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Paula

THE SECRETARY OF COMMERCE
WASHINGTON

December 31, 1934

Dear Mr. President:

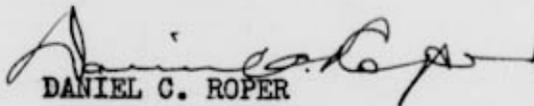
I was deeply touched by your thought of me at Christmas time, evidenced by the beautiful cuff buttons which came to me with your Christmas greeting.

It seems to me that the link button is a very suggestive present. It not only closely associates the donor and donee, but suggests cooperation, service and loyalty,-fundamental attributes in these important times.

It is a very great pleasure for me to be thus associated with you in a constructive leadership effecting not only our country but the world and cooperative service founded on the well laid program of the past two years will bring pronounced evidence of progress in 1935.

With gratitude and renewed assurance of my affectionate regards, I am

Very sincerely,


DANIEL C. ROPER

Honorable Franklin D. Roosevelt,
President of the United States,
The White House,
Washington, D.C.

THE WHITE HOUSE
WASHINGTON

PRIVATE

May 20, 1935.

MEMORANDUM FOR

THE SECRETARY OF COMMERCE

How about putting through
the matter of Ewing Mitchell? It can
be put on the ground of reorganization.

F. D. R.

PSF: Commerce



*File
Personal*

THE SECRETARY OF COMMERCE
WASHINGTON

June 11, 1935

Memorandum

For: Col. M. H. McIntyre
From: Secretary of Commerce

I am hopeful that the President may
be able to read the attached enroute his return
to Washington.

Del.





THE SECRETARY OF COMMERCE
WASHINGTON

June 10, 1935

Memorandum

For: The President
From: Secretary of Commerce

WEEKLY MEMORANDUM NO. 5

My trip to San Diego, California and return was made via B & O and Santa Fe going, and Southern Pacific and Union Pacific returning. Over these routes, I made a rather comprehensive survey of the country and saw a great many people. My conclusions are these:

1. I have never seen the crop prospect so generally good all over the country as it is today. In sections like Wyoming and Nebraska, where I expected evidences of drought and discouragement, I found just the reverse. The newspaper opinion in Nebraska is that the State will produce this year 45 million bushels of wheat, which they say is 200 percent increase over last year. Plenty of green grass is springing up everywhere and cattle are evidently being adequately fed. However, some sections, though not a very large area, have been flooded recently. The fact is, however, that there is a splendid "season in the ground" and there should be good grain crops.

2. The employment conditions were better than I expected to find them, except probably in Southern California. Evidently a great many people have been attracted to that locality by the promises of Sinclair and the unemployment situation there seems not to be yielding, that is, there are, as I understand, more people unemployed there than was a year ago. In Northern California, conditions are not so affected as the population there has been less disturbed, -economic and social conditions are more stable. In this locality, there is, so far as I could discover, no distress except psychological and I believe that is getting under better control.

June 10, 1935

3. I addressed large groups of people in San Diego, Los Angeles and San Francisco and study of the faces of the people in my audiences convinced me that wonderful changes have taken place since I was on the Pacific Coast even a year ago. I discovered in all of my talks that it was not really the business and industrial facts that make at this time the best appeal, but evidences of faith in the future and the human sympathies of the President that give them the necessary reassurances.

It is my opinion that our speakers dwell too much on figures, which the people do not understand, nor reflect upon. We need to stress faith in our institutions, faith in our national leadership, and necessary patience to work out problems in evolutionary manner rather than risk speedy action and revolution.

To these ends, the Exposition at San Diego is helpful. It presents historical results and progress of our country; emphasizes the necessity of cooperative efforts under our form of government and presents impressive educational and cultural values on society. I am satisfied that such fairs should be encouraged. The address of the President was thoroughly in line with the objectives of the spirit of the Exposition and his words were enthusiastically received.

4. Being on the West Coast when the Supreme Court decision on the NRA was handed down, I had an excellent opportunity to study the reactions. The first effect was to add to the nervous and mental disturbance of the people. This, however, began to disappear after a few days and gave way to the feeling of necessary cooperation on the part of all people. Business men who had been critical began to be more receptive and express the belief that cooperation should be sought to preserve the fundamentals of the NRA for business and for society generally.

I should here register the decided impression made upon me, however, that the people did not favor a constitutional convention at this time. They feel that the temper of the people is not such as to make a convention under present conditions safe and constructive. They, therefore, expressed the hope that ways could be found more speedily and more effectively without running the risk of the danger stated above. In this connection, I call attention to a letter I have received from Mr. Benjamin F. Bledsoe, of Los Angeles, California, attached hereto; also an analytical memorandum prepared for me by Assistant Secretary Dickinson, attached hereto.

I was impressed with the fact that the Supreme Court decision will be helpful in getting business to assume a constructive attitude in taking over possible supervisory responsibilities in the control features sought under the National Recovery Act. There is a very decided fear in business circles that the Wagner Bill will be very disrupting at this time. From the contacts and studies which I made on this trip, I would say that if it is possible to have this Bill postponed until the next Session of the Congress, or until social conditions have become more stabilized through a proper attitude under the Supreme Court decision, it would be better.

I would like to, in this connection, call your attention to the attached communication from Frederick E. Murphy, Publisher of the Minneapolis Tribune.

Here I would like to add that there is a great deal of building needed and required under the Federal Housing authority, but I was told by many that the excessive labor costs and material costs would not permit them to build at this time as they would like.

5. My political studies were largely confined to California, as my important stops were made in that State. My conclusions are that more sympathetic consideration is now being given to the National program and less to Sinclair and Townsend. For instance, State Chairman Oleson, with whom I had a considerable conference, has practically broken with Sinclair. He told me he was for Roosevelt, but evidently would like to have some of the Sinclair ideas recognized in the Party Platform in 1936. I told him that consolidating the necessary factions in California for carrying the National election next Summer would require less consideration of State issues, on which there would be disagreement, and greater stress of Roosevelt or National issues, on which all factions in California could more likely be brought into harmony. He seemed agreeable to this and said he would come to Washington late this month for conferences.

June 10, 1935

My references to social issues were in line with the statement you made some days ago regarding the objectives of the Administration, namely, that it is "to do what any honest government of any country would do; to try to increase the security and happiness of a larger number of people in all occupations of life and in all parts of the country; to give them more of the good things of life; to give them a greater distribution not only of wealth in the narrow terms, but of wealth in the wider terms; to give them assurance that they are not going to starve in their old age; to give honest business a chance to go ahead and make a reasonable profit, and to give one a chance to earn a living".

What is needed in California is an Executive Committee composed of proper representatives of the different sections and containing men that are not of the extreme sectional leanings, but men in whom the people generally have confidence. My conferences with leaders in the other groups developed the fact that a harmonious delegation for the 1936 National Convention can be effected provided Sinclair is not recognized for membership on it and provided that extremes in the old factions are not put on the Ticket.

sec.
D.C.R.

Enclosure.

A. J. HILL
VINCENT MORGAN
BENJAMIN F. BLEDSOE

KENNETH R. WRIGHT
STANLEY S. BURRILL
WM. M. FAHREH
CHARLES F. MC CARTHY

HILL, MORGAN & BLEDSOE
ATTORNEYS AT LAW
630-640 ROOSEVELT BUILDING
SEVENTH STREET AT FLOWER
LOS ANGELES, CALIFORNIA

TRUSTY 6900

June 5, 1935

*Rekd 6/10/35
mef*

Hon. Daniel C. Roper,
Secretary of Commerce,
Washington, D. C.

My dear Mr. Secretary:

I was away from the city on Sunday and did not get home until the afternoon and then, as a former Federal Judge under President Wilson and as a long and intimate friend of Col. J. P. Carter, I went down to the Biltmore to pay my respects in person. Apparently you had just left for the evening train and I missed you.

I read in the Sunday morning paper your remarks respecting the N.R.A. and I am taking the liberty of inclosing an article written by me last summer on the same subject matter. I find I was in substantial agreement with you.

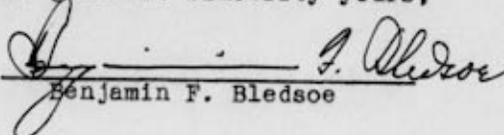
I am afraid we shall have difficulty in securing an appropriate amendment to the Constitution. For the Congress to have the express power to do what the preamble says the Constitution is ordained to achieve, namely, "promote the general welfare," would solve the problem in all of its features, but the enormity of the power granted would, I fear, be appalling to so many that we should have difficulty in achieving the end. An amendment to the Constitution would require a very considerable time to effect, and we should be like Mr. Bryan said one time, in respect of some matter he was opposing: - "They say it will work out all right in the long run, but how about us shortwinded fellows?" Before an amendment can actually be secured I am afraid too much detriment will have been sustained. We can't scrap the Constitution, we can't kill off the people who, out of a job, want work and can't get it.

2-

Obviously we must do the most and best we can with existing instrumentalities to save civilization and build up a public sentiment that shall support some specific power to be granted to Congress that shall avail for the purposes in mind.

No finer man existed in our midst than Col. J. P. Carter. No one connected with the Internal Revenue Department ever gave to that Department more loyal or efficient service. No man was more loyal to you or more constant and emphatic in his praises of you and your Democracy. No man was ever a better friend to me. I share with you the sense of loss over the passing of a distinguished though modest public servant.

In greatest sincerity yours,


Benjamin F. Bledsoe

Inc.

BFB.RSC

• THE BULLETIN

of the California State Society Sons of the Revolution

437 So. Hope St., Los Angeles, Calif. [MUTUAL 6087]

VOL. X, No. 3

JULY-AUGUST-SEPTEMBER, 1933

\$1.00 YEAR; 10c PER COPY



WE DO OUR PART

Handwritten: D. W. P. 2

National Recovery Act

By BENJAMIN F. BLEDSOE

As the BULLETIN goes to press we are in the final stages of a nation-wide effort to consummate the NRA program. The ultimate outcome may not yet clearly be foreseen. Facts, theories, psychologies, tendencies and that most elusive of all factors, the human element, as the same may be displayed both on the buying and the selling sides of the counter, all will have their effect and all will contribute to the attainment of the ultimate goal. There is a very general consensus of opinion, however, that the plan must be given a fair and exhaustive trial and that thought of failure is not lightly to be indulged in.

Industry, like the world of which it is a part, is in the doldrums. In that world in unprecedented numbers men and women usually engaged in gainful occupations are out of work and untold millions of others are sorely disturbed over the outcome of the crisis thus created. In and out of it all, among consumers no less than producers, self-interest has been converted into selfishness, and the last named quality not only permeates but to a certain extent dominates business. Too many individuals have lost sight of the fact that they constitute merely a part of a great social or industrial structure. They can truly prosper only as the structure itself prospers. In the complicated structure of which we are a part, the doctrine of *laissez faire* seems insufficient for our needs. Team work is as essential to ultimate victory in the great marts of trade as it is on the hotly contested fields of athletics. The National Industrial Recovery Act is intended to secure appropriate and necessary team work. It has been enacted and it will be administered that civilization may be kept from going on the rocks. It is not destructive of true liberty because it is productive of true progress and true prosperity. Under its protecting aegis, every

man shall prosper according to his capacity and not because of his chicanery. Those who would chisel their way into added business that they may reap inordinate profits therefrom must be deprived of the opportunity of doing business that way. No man shall ruthlessly tear down merely that he may seemingly build up. No man shall be allowed to sell for less and at a loss that he may thereby prevent his neighbor from selling at all. If we would avoid Communism or chaos we must accept more of co-operation. The National Recovery Act, in keeping with its name no less than its purpose, seems to me to be the best solution yet advanced for required social and industrial progress in the crisis confronting us. It is intended only to meet an emergency. If successful in the emergency, its further use is not necessarily promised; but if successful, a strong presumption in its favor for all time use will be most manifest. It puts the good of the State ahead of the will of the individual. It puts the destiny of the Nation above the pull of the pocketbook. In my judgment, its wholesale and wholehearted acceptance in our present emergency is as necessary as that men should go into the trenches in time of war. It is a peace time method of substituting service for selfishness.

Whatever the cause, we in America are experiencing the sorest depression, facing the greatest economic crisis probably that the nation has ever known. Some misery, much want, extraordinary unemployment, confront us on almost every hand; debtors unable to pay, creditors denied their just due, homes being foreclosed and businesses at a standstill. The aftermath of a world war in which, roughly, thirty million men were lost and three hundred billions of dollars worth of property consumed, all to the detriment and naught to the benefit of the race, is working its

havoc in our midst. There is contrariety of thought, no less with respect to the causes of the condition obtaining, than with respect to the means to be pursued most effectively in elimination of it. In the presence of distress any relief suggested or remedy proposed is likely to be looked upon with too sympathetic an eye just because of the distress and of a desire to be rid therefrom. Not infrequently the appeal is to the heart, rather than to the brain; to the emotions rather than to the intelligence; to prejudice rather than to patriotism; to personal satisfaction rather than to common enjoyment; to individual right rather than to national weal. But these are all false lights on the shore in the present voyage of the Ship of State. Particularly any plan proposed by the leader of a great political party is most apt to be condemned by some in advance, just because of the source from which it emanates. It is not only true that politics makes strange bedfellows; it makes strong haters. The Sons of the Revolution membership, however, is not made up of just Republicans or Democrats; it is composed of American citizens and in that spirit it is not that here is a plan proposed by Franklin Roosevelt or sponsored by the Democratic Party that should operate as a basis for either criticism or hesitancy. It is only the fact that here is a plan and what does the plan offer by way of solution? And here, again, I am reminded of those stirring lines by that master of human expression, Alfred, Lord Tennyson, when he said:

"Ah God, for a man with a heart, head, hand,
Like some of the simple great ones gone
For ever and ever by,
One still strong man in a blatant land,
Whatever they call him what care I,
Aristocrat, Democrat, Autocrat—one
Who can rule and dare not lie."

And also the concluding lines of the selfsame verse, applicable, as I believe, to every one called upon to accept the National Recovery program; to every one who is called upon to substitute

service for selfishness:

"And ah for a man to arise in me,
That the man I am may cease to be!"

In this behalf the plan is belittled by some because it is the asserted product of the alleged "brain trust." We ought not to be specially worried over the possibility of a brain trust having to do with its conception. I am hoping rather that the President will have some effective "backbone trust" to insure successful execution.

What America needs today is that industry shall consider the problem presented with an eye single to the eventual good of the nation. Prosperity, by and large, cannot come to individuals alone; it must come to the people as a whole. Emergency of the individual from his particular dilemma is but a faint ripple in the movement of the life stream of the nation. The general movement will determine the course of the ripple. What is best for my country will be best for me. What will contribute eventually to the greatest good and the highest destiny of America will conduce most to my own good. What will solve the nation's problems will solve, or at least help to solve, my problems. There is no royal road to learning, no easy road to prosperity, no means yet devised whereby a nation or an individual may lift itself by its own bootstraps. We can't forever tax ourselves to support ourselves; we can't forever continue to create jobs by governmental fiat; we can't ever bring prosperity save by the doing of those things upon which prosperity is based. Six thousand years ago the irrefutable truth was uttered: "Out of the sweat of thy face shalt thou eat thy bread." Work, labor, enthusiasm, devotion, loyalty, confidence, thrift, sacrifice, good faith—these shall save America even as these shall bring prosperity to the people of America. The institutions of America were created and have been maintained through the employment of vision, judgment, discriminating purpose, disinterested motiva-

tion, sacrifice, service and unending good faith—one with another. God helping us, we shall take no other course.

Many reasons may have been advanced for the promulgating of the National Recovery program, but one reason, and one only, in my judgment, existed. That reason was to keep civilization off the rocks. If you think civilization was not headed for the rocks, then please explain to me why we, here in Southern California, for example, favored, as we believe, by the gods, see want, distress and unemployment on every hand. Two months ago, in Los Angeles County alone, with a population of a little over two millions, over four hundred and seventy thousand men and women normally engaged in gainful occupations were actually out of work, so welfare officials told us. They also told us that these numbers were increasing at the rate of 600 per day; nearly two million dollars a month was then being spent by the County, in one form or another, for charitable relief of human need and the end was not in sight. The California State Chamber of Commerce reports that California's unemployment totalled, 831,000 persons last January; it reports 626,000 as of July. In Los Angeles County 8000 persons have been taken from the public relief rolls, a full 100,000 given employment and nearly 50,000 business concerns signed up for the full NRA program. This is all the result of the pending NRA campaign.

Civilization will last only as long as hope lasts, and hope cannot last when the threatened continuance of conditions, involves utter hopelessness. We can't hope forever to pay other peoples' way; and they won't hope forever to exist as the sheer objects of our bounty.

The basic and fundamental theses underlying the National Recovery program is that the Golden Rule, long accepted in our religious life, shall be consciously and definitely applied in our business life, and that the maintenance of our civ-

ilization demands that every man in industry—whether he works with his hands, or his brain—whether he renders a service or assumes a responsibility,—whether he produces or distributes—shall be in receipt of a reasonable reward or profit for the service rendered, the thing produced or the responsibility assumed. If no prospect or promise of reasonable reward be vouchsafed, no man will labor or strive; no one will produce, because production will in no wise contribute to satisfaction or happiness. The Golden Rule on its part lies at the basis of law and of civilization; we do unto others as we would that they should do unto us; we refrain from doing unto others what we know we should object to their doing to us; we prevent others from doing unto us what we know they would object to our doing to them. It is but a formula for the expression of that "good faith" that lies at the basis of all human associations.

To secure reasonable reward for thing done or service rendered, the fruits of production must be purchased by the consumer. To secure reasonable reward we must increase human purchasing power—in the presence of existing unemployment a thing painfully conspicuous by its absence or diminution. Therefore, any program calculated to be of aid must involve increase of purchasing power; that inevitably entails increase of employment and decrease of unemployment. If you haven't a job you can't buy anything—if you have a job you can at least buy something and you should be willing to buy it on the basis of its fair cost of production. There are now from ten to twelve million unemployed in the United States. It would do no good to use them to replace other men now already employed. That were an obvious injustice and would get us nowhere. It would merely stir up the waters of the stream without increasing its flow. It would simply mean *another shuffle*, not a *new deal*. Men not now working must be put to productive paying labor. Men now on the job must be

kept on the job, in receipt of the reasonable wages that shall continue to inspire hope in their hearts, and that shall provide a reasonable reward for the time spent and the thing done. To the end that others may share employment with them, for a time at least, their time at work must be shortened that others may have opportunity to work at all. Initially, additional employment will run ahead of additional purchasing power. Mounting costs of production will inspire increase of commodity prices. Money works faster than labor; it runs faster than recovery. But these are but ripples in the stream. The job ahead of us—the job to build up ability to buy, is not a mere before breakfast task; it is a full day's work with a part to be played by every man, woman and child in the nation with a little sacrifice to be suffered by everybody thrown in. Everyone must give a little; the employer need not pay higher wages but he must give at least the same or a clearly reasonable wage for shorter hours of service. He must, in the spirit of the Golden Rule pay the highest possible wage to which, in reason, his employees, under the circumstances, are entitled; the employee on his part, in like spirit, must render the greatest amount of service of which he reasonably is capable. The consumer, on his part, must realize that if our civilization is to live men must derive reasonable reward from the indulgence in reasonable effort; that things cannot, as a practice, be sold below cost; nor may the continuous program of getting something for nothing be contemplated. To pay higher prices for what we get because of increased costs of production, made necessary by the NRA program, is but to pay premiums for insurance against chaos. It is to ride against instead of with, riot and revolution. It is but to accord to others what we would expect them to accord to us, were the positions reversed. It is but to accept, avowedly and aptly, the principle of the Golden Rule. Try it.

Colonial War Luncheon

On September 12th a delightful luncheon was given at the California Club by Mr. George deB. Keim, Governor General of the Society of Colonial Wars, to some officers and members of the local Society of the Colonial Wars. A report of progress of the activities of some of the societies in the East was rendered by Governor General Keim and special reference made to the matter of the posting and monumenting of places of historical and Colonial interest in many of the Eastern States.

The occasion was marked not only by manifest felicity but also by a very informative understanding of the efforts being indulged in by the General Society for the preservation and more general appreciation of places intimately connected with the early growth and development of our country. The following were privileged to be in attendance as guests of the Governor General:

Col. Charles Harrison Haskell
 Col. Thomas Frank Cooke
 Lansing Glenn Lytle Sayre
 Spencer Roane Thorpe
 Cassius Milton Jay
 Edward Bouton
 Rt. Rev. William Bertrand Stevens
 Willis Milnor Dixon
 Colin Munro Gair
 Judge Benjamin Franklin Bledsoe
 Abram Cross Denman, Jr.
 Charles Colcock Jones
 Carleton Monroe Winslow

The cordial invitation extended in the June number of the Bulletin to Mr. Samuel Thomas Bledsoe, President of the Santa Fe Railroad, has borne fruit. Mr. Bledsoe's charming daughter, Mrs. Adelaide Bledsoe Cormack, a resident of Los Angeles, made her distinguished father a gift of a life membership in the California Society, and the recipient in turn made Mrs. Cormack's young son, Thomas Bledsoe Cormack, the gift of a junior membership in our Society.

IN MEMORIAM

CHAUNCEY LESTER HAYES, a member of the California Society, died in April, 1933. He was born in Grand Ridge, Illinois, July 26, 1861, and had been a member of the California Society since 1927. His Revolutionary ancestor was Andrew Hayes, of Connecticut. For many years he was a resident of Redlands, California, at which place he was the first president of the Y.M.C.A.

CHARLES PENNY LYNDALL, born in Santa Clara, California, September 1, 1855, died in Los Angeles April 27th of this year. He had been a member of the California Society since 1908, deriving his membership in consequence of the military services of Stephen Flannigan, of Pennsylvania. In addition to being a loyal and enthusiastic member and supporter of the Sons of the Revolution, Mr. Lyndall was a man of outstanding service and distinction in the halls of Freemasonry. For a long time he was an inspector of one of the Mesonic Districts in Los Angeles and in that position ever rendered faithful, conscientious and helpful service. His passing will be long regretted by those who were intimate with him, had seen some of the fine fruits of his loyal service, and were familiar with the kindly spirit that ever attended upon the performance of his fraternal duties.

DR. JOSIAH EVANS COWLES, born at Hamptonville, North Carolina, May 14, 1855, and a resident of Los Angeles for more than forty years, died at his home in that city on June 14, 1933. He had been a member of the California Society since 1894, and derived his membership through the Revolutionary services of Andrew Carson. Dr. Cowles was one of the most prominent figures in Los Angeles. Though appointed to a cadetship at West Point after competitive examination, out of consideration for his then state of health he declined the opportunity.

In addition to a large and remunerative practice carried on by him in Los Angeles, he held several important civic positions, for twelve years being president of the Playground Commission, as well as a member of the Board of Health and of the Lunacy Commission. The Y.M.C.A. and St. John's Episcopal Church, of which last named he was a Senior Warden for nearly forty years, also received much sympathetic support and attention from him. He was genuinely devoted to the cultural side of life, and in his home his many friends always found opportunity to consort with the best there was in music, art, and literature.

VOLNEY AYRES SPALDING, born in Los Angeles, December 26, 1888, and a member of the California Society, died April 25, 1933. He has been a member of our society since 1923 and obtained his membership therein through Revolutionary services rendered by Sergeant Oliver Spalding, of Connecticut.

MAJ. EDWARD HUGENIN PEARCE, born in Oakland, California, December 21, 1880, died in Los Angeles, May 24, 1933. He became a member of the California Society in 1923 through his ancestor Lt. John Trowbridge. Maj. Pearce rendered long and faithful service in the military branch of the Government. Upon graduation from the University of California in 1902, he was tendered a commission as Second Lieutenant in the United States Army, conferred as a result of his excellence in military science. There after, until the time of his death he was continually in service in one capacity or another. For some years he was in command of the Los Angeles recruiting district. He saw service in the Philippine Islands as well as in the Mexican Border concentration. During the World War he had charge of all matters pertaining to war risk insurance and liberty bonds in the Army in the eight states comprising the Western District thereof. He was also in charge of military training camps and matters affecting the Reserve Officers Training Corps and other reserves.

In addition to his membership in the California Society, he held membership in the Military Order of Foreign Wars, the Veterans of Foreign Wars and Society of Colonial Wars.

BEE WAYNE DeHART, born July 26, 1876, in Vernon, Iowa, and a member of the California Society since 1926, died in Gardena, California, July 16, 1933. His Revolutionary ancestor was Col. Jacob Mercereau, of New York. Mr. DeHart was related to both Gen. Stonewall Jackson and Gen. George Gordon Meade, of Civil War fame. After many years spent in railroad construction work in Nevada, Oregon and California, he became a Deputy State Real Estate Commissioner in California, in which position he served until the time of his death.

DAVID SPENCER PARKES, born September 15, 1873, in Dutchess County, New York, and a member of the California Society since 1924, died June 2, 1933, at Hermosa Beach. For many years he served as an accountant in the employ of the City of Los Angeles. His Revolutionary ancestor was Edward Heston, of Pennsylvania.

George Washington
1777.

Dear Sir

I have been furnished with your Letter of the 7th Inst. (You please so politely as to urge so many reasons to leave this country that I cannot refuse your request, altho' it is with regret because the American goes out to the principal cause of your application. However, you have not expressly stated, But still, I presume your serious disposition of, are just and should be approved if it your marriage with the British Officer. You will be pleased to accept my best wishes for your mutual happiness, & to make a tender of my Compliments to your Father & Friends upon the occasion.

I am Sir
with esteem & regard
Yr most Obedt Servt
G. Washington.

Thos Nelson Junr Esq.

A Newly Discovered Washington Letter

Through the courtesy of two of our members of the California Society, Messrs. Jo R. and Samuel J. Coffman, we are privileged to reproduce herein a facsimile cut of a letter written by George Washington in 1777. The writing of this letter has long been known and frequently referred to, but complete ignorance has obtained as to its whereabouts until recently.

Mrs. Lucy Page (Anderson) Coffman, of Ivy Depot, Virginia, in 1928, then being eighty-seven years of age, decided that she would go through her mother's trunk then reposing in her attic, and which had been unopened for over fifty years to see if it possessed any articles of value. She found therein, among other documents, including letters from both Thomas Jefferson and Jefferson Davis, the original Washington letter

reproduced herein.

It was written by General Washington to Capt. Thomas Nelson, Jr., from the General's headquarters, and was occasioned by the request of Capt. Nelson that he be furloughed that he might marry Miss Sally Cary, daughter of Wilson Miles Cary, of Virginia. Mrs. Coffman's mother was a Miss Mary Baynham Nelson, a granddaughter of the Capt. Thomas Nelson, Jr., to whom the letter was addressed. The Sally Cary referred to in the letter was a niece of Mary Cary, to whom, tradition has it, in his earlier days General Washington himself had paid court. His aspirations in this particular behalf, however, met with the refusal of the father of Miss Cary because of his asserted impecunious financial status. It is supposed, of course, that Mr. Cary changed his mind thereafter with respect to the undesirability of George Washington as a prospective son-in-law. General Washington

and Mary Cary did correspond, however, until the General's death, as extant letters prove.

Capt Thomas Nelson was a grandson of the Thomas Nelson who immigrated to America in 1691 and founded Yorktown and built the first custom house in the New World, which still stands. The letter here reproduced, though referred to many times previously, has never found publication before, as we believe, and the interest attaching to it, not only because of the persons concerned but also because of the romances involved, makes it a distinct contribution to Revolutionary literature.

Community Chest

Blotting out boundaries of state, county, and city, in a united war on depression, men and women of the nation are rushing to answer the call to service from President Roosevelt in the mobilization for human needs for 1933.

Community Chests throughout California and the nation are facing the direct responsibility of caring for the needs of those who are not direct victims of unemployment, and who are ineligible for aid through governmental funds. A brief summary shows that the Los Angeles Community Chest agencies must care during the coming year for 9100 orphans; supply 18,000 school children with food and milk, through its Parent Teacher Associations; give 5600 children hospitalization of all kinds; examine and treat in its health clinics 55,000 children; aid in character-building institutions 87,000 more children; care for 42,000 needy families; and furnish some 116,000 transients—homeless men and boys—with shelter, food, and other life necessities. Other community needs are proportionate.

For the character-building and preventive agencies funds are vitally needed for stimulating the morale and character of thousands of unemployed, discouraged young people.

Being the descendants of the founders of this country, it is fitting that Sons of the Revolution should be marching in the front ranks of this great army of rehabilitation and reconstruction. We can all serve by giving more—not only in our individual Community Chest contributions—but of our time, our thoughts, our actions, and ourselves. We can form throughout the state of California, as part of the living bridge spanning the nation, our own regiment of volunteers who will carry this humanitarian message to the people.

No Patriotic Monopoly

By JOHN VERNON BOUVIER
*General President, Sons of the
Revolution*

An alert watchfulness over our political institutions is mandatory upon every citizen who enjoys the Constitutional rights and immunities of a Representative Democracy. The duty applies to the best as well as to the least of us nor should the latter permit a recalcitrant modesty to obscure their sense of usefulness.

The detached efforts of the individual to guard our rich political heritage are concededly of immense importance but disciplined, concerted and systematic endeavor is of incalculable value when operating in mass and with the irresistible pressure of numbers. Hence it is that patriotic societies discover their complete justification for separate existence and hence, too, they should, by every thoughtful citizen, be encouraged and sustained.

In this aspect there cannot be too formidable a number of patriotic organizations directing their efforts towards a common objective in the safeguarding of the Constitutional Rights and Privileges made possible by the Builders of our nation and handed down for the use and benefit of succeeding generations. It is perhaps due to the discouraging fact that relatively so small a part of our citizenry appreciates or understands the intrinsic value of our political system that patriotic organizations are not numerically on a scale commensurate with our general population in the vast territory that, as a Nation, we occupy.

"Undemocratic" has not infrequently been the term applied to those societies which, as a condition precedent to membership therein, require a Revolutionary ancestry. The charge is not dissimilar to that levelled by Judge Burke of South Carolina in 1784 against the Society of the Cincinnati which, he declared, attempted to create a "privileged class and an hereditary

peerage," ultimately designed to divide the State into two orders: "Patricians or Nobles and the rabble," the while "planted in fiery ambition and thirst for power." Indeed the Boston Chronicle called upon the electors to petition the legislature for its suppression.

It was in the vicinity of Temple Hill, where Washington refused the Crown that on May 10, 1783, the Commander-in-Chief, in association with Alexander Hamilton, the Marquis de Lafayette and Lieut.-Col. Ebenezer Steven, together with other officers of the American Army, instituted the Society of the Cincinnati to effectuate the "laudable purpose of inculcating the duty of laying down in peace, arms assumed for public defense" and "to unite in acts of brotherly affection and hands of perpetual friendship" the members of the Order.

Qualifications for membership in any patriotic society are entirely warranted since interests peculiarly affiliated by birth or contact may be expected to work with livelier esprit and mutual understanding. Differentiation, in the nature and character of the qualifications for membership therein, may properly be created where each several organization composed of mutually attracted elements is in virtue of a common quality calculated to put forth its concerted efforts with energy and confidence.

Thus various groups, whatsoever their requirements, are aiming at an identical objective; the preservation of the political structure that converted in 1787 the American Nation from a hope into a rivalry. These bodies may naturally embrace the military and the civic, the professional and the industrial since the Nation's life, which measures their own, should properly be the concern of every lover of his country.

Let there be therefore patriotic societies of doctors, of lawyers, of financiers, of scientists, of artisans, of those claiming Revolutionary descent, of those whose forebears fought in the War of

1812, of those who are descendants of our internecine strife of 1860, of those who either engaged or whose progenitors were occupied with the Spanish American conflict and of those who in 1917-1918 struggled to "make the world safe for Democracy."

However numerous the organizations, the patriotic purpose should be uppermost while for its attainment all may unite in co-ordinated and courageous groups dedicated to the conservation of our political institutional system whereby our country may continue to rejoice in the possession of those fundamental rights and liberties that insure for us our place in the sun.

Fiftieth Anniversary of Standard Time

Among the names of those who have attained pre-eminence as original thinkers and originators of useful inventions, must be included that of Dr. Charles Ferdinand Dowd, A.M., Ph.D. (1825-1904), to whose unwearied efforts the people of America are indebted for the great benefits derived from the adoption of Standard time.

Standard time was first conceived from Dr. Dowd before 1860. It was first presented in pamphlet form in 1870. However, it took many years of tireless work in perfecting and presenting this system to railroads and government before it was accepted.

Dr. Dowd was graduated from Yale College in the famous class of 1853, with such men as Andrew D. White, Edmund Clarence Stedman, Geo. W. Smalley, Justice Geo. Shiras, Wayne McVeigh and Isaac Hill Bromley.

It is related that Chauncey M. Depew, once being asked whom he considered the most famous member of the class of '53, replied that, judged by the importance of his achievements, Dr. Charles Ferdinand Dowd was not only the most famous member of his class, but entitled to the distinction of being the most famous Yale graduate.



Honors to Our President

Our honored President, Dr. W. W. Beckett, in addition to the performance to his customary and routine duties as Vice-President and Medical Director of the Pacific Mutual Life Insurance Company, finds time to engage in outside activities, all contributing to civic betterment and development. At a recent meeting of the Los Angeles Breakfast Club, a unique social organization of Los Angeles which meets each Wednesday morning for breakfast and the renewal of pleasant associations among its hundreds of members, and which organization finds opportunity to entertain all of the leading celebrities that come to our city, Dr. Beckett was installed as President of the organization. His incumbency of that office will bring new dignity to the institution and contribute materially, we doubt not, in the achievement of the purposes for which it is being maintained. No one is a finer exemplar of real comradeship than is our distinguished President, and no one can radiate good fellowship of a more ap-

pealing sort than can he. We share with the Breakfast Club the pride that comes to all of us in having Dr. Beckett as presiding officer.

Dr. Beckett, in addition to a long professional life, filled with years of purposeful endeavor and high achievement, has been for many years a member of the Board of Trustees of the University of Southern California, and has lately been very instrumental in re-establishing the School of Medicine therein. In recognition of his distinguished service and long support of the institution, he was the recipient recently of the 1933 Asa V. Call Alumni Achievement Trophy which is awarded each year to the alumnus who, by reason of his achievement, has brought the greatest honor to the university. No more fitting recipient of this splendid token could have been named, and it is but just recognition of the many years of service and contributions both of time and of talent bestowed by Dr. Beckett upon his alma mater.

Members of the California Society of the Sons of the Revolution are again reminded of the monthly luncheons held at the headquarters of the Society, 437 S. Hope Street, on the last Thursday of each month.

At the meeting on August 31st Judge Myron T. Westover, of the Superior Court of Los Angeles, delivered an address. On the occasion of the next meeting to be held September 28th at 12:15, to which members of the Society are asked to be in attendance, Dr. Bruce Baxter will be the luncheon guest and speaker. Remember it is necessary to make reservation in advance in order that provender may be provided for all.

Genealogy

CARTWRIGHT NOTES

Can anyone supply the parentage and early ancestry of Thomas Cartwright who was born in Virginia (?) in 1781 and came to Smith Co., Tenn., before

1812. He had brothers, one of whom was named James.

His children: (1) Asberry b. 1812 who had children—(Alonzo; Thomas J.; James S.; John Wesley; Flavis; Otis; Louis A.; Rufus; and 6 daughters (2). James who had a son William; (3) Addison; (4) Wesley; (5) Harvey (1822-1867) m. Ann Pistole; (6) Richard; (7) Mathilda.

Harvey (Thomas) had children: (1) Louisa Jane; (2) Amanda F.; (3) William Ashley b. 1855, m. Margaret Rutledge; (4) Mary S.; (5) Thomas J.; 4 daughters who died in infancy. Thomas J. (Harvey), (2) Thomas (1) had Ridley who died young; Perry V. b. 1889.

William Ashley and wife Margaret had: (1) Mary Della b. 1883; (2) Leah Genevieve 1884; (3) Thomas Joseph b. 1886, child Patricia Ann; (4) W. Frances b. 1888; (5) Peter b. 1890, children, Margaret E. 1923 and W. Francis, 1925; (6) Annie Katherine b. 1892; (7) Louis A. b. 1894, children; Alonzo, 1923 and Keith H.; (8) Bernard Harvey b. 1898, children, B. Harvey, 1931 and Carol Ann, 1932; (9) John A. b. 1901, children, Billie Jack 1927, and Jo Nell, 1929; (10) James Austin b. 1904.

Data from Peter Cartwright of Boerne, Texas. (1933).

SAMUEL Cartwright 1st., from Virginia—date of birth unknown. Married twice. Said to have had a brother James. Children by first wife: Thomas b. 1811 m. Polly Fisher; Dennie, Mintie; Hezekiah. By second wife: William; Joseph; Susan, m. — Pully; Elizabeth m. — Moore. The latter children removed to Illinois.

THOMAS (Samuel) m. Polly Fisher. Their children: John; Philip; Samuel born 1843 in Wilson Co., Tenn., m. Alice McCoy; Henry born 1844; William; Hezekiah; Thompson; Silas; Erastus born 1865; Luezy; Martham; Caroline.

SAMUEL 1st., from Va., to Tenn.,

died in Ky. Was he the grandson of John b. 1725 and the brother of Thomas born about 1781 of Smith Co., Tenn.? Both had a brother James.

Data from Henry Cartwright (son of Samuel born 1843) of Madisonville, Ky.

CARTWRIGHT DATA — From the family Bible of Mrs. W. C. Spangle of Goliad, Tex.

Grandparents of William C. Cartwright, Peter b. May 7, 1746; d. Nov. 12, 1807. Wife—Ann Cartwright, b. Aug. 13, 1746; d. Oct. 20, 1828.

William Cartwright, b. Feb. 20, 1792; d. Apr. 4, 1849. Wife—(Martha Fuller). Martha C. b. Feb. 12, 1793; m. June 4, 1809. (Parents of William Carrol Cartwright). William Carol Cartwright was b. Jan. 17, 1826; he died May 12, 1871; wife Sarah Jane Brandon b. Oct. 22, 1827; d. Oct. 4, 1852. Children: Martha Alice was b. June 14, 1852 and d. Oct. 12, 1852; 2nd wife Emily. Children: William Henry b. June 25, 1858; d. Jan. 6, 1888; Joseph Peter b. Sept. 25, 1859; d. Jan. 30, 1887; Mollie b. April 2, 1861 and d. Nov. 15, 1889; Frankie Rives b. April 12, 1864; d. April 7, 1898; Leah Nilla b. Mar 16, 1867; d. April 10, 1894; Robert Lee b. Sept. 20, 1868; d. Nov. 3, 1900; (youngest child of William and Emily Cartwright).

Emily R. Cartwright 2nd wife of William Carrol Cartwright, was b. July 23, 1829; d. May 18, 1894; their two oldest children: Ellen Brown b. May 18, 1855; d. May 16, 1898; Sallie J. Carstens b. May 5, 1857; d. Nov. 4, 1893.

Peter of 1746 was probably the son of John of 1725 who m. Sarah Miller. Peter m. Ann Beasley and they d. in Tenn.

BLEDSON

Correction of Samuel T. Bledsoe's Lineage

(1) George of Va.; (2) William who m. Elizabeth Stevens; (3) Joseph

who m. Elizabeth Miller; (4) Elijah b. in 1771-2 who m. Judith Jameson; (5) Thomas Walker Miller b. 1812; m. Mary Winfrey; (6) Elijah b. 1841; m. Otilia Snow; (7) Samuel Thomas Bledsoe.

These data were compiled from census records of Kentucky, wills and personal knowledge of Mr. C. B. Graves of Glendora.

The following Bible records of Moses Bledsoe (brother of Elijah b. 1771) were contributed by Miss Pearl Nicolson of Kirksville, Mo.

(Moses Bledsoe m. first Sally Tandy; 2nd Lucy Jameson).

MOSES BLEDSOE. From the family Bible of Rev. Moses Bledsoe, purchased by him in 1804.

Moses Bledsoe and Lucy Jameson Bledsoe his wife were m. on the 2nd day of March, 1797.

John Porter and Lucy Bledsoe, wife of Moses Bledsoe, were m. on the evening of the 14th day of July, 1811. BIRTHS: Juditheller (?) Bledsoe, b. Dec. 13, 1799; Jane Baylor Bledsoe, b. Dec. 13, 1799; Pamela Bledsoe, b. Sept. 28, 1801; Betty Bledsoe, b. July 1, 1803; Lucy Virginia Bledsoe, b. Sept. 15, 1805; Dulcinea M. Bledsoe, b. May 21, 1809; Moses Bledsoe, b. July 6, 1807; Elizabeth Miller Bledsoe, b. Apr. 1, 1798; Asa Wirt (?) Porter, b. May 2, 181—; Sophrona J. Porter, b. Jan. 21, 1814. DEATHS: Rev. Moses Bledsoe d. Oct. 4, 1809; Jane Baylor Bledsoe d. Dec. 24, 1799; Elizabeth Miller Bledsoe d. Oct. 20, 1800; Betty Bledsoe d. Oct. 21, 1805; Juditheller Bledsoe d. July 13, 1809; Moses Bledsoe, Jr., d. Aug. 24, 1808; Sophrona J. Porter d. Feb. 3, 1814; Asa W. Porter d. Aug. 18, 1830.

Dulcinea M. Bledsoe was m. to Micajah V. Harrison at Mt. Sterling, Ky., in 1830. She d. in 1874. M. V. Harrison d. Apr. 23, 1855.

CAMERON DATA: (1) William Cameron who was supposed to have

come from Scotland. Served in the War of 1812, under the command of General Jackson at the Battle of New Orleans. Married 1st Frances Nolan by whom he had 3 children born in White Co., Tenn. After the death of his wife he removed to Alabama where 5 children were born. He is buried in Putnam Co., Tenn., with his first wife. Children: John, Elizabeth Ann b. 1801; m. Fred Sailoys; Elisha b. 1804; m. Mary Ann Hudson in 1825; Alexander, William and Sarah by 2nd wife. JOHN b. June 3, 1799; m. Elizabeth Lee, Mar. 19, 1818, daughter of Roland and Kizziah (Brammer) Lee b. in White Co., Ill. Children b. in Hancock Co., Ill.

He died there Oct. 23, 1866; 13 children:

(1) William b. Dec. 12, 1818; d. Apr. 16, 1820.

(2) Susannah b. Apr. 13, 1820; m. Mar. 16, 1839; William Dye; d. Nov. 8, 1908.

(3) James b. Nov. 24, 1821; m. Mar. 21, 1845 Almira Ballou; d. in 1850 in Calif.

(4) Sarah b. Dec. 12, 1823; m. 1844 Stockley S. Rhea; d. in Ill., May 15, 1850.

(5) Elisha b. Aug. 9, 1825; m. Elizabeth Roberts in 1845; d. in Kansas, Feb. 1, 1901. His children: (1) Nancy Jane m. Levy J. Smith; (2) John m. Lucy Rhea; (3) Alexander Lee unmarried; (4) Minera Adaline m. Sylvester Sines; (5) Isabel m. Frank Shelman; (6) Jessie m. William Wiley; (7) Mary Elizabeth b. 1865; m. John M. Mannahan; (8) Ida m. Marion Woodside.

(6) Kezziah b. Aug. 19, 1827; m. Henry Robinson, Mar. 18, 1847; d. Decator, Kans. in 1911.

(7) Fidella Frances b. July 20, 1829; m. R. R. Owen in 1858; d. in Santa Rosa, Calif., in 1919.

(8) Margaret b. Sangamon Co., Ill., Dec. 4, 1831; m. Moses F. Print in 1859.

(9) Lovine b. Sept. 14, 1834; m. Jas.

Tolman, Sept. 30, 1858; d. in Barton Co., Mo., May 22, 1916.

(10) Martha b. Mar. 19, 1836; m. Dec. 20, 1860 Thomas B. McCubbin; d. in Fresno Co., Calif., Jan. 16, 1890. Her children: (1) Hugh McCubbin b. Mar. 4, 1862; d. 1878; (2) John Cameron b. Hancock Co., Ill., Sept. 4, 1863; m. Lucy M. Terry in Fresno Co., Nov. 2, 1892; (3) Rue b. Nov. 13, 1864; m. Robert E. Feb. 12, 1883; (4) Ruth (twin) d. 1865; (5) Dove b. Nov. 10, 1866; m. Warren C. Bennett; 2nd Laza Emerson; (6) Pet b. July 8, 1776; d. 1879.

(11) Andrew Jackson b. Dec. 19, 1838; m. Julia Wilson 1860; d. Peoria, Ill., in 1910. Teacher and merchant. Graduate of Abingdon College.

(12) Jemina b. Sept. 9, 1839; m. John C. Paxton Aug. 16, 1861; d. in Fruitland, Ida., in 1929.

(13) Jane b. Nov. 13, 1841; m. D. E. Browning in 1863; d. in Oklahoma City in 1918.

JOHN CAMERON McCUBBIN
2nd son of Martha Cameron, wife of Thomas McCubbin m. Lucy M. Terry in Fresno Co., Calif., Nov. 2, 1892; she d. Dec. 16, 1895. Children: (1) Bruce b. Aug. 3, 1894; m. Gladys Kattelman, Nov. 27, 1930; (2) Grace b. Dec. 9, 1895; m. Edward H. Spooner Apr. 14, 1917; one child Terry Heath b. Dec. 27, 1923.

This chart was compiled by John C. McCubbin, 2109 E. Glenoaks Blvd., Glendale.

NEW MEMBERS

THOMAS BLEDSOE CORMACK (JUNIOR)

Born in New York City, N. Y.

Son of Bartlett Cormack (1898—) and Adelaide Maurine Bledsoe (1901—) m. 1923.

Grandson of Samuel Thomas Bledsoe (1868—) and Talitha Bernhard (1875—) m. 1898.

Great-grandson of Elijah Bledsoe (1841-1906) and Otilla G. Snow (1848—1875) m. 1865.

Great-great-grandson of Thomas Walker Miller Bledsoe (1812-1860) and Mary Winfrey (1822—).

Great-great-great-grandson of Elijah Bledsoe (1771-abt. 1850) and Judith Ball Jameson (abt. 1787-aft. 1867).

Great-great-great-great grandson of THOMAS JAMESON, born in Culpeper Co., Va., in 1743; died in Montgomery Co., Ky., 1827.

He furnished money and arms for the Continental army during the Revolution and served as a soldier.

History of Culpeper Co., Va.

D. A. R. Lineage Book 69 page 22.

Vol. 1 Court Records of Ky. by Ardery page 98.

Census of 1850.

Personal knowledge of Mr. C. B. Graves of Glendora.

LEONARD HUNTRESS

1848

Born in Lowell, Mass.

Son of Dr. Leonard Huntress (1848-1927) and Elizabeth Eagleham (1861—).

Grandson of Leonard Huntress of Tewsbury, Mass., and his wife Lydia Ann McKinnon.

Great-grandson of Joseph P. Huntress (1790-1848) and Sally Chesley (1791-1847).

Great-great grandson of JAMES CHESLEY (abt. 1750-1851) aged 100

years at death; m. Elizabeth Downing Furber who died in Rochester, N. H. abt. 1801.

James Chesley served in Capt. Wm. Harper's co., mustered July 16, 1776.

N. H. State Papers Vol. 1, page 312.

D. A. R. Lineage Book 25, page 276-7.

N. E. Reg. Vol. 5, page 267.

V. S. of Tewksbury and Lowell, Mass.

LOUIS CLAYBORNE PHILLIPS (LIFE MEMBER) 1849

Born near Cambria, Calif.

Son of Louis Pierce Phillips (1854-1919) and Elizabeth Cassanna Beckett (1855—); m 1878.

Grandson of Lemuel Daugherty Beckett (abt. 1812-1885) and Sarah Springer Chew (1820-1905); m. 1839.

Great-grandson of Ephram Bee Beckett (1775-1855) and Hannah Turner (1787-1864)

Great-grandson of Rev. Josiah Beckett (—1814) and Sophia Bee (—1784).

Great-great-grandson of WILLIAM BECKETT and Sarah Jennings.

William Beckett, the patriot, was confined by the British on the Prison Ship "Jersey."

Jersey Ship Prisoners, page 452.

Original papers of Dr. W. W. Beckett No. 222.

SAMUEL THOMAS BLEDSOE (LIFE MEMBER) 1850

Born in Clinton Co., Ky.

Son of Elijah Bledsoe (1841-1906) and Otilia G. Snow (1848-1875); m. 1865.

Grandson of Thomas Walker Miller Bledsoe (1812-1860) and Mary Winfrey (1822—).

Great-grandson of Frank Holley Winfrey (1795/6-1855) and Catherine Graves.

Great-great-grandson of THOMAS GRAVES, born in Louisa Co., Va., Oct. 1763; died in Cumberland Co., Ky., abt. 1846-7 at the home of his daughter, Catherine Winfrey.

Served in the Revolution under the command of Capt. Chas. Yancey in Gen. Lafayette's line in 1780. In 1781 he was one of four appointed by Gen. Washington to carry expresses.

Authorities.

Pension Report.

Census Record for 1850—Cumberland Co., Ky.

New Eng. Reg. No. 89, page 99.

Personal knowledge of C. B. Graves of Glendora, great-grandson of soldier.

GILES STARK HALL 1851

Born in Los Angeles, Calif.

Son of Dr. Giles Stark Hall (1869—) and Louise Sinclair Hobbie (1877—); m. 1901.

Grandson of George Coley Hobbie (1846-1932) and Helen L. Stephens; m. 1872.

Great-grandson of Uriah Hobby (1798-1878) and Sophia Wilcox (1817-1897); m. 1842.

Great-grandson of Thomas Hobby (1770-1854) and Mary Ferris (1786-1866).

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The BULLETIN

- Great-great-grandson of Thomas Hobby (1746-1801) and Hannah Holmes
(—bef. 1777).
- Great-great-great-grandson of LT. COL. THOMAS HOBBY, born in
Greenwich, Conn., Jan. 6, 1723; died in Greenwich, July 30, 1798.
Major 5th Conn., Lt. Col. in Bradley's regt., Conn., Militia May 1776.
Heitman's Register (Officers), page 293.
History of Greenwich, Conn.
Original Papers of George Coley Hobbie, No. 868.
- ROBERT TOWNSEND MINTON** 1852
Born in Owensboro, Ky.
Son of Henry Joshua Minton (1876—) and Lula Hause Poindexter (1879
—); m. 1898.
Grandson of Samuel Hause Poindexter (1833-1903) and Martha Mason
(1837-1889); m. 1858.
Great-grandson of Col. Samuel Poindexter (1794-1875) and Elizabeth Curd
(1802-1866); m. 1821.
Great-great-grandson of Maj. John Curd (1760-1838) and Nancy Williams
(1762-1846); m. 1787.
Great-great-grandson of CAPT. JOHN CURD, born in Goochland
Co., Va., 1726; d. 1785 in Ky.; m. Lucy Brent 1759.
He served as a Captain in the Virginia Militia (1778-1781), Goochland Co.
His son also served as a private in the militia.
Heitman's Register, page 181.
D. A. R. Lineage Book, Vol. 96, page 161.
Douglass Register.
- NATHANIEL JOHN SIMONDS** 1853
Born in Mitchel Co., Kansas.
Son of Nathaniel Putnam Simonds (—1930) and Ellen Elizabeth Duncan
(—1929).
Grandson of Nathaniel Gerry Simonds (1812—) and Sarah Wadleigh
(1813—).
Great-grandson of Jacob Putnam Symonds (—bef. 1727) and Rhoda Berry
(1775-1827); m. 1800.
Great-great-grandson of JAMES SYMONDS (1742/3-aft. 1790) and Mehi-
table Putnam; m. Salem, Mass., Dec. 22, 1763.
Served in Col John Mansfield's regt. Enlisted in 1775 for town of Salem.
Also Capt. Richardson's co.
Private Essex Co., Militia.
Nathaniel Putnam Simonds was a member of S. A. R. in Missouri, No. 907.
Mass. S and S in the Revolution, Vol. 15, page 336-7.
V. S. of Salem and Salisbury.

MEMORANDUM ON COURSE TO BE FOLLOWED BY ADMINISTRATION
AS A RESULT OF SUPREME COURT HOLDING THAT NATIONAL
INDUSTRIAL RECOVERY ACT IS IN LARGE PART UNCONSTITUTIONAL

The problem of the course to be taken by the Administration as a result of the Supreme Court decision holding NIRA unconstitutional must be approached from the double standpoint of what needs to be done in the public interest and of how to devise a line of policy which will win public support, rather than antagonize it.

No one can, without stultifying the history of the Administration, and admitting that its policy has been completely erroneous, take the position that the public interest does not require the maintenance of purchasing power through increased employment and a decent level of wages, and through the prevention of price wars and price collapses which drive wages down and produce unemployment. The entire policy of the Administration in its agricultural, no less than its industrial, program, has rested on this theory. The President committed himself to it in the most sweeping terms when he signed NIRA.

If this policy is unsound for the nation, it ought, of course, to be abandoned in the public interest, irrespective of the political result to the Administration. However, that it is not unsound, but on the contrary just what the nation has needed, seems proved by the amazing improvement in business conditions shown by rising profits and increasing levels of productive activity since the Administration's program went into effect.

Accordingly, for the Administration, through action or inaction, to put itself in the position of repudiating or abandoning its major line of policy and the theory underlying it would not merely stultify it politically, but would deal the severest blow to the continued progress toward recovery. The Administration must make perfectly clear that it still believes in, and will do everything in its power to promote, the policy of maintaining and increasing payrolls and of preventing destructive trade practices which, through the resulting losses to workers and investors alike, impair the nation's ability to buy the national output.

The problem before the Administration is how to promote, and indicate that it is promoting, this policy in such a way as to maintain continued popular support for it, rather than leave the impression that the Supreme Court decision has caused it to admit that it has all along been in error and that all that it has done has been a mistake. This is a problem of especial delicacy, since whatever course is taken must be so shaped as not to produce the impression that the Administration is defying the Supreme Court or flying in the face of its decision. The two rocks between which the Administration must steer are on the one hand to produce the impression of disrespect for the Court and on the other to give the effect that its policy has been a failure and that it is compelled to retract.

Three broad courses are open for the Administration to take. The first is to go forward with its program substantially unaltered, and seek to devise some new type of compulsory recovery act, resting on some different constitutional basis, but differing only in technical respects and details from the act declared unconstitutional. This course has properly been rejected as certain to put the Administration in the position of disregarding the Court's decision and seeking to circumvent it by disingenuous legerdemain. It may be dismissed at once.

The second course which might be pursued is for the Administration to do absolutely nothing in the way of seeking to give new governmental supports to the business policy which NRA has been promoting, but to permit that policy to disintegrate and crumble away in the event that it cannot maintain itself without governmental stimulus and assistance.

The arguments in support of this second line of policy are that it is the best evidence of the Administration's desire not to defy the Court and also that if it results, as it must result, assuming the economic soundness of the theory on which NIRA was based, in a check to the progress of recovery, the consequences will be chargeable not to the Administration, but to the Court. It is argued, quite properly, that the Court decision renders a compulsory NIRA out of the question and it is then urged that anything short of a compulsory NIRA is bound to prove ineffective. Therefore, anything that the Administration might do within the limits of the Court decision would be certain to fail of achieving the results expected by the public, and the Administration, by adopting some sort of half-measure, would create a wave of new popular confidence and reassurance which would inevitably be disappointed with the burden of the consequent blame falling on the Administration.

The chief points of this argument are that no really effective policy would be constitutional in any event, and that the adoption of a constitutional but ineffective policy would leave the blame of failure on the Administration, while inaction, on the other hand, would protect the Administration from blame and cause responsibility for the inevitable economic consequences to fall where it properly belongs, namely, on the Court.

For the purpose of analyzing this argument, let us accept for the time being the view on which it rests, namely, that any measure that would be constitutional would not satisfy the hopes that its adoption would raise. Assume this to be the case and that in the course of time the ineffectiveness of such a measure would become apparent, is there any danger of a like revulsion of feeling against the Administration in the event that a policy of inaction should be chosen?

Two things must be remembered with respect to public opinion - first, that its memory is short and second, that it does not ordinarily draw the distinctions, even the broad distinctions, which are drawn by the lawyer. Assume that as a result of the destruction of NRA economic conditions become bad enough in six months, or four months, or even two months, for the public to recognize the downward turn. By that time it would seem quite likely, even inevitable, that memory of the Supreme Court decision in the NRA case will already have become dim, unless in the interval a continual barrage of criticism shall have been kept up against the Court, a course which the popular reaction to the President's newspaper conference of May 31 indicates is too hazardous to be adopted. Meanwhile, it is to the Administration that the public mind in the past two years has learned to look for action and leadership. In the event of such a downward turn, realized for the first time after the Court decision has been more or less forgotten, the Administration will as certainly be accused of having brought on the decline by its failure to take action as it would be if the decline took place after the Administration had adopted some half-way form of action. This result is the more sure to occur, since the public generally does not recognize and cannot be brought to recognize that the Supreme Court decision has done anything more than to invalidate the NRA organization in the form in which it has up to now existed. There is no general recognition that the decision of the Court goes much further. Accordingly, there is a widespread public impression that it is possible for the Administration to do something effective and this impression will not be dispelled by a decision on the part of the Administration merely to do nothing. On the contrary, if such a decision to do nothing should be followed by an economic decline, there seems every reason to suppose that the decline would be attributed to the Administration's failure to act because of the public belief that it can act. The Administration will thus be subjected to as much blame for not acting as it would incur by taking some form of action, however ineffective.

Furthermore, assume that the Administration does not act and that the inevitable economic decline is comparatively slow in manifesting itself during the intervening period. Suppose that without any action by the Administration and with NRA out of the picture, economic conditions for the time being remain on the surface relatively satisfactory. If this should be the case, time will be given for the impression to sink into the minds of the people that NRA was unnecessary all along and that the continuance of relatively satisfactory conditions without it is proof that the Administration's aid and leadership had nothing to do with recovery and are not essential for its continuance. In other words, a policy of inaction runs the risk of discrediting the Administration if economic conditions should fail for a time to grow noticeably worse, since under such circumstances it would certainly be used to deprive the Administration of the credit it has already won for improving them by affirmative action. Thus, in either event, i.e., whether economic

decline should begin to show itself soon, or whether conditions remain for the time being largely as they are, an inactive policy is practically certain to bring loss of prestige to the Administration.

Furthermore, and wholly irrespective of whether economic conditions decline or not, there is an additional factor tending to make a policy of inaction result in discredit to the Administration. This is the fact that for the past two years the business and labor groups of the country have grown accustomed to have the Administration take definite action to aid them in their difficulties. They are all for the moment feeling difficulties of one kind or another more or less severe as a result of the NRA decision and are turning to the Administration for guidance and helpful action. If the Administration now insists for the first time on remaining completely inactive and ignoring these appeals, the result will be widespread disappointment and dissatisfaction and consequent attitude of mind towards the Administration which will subsequently bring down on it the blame for whatever this or that group may find unsatisfactory in later developments. This is because as above indicated these groups do not recognize the full import of the Supreme Court decision and will simply accuse the Administration of adopting a policy of inaction out of pique against the Court and for the purpose of discrediting its decision. On the other hand, any effort to make plain the full import of the decision at the present time will be misconstrued as an attack upon the Court.

Lastly, the Administration has won and maintained the very widespread measure of popular confidence, which it has enjoyed largely because it has not been a "do-nothing" administration, but on the contrary has offered a positive policy and a leadership of action. For it suddenly to assume a role of inactivity in the face of the destruction of one of its major organs of policy would deal a severe blow in the popular mind to the belief that the Administration can be trusted and would almost certainly cause a lack of confidence in its leadership and a belief that it had lost its sense of direction and its confidence in its own policies.

Therefore, for all the different reasons above outlined, it seems clear that a policy of inaction on the part of the Administration is certain to bring decidedly more blame and discredit upon it, both immediately and ultimately, than could result if it adopted some half-way and not completely effective measure which might later produce a certain amount of dissatisfaction by failing to bring about all the good results expected of it. Any such measure, even if only half way effective, would be comparatively slow in disclosing its ineffectiveness. For the time being it would serve a valuable economic purpose by tiding over the situation before its ineffectiveness became apparent. In the meanwhile it would give assurance of the Administration's sincerity, of its continued faith in its policies, and of its determination to go as far as possible within the law to maintain the beneficial effects of those policies. If then, after

trial, it became definitely clear that such a half-way measure or measures were ineffective, the Administration would be in much better position to ask popular support for granting it fuller powers and in doing so to avoid the charge that it was simply engaged in a warfare of resentment against the Supreme Court for invalidating a pet piece of legislation.

Wholly apart from the question of the temporary economic benefits which might be expected to result from some half-way measure, and apart from the question of the balance of advantage to the Administration from promoting such a measure, there is one larger consideration which ought not to be lost from sight. Continued confidence on the part of our people in the Administration's sureness of purpose, sense of direction and ability and willingness to act seems absolutely essential at a time of confusion like the present, if the country is not to fall into political chaos between discordant groups of extremists. If the people come to believe that the Administration has lost its sense of direction and its firmness of purpose, the prestige of the Administration will be destroyed and can never be restored. The maintenance of the prestige of the Administration is the one hope for the triumph of moderate and constructive policies, as against extremes of mob-policy on the one hand and reactionary policy on the other. The preservation of a belief in the Administration's active leadership is a national asset which in the public interest the Administration should preserve.

If on the basis of the foregoing considerations it should be regarded as desirable that the Administration should formulate within the constitutional limits open to it some half-way substitute for the discarded NRA structure of industry and labor, the next question is, What can that substitute be, and what form should it take?

It is perfectly clear from the Supreme Court decision that no compulsory regulation of wages and hours and no effective compulsory regulation of trade practices, even in inter-state commerce, can be provided by the Federal Government. Whatever is done by the Federal Government in these fields must be done by encouragement and permission of voluntary action, rather than by legislative requirement. The only thing in the nature of a leverage which the Federal Government has is to attach conditions to the granting of leave to do certain things which might otherwise be illegal under Federal law.

Voluntary cooperative action by competing concerns in the same industry to maintain existing code standards of labor relations and competitive practices is likely in the present state of the anti-trust laws to subject the participants to the threat of criminal prosecution or at least to the annoyance of expensive and protracted litigation. Under these circumstances voluntary cooperative action to continue the

maintenance of code standards is almost certain to break down immediately unless protected by legislative authorization. The need for such authorization affords a leverage which the Federal Government can employ to attach conditions which it could not constitutionally enforce as legislative requirements. A statute authorizing the formation of voluntary associations which on certain terms and conditions would not be regarded as violations of the anti-trust laws would give to the Federal Government through its power to establish and police those terms and conditions a very considerable opportunity to aid in the maintenance of code standards of wages and hours and trade practices.

If it should be thought that the popular and congressional attitude towards the anti-trust laws bars the way towards such an attempt to perpetuate code standards by voluntary cooperative action on the part of industry and labor, some of the edge might be taken from this obstacle by entrusting the administration of new permissive legislation to the Federal Trade Commission, a body whose attitude toward the anti-trust laws commands the highest confidence of Congress. While this would no doubt necessitate some reorganization and a considerable expansion of the force of the Commission, it would not seem entirely impracticable. If, on the other hand, the anti-trust laws in their present vague and expanded form are thought to be so untouchable as to exclude all possibility even of such voluntary cooperation to maintain code standards, just as the Constitution has now been held to exclude the enforced maintenance of such standards, then the Administration has no choice but a policy of complete inactivity, with all the dangers to itself and to the country above pointed out. That is the choice of alternatives.

If the arguments against a policy of inactivity are thought to be convincing, so that legislative authorization of cooperative maintenance of codes is determined upon, the greatest care should be used to make the legislation constitutional. The Administration cannot well run the risk of another defeat in the Supreme Court which would subject it inevitably to the charge of seeking to circumvent the Court and which would also in the popular mind be regarded as a proof of the error of the Administration's policy. Accordingly, it would not seem safe to rely for the authorization of voluntary agreements upon the provisions of Section 4a of the National Industrial Recovery Act, as continued by congressional joint resolution. The constitutionality of this section and of any agreements with the President made under it is open to serious question. Some more normal and certain type of authorization would seem to be called for and particularly so if supervision of the agreements is to be placed as above suggested in the hands of a reorganized Federal Trade Commission.

In this connection, one further point should be made. The Administration is proposing to secure the adoption at the present session of Congress of certain legislation lying in fields related to NRA policy. Here also it would seem of the utmost importance that no legislation should be insisted upon by the Administration which is not clearly constitutional. To court further defeats from the Supreme Court and to assume an attitude of rashly disregarding the warning of the Court would do more than anything else to weaken the position of the Administration if the time should come when it seemed desirable or necessary to ask for further powers now denied by the Court to the Federal Government.

June 8, 1935.

TEXT OF MESSAGE OF TELEGRAM SENT TO
PRESIDENT ROOSEVELT BY MR. F. E. MURPHY,
PUBLISHER OF THE MINNEAPOLIS TRIBUNE

JUNE 6, 1935.

HON. FRANKLIN D. ROOSEVELT,
THE WHITE HOUSE,
WASHINGTON, D. C.

MINNEAPOLIS TRIBUNE WHOLE HEARTEDLY IN SUPPORT OF YOUR FINE
EFFORTS TO INDUCE INDUSTRY TO MAINTAIN LABOR AND FAIR TRADE PRACTICES
PROVISIONS OF NRA STOP ALSO FEEL STRONGLY THAT PRICES OF AGRICULTURAL
PRODUCTS MUST BE KEPT UP STOP AGRICULTURE IS BASE OF OUR PROSPERITY
STOP PRICE OF WHEAT GOVERNS OTHER FARM PRICES STOP FARM INCOME FIXES
NATIONAL INCOME STOP OUR HISTORY FOR PAST TWENTY FIVE YEARS SHOWS
THAT PROSPERITY ALWAYS FOLLOWS BUT NEVER LEADS FARM PROSPERITY STOP
RESPECTFULLY URGE YOU TO DISCOUNT EXTREMISTS OF BOTH RADICAL AND CON-
SERVATIVE GROUPS STOP THEY ARE MORE INTERESTED IN DEMONSTRATION OF
THEIR THEORIES THAN IN RECOVERY AND THEY ARE WILLING TO RISK AND EVEN
SACRIFICE WELFARE OF OUR COUNTRY IN ORDER TO JUSTIFY THEIR PECULIAR
SOCIAL AND ECONOMIC CONVICTIONS STOP OUR PROBLEM TODAY IS TO GET MEN
ON PAYROLLS OF INDUSTRY STOP ONLY TO DO THIS IS TO RESTORE CONFIDENCE
TO INDUSTRY STOP FEDERAL APPROPRIATIONS CAN NEVER TAKE PLACE OF
INDUSTRIAL PAYROLLS STOP INCREASED FARM PRICES DUE TO AAA HAVE REVIVED
AGRICULTURAL MACHINERY INDUSTRY TO GRATIFYING DEGREE STOP BUT CERTAIN
PROPOSED AAA AMENDMENTS CAN HAVE NO OTHER EFFECT THAN INTENSIFYING
BUSINESS ANXIETY STOP THEY SHOULD BE MODIFIED IN INTEREST OF BUSINESS
CONFIDENCE STOP INDUSTRY GENERALLY CANNOT FACE WAGNER BILL WITH HINTS

June 6, 1935

OF MARTIAL LAW AND LABOR REBELLION WITHOUT GRAVEST FEARS STOP INDUSTRY KNOWS THAT COMPULSORY LABOR CONTRACTS ARE ONLY ENFORCEABLE AGAINST IT STOP INDUSTRY RECOGNIZES THAT WAGES CONDITION CONSUMPTION BUT INDUSTRY MUST SEE FAIR CHANCE FOR PROFIT STOP OTHERWISE INDUSTRY WILL NOT FUNCTION EXCEPT ON A RESTRICTED DAY TO DAY BASIS STOP THIS MEANS A CONSTANT INCREASE OF DEMANDS FOR GOVERNMENT RELIEF WITH INFLATION INEVITABLE STOP I BELIEVE BUSINESS GENERALLY RECOGNIZED MANY INVALUABLE FEATURES OF NRA AND WILL CONTINUE POLICY STOP THINK THAT TIME IS PSYCHOLOGICALLY RIPE FOR SOME FRIENDLY ASSURANCE THAT WILL INSTILL CONFIDENCE IN BUSINESSMEN STOP IT WILL HELP TO KEEP NRA PRACTICES INTACT AND STIMULATE INDUSTRY TO MAKE FURTHER COMMITMENTS STOP WHILE I AM OPPOSED TO HIGH TARIFFS I BELIEVE GENERAL SITUATION WILL BE IMPROVED BY PROTECTING AMERICAN INDUSTRIES NOW OPERATING UNDER DOUBLE HANDICAP OF FOREIGN COMPETITION AND DOMESTIC UNCERTAINTY STOP TRADE AGREEMENTS SHOULD SPECIFICALLY PROVIDE FOR THIS STOP RIGHTLY OR WRONGLY BUSINESS AND INDUSTRY FEEL THAT ADMINISTRATION IS CONCERNED ONLY WITH LABOR STOP ALL HUMAN EXPERIENCE PROVES REFORMS CANNOT BE RUSHED SLAVERY WOULD HAVE DISAPPEARED IN A FEW DECADES WITHOUT A WAR AND TEMPERANCE HAS BEEN SET BACK HUNDRED YEARS BY PROHIBITION STOP PRESENT STATIC CONDITION PRODUCES COUGHLINS LONGS SINCLAIRS AND TOWNSENDS AND THEIR DESTRUCTIVE STRENGTH GROWS DAILY WHILE INDUSTRY GROWS MORE FEARFUL SEEING ONLY STAGGERING TAXATION AND VANISHING PROFIT AHEAD STOP WITH EVERY ASSURANCE OF MY PERSONAL REGARD AND DEEP APPRECIATION OF YOUR PURPOSE

F. E. MURPHY

COPY

*file
Commerces*

October 11, 1937.

Memo to Sec. Roper
from Mr. Chalmers

Subject--Bearing on American Trade of Japan's Restriction
of Imports.

SEE--Japan--Drawer 2--1937



PSF: Commerce
file personal

THE ASSISTANT SECRETARY OF COMMERCE
WASHINGTON

October 14, 1937.

My dear Mr. President:

That you found time to write me
a note of sympathy during your busy days is
most helpful and encouraging. I thank you
most sincerely.

Cordially yours,

J. M. Johnson

Honorable Franklin D. Roosevelt,
The President,
The White House.



PSF: Commerce
file present

THE SECRETARY OF COMMERCE
WASHINGTON

November 26, 1937

Cotton
Memorandum

Herewith is the situation with reference to the present cotton emergency and suggestions of possible value in a safe future program.

The Present Emergency:

It is obvious that there is no magic formula for permanently solving all of the problems affecting cotton, particularly under abnormal conditions. However, there are definite steps that can be taken that would tend to mitigate present unsatisfactory conditions and look to greater future stability.

The yield for the 1936-37 cotton season was 12,400,000 bales, for which the farmer received from lint, seed and Federal payments, a total of \$937,000,000. This year the farmer, with reduced prices, will receive about the same amount for the crop of 18,500,000 bales. The South should not be in immediate distress and in fact is in a better economic situation than last year, for the reason that the 8,000,000 bale increase means more revenue for pickers, ginners, warehouses, merchants, banks, transportation agencies, insurance companies, cotton oil mills and others.

The serious aspect is occasioned by factors that are causing a decline in cotton exports, concurrently with increasing foreign production. These do not appear to be temporary in character. During the past three seasons, a shrinkage in our exports has occurred, particularly in our trade with the United Kingdom, Germany, Italy and, more recently, with Spain.

Shift to foreign grown cotton, exchange difficulties and competitive fibers account largely for this trend. It is interesting to note that the world output of rayon and staple fiber in 1936 was equivalent to more than 2,500,000 bales. This latter development reflects the increase in the world hunger for textile products, yet our sense of economic satisfaction is somewhat dulled when we witness the extent to which American cotton has lagged in supplying this need. We must face the fact also that in recent years cotton production in foreign countries has risen from about 11 million bales during the period of 1929-29 to 1932-33 to about 20 million bales this year. The world supply of all cotton for 1937-38 is estimated at the record total of about 51 million bales, or about 12 million bales larger than during the five years, 1928-29 to 1932-33.

Foreign cotton accounts for 27 million bales and American cotton, 24 million bales of this supply. The carryover of American cotton this season will amount to perhaps twelve million bales, an increase of 100%, while the carryover of other cotton is likely also to show an increase. This means a heavy carryover this season, yet we have no reason at this time to expect less plantings in foreign countries.

Possible Remedies:

Any program looking to long range improvement must take certain eventualities into consideration. For example, if, as a result of Japanese success in the present war, the likelihood follows that Japan would develop cotton growing in China, endangering our present cotton market in Japan, amounting to about \$100,000,000 annually. This possibility and other factors thus would combine to reduce our raw cotton exports in the next five years to probably as low as four million bales. In the absence of new domestic outlets, our domestic consumption would not likely exceed eight million bales. This would call for drastic readjustments on the part of our cotton growers, in fact, a recharting of the economy of the South and definite Federal production control procedure.

In export trade, the trend toward self-sufficiency in other countries will inevitably continue to adversely affect cotton unless our price is competitive with world cotton and with synthetic fibers. The fundamental problem thus resolves itself into the consideration of the following: intensifying research for new uses for cotton; adjusting production through wise guidance of the farmer in the use of idle acres, pending increased consumption, created by new uses and larger foreign demand; improving production methods in the interest of lower costs in order successfully to meet foreign competition.

I do not believe that production of agricultural crops permanently can be satisfactorily controlled in this country by the Government. The only hopeful permanent procedure, under normal conditions, will be through the cooperative efforts of farmers themselves, wisely and effectively organized by themselves but assisted by the Federal Government. This voluntary action, based on knowledge of conditions, should look to lower cost of production through: scientific seeding, better cultivation for higher yield on fewer acres; removal of marginal land from cotton production; study of soil with reference to utilization of idle acres for diversified crops; Federal organization of insect control measures on a country-wide basis.

In analyzing factors that have influenced a recession in foreign markets in which we have been supreme, we should capitalize on the fact that, in respect to soil and climate, no country is so well suited for cotton culture as our own Southland. In addition, we have behind us more than a century of experience in the raising of cotton with trained labor familiar with every phase of the production, ample transportation facilities and ginneries, compresses and fire-proof warehouses. Furthermore, we have the best cotton merchandising organizations in the world. These are great advantages in our favor. Foreign countries must contend with adverse soil and climate conditions; must train and habituate labor to cotton culture; must develop transportation facilities, ginning equipment, compresses and warehouses, as well as merchant organizations. Notwithstanding these handicaps, increased foreign production has been encouraged largely by foreign fears regarding the inability of the United States to meet world requirements for cotton as well as a growing hostility toward the price which we thought we should obtain for our cotton. Naturally the American tariff policy has operated against us.

Our greatest deficiencies have been in researching for improved quality, for new uses and for lower production costs. The first great movement of this character developed in the nineties and credit should be given to the promotional and research activities of our cotton manufacturers during that period. Cotton began to find its way into other industries and displaced products that had been immemorably used, including, for instance, cotton bags for barrels in the cement industry. Since that time, myriads of uses have been explored, in addition to the conventional sheets, shirts and pillow cases, yet we have been slow to bring them into full utility. I believe efficient tackling of the quality problem would add \$5 per bale to the average quality value of the American crop, equivalent to \$75,000,000 on a 15,000,000 bale crop. We know that Egypt has attained success in this regard through the selection and breeding of the most suitable varieties of planting seed and safeguarding against mongrelization. The average American cotton grower needs facilities for ascertaining which seed is the best. Experimental farms could be helpful in this. A country has no greater wealth than the established and recognized excellence of its products.

In my opinion, the extension of the use of cotton membrane fabric on secondary highways will constitute the most constructive action that can be taken by the country today. It has been estimated that if we should undertake a program to resurface our secondary highways and continue with it, we should, over a reasonable period, consume between 12 and 16 million bales of cotton for initial construction, as it would require the equivalent of six to eight bales per mile.

It is also estimated that the Nation could reduce the cost of road maintenance millions of dollars annually through the use of this cotton membrane on which experiments have been successfully conducted.

Several times in recent years the South has led strong movements for prohibitive duties on jute. This time the demand will be for a "quota" on jute. Roughly, cotton bagging for 13,000,000 bales would consume about 225,000 bales of cotton. Only the prohibition of jute would effectively bring this about and the net benefits are doubtful, since some experts believe jute makes a cheaper and better wrapping than cotton and a change would also involve tariff lobbying. Another danger is in the retaliation of jute producers in pressing their sales and prices in other countries to the possible detriment of cotton.

The matter of encouraging certain foreign countries in their purchasing our cotton might be considered. For example, the people of Russia are in dire need of cotton. Russia produces about 3,500,000 bales of cotton, uses nearly all of it in her own mills. Cloth consumption in Russia is said to be about 2,400,000 yards per year. This is about 14 yards per capita, compared with United States consumption of about 75 yards per capita. Russian textiles are reputedly poor, production costs high, retail prices of textiles and clothing almost out of reach. She could easily use another two billion yards without fully satisfying necessities, which we could supply in the form of cotton cloth, knit goods, underwear, et cetera, resulting in the consumption of over 1,500,000 bales of our cotton. This would stimulate employment for our textile workers, besides moving a quantity of our raw cotton. Growers would of course prefer for the credit to be made available on raw cotton.

Perhaps Russia could be induced to buy between one and two billion yards of our goods, but this would raise the question of credit. It seems to me that such trade could be financed by cotton textile factors, with the cooperation of our Export-Import Bank. Even if this deal cost the Government ten to twenty million dollars in price concessions, the cost would be small compared to the gains from getting this cotton off our market and from giving a year's steady employment to 100,000 workers, otherwise on relief.

In the interest of equity and economic justice, the cotton-grower should be paid back the amount that is taken from him by the Tariff which affects the prices of the things buys, yet he must sell only at world prices. If gross cotton income to the farmers is \$750,000,000 and if in the expenditure of that sum, \$250,000,000 is attributable to the effect of Tariff on prices, then what is due him is \$250,000,000, equal in this instance to one-third his cotton income. To achieve this without subsidizing exports, the payment of a premium to each grower on a proportion of his crop related to the proportion of domestic consumption to the crop as a whole, would seem to be a fair solution, because it furnishes a means of giving back to the farmer what he is deprived of by the Tariff. For an emergency like the present, the processing tax would seem inescapable. The long term program, in my opinion, calls for a different of financing.

Cotton

- 5 -

As to how this would be financed, the proper procedure would be for it to come from the taxpayers as a whole, or out of general funds, because since it is the Government that takes away wealth from him by the Tariff, there is a further obligation to restore it. I believe about \$100,000,000 now is going annually to the cotton growers out of customs revenues. If the entire requisite amount could be obtained from that source, the plan would be ideal. If only part of the requisite amount can be obtained from general funds, then that expediency might require that the deficit be raised in processing taxes. This is undesirable on several counts. As a sales tax on cotton goods, they cause contraction in the domestic outlet for cotton and cause substitution of other fibers and materials; and cotton, being the poor man's clothing, the burden falls heaviest on the poor, and particularly upon the cotton farmers themselves.

In my opinion, if cotton growers are left free to produce and market cotton, granting some payment to offset the increase in cost of manufactured goods resulting from the protective tariff, we should be able to maintain our position as the leading grower of cotton for export and even regain eventually some of the markets lost to other producing nations during recent years. The danger of a permanent system of production curtailment, marketing control and artificial price maintenance is in the jeopardy of our foreign trade in cotton. If the size of the crop is really to be limited, we know from experience this year, despite the Soil Conservation Act, that drastic measures are necessary. Before such a policy is embraced, the ultimate effects upon the South of the gradual alienation of our foreign markets for cotton should be well understood.

The foregoing suggestions represent some of the steps that could be taken in the approach to the solution of the cotton problem. Fundamental to the success of any program is a cooperative attitude on the part of the farmer, based on an understanding of what he can, himself, do in his own and in the national interest.

ACR

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THE UNDER SECRETARY OF STATE
WASHINGTON

December 23, 1938.

File

~~Personal and
Confidential~~

CF.

Mr. Forster
F. Y. I.
STE

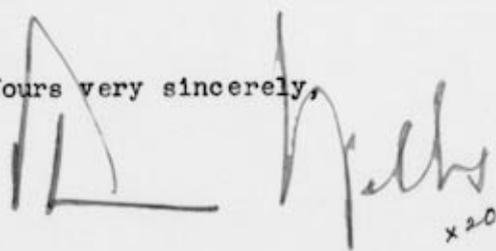
Dear Steve:

Immediately after our telephone conversation of this morning I appointed a committee of three thoroughly reliable officials of the Department of State to investigate the question you mentioned. These officials were Assistant Secretary Messersmith, Harry McBride, Special Assistant to the Secretary of State, and Mr. Percy Allen, Chief of the Appointment Section.

An investigation of the most minute description was immediately undertaken by these three officers, and Mr. Messersmith has given me a memorandum covering the entire situation. I am transmitting this memorandum to you for your information.

Believe me

Yours very sincerely,



x 20

The Honorable
Stephen Early,
Secretary to the President,
The White House.

DEPARTMENT OF STATE

ASSISTANT SECRETARY

A-M

December 23, 1938.

~~CONFIDENTIAL~~

Mr. Welles:

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x340
I have personally gone very thoroughly into the question as to whether, through an officer or employee of this Department, any information might have got out to the press or others with regard to the appointment of Mr. Hopkins as Secretary of Commerce. The circumstances, as fully as I can determine them, of which we have knowledge are as follows:

On Tuesday, December 20, Mr. Forster of the White House called Mr. Allen, the Chief of the Appointment Section in the Department, on the telephone and asked him very confidentially that a commission be prepared for Mr. Harry H. Hopkins as Secretary of Commerce to be dated December 23. Mr. Allen received this message over the telephone personally from Mr. Forster and immediately had the commission prepared by Mrs. Richardson, who is the engrosser of the Department and who has a desk immediately adjoining Mr. Allen. Immediately on its being completed for the President's signature, Mr. Allen himself placed it in a large leather portfolio we use for this purpose and dispatched it by messenger to the White House. It was

a matter of possibly from one to two hours from the time the message was received from Mr. Forster until the commission left the Appointment Section of the Department.

There was nothing unusual about the transaction as frequently such calls are received from the White House and it has always been understood by Mr. Allen and his staff that no information of any nature whatsoever may be given out in connection with appointments made or contemplated by the White House. They understand also that they are never to discuss any appointments on the basis of information gained through documents having passed through the Appointment Section. Mr. Allen is one of the oldest and most trustworthy of the Department's officers. He has been in charge of this Section for many years. He is the soul of discretion. Although the appointments of cabinet officers and heads of the independent agencies and others pass through this Appointment Section, there has to my knowledge in the past never been any leak from this office.

The principal room of the Appointment Section is a large one in which Mr. Allen and Mrs. Richardson have their desks side by side. There are two other persons who have desks in this room, one the Assistant Chief of the Section and the other a clerk. I have talked with both of them and I am confident that neither of them, although they were in the same room, had any knowledge that a commission for

Mr. Hopkins

Mr. Hopkins had been prepared by Mr. Allen and Mrs. Richardson.

Mr. Allen and Mrs. Richardson categorically state that they did not discuss the commission for Mr. Hopkins with anyone except each other and with Mr. Forster as above indicated, as well as with Mr. Hess as indicated in a following paragraph. I have every confidence in their statements.

The messenger who takes the portfolios to the White House has no other calls to make en route and delivers the portfolio at the White House direct. While the portfolio is not locked, it could not be opened by the messenger or by other persons without attracting attention. We have had no experience with such portfolios being tampered with in transit between the Department and the White House.

The correspondents frequenting the State Department have no contact with the Appointment Section. They have learned there is nothing to be gleaned there.

Mr. Thomas, the Acting Chief of the Division of Current Information, mentioned to Hulen, the correspondent of the Times who frequents the Department, the article in the New York Times of this morning to the effect that "the commission of Harry L. Hopkins as Secretary of Commerce has actually been executed in the State Department and awaits only formal presentation and announcement". Hulen

said

said to Thomas that he had not written the article. It was possible to learn from him that it had been prepared by a Times correspondent "who never comes near the State Department but who is very well informed on politics and gets around".

I think it may be taken as definite that the information with regard to this commission did not come from this Department or any of its officers or personnel. Although the Appointment Section is under my immediate supervision, you will recall that I asked you this morning whether there was any news as to whom the President would appoint as Secretary of Commerce. This morning, when some of the correspondents spoke to Mr. Thomas of CI about the Times article, Mr. McBride and he got in touch with Mr. Allen of the Appointment Section and got the reply that he knew nothing about it. I think the discretion of Mr. Allen may be judged by the fact that he refused to disclose any information to Mr. Hull's Private Secretary and to the Acting Chief of CI.

I think there should be borne in mind in connection with this leak the following circumstance: On Wednesday, December 21, Mr. Hess of the White House staff, personally brought the commission of Mr. Hopkins back to the office of Mr. Allen and asked Mr. Allen to have the date changed from December 23 to December 24. Mr. Allen recalled to him

Mr. that

that Mr. Forster had originally requested the commission to be dated December 23. Mr. Hess said that this was so but it was to be changed. Mr. Allen had Mrs. Richardson, the engrosser, make the change while Mr. Hess waited and in his presence and then handed the commission to Mr. Hess. Mr. Allen states that when Mr. Hess brought the commission to his office on December 21 for this change, he brought it not in a portfolio but simply rolled. Mr. Allen suggested to Mr. Hess that he might wish to put it in a portfolio on his taking it away but Mr. Hess indicated that this was not necessary.

The passage of one of these large portfolios between the Department and the White House does not awake any comment as it is a frequent occurrence, sometimes two or three times a day. The sending of the commission by messenger to the White House on December 20, therefore, may have passed unnoticed. On the other hand, it may be remarked that on December 21 Mr. Hess carried this large commission from the White House to the State Department and the nature of such a document when not in a portfolio is unmistakable. He carried it back the same way shortly thereafter. As the question of certain appointments has been very much in the air and the correspondents very much alive, I am inclined to think that the foregoing must be taken into account in endeavoring to find an explanation of the leak.

Mr. that

Mr. Dorsey Fisher of the Division of Current Information states that over the radio last evening he heard an announcement that the files of Mr. Hopkins were being moved from his offices to Commerce.

In view of the fact that the whole transaction was handled in this Department only by Mr. Allen and Mrs. Richardson, that no other officer or employee of the Department had any knowledge thereof, that the commission was sent as usual in a portfolio to the White House and that the report in the Times was prepared by a correspondent who never comes near this Department -- and keeping in mind the fact that there has been for years no leak in the Appointment Section concerning a White House appointment -- I am very definitely of the opinion that no information concerning this appointment came out of this Department.

It may be noted that Mr. Allen does not have a direct line to the White House. The call from Mr. Forster to him on December 20 went through the White House and the Department exchange. It is possible for the operators by shifting the switch to listen in on such a conversation. The inquiries which I have made in our telephone exchange lead me to the opinion that there was no listening in on this conversation. The stress on our exchange through the many lines and calls the operators have to handle is so great

that

-7-

that they would not have the time, if they had the inclination, to listen in on conversations.

G.S.M.

GSM.

A-M: GSM: VNG

December 23, 1938.

Cabinet Commission Ready For Hopkins as Roper Quits

Document Already Has Been Executed, the
Capital Hears—Harrington Expected
to Be New Head of WPA

Special to THE NEW YORK TIMES.

WASHINGTON, Dec. 22.—The commission of Harry L. Hopkins as Secretary of Commerce has actually been executed at the State Department and awaits only formal presentation and announcement, it was learned on good authority today. The resignation of Secretary Roper becomes effective tomorrow. With the appointment of Mr. Hopkins to Cabinet rank considered virtually certain, it also became a matter of widespread report that Colonel F. C. Harrington would succeed Mr. Hopkins as WPA Administrator.

The services of Colonel Harrington have been lent by the army for his work as assistant WPA administrator in charge of operations. His advancement to head of the WPA was considered sufficiently assured to prompt the Workers Alliance of America, labor union within the WPA, to criticize his promotion over the head of Aubrey Williams, deputy administrator of WPA.

As for Mr. Williams, it appeared probable that he would receive wide publicity in his other task as National Youth Administrator in compensation for the loss of promotion with WPA.

The White House and all those reportedly affected were non-committal today, with Stephen Early, the Presidential secretary, refusing to confirm or deny any of the reports.

"When the President makes up his mind he will announce his decision," Mr. Early said.

Administration leaders who have weighed sentiment in the Senate are understood to have found considerable personal opposition to Mr. Hopkins, arising chiefly out of complaints of the manner in which WPA funds were used in the primary and general elections. These leaders have reported to President Roosevelt, however, that they do not regard the opposition as strong enough to prevent confirmation of Mr. Hopkins if his nomination to a Cabinet post is sent to the Senate.

The predominant view in the Senate, shared by many Republicans, is that the President should be allowed to have in his office those who are in full accord with his policies, and that, therefore, the Senate should adopt the broadest possible viewpoint in passing upon nominations to the Cabinet. It was on this basis that the leaders predicted that Mr. Hopkins, if nominated, would be confirmed.

Several Senators, however, said that they believed that the Commerce Committee, to which the nomination would be referred, would hold hearings and give those opposed to confirmation a chance to express their views. Senators Clark of Missouri and Vandenberg of Michigan, members of this committee, favor hearings.

Senator Vandenberg said today that he had "no confidence" in Mr. Hopkins but declined to say how he would vote if the nomination came

Continued on Page Two

before the Senate for confirmation. Mr. Clark indicated a belief that the political activities of agents of the WPA during the Hopkins administration should be carefully scrutinized before the Senate acted upon his nomination to a Cabinet post.

Senate circles, meanwhile, professed today to be entirely without information as to whom the President intended to appoint as a successor to Attorney General Cummings, who has resigned and will quite office early in January.

Frank C. Walker, the first head of the National Emergency Council and a former treasurer of the Democratic National Committee, indicated today that he did not intend to accept appointment to a post in the Federal Government. He has been mentioned as a possible successor to Mr. Hopkins as head of the WPA and also as a candidate for Postmaster General in the event that James A. Farley decides to relinquish that post. Mr. Walker is understood to feel that his private affairs require his attention.

Lesser Hits "Reactionaries"

David Lesser, president of the Workers Alliance, coupled his criticism of the probable appointment of Colonel Harrington as WPA head with a repeated demand for large appropriations to carry WPA through the fiscal year.

Stating that "according to information we consider reliable," Colonel Harrington would succeed Mr. Hopkins, Mr. Lesser said that the Alliance had no personal criticism of Colonel Harrington, but believed "he is being promoted over the head of the deputy administrator at the insistence of reactionary Congressional leaders."

"Such a vast undertaking as the WPA," he added, "needs at its head a man who has not only administrative ability and business judgment, but also social vision. Colonel Harrington represents the army type of mind which does not, in our opinion, embody the qualifications necessary to administer a civilian undertaking involving so many social and labor problems."

Mr. Lesser was received by the President today in order to present a request that the government appropriate \$1,000,000,000 to finance the employment of 3,200,000 WPA workers from Feb. 15 to June 30 at increased wages.

THE WHITE HOUSE
WASHINGTON

PSF
Commerce

~~CONFIDENTIAL~~

June 15, 1939.

MEMORANDUM FOR

THE SECRETARY OF COMMERCE

Will you speak to me
about this?

F. D. R.

DECLASSIFIED
By Deputy Archivist of the U.S.
By W. J. Stewart Date FEB 24 1972

President's longhand note.

H. H.

Oklahoma - W. P. A. & N. Y. A.
Try to get Harrington to help Lee
& Thomas and not the Governor which
they are doing now.

F. D. R.

Present W. P. A. man a drunk
and against us.

*file
personal*

*BF
Commerce*

DEPARTMENT OF COMMERCE
OFFICE OF THE SECRETARY
WASHINGTON

June 15, 1939

Dear Miss Le Hand:

This is the material which the President requested Secretary Hopkins to get together for him in his confidential memorandum of June 7.

Very sincerely yours,

Mary Van Meter

Mary Van Meter
Secretary to the Secretary

Miss Marguerite Le Hand
Personal Secretary to the President
The White House.

DEPARTMENT OF COMMERCE
OFFICE OF THE SECRETARY
WASHINGTON

Detailed information is not available June 15, 1939.

The President,
The White House,
Washington, D. C.

My dear Mr. President:

Secretary Hopkins has instructed me to send you a confidential report on the relative cost of living in Caracas, Venezuela.

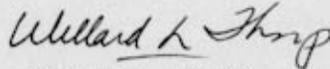
Caracas is one of the most expensive places in which to live in the world. While different customs, housing accommodations, and necessities for living make any exact comparison impossible, the concensus of opinion and evidence is that life at the \$2,000 level in the average American city would require \$4,000 - \$5,000 in Caracas.

More detailed data are given below, but the highlights are as follows: The unfavorable foreign exchange situation requires an adjustment for the gold premium, requiring about \$3,400 to provide \$2,000 in Venezuela. American employers appear to make an allowance for this gold premium, with still further adjustments for higher living costs. There is a serious housing shortage. Food is largely imported. Utility rates are extremely high. While servants' wages are below those in America, the number required is larger than in the United States. A true middle class is practically non-existent in Venezuela, and white-collar foreigners are expected to live in the manner of the relatively well-to-do.

Detailed information is not available regarding all of the items of a personal or family budget in Venezuela, but reports from our Commercial Attache at Caracas give the cost of a single room, without bath, but including meals at \$145 per month, or \$1,740 per annum. This may be compared with a study of the cost of living of Federal employees in Washington, D. C., made by the U. S. Department of Labor for the year ending June 30, 1933, which showed the items food and housing amounted to \$690, which is only 39 per cent of the cost of a single room, without bath, but including meals in Caracas.

Further particulars regarding some of the principal items in the cost of living in Venezuela are given in the following pages.

Sincerely yours,



WILLARD L. THORP,
Special Assistant to the Secretary.

Foodstuffs

Although there is a limited selection of locally produced fruits and vegetables in season, these are inadequate and insufficient for the American accustomed to a variety of foods, and must be supplemented by a wide range of imported foods, the cost of which is from 100 to 300 per cent higher than in the United States. The following prices are illustrative of the high cost of foodstuffs in Caracas: One dozen small eggs, \$0.95; a fourteen ounce loaf of bread, 32 cents; a pound of sugar, 16 cents; a pound of domestic coffee, 35 cents; a pound of imported bacon \$1.28; a pound of pork lard, 44 cents; a quart of milk, 24 cents; a bottle of catsup (fourteen ounces), 98 cents; apples, 32 cents each; a can of soup, 40 cents.

Because of the unsafe water supply most Americans filter or boil it, while many families purchase drinking water at a monthly charge of Bs. 20 (\$6.40) for a five gallon bottle delivered daily.

Housing Accomodations

There are no apartment houses in Caracas of the type common in American and European cities. There is a housing shortage at the present time and many Americans are obliged to wait from two to three months to find a suitable home. Since most desirable homes are in the suburbs and communication facilities are unsatisfactory, it is usually necessary to own an automobile. Unfurnished houses in the suburbs range from Bs. 400 (\$128.00) to Bs. 600 (\$192.00) per month. Owing to the shortage of housing there is little difference between the rates

charged for the size of the house. An additional expense for the lessee is the cost of all electrical fixtures as these are rarely installed by the owner. Rates for single rooms in boarding houses or "pensions", without bath, but including meals range from Bs. 450 (\$145.00) per month per person. The charge for two persons, although occupying a single room, is double this figure.

Fuel and Light

On account of the tropical climate, heating is unnecessary, although a few of the recently constructed homes have open fireplaces. The usual fuel for cooking is kerosene or charcoal. Gas stoves supplied from drums of compressed gas are extensively used among foreigners. A months supply costs approximately \$12.35. Electricity is used for lighting, operating a refrigerator and radio. Electric current bills average from Bs. 50.00 (\$16.00) to Bs. 90.00 (\$29.00) per month.

Other household expenses

Telephone services are furnished for Bs. 22 (\$7.04) per month to households. Toilet articles, soaps, medicines and pharmaceuticals cost from 75 to 200 per cent more than in the United States. Automobiles, an essential in Caracas, cost from 90 to 110 per cent above the list price in the United States. Gasoline retails at 22 cents per gallon.

Clothing

Suitable ready-made clothing is not obtainable in Caracas, but a business suit of fair quality worsted made to order in a local

tailoring establishment can be obtained for about \$70.00, although the sewing is poor. A dress suit will cost around \$128.00. Imported footwear is expensive; locally made shoes of fair quality sell for \$14.50 to \$19.00. Women's clothing is imported and sells for 70 to 200 per cent more than in the United States.

Servants

Owing to custom and the lack of labor saving devices, Americans are obliged to retain at least one servant, and the usual staff of servants employed by Americans with a modest income comprises a cook, maid, part time laundress, and part time gardener. Servants' wages are lower than in the United States, but they are much less efficient and will do only one kind of work. Servants wages are as follows:

Cooks - Bs. 70 (\$22.40) to Bs. 100 (\$32.00) per month
Housemaids - Bs. 50 (\$16.00) to Bs. 80 (\$25.60) per month
Part time laundress - Up to Bs. 80 (\$16.00) per month
Gardeners - Bs. 5.00 per day (\$1.60)

Salaries

The following list of average salaries has been based on the salaries paid by a large number of American concerns operating in Caracas.

	<u>Annual</u>	
Junior executives (foreign)	Bs. 24,000-32,000	\$7,600-10,240
Accountants	7,200-14,000	2,300- 4,600
Bookkeepers	3,600- 6,200	1,150- 2,000
Stenographers-		
Spanish-English, experienced	4,800- 9,600	1,540- 3,070
Spanish-English, inexperienced	3,200- 4,800	1,025- 1,540
Clerks-		
Senior	6,400-12,000	2,000- 3,840
Junior	2,400- 5,000	770- 1,600

In addition to the above, recent legislation requires all companies to distribute annually a percentage of profits to their employees. This may not exceed the equivalent of the salary paid for two months.



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Folder
Number 1-39*

THE SECRETARY OF COMMERCE
WASHINGTON

September 6, 1939.

Miss Marguerite Le Hand,
Secretary to President Roosevelt,
The White House,
Washington, D. C.

Dear Missy:

I have a Census problem which I wish you could get cleared up for me by the President. I hate like the dickens to bother him when he has so much on his mind, but he did say that he did not want Harry to be bothered with these things and that we should come to him.

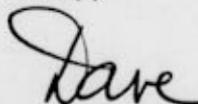
The problem I have in mind has to do with Mississippi. The President last week talked with Under Secretary Noble about some of these Census matters, but while Noble is a swell guy he is not familiar with political nuances, especially in a State like Mississippi, and there are some of these things that there would be no special advantage in my taking up with him. He just wouldn't understand. The Mississippi appointments to the Census are further complicated by the fact that Director Austin of the Census is a devoted supporter and follower of Senator Pat Harrison. Austin comes from Mississippi and to him a Democrat is a Democrat, regardless. Austin, furthermore, is not a New Dealer. He has been in the Census Bureau since 1900 and is a nice old guy whom I can handle alright but whom I have to watch because he has made promises to those who are not friendly to the President. I finally had to tell Austin a few weeks ago that appointments to the Census were not the province of the Congress but are to be determined by the President and Secretary Hopkins for whom we are working.

Mississippi properly is entitled to one Area Supervisor and Austin a long time ago had decided to let Harrison name this man. When I disapproved this and told Austin that I was not going to ignore Senator Bilbo, Austin came back with the proposition that we have two Area Supervisors and give one to Bilbo and one to Harrison. As these appointments have to have my approval, on behalf of Secretary Hopkins, I was able to stall along until after the recent election in Mississippi. What I need to know from the President is whether he wants me to completely ignore Harrison and as a result of the recent election give the appointment to Bilbo or whether he thinks it would be wise to send a Civil Service person from Washington whom we would select without considering Bilbo or Harrison. With the information that I have on the Mississippi situation I would be inclined to appoint only one Area Supervisor and let Bilbo name the person who had the qualifications that were satisfactory to the Department. There may, however, be many other factors in the Mississippi picture that the President may be considering and about which I know nothing.

I have to be very careful in my dealings with Director Austin. Having been here so many years he has many contacts on the Hill and he feels that we should not ignore Congressmen like Woodrum and Smith of Virginia, but I have insisted in Virginia, for example, that we do all our business with the Governor. I don't want the President to think that we are not able to handle Austin satisfactorily and without hurt.

I talked with Harry on the 'phone a short time ago and he wanted me to ask the President whether there were any new questions that the President might want included on the Census questionnaire because of the war situation. It is not quite clear how we could legally use that information because of the statutes under which the Census operates.

Sincerely,



DAVID K. NILES,
Assistant to the Secretary

Commerce

DOMESTIC ECONOMIC DEVELOPMENTS

file
personal

Sept 1939

INCOME PAYMENTS AND NATIONAL INCOME

Income payments to individuals in the United States have increased substantially as a result of expanding business activity in recent months. The Department of Commerce seasonally adjusted index of income payments rose from 85.6 (1929 = 100) in July to 85.3 in August and will probably move above 87 for September. This marks the highest level since late in 1937.

Income payments for the first eight months of 1939 were \$1,700,000,000 higher than in the same period of 1938. The gain for the first three quarters of 1939 may exceed the \$2,000,000,000 mark and for the full year will be much larger.

National income (measures the net value of all goods and all services produced in the United States) was \$64,000,000,000 in 1938, whereas income payments totaled slightly in excess of \$68,000,000,000 in that year. The latter includes direct relief and social security benefits and is exclusive of business savings, which in 1938 were negative by more than \$1,000,000,000. At present the national income rate is probably above \$67,000,000,000 and the rate for the final months of 1939 will probably average \$70,000,000,000. The total for 1939 thus should reach and may exceed \$68,000,000,000. This compares with \$71,850,000,000 in 1937 when prices were considerably above this year's level. Real income in 1939 will approximate that of 1937.

All of the gain in the dollar national income for the first eight months of 1939 was accounted for by increased output of goods and services. Prices in general averaged slightly below the previous year's level. For the remainder of the year it appears that the rise in the dollar income figures will, in part, represent price changes.

It should be noted that the national income and the flow of income payments measured in terms of dollars may rise substantially as a result of price increases without any expansion in production. Also, increases may result from building up inventories, particularly of finished and semifinished goods. It seems likely that both higher prices and inventory accumulations will be prominent factors in the higher income expected for the balance of this year.

EXPORT TRENDS IN SEPTEMBER

Total United States exports, according to documents received through September 22, have reached a total of \$158,260,000 as compared with the relatively high August figure of \$248,148,000. Exports to the United Kingdom, Canada, Japan, and most of the European neutrals have held up and, if the present movement is maintained, should reach the August figures. Total exports are still indicated as lower than the August total because of the substantial decrease in exports to France, South America, and the Far East (except Japan).

Exports of raw cotton and anthracite coal already have exceeded the August figures. A seasonal increase is usual in September for both of these commodities. Shipments of bituminous coal in August amounted to 1,209,000 tons, equivalent to 3.6 percent of the total domestic production, and exports of anthracite coal in August totaled 130,000 tons or 3.4 percent of the month's production. Other commodities which will probably be exported in approximately the same quantities in September as in August are leaf tobacco, crude petroleum, natural gasoline, lead, quicksilver, surgical and medical instruments, and possibly iron and steel scrap.

The above estimates are based on partial and incomplete returns as documents are still being received for shipments early in September. Final figures for the month may alter present indications, particularly with heavy shipments made in the latter part of the month due to availability of shipping tonnage.

FOREIGN TRADE DEVELOPMENTS

Evidences of diversion of Latin American orders from belligerent countries to the United States continue to come in, and all the reports from the field dealing with the situation in foreign countries since the outbreak of the war refer to the diversion of trade to the United States and attempts to obtain agencies for American lines.

There is evidence that German importers in certain Latin American countries promise delivery of goods ordered in Germany through neutral channels. The specific point involved relates to an order for laundry machinery for the equipment of a new hospital in Peru.

A cable from Argentina states that in reply to an inquiry as to whether the contract for the delivery of 6,000 bales of cotton to German importers is to be carried out, or whether the cotton could be resold to other buyers, it was stated that the arrangements to complete the transaction would be made regardless of the blockade.

According to a report to the New York Times from Mexico City, the Italians are evidently endeavoring to extend their barter agreement for Mexican oil to cover the amount that would go to Germany under the barter agreement with that country. The Italian product to be accepted in payment is rayon yarn.

American consumers are concerned with the French embargo on the exportation of graphite from Madagascar. The American Ambassador has taken up the matter with the French government and it is expected that a sufficient amount will be released for the needs of American industry.

A statement from the Commercial Attache at Rio de Janeiro throws some light on the shift in trade. It states that imports from Europe have dropped abruptly, while imports from other countries have not yet reflected the shift in purchases from belligerent to neutral countries. As a result, the export trade is rapidly pulling away from the import trade. Several weeks, and possibly months, will pass before the foreign trade is adjusted to new channels.

The British price control policy is evidenced by the fact that the Food Ministry refuses to buy American lard except at prices in line with the maximum fixed by the British government, which is below the American price. One of the officials of the Food Ministry expressed an opinion that the purchase of lard might also depend on the arrangement for accepting payment in goods or sterling.

There have been some unfavorable reactions and protests from certain importers in England and in Belgium to the strict credit terms now demanded by the American machine tool industry.

Bureau of Foreign and Domestic Commerce,
September 29, 1939.

EXPORTS OF UNITED STATES MERCHANDISE

Commodity Groups	(Thousands of Dollars)	
	September 1939*	August 1939
00 Animals and Animal Products, Edible	3,951	5,650
0 Animals and Animal Products, Inedible	1,122	3,065
1 Vegetable Food Products and Beverages	11,128	18,589
2 Vegetable Products, Inedible, Except Fibers and Wood ...	11,299	14,874
3 Textile Fibers and Manufac- tures	17,073	20,216
4 Wood and Paper	4,732	8,385
5 Nonmetallic Minerals	26,146	44,057
6 Metals and Manufactures, Ex- cept Machinery and Vehicles	19,430	39,947
7 Machinery and Vehicles	31,093	72,344
8 Chemicals and Related Products	7,998	12,189
9 Miscellaneous	4,287	8,833
TOTAL	138,260	248,148
Wheat	820	3,537
Tobacco, leaf	6,480	7,075
Cotton, Upland, under 1-1/8 inch ..	12,836	10,704
Petroleum products	18,745	33,079
Coal - total	4,931	6,023
Canada	4,262	5,570

*Documents received through September 22nd.

Prepared by:
Division of Foreign Trade Statistics,
Bureau of Foreign and Domestic Commerce.
September 28, 1939.

Weekly Wholesale Price Indexes, 1926=100

(U. S. Department of Labor)

Group	Aug.	Sept.	Sept.	Sept.	Sept.	Percentage
	26	2	9	16	23	Increase
	1959	1959	1959	1959	1959	from Aug. 26
All commodities	74.8	75.5	78.4	79.5	79.5	6.3
Farm products	61.1	62.7	68.1	69.7	69.5	15.7
Foods	66.7	68.5	74.5	75.5	75.1	12.6
All commodities other than farm						
products and foods.	80.4	80.4	81.7	82.4	85.0	5.2
Hides and leather products. . .	92.6	92.7	96.5	99.9	101.9	10.0
Textile products.	67.4	67.2	68.4	71.4	72.3	7.3
Fuel and lighting materials . .	75.2	75.2	74.0	74.1	74.2	1.4
Metals and metal products . . .	95.5	95.5	94.6	94.9	95.3	1.9
Building materials.	89.7	89.7	90.1	90.7	91.0	1.4
Chemicals and drugs	74.2	74.4	75.9	77.1	77.9	5.0
House furnishing goods.	87.0	87.0	87.0	87.1	88.8	2.1
Miscellaneous	75.1	75.2	76.1	76.1	76.6	4.8
Raw materials	66.2	67.1	71.8	75.0	75.0	10.5
Semimanufactured articles	74.4	74.6	79.7	82.0	83.5	12.0
Finished products	79.3	79.7	81.9	82.3	82.5	4.0

Prepared by:
 Division of Business Review,
 Bureau of Foreign and Domestic Commerce.
 September 29, 1959.

SELECTED COMMODITY PRICE SERIES, AUGUST 31-SEPTEMBER 27, 1939

Commodity	Unit	Aug. 31	Sept. 7	Sept. 14	Sept. 21	Sept. 27
Copper, electrolytic, N. Y.	¢ per lb.	10½	12	12	12	12
Lead, prompt shipment, N. Y.	do	5.05	5.50	5.50	5.50	5.50
Zinc, N. Y.	do	5.14	6.39	6.64	6.64	6.64
Tin, straits, N. Y.	do	49½	65	√72	√68	√61
Rubber, plantation, N. Y.	do	16 7/8	20	22½	22½	21
Hides, light native cows, Chi.	do	11	---	15	15½	16
Silk, 15-15 denier, 78% seri- plane, N. Y.	\$ per lb.	2.70	2.85	5.05	5.18	5.19
Cotton, middling, average 10 markets	¢ per lb.	8.55	9.44	9.02	8.73	8.81
Print cloth, 60x64, 38½ inch, NY	¢ per yd.	4 5/8	5 ¼	5 3/8	5½	5 5/8
Wool tops (Oct. futures, N.Y.).	¢ per lb.	82.2	97.4	116.0	121.3	123.5
Sugar, raw, 96° duty free, N.Y.	do	2.92	5.85	5.75	5.60	5.65
Cocoa, Accra, N. Y.	do	4.47	6.70	6.55	6.15	5.90
Coffee, Santos No. 4, N. Y.	do	7 3/8	7 3/8	7 3/4	8	8
Lard, cash, Chicago	do	5.75	8.25	7.75	8.10	7.20
Cottonseed oil (Oct. futures, NY)	do	5.62	7.55	7.18	7.50	7.00
Wheat (Dec. futures, Chicago)	¢ per bu.	68 3/8	88	86 7/8	86 3/4	85 1/8
Hogs, good and choice, 220-240 pounds, Chicago	\$ per cwt.	6.78	9.05	8.02	8.00	7.65
Cattle, medium, 750-1,100 lbs., Chicago	do	8.58	9.38	8.75	8.62	8.75

1/ Nominal

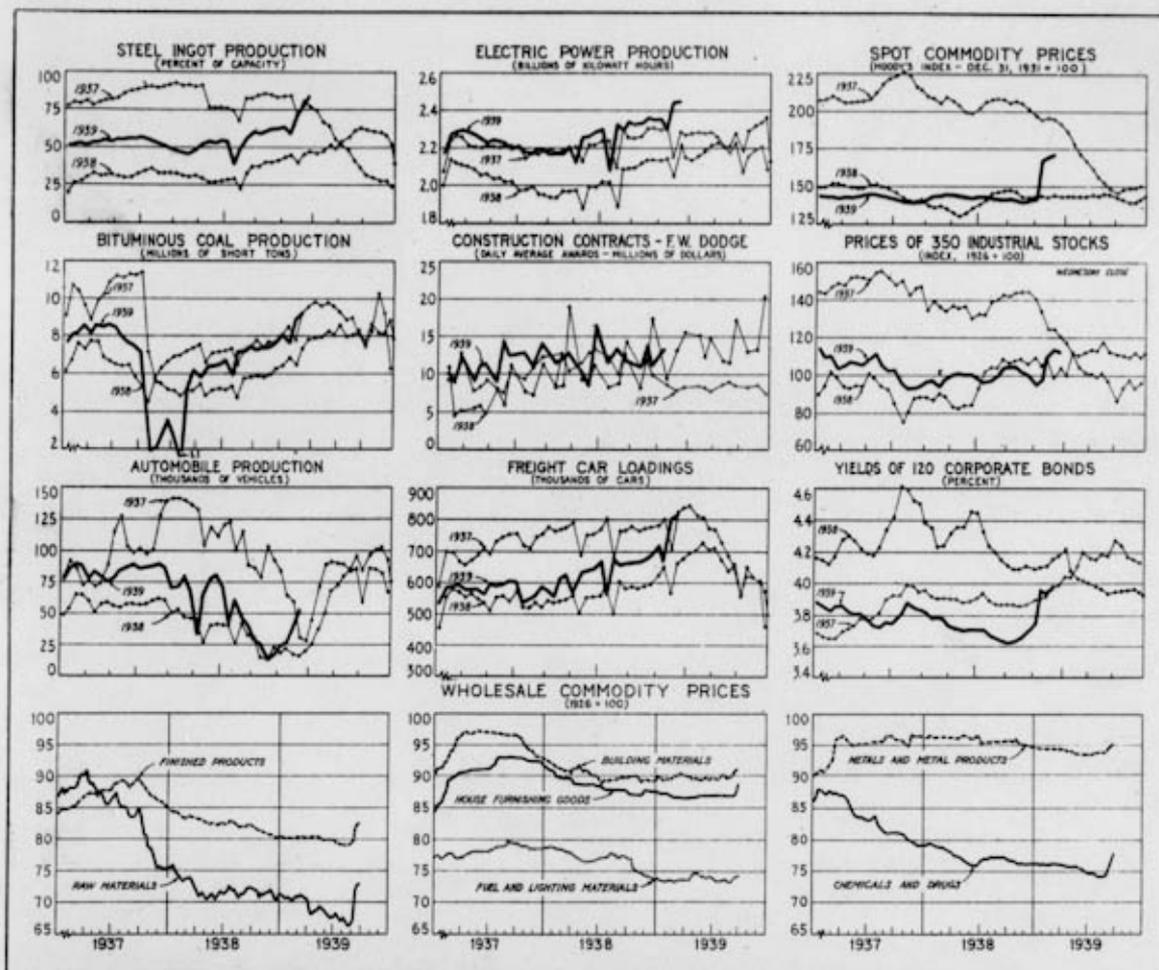
Source: All commodities, with the exception of cottonseed oil, hogs, and cattle, are taken from the Journal of Commerce. Cottonseed oil is taken from The Wall Street Journal, and hogs and cattle are from the Bureau of Agricultural Economics, U. S. Department of Agriculture.

PRICES OF PETROLEUM PRODUCTS - IN BULK AT GULF COAST PORTS

	Unit	Aug. 30	Sept. 18	Sept. 28
Motor Gasoline - 65 octane	¢ per gal.	4 3/4 - 5	6½ - 6 7/8	6½ - 6 5/8
Light fuel oil No. 2	do	5 5/8 - 3¾	4 - 4 1/8	4 - 4 1/8
Diesel oil - ship bunkers	\$ per bbl.	1.45	1.55	1.55-1.75
Bunker oil, grade "C", cargoes	do	.78-.80	.90-1.00	.90-1.00

Source: Pratts' Oilgram.

SELECTED BUSINESS INDICATORS



UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF FOREIGN AND DOMESTIC COMMERCE

8/31

Commerce

File
Sept 1939
Personal

DOMESTIC BUSINESS SITUATION

BUSINESS (which had been on upgrade since middle of May) was given sudden impetus by outbreak of war. The accelerated movement has been evident over a broad front as orders increased sharply. Movement so far has been largely protective and speculative in character, with buyers endeavoring to protect themselves against anticipated shortages and rising prices.

PRICES of widely traded industrial raw materials and staple foodstuffs advanced sharply in first ten days of month. Advances on these basic commodities have since leveled off, but upswing has broadened out to include many other raw and semifinished goods.

EXAMPLES:

Farm products - percent increase Aug. 26-Sept. 16	-	14%
Foods " " " "	-	13%
Finished products " " " "	-	4%
Wheat (August 31) 70 cents (September 20)	77	cents
Corn " 45 cents " "	58	cents
Lard " 5.75 cents " "	8.05	cents
Rubber " 16-7/8 cents " "	22 1/2	cents
Hides " 11 cents " "	15 1/2	cents
Copper " 10 1/2 cents " "	12	cents
Tin " 49 1/2 cents " "	65	cents

SIGNIFICANCE: Price rises to date probably not a major adverse development, as advances on many farm products and raw materials were from very low levels, but rises have not been confined to these areas. Danger in this situation is that unjustified price rises will cut short recovery movement. Some change needed in basic flow of purchasing power to validate price advances.

INDUSTRIAL PRODUCTION being stepped up rapidly to meet heavy accumulation of orders. Gains this month will be sharp, with Federal Reserve index rising probably from 102 in August to 108-9 in September.

EXAMPLES: Current steel ingot production rate is 80 percent of capacity; 61 percent last month. Petroleum has recovered from shutdown last month. Textile mills increasing production schedules. Automobiles showing strong seasonal upturn.

SIGNIFICANCE: Backlog of orders generally assures substantial production rise for fourth quarter as against summer levels. Gains to date, however, have been going largely into inventories; mainly a hedge against price increases and anticipation of export orders.

RAILROAD FREIGHT TRAFFIC is up sharply from August - the adjusted index of loadings is expected to rise at least 5 points from the August figure of 70.

EXAMPLES: Loadings last week 806,000 cars compared to 722,000 in week ending September 2. Represents rise of 100,000 cars from peak last year (October 29), but under 1937 peak of 847,000 cars.

SIGNIFICANCE: Rising traffic has caused move to repair rolling stock and add new equipment; volume still low.

EMPLOYMENT AND PAY ROLLS undoubtedly rising.

EXAMPLES: No reliable data available yet.

SIGNIFICANCE: As first effect will be transition from part-time operations to full shifts in many industries, employment will probably not keep pace with production increases.

CONSUMER PURCHASING was large in limited number of foodstuffs early in month, but otherwise there are no indications of marked change in consumer expenditures.

EXAMPLE: Hysterical sugar purchasing.

SIGNIFICANCE: Consumer purchases should reflect the rising trend in pay rolls in near future if not choked off by rising retail prices.

EXPORTS, which normally show a substantial seasonal increase in September, will show a decline below August this year. Exports in August amounted to \$248,000,000, but in the first third of September to only \$68,000,000. Trade inquiries for exports, however, are increasing, and this Department has had a large number of cabled inquiries for American products from the Netherlands East Indies, British India, South African Union, and Sweden.

EXAMPLES: While exports to the United Kingdom and Canada maintained a September volume which indicates that they will at least equal August, exports to other belligerents fell off markedly. France indicates a decline of more than 50 percent for the month. Shipments to Germany and Poland tapered off rapidly to a practical stoppage.

SIGNIFICANCE: The effects of the Neutrality Act, shortage of ships, fluctuations in exchange, and rises in freight rates and marine insurance have all been contributing factors in this situation.

CAUTION. Extension of the business rise, after completion of the orders recently acquired, is dependent on a near term increase in capital expenditures and/or exports. With the minor exception of

the railroads, there is no indication to date of expansion in capital outlays. Additional consumer buying as a result of increased pay rolls will not of itself be sufficient to support business expansion in the face of price rises.

Weekly Wholesale Price Indexes, 1926 = 100

(Department of Labor)

Group	Aug.	Sept.	Sept.	Sept.	Percentage increase Sept. 16 from Aug. 26
	26	2	9	16	
All commodities	74.8	75.3	78.4	79.3	6.0
Farm products	81.1	82.7	88.1	89.7	14.1
Foods	66.7	68.5	74.5	75.5	15.2
All commodities other than farm products and foods	80.4	80.4	81.7	82.4	2.5
Hides and leather products	92.6	92.7	96.3	99.9	7.9
Textile products	67.4	67.2	68.4	71.4	5.9
Fuel and lighting materials	75.2	75.2	74.0	74.1	1.2
Metals and metal products	95.5	95.5	94.6	94.9	1.5
Building materials	89.7	89.7	90.1	90.7	1.1
Chemicals and drugs	74.2	74.4	75.9	77.1	5.9
House furnishing goods	87.0	87.0	87.0	87.1	0.1
Miscellaneous	75.1	75.2	76.1	76.1	4.1
Raw materials	66.2	67.1	71.8	75.0	10.3
Semimanufactured articles	74.4	74.6	79.7	82.0	10.2
Finished products	79.3	79.7	81.9	82.3	3.8

Weekly Average Prices of Livestock

(Department of Agriculture)

	Aug.	Sept.	Sept.	Sept.	Percentage increase Sept. 16 from Aug. 26
	26	2	9	16	
Beef steers in Chicago (\$ per 100 lbs.)	8.92	9.32	10.40	10.22	14.6
Hogs purchased by packers in 7 markets (\$ per 100 lbs.)	5.62	5.97	7.57	7.53	30.4

Prices of Selected Individual Commodities

	<u>Unit</u>	<u>Aug.</u> <u>31</u>	<u>Sept.</u> <u>20</u>	<u>Percent</u> <u>Increase</u>
Spot prices for standard grades:				
Wheat (Kansas City, No. 2, hard)	¢ per bu.	70	90	28.6
Corn (No. 3, yellow, Chicago)	do	45	57½	27.8
Rye (No. 2, c.i.f. New York)	do	58	70	20.7
Raw sugar - duty free 96°	¢ per lb.	2.92	3.65	25.0
Cocoa	do	4.47	6.06	35.6
Coffee	do	7-3/8	8	8.5
Lard (Chicago)	do	5.75	8.05	40.0
Cotton (10-market average)	do	8.55	8.79	2.8
Print cloth (60 x 64 - 38½")	¢ per yd.	4-5/8	5½	18.9
Silk	¢ per lb.	2.70	3.18	17.8
Rubber	¢ per lb.	16-7/8	22½	33.3
Hides (light native cows)	do	11	15½	40.9
Copper (electrolytic)	do	10½	12	14.3
Lead	do	5.05	5.50	8.9
Zinc	do	5.14	6.64	29.2
Tin	do	49½	65	31.3

Security Prices (Dow-Jones' Average)

	<u>Aug. 31</u>	<u>Sept. 21</u>	<u>Percent</u> <u>Change</u>
<u>Stocks</u>			
30 Industrials	154.41	153.48	/ 14.2
20 Railroads	26.10	32.83	/ 25.8
15 Utilities	24.54	24.65	/ 0.4
<hr/>			
65 Stocks	44.91	51.44	/ 14.5
<u>Corporate Bonds</u>			
10 Utilities	107.94	104.48	- 3.2
10 Industrials	106.84	104.09	- 2.6
10 High grade rails	90.71	90.64	- 0.1
10 Second grade rails	45.58	53.23	/ 17.4
<hr/>			
40 Bonds	87.71	88.11	/ 0.5

FOREIGN SITUATION

BRITISH PURCHASING POLICIES. The taking over by the British Government of the Australian wool clip, canned and dried fruit, butter, meat and other primary products, and the probable extension of this policy to the New Zealand wool clip and other commodities, combined with the purchasing control over the foodstuffs by the Food Ministry is presenting the important problem of determining our own policy towards centralized selling and purchasing. This policy of the British Government also indicates that the British are making a serious effort to control prices, which may have a considerable influence on our own price situation.

LATIN AMERICAN TRADE situations have been canvassed to determine the volume of outstanding orders that can not be delivered by belligerent countries, which might be diverted to the United States. No safe estimate of the total amount of such orders can yet be given as reports have not been received from the two most important countries - Argentina and Brazil. However, the following are

EXAMPLES: Outstanding private orders in Mexico are estimated at \$2,800,000, and Government orders to Germany and Italy at \$10,000,000. In Chile, \$11,000,000. In Colombia, \$7,500,000.

SIGNIFICANCE: It is the consensus of opinion from the countries heard from that a very large part of the outstanding orders that can not be delivered by belligerent countries will be diverted to the United States. The commodities involved are mostly consumption goods, but include also iron and steel products, chemicals, and machinery. The outstanding compensation marks do not present a serious problem in the countries heard from with the exception of Mexico.

EXPORTS OF UNITED STATES MERCHANDISE BY COUNTRIES

Country	First Third of	August	July	September
	September 1939*	1939	1939	1938
	(Thousands of Dollars)			
Belligerents:				
United Kingdom	14,876	46,990	33,029	48,955
Canada	15,332	40,934	38,616	34,976
France	2,432	22,167	14,733	11,117
Germany	417	6,713	5,331	12,518
Poland & Danzig	158	1,984	2,249	1,801
European neutrals:				
Italy	873	5,016	3,713	4,099
Belgium	872	5,015	4,386	4,404
Netherlands	2,582	7,995	5,098	6,585
Sweden	1,784	5,659	6,276	3,617
Denmark	758	1,317	1,896	1,369
Norway	310	1,530	1,784	1,658
Spain	1,002	2,369	1,421	882
Japan	5,014	12,104	12,530	19,791
All other countries	21,239	89,755	95,775	91,823
Grand Total	67,649	248,148	226,737	243,595

NOTE: While the figures for the first third of the current month do not provide a satisfactory basis for estimating the total for September, it may be noted that if the rate of the first 10 days prevails for the balance of the month, exports will approximate \$200,000,000, or about one-fifth less than in August.

* Export declarations received by Section of Customs Statistics, September 1 - 15.

EXPORTS OF UNITED STATES MERCHANDISE

(Thousands of dollars)

<u>Commodity Groups</u>	<u>First third of September 1939</u>	<u>August 1939</u>
00 Animals and Animal Products, Edible	1,877	5,650
0 Animals and Animal Products, Inedible	534	3,065
1 Vegetable Food Products and Beverages.	4,502	18,589
2 Vegetable Products, Inedible, except Fibers and Wood . .	6,597	14,874
3 Textile Fibers and Manufac- tures.	8,101	20,216
4 Wood and Paper.	2,416	8,385
5 Nonmetallic Minerals.	12,513	44,057
6 Metals and Manufactures, ex- cept Machinery and Vehicles	10,342	39,947
7 Machinery and Vehicles. . . .	14,283	72,344
8 Chemicals and Related Products	4,243	12,189
9 Miscellaneous	<u>2,172</u>	<u>8,833</u>
Total	67,649	248,148
Wheat	558	3,537
Tobacco, leaf	4,915	7,075
Cotton, unmanufactured.	6,079	10,704
Petroleum products.	8,364	33,079

PSF: Commerce

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Oct 1939

DOMESTIC BUSINESS SITUATION

BUSINESS ACTIVITY increased substantially in all major areas during October. The advance was probably even larger than September's, although the rate of increase now is much slower. The rise in activity last month was based on the backlog of orders received during the September rush—since that time the inflow of new orders has been reduced.

EXAMPLES: Comparative figures for a few important business indicators are as follows (October figures are estimated):

	<u>Aug.</u> <u>1939</u>	<u>Sept.</u> <u>1939</u>	<u>Oct.</u> <u>1939</u>	<u>Oct.</u> <u>1938</u>
Income payments (1929=100)	85.4	86.8	88.5	82.6
Industrial production (1923-25=100)	103	111	120	96
Freight carloadings do	70	77	81	68
Factory employment do	96.0	97.4	100.5	90.2
Department-store sales do	89	92	93	84

SIGNIFICANCE: Continued activity at current or higher levels seems assured for the remainder of the year on the basis of existing order files.

INDUSTRIAL PRODUCTION jumped again in October from 111 to an estimated 120 for the Federal Reserve index. The magnitude of the 2-month rise has been duplicated only by the exceptional spurt in the second quarter of 1933. If the Chrysler dispute is settled, this will give some lift to the November index; production index is expected to be higher this month and next though December rise based not on further expansion but on the absence of the usual sharp seasonal decline. Several basic industries are at the practical limit of capacity, though this is by no means a general condition.

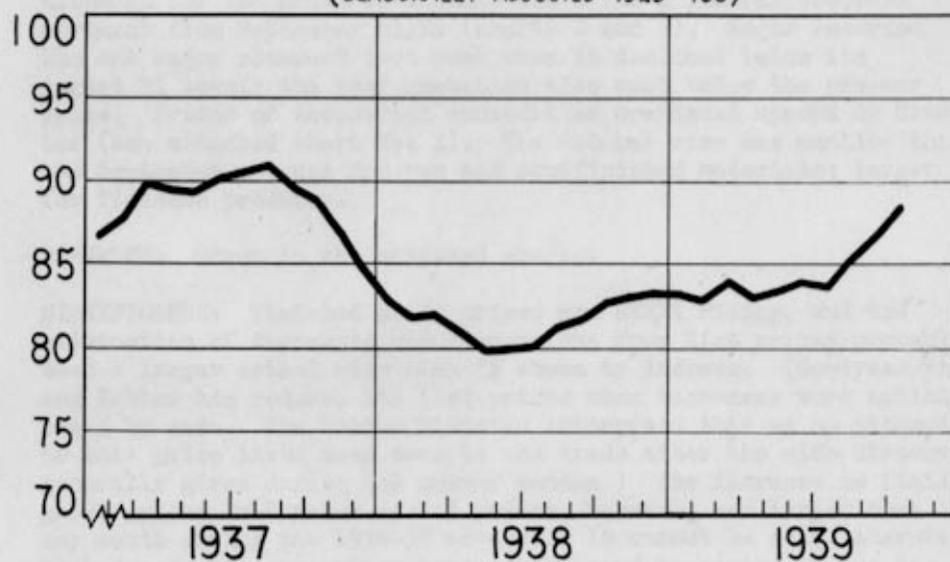
EXAMPLES:

Steel
Machine tools
Paper
Rayon

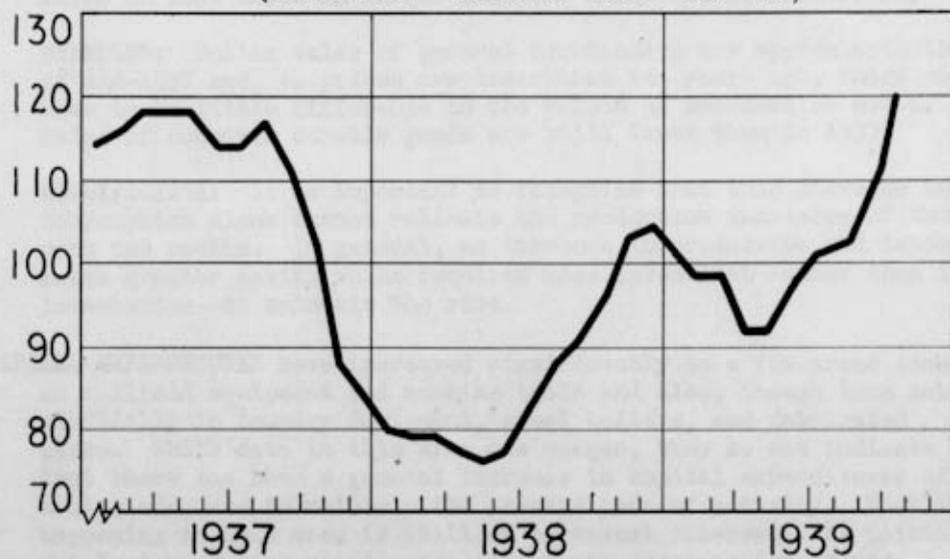
SIGNIFICANCE: Production in basic industries has now reached 1937 peaks (see attached chart No. 1). Manufacturing as a whole, however, is still below activity in the first half of 1937; witness the fact that factory employment is 10 percent lower, a larger differential than could be accounted for by increased productivity. Furthermore, average employee hours worked per week are not so high as in the earlier period.

Chart No. 1.

INCOME PAYMENTS (SEASONALLY ADJUSTED 1929 = 100)



INDUSTRIAL PRODUCTION (SEASONALLY ADJUSTED 1923 - 25 = 100)



OCTOBER DATA PRELIMINARY

Sources: Income Payments, Bureau of Foreign and Domestic Commerce; and Industrial Production, Board of Governors of the Federal Reserve System.

PRICES of basic commodities were little changed during the past week, although for the month as a whole there was a general downward movement from September highs (charts 2 and 3). Sugar recorded the one major movement last week when it declined below its August 31 level; the beef quotation also went below the pre-war price. Prices of industrial commodities continued upward in October (see attached chart No. 4). The October rise was smaller than the September advance for raw and semifinished materials; larger for finished products.

EXAMPLES: Given in the attached charts.

SIGNIFICANCE: Finished goods prices are still rising, and the elimination of discounts and concessions from list prices probably mean a larger actual rise than is shown by indexes. (Goodyear Tire and Rubber has reduced its list prices when increases were anticipated by some. The Rubber Division interprets this as an attempt to make price lists mean more to the trade after the wide discounts generally given during the summer months.) The increase in finished goods prices in October of 1.5 points, however, was larger than in any month during the 1936-37 advance. It cannot be said, therefore, that danger of consumption being restricted by rising prices has been removed.

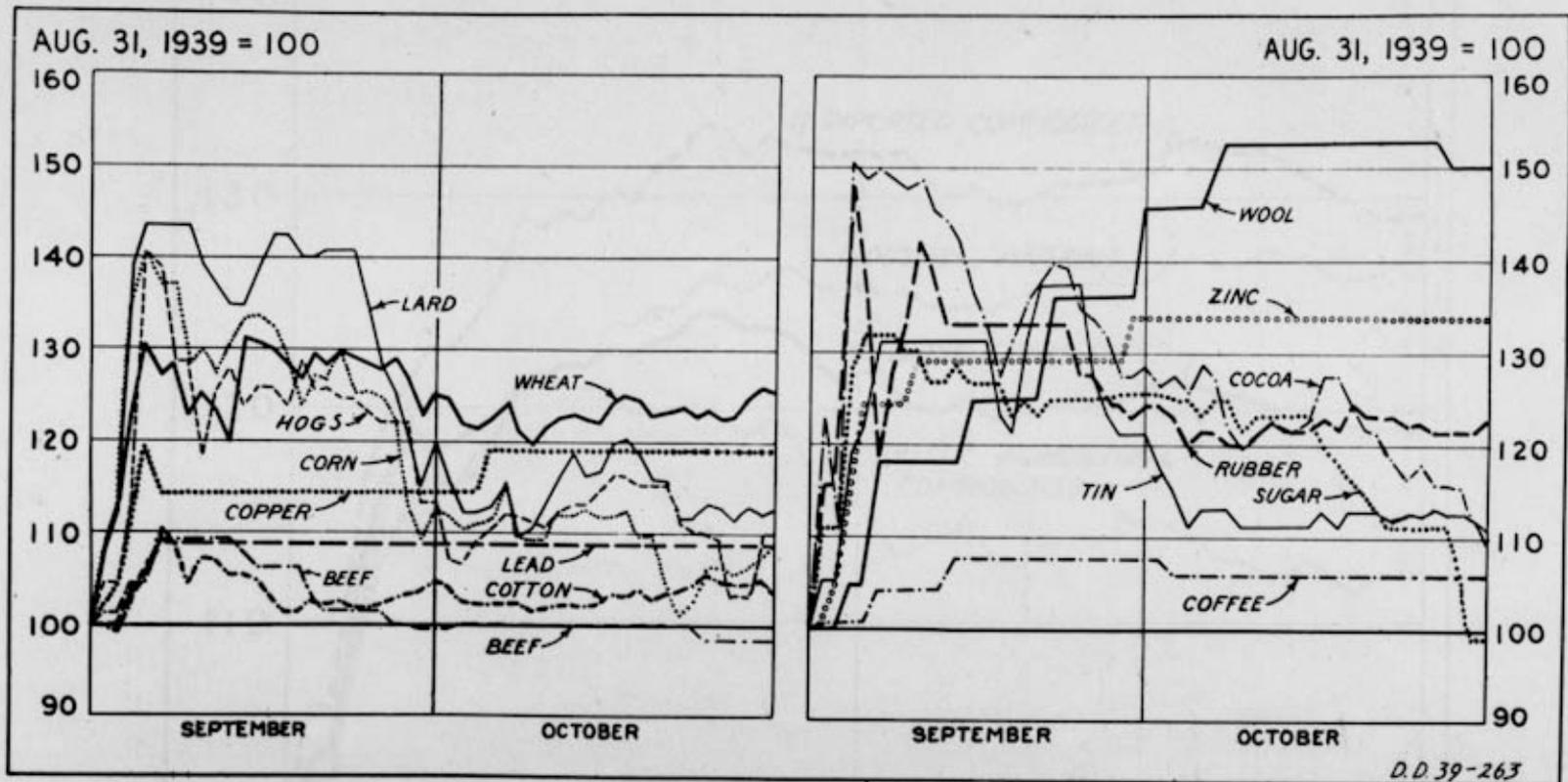
CONSUMER PURCHASING has responded promptly to the increase in income payments recorded in September and October. The gain in retail sales in most areas is larger than the usual seasonal increase.

EXAMPLES; Dollar sales of general merchandise now approximate those of mid-1937 and, as prices are lower than two years ago, there would seem to be little difference in the volume of merchandise moved. Sales of consumer durable goods are still lower than in 1937.

SIGNIFICANCE: It is important to recognize that this increase in consumption alone cannot validate the production increases of the past two months. In general, an increase in production and income means greater saving which requires more investment--other than in inventories--to maintain the rise.

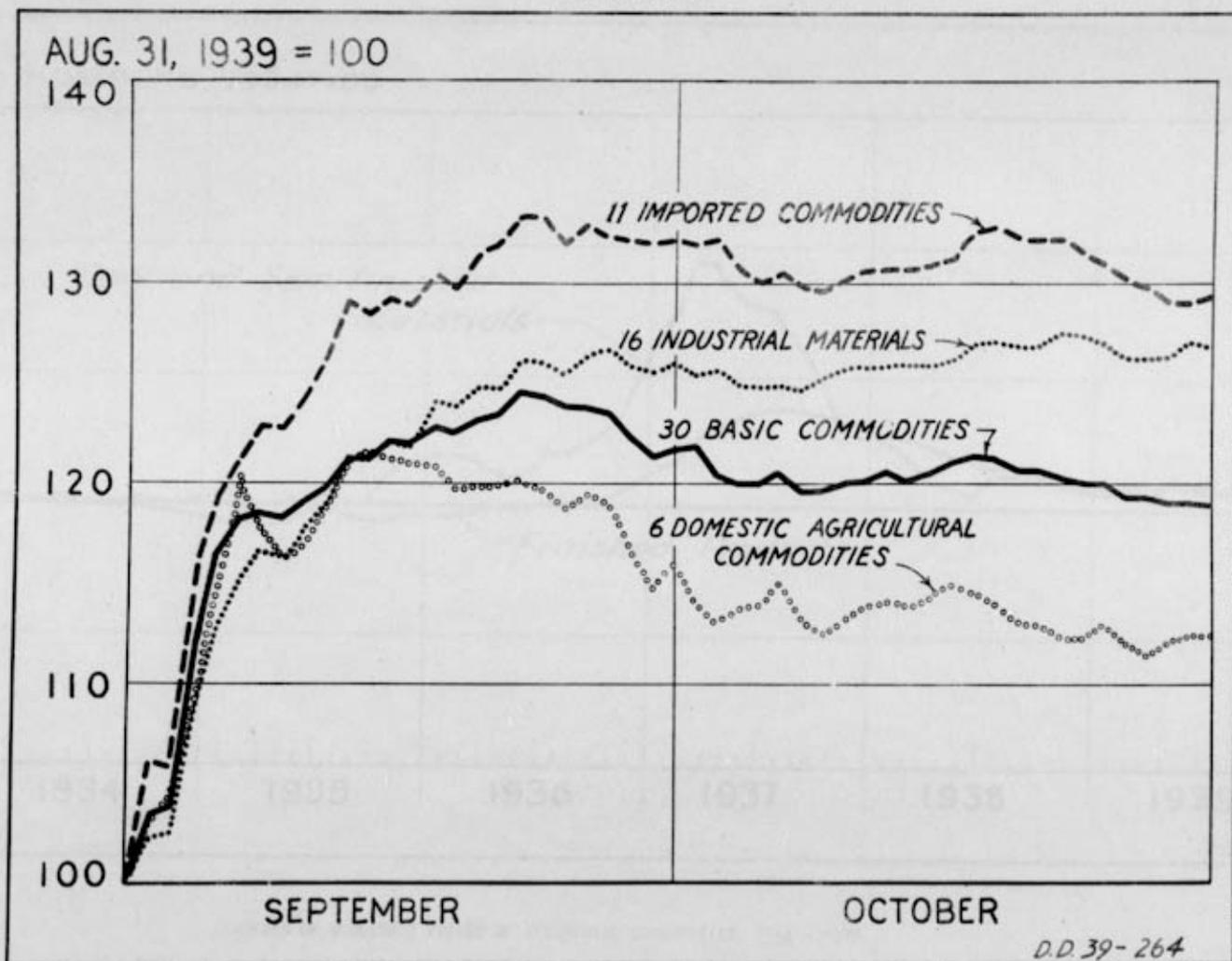
CAPITAL EXPENDITURES have increased significantly in a few areas such as railroad equipment and machine tools and also, though less substantially in foundry equipment, steel boilers, and fabricated plate. While data in this area are meager, they do not indicate that there has been a general increase in capital expenditures of a size adequate to maintain the present pace of activity. What is happening in this area is still of paramount interest. As pointed out last week, the maintenance of private construction at mid-summer levels is a bright spot in the capital formation picture.

Chart No. 2



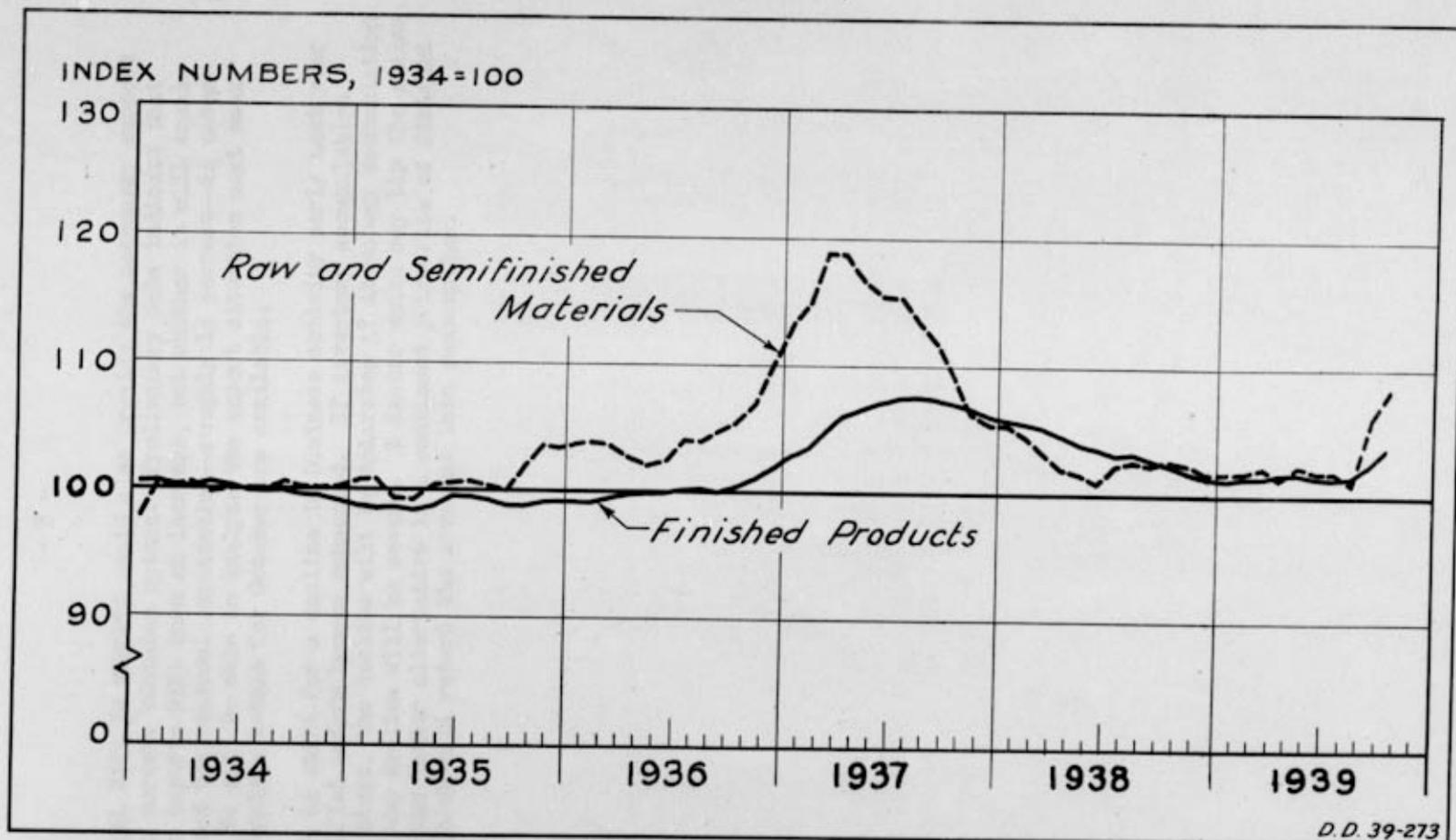
PRICE MOVEMENTS OF SELECTED DOMESTIC AND IMPORTED COMMODITIES,
 SEPTEMBER AND OCTOBER 1939. (SOURCE OF BASIC DATA—JOURNAL OF COMMERCE).

Chart No. 3



PRICE INDEXES OF BASIC COMMODITIES, SEPTEMBER AND OCTOBER 1939.
(SOURCE: U. S. DEPARTMENT OF LABOR).

Chart No. 4



INDEXES OF WHOLESALE PRICES OF INDUSTRIAL COMMODITIES, 1934 - 1939.

NOTE.—CLASSIFICATION BY BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM OF DATA OF THE U. S. DEPARTMENT OF LABOR; ALL FOODS AND FEEDS, BOTH RAW AND PROCESSED, ARE OMITTED.

A SUBSTANTIAL RISE IN EXPORTS could also provide the necessary support for the current business upturn. Preliminary data indicate that October exports will show an increase, but whether it will equal or exceed the seasonal expectation—roughly 15 percent—is uncertain. We will be able to analyze the export situation next week when complete totals for October are available.

THE OUTLOOK is still for a decline in business activity early next year as unfilled orders become exhausted. If inventory accumulation merely stops, the decline will be moderate; if inventory decumulation begins the decline will be severe. A factor which may tip the scales toward the latter alternative is a continued price rise of finished goods which will retard the movement into consumption.

WEEKLY WHOLESALE PRICE INDEXES

1926 = 100

Group	Aug. 26 1939	Sept. 2 1939	Sept. 9 1939	Oct. 21 1939	Oct. 28 1939	Percentage increase 'Oct. 28 from 'August 26
All commodities	74.8	75.3	78.4	79.4	79.2	5.9
Farm products	61.1	62.7	68.1	67.5	67.2	10.0
Foods	66.7	68.5	74.5	73.2	72.3	8.4
All commodities other than farm products and foods	80.4	80.4	81.7	84.1	84.2	4.7
Hides and leather products	92.6	92.7	96.0	105.4	105.5	13.9
Textile products	67.4	67.2	68.4	74.8	75.2	11.6
Fuel and lighting materials	73.2	73.2	74.0	74.6	74.6	1.9
Metals and metal products	93.5	93.5	94.6	96.3	96.3	3.0
Building materials	89.7	89.7	90.1	92.5	93.0	3.7
Chemicals and drugs	74.2	74.4	75.9	78.0	77.9	5.0
House furnishing goods	87.0	87.0	87.0	89.2	89.3	2.6
Miscellaneous	73.1	73.2	76.1	77.2	77.4	5.9
Raw materials	66.2	67.1	71.8	72.2	72.1	8.9
Semimanufactured articles	74.4	74.6	79.7	83.6	82.9	11.4
Finished products	79.3	79.7	81.9	82.8	82.5	4.0

Source: Bureau of Labor Statistics, U. S. Department of Labor.

SELECTED COMMODITY PRICE SERIES

Commodity	Unit	Aug.	Sept.	Oct.	Oct.	Nov.
		31	7	18	25	1
		1939	1939	1939	1939	1939
Copper, electrolytic, New York . . .	¢ per lb.	10 1/2'	12	12 1/2'	12 1/2'	12 1/2'
Lead, prompt shipment, New York . . .	do	5.05	5.50	5.50	5.50	5.50
Zinc, New York	do	5.14	6.39	6.89	6.89	6.89
Tin, straits, New York	do	49 1/2'	65	55	55 3/4'	54 1/2'
Rubber, plantation, New York	do	16 7/8'	20	21 1/2'	20 5/8'	20 3/4'
Hides, light native cows, Chicago . .	do	11	—	16	15 1/2'	14 1/2'
Silk, 13-15 denier, 78% seriplane, New York	\$ per lb.	2.70	2.83	3.44	3.46	3.53
Cotton, middling, av. 10 markets . .	¢ per lb.	8.55	9.44	8.84	9.00	8.92
Print cloth, 60x64, 38 1/2 inches, N.Y.	¢ per yd.	4 5/8'	5 1/4'	5 1/2'	5 1/2'	5 1/2'
Wool tops (Dec. futures, New York) .	¢ per lb.	81.6	96.5	113.2	111.7	107.5
Sugar, raw, 96° duty free, New York'	do	2.92	3.85	3.45	3.25	2.95
Cocoa, Accra, New York	do	4.47	6.70	5.70	5.27	4.90
Coffee, Santos, No. 4, New York . . .	do	7 3/8'	7 3/8'	7 7/8'	7 7/8'	7 5/8'
Lard, cash, Chicago	do	5.75	8.25	6.92	6.52	6.42
Cottonseed oil (Dec. futures, N.Y.)'	do	5.75	7.49	6.94	6.85	6.68
Wheat (Dec. futures, Chicago)	¢ per bu.	68 3/8'	88	85 3/4'	85	86 1/4'
Hogs, good and choice, 220-240 pounds, Chicago	\$ per cwt.	6.78	9.05	7.40	6.90	6.90
Steers, beef, medium, 750-1,100 pounds, Chicago	do	8.38	9.38	8.50	8.75	8.75

Sources: All commodities, with the exception of wool tops, cottonseed oil, hogs, and steers, are taken from the Journal of Commerce; wool tops and cottonseed oil are taken from the Wall Street Journal; and hogs and steers are from the Bureau of Agricultural Economics, U. S. Department of Agriculture.

COMPOSITE PRICES OF PIG IRON, STEEL SCRAP, AND FINISHED STEEL

Date	Pig Iron ^{1/} (Dollars per gross ton)	Steel Scrap ^{2/} (Dollars per gross ton)	Finished Steel ^{3/} (Cents per pound)
1939:			
August 29	20.61	15.62	2.236
September 5	20.61	15.62	2.236
September 12	20.61	16.75	2.236
September 19	22.61	19.25	2.236
September 26	22.61	21.67	2.236
October 3	22.61	22.50	2.236
October 10	22.61	22.08	2.236
October 17	22.61	21.00	2.236
October 24	22.61	20.88	2.236
October 31	22.61	20.96	2.236

^{1/} Based on average for basic iron at Valley furnace and foundry iron at Chicago, Philadelphia, Buffalo, Valley and Southern iron at Cincinnati.

^{2/} Based on No. 1 heavy melting steel quotations at Pittsburgh, Philadelphia, and Chicago.

^{3/} Based on steel bars, beams, tank plates, wire, rails, black pipe, sheets and hot-rolled strip. These products represent 85 percent of the United States output.

Source: The Iron Age.

FOREIGN NOTES

GERMANY: In order to reduce the inflationary effect of war expenditures on the German currency, the Supreme Command of the German Army and its Central Procurement Department have been authorized by decree of September 19 to issue special Army Promissory notes in denominations not smaller than 10,000 marks. These notes are not eligible for rediscount by the Reichsbank, nor acceptable as collateral for loans. It is interesting to note that about a year ago some departments of the Army were reported to have started issuing promissory notes, which were soon stopped.

It is reported that the German government has stopped publication of foreign trade figures beginning with August, and is also going to discontinue the publication of other economic statistics.

UNFAVORABLE EFFECT OF THE WAR ON THE NEUTRALS:

Chile - Business in Northern Chile is suffering from stagnation, due to the rapid increase in the price of consumption goods and restrictions on export trade. Nitrate companies are handicapped by inability to obtain replacement parts for German machinery.

Denmark - The foreign exchange resources of the Danish Nationalbank amounted on October 7 to only 4,900,000 kroner as compared with 107,000,000 kroner at the end of September 1938. Principal causes are increased imports burdened by heavy freight and insurance rates, low agricultural export prices, and seizure of export cargoes. The export situation as regards the British market is so serious that slaughtering had to be stopped temporarily, resulting in 7,000 employees being thrown out of work.

Switzerland - The loss to Swiss investors as a result of the German annexation of Austria and Czecho-Slovakia is estimated at 435,000,000 Swiss francs capital, and 17,500,000 francs annually in interest payments.

JAPANESE COTTON IMPORTS: The total cotton imports of Japan for the cotton year closing August 31, 1939, were 2,685,000 bales, showing an increase of 630,000 bales, a large part of the increase going to Indian cotton. It is interesting to note that the imports of Chinese cotton declined from nearly 336,000 bales in 1937-1938 to less than 66,000 bales in 1939. The imports of American cotton increased from 675,000 bales to 855,000 bales during the same period.

Commerce
1

October 4, 1939

Letter to the President from Senator Josiah W. Bailey

Re-Germany placing Tobacco on the contraband list--statement
of President and Sec Wallace encouraged him but fears the
British Gov won't return to our market etc et c etc.
Attached are figures on tobacco-United Kingdom and France

See: Josiah W. Bailey-Senate folder-Drawer 2-1939

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DEPARTMENT OF COMMERCE
OFFICE OF THE SECRETARY
WASHINGTON

October 13, 1939

Memorandum

To: Mr. Edward J. Noble
From: K. A. Bickel
Subject: Attached Clipping

"The Inter-American Financial and Economic Advisory Committee, which is to begin its functioning in Washington within a few weeks, is designed to furnish a means of discussion and action with respect to problems of trade, finance and other phases of economic relations and activity which press for solution within and among our nations. The first meeting of representatives of the national treasuries, scheduled to meet in Guatemala next month in pursuance of an important decision adopted by the Lima Conference of last year, is another step in the same direction. "Some of the American countries face difficulties arising out of loss of European markets for some of their staple exports. Some are confronted with inability to receive normal imports from accustomed sources of supply. Some are face to face with financial or monetary problems of a pressing emergency character. We shall all benefit in solving these problems and difficulties.

You will note the extended reference to the Inter-American Financial and Economic Advisory Committee in Secretary Hull's speech of Tuesday.

The Committee deals very largely with trade and economic phases of our Latin American relations and you can readily see how essential it is that the Department of Commerce be directly represented on this Committee. Otherwise the activities of this Committee and the Department of Commerce in the same field will create confusion and cause delay.

K.A.B.

PSF

Commercial
Wave Files

~~PERSONAL & CONFIDENTIAL~~

October 13, 1939.

Dear John:-

You are grand in the position you are so loyally sticking to. I think the tide is turning our way and if I can help you with your Massachusetts or Rhode Island or Connecticut colleagues to get them definitely with us, let me know.

My best wishes to you,

Always sincerely,

Honorable John W. McCormack,
House of Representatives,
Washington, D. C.



THE SECRETARY OF COMMERCE
WASHINGTON

October 11, 1939.

Miss Marguerite Le Hand,
Secretary to the President,
The White House.

Dear Missy:

Congressman John McCormack from my State, and who is backing the President 100 per cent, is receiving tremendous pressure from the other side but is going to stand firm. He has almost a 100 per cent green Democratic district and they are threatening to make life miserable for him.

The fact that the senior Senator from my State is on the other side isn't helping Congressman McCormack any. The thing I am worried about is that the other four Democratic congressmen, who have been with us almost 100 per cent, are being intimidated and right now I should say they are on the other side. If, somehow or other, it could be made known to John McCormack that the President appreciates his loyalty and his firmness under this pressure it might help us with the other congressmen.

I feel pretty strongly that in our home State, Massachusetts, the tide is turning toward us and the Senator is going to find himself out on a limb. Walsh comes up for reelection next year and I am sure he is voting in a way he thinks will get him the greatest support. I think this time, however, he is guessing wrong.

Sincerely,

A handwritten signature in cursive script, appearing to read "Dave", is written above the typed name.

DAVID K. NILES,
~~Assistant to the Secretary~~

file
"people"
commerce

November 15, 1939

In view of the complications involved, due to the large number of concerns doing work for the government and the inability of government employees holding stock in them to know whether a particular firm is so engaged, it may be desirable to give more extended study to the subject before making a suggestion. It might be the practical thing to leave matters as they are, and punish persons found guilty of impropriety. It hardly seems advisable to make a broad rule which would virtually prohibit all government officials from holding stock in concerns like Steel or General Motors, and a great many others.

[Edward J. Neale]

MEMORANDUM FOR THE PRESIDENT

I am informed that in a perjury case about to go on trial today (Wednesday) in the Southern District of New York, against an official of a certain corporation which is engaged in the manufacture of aviation parts for the government, it may be brought out collaterally that certain United States naval officers own stock in this concern.

While the subject is not free from complications, consideration may well be given to the need, advisability, and practicability of issuing a warning or regulation on this subject to government officials, in regard to holding stock ownership or other pecuniary interest in concerns engaged in government work, at least insofar as they have official authority or responsibility for proper performance or payment or in the awarding of contracts.

So far as I am informed, nothing irregular or scandalous has occurred. In order to avoid possible scandal or criticism, however, it may be advisable in a press conference or a public statement, at the first opportunity, to advise and warn government officials against having any direct pecuniary interest in work being done under a government contract, by way of stock ownership, salaried positions,

or otherwise, where the contract is awarded or the work is performed under their authority or supervision, or where they have any official functions to perform in relation to such work or contract or the auditing of vouchers therefor. Officials of the War and Navy Departments, especially, should avoid having any pecuniary interest in firms that are engaged in the manufacture of military supplies and equipment for the government, at least where they are called upon to exercise any official responsibility in relation thereto.

Suitable orders should be issued and given circulation in the departments affected, giving warning of appropriate disciplinary action in the event of violation of the rule.

Edward Noble

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

FROM

The White House
Washington

*file
personal*

PSF: Commerce

U. S. GOVERNMENT PRINTING OFFICE 53321

November 23, 1939.

The Honorable
The Under Secretary of Commerce
Washington, D. C.

I have been informed of meeting yesterday Department of Commerce for discussion Brazilian refinancing. It is essential there be no confusion or crossing of wires with other Departments which have had charge of this matter for a long time. Please go to see Acting Secretary Welles and Secretary Morgenthau and advise them fully

FRANKLIN D. ROOSEVELT

OLLIQIVT EN

LET

RECEIVED BY THE
OFFICE OF THE UNDER SECRETARY OF STATE
DEC 2 1939

UNDER SECRETARY OF STATE
DEC 2 - 1939
MR. WELLES

THE WHITE HOUSE
WASHINGTON

file

December 1, 1939.

MEMORANDUM FOR

SUMNER WELLES:

To read and return.

F.D.R.



THE UNDER SECRETARY OF COMMERCE
WASHINGTON

PSF: Commerce

November 27, 1939.

My dear Mr. President:

I am in receipt of your telegram of the 22nd expressing your concern about a meeting in the Department of Commerce "for discussion of Brazilian financing."

This meeting was merely another informal and unpublicized conversation by members of the Department and personal business friends of theirs interested in the actual exchange of imports and exports with Latin American countries. It was the outcome of an interview between Mr. Robert E. McConnell, my associate here, and Mr. Clarence Dillon. The Tuesday meeting was attended by Mr. Brandy, representing Mr. Dillon; Mr. Curtis E. Calder, President of American and Foreign Power, which company has investments of nearly a half billion dollars in Latin America; Mr. Graham Howard and Mr. Sullivan of the General Motors Export Company; and Mr. Drum, the Latin American expert of the National City Bank. In addition, we invited Mr. Beardsley Ruml, Treasurer of Macy's (and a member of the National Resources Board).

Ever since his appointment, Secretary Hopkins has displayed a special interest in the expansion of our Latin American trade. His last public address before his recent illness dealt with that subject. Our interest in those problems was intensified when upon the outbreak of the war, you suggested to me that this Department should make particularly earnest efforts to hold the Latin American trade that would be diverted to us from the belligerent nations.

In considering means of stimulating and developing our exports and imports, we have not been aware of any departmental conflict of jurisdiction. Naturally we would not embark on the promotion of a project of such magnitude and importance without first receiving your approval nor until we had assured ourselves of its soundness from the viewpoint of other governmental departments that have special experiences and skills in connection with various factors that enter into it. Further than that, we would not even broach the suggestions to you or to the other departments until we had discussed its major aspects with industrialists experienced in Latin American affairs and felt substantially assured that the proposals are worthy of discussion. I believe that as a result of our several meetings we have all been in agreement that the principles advanced have great merit and deserve the fullest and most careful consideration.



Page 2,
The President,
November 27, 1939.

I shall, therefore, go to Mr. Welles and Mr. Morgenthau with greater confidence in the merits of the project than I could otherwise have done. I hope and believe that their advice will be helpful and constructive.

It is true that the consummation of the project we are contemplating would require negotiation between foreign nations and those of our citizens who hold defaulted bonds, and that such negotiations would be handled by the Department of State. Obviously, consummation of such projects would also have immediate and important effects on foreign exchange which would involve the Treasury.

At one of our recent meetings I learned through Mr. Ruml that Mr. Delano, the Chairman of the National Resources Board, in his capacity as head of governmental planning, has addressed a memorandum to you suggesting that the departments involved should formally create a special Latin American council, in which their cooperation could be directed without the possibility of misunderstanding. I hope you will not misunderstand the directness of speech of a mere businessman if I say that the apparent concern of other departments over a perfectly innocent meeting in this Department to clarify our own ideas on a subject of vital importance, very significantly points up the necessity for some such council.

We need some kind of machinery to abate jurisdictional suspicions of departments which eventually must cooperate without suspicion if anything beside talk is to come of our interest in new trade with Latin America.

Yours very sincerely,

Edward Noble
Edward Noble

The President,
The White House.



PS
20/12/39
THE SECRETARY OF COMMERCE
WASHINGTON

PSF: Commerce
Paula - file

December 7, 1939.

Dear Missy:

I have been getting together everything that I could find on third-term attitudes. The enclosed will probably interest you. When we have completed our research I will let you see the whole file if you care to.

Sincerely,

A handwritten signature in cursive script, appearing to read "Dave".

DAVID K. NILES,
Assistant to the Secretary

Miss Marguerite A. Le Hand,
Secretary to the President,
The White House.



Representative John J. O'Connor, representing the 16th Congressional District of New York, when questioned regarding the prospect of Congress adopting an anti-third term resolution, said:

"I for one do not think I would support such a proposition. It would merely be an empty gesture and would have no binding effect. It is an academic question and a moot question and Congress has no business bothering with such things..... We have more important things to take up the time of the next Congress than the third term.....As far as I am concerned I would be in favor of leaving a man in office as long as the people are willing to reelect him. All this talk about an oligarchy is empty and foolish. If at any time - in the early life of the Republic - there was reason for such fears, those fears have long ago ceased to exist. There is no trouble these days about yanking a man out of office when it is found that he ought not to remain."

New York Times - July 27, 1927 Page 3, par. 3

THE WHITE HOUSE
WASHINGTON

*file
personal
commence*

1/8/40

January 8 - 1940

MEMORANDUM FOR THE PRESIDENT

David Niles wanted me to give you
this information:

The United Mine Workers are having
their convention January 21 and 22. They
will adopt a resolution endorsing Wheeler
as their candidate. The convention is
headed by Kennedy.

MISSY

PSF: Commerce

PERSONAL

January 17, 1940.

Dear Dave:-

That brochure "This Man Jones"
is a perfect joy. Some day I will tell
you some of my personal experiences at
Houston. I would not dare write them.

As ever yours,

David K. Niles, Esq.,
Department of Commerce,
Washington, D. C.

Should the brochure be
returned to Dave Niles?

[Faint signature]



THE WHITE HOUSE
WASHINGTON

January 22, 1940.

Dear Harry:-

I am sending you herewith
the brochure which Dave Niles
spoke to you about. When you have
finished with it will you return
it for our files?

Misay tells me that you
are feeling very well and I am
delighted to hear such good news.

I hope to see you one
of these days soon.

My best to you,
As ever,

1940
COPY OF ACH. 1/31/40
THE FOLLOWING LETTER WAS RECD
FROM MISS TULLY
DEAR MRS. TULLY:

RECEIVED 1/31/40
U.S. DEPARTMENT OF COMMERCE
WASHINGTON, D. C.



THE SECRETARY OF COMMERCE
WASHINGTON

January 31, 1940

Miss Grace Tully
The White House
Washington, D. C.

Dear Miss Tully:

The Secretary asked me to send this
to you.

Very sincerely yours,

A handwritten signature in cursive script that reads "Mary Van Meter".

Mary Van Meter
Secretary to the Secretary

Enc.

Commence
1

January 30, 1940.

Memo for the President from L. Currie

Re: Business Conditions
Attaches Basic Chart for interpreting
business conditions.

SEE: Administrative Assts folder-Drawer 1-1940.

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its deferred character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

1201

SYMBOLS

DL = Day Letter

NL = Night Letter

LC = Deferred Cable

NLT = Cable Night Letter

Ship Radiogram

R. B. WHITE
PRESIDENT

NEWCOMB CARLTON
CHAIRMAN OF THE BOARD

J. C. WILLEVER
FIRST VICE-PRESIDENT

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

QA 822 19 NT=WASHINGTON DC 14

THE PRESIDENT=

1940 FEB 14 PM 10 58

ABOARD USS TUSCALOOSA PENSACOLA FLO=

PLEASE DONT WORRY ABOUT ME. I'M IN HIDING. CATCH LOADS OF FISH AND HAVE A GRAND TIME WARM REGARDS=

VIC. .

file personal

Commence

March 27, 1940.

*file
personal*

RF: Committee

MEMORANDUM:

TO: Miss Marguerite Leland
FROM: David K. Niles *Jan Niles*

The Maine political situation needs some attention. There is no leadership there, as you know. Former Governor Brann spent most of the last couple of years in an institution. I think we have a good chance to win the Senatorial election, but not without some consideration given by the Boss.

The Republican nomination for Senator will undoubtedly go to Congressman Brewster, after a bitter fight in the Republican primaries with the present Governor of Maine, Barrows. They are personal enemies and will smear each other like nobody's business.

The Democratic nomination will not be worth anything if it is to depend on the Democratic organization for victory. Former Congressman Moran, now a member of the Maritime Commission, would be a good candidate for the Senate if there was a good organization and if he had declared himself some time ago. He is a good campaigner. However, I have a suggestion which I think is a natural. It can be put over. Perhaps the best possible man in the State is Kenneth Sills, President of Bowdoin College. Curiously enough, about twenty years ago, while he was Dean at Bowdoin, he ran for the Senate against Fernald and was defeated by 13,000 votes. In other words, a change of about 6,500 votes would have elected him. I have made a very careful check in the last few weeks and I think that Sills could win without very much effort. He is immensely popular in his State, a good churchman, and while he is not 100% liberal he is as liberal as one might expect to find in Maine. I am told by a member of the faculty at Bowdoin that if the President were to ask Sills to be a candidate he would do it. The Maine election coming in September Sills could be a candidate without interfering with his academic duties. I am passing it on for what it is worth, but I am hoping it is worth a trial.

The Democratic candidate for Governor will be a man named Redmond who will be elected, I think, because he has the support of the utilities crowd. He has spent some time down here as their lobbyist.

MAINE

Gubernatorial Vote - 1914

Whole vote----- 141,666

Oakley C. Curtis, Dem.	62,076
William T. Haines, Rep.	58,887
Halbert P. Gardner, Prog.	18,226
Percy F. Morse, Soc.	1,880
Fred A. Shephard, Prohib.	597

Senatorial election to fill term ending 1919

Bert M. Fernald, Rep.	81,369
Kenneth C. M. Sills, Dem.	68,201

Term Ending 1923

Hale, Rep.	79,841
Johnson, Dem.	69,486

Gubernatorial vote - 1916

Whole Vote----- 151,430

Carl E. Milliken, Rep.	81,760
Oakley C. Curtis, Dem.	67,930
Frank Maxfield, Soc.	1,465
Lieus Seeley, Prohib.	253
Scattering	2

Presidential Vote - 1916

Hughes, Rep.	69,508
Wilson, Dem.	64,033
Benson, Soc.	2,177
Hanley, Prohib.	596

Note: In the Presidential election of 1912, Roosevelt, running for a third term, was almost successful in Maine; the result being:

Taft	26,545
Wilson	51,113
Debs	2,541
Chapin	947
Roosevelt	48,495

*file
personal*

*Comment
Niles
1*

April 10, 1940.

MEMORANDUM:

TO: Miss LeHand

FROM: Mr. Niles *Jan*

You may be interested in these figures. Please note the mid-western states. This undoubtedly means the boss's policy should receive additional support in those states where our enemies say we have no strength.

For the President
Prepared by Bureau of the Census
W. D. H.

4-10-40

file
personal
commence

A.T.E.
Send this for the
Press Conference on
the morning

SWEDISH, NORWEGIAN, DANISH AND FINNISH
FOREIGN BORN, AND SONS AND DAUGHTERS OF
FOREIGN BORN AND MIXED PARENTAGE IN 17 STATES:

<u>State</u>	<u>Total</u>
Minnesota	645,515
Illinois	399,579
New York	260,651
Wisconsin	248,387
California	229,410
Washington	196,345
Michigan	186,430
North Dakota	168,270
Iowa	162,190
Massachusetts	128,051
South Dakota	100,589
Nebraska	91,488
Oregon	70,696
New Jersey	66,918
Pennsylvania	65,572
Montana	59,772
Connecticut	55,773

1930 Census but
these figures, the Census experts
say, will be much the
same today

*file
personal*

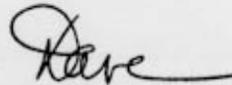
Commence

April 29, 1940.

Memorandum for Miss LeHand:

I have just received a letter from a doctor friend of mine up in Boston, who is also on the faculty of the Harvard Medical School. You will be interested in this paragraph:

"A few night's ago I had one of the most heartening experiences for some time, spending the evening with a group of men who formerly insisted on referring to Roosevelt as 'Rosenfeld', appropriately turn crimson when his name is mentioned, believe they carry 'Veritas' on their shield, and whose families have never voted other than Republican for five generations. The upshot of it all was that they hope to be able to vote for Roosevelt, see no other alternative, and feel that Hoover should be the Republican candidate so that after the election there would still be a Republican Party, whereas if any of the other candidates were nominated they fear that there will be nothing left of the Republicans but debris. Such they tell me is also the view of Republicans such as Charles Curtis."



DAVID K. NILES

THE WHITE HOUSE
WASHINGTON

June 12, 1940.

Dear Vic:-

Next week when the hurricane breaks I will take solace in the Magic Elixir on the theory "any port in a storm".

Probably it is a port that will provide a very safe anchorage all night.

Victor Sholis

F. D. R.

NO ANCHOR
WASHINGTON



THE ANCHORAGE
THE GALLEON
THE CARAVEL
THE MOORINGS
CONNECTICUT AVE.
AT QUE ST.

Thursday

My Dear Mr. President:

It's a pity that your
probation as a refugee
prevents you from coming
to God's Country with us,
but then you would
misbehave.

In the event that a
Hyde Park butterfly should

4
nip⁴ while I'm away, I hope
you'll nip at the attached-
known in the trade as
Dr. Sholis' Magic Elixir for
Refuges.

Warm Regards,
vic

VICTOR SHOLIS

file
personal

came to file
9/6/40

Wednesday

My Dear Mr. President:

It seems I am ever under obligation to you for a kind and pleasant thing you have done. In this letter my gratitude covers two such things.

First, thank you ever so much for signing the two pieces I wrote for the Chicago Times way back in '38. Reading the one on foreign policy, in the light of subsequent events, left me amazed on how well the administration has followed the long-range program I set up for it. The key to my prophetic abilities is a trade secret, which, unfortunately, I cannot divulge even to you. I can give you this hint, however, that I use neither tea leaves nor cards. Secondly, you can't know how grateful I am for allowing me to remain on the train during this recent trip. Traveling in your party always was a joy to me, and this

VICTOR SHOLIS

time - perhaps because it had been so long since I had been on your train - doubly so as a reporter, I use to be caustic about the "bull winks" who attached themselves to your train on the lamest excuses. With the role reversed, I thoroughly appreciated your kindness in not pitching me off after Harry had dropped out suddenly.

The highlight of the swing through Tennessee and West Virginia arose from the fact that for the first time I rode closely enough behind your car to catch the crowd's reaction immediately after seeing you. That throng in Knoxville and en route was smiling. Faces showed warm affection. Seeing them made me feel good, and less disturbed about the strain on that indefatigable right arm of yours.

I also considered it an historic privilege to be able to listen in on yesterday's press conference. The trade with Great Britain displayed an unselfish courage

VICTOR SHOLIS

and statesmanship on your part that I am certain the American people will applaud. So deep is my conviction on this point that I even survived the shock of discovering a Roosevelt-Mc Cormack article as revealed by the clipping I am enclosing.

Again, my thanks to you and please do not feel any concern about replying to me. Other burdens rightfully demand your time and energy.

Affectionately,
Vic

1940

commerce
1

VICTOR SHOLIS

Tuesday

My Dear Mr. President:

Every once in a while, something happens to revive that feeling that there are many good things in life even during disturbing days. Such an event, to me, was your birthday greeting.

Your taking time from your many burdens to inscribe that stirring speech is one of the finest and kindest things that has ever happened to me. Aside from the personal joy it gave me, it also rescued the "10th Day of June, 1940" from a stain of shame. Until then the date seemed destined only to be noted for 1) Italy's swish of the dagger, and 2) the 93rd anniversary of the founding of the Chicago Tribune. Mocked finds the latter coincidence embarrassing no end to her.

VICTOR SHOLIS

And here, strictly for you and the State Department, I must confess that I am puzzled by recent events in Lithuania. As your honorary military attache, rank of Corporal, & that government, I worked out a shrewd Trojan Horse plan in reverse by which we were to lure in Russian troops and then capture them.

Apparently Lithuanian boundary lines are not too well marked for the Russians marched right through before we could trap them. Though President Smetona scotched to Germany, I shall not follow the government. Russia can't intimidate me. I shall remain right here.

Again, my deep-felt thanks for the birthday gift. You'll never know how much I regret that you were in Albany and not Glasgow some 30 years

VICTOR SHOLIS

ago to support my wailing protest against
the flood of water being sprinkled upon
me.

With warm regards,
Vic

P.S. Not until your press conference
today did I realize why you looked 10
years from my age. Oh well, as the
Governor of N.C. said to the 'G. I. S.C.:
"It's a long hike between camps."

*file
personal*

*Annex
1*

THE WHITE HOUSE
WASHINGTON

10-14-40

Oct 14, 1940

MEMORANDUM FOR THE PRESIDENT:

Vic Shollis says he has just 'phoned Ed. Kelly and Ed. says his private poll, completed less than a week ago, shows about 62% for President Roosevelt in Chicago itself, and 31% for Wilkie. This would indicate Chicago for President Roosevelt by 450,000. The Chicago Tribune poll shows a 60% vote for President Roosevelt and a 40% vote for Wilkie in Chicago proper. This would indicate the same majority in Chicago. Kelly says that his last report from around the State would indicate about 50 - 50. He is thoroughly optimistic.

E. M. W.

THE WHITE HOUSE
WASHINGTON

file *Vic Shollis*

Oct 14 - 1948

10-14-40

MEMORANDUM FOR THE PRESIDENT:

The information which Sabath states he received from Mayor Kelly, is the appointment tomorrow, for the group of Lithuanians, arranged through Vic Shollis with the approval of the President.

EMW
E. M. W.

SEVENTY-SIXTH CONGRESS

202

A. J. SABATH, ILL., CHAIRMAN

E. E. COX, GA.	CARL E. MAPES, MICH.
HOWARD W. SMITH, VA.	J. WILL TAYLOR, TENN.
J. BAYARD CLARK, N. C.	HAMILTON FISH, N. Y.
MARTIN DIER, TEX.	LEO E. ALLEN, ILL.
LAWRENCE LEWIS, COLO.	
JOHN J. DELANEY, N. Y.	
WILLIAM M. COLMER, MISS.	
WILLIAM L. NELSON, MO.	
JOHN J. DEMPREY, N. MEX.	

77

House of Representatives U. S.
Committee on Rules
Washington, D. C.

THE WHITE HOUSE
OCT 14 9 03 AM '40
RECEIVED

Ten South La Salle Street
Chicago, Illinois
October 12, 1940

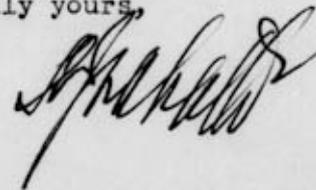
Honorable Franklin Delano Roosevelt
President of the United States
The White House
Washington, D. C.

Dear Mr. President:

During my last conference at the White House I was told that it would be impossible for you to receive some of the delegates from the various nationalistic groups.

However, since my arrival at home Mayor Kelly informed me that you will be able to receive some of them. Consequently, I most respectfully urge and recommend that you receive a small delegation of the society of the Americans of Slovak descent who will meet in Washington on October 17th and 18th. They are from all parts of the United States and represent businessmen, civic, social and fraternal organizations. They are extremely anxious to present to you, through a small committee, a set of resolutions assuring you of their loyalty and support.

Respectfully yours,



AJS/pp

E. A. ...
10/12
51 ...
...

(came to file - Oct 16, 1940)

The President should make four political speeches before election. He feels deeply that the people want and are entitled to reports from F. D. R. as his second term comes to a close. He sees little advantage to having any of the speeches delivered in a political setting of crowds, cheers, etc. World conditions weigh too heavily on everyone's mind, he says, to allow for the gay, lavishly staged rallies of the '36 campaign. All four could very well be made from the White House.

Among other things he feels the speeches would constantly remind the public of, and draw sharper, the differences in radio techniques between the two candidates. Following the speech to the Teamsters Union, the polls rose sharply in F. D. R.'s favor in Chicago and Down-State Illinois. The speeches that get the biggest hand in Chicago are those that stress the fact that all of us are Americans, first, last and always; that in this country there can arise no serious issues between Germans, Jews, Lithuanians, Poles or other groups; that all of us are concerned, as Americans, about the future of the country; that it ~~can~~ continue functioning in the best American tradition.

He also feels that the President should devote considerable time in one of his speeches to youth -- his hopes for youth, his ambitions to do all he can to build youth for the future, and his earnest desire to do all he can toward building a good future for youth. He feels that thus far the approach to youth has been neither intensive or extensive enough. To this end he is staging a big youth rally in Chicago this Saturday at which Franklin, Jr., is to speak, along with a life-long Republican, a former city attorney, who is coming out for F. D. R.

The Irish Catholics in Chicago are O. K. The German vote, always some 60-40 Republican, will probably go Republican higher this year. The Italian vote is also shaping up against F. D. R.

Republicans also have grabbed up Willkie's charge that F. D. R. sold Czechoslovakia down the river. They have repeated this continuously on a Czech radio program and the result has been a drop in F. D. R.'s strength in polls taken throughout Czech districts.

V.S.

(Vic Shallis)

Miss Turner
has the file on
this.

BSF

Commerce folder
2-44

file

THE WHITE HOUSE
WASHINGTON

June 16, 1944

MEMORANDUM

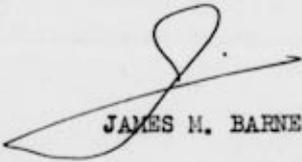
FOR: MISS GRACE TULLY

IN RE: CHARLES I. STANTON
Administrator
Civil Aeronautics Administration

Charles I. Stanton is an old line Civil Service employee, originally coming to the District in 1924. In 1927, he transferred to the Department of Commerce as an Airplane Inspector where he worked until 1938, with salary range from \$3000. to \$6400. In 1940 he was made Assistant Administrator and Director at \$8000., and in June, 1942, he was appointed Administrator at \$10,000.

My information is that this man is very competent and has a very good technical background and is a fine technical man. However, on questions of policy he is a little weak as it is hard for him to make decisions.

My personal dealings with him have been very satisfactory.


JAMES M. BARNES

THE WHITE HOUSE
WASHINGTON

June 15, 1944.

MEMORANDUM FOR

HON. JESSE H. JONES:

What can you do about this?

F.D.R.



OFFICE OF THE CHAIRMAN

CIVIL AERONAUTICS BOARD
WASHINGTON 25

THE WHITE HOUSE
JUN 14 9 54 AM '44
RECEIVED

June 13, 1944

MEMORANDUM

TO: The President

FROM: L. Welch Pogue, Chairman
Civil Aeronautics Board

I have your memorandum to me dated June 12, 1944, suggesting the possibility that Jesse Jones work out another job for Mr. Stanton and of putting Ted Wright in Stanton's place.

I understand that Mr. Jones has given to Mr. William Burden, Assistant Secretary of Commerce, the function of supervising and directing Mr. Stanton, the Administrator of Civil Aeronautics. This relationship is not working out satisfactorily and it would be my recommendation that it should not continue longer than necessary. I think that if Jesse Jones can work out another job for Mr. Stanton it would be a wise and constructive move for you to make Ted Wright Administrator.

Ted Wright is a very able, popular, and cooperative man. He is qualified for the job and I believe his appointment as Administrator would be well received.

L. Welch Pogue

THE WHITE HOUSE
WASHINGTON

June 14, 1944.

MEMORANDUM FOR

GENERAL WATSON:

I want to see Ted Wright, who is with the aircraft procurement, when I get back next week. I will see him on the twenty-second. Get word to him quickly as he is probably in California.

F.D.R.

THE WHITE HOUSE
WASHINGTON

June 14, 1944.

MEMORANDUM FOR

DOUG:

I have sent word via Pa Watson to Ted Wright to come in and see me on the twenty-second. I cannot make it this week as I am going to Hyde Park (off the record) on Thursday.

F.D.R.

Letter from Douglas Robinson, 1513 - 28th St. N. W. re Ted Wright

THE WHITE HOUSE
WASHINGTON

June 12, 1944.

MEMORANDUM FOR

CHAIRMAN POGUE:

What would you think of Jesse Jones working out another job for Mr. Stanton and putting Ted Wright in his place? I have had many suggestions of the latter.

F.D.R.

THE WHITE HOUSE
WASHINGTON

Ted Wright.

Admin. of Civil Aeronautics.
Would solve all troubles
Threaten now in.
Stanton

?

Ambassador Winant recommends
Mr. Wright very highly and says
he will straighten out all the
troubles in Civil Aeronautics.
Mr. Wright is at present pro-
duction man for all planes in
WPB.

Jim Barnes is checking on
him.

1513 - 28th St. N. W.

June 12th
1944.

Dear Uncle Franklin -

It was wonderful to be able to see you again, and I always come away from such a meeting feeling as though I could tackle anything. - To talk and listen to the man who has accomplished more for this county than anyone ever has before is truly an inspiration.

Since talking to you I have found out that Ted Wright is now a resident of the District, as he was called down here from his position with Curtiss-Wright four years ago. At that time he was a resident of Port Washington, Long Island, but when he moved he immediately severed all industry connections and also changed his legal residence.

You mentioned that you might wish to see Wright this week. It would be well to let him know a day in advance as he is in California at the

moment. He can reach Washington from there overnight as you know.

I am sure that Ted Wright is a man who can be depended on to do a top-notch job not only now when it is vitally needed, but also in the future when the going may be even tougher.

Please give Anna an extra kiss for me. I wanted to do it but was afraid the White House was no place to make the attempt! I only hope that at least one of my daughters turns out to be as much of a knock-out as that daughter of yours is.

Gratefully

Douglas Robinson

P.S. - You were kind enough to ask me about my school. I turned it over to another organization some time ago and therefore have ~~but~~ no worries in that line. Louise and I are now trying to be cattle ranchers, & I am ^{also} working on the local ration board. After the war I hope to get back in aviation.

Commerce folder
2-44

THE WHITE HOUSE
WASHINGTON

7
June 9, 1944.

MEMORANDUM FOR THE PRESIDENT:

I spoke with Jim Barnes again about Mr. Ted Wright. When he spoke with Chairman Pogue, the Chairman said he "found him very cooperative and recommends him highly". However, the place that Ambassador Winant suggested that Ted Wright fill is a place held by Mr. Stanton who represents all aeronautical matters for the Department of Commerce. Therefore, this appointment comes under Jesse Jones.

Jim Barnes is checking to see if Stanton is doing a satisfactory job for Commerce and will let us know.

GGT

THE WHITE HOUSE
WASHINGTON

June 3, 1944

MEMORANDUM FOR:

MISS GRACE TULLY

IN RE: TED WRIGHT

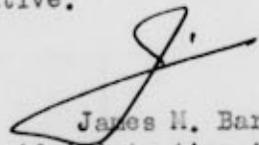
All reports are that this man is an extremely capable engineer, highly respected and a very hard worker. However, the opinions vary in other respects.

Don Nelson says he is capable but non-cooperative. He is quite jealous of his prerogative and very opinionated.

Jimmy Forrestal says he is hard to get along with at times as he is very opinionated and likes his own way. However, he personally has always been able to get along with him.

L. Welch Pogue of CAA has found him very cooperative and recommends him highly.

Joe Keenan of WPB admires his ability, and most of his relations with Mr. Wright have been amicable. He hasn't had a lot of labor dealings with him but has found him not too cooperative.


James M. Barnes
Administrative Assistant
to the President