour?

From every corner of the civilized world, from the heads of nations and small and from humble folk, from everywhere and in every appeal, from the helpless victims of man’s inhumanity to man, to whom the very name of Roosevelt was a shining symbol of hope and cheer, have come a flood of messages all conched in the same simple touching theme: "We have lost a friend." They need say no more. For Franklin Roosevelt’s friendship was for all humanity. It was shown in his passion for peace, for an end to the ghastly attempt to settle disputes between nations with bloodshed and the sacrifice of countless precious human lives.

It was shown by the institution of the Good Neighbor policy, which has strengthened our bonds of friendship with Latin America.

It was shown in Franklin Roosevelt’s constant solicitude for the underprivileged, the victims of poverty, of starvation, wages of the wages of preventable disease, and for justice in distant lands who had been made to suffer the pangs of slavery.

The leaders of the United Nations, to whom President Roosevelt was a tower of strength, in the phrase which will always be associated with the name of Franklin D. Roosevelt, the great humanitarian.

The Philadelphia Inquirer

APR 14 1945
Roosevelt Called Most Brilliant Of the Nation's War Presidents

More Than Any One Else, He Assured Defeat of Axis Aims; His Foresight and Understanding of Basic Strategy Paved Way for Victory.

By Major George Fielding Eliot

The death of Franklin D. Roosevelt has taken from our nation a great President and a great war leader—perhaps the oldest war time- President since Washington. The vision of the future, the perception of the need for a continuous, national war effort, was as clear and as strong in the mind of the President as it was in the mind of the founding fathers of this Republic.

During his ten years in office there was no greater demand for the security of the nation than that which came from the Axis powers. The President was not only a master of the art of war, but a master of political strategy as well. He was able to see the need for unity of purpose, to bring the nation together in a common effort.

The President was a man of vision, a man of foresight, a man who understood the need for preparation and planning. He knew that the United States could not win the war without a united front among the nations of the world. He worked tirelessly to bring about this unity.

In these measures, and in the way which they were done, the country was far from united behind the President. During the months of 1943, there were those who questioned the necessity of the war. But the President was able to rally the nation behind him and to bring about the unity that was necessary for victory.

As Commander in Chief the President was immediately confronted with the necessity for the deployment of strategic air power. The President understood that the effectiveness of the United States armed forces depended on the ability to concentrate on areas where the enemy could be brought to bear.

When the President took office in 1933, the United States was not prepared for war. The nation was still recovering from the Great Depression. But the President was able to bring about a rapid mobilization of the nation's resources.

In these measures, and in the way which they were done, the country was far from united behind the President. During the months of 1943, there were those who questioned the necessity of the war. But the President was able to rally the nation behind him and to bring about the unity that was necessary for victory.

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When the Moving Finger Bore Heavily on Tragedy

At the Democratic National Convention in Chicago last summer the moving finger was writing faster than most party leaders suspected. It is no innovation to the honored dead to say that the men who shaped the course of the convention, along with those who tried in vain to shape it, had a feeling that Franklin Delano Roosevelt would not survive a fourth term in the Presidency.

You had only to look at Mr. Roosevelt to perceive that he was broken in mind. The change became quite noticeable about a year ago. We saw him last at the recent dinner of the White House Correspondents Association. He looked tired, weary and worn. He was that he managed to hold up so long. Up to the time of our entry into the war it used to be said of Mr. Roosevelt that he was not of the worry type, that he had the happy faculty of being able to dismiss from his mind the ever mounting cares of the day in his stamp collection.

The war changed all that. Higher and higher grew the mountains of pressing problems. Suddenly something snapped. Harry & Truman is now President of the Republic. Call it what you may, the fact remains that because of the sudden change in leadership the convention could not survive a fourth term, this re-election was regarded as the real important work of the convention.

Uncle Dominick Says—

"If you will do it."

Around Chicago you could hear it said that Mr. Roosevelt had "two enemies—one to start the new term, the other to finish it." It would be idle to say that any of the prominent figures in the convention estimated the change in National leadership would come as soon, within three months of the start of the fourth term. It was not exactly suddenly, and its coming had a preliminary. And the name dealing with policy divided the Chicago convention. It was Governor & Wallace, then Vice President, then Governor & Wallace, then Vice President, then Governor & Wallace, then Vice President, then Governor & Wallace, then Vice President, then Governor & Wallace, then Vice President, then Governor & Wallace, then Vice President.

Long before the convention convened it was known that such party leaders as Mayor Kelly of Chicago; Boss Crump, of Memphis; Frank Hague, of Jersey City; and, mention only a few, were opposed to the nomination of Mr. Wallace, a former Republican, who led the fight to get the ticket in the old line Democrats.

To stop Wallace, therefore, became the first consideration of the group. And they felt certain that to prevent his acceptance the surest means for Vice President was to depose him of the Presidency. That's how it worked out.

Walter's chief support came from the C. I. O.'s Political Action Committee headed by Sidney Hillman. The New York newspapers, a group of like minded papers, were put in the field by Democratic Chairman Burton. Other candidates were placed of nomination in the States. Walter's men could get together on a candidate. Out of this came Senator Truman.

To what extent Mr. Roosevelt influenced the re-election of a Vice Presidential candidate is still something of a mystery. Certain it is that he was told by Mayor Kelly and others that the selection of Wallace would mean a certain defeat to the ticket.

At the time of President Truman in the White House, while the Cabinet list of individuals who Wallace, now Secretary of Commerce, was deeply moved, so much so that he was forced from the room by Secretary of State. The moving finger, as Chicago, bore heavily on tragedy.
The Washington Post

APR 14 1945

Washington Calling

By Marquis Childs

Hour Of Trial

THE MAGNITUDE of the calamity that has befell this Nation at this hour is one that cannot be measured. It will be seen only in the long perspective of history.

Even President Roosevelt’s bitterest enemies, those who have cherished for him nothing but hatred, must see in this moment to be the very moment when final hope of a new world, coming on the very eve of a meeting of momentous significance.

Let us see it in this hour.

We say that the victory is his victory. Out of the transfiguration, the doubts, the despair of just five years ago, when our leaders seemed to disappear before the face, a quiet action and reserve. And out of that action and reserve has grown the mighty torrent of American strength around the globe.

THE PARADIGM, which is the end of the Civil War occurs at once. Lincoln’s death came as an uninflected fury of the North triumphed in the field. That followed, as we have seen, an unloosed tragedy. The record of the years that followed, of just five years ago, when our leaders seemed to disappear before the face, a quiet action and reserve. And out of that action and reserve has grown the mighty torrent of American strength around the globe.

IN THAT MOOD he may not only admire the extraordinary considerations of the President. It is true that those considerations have summed him in public life. Yet he seized in the Senate, as chairman of the Senate, in speaking of the Defense Investigating Committee, that he could transcribe them in the interest of the whole Nation.

It would be an enormous and a dangerous burden of this moment that the new President should have to bear a Coalition Government, bringing in from the outside all those who could lead to the strength of the winning of the years.

The military command of the Army, this new President will surely not keep in office. General Marshall, Admiral King and General Eisenhower, our chemists on both sides of the world can take no more from what is our own tragic.

It is in the final phase—the winning of the peace without which a military triumph is but a hollow triumph, of war and the faith and the confidence that we can make this new country safer from abroad and safer from within.

It is in this phase that Truman can build an Administration which can achieve serious signs of weakness in America.

THERE ARE MEN with experience and capacity who have never been called upon to make a decision. It is their opportunity to show the world that they can and will be trusted to meet this test as men of courage and stature.

The page of history in which we are now is one of the most important to our men. In this nation, hour few Americans will be included in a great event. It is against the test of the years that Harry Truman has been an American.

He is in the line of Abraham Lincoln, Martin Luther King, the boy from the farm.

Someday the 41st President, a man who can rise to this test, will be able to reach the greatness, not of this country but of the world. The test is not his alone.

Because of the war, Truman has been the longest period of the American people. He has been the one American, the one of the greatest Americans ever lived. It is for him to find the way to meet this test of this hour.

Mission Unfulfilled

By Barnet Nover

A Great Leader Dies

"AND NOW we are free..." From the plains of France, the voice of France is heard. The voice of France is heard.

"And he is in the land of the living, in the land of the living."

And all of us, men of Europe and America and the world, are in the land of the living.

The voice of France is heard. The voice of France is heard.

"And now we are free..." From the plains of France, the voice of France is heard. The voice of France is heard.

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And all of us, men of Europe and America and the world, are in the land of the living.
TODAY and TOMORROW

By WALTER LIPPMANN

Roosevelt Is Gone

The news of Roosevelt's death has been met with profound sorrow by all who knew him. He was a man of great vision and courage, and his leadership will be sorely missed. Yet, though we cannot forget the greatness of his achievements, we must also remember the mistakes he made. His policies and actions have had a profound impact on our nation, and we must learn from them. Roosevelt was a complex figure, and his legacy will continue to be debated for generations to come.

The death of a leader is always a moment of crisis for a nation. It is a time of transition, a time when the country must decide who it will be under new leadership. Roosevelt was a great leader, but his death marks the end of an era. We must now turn to the future and work together to build a better tomorrow.

Today, and in the days to come, we must continue to honor Roosevelt's memory and work towards the ideals he fought for. We must remember that leadership is not just about vision and courage, but also about humility and selflessness. Let us honor Roosevelt by working together to create a better world for all.

The grief of a good leader is to have behind him a situation which common sense, without the sense of a genius, can draw correctly. Here are the political principles of Roosevelt's genius: that he knew the essence of his problem; that he knew what was good for the nation; that he knew what was right; and that he knew what was right for the future of the world. These principles will guide us in the days to come.

The nation has lost a leader, and the world has lost a guide. Roosevelt was a man of many contradictions, but he was also a man of great conviction. He knew what was right, and he fought for it. We must now follow his example and work towards a better tomorrow.
My dear Mr. Secretary:

I enclose for your information copies of an exchange of correspondence with Mr. Camille Destaing of the Belgian Government concerning payment by the United States for Belgian francs used for the pay of U.S. troops in Belgium.

Sincerely yours,

(Biggs) H. Morgenthau, Jr.

The Honorable
The Secretary of War

Enclosures.

Washington April 4, 1945

Mr. Henry Morgenthau
Secretary of the Treasury
Treasury Department
Washington, D. C.

My dear Secretary:

Following the conversation I had the pleasure of having with you and Mr. Caso on March 24, we had a meeting under the chairmanship of Under-Secretary Sassetta, during which we discussed the question of the payments to be made to the Belgian Treasury, in counter-part of the Belgian notes handed over to the Allies in the operation of liberation.

I am glad to say that to the best of everybody's knowledge, I obtained a first installment which was indispensable to cover some of our commitments maturing this week. Nevertheless the question of larger sums being due to us remains open.

As a matter of fact we heard at that meeting from the representative of the army that out of 133 million dollars which had been received so far in Belgian notes by the U.S. army, 120 millions had been received by them on December 31st, that at the same date only 30 had been actually paid up to the officers and soldiers, the balance remaining with the army authorities, and that out of the 30 millions actually paid out, it was estimated that only about 20C had been spent. These figures were on this basis that I repeatedly communicated to Generalissimo in Brussels, viz. that they were asking for an amount of notes disproportionate with the real needs of the Army, therefore quite unnecessarily increasing our monetary circulation.

At the time of our meeting I mentioned that the Canadians had already paid up 13 million dollars but I did not know how much the British have paid. The information was asked to me yesterday from Brussels: the British Treasury has paid to the Belgians, as a provisional counterpart of Belgian notes, 10 million pounds. This is much more in the vicinity of the figure which I mentioned to you during our interview, when I said that about 20 million dollars should be paid to us. From what was told at the treasury meeting, I gather that the British Army has received about the same amount of notes as the U.S. Army. Therefore the question ought to be discussed again as soon as possible. I am at your disposal to do it whenever you like.
I must draw your attention to a last point. In order to justify its too conservative estimates, the Army takes as a basis the amount of Belgian notes returned by the soldiers and anticipates that these returns will increase in the future. To my remark that these returns certainly included a heavy proportion of black market proceeds, the representative of the Army replied that steps had been taken to prevent that. And whenever a soldier returned to the Caisse the amount of notes not in keeping with his pay, he was very carefully cross-examined and, if his replies were not satisfactory, handed over to the Provost-Marshall.

I at once replied - and my remark was borne out by the Treasury - that whenever a soldier had sold, say, for one thousand dollars of material in the black market, he would never be stupid enough to return such a sum to the Caisse, but would divide it between a number of friends who had already spent a big share of the total of their pay and were willing to take the return for his account.

How the Army is going to settle this difficult problem of the black market, I do not know. But we certainly cannot suffer for it, on top of the very big troubles that our increased circulation on one hand, the increased black market on the other, have brought to us.

Believe me, my dear Secretary,

Yours very sincerely,

(signed) Gott

Camille Gott

April 12, 1945

Dear Mr. Gott:

I have your letter of April 4, 1945 regarding the matter of payment by the United States for Belgian francs used for the pay of U.S. troops in Belgium.

I understand that you recently reviewed this entire problem in the Treasury Department at which time you were given a full statement of the basis on which settlement is currently being made. We appreciate the fact that the lapses of time involved in obtaining the definitive figures concerning the Army's expenditures leads to some delay in settlement. There can, of course, be no question but that the Belgian Government will eventually receive the entire amount due from the United States Government for the net amount of Belgian currency used for pay of U.S. troops in Belgium.

Meanwhile we anticipate that it will be possible for the Army to reduce the amount of Belgian francs held by Army finance officers in Belgium, thereby reducing the nominal circulation of your currency, and we are urging the Army to take all possible steps in this direction. We will keep you advised of progress on this matter.

There are no further steps to be taken until such time as the Army is able to furnish us with figures covering the quarter December 31, 1944 to March 31, 1945. I understand that such figures should be ready by June 15, 1945 at which time we will, of course, be glad to discuss them fully with you.

Sincerely yours,

(signed) H. Morgenthau, Jr.

Mr. Camille Gott,
The Belgian Embassy,
Washington, D. C.
PARAPHRASE OF TELEGRAM RECEIVED
FROM: American Embassy, Rome
TO: Secretary of State, Washington
DATED: April 18, 1945
NUMBER: 088
SECRET

US URGENT.

For attention of Secretary Morgenthau from TASCA.

An effort was made by Stone and MacMillan to have Southard appointed in Lawler's position. This was refused by McNary and Spofford. Penick was recommended by the War Department. Advice was given to Stone that Penick would be approved by both the Treasury and the War Departments.

But, without consulting either Treasury representative in Rome or Antolini, Vice President of Economic Section, of which the Finance sub-commission is a part, Colonel R. B. Menapace, who has been in AFRQ Finance since the Sicily days, was appointed by Stone. Colonel Menapace was the subject of my conversations in Washington on defascitization and is partly responsible for the maintenance of Fascist officials in office in Sicily and other places. In principle and practice, he is opposed to defascitization in institutions of finance. It is important that Treasury take necessary measures in this connection, as the liberation of North Italy, the financial heart of the country, is just ahead.

On or about March 13, Graffey Smith left Italy and as yet has not returned to Rome; he will go to Greece, according to report. It is stated by high source that it has been decided to make the finance sub-commission an American show, according to Antolini.

On April 18, Lawler is leaving Naples via fast surface craft, and he requests that this information be conveyed to Mrs. Lawler.

KIRK
APR 18 1945

My dear Mr. President:

We have arranged with Paramount Pictures, Inc. to produce and distribute a motion picture news-short on the Bretton Woods proposals. The film will highlight the need for the International Monetary Stabilization Fund and International Bank for Reconstruction and Development and, through the use of animated charts, would explain the operation of these two institutions.

It is our feeling that the film would be considerably more effective if it opened with a one-minute shot of you in which you would emphasize the importance of Bretton Woods in the world security structure.

This shot of you could be carried by all newsreels, but agreement would go a step farther, using this shot to lead into a six-minute film.

If this is agreeable to you, we can arrange to have the film made in the White House at your convenience.

Faithfully,

(Signed) H. Morgenthau, Jr.

The President,

The White House.
Congress of the United States
House of Representatives
Washington, D.C.

April 16th, 1945

Dear Mr. Secretary:

I have the honor to transmit the following message from the House of Representatives of Puerto Rico:

San Juan, Puerto Rico, April 16th, 1945

The House of Representatives of Puerto Rico at its evening session of April 16th, 1945 was notified through the international telegraph of the death of the illustrious President of the United States, Franklin D. Roosevelt. This House of Representatives, in expressing the sorrow and grief of the people of Puerto Rico upon receiving the tragic news, addresses the Government of the United States and Mrs. Eleanor Roosevelt, so well known and so well beloved on the island, offering the sincerest and most profound condolences of the Puerto Rican people through their Representatives. This House offers to the memory of Franklin D. Roosevelt, as an expression of the esteem and love shown him in life, the sincere homage of its gratitude and devotion. The House, standing, dedicates to him three minutes of devotion, and fervently prays Almighty God to receive in His bosom the soul of the greatest contemporary citizen and the most fervent champion of the liberty and democracy of the world.

(Sgd) Dr. F. R. Suroni,
Speaker.

Very truly,

[Signature]

Hon. Henry Morgenthau, Jr.,
Department of the Treasury,
Washington, D.C.
April 10, 1943.

Mr. Dear Mr. Respekt:

Your heartfelt and understanding letter meant a great deal to me. Thank you so much for what you said of the phases that President Roosevelt filled in the offices of this country and of the world, and of your expression of personal grief in his loss. I too shall always remember our associations during the past years and appreciate your saying that your own thoughts have gone over the events in which we have both played a part.

With cordial personal regards,

Respectfully,

(Signed) H. Morgenthau, Jr.

Mr. Jean Respekt,
Republic of France,
1600 Pennsylvania Avenue, N.W.,
Washington 6, D.C.
Republique Francaise
1600 Massachusetts Avenue, N.W.
Washington, D.C.

16th April 1905.

Dearest Secretary,

In these dark days when so much light has disappeared from the world and so much hope from our hearts, I want to say to you personally how much impressed I am both as a Frenchman and as a man.

Much of my thoughts
must turn back to the days of 1938 and 1940.

From your sincerely,

[Signature]
April 18, 1945.

Dear Walter:

Thank you for your word of sympathy on the occasion of the death of President Roosevelt. It was good of you to say that you shared our grief in his untimely death.

Sincerely,

(Signed) Henry

Mr. Walter F. Brown,
Associate Co-coordinator,
War Activities Committee,
National Picture Industry,
1407 Broadway,
New York 18, New York.
April 16, 1945

Hon. Henry Morgenthau
Secretary of the Treasury
Washington, D.C.

Dear Henry:

I know you will have felt the loss of the boss and I just want to drop you a line to let you know that I am sharing in your grief.

Cordially yours,

Walter T. Brown

Walter T. Brown
I don't know whether you keep such things. This is a letter that I edited in War Finance.

FROM: MR. GASTON

Regraded Unclassified
Office Memorandum • UNITED STATES GOVERNMENT

TO: Mr. Garton
FROM: Stanley W. Frenzel Sue

DATE: April 18, 1945

SUBJECT:

Enclosed I am sending you two copies of the letter which was sent out to 85 executives of the State Savings and Loan Associations over the Secretary's facsimile signature, in the event that you wish to have them either for the Secretary's files or your own.

Enclosure
Dear Mr. Morgenthau:

The principal goal of the upcoming Seventh War Loan is the sale of $30,000,000,000 in bonds to individuals. The objective established for Series E War Savings Bonds is four billion dollars.

Since these bonds are higher than those of any previous War Loan, and because of them, will demand extraordinary efforts by the entire bond-selling team.

The cooperation of organized groups in every field of American business has been a great source of strength. We are especially grateful for the concerted efforts which have been put forth so generously in the past by leagues of savings and loan associations, cooperative banks and homestead associations and their executives.

For the Seventh War Loan, in which the focus is on sales to individuals, emphasizes that the savings and loan business expects to respond with extra measures of planning and increased activity, adds to our confidence that we shall be able to meet our higher goals.

Sincerely yours,

Secretary of the Treasury.

Please deliver the following message to Fritz Hollander, Postbox 7306, Stockholm, from Kurt Grossman of World Jewish Congress:

"PLEASE FORWARD FOOD PARCELS TO REFUGEE IMPERSONS ON ATTACHED LIST. EXPECT LIBERATION FROM GERMAN HOLOCAUST THEREFORE INTERESTED IN LEAVEN NAZIS IMITATED PEOPLE. THEIR SITUATION AND WHETHER YOU CAN CONTINUE TO BE OF ASSISTANCE TO THEM WITH FOODPARCELS STORE AT YOUR DISPENSAL." REQUOTE

THIS IS WAR STOCKHOLM CABLE NO. 359

5:00 p.m.
April 16, 1945


Please deliver the following message to Fritz Hollander, Postbox 7306, Stockholm, from Kurt Grossman of World Jewish Congress:

"PLEASE FORWARD FOOD PARCELS TO REFUGEE IMPERSONS ON ATTACHED LIST. EXPECT LIBERATION FROM GERMAN HOLOCAUST THEREFORE INTERESTED IN LEAVEN NAZIS IMITATED PEOPLE. THEIR SITUATION AND WHETHER YOU CAN CONTINUE TO BE OF ASSISTANCE TO THEM WITH FOODPARCELS STORE AT YOUR DISPENSAL." REQUOTE

THIS IS WAR STOCKHOLM CABLE NO. 359

5:18 p.m.
April 16, 1945

Regraded Unclassified
PLAIN

Home

Dated April 18, 1948
Rec’d 2:10 p.m.

Secretary of State

Washington

202, April 18, 4 p.m.

For Moses Leavitt from Joseph Schwartz, B4,

Just returned from Cairo and expect to be in Paris
on Saturday, April 21. James Rice should be assigned
Italy and if Philip Stuchen already engaged he should be
assigned France. Would suggest you continue line up
prospects but make no definite commitments until my return

Kirk

to New York.

Ref
ATTACH TO MILITARY JOURNAL AND FILE, STOCKHOLM, FROM THE WAR ROOMERS BOARD.

Please deliver the following message to Fritz Sellander, Postbox 7306,

Stockholm, from Ernst Grossman of World Jewish Congress:

QUOTA BRIEFLY DESCRIBED POSTWARCLES TO ENOHERLESS DESERT ON
ATTACHED LEFT HAND PAGE HAVE BEEN TRANSFERRD TO ANOTHER AREA.

This is US Stockholm Cable No. 358

5:10 p.m.
April 10, 1945

Regraded Unclassified
JUD-1093

MAIN

Lisbon

Dated: April 18, 1945

Rec'd 10:35 p.m.

Secretary of State

Washington

6/22, Eighteenth

RES 785 FOR RIAS 395 FOURTH AVENUE NEW YORK

FROM BONNERTZ KICHER.

Inform Gottschalk Jacobson informs special Red

Cross courier went Budapest 14th will endeavor find

persons sought by Paul Born.

RABROSS

[...]
Secretary of State
Washington

2053, April 18, 6 p.m.

FOR VRB FROM McCLELLAND

Department's 1437 VRB's 496, April 12

We regret to inform you that our 1437 of April 12, Danish Legation here has advised Board of a recently telegram from Stockholm to the effect that the Danish authorities are unable to the Danish and Norwegian prisoners who have heretofore been held in camps in various places in Germany to a single camp which will be supervised by the I.C.C.A. representatives. The I.C.C.A. says that removal of prisoners to this camp is already in progress. This information is passed on to you for your information in order to implement the Board's request in 1437 of April 12.

ARNOLD

April 18, 1945

6 p.m.

AMBASSADOR

The following for McClelland is WIB 509.

Reference our 1437 of April 12, Danish Legation here has advised Board of a recently telegram from Stockholm to the effect that the Danish authorities are unable to remove the Danish and Norwegian prisoners who have heretofore been held in camps in various places in Germany to a single camp which will be supervised by the I.C.C.A. representatives. The I.C.C.A. says that removal of prisoners to this camp is already in progress. This information is passed on to you for your information in order to implement the Board's request in 1437 of April 12.

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April 4, 1945
9:30 A.M.

Mr. Dan Bell: Hello.
Operator: The Secretary. Go ahead.

B: Good morning.
HMJr: Hello, Dan?
B: Yes.
HMJr: How is Mrs. Morgenthau, first?
B: She had a good night.
HMJr: Fine.
B: And there is no increase in her temperature, and after 24 hours if it is anything serious there is an increase in the temperature.
HMJr: I see.
B: And there's nothing. The doctors that came down were pleased, and if there is no increase in temperature by tonight, they think I might come up for 24 hours and keep my appointment with the President.
HMJr: I see. Well, that will be fine. I hope that she continues—

BM: Now you tell Ted Gamble I won't know until around 7 o'clock, but he can have everything set, you see, for tomorrow.
B: Seven o'clock this evening?
HMJr: What?
B: You won't know until seven o'clock this evening?
HMJr: No, but I'll let Mrs. Klotz know, and then she can let Gamble know, see?
B: I see. And he should have everything ready.
HMJr: What's that?
B: And he should have everything ready.
HMJr: He can have everything ready.
B: All right.
HMJr: I thought I would take Gamble over there with me.
B: All right.
HMJr: So that — that's all his show. But if I come in — well, I'll come to the office first. My appointment is at 9:30 tomorrow.
B: I see. All right.
HMJr: And I won't know until they tell me tonight. The particular thing is the temperature today. Is Gaston in there with you fellows?
B: Yes, sir.
HMJr: Good. How is White there?
B: White is here, too.
HMJr: Put him on, please.
B: All right.

Mr. Harry White: Hello.
HMJr: Harry. Good morning.
W: Good morning.
HMJr: I've been sending you messages through Luxford sort of accidentally. I mean that I just wanted to explain, and I knew that it was all right with you.
W: Of course.
HMJr: Now I wondered if there were any new developments with Wolcott, or with Spence, or with Burgess? And before you tell me this, I don't think I put this thing in the memorandum, and this is the important thing that I have to say to you people. When I discussed with Viscio at lunch about how to handle the Hill, see?
Well.

HMJr: And Burgess - he made one very important constructive suggestion which I think I forgot to put in my memorandum. And that was - his suggestion was to ask Burgess to sit down with me on what basis he was willing to compromise.

W: All right.

HMJr: Now he said you asked Burgess. You say, "Burgess, you want a compromise. All right, you write me a letter on what basis you are ready to do it."

W: All right.

HMJr: And I think that that is an excellent suggestion.

W: I wonder whether the developments with Volcott might alter that. I don’t know.

HMJr: You’ll have to explain that to me.

W: Yes, I will. Now Volcott was supposed to have seen Burgess yesterday. And Volcott feels that any arrangements to be made or any compromises - he said he ought to do it. Which meant, in other words, he ought to do it within the committee.

HMJr: Yeah.

W: That he will contact those fellows and see what they want.

HMJr: Then who would contact them?

W: Volcott. Volcott is going to see Burgess. He feels that he ought to suggest the compromises to the committee.

HMJr: Oh.

W: I don’t know whether it is mutually exclusive - I don’t know whether both - but I think -

HMJr: Well, the only thing that bothers me with that is this - you see, various people, Red Brown and others, have been saying that we should let Volcott get the credit, see?

W: Yes.
HJJr: ... and McCormack...
W: Yeah.
HJJr: ... and Boone...
W: Yeah.
HJJr: ... and lay the cards all on the table, and get the advice of those three gentlemen.
W: All right.
HJJr: And I think that they should know about it.
W: All right.
HJJr: And Ramsey, if he is around.
W: All right.
HJJr: Because I know that the Speaker - I guess he is shrewder on this than anybody else.
W: Yes.
HJJr: And these intricacies of whether Voilcott gets the credit, or Voilcott..., and I'd lay all the cards on the table before these people and let them advise us how to do this thing.
W: Yes.
HJJr: I remember Voilcott telling me on the train - he said, "Now, look, Henry, this is something you don't understand." And then he told me the story about how he tried so hard to help before and the Democrat wouldn't let him. Now, I feel entirely satisfied on whatever Rayburn, McCormack and Ramsey advise us.
W: All right.
HJJr: And I would follow their advice. I think if Joe O'Connell would call up, or Bell, and say that we want an appointment this afternoon, and go up there and tell them the whole story.
W: All right.

HJJr: If it should come from Burgess in a letter to me, Burgess in a letter to Boone, or from Burgess to Voilcott. I don't know, but it'd be perfectly handy if you went through that maneuver this afternoon.
W: All right. We'll do that.
HJJr: And I wish that as long as this has come up that you'd go up on the Hill right away and see Rayburn and talk to him.
W: All right.
HJJr: Does that make sense to you?
W: Yes, it does. I'm sure it does to the others.
HJJr: It's just an intricate thing, and if we have to live with these fellows - each committee is different.
W: Yeah, you're fully right on it.
HJJr: And there might be something else. But the House has such a good organization, I want to play with the top fellows.
W: There would be no harm in the meantime of our talking to Voilcott. I'll see him today, to find out what happened between him and Burgess tomorrow. I'm sure he'll have something to say, and we'll go ahead with the other arrangements.
HJJr: How can you find out today what happened between him and Burgess tomorrow?
W: Is that what I said?
HJJr: Yes.
W: Well, let's shift it around - I'll find out today what happened yesterday. I would have said that yesterday if that was today.
HJJr: You've got your minds mixed up.
W: Yes, that's right. And I think also --
HJJr: Because then you will be better posted.
W: That's right.

HMJr: Now let me ask you — have there been any contacts between Dan Bell and Burgess?

W: Burgess called yesterday, and Dan said he had nothing to report.

HMJr: Good. Does anybody disagree with the recommendation I made?

W: (aside) Does anybody disagree with his recommendation that you see Spence, Rayburn and (inaudible) and tell them what you've done and ask their advice?

W: Herbert feels and probably the other agrees that it might be better to deal with Spence and Rayburn, and if they want McCormack and Ransneck in, leave it to them.

HMJr: What?

W: Herbert expressed the view and the others seem to agree that he thought it would be better to have San Rayburn and Spence, and then leave it to Rayburn and Spence whether they want McCormack and Ransbeck.

HMJr: Well, I would make the suggestion, though — now John McCormack is very much interested in this....

W: Yes.

HMJr: And I would make the suggestion to have them all together, and if Rayburn doesn't like it let him say so.

W: All right.

HMJr: But I would make this suggestion....

W: That's all right with them.

HMJr: Now we've made the mistake before — McCormack is such a prima donna....

W: Yes, well, that suggestion is satisfactory.

HMJr: Well, I would suggest to do it the way I suggested.

W: All right.

HMJr: If you please.

W: All right.

HMJr: And that's that, now, unless somebody has something important — I just want to talk to Charlie Bell a minute.

W: Yeah. Well, the only thing is that Dan — T.V. Soong is here and is anxious to see you.

HMJr: Who?

W: Soong. And I think that the longer you can postpone that appropriately the better.

HMJr: Well, you tell him I hope to see him soon.

W: (Laughs) O.K.

HMJr: How's that?

W: Charlie's here.

Mr. Charles Bell: Good morning, sir.

HMJr: Charlie, did you get my message?

B: Yes, sir, I did. Thank you very much.

HMJr: Well, you deserved it.

B: Thank you, sir.

HMJr: What made this thing finally go through?

B: I think Judge Vincent put the final touch on it. Possibly he was played out with the Bureau of Budget's routine because he was very eager to have it hit the Press last night.

HMJr: Well, it's all right, and you saw the Three Press Associations?

B: Yes, sir.

HMJr: Were they interested?

B: They seemed to be very much, but the whole thing broke rather late.
BMJr: Yeah.

B: And we are looking to the afternoon Press to carry something.

BMJr: Now late was it?

B: It was seven o'clock before I could get to them.

BMJr: Well, it's all right. Is Pehle perfectly happy?

B: Everybody is happy, all along the line.

BMJr: Everybody but Smith.

B: (Laughs) Well, I dare say he's happy too. I think he thought you were transferring Procurement out, and I believe he would have objected to that.

BMJr: You are not too sure that he just didn't want me to stand Wallace against himself.

B: Well, I think that too.

BMJr: You heard what my daughter Joan said, who overheard my conversation with you?

B: No, sir.

BMJr: When I was explaining to you that you should explain it to the Press and all that.

B: Yes, sir.

BMJr: Joan said, "Well, Daddy, I thought you were a friend of Wallace."

B: (Laughs)

BMJr: I said, "Yes, but Morgenthau comes first."

B: Well, that's right.

BMJr: (Laughs)

B: Riley carried a little column this morning -- George Riley.

BMJr: Yeah.
B: Well, best of luck to you, sir.

WJr: Yeah. I'd like to talk to Mrs. Klotz in her office.

B: All right, sir.
April 19, 1945.

My dear Mr. John,

Through the courtesy of the Right Honourable, the British Ambassador, I have received the message which you were so good as to dispatch on Tuesday of the death of President Roosevelt. It was most kind of you to express so warmly your sympathy in our great national loss. I much appreciate your understanding of what a staggering blow this has been to me personally, as well as to the country and to the allies.

Sincerely,

(Signed) H. Morgenthau, Jr.

The Right Honourable
Mr. John Anderson
Chancellor of the Exchequer

April 19, 1945.

My dear Mr. Floren,

Let me thank you most warmly for your telegram of condolences on the death of President Roosevelt. I much appreciate your expression of the sympathy which you and the French people feel with us in our great national loss, and also your understanding of the personal bereavement that this has been. It was good of you to send this sympathetic message.

Sincerely,

(Signed) H. Morgenthau, Jr.

Honorable Jean Floren,
Minister of Finance,
Paris, France.

082/62a
Rough translation of attached telegram would be as follows:

All of France is, during these days of sadness, in heartfelt communion with the United States of America. But I know beyond that that the death of President Roosevelt represents to you a personal bereavement, and I wish to express to you my profound sympathy.

(Signed) Rene Pleven, Minister of Finance
Le France toute entière est dans ces journées de tristesse en commune de coeur avec les étatsunis de Amerique stop mais je sais en outre que la mort du president Roosevelt représente pour vous un deuil personnel et je tiens a vous exprimer ma profonde sympathie

Rene Pleven Ministre Finances

955a Apr 16
April 13, 1945.

Dear Miss le Nurt:

It was most kind of you to write, expressing with so much understanding of the great loss suffered by the country in the death of President Roosevelt, and of the personal grief felt by those of us who were so closely associated with him.

It is good of you to pledge your support for those who must carry on during the difficult days to come, and certainly I join you in hoping that after the war is successfully concluded, we may reach a just and lasting peace.

Sincerely,

(Signed) H. Morgenthau, Jr.

Miss Jane le Nurt,
Chairman, War Labor Board Branch
United Federation of Women, Chicago Local No. 13,
64 west Madison Street,
Chicago 1, Illinois.
UNIVERSAL WORKERS OF AMERICA
Chicago Local No. 12
64 W. Randolph St.

April 14, 1945

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

Dear Mr. Secretary:

To us who knew him less intimately, Franklin Delano Roosevelt was
inspiration, guide, and hope. To you who knew him well, and
who worked with him, the loss of this great man is a very personal
grief. We grieve with you.

But the world waits, and it is to us and to you falls the task of
shaping it for the future. Please believe we are with you and
that we will support you for the achievement of a successful
conclusion of this war, and a just and lasting peace.

Respectfully yours,

[Signature]

War Labor Board Branch
United Federal Workers of America
Local No. 12, Chicago, Illinois
April 10, 1945,

Dear Mr. Vliss:

It was most kind of you to write with so much feeling, not only about the death of our beloved President, but also in regard to my own part in his Administration. His death came, as you say, as a sudden personal blow, and those of us who were so close to him can understand in some measure what a loss it is to the country. I appreciate your very kind of support in regard to the conduct of the Treasury.

Thank you also for sending your regards to Mrs. Roosevelt. I shall be very glad to let her know of your letter.

Sincerely,

(Signed) H. Morgenthau, Jr.

Mr. Louis B. Vliss, 61 Broadway, New York 6, New York.

GEO/45a
April 17, 1945

Hon. Henry Morgenthau,
Secretary of the Treasury,
Treasury Department,
Washington, D. C.

Dear Mr. Secretary:

I do not know you well enough to write this letter and yet, in a sense, I do.

Since last Thursday you have been very much in my mind. I realize how deep your devotion was to the President and how terribly afflicted you are as a consequence of his death. To all of us - ordinary citizens who had come to recognize the genius of the man - his passing came as a deeply personal tragedy; it was almost as if someone in the family had died. To you who have lived with him, who have served him so wisely and with such utter selflessness, the blow must have seemed simply overwhelming.

It is these things that have been in my mind - and I simply wanted to say them to you. You have been one of the men who have been reviled and shouted at because you stood by him. I just wanted you to know that there are some of your fellow citizens who read the events of these last years in perspective and who feel deeply conscious of the debt which they owe to you as one of the President's principal collaborators. When the story is all written and the hastes have died away, the true stature of the man who served President Roosevelt as Secretary of the Treasury will become apparent even to those who do not want to see it now.

I have seen a dispatch in this morning's paper that reflects the first step in that understanding. I am deeply glad and re-

believed that President Truman feels about you the way I do. It is reassuring to know that one of the great liberals of the Roosevelt administration will continue his service to all of us.

I say again, as I said at the beginning of this letter, that I hardly know you well enough to tell you these things. And yet there was some kind of inner need which prompted me to put my thoughts on paper.

With warm personal regards to you and to Mrs. Morgenthau, I am

Cordially yours,

Louis C. Weiss

LSW/142

Regraded Unclassified
To:  Secretary Morgenthau
From:  Charles S. Bell

I have the stage set for a press conference covering Treasury viewpoint and you might be interested to know that Governor Hurley is going to make a similar statement largely to the effect that you have for sometime urged this transfer.

CHARLES S. BELL
TELEPHONE 332  ROOM 3424
I pointed out to him the dangers of political appointments in the surplus property field and of the strenuous efforts that will have to continue to be made to avoid scandal and serious irregularities. Wallace said that he agreed that surplus property had to be run on a non-political basis and that political appointments had no place in this picture.

I made arrangements for Secretary Wallace to see me again tomorrow morning at 9:00 a.m. with Fox, Director of Surplus Property, Parsons, Executive Officer, and Lesser, Chief Counsel of the Procurement Division.

You may also be interested in the telegram sent by me to all Regional Directors of the Procurement Division last night, a copy of which is attached.
April 16, 1946

TO ALL REGIONAL DIRECTORS:

At the request of Secretary Morgenthau, the Office of Surplus Property is being transferred by Executive Order to the Department of Commerce. This Executive Order will be issued in the very near future and will become effective May 1, 1946.

The Office of Procurement will continue in the Treasury Department as the Procurement Division. Until such time as more satisfactory working arrangements can be developed and put into effect we would appreciate your continuing to be responsible for the administration of the Procurement and Surplus Property activities in your region, and we hope that you can count on your continued support in carrying out both programs.

We recognize that this transfer will result in many temporary operating complexities and personnel problems. We urge that you make every possible effort to maintain the continued support of your staff so that the carrying out of the surplus property and procurement programs will not be interfered with or delayed as a result of this transfer. We are endeavoring to develop a reasonable working arrangement and will keep you fully advised as soon as it is possible for us to give you more definite instructions regarding the steps to be taken in connection with the transfer. Pending such instructions, operating activities should be carried out under existing laws, rules and regulations. Particularly in view of the important tasks ahead on both the procurement and surplus property aspects of the work there is no reason for personnel to feel concerned. There will continue to be the need for substantial additional personnel.

J. W. Peile
Assistant to the Secretary
TRANSFER OF THE OFFICE OF SURPLUS PROPERTY OF
TREASURY PROCUREMENT DIVISION TO THE DEPARTMENT OF COMMERCE

The President announced today that the Surplus Property Board has designated the Department of Commerce as the disposal agency for surplus consumer goods. Pursuant to this designation by the Surplus Property Board, the President is transferring, by executive order, the Office of Surplus Property of the Treasury Procurement Division to the Department of Commerce. The designation and transfer were recommended by Secretary Morgenthau and concurred in by Secretary Wallace and Director of War Mobilization and Reconversion Vinson. Typical commodities in the consumer goods category which will now be handled by the Department of Commerce, are: automobiles and trucks, clothing, hardware, agricultural implements, medical equipment, and construction machinery.

The transfer of the Office of Surplus Property of the Treasury Procurement Division to the Department of Commerce places the sale of surplus consumer goods with a parent agency whose basic functions are closely associated with the commercial and industrial life of the nation and relieves the Treasury of an activity not directly related to its field of responsibility. The Department of Commerce is by law charged with the responsibility for assisting in the development of both domestic and foreign commerce, and it is believed that the surplus property disposal activities heretofore carried on by Treasury will complement the important business service functions of the Commerce Department.

Moreover, the basic economic analysis, standardization, and statistical activities of the Commerce Department and its wide spread contacts with business will contribute materially to the efficient discharge of surplus disposal responsibilities. Further, there will be established central offices in the various regions in which those interested in the purchase of all types of surplus property may come.
April 19, 1945.

Dear [Name]:

It was most kind of you to send me a note of understanding and sympathy in the death of President Roosevelt. As you say, it is not only a tragic loss to the country but has been a staggering personal blow.

Eleanor has been ill and is still away, but I know that she would wish me to thank you for including her in the message of sympathy which you and Outsells sent us.

Sincerely,

[Signature]

Mr. Robert Sherwood,
25 Sutton Place,
New York, New York.
New York, April 13th, 1945

25 Sutton Place

Dear Henry,

In this time of world sorrow,
I want you to know that Madeleine
and I are thinking of you and
Eleanor, and we send you our heartfelt
sympathy. We know how extra hard
this must have hit you.

All of us who love the President
know how much you meant to him and
what a model of loyal and devoted
service you have provided for all of us.

Affectionately,

Bob Sherwood
WILLIAM B. MURRAY

April 15, 1945

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

Dear Mr. Morgenthau:

I know the events of the past few days must have been a terrific shock and strain for you and Mrs. Morgenthau. To lose in an untimely a manner so good and so admired a friend I think is the hardest experience ever to bear.

Elisa joins me in our warmest sympathy to you and Mrs. Morgenthau.

Sincerely,

WILLIAM B. MURRAY

335 East 67th Street
New York City

44 WALL STREET
NEW YORK S. N. Y.

April 15, 1945.

My dear Mr. Morgenthau:

In this tragedy which has befallen the nation and the world, there are few individuals who are personally affected as deeply as you are. In retrospect I am sure you will take comfort from the recollection of an unusual friendship and you are entitled to derive satisfaction from the many lasting beneficial results which this mental partnership produced.

With kindest thoughts,

Sincerely yours,

Paul Murray

Hon. Henry Morgenthau, Jr.,
Treasury Department,
Washington, D.C.
April 19, 1945.

Dear Mr. Roosevelt:

Thank you for your letter of April 13, which speaks with such understanding of my personal share in the tragedy which befall the country last week. The years of my association with President Roosevelt have been, indeed, an inspiration and I appreciate your word of sympathy in his passing.

Sincerely,

(Signed) H. Morgenthau, Jr.

Mr. Paul Roosevelt,
Room 1201,
44 Wall Street,
New York 0, New York.
Honorable Henry Morgenthau, Jr.
Secretary of the Treasury
Treasury Department
Washington, D. C.

My dear Mr. Secretary:

Perhaps the attached radiotelephone
message #293, dated 18 April 1945, will be of in-
terest to you.

It was received last night from our
representative in Berne.

Respectfully yours,

E. G. Putzel, Jr.
Lieut. (jg), USNR
Acting Executive Officer

Regarded Unclassified
OFFICE OF STRATEGIC SERVICES
OFFICIAL DISPATCH

DATE  10 April 1943
FROM  Burns
TO  DIRECTOR, OFFICE OF STRATEGIC SERVICES

DISTRIBUTION

<table>
<thead>
<tr>
<th>FOR ACTION</th>
<th>FOR INFORMATION</th>
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<tr>
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<td>ROUTINE</td>
</tr>
</tbody>
</table>

RECEIVED IN PLAIN TEXT

RECEIVED

With the collapse of the German Western Front and with the Russian offensive in the East, there remain only a few military problems between the Allies and the end of the war in Europe. One of these is the so-called German redbust in the Austrian Alps. I continue to feel that there is, as yet, no conclusive evidence that the redbust will develop into a very serious military problem. This will depend upon several factors, the main factor being whether the Germans are able to get into the redbust an adequate number of first-class fighting troops with fighting morale left.

As yet, there is little to indicate any large troop concentration in the redbust area; in fact, most of our evidence is to the contrary. There are fewer German forces which might fall back into the redbust than one might expect. Of these, the most considerable and the most compact in the unit of twenty or more German divisions in North Italy. The question is, whether this army can get back into the redbust and, second, whether it deserves to do so. There is in northern Italy a dramatic shortage of gasoline and of coal required to transport over 200,000 fighting men and an assault force of 200,000 all manner of rear-echelon supply troops, etc., from their present positions over the mountains into the redbust. The mountain passes, such as Stelvio, are still snow-bound, and passage is impossible. The Brenner and other roads are open from time to time only in view of our bombing attacks. The main routes, particularly the Torasso, are preoccupied and likely to be shortly threatened by Russian and Tito forces. It is probable that only a fraction of the fighting forces in northern Italy could safely disengage themselves and take their way into the redbust. There is also some question whether, in view of the new reached from our own forces, they will be at all unprepared in their desire to take a last stand in the Austrian mountains, even if they could get there. They realize that an attempted retreat by the eastern route might mean that they would merely become prisoners of the Russians rather than of the American and British Armies. Passed with this alternative, they would greatly prefer to fall into Anglo-American hands. In fact, I venture the prediction that only a small fraction of the German armistice in Italy will turn out as defenders of the German redbust.

A second possible defensive force for the redbust are the armies which have been fighting in Hungary and defending Vienna. They are bettered, as is evidenced by their inability to make a strong stand for Vienna. Saip District is undoubtedly a die-hard, and he might succeed in getting some remnants of his 28 Panzer divisions back from Italy into the mountain area north of Salzburg, as the relatively narrow Danube Valley will furnish a good terrain for a delaying action.

Presumably Nesselring has some remnants of an army in Bavaria covering Munich and the upper Danube. These forces too could probably fall back into the redbust if they move in time. The fighting quality of the troops left in Bavaria, however, is certainly questionable. The total a forces which might reach the redbust from Italy, Austria, and Bavaria is probably numerically sufficient to hold this difficult mountain area for some time, assuming, as we believe to be the case, that a reasonable supply of munitions and other military supplies and food have been collected there. However, the utter hopelessness of the enterprise is so apparent that it can appeal only to the most fanatical of Nazis. Furthermore, it is likely that the Nazi leaders who look forward to forming a future underground Nazi movement throughout Germany and in the Balkans will wish to avoid having their most incorrigible numbers and, hence, the best elements for an underground movement in a mountain sanctuary where in the long run no escape is possible. Finally, the local population in the Austrian Alps will be hostile to the Nazi invaders of their mountain and valley homes, and no Nazi movement can last long without the support of the local population. The latest reports from the most excellent sources indicate that Hitler and Himmler are still in the neighborhood of Berlin. It would seem more in line with Hitler's end psychology and Wagnerian complex to prefer to wage his last fight against the Russians on Prussian soil, rather than permit himself to be hunted down in a cave in the mountains. Hence, there seems to be a possibility that Hitler, himself, may not go to the redbust, but will leave that retreat for certain of his followers. In what case, the military significance of the redbust may not prove very serious.
TREASURY DEPARTMENT
INTER OFFICE COMMUNICATION

TO: Secretary Morgenthau (For Information)
FROM: Mr. Joe F.

DATE: April 19, 1945

This report of pending policy matters is more extensive than the one which we prepared for the President. If you have time, you may care to glance over it.

Foreign Financial Affairs

The Bretton Woods Agreements

The problems concerning the Bretton Woods legislation have been separately reported.

Foreign Credits

A large number of the United Nations have approached the Treasury about post-war loans or credits:

1. The Chancellor of the Exchequer has indicated that Britain will need substantial financial assistance. They do not want a loan but want us to invent some new kind of instrument.

2. Our Paris representative advises that the French Finance Minister will shortly be in Washington to discuss financial aid for reconstruction.

3. The Greeks have approached our representative in Athens and Varvakesios of the Bank of Greece has come here for preliminary discussions.

4. The Dutch have approached us here.

5. T.V. Soong is in Washington to ask for additional financial aid to China.

No commitments have been made on any of these matters although discussion and analysis have gone forward. It has been the position of the Treasury that large credits for individual countries will have to be put up to Congress case by case.

Operations of the Stabilisation Fund

Certain of the stabilisation arrangements are before us for consideration:

a. The Mexican Finance Minister has called to ask whether we wish them to continue the Stabilisation Agreement.
b. The Cubans have asked whether we wish to extend the gold sale agreement with them for another four years. The decision on this depends, in part, on the proposed permanent status for our Stabilisation Funds.

Gold

1. Argentina wishes gold shipments resumed, and we are awaiting a recommendation from the State Department on this matter.

2. Dr. T.V. Soong is here to press for greatly enlarged gold shipments.

3. The Treasury recently made a strong announcement that no change in the price of gold was contemplated.

Silver

The Treasury has not granted the Indian request for the lend-lease of an additional 210 million ounces of silver, because we do not think that they have demonstrated that they need as much as this for anti-inflation purposes.

Foreign Funds Control

Exercising the President's authority under the Trading with the Enemy Act, Foreign Funds Control (a Bureau in the Treasury) administers controls over approximately $6 billion of frozen foreign assets in the United States, and has primary responsibility for planning and executing the government's program of financial warfare. The following are the principal current developments in Foreign Funds Control:

1. Foreign Funds Control is working with the Alien Property Custodian on a program for permanent elimination of German and Japanese financial influence in this country. The Treasury wishes to present joint recommendations to you and the Congress.

2. The job of uncovering enemy assets hidden in neutral or Allied countries and preventing the enemy from financing nests of Nazism in the post-war period is occupying our full attention. Now that Switzerland has taken cooperative measures, the next step is to obtain similar agreements with Spain, Portugal, Sweden, Argentina and Turkey.

3. Steps are being taken as rapidly as military and political considerations permit to relax the system of freezing regulations with a view to resuming economic and financial relations between the United States and liberated areas.

Currency Arrangements for Military Operations

We are currently concerned with the difficult problems of the effects of inflation abroad upon our troops located in foreign countries. This problem involves the responsibility for fixing exchange rates, the printing and issuing of foreign currencies, the arrangements for settlement of accounts and dollar reimbursements, and agreements with our Allies, and financial policy towards our enemies or ex-enemies. The problem is acute in France and Congress has been disturbed about it.

Occupation of Germany

The Treasury is working with State, War, Navy and FIA on directives to the American commander in Germany in accordance with policies of the Presidential Directive of March 23.

Many important issues are involved in this work, and I would like an opportunity to discuss them with you.
Reparations

The instructions for Mr. Lohnin, the American member of the Reparations Commission, are being drafted. We view these as a matter of the first importance and expect that they will be referred to you for approval.

Financial Aspects of Land-Lease

The financial problems of the termination of land-lease and the nature of the land-lease settlement are under study.

After V-E Day the President will have to decide whether the land-lease shipments to Western Europe are to be continued. It is the Treasury view that financial machinery other than land-lease should be used for reconstruction purposes.

Financial Aspects of Civilian Supplies for Liberated Areas

The Canadians have had political problems concerning their financial commitments on supplies to liberated areas. The Treasury is working out a procedure for sharing the financial losses equitably.

Financial Aspects of Surplus Property Sold

The sterling area system of exchange control as well as the exchange restrictions of other foreign countries make it difficult for the United States to collect any dollars for surplus property which we must sell abroad.

The Treasury is now attempting to solve this problem within the present financial relations with the foreign countries involved.

Financial Relations with the U.K.

1. The Treasury representative in London reports that the Chancellor of the Exchequer and Lord Keynes believe that a top financial mission should be dispatched to the United States immediately after V-E Day to discuss the whole question of financial assistance to the United Kingdom. The British have made it clear informally that they do not wish to add to their foreign interest-bearing debt and want us to devise some new way of meeting their needs for a very large financial assistance in the transition period.

2. We are now trying to disentangle the financial aspects of our combined military and economic operations during the war.

Financial Relations with U.S.S.R.

In view of the U.S.S.R.'s desire for long-term credits from the United States, the Treasury has been studying alternative practical terms appropriate to a Congressionally approved loan.

Financial Relations with China

Dr. T.Y. Soong and our Treasury representative in China are now here to discuss the whole range of financial problems which arise from our military operations in China and the severe inflation there.

Dr. Soong will undoubtedly speak to you on these matters, and we are reporting separately on the Chinese desire to obtain greatly enlarged gold shipments.
Dear Coe,

Mr. White has asked that our monthly figures of gold and dollar holdings should in future be sent direct to you instead of to himself.

The following are the figures as at the 28th February 1945:

<table>
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<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Gold less gold liabilities</td>
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</tr>
<tr>
<td>Net gold</td>
<td>1,430</td>
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<tr>
<td>Official dollar balances</td>
<td>484</td>
</tr>
<tr>
<td>less dollar liabilities</td>
<td>177</td>
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<tr>
<td>Net dollars</td>
<td>307</td>
</tr>
<tr>
<td>Net gold and dollars</td>
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</tr>
</tbody>
</table>

You will notice that the final net figure shows an increase of $53 million over the corresponding figure for the previous month. The explanation for this is partly that outgoings during January were particularly heavy, partly that dollar receipts from the U.S. troops in the U.K. showed a considerably increase during the second half of February. I think you are aware that earnings from this source tend to vary very much from one short period to another.

Yours sincerely,

[Signature]

R.H. Brand.

Mr. Frank Coe,
Director of Monetary Research,
Room 3430, U.S. Treasury,
Washington, D.C.
Treasury Department
Division of Monetary Research

Date：19

To: Mr. Hollugh (For the Secretary)

From:

CONFIDENTIAL

Dear Mr. Secretary: Attention: Mr. H. D. White

I am enclosing our compilation for the week ended April 11, 1945, analyzing dollar payments and receipts in official British, French, Canadian, and Australian accounts at the Federal Reserve Bank of New York.

Very truly yours,

R. L. Sanford,
Assistant Vice President.

The Honorable Henry Morgenthau, Jr.,
Secretary of the Treasury,
Washington 25, D. C.
TREASURY DEPARTMENT
OFFICE OF THE SECRETARY

April 20, 1945

CONFIDENTIAL

Received this date from the Federal Reserve Bank of New York, for the confidential information of the Secretary of the Treasury, compilation for the week ended April 11, 1945, showing dollar disbursements out of the British Empire and French accounts at the Federal Reserve Bank of New York and the means by which these expenditures were financed.
### Analysis of British and French Accounts

#### (In Millions of Dollars)

<table>
<thead>
<tr>
<th>Period</th>
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<th>Total Credits</th>
<th>Other Credits</th>
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<td>24.0</td>
</tr>
</tbody>
</table>

**Average Weekly Expenditure: Since Outbreak of War**

- England (through June 19, 1940) $18.7 million
- England (through June 20, 1940 to March 12, 1941) $54.9 million
- England (since March 13, 1941) $101.7 million

---

Regraded Unclassified
(a) Includes payments for account of British Ministry of Supply Mission, British Supply Board, Ministry of Supply Timber Control, and Ministry of Shipping.

(b) Estimated figures based on transfers from the New York Agency of the Bank of Montreal, which apparently represent the proceeds of official British sales of American securities, including those affected through direct negotiation. In addition to the official selling, substantial liquidation of securities for private British account occurred, particularly during the early months of the war, although the receipt of the proceeds at this bank cannot be identified with any accuracy, according to data supplied by the British Treasury and released by Secretary Morgenthau. Total official and private British liquidation of our securities through December, 1940 amounted to $34 million.

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

(d) Reflects not change in all dollar holdings payable on demand or maturing in one year.

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

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

(g) For monthly breakdown see tabulations prior to April 23, 1941; October 2, 1942; October 14, 1942; September 20, 1943; September 6, 1944.

(h) Transactions for account of Caisse Centrale de La France d'Outre-Mer included for first time in week ended December 6, 1944.

(i) Includes $ 7.4 million apparently representing current and accumulated dollar proceeds of sterling area services and merchandise exports, and $16.0 million in connection with the expenses of our armed forces abroad.

(j) Includes payment of $20.0 million to account at this bank of "Chambre d'Algerie Transatlantique Afrique Nord."
### Analysis of Canadian and Australian Accounts

#### Period: Week Ended April 11, 1945

<table>
<thead>
<tr>
<th>Period</th>
<th>Bank of Canada (and Canadian government)</th>
<th>Commerzbank Bank of Australia (and Australian government)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Debits</td>
<td>Credits</td>
</tr>
<tr>
<td></td>
<td>Transfers to Official Debts</td>
<td>Transfers from Official Debts</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Official Debts</td>
<td>Official Credit</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total Debts</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td>63.4</td>
<td>81.1</td>
</tr>
<tr>
<td></td>
<td>52.4</td>
<td>67.9</td>
</tr>
<tr>
<td></td>
<td>45.4</td>
<td>59.0</td>
</tr>
<tr>
<td></td>
<td>45.4</td>
<td>59.0</td>
</tr>
<tr>
<td></td>
<td>Total Debts</td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td>63.4</td>
<td>81.1</td>
</tr>
</tbody>
</table>

#### Average Weekly Expenditure

| Period       | First year of war | 0.3 million. | Second year of war | 0.6 million. | Third year of war | 0.0 million. | Fourth year of war | 0.1 million. | Fifth year of war | 1.6 million. | Sixth year of war | 7.3 million. |

(a) For monthly breakdown see tabulations prior to April 23, 1943; October 8, 1943.
(b) Reflects changes in all dollar holdings payable on demand or maturing in one year.
(c) Does not reflect transactions in short term S. & S. securities.
(d) Includes $4 million deposited by War Supplies, Ltd.
(e) Includes $5.3 million received from New York accounts of Canadian chartered banks.
TREASURY DEPARTMENT
INTER OFFICE COMMUNICATION

DATE
April 19, 1945

TO
Secretary Morgenthau

FROM
E. B. Fussell

Subject: New York Times Article

The New York Times has requested an article by the Secretary, for its Sunday edition of May 13, covering answers to these five questions:

How much is the war costing?
How are we paying for it?
Why are individual bond purchases important? (In items of inflation control as well as of war financing.)
What will these bonds mean in our postwar economy?
What is the symbolic significance of bond buying in terms of American democracy?

War Finance, Mr. Gaston, Mr. Haas and I all feel the request should be filled, both because of the intelligent enterprise shown by the Times in proposing this treatment, and because of this newspaper's circulation and high standing.

The attached draft, prepared by Mr. Murphy, is submitted for your consideration.

Copies to:
Mr. Gaston, Mr. Gamble, Mr. Haas, Mr. Elihu E. Harris (War Finance)
By Henry Morgenthau, Jr.,
Secretary of the Treasury

The Seventh War Loan Drive opens tomorrow. The Government is asking a much larger participation by individuals than in any previous drive. The quota for Series E bonds -- the bond that will be bought by the average American is much higher than ever before.

It is important that the citizen who is asked to buy more bonds should know why more of his money is required, and what his investment will mean to the nation and to himself.

The present war has been the costliest war in history. From Pearl Harbor through March 31 last, our war expenditures amounted to $263 billion. By way of contrast the total Government outlay in World War I, from our entry into war in April 1917 to the end of the primary demobilization period on June 30, 1919, amounted to $33 billion.

Furthermore, the dollar spent now means more than it did in the last World War. It is, of course, impossible to compare the value of a dollar spent in fabricating a tank or a plane in this war with that spent in fabricating a tank or a plane in the last war. Any tank or plane made during the last war would be junk in this war. But compare the cost of a few basic materials: Crude petroleum that costs $3.00 a barrel now, sold as high as $4.00 a barrel in 1918; rubber which costs 36 cents a pound now for the synthetic product (Buna-S), sold as high as 62 cents a pound for the natural product in 1918; copper which costs 12 cents a pound now, sold as high as 26 cents a pound in 1918; steel billets that cost $34 a ton now, sold as high as $47.50 a ton in 1918 -- and today's billets are better.

It is an impressive fact that to date this war has cost us in dollars 8 times as much as World War I. It is far more meaningful, however, to know that in World War I we devoted one-fourth of our national product during the war period to war uses, but today half of the nation's production is flowing to our armed forces. In World War I, 25 cents out of every dollar of goods produced went into the war effort; today 50 cents out of every dollar of all production is for war -- and production is three times as great as in 1918.

We have had to devote this tremendous portion of our national product to the goods of war in order to defeat our powerful enemies. These enemies have hurled everything they could possibly spare into their war effort -- we could not do less. We could not send our boys into battle less well equipped than our economy could possibly make them.
The task of the Treasury has been not only to raise the vast sum of money necessary to finance the war, but to raise it in such a way as to strengthen rather than weaken the national economy.

How has this been done? One hundred and eleven billion dollars, or 41 percent of total Government expenditures since Pearl Harbor, have come from taxes. Moreover, during the twelve-month period ended March 31, 1946, taxes covered 46 percent of expenditures.

Even though the revenue from the present tax laws is somewhat lower than we at the Treasury Department should like it to be, and though we are still covering somewhat less than 50 percent of our expenditures by taxation, tax collections have increased eightfold since the beginning of the war.

But even after these record tax collections, there remained an excess of expenditure of $161 billion. Ninety-eight billion dollars of this sum was borrowed from nonbank investors, and so represented a transfer of an equivalent amount of purchasing power from the people to the Government.

United States savings bonds, particularly Series E bonds, are the keystone of the Treasury's program to attract the savings of individuals. In deciding upon these bonds as the chief instrument for borrowing from small investors, the prime consideration was that the issue selected should not be subject to price fluctuations as was the case with the securities sold to finance World War I. The nonnegotiable savings bond afforded the protection desired for the millions of Americans who would lend their savings to the Government to finance the war.

The redeemability feature of savings bonds is, of course, a necessary counterpart of their nonnegotiability. That this privilege has, by and large, not been abused is attested to by the redemption figures. On March 31, 1946, 93 percent of all the Series E bonds which had been sold were still outstanding. Furthermore, studies of redemptions show, that in the majority of cases, bonds have been cashed because of real emergencies.

Individuals should, of course, buy bonds for the same reasons that other investors -- corporations, insurance companies, and banks -- buy them. This country is fighting a war; and in order to bring this war to a victorious conclusion, our fighting men must be equipped with all they need of the very best tools of war that we can furnish them.
is only by levying taxes and by selling bonds that our
Government raises the money to put these tools into the
hands of our fighting men.

It is better weapons which have made the casualties
of this country so much lower than those of our enemies.
To a significant degree, we have been able to exchange
equipment for casualties -- that is, money for lives. This
has been made possible by our taxes and our War bond pur-
chasers.

But there is a more specific reason why individuals,
in particular, should buy bonds. Our national product has
increased from $97 billion in 1940 to $110 billion in 1944.
As a nation of individuals, we are receiving payment for
producing twice as much as in 1940. Half of the things we
are producing are goods of war.

Consider what this means. About half of the labor
force of the country, measured by the value of its product,
is engaged in producing goods and services for use in the
war effort. The other half is engaged in producing goods
and services for civilians. Both halves are paid. They
receive money incomes and at the best rates of pay in the
history of the country. All producers receive these money
incomes, yet only half of them are producing goods and
services on which the incomes can be spent.

Or putting it the opposite way, the incomes received
for half of the production cannot be spent, without causing
an increase in prices. Part of this income which cannot
be spent for goods and services at current prices is absorbed
by Federal taxation. In fiscal 1944, roughly half of it was
thus siphoned off. It can be seen that there still remains
unspent in the hands of producers -- and these are largely
individuals -- the income which corresponds to one-fourth
of our gross national product.

This is surplus war-created income -- surplus after
buying the goods and services that are available for civil-
ian purchase and after paying taxes. It cannot buy additional
goods and services; therefore, it must be saved. And the
best way to do this, is to put it in war bonds.

The bond holdings of individuals will constitute an
invaluable backlog of purchasing power in the postwar period.
Only a part, and probably the smaller part, of this pur-
chasing power will come from cashing the bonds themselves.
The more important part will come from the greater spending
of current incomes growing out of the sense of security en-
joyed by individuals as a result of their war bond holdings.
The distribution of savings bonds among many individuals in the relatively low income group will broaden spending power and provide a solid base of economic stability.

And aside from the pecuniary advantages to the bond holders, millions of individuals will have fuller, happier, more wholesome and useful lives as a result of their wartime savings. Children will have funds to see them through college. Families which previously had few ties with the communities in which they lived will become homeowners. Men and women in the evening of life will enjoy new comforts as their War Bond savings supplement their social security incomes. All of these, and many others, will have new reason to consider how Government, under a democratic system, and the individual may cooperate, to their mutual advantage.

A decade ago, when the plan of issuing United States savings bonds, then popularly known as "baby bonds", was conceived, the purpose was to democratize public finance. We in the Treasury wanted to give every American a direct personal stake in the maintenance of sound Federal finances. Every man and woman who owned a Government bond, we believed, would serve as a bulwark against the constant threat to Uncle Sam's pocketbook from pressure bosses and special interest groups. In short, we wanted the ownership of America to be in the hands of the American people.

We had made only a start in this direction when war broke out in Europe and threatened the security of the United States. But the foundation had been laid for real popular participation in an American preparedness program. Savings bonds became known as defense bonds -- and played an important part in making the nation ready for the great crisis which came upon us at the end of 1941. They served, not only as a vital factor in financing rearmament, but also to give the average citizen a sense of the war's meaning and of the urgent nature of the national danger.

When the enemy struck, the machinery was ready and in operation for the people's financing of the war. Defense bonds became war bonds, and they have been put into the hands of 85 million individual Americans. Out of every thirteen men, women and children in the United States, more than eight have purchased bonds of their Government. Today there are approximately $27 billion of Series E bonds -- the people's bond -- outstanding, all held by individual investors.

Throughout, the savings bond program has been conducted on a genuinely voluntary, democratic basis. There was a good reason for it. In the early days of 1941, when I first asked Congress for authorization to borrow from the general public through a defense savings bond campaign, I said:
"There exists in the country today an overwhelming desire on the part of nearly every man, woman and child to make some direct and tangible contribution to the national defense. We ought to give them a sense of personal participation beyond that which comes from doing their daily job faithfully and well. Every day, letters come to me from people who ask, 'What can I do to help?' Our plan to offer securities attractive to all classes of investors is an attempt to answer this question. I can think of no other single way in which so many people can become partners of their Government in facing this emergency. It is the purpose of the Treasury to raise money for national defense by methods which strengthen the national morale."

The desire of the people "to help," the sense of participation in the national cause, could never have been realized except through a voluntary program.

Since the start of the war there have been many suggestions that some form of compulsory savings should be adopted.

I have opposed each such proposal, because it seemed to me undemocratic. I had confidence that voluntary, democratic methods would work, and would work better. In six previous War Loan Drives that confidence has been vindicated.

Democracy, to me, means voluntary cooperation. It requires leadership -- but a leadership that comes up from the people, one that seeks advice and governs, not by mere tacit consent of the governed, but with their active counsel and cooperation.

That is the way we operate War Loan Drives. Long in advance of a scheduled operation the Treasury seeks out those who are best fitted to advise with us. As the date of the drive approaches the field broadens until it takes in literally millions of co-workers -- bankers and bricklayers, stenographers and salespeople, movie and radio stars, housewives, gold star mothers and boys and girls who are moved to become active workers because their fathers and brothers and uncles are on the battlefields of Europe and the Pacific. No one has to buy bonds. No one has to sell them. And if we speak of this or that individual being "drafted" for an important post it is solely because of the impelling force that a democratic system can exert in calling upon each, in the field in which he is best qualified, to serve all.
A voluntary war loan shows how democracy works. And this Seventh War Loan, with by far the highest quota yet set for individual purchasers, presents a new challenge. I am confident that all informed people will meet that challenge successfully.

---

TREASURY DEPARTMENT
INTERS OFFICE COMMUNICATION

TO Secretary Morgenthau (For information)
FROM Mr. Coe FC

This is a comparative statement of the earnings and expenses of the Stabilization Fund for the months of February, 1945 and March, 1945.

<table>
<thead>
<tr>
<th>Earnings</th>
<th>February, 1945</th>
<th>March, 1945</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest earned on investments</td>
<td>$37,600.86</td>
<td>$41,449.37</td>
</tr>
<tr>
<td>Profits on handling charges on gold</td>
<td>$117,556.50</td>
<td>$186,107.86</td>
</tr>
<tr>
<td>Handling charges on gold (stabilization)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(stabilization) Accrued</td>
<td>--</td>
<td>12,500.00</td>
</tr>
<tr>
<td>Miscellaneous profits</td>
<td>3.21</td>
<td>11.37</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$155,159.57</strong></td>
<td><strong>$229,058.40</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>February, 1945</th>
<th>March, 1945</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$16,447.34</td>
<td>$30,798.45</td>
</tr>
<tr>
<td>Travel</td>
<td>$1,918.12</td>
<td>$676.60</td>
</tr>
<tr>
<td>Subsistence</td>
<td>$1,147.60</td>
<td>$269.91</td>
</tr>
<tr>
<td>Telephone &amp; Telegraph</td>
<td>$2,999.64</td>
<td>$2,291.38</td>
</tr>
<tr>
<td>Stationery</td>
<td>$286.90</td>
<td>$188.44</td>
</tr>
<tr>
<td>All other</td>
<td>$1,199.65</td>
<td>$2,290.65</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$23,911.23</strong></td>
<td><strong>$37,758.43</strong></td>
</tr>
</tbody>
</table>

Net earnings: $131,228.34 $201,312.97

This report was completed from figures supplied by Mr. O'Daniel.
TREASURY DEPARTMENT
INTER OFFICE COMMUNICATION

DATE April 19, 1945

TO: Secretary Morgenthau [For Information]
FROM: Mr. Geo F.C.

Subject: Status of Stabilization and Gold Agreements on March 31, 1945

1. Stabilization Agreements in Operation

<table>
<thead>
<tr>
<th>Country</th>
<th>Base</th>
<th>Active</th>
<th>Expiration</th>
<th>Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>7/13/47</td>
<td>7/15/47</td>
<td>$100,000,000</td>
<td>None</td>
</tr>
</tbody>
</table>

2. Stabilization Agreements Concluded but not yet Effective

<table>
<thead>
<tr>
<th>Country</th>
<th>Base</th>
<th>Active</th>
<th>Expiration</th>
<th>Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexico</td>
<td>11/1/41</td>
<td>6/30/45</td>
<td>$10,000,000</td>
<td>None</td>
</tr>
<tr>
<td>Ecuador</td>
<td>7/1/42</td>
<td>9/30/45</td>
<td>$5,000,000</td>
<td>None</td>
</tr>
</tbody>
</table>

3. Gold Sale Agreement

<table>
<thead>
<tr>
<th>Country</th>
<th>Base</th>
<th>Active</th>
<th>Expiration</th>
<th>Outstanding</th>
<th>Amount</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cuba</td>
<td>7/6/42</td>
<td>6/30/45</td>
<td>$5,000,000</td>
<td>$5,000,000</td>
<td>75 days</td>
<td></td>
</tr>
</tbody>
</table>

The agreement as amended also provides for sale to Brazil of up to $200,000,000 in gold, of which $200,000,000 has been sold.

Please deliver the following message to Harold Troes, Lisbon:

From: I. A. Leavit, American Jewish Joint Distribution Committee.

VAIDED: FURTHER YOUR 305 TRAMA NOTIFYING FILED CLAIM TO 10,000 BILLOWS WHICH WHO U.S.C. IS 100% PROOF AND SUBPOENA TWO RETAILERS TO BEAR PROMPTLY OUTSTANDING VEER 99% IN CONDITIONS IN 6% FRACTION TO ENOUGH TO BE RADIUS. FURTHER EECII 100% PROFESSIONAL SATISFACTION TO WORDS, REACHING PROMPTLY TIGHTENED U.S.C. FRACTION. OTHER BULLETS ADDITIONAL SIGHTS.

RETURN OF DOCUMENTS AND REPORTS PENDING U.S.S. HISTORICAL AND REPORTS PENDING U.S.S. HISTORICAL. REPORTS PENDING U.S.S. HISTORICAL.

This is the Jewish Cables No. 374.

Mona 57
April 19, 1945
CALLED TO AMERICAN LEGATION, LISBON, FROM WAR REFUGEES BOARD

Please deliver the following message to Harold Trosh, Lisbon,
from N. A. Leavitt, American Jewish Joint Distribution Committee:

DATE: SEPTEMBER 29TH RECOMMEND $1,000 SPEWED URGENT
LICENSE FOR TEST PANELS TO SHAHID UNNOTED

THIS IS WAR LEGION CARD NO. 179

3:45 p.m.
April 19, 1945
CARLS TO AMERICAN CONSULATE GENERAL, JERUSALEM, FROM WAR REFUGEES BOARD

Please deliver the following message to Suzanne Reznik, Rome,
from N. A. Leavitt, American Jewish Joint Distribution Committee;

quote: ADVISE UNITED ALLIED COMMISSION RECOMMENDED YOUR
ACCOUNT WITH LIRA EQUIVALENT AGAINST INTEREST PAID OUT
TO VICTIM'S HOME FEMALE RELATIVE. UNQUOTE.

3:30 p.m.
April 19, 1945

CARLS TO AMERICAN CONSULATE GENERAL, JERUSALEM, FROM WAR REFUGEES BOARD

Please deliver the following message to Charles Passman,
Jerusalem, from N. A. Leavitt of American Jewish Joint Distribution
Committee;

NOTICE: SUPPORT US HERE YOUR LETTER PAGES POSTMARKS
FOR THE HOME AND FAMILY MIGHT SAVE TIME IN FUTURE ENQUIRY.

3:45 p.m.
April 19, 1945
CASES TO AMERICAN MISSION, LONDON, FROM MAN REFUGEES BOARD

Please deliver the following message to Bertha Linder,
115 Regent Street, London, from H. A. Leavitt, American Jewish
Joint Distribution Committee:

APPROXIMATELY £2000 EYEGLASS MONEY ORDER. PLEASE CHANGE WITH
JEWISH MISSION, LONDON. MONEY ORDER HELD FOR PAY AFTER
PARTICIPATE THIS WEEKEND.

THIS IS NEW LONDON CASE NO. 70

3:45 P.M.
April 19, 1945
This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (RESTRICTED)

Secretary of State,

Washington.

US Embassy
2271, April 19, 4 p.m.

FOR CHIEF OF W.S. FROM HOLLAND

(Rogations' Z331, April 11)

I.N.C reports that the six assault trucks carrying food parcels which left Swiss border at Bremgarten on April 13 for Luebeck ran into and were stopped by Allied advance at unspecified point in Germany. Pedestrians, I.N.C delegate from Paris is now attempting to extricate them, and was reportedly flown to spot by our military authorities. It is not known whether he has been successful in redeploying trucks to Luebeck. This may be militarily impossible since they would have to cross fighting line although trucks were under I.N.C colors and insignia.

It would be most desirable for these trucks to be able proceed to Luebeck as they are only ones available for distributing I.N.C parcels to civil detainees in that area. Any assistance could lend in this matter through whatever channels you deem appropriate would be of great value.

I.N.C reported that 140,000 W.S. parcels were shipped from Goteborg for Luebeck April 16 on SS RANALDA so that stocks will be available this region.

HARRISON

B.E.

Regarded Unclassified
Bern
Dated April 19, 1945
Rec'd 9:150 p.m.

Secretary of State,
Washington,

PRIORITY
2390, April 19, 7 p.m.
FOR USE FROM MOLLELAND

Kastner, Sternbuch, Nuss and Swiss police all
informed us that small group of 49 Jewish refugees
apparently mainly from Bessiteslave reachedannecess
yesterday and would be admitted to Switzerland today.
It is not clear due to whose efforts these people
reached Switzerland although Nuss is already claiming
credit.

Sternbuch has undoubtedly reported this matter
by wire to Vaad Nahatza.

Kastner arrived in Switzerland yesterday and
according to report from Nathan Schwab of Bessiteslave,
after an extended trip with Kurt Becker of 33 which
reportedly included Theresienstadt (April 10) and
Bergen-Belsen (day or so before liberation). Kastner
apparently has considerable interesting information
on Jewish survivors in Austria, Slovakia and Theresienstadt
whence he stated there were 30,000 Jews including many
new arrivals from Austria and Slovakia. According to
Kastner Sacher "foreclosed" cancellation of camp of
Bergen-Belsen with all inmates remaining in camp.
Kastner further reports to be hearing important pro-
posals concerning possible rescue of Jewish deportees
in camps still under German control.

As soon as Kastner is released from temporary
Swiss custody, I shall secure all details possible
and report to you.

LARRISON

PLAIN
Lisbon
Dated April 19, 1945
Rec'd 10:40 p.m.

Secretary of State,
Washington,

R17, Nineteenth
W13, JIG 219 FOR LEAVITY FROM TROUX

Danieau cabled "According to Schwartc cable
February 9 budget to May 1 equivalent $362,000 of which
$300,000 transmitted to date. Committee asks balance
be transmitted on 1st since their appropriations to
cooperating committees throughout country based total.
Danieau asks you transmit to Banque National de
Belgique and advise Bank by cable."

ADAMS

R13

Regraded Unclassified
Stockholm
Dated April 19, 1945
Rec'd 10:17 a.m.

Secretary of State,
Washington.
1447, April 19, 1 p.m.

For Department and III.

Approximately 8,000 Danish and Norwegian Jews arrived in Haarlem yesterday from Germany and are being sent to an especially arranged Swedish internment camp. As far as is known this group consists virtually all Danish and Norwegian Jews in German concentration camps and their release is a consequence of certain special negotiations conducted by Count Bernadotte during the past several weeks.

The Swedish Foreign Office is endeavoring to secure the release of Norwegian Jews in Ghent, under the same guarantees of special internment in Sweden.

J ohnson
NAVAL

1. 

Mediterranean 15th/16th. (Night) Aircraft and coastal forces intercepted enemy convoy in Gulf of Cadiz. 

One ship torpedoed and another probably torpedoed, 17th. A French Destroyer torpedoed by E-boats S.W. of San Felio but reached port. 20 fatal casualties including three British. One E-boat sunk.

2. 

Enemy attack on shipping 16th. On convoy to ALGERIA two merchant ships torpedoed and sunk off north foreland, home bound Atlantic convoy's tanker and U.S. merchant ship torpedoed in bay of BISCAY and sunk.

LITIGULARY

3. 

Western Front: GRODNO: very satisfactory progress made against German pockets in GRODNO Estuary; garrison in ROYAPO pocket reported surrendered 16th morning.

Southern Sector: First French Army made further progress between REUZE and FLINCHEREN.

Central Sector: Third U.S. Army advanced 12 miles east and captured GELQUIZ (south of FLINCHEREN) while 3rd U.S. Army also reported captured.

First U.S. Army surrounded LIEGE on north, south and east and took city, 16th. B.I. NEUWURF, First and Ninth U.S. Armies made contact thus sealing pocket containing about four divisions.

Southern Sector: British pocket eliminated and good progress made against western sector. Ninth U.S. Army captured LIEBERG.

Northern Sector: Second British Army made good progress towards LINZBURG (S.E. of HAMBURG) while in HOLLAND, GRODNO pocket clear of enemy.

Eastern Front: Northern Sector: Germans state Russians penetrated in area W.E. PILAR. Russians claim 2,730 prisoners on this front on 17th.

Central Sector: Russian penetration reported in area south of WIEZEN (O.T. KUSMIN) and south of PRAGHUPT. Heavy fighting S.E. SABBAGUS.

Southern Sector: Germans claim Russian attacks repulsed in area south of BLAG. Russians report small gain this area and north of VIBERGA.

Italy: Eighth Army captured ANCONA and now 16 miles from FERRARA. Elsewhere, stiff enemy resistance encountered on canals and rivers.

Birth Army made considerable progress in attack north of VIBERGA and have advanced three miles on road front. Eighty prog made towards SAVOIA and coastal sector.

AIR OPERATIONS

Western Front 17th/18th (Night) Bomber Command operation para. 7 of OPHEL No. 124, 107 tons dropped on CHAL Railway centre in clear weather.

15th. Bomber Command escorted aircraft 945 (three missing) dropped 4094 tons on HELIGOLAND ISLAND and Farm base and DUNKIRK area B.E. Sykes good and results.

711 (four missing) dropped 1659 tons on seven railway centres in south west GERMANY and CZECHOSLOVAKIA; results very good. Escorting fighters 669 (two missing) scored 1014 in combat, and 12,636 on ground.

About 59 dropped 105 tons on barracks at OLDEBURG.

Others 714 (two missing) dropped 1091 tons on three railway centres, two airfields and other targets in central and southern GERMANY; results mainly good.

Fighters and fighter-bombers 2099 (two missing) operated over northern battle sector, central GERMANY and CZECHOSLOVAKIA, destroying and damaging many railway and road vehicles. Enemy casualties 16112 and 471027 on ground.

18th/19th. (Night) Aircraft 260 despatched. BE-LIN loskotes 96, KLEITAU Railway centres (32 miles S.E. CHARLOTTE) 127, OBERGRENEN Railway centres (near LUSCHI) loskotes 36 and Bomber support 65.

Mediterranean 16th/17th (Night) and 17th. Escorted U.S. Havill made good progress communications NORTH ITALY and AUSTRIA. Results good to excellent. Fighters and fighter-bombers 1350 attacked targets in close support of land forces.