

● PSF

State Dept.

~~June-Dec.~~ June-Dec.

~~1943~~ -43

**Department of State**

BUREAU | A-L/B  
DIVISION |

ENCLOSURE  
TO

Letter drafted \_\_\_\_\_

ADDRESSED TO

MEMORANDUM FOR THE  
PRESIDENT

Carbon attached "C.H. OK  
FOR, returned to State 7/26/43  
RBF:State

DEPARTMENT OF STATE  
THE SECRETARY

708H

June 22, 1943

MEMORANDUM FOR THE PRESIDENT

I refer to my memorandum of July 5 and to your memorandum of July 9 in reply, regarding the establishment of a place of temporary residence in French North Africa for refugees who have succeeded in escaping from Axis territory into Spain, on which matter you recently communicated with the British Prime Minister. My memorandum listed certain measures necessary to put the matter forward and your memorandum requested me to initiate those measures.

With the authorization conveyed by your memorandum I have requested the Director of the Bureau of the Budget to allocate \$500,000 of unrestricted funds from your Emergency Fund to implement our agreement with the British Government jointly to share expenses for the transportation and care of the refugees. As indicated in my memorandum, this amount would be made available to Governor Lehman, whose Office of Foreign Relief and Rehabilitation Operations is to care for the refugees after their arrival in French North Africa. The next steps to be taken are to request Mr. Murphy at Algiers to ask General Eisenhower and the French North African authorities to designate a place of temporary residence for the refugees in French North Africa, and to obtain the cooperation of the American Army authorities for the Office of Foreign Relief and Rehabilitation Operations in that Office's responsibility for the care of refugees in French North Africa. Accordingly, I submit herewith for your approval a telegram to be sent to Mr. Murphy and a letter, for your signature, to the Secretary of War.

17-  
79-  
44-15

Enclosures:

- Telegram to Mr. Murphy
- Letter to Secretary of War

CH  
OK  
7/22

THE WHITE HOUSE  
WASHINGTON

~~SECRET~~ //  
July 10, 1943

MEMORANDUM FOR THE SECRETARY OF STATE

The President has directed that the attached paraphrased copy of message No. 357 from the Prime Minister to the President, dated 10 July 1943, be furnished the Secretary of State for preparation of a reply.

Very truly yours,

CHESTER HAMMOND  
Lt. Colonel, General Staff  
Assistant to the Military Aide.

1 Incl.

DECLASSIFIED  
By Deputy Archivist of the U.S.  
By W. J. Stewart Date MAR 3 1972

C  
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From: The Prime Minister  
To : The President of the United States  
No : 357, 10 July 1943.

For your message Number 308, I am most grateful.

I agree completely with your suggestions which will provide a solution for our difficulties in Spain. I will give the complementary instructions to our authorities as soon as I hear from you that you have issued the directives to General Eisenhower and Giraud, and to the American Ambassadors in Madrid and Lisbon.

Original returned to State, attention:  
Mrs. S. Sumner 7/26/43  
WGH.

XXXX

DECLASSIFIED  
State Dept. letter, 1-11-72

By js Date MAR 3 1972

SC CODE

July 16, 1943

AMERICAN CONSUL

ALGIERS (ALGERIA)

~~SECRET~~ FOR MURPHY

Reference Department's 774, April 23, 7 p.m., and your 750, April 30, 6 p.m., regarding refugees in Spain.

The President after discussion with Mr. Churchill directs that you ask General Eisenhower and the French North African authorities to designate a place in French North Africa as a place of temporary residence for those refugees of enemy nationality or stateless at present in Spain whose numbers are still estimated to be around six thousand at present. It is unlikely that this entire group would arrive at one time. Quarters should be located immediately for approximately fifteen hundred with the understanding that additional space for the entire number may be required at a later date. We understand from Royce and Hoehler that this entire question was discussed with General Hughes some weeks ago. The staff of the Office of Foreign Relief and Rehabilitation Operations has presumably been exploring possible sites in Morocco and may have useful suggestions. The care of the refugees at such temporary place of residence will be the responsibility of that Office under

Governor

Governor Lehman, with representatives of the British Government cooperating and assisting. The President is directing the Secretary of War to issue instructions to the Army authorities concerned to cooperate fully with that Office in that connection with the thought that it may be necessary for the Army among other things to provide cots and tents and other equipment required for the immediate care of the refugees and the requisitioning or construction of buildings for their better housing.

The land transportation in Spain of these refugees to the selected port of embarkation will be arranged by the American and British Embassies and Legations in Spain and Portugal. Sea transportation will be arranged by the British Government. The costs of the refugees' transportation and their maintenance in the place of temporary residence will be borne equally by the British and American Governments.

The President informed Mr. Churchill that he is in complete accord with the thought of the French military authorities in North Africa that both for political and military reasons it is essential to transfer the refugees, after their arrival at the temporary place of residence, to a place of more permanent settlement for the duration of the war. To avoid the implication  
that the

that the United States is conducting a concentration camp for these refugees it is contemplated that they should be given some freedom of movement and that those who are qualified to help meet the labor shortage in <sup>French North Africa</sup> ~~Morocco~~ should be granted permits to work temporarily while awaiting transfer elsewhere.

The subsequent transportation of the refugees from the temporary place of residence to places of more permanent settlement and their continued care thereafter will be matters to which the Executive Committee of the Intergovernment Committee on Refugees, of which this Government is a member, will attend.

D.K.

F.D.R.

Eu:RBR

VD:HKT

A-L/B:GLB:MSL

OFR

Mr. Myron  
Taylor

PA/D

PA/M

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A-S

TELEGRAM No. 308 OF JULY 9, 1943 FROM THE PRESIDENT  
OF THE UNITED STATES TO THE BRITISH PRIME MINISTER

This refers to your 339, June 30, 1943, regarding provision for refugees in North Africa.

I will set out the elements of the problem as I understand them:

1. There are at present an estimated five or six thousand stateless or enemy-nationality refugees in Spain to be moved, largely of the Jewish race.

2. I am asking Generals Eisenhower and Giraud to designate Mogador or some other place in French North Africa as a place of temporary residence for these refugees and others who may be able to escape from Axis territory into Spain. They have already agreed in principle to the establishment of such a place of temporary residence.

3. I will arrange for the transportation of these refugees by land from Spain to the selected port in Portugal for their embarkation.

4. You will arrange for their sea transportation from Portugal to a port in North Africa.

5. I will request the American military authorities to make available cots and tents in sufficient number to meet the emergency needs of the refugees arriving at the temporary place of residence.

6. I will also arrange that preparations will be begun

begun immediately for a temporary reception center of more substantial character where the refugees can be housed and cared for until subsequent arrangements are made for their disposition which should be at the earliest possible moment.

7. The costs of the refugees' transportation from Spain and their maintenance in the place of temporary residence until such time as a more permanent settlement is agreed upon will be borne equally by our two Governments.

8. The work of administration for the refugees at the temporary place of residence will be the responsibility of the Office of Foreign Relief and Rehabilitation Operations under Governor Lehman, with representatives of your Government cooperating and assisting.

9. I am in complete accord with the thought of the French military authorities in that area that both for political and military reasons it is essential to transfer the refugees, after their arrival at the temporary place of residence, to a place of more permanent settlement for the duration. In this connection the Department of State has just been informed by your Embassy here in response to conversations Lord Halifax has had with Mr. Myron Taylor that certain places, among them Tripolitania, Cyrenaica and Madagascar, are under active discussion and it appears not impossible that sites may be available there for the refugees.

**It is**

It is also my understanding that a limited number of the refugees may be admitted into Palestine.

10. The subsequent transportation of the refugees from the temporary place of residence to places of more permanent settlement and their continued care thereafter would be provided under the auspices and jurisdiction of the Executive Committee of the Intergovernmental Committee, the costs thereof to be underwritten jointly by the British and American Governments.

I trust that you will let me know at the earliest convenient moment that we are in complete accord when I shall issue the necessary directives to complement those which you will issue.

WAR DEPARTMENT

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12 JUL 1943  
June 30, 1943

The President,  
Paraphrase of message from Prime Minister to the  
President, Number 339.

Since we discussed the matter, the need for aid to refugees, particularly Jewish, has not abated; and every outlet should be kept open. North Africa remains the best outlet and the difficulties in connection with the proposed refugee camps there have been cleaned up, and there is now possible an early practical decision. At present our immediate facilities for aiding the victims of Hitler's anti-Jewish campaign are so limited that it seems all the more incumbent on us to open the small camp proposed for the purpose of removing some of them to safety, and I should be grateful if you could let me know if it has been found possible to bring this scheme into operation. General approval of this project has been given by General Giraud.

WAR DEPARTMENT

WASHINGTON, D. C.

31 July 1943

The President,  
The White House.

Dear Mr. President:

In accordance with the desires expressed in your letter of July 28, 1943, on the subject of refugees from Spain, a message has been sent to the Commanding General, North African Theater of Operations, directing him to cooperate fully with the Office of Foreign Relief and Rehabilitation Operations in the provision of adequate quarters and equipment for these refugees who are expected to arrive in North Africa in the near future.

Respectfully yours;

*R. L. P. [Signature]*

Acting Secretary of War..



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State folder  
2-43

June 26, 1943.

My dear Mr. President:

As an outcome of discussion held in the Office of Justice Byrnes, representatives of State, Navy, War and Interior Departments met to consider the situation presented by our prospective shortage of domestic petroleum reserves and the consequent imperative need to assure adequate foreign reserves, and the best means of proceeding to that end. They in addition gave particular attention to the situation in Saudi Arabia. They have agreed upon a signed report which we are transmitting to you. We concur and support this report. You will note that if one of its main recommendations is to be put into effect, that is, the creation of the Petroleum Reserve Corporation, it would be most desirable that this action

be

The President,

The White House.

*Orig. copies filed in Jean Jones folder, dr 2-43  
(Report sent to Secy. of Commerce, 6-29-43, super memo  
attached to orig. copies.)*

- 2 -

be taken before July 1.

Faithfully yours,

Cordell Hull  
Secretary of State

Henry L. Stimson  
Secretary of War

James Forrestal  
Acting Secretary of the Navy

Harold L. Ickes  
Secretary of the Interior

Enclosure:  
Report.

RA:HF:LWW

750 State Dept today  
file 13-43  
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THE WHITE HOUSE  
WASHINGTON

PRIVATE AND  
~~CONFIDENTIAL~~

June 30, 1943.

MEMORANDUM FOR

THE UNDER SECRETARY OF STATE

The reason why the suspicion of Max Thornburg, which you have doubtless heard exists, is based on a good many things he has said or written which naturally make people believe that he still thinks in terms of the Standard Oil.

For instance, I understand that he wrote to you several months ago in regard to the fundamentals of a policy and said in that letter a number of things that look pretty badly. I am told he mentioned that expropriated companies should not go back to Mexico "in popularly recognizable form" -- giving the impression that he is in favor of having them go back in disguise.

Also, I am told that he thinks the expropriated companies should have a preferential right to benefit from former investments and enterprises ahead of new American participants.

DECLASSIFIED

By Deputy Archivist of the U.S.

By HT

Date APR 10 1973

THE WHITE HOUSE

WASHINGTON

-2-

I know nothing else against him but I know you will recognize that there is much suspicion of him on the allegation that he is representing the oil people as well as the State Department! I send this merely to keep you up-to-date!

F. D. R.

WASHINGTON  
LIFE BULL DOG HOUSE

REMINDER

For the President to talk with  
the Secretary of the Interior about this  
after Cabinet Meeting on Friday.



THE SECRETARY OF THE INTERIOR  
WASHINGTON

March 15, 1943.

(██████████)

My dear Mr. President:

This is a photostatic copy of the document that I told you about when I had the pleasure of lunching with you on Friday. It might well be entitled "An Indiscreet Memorandum from the State Department." You will see from its contents why I am so anxious that it be regarded as confidential.

Sincerely yours,

*Harold I. Phillips*

Secretary of the Interior.

DECLASSIFIED

E. O. 11652, Sec. 5(D) and 5(D) or (E)

Interior Dept. Letter 4-3-72

By RT NARS Date APR 10 1973

The President,  
The White House.

Enclosure.

~~V. J. P. T. 1~~  
Caracas, Venezuela, S.D.  
February 8, 1943.

Mr. Welles,

I have today received a cable from the Department requesting my suggestions for a plan which Ambassador Messersmith might informally put before the Mexican officials to aid them in crystallizing their own ideas as to participation by American interests in the Mexican oil industry. In the same cable I am asked to suggest a few individuals in the oil companies who would be helpful in formulating such a plan. In order to get my general ideas as promptly as possible into the hands of those who are working on this in the Department I shall send this memo by the courier leaving here tomorrow evening. Because of the great importance of the Mexican oil problem in our general scheme of things however, I intend to leave here myself at the earliest moment that it can be done with propriety, and hope to be in Washington in ample time to join in the discussions - particularly in those with the oil company representatives; in fact I hope it will not be necessary to call them in before I arrive, which should not be later than Monday, February 15.

Concerning the plan, my thinking has been based upon the following premises:

Mexican requirements.

- (a) Sub-soil rights and titles must remain Mexican.
  - (b) Domestic distribution and marketing must remain Mexican.
  - (c) Assistance must be given to Mexico, including technical, financial and commercial (particularly export marketing).
  - (d) Plan must be palatable in form both politically and to the public.
- (1) Must not renounce any officially proclaimed principles.
  - (2) Expropriated companies must not return in popularly recognizable form.

(3)

- (3) Operating companies in Mexico must be ostensibly Mexican, with minimum foreign personnel and with provision for training Mexicans.
- (e) Plan must provide for equitable share for Mexico in all benefits.

United States Government requirements.

- (a) United States or its nominees must be dominant among the foreign powers which aid in establishing crude production and reserves.
- (b) United States or its nominees must be dominant among the foreign powers which distribute exportable surplus production to foreign markets.
- (c) United States itself must have first call on surplus production and reserves (subject to Mexico's own needs) in case of necessity.
- (d) Plan must be in harmony with the political and economic policies and aims of this government. This applies to all contracts or other elements under the plan. "Policies" includes those concerned with British or other third party interests. (Our plan, however, will not include the British interests.)

Oil Company requirements.

- (a) Companies must have security of investment and contract over a long period.
- (b) Must have opportunity to operate at a commercial profit.
- (c) Must have equitable share in "surplus" profits commensurate with investment and risk incurred in their development.
- (d) With special reference to the expropriated companies, a preferential right (relative to new American participants) to benefit from former investments and enterprise.

With the foregoing principal objectives in mind I suggest a type of plan described briefly below:

- (a) An American Holding Company, incorporated in United States, the stock in which is owned by whatever American oil companies desire and are qualified to participate, in whatever shares may be agreed

upon

upon. All directors American. United States Government may have a stock interest, and should nominate a director with special powers. This Holding Company would wholly own the Operating Company next described.

- (b) An Operating Company, wholly owned by the American Holding Company, incorporated in Mexico, with all directors appointed by the Holding Company except one with limited powers appointed by Mexico. This Operating Company would be qualified to perform all types of oil industry work in Mexico, except domestic marketing, and to export, under contracts between the operating Company and Pemex.

Note: I am assuming here that Pemex is suitably constituted and qualified to act as the Mexican corporation which would contract, as agent for the Mexican Government, with the Operating Company and act as a buffer between the Government and the Operating Company. If this is not the case the Mexican Government would have to create an appropriate corporation.

The principal operations under such a plan would be essentially as follows:

- (a) Financial. The Holding Company would finance the Operating Company as any parent company does its subsidiary, for example advancing funds on notes and taking payments on principal or as interest or as dividends. The United States Government might participate in financing in return for rights in reserves available to the Operating Company.

The Operating Company would derive revenue from fees for managing or operating such Pemex properties as were put under contract for the supply of domestic requirements, from a share of the oil produced in excess of domestic requirements, and from resale of Pemex oil available for export.

Pemex would derive revenue from the domestic market, and from sale of its share of exportable oil to the Operating Company.

The Mexican Government would derive revenue from Pemex and from such taxes as are legally imposed upon the Operating Company.

(b) Exploration

- (b) Exploration and production. The Operating Company would contract with Pemex for exploration and testing of particular areas and the development of production in excess of domestic requirements, in keeping with a sound program of reserve development and conservation. Existing fields would be operated under contract for a fee up to domestic requirements, and on an oil share in excess of such requirements. New production would be operated on a larger oil share to the Operating Company in return for capital risked and exploration and development skill.
- (c) Refining. Existing refineries would be maintained and operated under contract at cost plus a fee, and new refineries built and operated on the same basis up to domestic requirements. Excess refinery capacity for exportable oil would be financed, built and operated by the Operating Company to refine both Pemex and Company crude and paid out through appropriate charges for refining both Pemex and Company crude plus a fee for operation.
- (d) Marketing. All domestic distribution and marketing would be by Pemex. All export marketing would be through the Operating Company which would take exportable Pemex crude and refined products at world prices and market the total. Any share belonging to the United States Government, either by participation or by purchase, could be left in the ground for later delivery. The Operating Company could have the same option.
- (e) Technical Service. The Operating Company would furnish Pemex with all technical service desired, on contract, at cost plus a fee. This would include complete research, laboratory, product development, engineering, economic or other service pertaining to the industry. It would also include advisory or supervisory service in connection with Pemex distribution and marketing operations if desired.
- (f) Training Mexican Personnel. The Operating Company, under its contracts, would employ the maximum number of Mexicans consistent with efficient operation and would train and advance them in all phases of operation.
- (g) United States Government participation. This Government would negotiate the basic agreement with Mexico under which the assistance required by Mexico might be secured in return for the assurances required by this Government. It would facilitate the further

*Pemex should have right to export a certain amount of oil.*

negotiations

negotiations leading to the formation of the necessary companies, including whatever legal clearances might be required within the United States. It would nominate a director on the board of the Holding Company, and might participate in the stock ownership. It would review the contracts with Pemex to avoid provisions in conflict with governmental policy. In practical effect it would insure the private interests represented in the Holding Company against certain risks which, without such governmental participation, might make the entire plan unattractive.

A plan of the type outlined here can be varied considerably and still preserve the characteristics which permit it to meet all of those requirements first listed which can be defined objectively. Its palatability to the several categories of Mexican political, economic and social taste would probably be determined more by the method in which it were presented and the tact and understanding with which it might be administered than by the fundamental nature of the plan itself.

Obviously the foregoing sketch leaves many questions unanswered, but unless the answers it does give, as far as they go, suggest a pattern which is basically acceptable to this Government and to the American oil interests that must join with us, and which is thought to be adaptable to the Mexican Government's requirements, it is useless to go into further detail. If it, or some modification of it, does appear to have promise, I suggest that after securing the necessary comments from within the Department I be permitted to have informal preliminary discussions with a few agreed upon men in the oil companies before the project is put before them more officially or by intermediaries outside the Department. Much good groundwork can, and probably must, be done by a few men of influence within the industry before such a project ever reaches a Board of Directors Table.

Max Thornburg



*State Dept. folder  
2-43*

THE WHITE HOUSE  
WASHINGTON

~~CONFIDENTIAL~~

July 17, 1943.

MEMORANDUM FOR

ADMIRAL LEAHY:

To add to the collection  
which you are clearing.

F.D.R.

Memo to the Pres. from the Secy. of State  
in answer to the President's request for  
a report on the desirability of clearing  
the exchange vessel Gripsholm so that it  
may carry food supplies to American  
prisoners of war in Japanese hands.,  
together with enclosures from Marshall,  
etc.

DECLASSIFIED

By Deputy Archivist of the U.S.

By V. J. Stewart Date MAR 3 1972

ADDRESS OFFICIAL COMMUNICATIONS TO  
THE SECRETARY OF STATE  
WASHINGTON, D. C.



DEPARTMENT OF STATE  
WASHINGTON

July 29. 1943

MEMORANDUM FOR GENERAL WATSON

At the request of the Latvian Minister, I attach hereto a copy of his note of July 23, 1943 requesting that the President be informed of the appreciation of the Latvian people for "the declaration of July 23, 1940 concerning the non-recognition of the annexation of Latvia and the other Baltic States through devious processes by a big neighboring power."

An appropriate acknowledgment has been sent to the Minister.

*G. J. [Signature]*

Enclosure:

From Latvian Minister,  
July 23, 1943.



LATVIAN LEGATION  
WASHINGTON, D.C.

July 23rd, 1943.

Sir:

Three years have passed since you issued the declaration on July 23, 1940, concerning the non-recognition of the annexation of Latvia and the other Baltic States through devious processes by a big neighboring power. This historical act of international justice, supporting the high ideals of international law and democracy, has since been emphasized by the Atlantic Charter, the proclaimed four freedoms and the declaration by the United Nations.

These great humanitarian acts of the United States are the source from which the twice conquered Latvian nation has revived its courage and power of resistance against foreign invaders. Information has reached me that the Latvian people - young and old, men and women - put all their hopes in the realization of the Atlantic Charter and of the four freedoms.

This fact, together with the aforementioned noble declarations of the great Democracies, have inspired me to address to you this letter, whereby I have the honor to express in the name of the oppressed Latvian Nation the sincerest thanks for the great moral support given to Latvia at the time of its greatest distress.

I beg Your Excellency to transmit these sentiments of appreciation of the Latvian Nation to the President of the United States and the American Government.

Accept, Sir, the renewed assurances of my highest consideration.

(s) Dr. Alfred Bilmanis

Dr. Alfred Bilmanis  
Latvian Minister.

The Honorable  
Sumner Welles,  
Under Secretary of State,  
Washington.

(1630)

Dept of State folder  
2-43

"C.H.  
Jagrow with you  
FDR:  
Orig. mislabeled  
to Secy of State  
Aug. 17th  
1943

August 7, 1943

My dear Mr. President:

On July 14 the British Ambassador gave the Department of State an Aide Memoire of which a copy is attached herewith. This Aide Memoire raises the question of the use by the United States of Puerto Rican and colored troops in the bases which we have acquired in the British West Indies.

Upon receipt of the Aide Memoire it was referred to the War Department for its opinion and under date of July 30 I received a letter from General McMerney expressing the hope in behalf of the War Department that the Department of State would advise the British Government that the questions raised are not deemed appropriate for discussion in diplomatic channels.

Secretary Hull and I both fully concur in the opinion expressed by the War Department, and Secretary Hull further agrees with me that it might be well informally to request the British Government to withdraw this Aide Memoire in view of the delicacy of the subject taken up

The President,  
The White House.

-2-

so that it should not be a part of any written record. Naturally, the repercussions would be serious if there were any leakage.

When Lord Halifax came to see me yesterday to say goodby, I mentioned the matter to him and he expressed the belief that this might be a question which you would wish to discuss with the Prime Minister. He also expressed the opinion that it would be much better for the British Government to withdraw this written communication.

Will you let me know what your wishes may be?

Believe me

Faithfully yours,

Sumner Welles

Enclosure:  
From British Embassy,  
July 14, 1943  
From General McNarney,  
July 30, 1943.

COPY

AIDE MEMOIRE

In April of this year His Majesty's Government in the United Kingdom were informed that it was the intention of the United States War Department to replace continental United States troops in the Leased bases of the British West Indies by Puerto Rican troops. On the instructions of His Majesty's Government, General Macready of the British Joint Staff Mission wrote to General Marshall on April 23rd drawing attention to the grave disadvantages which, in the view of the British authorities, would result if the proposed move were carried out. It was pointed out that the presence of Puerto Rican troops in the British possessions in the Caribbean would be strongly resented by the local populations, with consequent political and social difficulties, and the United States military authorities were accordingly invited to reconsider their proposal. General Macready explained that His Majesty's Government

2. In reply, General Marshall suggested that, in view of the fact that the Puerto Rican troops, whom it was proposed to send to Trinidad, St. Lucia and British Guiana, would be white troops specially selected for their good standard of education and knowledge of English, and because of the relative isolation of the areas in which they would be stationed, no serious repercussions need be feared.

3. In a reply dated June 2nd, General Macready informed General Marshall that, although His Majesty's Government much preferred that Puerto Rican troops should not be sent to the British West Indies, they did not wish to press their objections to the use of specially selected troops in Trinidad, St. Lucia and British Guiana in the circumstances indicated by General Marshall, but were anxious to obtain General Marshall's agreement on the following points: firstly, that the Puerto Rican troops should be stationed in the British West Indies

for the period of the war only, and secondly, that they should be employed only in those colonies and in the numbers mentioned in General Marshall's letter, and that they should not be sent to other West Indian Colonies without prior consultation with His Majesty's Government. General Macready added that His Majesty's Government assumed that, in view of the needs of the situation as described in General Marshall's letter, it was proposed to employ Puerto Ricans to a greater extent in the defence of their own island as well as in the defence of the British West Indian Islands, and that he was instructed to ask for an assurance on this point as it would assist His Majesty's Government in meeting criticism in Parliament arising out of the employment of Puerto Rican troops in the British Colonies in question. As regards Trinidad, General Macready explained that His Majesty's Government had been about to ask for the withdrawal of United States coloured troops from that area as there had been a series of minor incidents culminating in a more serious clash between these troops and the local population, and that His Majesty's Government therefore hoped that the United States authorities would agree to withdraw their coloured troops from Trinidad in any event, and especially if Puerto Rican troops were to be sent there.

4. With reference to General Macready's letter of June 2nd, General McNarney informed Field Marshall Sir John Dill on June 12th that special consideration, such as the exploitation of Puerto Rican manpower, the economic use of shipping and the release of continental United States troops for employment in active theatres had made it necessary for the United States authorities to embark upon a programme which contemplated the considerable use of Puerto Rican troops

throughout the Caribbean. These factors, and the uncertainties of the future, made it impossible for the United States authorities to accede to the request of His Majesty's Government that Puerto Rican troops be used in the British West Indies only for the duration of the war and in the places mentioned by General Marshall in his letter to General Macready. Meanwhile, the United States authorities were considering the possibility of withdrawing coloured troops from Trinidad, although this depended in the last analysis on the practicability of preparing a unit of Puerto Rican troops to replace them. Finally His Majesty's Government could be assured that the defence of Puerto Rico would be left almost exclusively in the hands of Puerto Rican troops, who were being used to a considerable extent in Panama and in Cuba to the complete satisfaction of all concerned, and whom it was proposed to move, as they became trained, into all the other major United States bases in the Caribbean area.

5. While fully appreciating the explanations given by the United States military authorities, and in particular the information supplied by them regarding the replacement of coloured troops by the Puerto Rican troops in Trinidad and the use of Puerto Rican troops for the defence of Puerto Rico itself, His Majesty's Government feel that the use of Puerto Rican troops in the British West Indies after the war, and during the war in places other than those indicated by General Marshall in his letter to General Macready, should be very carefully considered before any move is made. The Governor of Jamaica, of whose desire at all times to assist and collaborate with the United States authorities the Department are doubtless aware, has emphasised the serious social and political dangers of the proposal so far as

Jamaica is concerned, particularly in view of the fact that the defence of Jamaica is entrusted to Canadian and other white, but not to coloured troops. In these circumstances, Sir Arthur Richards considers it certain that the arrival of Puerto Rican troops would create a very difficult situation. His Majesty's Government, being responsible for maintaining law and order in the British West Indies, would be failing in their responsibilities if they accepted the position that Puerto Rican troops should be stationed anywhere in the Caribbean area irrespective of the local consequences that are likely to follow. Moreover, any trouble arising out of the sending of Puerto Rican troops to the British West Indies will be unwelcome to the United States authorities who are as anxious as His Majesty's Government to preserve good relations between United States troops and the local population. For these reasons, His Majesty's Government feel bound to ask that they should be consulted before Puerto Rican troops are sent during the war to any other places than the three which have been agreed to, and that the whole question of stationing Puerto Rican troops in the British territories in the Caribbean after the war should be reviewed by the two Governments at an appropriate time in the light of conditions then obtaining. His Majesty's Government also wish to emphasise the desirability of the early withdrawal of the United States colored troops from Trinidad, as it is important in their view that there should be no substantial overlap between their departure and the arrival of the Puerto Rican troops.

BRITISH EMBASSY,  
WASHINGTON, D.C.,  
July 14, 1943

COPY

WAR DEPARTMENT  
OFFICE OF THE CHIEF OF STAFF  
WASHINGTON

Franklin D. Roosevelt Library  
DECLASSIFIED  
30 1943 (9/27/88)  
Date - Carl L. Spicer  
Signature - Aug. 11, 1966

The Honorable,

The Under Secretary of State.

Dear Mr. Secretary:

Reference is made to the Secretary of State's memorandum to the Secretary of War, dated 20 July 1943, with which was inclosed a copy of an aide-memoire from the British Embassy, dated 14 July 1943 concerning the reported intention of the War Department to replace continental United States troops at the leased bases in the British West Indies by Puerto Rican troops.

The Aide-memoire, after reviewing prior correspondence on the subject between General Macready and Field Marshal Sir John Dill on the one hand, and Generals Marshall and McNarney on the other, asks that the British Government be consulted before Puerto Rican troops are sent during the war to any places other than Trinidad, British Guiana, and St. Lucia; asks that the whole question of stationing Puerto Rican troops in the British territories in the Caribbean after the war should be reviewed by the two Governments at an appropriate time in the light of conditions then obtaining; and stresses the desirability of the early withdrawal from Trinidad of the Negro United States troops now stationed there.

In view of the circumstances that the Base Lease Agreement unequivocally grants to the United States the right to send its troops into the Caribbean to defend its bases there, the War Department is at a loss to understand upon what basis the present British request is supposed to rest, particularly in view of the hitherto consistent attitude of the British Government against racial discrimination of any kind.

The British aide-memoire apparently loses sight of the fact that Puerto Ricans have, since the passage of the Organic Act of March 2, 1917, full rights of American citizenship, and that at the present time only about one-half of one per cent of Puerto Rico's population has foreign nationality. Moreover, and this is apparently not understood by the British authorities, the population of Puerto Rico is predominantly white, and not colored as

SECRET

DECLASSIFIED

DOD DIR. 5200.9 (9/27/88)

-2-

Date- 8-11-66

the remarks attributed in the aide-memoire to the Governor of Jamaica appear to imply. *(Carl T. Spivey)*

If the present British proposals are to be considered on the level of principle, they are of course inadmissible in every respect and deserve to be flatly rejected. However, if the British Government desires that the problems of the Caribbean be handled on a basis of a blunt and realistic comparison of racial characteristics, then their present proposals are equally untenable.

There is no question involved here of introducing colored troops into white territory, or even into areas where there is a substantial white minority. Rather, the replacement program contemplates the sending of white troops into areas with less than five per cent white population, and with variegated and mixed colored populations. The War Department is confident that the physical and mental standards of the Puerto Rican troops whom it proposes to send to the leased bases will compare favorably with those of the native colored populations in those areas.

In the considered opinion of the War Department, the question of whether the American troops to be sent to the leased bases are continental white, Puerto Rican white, Negro or even Japanese, is solely a military problem, turning on the adequacy of the particular unit for the defense mission to which it is assigned. If the British Government is of opinion that the Puerto Rican units which the War Department proposes to send to the leased bases are for any reason incapable of defending those areas, they should transmit their representations on that score to the Combined Chiefs of Staff.

Since the problem of the use of Puerto Rican troops is essentially military, the War Department expresses the hope that the State Department will, in consequence of that conclusion, advise the British Government that the matter is not deemed appropriate for discussion in diplomatic channels. The circumstance that this question was first broached by ranking British Army officers to the Chief of Staff of the United States Army indicates that the British Government senses the essentially military nature of the problem.

With reference to the requested early withdrawal of the colored United States troops from Trinidad, the War Department observes that the evidence in its possession

~~SECRET~~

does not indicate that the "series of minor incidents culminating in a more serious clash between these troops and the local population" was wholly the fault of the troops. In the present state of the matter, the War Department can only reply to the present request that the troops be removed that such removal is dependent entirely on military considerations, which change rapidly from time to time, and that in consequence no assurances in this regard can be given to the British Government.

JOSEPH T. McNARNEY  
Lieutenant General, U.S. A.  
Deputy Chief of Staff

Franklin D. Roosevelt Library

DECLASSIFIED

DOD DIR. 5200.9 (9/27/58)

Date- 8-11-66

Signature- *Carl L. Spicer*

SECRET

State Dept. folder  
file 2-43  
per mail

THE WHITE HOUSE  
WASHINGTON

August 31, 1943.

MEMORANDUM FOR THE PRESIDENT:

FROM: HON. MYRON C. TAYLOR

I have been informed of a telegram from the American Ambassador in Madrid which states that the number of refugees in Spain is 1600, of which 500 already hold visas for Palestine. This is quite a different situation from the one on which we were basing our action, namely, there were said to be 7000 who needed to be moved to North Africa.

This revised figure leads me to question whether the plan should be actually put into effect if some other temporary or permanent disposition of the smaller number could be arranged for.

I am delighted to know that the problem of refugees in Spain seems to have assumed much smaller proportions.

Original signed letter as  
enclosed to State 7/26/43  
with original of memo. 4 copies of  
Sec. Hull's memo of 6/22/43  
24/8

My dear Mr. Secretary:

There are now in Spain a number of refugees who have escaped from Axis and Axis-controlled territory. The large majority of these refugees are of French nationality. Those of French nationality are being moved onward by the French North African authorities to French North Africa where the French authorities are providing for their care, taking many of them who are qualified into the French military forces and giving civilian employment to others. A smaller number of the refugees in Spain are of Allied nationality and are being taken care of by their respective governments.

There is a remainder estimated at present to be about five or six thousand persons who are of enemy nationality or stateless, the larger number of them being of the Jewish race. It is essential that these people should be removed from Spain in order, first, to relieve the Spanish Government of its concern for them and, secondly, as a humanitarian measure, to keep open, by their removal, the channel for the escape of additional refugees into Spain. The shipping situation makes it very advisable that some place nearby should be selected for their reception.

I discussed this matter with Mr. Churchill on his recent visit to Washington and I have been in communication with him in further regard to it since his return to London. I enclose for your information a copy of a telegram which I sent Mr. Churchill and paraphrases of two telegrams I received from him in that connection. You will note that I have decided with Mr. Churchill's concurrence that these refugees shall be moved on to French North Africa to a place of temporary residence

there

there to be designated by Generals Eisenhower and Giraud, where they and others who may be able to escape from Axis territory into Spain may remain until they can be transferred to a place of more permanent settlement for the duration of the war. The selection of a place of more permanent settlement and the removal of the refugees to that place are matters to which the Executive Committee of the Intergovernmental Committee on Refugees, of which this Government is a member, will attend.

The Secretary of State, under my direction, is telegraphing Mr. Murphy at Algiers to request General Eisenhower and the French authorities to designate some place in French North Africa as a place of temporary residence for the refugees. The care of the refugees at the temporary place of residence in French North Africa will be the responsibility of the Office of Foreign Relief and Rehabilitation Operations under Governor Lehman, with representatives of the British Government cooperating and assisting. I desire you to issue instructions to the Army authorities concerned to cooperate fully with the Office of Foreign Relief and Rehabilitation Operations in that Office's responsibility for the reception and care of the refugees upon their arrival in French North Africa. This may entail, among other things, the provision of cots and tents and other equipment required for the immediate care of the refugees and the requisitioning or construction of buildings for their better housing.

Very sincerely yours,

FRANKLIN D. ROOSEVELT

Enclosures:

Telegram to  
Mr. Churchill  
Two paraphrases of tele-  
grams from Mr. Churchill

The Honorable

Henry L. Stimson,  
Secretary of War.

*State Dept. folder*

*file  
Personal*

TO DISCUSS WITH THE PRESIDENT

1. Rome - open city - Department favors this - Spanish have offered to intercede with Germans - We have taken this up with General Marshall.
2. Moscow Conference - Hull's return - Future Plans - Admiral Standley feels has gone and will continue as he predicted.
3. European Advisory Commission - London - President's thinking on U. S. representation.
4. Azores bases - Kennan and Norweb returning authorized to negotiate oral agreement.
5. British Reciprocal Aid Figures - British wish to announce to Parliament on 11th - Oscar Cox preparing statement for President to make Congress - Halifax obtaining draft Chancellor's statement.
6. Amending Eden Exports White Paper - Told Halifax British could say working on new arrangement with U. S. - If asked, we will say this is true.
7. British Dollar Balances - Discussions between U. S. Departments and with British here continuing - Morgenthau will make recommendations.
8. Argentine Freezing - Unless emergency, Morgenthau has agreed to hold up until Hull returns and he and Hull can discuss with President.
9. Secret Turkish Matter
10. Senate Post-War Resolution - Ascertain President's present thinking.
11. Feeding Occupied Europe - Church organizations again pressing - Can't understand why if done in Greece can't be done elsewhere.
12. Italian Leadership - On our side weak - Murphy and General B. W. Smith both stressed this.
13. Tunisia - Harsh treatment natives by French - Arab papers prohibited, etc. - Atlantic Charter - President may wish to talk with former Consul General Doolittle (memorandum attached).
14. Tunisia - Jewish Problems - cable - memo. to President.

*ES*

GENERAL MATTERS TO DISCUSS WITH PRESIDENT

1. British oil discussions - proposed agreement relative to Middle East - joint actions and exchange of information - conservatism - timing of discussions.
2. French West Africa - what are President's views on politico-strategic structure as given to Glassford. Department does not know.
3. Pacific Islands - showing certain islands claimed by us and U. K. as our islands on maps being prepared for War Department. (List attached)

ES

*file  
Personnel*

*State Dept folder  
2-43  
9-5-43*

DEPARTMENT OF STATE  
WASHINGTON

MEMORANDUM FOR THE PRESIDENT

The Department has replied to London's cable no. 5883 of September 5, 4 p.m., a copy of which is attached hereto, stating that it prefers not to disturb the important matter referred to therein and will allow its consular officers in the Azores to submit to the measures projected without favor. The Department has asked the Legation in Lisbon to refrain from communicating with the Consulates in the Azores on this subject and to conduct future cable correspondence with those Consulates in nonconfidential code.

Simultaneously, the Department has directed telegraphic instructions to the Consulates in Horta and Ponta Delgada stating that the Department has reconsidered the reports of those offices respecting security measures of some severity adopted during the past few months by the local Portuguese authorities, and has come to the conclusion that these measures could affect the security  
of

of the Consulates. The Department has asked its officers to comply without protest with any further measures imposed by the local authorities, and has instructed them to destroy at once their strictly confidential files and secret ciphers, and conduct their future cable correspondence in nonconfidential code.

It was deemed advisable to handle the matter in this way in the interest of secrecy and security. Although the instructions to the Consuls in the Azores may not be fully comprehensible at once, it is expected that they will enable those officers to face with equanimity a situation that might otherwise prove embarrassing for them.

Enclosure:

Copy of London's cable  
no. 5883, September 5, 1943.

CH

Department of State

BUREAU  
DIVISION

**Eu**

ENCLOSURE

TO

**9-7-43**

Letter drafted

ADDRESSED TO

**The President**

THE WHITE HOUSE  
WASHINGTON

PAID

September 7, 1943.

MEMORANDUM FOR

THE SECRETARY OF STATE:

What about this?

F.D.R.

Pres.

LET  
This telegram must be  
closely paraphrased be-  
fore being communicated  
to anyone. (LIC)

London

Dated September 5, 1943

Rec'd. 1:48 p.m.

Secretary of State

Washington

U S URGENT

5883, September 5, 4 p.m.

~~SECRET~~

Following most secret and urgent telegram from  
Lisbon has been brought to London personally by  
Coates:

" This is Lisbon's no. 1973, September 2, 3 p.m.

CONFIDENTIAL FOR ATTENTION OF DUNN OR OF GEORGE  
IN EUROPEAN DIVISION.

In connection with new arrangements planned with  
respect to Azores, following measures affecting con-  
sular officers there are now envisaged by British and  
Portuguese.

On morning of day before overall arrangements  
come into effect, cipher communications of all con-  
sular officers with the outside world will be effec-  
tively severed, but they will not be apprised of  
this fact. That afternoon advance party of British  
officials will be landed on one of the islands.

DECLASSIFIED  
State Dept. letter, 1-11-72

There

By J. Schaeble Date MAR 3 1972

2. #5883, September 5, 4 p.m., from London.

There are no American consular officers on that particular island. There is at least one Axis official there. On evening of same day, consular officers in all islands will be told that Portuguese Government has decided to inhibit the further functioning of all foreign consular officers in the islands, and those in places outside Ponta Delgada will be given twelve hours to close their homes and offices before being evacuated to Ponta Delgada. At Ponta Delgada, they will be held at least ten days before any will be permitted to proceed to European mainland, and during this period they will not be in communication with outside world. Purpose of this procedure is obviously to prevent details of events in islands from reaching Axis powers. After lapse of ten days it is intended to remove consular officers entirely from islands to mainland. Ours may later return, if we so desire, as "delegues maritimes" with full consular rights, including ciphers.

It was originally planned that action should apply to all foreign consular officers, the idea being that Portuguese could represent the measures to Axis powers as neutral and non-discriminatory ones, affecting both belligerents. British have now decided that for practical reasons their consul at

Horta,

3. #5883, September 5, 4 p.m., from London.

Horta, reinforced by his Ponta Delgada colleague who will happen to be visiting there at that moment, will conveniently not be on hand at moment of evacuation and will remain behind and begin functioning at once as a "delegue maritime". Ours, on the other hand, would presumably be subjected to the measures described above, unless we can work out some better arrangement with the British. This would mean in effect that at Horta, our consul would be rounded up by the Portuguese authorities and evacuated from the city over night in company with the two Axis consuls who, aside from the British, are the only other career consular officers at that point. The procedure would scarcely escape the curiosity of the local population, and the effect produced might not only be prejudicial to the dignity of the officer and the prestige of our government, but might lead to quite erroneous conclusions as to the background of the action and the degree of understanding between the Allies with respect to it. I believe the British are themselves alive to this possibility, for they have told me quite frankly of their plans and have invited my suggestions as to a better way of handling it.

Same problem would exist in a less pronounced  
form

4. #5883, September 4, 4 p.m., from London.

form at Ponta Delgada, where our consuls would be forced to cease functioning and would be confined to locality, together with the Axis consuls, while the British Consul would have disappeared from the scene.

I see three ways of remedying this unfortunate arrangement. They are:

(One) Portuguese and British agree to exempt our consuls from the operation of the arrangements, except for a ban on communication with continental Europe and indeed all points except Department itself. This would exclude pretense of neutrality, to which the Portuguese are much attached, and which has important implications for strategic situation in Iberian Peninsula itself.

(Two) Arrangements are applied to British officials as well as to our own. Since British require officials in islands at once for dealing with civilian authorities, this would mean that they would presumably have to bring in others with their landing parties to meet this need. They would object on grounds that others would be less familiar with local conditions.

(Three) Horta situation might be solved by having Keogh leave Horta quietly at end of September on pretext of illness or consultation, suspending temporarily the functioning of his office, and proceed

by clipper

5. #5883, September 4, 4 p.m., from London.

by clipper to United States or Lisbon, to remain there until ten days after the operation, when he would return as maritime delegate. Situation at Ponta Delgada could be eased if Dawson were to be ordered at once to Lisbon for temporary duty, with permission to take his wife at government expense. (I am inclined to feel that this should be done in any event). This would leave only Codoner, and the British believe that some arrangements could be made whereby he would be treated in a manner not detrimental to his dignity and evacuated at early date to England on one of returning convoy vessels, thus avoiding the ignomy of being herded out of town in company with his Axis colleagues by Portuguese authorities.

I am inclined to think that the last of these solutions might be the easiest of achievement. If Department will advise me which it favors, I shall endeavor to make appropriate arrangements with British and through them with Portuguese, and to transmit such instructions as may be necessary to consuls themselves. It is highly desirable that latter not (repeat not) be apprised in advance of the character of action to be taken. In case of selection of alternative (three), I had thought to send Codoner a sealed communication, to be kept in his safe and opened only

in event

6. #5883, September 4, 4 p.m., from London.

in event that he were to be confronted by Portuguese authorities with unusual demands affecting functioning of his office or liberty of his person. This communication would explain to him character of action envisaged and of his part therein. Should alternative (two) be selected, I believe similar communication should also be sent to Horta.

While I am sending this through London in pursuance to our understanding with British that we will not send messages in our codes from Lisbon on any matter affecting these general arrangements, I hope that it will prove possible for Department to reply by direct wire in such a way as not to reveal too clearly subject matter involved.

In addition to the matters discussed above, I should like to say that I think we should have at least one observer in the islands during the time our consuls are gone. They could presumably be landed by the British, in the capacity of temporary maritime delegates, and could perhaps exercise supervision over the consular premises in the absence of the regular officers.

I should further like to say by way of general background that the inhabitants of these islands, closely bound as they are by ties of blood with the

Portuguese

7. #5883, September 4, 4 p.m., from London.

Portuguese elements in our country, are overwhelmingly friendly to us and would, in the general opinion of our observers, prefer to see us rather than the British in occupation of the islands. This friendly sentiment and confidence should not be abused by any arrangements tending to give the impression that we had lost interest in these people or had been maneuvered by jealous allies out of every position of influence there. Kennan".

Kennan has agreement with British not to telegraph anything concerning above subject from Lisbon. Cootes will remain in London for at least four days or longer if desired by the Department and could take back the Department's reply if desired. Please instruct urgently.

WINANT

CSB

THE WHITE HOUSE  
WASHINGTON

September 7, 1943.

MEMORANDUM FOR

THE SECRETARY OF STATE:

What about this?

F.D.R.

Most secret telegram, 9-5-43, from Winant, London, embodying secret telegram from Keenan, Lisbon re new arrangements planned re Azores, and measures affecting consular officers.

MEMO FOR HERB MILLER:

To see and return to me for my files.

Audrey Turner

ALL INFORMATION CONTAINED

HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN

OTHERWISE BY THE NATIONAL ARCHIVES

MEMO FOR AUDREY TURNER:

Will you be good enough to let Mr. Miller  
see this, please?

YVLEA hms

TO SEE SUP LECTURE TO BE FOR MR LITON  
MEMO FOR MISS MILLER:

(11725)  
hms

FOR AGENCY TRANSMISSION  
Will you be good enough to let Mr. Miller  
see this, please?

(1725)  
Limo

copy  
DEPARTMENT OF STATE  
THE SECRETARY

*Disagreed  
initial to State  
Sept. 6, 1943.*  
C.H.  
OK  
FAR

September 7, 1943

MEMORANDUM FOR THE PRESIDENT:

In November 1942 we informed the British Government of our readiness to begin informal, exploratory talks with representatives of the governments with which mutual-aid agreements had been concluded concerning the steps to be taken toward formulating plans for giving effect to the post-war economic policies laid down in article VII of those agreements. The British Government designated two representatives to discuss monetary problems with the Treasury Department but indicated that it was not then ready for discussions of other subjects.

In an aide-memoire dated August 4, 1943, the British Embassy referred to the foregoing and indicated that it had carried further its study of the various topics and is now prepared to begin informal exploratory conversations in the whole field covered by article VII with a view to reaching agreement on an orderly agenda for these discussions, and to send a delegation of senior officials to Washington for this purpose. The plan is for these officials to arrive here in about a week, although the discussions

discussions will not begin until September 20 or thereabouts.

The Department, after consultation with the Secretary of the Treasury, has replied that it is in accord with the British suggestion and has expressed the view that it would be preferable that the conversations on monetary policy continue in the existing channel; that is, in the Treasury Department between representatives primarily of the two treasuries; also that the Treasury representatives should deal with the subject of international investments. It was further stated that this Government is making the necessary arrangements for conversations on commercial policy, the regulation of primary products and related subjects, to take place in the Department of State.

It is my intention to ask Mr. Myron Taylor to carry on the discussions in the latter fields on behalf of the United States with the assistance of the following officers of this Government:

State Department

Leo Pasvolosky, Special Assistant to the Secretary of State

Herbert Feis, adviser on International Economic Affairs

Harry

Harry C. Hawkins, Chief, Division of Commercial Policy and Agreements

John B. Hickerson, Assistant Chief, Division of European Affairs

Leroy D. Stinebower, Chief, Division of Economic Studies

Treasury Department

Harry D. White, Assistant to the Secretary and Director, Division of Monetary Research

Commerce Department

Will Clayton, Assistant Secretary

Amos E. Taylor, Director, Bureau of Foreign and Domestic Commerce

Department of Agriculture

Paul Appleby, Under Secretary

Leslie A. Wheeler, Director, Office of Foreign Agricultural Relations

Tariff Commission

Oscar B. Ryder, Chairman

Lynn A. Edminster, Vice Chairman

I should appreciate being informed whether the foregoing meets with your approval.

I have advised the Governments of Soviet Russia and China of our readiness to enter into similar discussions with representatives of those Governments, respectively.

C.H.

THE WHITE HOUSE  
WASHINGTON

September 28, 1943

MEMORANDUM FOR

THE SECRETARY OF STATE:

What are we doing about  
this?

F.D.R.

Telegram, 9-24-43, to the Secretary of State from Merrell, New Delhi, re text handed to him by Weightman, the Foreign Secretary, which was condemned in censorship by the Govt. of India on 9-20-43, of an excerpt on India from Drew Pearson's column, of recent date, which United Press was sending to Round Up, a weekly published by American troops in New Delhi.

(1852)

*Copy of this letter returned to Hon. A. A. Berke, Jr. PSF  
as per the President's notation, 10/4/43 State Dept. folder  
2-43*

*A. A. Berke, Jr.  
O.K.  
F.D.R.*

DEPARTMENT OF STATE  
WASHINGTON

October 1, 1943

My dear Mr. President:

The Ambassador of Argentina called at the Department on September 30, in regard to the desire of the Argentine Government to appoint Dr. Adrian C. Escobar as Ambassador Extraordinary and Plenipotentiary of Argentina to the United States, and inquired whether the appointment would be agreeable to this Government.

Dr. Escobar was born in Buenos Aires, Argentina, in 1881. He is a bachelor. He studied law and social sciences at the National University of Buenos Aires and is a Doctor of Jurisprudence.

He served in the Office of the President of the Republic from 1904 to 1908; was a National Deputy from the Province of Buenos Aires from 1908 to 1924 and again from 1932 to 1936. In 1938, he was President of the First Argentine Congress of Travel and Communications and Argentine delegate to the Pan American Conference at Lima. He was Postmaster General from 1938 to 1940. From 1940

to

The President,  
The White House.

to 1942 he was Argentine Ambassador to Spain. He served his country as Ambassador to Brazil from 1942 until August 1943, when General Rawson was appointed Ambassador there. It was rumored at that time that Dr. Escobar would be named Argentine Ambassador to the Holy See.

Dr. Escobar was a strong supporter of his Government's position of neutrality and while in Spain he is said to have been an outspoken admirer of the Government of General Franco, and not particularly friendly towards the United States or Great Britain. However, while in Brazil, he evidently changed his point of view and there professed admiration for the democratic system.

There would seem to be no reason why the appointment of Dr. Escobar as Ambassador of Argentina would not be satisfactory, and I recommend that you give your approval to this appointment.

Faithfully yours,

*Carbury*  
Acting Secretary.

Personal:

He is an S.O.B. <sup>not</sup> in many ways; but we are unlikely to get any other genius just now

*as*

(1861 - Hon. A. A. Berle, Jr.)  
(1862 - Hon. Elmer Davis)

*State Dept folder*  
*2-43*

*Ans*

THE WHITE HOUSE  
WASHINGTON

October 5, 1943.

MEMORANDUM FOR

ASSISTANT SECRETARY BERLE  
HON. ELMER DAVIS

In regard to the Drew Pearson column appearing in the weekly published by the United States Army in New Delhi, I can see no good reason for any Army or Navy publication publishing any column. This is not a matter about Mr. Drew Pearson. It relates to all columnists on the ground of factual veracity. I know of no column published in the United States which does not contain a very large percentage of "facts" or "news" which are simply not true. I see no reason for the Government to reprint to the soldiers news which is not correct.

No one cares about the expression of opinions by column writers, but everybody does or should care when these opinions are based on misstatements of fact. Why not end the whole matter by leaving out all columns in Government publications?

*F. D. R.*  
F. D. R.

No papers accompanied this memorandum.



DEPARTMENT OF STATE  
WASHINGTON

October 1, 1943

MEMORANDUM FOR THE PRESIDENT

You ask what is being done about the Drew Pearson column in the Washington Post of September 17, 1943 quoting paragraphs from a telegram sent from India by John Fischer of the Office of Economic Warfare:

(1) The Office of Economic Warfare has called in all copies of the telegram and found that none are missing and has been able to turn up no evidence of how the leak occurred. Arrangements have been made to narrow the circulation of confidential telegrams. The Department is also informed that Mr. Crowley plans to discuss with the Attorney General the advisability of having an investigation made by the FBI.

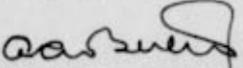
(2) The Department has written to the Secretary of War pointing out that the Pearson column appears in the weekly published by the United States Army in New Delhi and suggesting that the War Department "may wish to consider the desirability of discontinuing the existing arrangements whereby Mr. Pearson may publish in army papers abroad

material



- 2 -

material of a nature untrustworthy, embarrassing, and, as in this instance, prejudicial to our relations with the authorities of a foreign government." (Actually the column in question was caught by the British Censor.)

  
Adolf A. Berle Jr.  
Acting Secretary

THE WHITE HOUSE  
WASHINGTON

October 16, 1943.

MEMORANDUM FOR

HON. A. A. BERLE, Jr.

In regard to your memorandum of October 15th in regard to Hungary, I think you are right. Naturally, I said nothing to Otto of Austria in regard to using him as a channel of information -- even by inference. I merely told him, as I would any Austrian or Hungarian, that if Hungary wishes consideration at the peace table, Hungary ought not to miss the boat. This can be said by any of us to any Hungarian because it represents a simple truth.

No Hungarian and no clique thereof has merited any special consideration from us.

F.D.R.

DEPARTMENT OF STATE  
WASHINGTON

October 15, 1943

MEMORANDUM FOR THE PRESIDENT:

Otto of Austria has been saying in various quarters that he saw you; that you stated to him that if Hungary wished consideration at the peace table she had best change sides now, rather than later after the fighting is over.

Otto seems to convey the impression that you were thereby endeavoring to use him as channel of communication between yourself and the present Hungarian government--probably a fanciful interpretation.

You are perhaps aware that the relations between Otto of Austria and not only the Horthy government, but practically any responsible group in Hungary, are of the worst; and this channel would be both risky and bad. It would likewise anger the Russians, enrage the Czechs, and frighten the Yugoslavs.

If you wish a channel, probably Pelenyi, the Hungarian Minister here who resigned when Hungary joined the Axis, would be the best available. The Left wing, of course, would object to him, or for that matter to any approach except through Russian-controlled elements.

*aa?*  
A. A. Berle, Jr.

ADDRESS OFFICIAL COMMUNICATIONS TO  
THE SECRETARY OF STATE  
WASHINGTON, D. C.



DEPARTMENT OF STATE  
WASHINGTON

October 19, 1943

MEMORANDUM TO THE PRESIDENT

Reference is made to your memorandum of October 16, 1943 asking if it is believed that something at this date should be done in regard to a statement relating to Denmark.

As there would seem to be little to hang such a statement on at present, I believe it would be advisable to take no action of that character at this time. If later developments in Denmark should make such a statement opportune, reconsideration could be given to the matter.

*E. R. Rosten*

*State Dept. folder 2-43*

*file  
Confidential  
?*

October 15, 1943

DEPARTMENT OF STATE  
WASHINGTON



THE WHITE HOUSE  
WASHINGTON

H88

October 16, 1943.

MEMORANDUM FOR

THE UNDER SECRETARY OF STATE: <sup>x2D</sup>

Is it believed that something at this date should be done in regard to a statement relating to Denmark?

F.D.R.

Memorandum for the President from the Secretary of State, 9/15/43, stating that he understands that on 9/4/43 the Danish Minister presented to the President a request for the issuance by the President and Mr. Churchill of a statement regarding recent events in Denmark. Subsequently he spoke to Mr. Hull about this matter and also gave him a copy of a draft statement which he had prepared. Mr. Hull feels that a statement by the President and, if possible, by the President and Mr. Churchill would do much to deter the Danes from any form of future collaboration with Germany and would encourage the Danish people in their resistance to German rule. A redraft of the Minister's statement is attached for the President's consideration.

x48

44675

*State Dept folder  
2-43*

October 21, 1943

Dear Herbert:

I have read your letter of October 18 with great regret. Your resignation as Adviser on International Economic Affairs in the Department of State after 12 years of faithful and able service means a real loss to all of us. I have very much appreciated what you have done for me personally and I wish you success and happiness in any work you may take up in the future.

Very sincerely yours,

FRANKLIN D. ROOSEVELT

Herbert Fels, Esquire,  
Adviser on International Economic Affairs,  
Department of State.

ADVISER ON INTERNATIONAL ECONOMIC AFFAIRS  
DEPARTMENT OF STATE  
WASHINGTON

October 18, 1943.

My dear Mr. President:

With deep regret that I feel compelled to do so, I am resigning as Adviser on International Economic Affairs in the Department of State.

My decision has been long-deferred in the thought that my continued conduct of this work, despite great difficulty, might be serving a useful part in the war effort and in the guiding of future American policy. But I have come to the conclusion that I have done everything possible, under present circumstances, to those ends.

I will not burden you with the many reasons for reaching this conclusion.

Secretary Ickes will no doubt have reported to you of the course of negotiation with the oil companies looking towards American Government participation in the Saudi Arabian oil field - an assignment

which

The President,

The White House.

- 2 -

which you instructed me to share.

I retain great satisfaction in having had the opportunity - under your leadership - of participating in a close and continuous way in the events in the life and foreign relations of this country during the critical years of the recent past. If ever some new task presents itself in this field in the future in which you believe I could serve, I should be happy to respond.

With sincere respects,

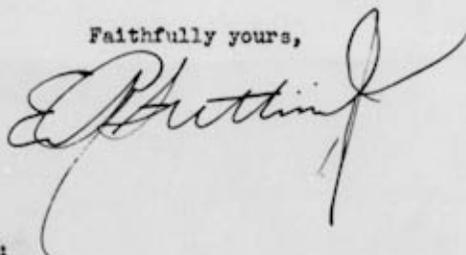
Herbert Reis

DEPARTMENT OF STATE  
WASHINGTON

My dear Mr. President:

I enclose for your signature if you approve  
a draft reply to Herbert Feis' letter to you of  
October 18. I am also returning Dr. Feis' letter  
to you.

Faithfully yours,



Enclosures;  
Draft letter;  
From Dr. Feis,  
October 18, 1943.

The President,  
The White House.

*State Dept folder*  
*2-48*

THE WHITE HOUSE  
WASHINGTON

October 19, 1943.

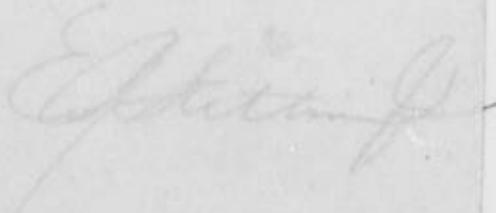
MEMORANDUM FOR

THE UNDER SECRETARY OF STATE:

Will you be good enough to  
prepare a reply of acceptance to this?

F.D.R.

Letter from Herbert Feis, Adviser on International  
Economic Affairs, State Dept., Washington, D. C.,  
10/18/43, to the President, resigning as Adviser  
on International Economic Affairs in the Dept. of  
State.



*file*

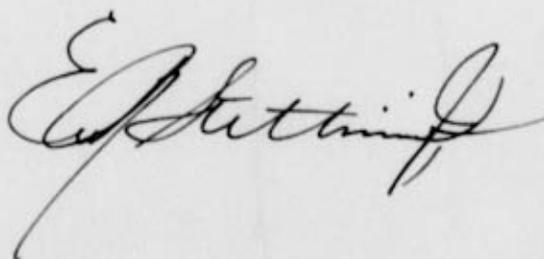
DEPARTMENT OF STATE  
THE UNDER SECRETARY

October 18, 1943

PRIVATE AND PERSONAL

Miss Tully,

Dr. Feis has just told me that he sent a letter direct to the President. We have communicated with Secretary Hull relative to the Feis situation. Perhaps it would be best to wait and know Mr. Hull's position before any of us takes any action.



*State Dept. folder  
2-43*

THE WHITE HOUSE  
WASHINGTON

October 22, 1943.

~~CONFIDENTIAL~~

MEMORANDUM FOR

ED STETTINIUS:

Please do a little quiet looking around in regard to Ambassador Gauss in Chungking. He did not get on very well the first part of the time he was there, but I think stands better now. If you think some change is necessary, please give consideration to Dick Patterson of New York.

He knows something about China and the Chinese and has been very loyal to this Government. I do not believe that it is necessary to send a career diplomat there.

F.D.R.

Letter, 10-15-43, to Maj. Henry S. Hooker, 50 Broadway, NYC, from Richard C. Patterson, Jr., who gives his experiences which fit him for China appointment.

DECLASSIFIED  
By Deputy Archivist of the U.S.  
By W. J. Stewart Date MAR 3 1972

*file*

**HOOKER, GOODALE, WEHLE & HANSON**  
ATTORNEYS AND COUNSELORS AT LAW

HENRY S. HOOKER  
JOHN MCGOODALE  
LOUIS B. WEHLE  
H. P. HANSON  
R. D. THURBER

CABLE ADDRESS "GYHANRIC"  
TELEPHONE WHITEHALL 3-1991

*50 Broadway,  
New York*

October 20, 1943

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

Dear Frank:

At Hyde Park I promised to send you a memorandum about Dick Patterson's Chinese activities. This letter is to keep that promise and touch on a couple of other matters.

Richard C. Patterson, Jr.

I am enclosing Dick's letter to me of October 15th which explains itself and also a letter-head of the China-America Council of Industry--Richard Patterson Chairman--now in process of organization. The object of this organization is to cultivate good relations and stimulate trade with China after the War. For some time he has been conducting a good deal of activity among the Chinese, entertaining the Ambassador and others. I know that he is very energetic, ambitious and capable and that he has done a good deal of work for the Party. I have not enough knowledge of the requirements of the Chinese post to say more.

Concerning the Suggestion of Beth Leary.

I am exploring her suggestion to see if anything definite can be accomplished.

Morris Ernst's Dinner for Sumner Welles last Saturday.

This was quite an unusual event. There were about thirty present, including Helen Reid, Arthur Hays Sulzberger, Anna Hare McCormick, Harry Luce, Dorothy Thompson and Thackrey and others of the newspaper world; Raymond Gram Swing, William L. Shirer, Leon Henderson and about ten other commentators; Judge Learned Hand, Jerome Frank and others of the intelligentsia. I had a little talk with Sumner before the dinner started. He has a deep affection for you. I told him about our good week end at Hyde Park. Then we all went in

to dinner. There were no formal speeches, but it was indicated that the guests might say a word or two about the guest of honor. I had thought of a few remarks to illustrate Sumner's qualities of courage and courtesy. I planned to speak of the occasion nearly forty years ago when I was visiting Groton as a graduate and the Rector turned over to me a little lad all bundled up in blankets to take back to New York. He had been quite ill and I planned to **reminisce** of his courage and courtesy during that long and trying day on the smoky train. As a matter of fact I never got a chance to make my little speech because the boys and girls present consumed every moment of the conversation. I decided that it would be cruel for me to say a word when I could see so clearly that each one of those trained talkers was straining at the leash, so I relaxed and became an unofficial observer. Briefly the talk was of admiration for Sumner's ability and of condemnation for the Senate Group which had taken advantage of the fact and necessities of War to serve its own purposes.

I dined with Eleanor last night and later we all went to the play--"The Two Mrs. Carrolls"--some play!

Best as ever,

*Harry -*

HSH/H  
Encls.

DEPARTMENT OF STATE  
THE UNDER SECRETARY

October 25, 1943

Miss Tully,

The attached is rather urgent. If it would be possible for the President to glance at it today and give us his reaction before tomorrow morning, it would be most helpful.

*E. A. Tamm*

LIVE INDEX  
DISTRIBUTION

*State Dept. folder  
2-43.  
file  
Personal*

THE WHITE HOUSE  
WASHINGTON

October 25, 1943.

MEMORANDUM FOR

E.R.S., JR.

In regard to blocking  
Argentina, I think we had better  
keep this matter on our desks, to  
be reviewed every week or two.

How would it be to let it  
leak out that some such freezing  
of controls is being studied?

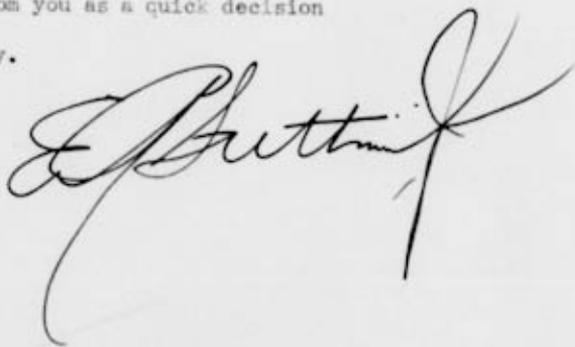
F. D. R.

THE UNDER SECRETARY OF STATE  
WASHINGTON

October 25, 1943

MEMORANDUM FOR THE PRESIDENT

Attached is a joint memorandum relative to the proposed blocking of Argentina; Treasury being in favor, and State Department being opposed at this time. We would appreciate a word of guidance from you as a quick decision is necessary.

A handwritten signature in cursive script, appearing to read "E. A. Tamm". The signature is written in dark ink and is positioned below the typed text of the memorandum.



# TREASURY DEPARTMENT

WASHINGTON

UNDER SECRETARY

OCT 25 1943

DEPARTMENT OF STATE

OCT 25 1943

## MEMORANDUM FOR THE PRESIDENT:

### Action Proposed by the Treasury:

Treasury proposes that Argentina be added to the 35 countries already subject to the freezing control. Essentially, these controls would follow the pattern already in effect with regard to Portugal, Spain, Sweden and Switzerland. This is in general the proposal made by Ambassador Armour. In view of the flexibility of these controls, additional exemptions or restrictions can be added as desirable.

### Treasury Department's Position:

The Treasury, on economic warfare grounds, has repeatedly urged that the freezing control be extended to Argentina--as it has been to the neutral countries in Europe. Argentina is recognized as the base from which the Axis conducts its financial operations throughout the Western Hemisphere. On political grounds, the State Department and Ambassador Armour have consistently opposed freezing Argentina. However, last Wednesday, Ambassador Armour recommended the freezing of Argentina, stating in his cable:

"The Secretary's letter of August 30, together with other events, has brought about bitter opposition to the present Argentine administration from important and influential sectors of the Argentine public, including elements in the armed services. Any further action on the part of the American Government must help to increase this opposition rather than dispel it through creating a 'my country right or wrong' reaction.... The Embassy believes that blocking would be interpreted in Argentina as directed against the Government and not against the people and would be generally understood."

The freezing of Argentina at this time is the natural follow-up to Secretary Hull's letter to Foreign Minister Stormi on Lend-Lease and your criticism of the closing of the Jewish newspapers. Any delay in acting not only gives Argentina a chance to move substantial assets out of the United States but may afford the present pro-Axis government time to strengthen its position. Thus the present government might very well go through the motions of breaking with the Axis, which would have no real effect other than to bolster the Ramirez government. A dramatic step by us at this time should crystallize the opposition and might give Argentina a genuinely pro-Allied government.

### State Department's Position:

I. The State Department continues to oppose this proposal, which you declined to approve last year, primarily because we believe it will retard, rather than hasten, a change of government. The Treasury's proposal, although suggested on economic warfare grounds, has as a major purpose the political objective of upsetting the present Argentine government. In the Department's judgment, contrary to the views of Ambassador Armour, it is more likely that blocking Argentina would

strengthen the grip of the present government. Because of the sensitiveness of Argentines to outside pressure, the government undoubtedly would appeal to all Argentines to "defend" their country against United States invasion of Argentine sovereignty. Past experience with Argentina indicates that this type of flag-waving arouses popular patriotic fervor. We believe in this case the growing opposition to the government would be temporarily confused if not divided.

II. We consider the proposal would not directly attain important economic warfare objectives.

III. The proposal runs the risk of (a) frightening the other American republics, because they would figure that if the United States used strong-arm tactics against Argentina it might do the same to them; and (b) producing Argentine retaliatory action which might endanger United Nations procurement of such vitally needed materials as zinc, hides and foodstuffs and jeopardize the advantageous arrangements under which the Argentine merchant marine carries to the United States a minimum of 40,000 tons a month of cargo selected by us.

IV. The Argentine political pot is seething. The universities are now on strike and attempts are being made at this moment to organize a general strike with the specific objective of overthrowing the government. We recommend that Argentina be left to stew in its own juice at least until the present confused movements take form.

*E. P. ...*  
*Randolph L. Paul*

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2-43*

*file  
personal*

THE UNDER SECRETARY OF STATE  
WASHINGTON  
October 30, 1943

MEMORANDUM FOR MISS TULLY

I return herewith the original  
of the memorandum on the subject of  
Argentine Freezing which you were kind  
enough to send to me this morning. We  
have had photostatic copies made of it.

U:ERS:dp

T-195

MEMORANDUM FOR THE PRESIDENT

ARGENTINE FREEZING

Developments since your Decision of October 25  
Against a General Freezing at this time of  
Argentine Assets

1. Secretary Hull has telegraphed his concurrence in the Department's position as stated to you contrary to blocking Argentina. A copy of this telegram is attached.

2. Ambassador Armour has cabled renewing his recommendation to block Argentina and stating that the Argentine Government is progressing to assisting Axis activities and that while blocking involves risks, he is willing to recommend immediate blocking action. A copy of this cable is attached.

3. Transfers and attempted transfers of Argentine funds since October 25:

\$1 million transferred largely to Uruguay.

Yesterday the Argentine Central Bank ordered private banks to transfer their funds to it. As a result, attempted transfers of \$29,500,000 were ordered from Argentine bank accounts in New York to Argentine Central bank accounts at Federal. Of these \$7 million have been made; \$9,500,000 have been definitely blocked; \$13 million are now pending. No serious disadvantage is discerned were such transactions to occur, except where individual accounts upon the evidence should be blocked.

Now pending: Transfers of \$250 thousand to Uruguay; \$1 million to Swedish Riksbank. These transfers if accomplished would remove funds from U.S. control.

4. Department's recommendations:

a. that there should be no general blocking at this time for reasons previously given;

b. If contrary decision is made, general blocking should be preceded by attempt to get British and some major American Republics to take collateral action.

c. Since transfers effected or pending from Argentine to foreign account total only \$2,500,000 for the current week, take no action beyond existing ad hoc blocking, continuing present scrutiny of transactions to prevent sudden flight of capital.

OK  
JAC

E. P. Butler

BE  
This telegram must be  
closely paraphrased be-  
fore being communicated  
to anyone. (MCA)

Moscow

Dated October 28, 1943

Rec'd 11:55 a.m., 29th

A/A

Secretary of State

Washington

URGENT

1759, October 28, 4 p.m. DELAM NO. 39

FOR THE UNDER SECRETARY FROM THE SECRETARY.

Your 1081, October 25, 8 p.m.

I agree with your reasoning and position  
regarding blocking Argentine accounts as given  
in your telegram, no distribution.

HARRIMAN

NPL

GM  
This telegram must be  
closely paraphrased be-  
fore being communicated  
to anyone. (MCA)

Buenos Aires

Dated October 27, 1943

Rec'd 10:27 p.m.

                      
Secretary of State,

Washington.

U.S. URGENT

2530, October 27, 6 p.m.

Reference Department's 1644, October 24, 8 p.m.

and one 1647, October 29, 9 p.m.

What would appear to be an unfortunate leak reported in Embassy's telegram No. 2526 of October 27, 4 p.m. would seem to precipitate action along one of the three following lines: (a) to freeze Argentina immediately; (b) to issue an announcement denying the press story and follow a policy of inaction, or (c) for Washington neither to confirm nor deny the United Press story, while observing reaction here. This latter course is dangerous since it would provide time for any Axis dollar assets cloaked via the Argentine to be liquidated. Furthermore it is doubtful if the United Press despatch will be released by censor so that true reaction will be difficult to determine. The following message was prepared before the Embassy had knowledge of the United Press story, but as it covers the situation in all its aspects no changes are being made.

The following represents the Embassy's considered judgment with respect to the situation:

(one)

-2-#2530, October 27, 6 p.m., from Buenos Aires.

(one) The Embassy's immediate objective in making freezing recommendation was economic warfare. Recent events have convinced us that Argentine Government has practically ceased to exercise any control over totalitarian activities or their financing. There are mounting evidences that from control the Government is rapidly passing to the promotion of such activities. The extent of the effectiveness of treasury measures naturally depends on the degree to which our Government wishes to impose its controls. The Department realizes that the measures could of course be used to the extent of imposing a financial and merchandise embargo. The Embassy's minimum aims would be the following:

Supervision of a large percentage of Argentina's international financial transactions and, through the use of the licensing procedure, a beneficial ownership breakdown of assets held through local banks and financial institutions in the United States; the elimination of credit to Axis firms on the part of generally licensed banks; the certification by such banks that no direct or indirect Proclaimed List interest was involved in any transactions handled by them; and, possibly a disclosure of funds held locally for European account by such banks.

(two) The Embassy never believed that the measure recommended

-3-#2530, October 27, 6 p.m., from Buenos Aires.

recommended could have the extreme political effect mentioned by the Department. It hoped first to select an appropriate moment to announce freezing so that the measure would be interpreted as directed against the government and the Argentine people. Recognizing super-sensitivity of Argentines, it must be remembered that there is now strong and widespread feeling within Argentina against present government. It was our thought that proper action by United States at this time (when the cumulative effect of Government's totalitarian and unpopular acts is at a peak) would be interpreted as an alignment with Argentine people against an already unpopular government. A better occasion may or may not arise. It should be emphasized that foregoing is merely a matter of opinion although it does represent our considered judgement. After the imposition of freezing the Embassy hoped that the Argentine Government would give our Government an opportunity to disclose publicly the extent to which the present and previous government were aiding and abetting those firms which could be universally defined as inimical to the security of the Western Hemisphere. The Embassy predicates its recommendations on the basis that nothing should be done to strengthen the present government, but risks should be taken to weaken

it. Risk

-4-#2530, October 27, 6 p.m., from Buenos Aires.

it. Risk is inherent in these recommendations.

(three) In order that the American point of view may be clearly understood by Argentina and the American Republics, it is thought that even press censorship in this country could not prevent the publication of a statement by the President and it is for this reason that the Embassy respectfully suggests that if freezing is determined upon, the President consider issuing a statement along the following lines:

"A year and a half ago the Treasury Department proposed that those financial controls applicable to neutral countries, as provided by Executive Order No. 8389, be extended to Argentina. That action, if approved, would have had the effect of subjecting all financial and commercial transactions to prior license by the Treasury. In other words, there would have been a recognition of Argentina's self proclaimed status of neutrality and Argentina would have been accorded by the United States the same treatment given neutral countries under the above mentioned order.

Since at that time I had every confidence that Argentina would comply with the Rio de Janeiro resolutions, I disapproved the Treasury proposal even though recognizing that in doing so I was in a sense countenancing

a measure

-5-#2530, October 27, 6 p.m., from Buenos Aires.

a measure of discrimination against other neutral countries to which this measure had been applied. However, in view of recent events and for reasons of continental security, the Treasury has again proposed such action. My present reaction to the Treasury's proposal, after a year and a half of keen disappointment waiting for Argentina to join her sister republics, is one of sad and reluctant agreement; I feel constrained to approve the action. In doing so I feel that I must repeat that it is nothing more than a recognition of Argentina's oft-avowed position of neutrality, a position which that country, as a sovereign nation, of course has every right to adopt".

(four) Comments on Department's statement regarding potential dangers:

(a) The British attitude would not be a new one and as the United States has constantly borne major brunt of onus for economic warfare measures, a slight intensification should not be too greatly feared. However, the British might agree to announce simultaneously or shortly thereafter that recent developments in Argentina including instructions to press to publish no longer the Proclaimed and Statutory Lists, made it necessary to intensify British controls with respect to

-6-#2530, October 27, 6 p.m., from Buenos Aires.

respect to shipments from Great Britain and neutral countries to Argentina.

(b) There is no question but that the Argentine Government might attempt to impede the shipment of essential materials needed by the United Nations. However, as this country has as great a need of selling as the United Nations of buying, such measures would only be temporary or would lead to elimination of the present government. The only real danger, other than temporary, foreseen by the Embassy is that some export such as beryl, which is unimportant in Argentina economy, might be affected, but these questions could be worked out on the basis of straight trading for essential materials such as oilfield equipment.

(c) If the President issues the suggested statement, it is believed that reaction among American Republics would be favorable.

(d) Nonbelligerent rights might be withdrawn.

(e) Wilcox and Welch, respectively of the Boston and National City Banks, who were confidentially consulted, are afraid of dire results possibly including the intervention of American firms, prohibition of exports, and even  
deportation

-7-#2530, October 27, 6 p.m., from Buenos Aires.

deportation of Americans, due to character of present government. The Embassy cannot fully share these fears. If action taken on the basis of Argentina's neutrality should lead to such reprisals, it would be such a definite alignment with the Axis that a failure to recognize this and to accept the challenge implied such a situation could well expose us to the criticism rather than approval of the American Republics, since this government represents even at the present time, in the Embassy's opinion, what the United Nations are fighting in other parts of the world.

(five) The Embassy has no desire to do more than state its position and does not wish to influence the Department into recommending action the Department considers unwise. However, it must express the opinion that an opportune moment has come to make public the attitude of the United States with regard to the present government of Argentina.

(six) Consequently, the Embassy would like to repeat its recommendation that the amendment to Executive Order 8389 be announced. Further, it is believed that no immediate provision should be made for the issuance of Argentine

-8-#2530, October 27, 6 p.m., from Buenos Aires.

of Argentine general licenses; such licenses should be given only after a full study by the Treasury and only after the Embassy can calculate with reasonable certainty the influence of repercussions produced in Argentina by this action. Naturally, the Treasury may desire to permit small and unimportant transactions to continue undisturbed and the Embassy could see no objection to this.

ARMOUR

RR



THE SECRETARY OF THE TREASURY  
WASHINGTON

October 29, 1943

MEMORANDUM FOR THE PRESIDENT

Freezing Argentina

Mr. Stettinius advised me this afternoon that he was sending you a short memorandum regarding the freezing of Argentina and suggested that I do likewise. We in the Treasury think that Ambassador Armour's cable of October 27, again strongly urging the freezing of Argentina, is the best statement of the reasons for freezing. As the Ambassador states:

"...The Mission must express the opinion, however, that an opportune moment has come to make public the United States' attitude concerning the present Argentine government. Therefore, the Mission would like to repeat its recommendation that an announcement be made of the amendment to Executive Order 8389 (freezing Argentina)."

A copy of this cable is attached.

For your information the Treasury Department, with the State Department's approval, has taken the following provisional action:

(a) Treasury has specially blocked the assets of the two largest banks in Argentina, who for over a year and with the Argentine Government's approval have been openly aiding the Axis. These banks were trying to transfer out of their names over \$10,000,000 of assets before this Government could act.

(b) The Treasury has temporarily stopped transactions in Argentine accounts amounting to over \$5,000,000 and involving the flight of funds from the Argentine or the transfer of substantial Argentine funds to new accounts where such funds could no longer be readily identified.

The Treasury has advance notice of additional transfers of a similar character within the next twenty-four hours amounting to \$10,000,000. Moreover, the Argentine Central Bank has given standing instructions for the shipment of substantial amounts of its gold to Argentina on each Argentine ship henceforth leaving the United States.

Should you decide to take action in this matter, the necessary papers are ready for your signature.

*dwv Bill*

PARAPHRASE OF TELEGRAM RECEIVED

FROM AMEMBASSY, BUENOS AIRES  
TO SECRETARY OF STATE, WASHINGTON, D. C.  
NUMBER 2530  
DATE OCTOBER 27, 1943

The following is in reference to #1644 of October 24 from the Department and also Department's #1647, dated the 29th October.

It would seem that action along one of the three following lines is precipitated by what would appear to be an unfortunate leak reported in telegram #2526 of October 27 from the Embassy: (a) the immediate freezing of Argentina, (b) the issuance of an announcement which denies the press story and the following of a policy of inaction, or (c) neither the confirmation or denial by Washington of the United Press story, while reaction here is observed. Since this latter course would provide time for the liquidation of any Axis dollar assets cloaked via the Argentine, it is dangerous. In addition it is doubtful if the censor will release the United Press despatch so that it will be difficult to determine the true reaction. Since the following message covers the situation in all its aspects, no changes are being made even though it was prepared before the Embassy had knowledge of the United Press story.

The considered judgment of the Embassy with regard to the situation is represented as follows:

(first) Economic warfare was the immediate objective of the Embassy in making its recommendation for freezing. We have been convinced by recent events that the exercise of any control on the part of the Argentine Government over totalitarian activities or their financing has practically ceased. Mounting evidences show that the Government is rapidly passing from control to the promotion of such activities. Naturally, the extent of the effectiveness of the measures of the Treasury depends on the degree to which our Government desires its controls to be imposed. It is realized by the Department that of course the measures could be used to the extent of imposing an embargo

on finances and merchandise. The following would be the minimum aims of the Embassy:

A beneficial ownership breakdown of assets held through local banks and financial institutions in the United States, through the use of the licensing procedure, and supervision of a large percentage of the international financial transactions of Argentina; the elimination on the part of generally licensed banks of credit to Axis firms; the certification by such banks that no transactions handled by them involved any direct or indirect Proclaimed List interest; and possibly a disclosure of funds held locally by such banks for European account.

(second) It was never believed by the Embassy that the extreme political effect mentioned by the Department could result from the measure recommended. The Mission hoped first to choose an appropriate moment to announce freezing in order that the measure would be interpreted as directed against the government and (not?) the people of Argentina. It must be remembered, in recognizing the super-sensitivity of the Argentines, that a strong and widespread feeling against the present government now exists within Argentina. Our thought was that proper action by the United States at this time, when the cumulative effect of the unpopular and totalitarian acts of the Government is at a peak, would receive the interpretation of an alignment with the Argentine people against a government already unpopular. There may or may not arise a better occasion. Although the foregoing does represent our considered judgment, it should be emphasized that it is merely a matter of opinion. The Embassy hoped that after the freezing was imposed our Government would be given an opportunity by the Argentine Government to disclose publicly the extent to which those firms which could be universally defined as inimical to the security of the Western Hemisphere were being aided and abetted by the previous and present government. On the basis that nothing should be done to strengthen the present government but that risks should be taken to weaken it, the Embassy predicates its recommendations. In these recommendations risk is inherent.

(third) So that Argentina and the American Republics may clearly understand the American point of view, it is the opinion of the Embassy that the publication of a statement by the President could not be prevented by even press censorship in this country. For this reason, it is respectfully suggested by the Embassy that the President consider issuing a statement along the following lines if

freezing is decided upon:

(Paraphrased quote) It was proposed by the Treasury Department a year and a half ago that those financial controls applicable to neutral countries, under the provisions of Executive Order #8389, be extended to include Argentina. The effect of subjecting all commercial and financial transactions to prior license by the Treasury would have been produced by that action, if approved. There would have been, in other words, a recognition of the self proclaimed status of neutrality of Argentina, and the same treatment given neutral countries under the above mentioned order would have been accorded Argentina by the United States.

Since I had every confidence at that time that the Rio de Janeiro resolutions would be complied with by Argentina, I disapproved the proposal of the Treasury even though I recognized that I was in a sense giving countenance to a measure of discrimination against other neutral countries to which application of this measure had been made. For reasons of continental security and in view of recent events, however, such action has again been proposed by the Treasury. After a year and a half of keen disappointment waiting for Argentina to join her sister republics, my present reaction to the proposal of the Treasury is one of reluctant and sad agreement. I feel forced to approve the action. I feel in doing so that I must repeat that it is nothing more than a recognition of the oft-avowed position of neutrality taken by Argentina, a position which that country of course has every right to adopt, as a sovereign nation. (End paraphrased quote).

(fourth) The Department's statement regarding potential dangers is commented on as follows:

(a) The attitude of the British would not be a new one and as the major brunt of onus for economic warfare measures has been borne constantly by the United States, it should not be too greatly feared if there is a slight intensification. The British, however, might agree to announce simultaneously or shortly thereafter that developments in Argentina recently, including instructions to the press that they were no longer to publish the Statutory and Proclaimed Lists, made it necessary to intensify British controls in regard to shipments to Argentina.

from Great Britain and neutral countries.

(b) There is no doubt that attempts to impede the shipment of essential materials needed by the United Nations might be made by the Argentine Government. Nevertheless, as this country has as great a need of selling as the United Nations has of buying, such measures would lead to the elimination of the present government or would only be temporary. Other than temporary, the only real danger foreseen by the Embassy is that some export such as beryl, which in Argentina economy is unimportant, might be affected. However, on the basis of straight trading for essential materials, such as oilfield equipment, these questions could be worked out.

(c) It is believed that there would be a favorable reaction among the American Republics should the suggested statement be issued by the President.

(d) There might be withdrawn nonbelligerent rights.

(e) Welch and Wilcox, respectively of the National City and Boston Banks, were consulted confidentially. Due to the character of the present government, they feared dire results, possibly including prohibition of exports, intervention of American firms, and even deportation of Americans. These fears cannot be fully shared by the Embassy. If such reprisals should result from action taken on the basis of Argentina's neutrality, it would be such a definite alignment with the Axis that we would well be exposed to the criticism rather than the approval of the American Republics if we fail to recognize this and to accept the challenge implied by such a situation, since even at the present time, what the United Nations are fighting in other parts of the world is, in the opinion of the Embassy, represented by this government.

(fifth) The Mission does not wish to influence the Department into recommending action considered unwise by the Department. The Embassy desires to do no more than state its position. The Mission must express the opinion, however, that an opportune moment has come to make public the United States' attitude concerning the present Argentine government.

(sixth) Therefore, the Mission would like to repeat its recommendation that an announcement be made of the amendment to Executive Order 8389. We believe further that no immediate provision for the issuance of Argentine general licenses should be made. Only after the Treasury has made a full study and only after the influence of repercussions produced in Argentina by this action can be calculated by the Embassy with reasonable certainty, should such licenses be given. The Treasury, naturally, may desire to allow small and unimportant transactions to continue undisturbed, to which no objection could be seen by the Embassy.

ARMOUR

*State Dept. folder*  
*2-43*

**THE WHITE HOUSE**  
**WASHINGTON**

**FILE NOTE:**

Sent to E.R.S., 10-30-43, to return to files, memo, from E.R.S. to Pres. re Argentine Freezing, with penned notation "OK FDR" and telegram from Secy. Hull, 10-28-43 re same, and telegram, 10-27-43 from Armour, Buenos Aires, re same.

PSF State Dept. folder 2-43

*File  
Secret*



THE UNDER SECRETARY OF STATE  
WASHINGTON

October 28, 1943

MEMORANDUM FOR THE PRESIDENT

Following our conversation at luncheon yesterday, I have given much thought to the end that you will have the most effective State Department personnel available to you in your forthcoming plans. To this end I believe that Mr. Charles Bohlen, head of the Russian desk in the European Division, together with Mr. Frederick Reinhardt, both of whom are now taking part in the discussions in Moscow, would be of great assistance. I have not only great confidence in the combined judgment of these two officers, but they both are qualified to act as interpreters owing to the length of time they have served and studied in the Soviet Union.

(2039)

hmb

Originals of these papers returned  
To Hon. A. A. Berle, Jr., 10/29/43  
hmb State Dept. folder 2-13

"O.K."  
F.D.R.

October 29, 1943

MEMORANDUM TO THE PRESIDENT:

By arrangements with Ed Stettinius, the attached telegram is submitted to you for approval.

We built \$38,000,000 of airports and accessory facilities in Brazil, using Pan American Airways (through its Brazilian subsidiary) as construction agent. The Brazilian decree authorizing the construction provided that any non-military use of the accessory installations should be exclusively by Panair. We wish the decree (which has expired and has to be reenacted in some form) to provide that these installations may be used by any American carriers duly permitted to fly to Brazil. Panair is fighting this tooth and nail. The Department agrees with the view expressed in the telegram. The Army is generally favorable but wants the question settled as rapidly as it can be. I should appreciate your O.K. on the telegram.

Enclosure:  
Draft telegram to  
Rio de Janeiro.

A. A. Berle, Jr.

Young  
(300)  
O.P.A.  
1

TELEGRAM  
DEPARTMENT OF STATE

WASHINGTON

SECRET

October 29, 1943

AMEMBASSY,  
RIO DE JANEIRO (BRAZIL).

Department refers to your telegrams numbered 4910,  
4913 and 4914 and dated the 19th of October, 1943.

After full consideration, Department feels that  
it should endeavor to obtain equal treatment for all  
United States airlines and does not feel that Pan  
American Airways' insistence that these installations,  
including accessory facilities, shall be for exclusive  
use of Pan American Airways and Pansair do Brasil can  
be justified in view of the fact that these installation  
were constructed with United States public funds.

Draft aide memoire is being forwarded today by  
air mail.

Acting

State Dept. folder  
2-43

THE UNDER SECRETARY OF STATE  
WASHINGTON

October 29, 1943

*file  
Confidential*

MEMORANDUM TO THE PRESIDENT

You will recall our discussion at lunch on Wednesday relative to the status of Brigadier General John R. Deane. It is definite that he will remain on in Moscow as the head of the military mission there.

*E. A. Tamm*

(2043)

hms

Original of this memorandum sent to Mr. Stettinius  
10/3/43

State Dept. folder

E.R.S.  
O.K.  
F.D.R.

October 29, 1943

MEMORANDUM FOR THE PRESIDENT

As you know, the situation in Iran is critical. I think it would be desirable, in certain contingencies, to make use of Brigadier General Patrick Hurley for a short period on special mission at Tehran. I believe that General Hurley should go as your Personal Representative with the rank of Ambassador. In as much as there are already two American Major Generals in Iran, it would seem essential that General Hurley have equal rank.

General Hurley, who is persona grata to the Russians, could help in bringing about greater coordination with them and could also help to coordinate the activities of our own agencies.

Our Minister at Tehran, Mr. Louis Dreyfus, is planning in the near future to come home on sorely needed leave. It is our thought that General Hurley might stay in Tehran during the time that Mr. Dreyfus is away, but it would not be necessary for the General to assume actual charge of our Mission.

May I have an indication whether you approve this proposal?

Edward R. Stettinius, Jr.  
Acting Secretary

(2046)

*hms*

*State Dept. folder  
2-43*

**THE WHITE HOUSE  
WASHINGTON**

**October 30, 1943.**

**MEMORANDUM FOR**

**E.R.S. Jr.**

**Be sure that Land and Secretary  
Jones speak to me about this next week  
at the latest.**

**F.D.R.**

Memorandum for the President from Hon. E. R. Stettinius, Jr., 10/29/43, stating that Henry Grady has accepted the appt. to Italy as Deputy Vice President of the Economic and Administrative Section of the Allied Commission for Italy. There is a maritime matter that he wishes to clear up before he actually departs, and states that Ad. Land and Jesse Jones are planning to discuss the matter with the President at an early date.

State Dept folder  
2-43

File  
Personal

DEPARTMENT OF STATE  
WASHINGTON  
October 30, 1943

MEMORANDUM FOR THE PRESIDENT

If your journey should take you to the eastern Mediterranean I believe you may wish to look into the following matters.

1. The Palestine question. Kirk and other officers of our Legation at Cairo and at Jerusalem are well informed.
2. Problems relating to Greece, particularly the Greek King. Lincoln MacVeagh will have full background on this.
3. Proposals for Arab Unity. Kirk will have ample information on that subject.
4. Continued French Imperialism in Syria and the Lebanon. The French are showing little disposition to implement their promises of independence. Wadsworth, Diplomatic Agent at Beirut, is well informed on the situation.
5. Difficulties in Iran. Dreyfus, our Minister, is coming home on leave within a few days. However, Jernegan, one of the junior secretaries at Tehran, is particularly expert and well grounded on the complex Iranian situation. Millspaugh, American Financial Adviser to the Iranian Government could be helpful.

E. P. Dreyfus

Original to ERS, 10/30/43  
with notation

note folder  
a-43

"ERS  
OK  
Sent  
FOR"

I have learned through General Bedell Smith of your desire to have Robert Murphy continue as Civil Affairs Officer on your staff for service in Italy as American Political Representative and opposite number to MacMillan. Consequently, I will appoint him American Political Adviser attached to your headquarters in Italy and United States member of the Advisory Council attached to the Allied Control Commission for Italy with the rank of Ambassador. His exact title as member of the Advisory Council will be determined later. I should like him to have two month's leave in the early future but at a time when it will be most convenient to you.

*Original to ERS.*

October 28, 1943

My dear Mr. President:

When General "Bedell" Smith was in Washington recently he informed us of General Eisenhower's wish that Robert Murphy might continue on his staff as Civil Affairs Officer in Italy. In view of the happy relations which exist between him and the British representative, Harold MacMillan, General Eisenhower hopes to keep Mr. Murphy as Mr. MacMillan's opposite number in Italy. We have had a telegram from Secretary Hull approving the suggestion that Mr. Murphy be named as American Political Adviser attached to AFHQ to be resident in Italy in a status similar to that of Mr. MacMillan and that he also be appointed as United States member of the Advisory Council to the Allied Control Commission.

In view of the fact that Mr. MacMillan is a member of the British Cabinet the Secretary suggests that Mr. Murphy's new letter of appointment give him the rank of Ambassador.

Consequently

The President,

The White House.

-2-

Consequently, I am enclosing a suggested draft of a telegram to General Eisenhower which if approved might be transmitted through the War Department.

Faithfully yours,

Edward R. Stettinius, Jr.

Enclosure:

Draft telegram.



Signed original of this message returned to Mr. Stettinius for transmittal.  
11/4/43  
hms

*State Dept folder  
2-43*

C  
O  
P  
Y

TELEGRAM SENT  
DEPARTMENT OF STATE  
Washington

AMDEL

PERSONAL FOR SECRETARY HULL FROM THE PRESIDENT.

I am in full accord with your suggestion that Bob Murphy be appointed United States member of the Advisory Council to the Allied Control Commission for Italy and further that he be given the rank of Ambassador. I am telegraphing General Eisenhower to that effect. The State Department I understand has telegraphed Murphy directly. I also agree that he be granted leave before taking up his new job.

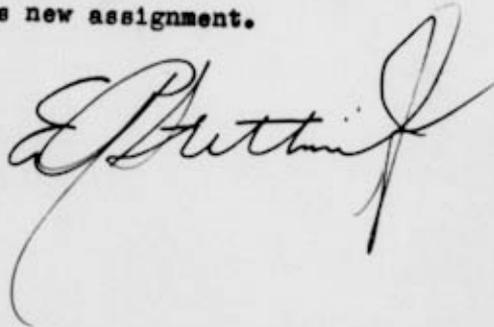
(Signed) "ROOSEVELT"

THE UNDER SECRETARY OF STATE  
WASHINGTON

October 30, 1943.

MEMORANDUM FOR THE PRESIDENT

Referring to your memorandum of October 29  
requesting a reply for your signature I attach  
a suggested draft for you to send to Secretary  
Hull concerning Murphy's new assignment.

A handwritten signature in cursive script, appearing to read "E. A. Tamm". The signature is written in dark ink and is positioned to the right of the main text of the memorandum.

Enclosure:  
Draft telegram  
to Secretary Hull.

*State Dept. folder  
2-43*

THE WHITE HOUSE  
WASHINGTON

October 29, 1943.

MEMORANDUM FOR

THE ACTING SECRETARY OF STATE:

FOR PREPARATION OF REPLY  
FOR MY SIGNATURE.

F.D.R.

Telegram, 10-26-43, secret for the Acting Secretary and Atherton, from the Secretary, Moscow, signed Harriman, agreeing with suggestion that Murphy be named political adviser attached to AFHQ in similar status as MacMillan and also that Murphy be apptd. U.S. member of Advisory Council to Allied Control Commission for Italy. Asks consideration by Pres. of suggestion that Murphy be given rank of Ambassador in his new letter of appt. Also concurs with proposal that Reber be provisionally appointed Depty Vice Pres. of Political Section of Allied Control Commission for Italy.

*file*

*State Dept folder  
2-43*

DEPARTMENT OF STATE  
WASHINGTON

November 3, 1943

MEMORANDUM FOR THE PRESIDENT

With reference to my letter of October 28 concerning the appointment of the Honorable Robert D. Murphy as a political advisor on General Eisenhower's staff to be resident in Italy and as United States member of the Advisory Council to the Allied Control Commission with the rank of Ambassador, I have received a telegram from Mr. Murphy expressing his gratitude for the opportunity to be of service in the capacities indicated. He has asked me to convey his thanks to you.

*E. A. Tamm*

PSF: State Dept folder  
2-43

*File  
Barnal*

DEPARTMENT OF STATE  
WASHINGTON

November 1, 1943

MEMORANDUM FOR THE PRESIDENT

French treatment of the Arabs in Tunisia has been marked by harsh, repressive measures and flagrant abuses. The situation is not consonant with the principles for which we stand and which have been embodied within the Atlantic Charter, while our assumption of military power in North Africa makes us seem at least morally responsible for present conditions.

Not a single Arab newspaper is allowed to be printed in North Africa, and The Reader's Digest has been defeated in an attempt to introduce its new Arabic edition into the territory. In Morocco the native population is beginning to lose faith in our talk of the Four Freedoms and to resent our apparent support of French colonial policy.

The determined attitude of the French is shown by their demand for the recall from Tunis of Consul General Hocker A. Doolittle, who interested himself in the Arab question. Should you desire to go into the matter, Mr. Doolittle can furnish full particulars.

*E. Doolittle*

...with the ...  
...of the ...  
...to ...  
...the ...

November 1, 1942

*State Dept. folder*  
2-43

1058)  
*lms*

THE WHITE HOUSE  
WASHINGTON

November 4, 1943.

MEMORANDUM FOR  
THE ACTING SECRETARY OF STATE:

Will you speak to me about  
this?

F.D.R.

Memorandum for the President from Hon.  
Edward R. Stettinius, Jr., Acting Secretary  
of State, 11/1/43, in re French treatment  
of the Arabs in Tunisia. Copy retained for  
our files.

*Excerpt from  
file 2-43  
Confidential*

THE WHITE HOUSE  
WASHINGTON

November 5, 1943.

MEMORANDUM FOR

THE ACTING SECRETARY OF STATE

In regard to Ban Subasic, I think this might be a proper matter for consideration either by the Mediterranean Politico-Military Committee, which will meet shortly, or the London Politico-Military Committee, which I suppose will be organized shortly following Mr. Hull's return.

That is one way of handling it. You might tell Donovan.

F. D. R.

THE UNDER SECRETARY OF STATE  
WASHINGTON

November 1, 1943

MEMORANDUM FOR THE PRESIDENT

I do not believe it would be advisable for you to see Ban Subasic.

In fact I have doubts as to the advisability of his proceeding to Italy at this time under the sponsorship of any agency of this Government. It is probably true he is going as he says "as a soldier and patriot to assist in our fight against the enemy". His avowed purpose is to "establish direct contact with the political and military leaders of Croatia" however, and I cannot believe that he will refrain from engaging in internal Yugoslav political activities (Croat versus Serb). He is going apparently without the knowledge or authorization of King Peter or the Yugoslav Government and if it is under American sponsorship it might be interpreted as a move in opposition to the King and his Government. The Ban is too important a personage for his mission not to have wide political implications and we should assist him I believe only after mature consideration and an agreement with our principal allies.

*A. Bunting*

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

**SECRET**  
DECLASSIFIED

DECLASSIFIED

E. O. 11652, Sec. 2(B) and 3(D) or (E)

21 October 1943

CIA 4r 1/21/54

For [initials] Date DEC 4 1974

MEMORANDUM FOR THE PRESIDENT:

During my last conversation with you, you showed a great deal of interest in the Balkan Theater of Operations. Since that time I had a very interesting talk with the Ban of Croatia, whose letter to you I am enclosing herewith.

The Ban is willing to go for OSS first to Italy and later to make an appearance in Yugoslavia proper in order to establish direct contact with the political and military leaders of Croatia. He understands that he will go merely as a soldier and patriot to assist us in our fight against the enemy.

The Ban believes that now is the propitious time to contact not only the resistance groups in that country, but the General Staff of Croat Puppet Government army, 150,000 strong. The Ban knows the officers and the Chief of the General Staff, and is ready to embark upon winning them over to our side.

During my talk with the Ban no political commitments of any kind were made by me to him, and he understands that he can go only as a soldier on behalf of our common cause to assist us -

1. In eliciting all possible information re present conditions in Yugoslavia;
2. In persuading the military leaders of the Croatian Puppet Army to join us; and
3. To establish liaison with TITO, with whom he hopes to work very closely.

**SECRET**  
**DECLASSIFIED**

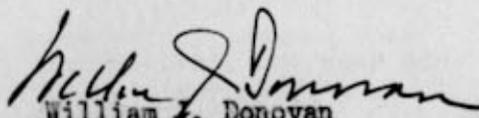
The Ban told me that it would aid him tremendously in carrying out his duties, and would greatly facilitate his future tasks, if he could have an interview with you, not in his diplomatic capacity, but merely as a patriot who is working for the common cause. I told him that I could give him no such assurance that you will see him, but that I would be glad to present his request to you.

During his stay in this country for the last eighteen months, the Ban steadfastly refrained from contacting any officials in the State Department because he thought it might embarrass Ambassador Fotich. The Ban disapproves of the present Yugoslav Government for he feels that it merely is occupied with the perpetuation in power of the Pan-Serbian groups, who think in terms of Serbs only, and not in terms of a federated Yugoslavia in which all groups - Serbs, Croats and Slovenes - are equally represented.

The Ban, who fought in the last war as a Serbian officer, is very popular among the 5,000,000 Croats. They regard him as their champion and leader.

I believe that the Ban can be of great value to us in paving the way for our forces.

I do not wish to urge you to grant the Ban an interview, yet if you feel inclined to do so, I am sure that it will imbue him with great enthusiasm to carry out the responsible tasks assigned by me to him.

  
William F. Donovan  
Director

DR. IVAN SUBASIC  
BAN OF CROATIA  
IN  
YUGOSLAVIA

277 PARK AVENUE  
NEW YORK, NEW YORK

October 19, 1943

Mr. President,

In this moment, when the opportunity presents itself to fulfil my duty to my people in the ranks of your victorious Army, may I ask the privilege of addressing to you, Mr. President, this letter.

I am the Ban of Croatia, but I do not wish to so present myself. I started life as a shepherd and I remained attached in my sentiments to my country and my people. The Ban is an institution among the Croats as a sovereign in the kingdom. The sovereign might be evil but not the institution which represents the country and the people. I consider my duty as the Ban to be only a guardian and the first servant of my people. The refore there are many who have misunderstood both my reserve and my uncompromising attitude.

I beg you, Mr. President, who because of your great burden do not see your glory, to consider me a man who is sincere and honest in the fulfilment of his duty. A true representative can only be a man who is unencumbered by ambition and material gain. Such people are recognized only after their missions in life have been completed.

I wish to follow these principles and I am therefore happy that you, Mr. President, and your Army are granting me the opportunity to work for the benefit of the Croat nation and the same time to equal advantage of our brotherly Serbian and Slovene nations and for the salvation of Yugoslavia, this country of mine, which has arisen upon the heroic deeds of the glorious Serbian Army of the last war in which I also had the honor to serve.

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

DR. IVAN SUBASIC  
BAN OF CROATIA  
IN  
YUGOSLAVIA

277 PARK AVENUE  
NEW YORK, NEW YORK

./.

When chosen by the late King Alexander I acted as intermediary between Him and Dr. Vladimir Macek in negotiating the Croat Serb agreement, I refused the King's reward by stating: "If I can contribute something to the great mission of Your Majesty may I remain unseen and unrewarded."

With your knowledge, Mr. President, and with your permission I am leaving to accomplish a great undertaking which should be helpfull to my nation and in the interest of you, Mr. President, of your great country and of the Allies. If it is successfull I beg you, Mr. President, to credit it to my nation. In doing this I wish only to dispell the cloud of falsification woven around my people, that they may be judged in the light of truth.

When that happens I am convinced that my people will receive the recognition of national individuality and consequently all those rights which are attributed to a freedom loving and democratic nation according to the principles of democracy, which are guaranteed to the post-war world.

I consider every attention and recognition shown to me as an attention and recognition toward the Croat nation and in the interest of the Croats, Serbs and Slovenes and a happier and better Yugoslavia. This new and happier Yugoslavia must be a commonwealth of entirely free, truly democratically organized and, to the exclusion of all hegemony and domination, equally righteous South Slav nations helped and guaranteed by the Great Allies.

All my contemplated work as the Ban of Croatia and the success of my mission, especially in my future conversations with Dr. Macek and other political and military leaders in my country depends very much upon my seeing you, Mr. President, as I explained to General Donovan. I hope that you will accord me the opportunity to see you.

I am, Mr. President,

Very respectfully,  
*Ivan Subasic*

*Amo*

*State Dept. folder 2-43*

*E.R.S., Jr.  
OK. F.D.A.*

*Carbon retained  
& returned by Mr. Matthews  
Nov. 9, 1943*

DEPARTMENT OF STATE  
WASHINGTON

November 8, 1943

MEMORANDUM FOR THE PRESIDENT

I attach for your consideration and approval a recommendation of the London Coordinating Committee for Political Warfare (European theatre) for a directive governing statements in the United States and Great Britain regarding the imminence of Germany's collapse. There is also attached a copy of a paraphrase of London's telegram No. 7709 of November 5, 1943 giving the minutes of the meeting of the Committee on Thursday, November 4, 1943.

I respectfully suggest that you approve the recommendations of the Committee for the reasons: (a) Contradictory statements with regard to the imminence of Germany's collapse have provided ammunition for German propaganda and (b) confusion has been created in the minds of our friends in Europe.

Briefly, the Committee recommends that it be authorized to issue a directive, binding on both British and American propaganda, in the following sense: (a) To ensure Germany's defeat at the earliest possible time, the Allied nations have now agreed on a combined strategy; (b) Now it is a certainty that Germany will be completely defeated by the Allied nations; and (c) The length of this final lap, which we are now on, is dependent not only on the intensity of the efforts of our armed forces but also of those working on the home fronts and of our friends in occupied areas.

This recommendation is being made concomitantly by the British members of the Committee to the Prime Minister.

*E. R. Stettin*

PARAPHRASE OF TELEGRAM RECEIVED

To: Secretary of State, Washington  
From: American Embassy, London  
Date: November 5, 1943  
No.: 7696

A meeting of the London Political Warfare Coordinating Committee was held yesterday and the following agenda was considered:

1. Contradictory statements with regard to the imminence of the collapse of Germany, both on the home front and militarily, have recently been expressed by spokesmen in both the United States and Britain.
2. PWE/OWI appreciation of the state of morale inside of Germany, whatever may be the military appreciation of the strength and staying power of the armies of Germany, would justify the belief that the war effort of Germany cannot be sustained for long and even the terror machine of Germany will be unable to cope with the situation satisfactorily. Therefore, this estimate would justify the "Hardcrust line" with implication of a long war as against the "Halifax line" with its implication of a short war. For purposes of domestic propaganda the first line is apparently favored. It is argued that suggestions of the collapse of Germany impede the war effort of the Allies and provoke complacency. This is questioned by British experience.
3. These divergencies provide ammunition for German propaganda, which it is now exploiting effectively, in addition to the confusion which they are likely to create in the minds of our friends in Europe.
4. The "long or short war" issue is again raised. This was previously brought up in our memorandum of October 20, No. 1, and which was deferred until the outcome of the conference at Moscow. It is suggested that a ruling is now made necessary because of the Moscow declaration, with its emphasis on shortening the European war.

Recommendation.

5. The

5. The committee's ruling that propaganda to Europe is justified in treating this as the final winter of war in Europe is requested by PWE/OWI.

French Consultative Assembly.

6. Emergencies which will demand the committee's attention will arise from the meeting in Algiers of the consultative assembly. The following are issues which will closely concern political warfare:

a. A clear definition as to whether or not this is the final winter of the war is likely to be insisted upon by the delegates from resistance movements inside France.

b. It is seen from evidence that there is wide expectation in France that the war will end before this year is over. Evidence also shows that the resistance groups are impatient at our reiterated cautions to "wait for the zero hour", to "go slow" instructions, and so forth. They want a message which is more dynamic. Therefore, we may face agitation from Algiers for military intervention in France immediately.

c. The Consultative Assembly may claim to establish a sovereign French Government by converting itself into a constituent assembly. Recognition will be demanded for this.

d. In any case, we must anticipate the recognition of France as the Fourth European power and strong insistence on full membership of the London commission.

e. The question as to whether the former line of American and British propaganda, which reaffirmed France's greatness as a power, is to be pursued is raised by these possibilities. This line is made questionable by the three-power concept. However, unless the line is positive and consistent, effective resistance in France will be undetermined.

Recommendation:

7. The committee's attention to these problems is invited by PWE/OWI.

The

The Italian Crown:

Appreciation

8. Evidence confirms that apart from the recent political discussion at Naples, the confidence of the Italian people has been lost by the King and the Crown Prince and that no leadership is expected from them by the Italian people. Indications are that the necessary preliminaries to the unification of Italian resistance are the abdication of the King and the renunciation of the throne by Piedmont.

Recommendation:

9. PWE/OWI would ask for sanction of the following lines in the event of abdication:

a. A democratic regime in Italy on the broadest basis that present circumstances will allow is wanted by us. This is a step in that direction.

b. There has been no intervention by the Allies in the affairs of Italy, which is a matter for the Italians entirely.

c. The fact that the disappearance of the King and the Crown Prince was essential for Italian unity is recognized by us.

At this same meeting of the Political Warfare Coordinating Committee NAF 501 of November 2, 1943 to AGWAR FROM EISENHOWER was also considered.

With regard to the German situation, the PWE representative and the MOI representative pressed for some directive which would clearly indicate that this was the last winter of the war. They pressed for this directive on the grounds that throughout Great Britain this point of view was being widely accepted and anything other than this would be a let down. In addition, it was important that some definite assurances be given as regards occupied countries. Too, German propaganda was actively exploiting the differences between American and British spokesmen indicated above. This in itself justified action by the committee.

It

It was felt by the American members of the committee, supported by Sir Orme Sargent, that it would not be wise to make any concrete prophecies. The following is the substance of a draft formula prepared for submission to the President and the Prime Minister for approval:

1. Those organizations responsible for our political warfare have been caused considerable embarrassment because of recent contradictory statements by statesmen in the United States and Britain with regard to the imminence of the collapse of Germany and Allied military intervention on the continent.

2. These divergencies provide ammunition for German propaganda, which it is now exploiting effectively, in addition to the confusion which they are likely to create in the minds of our friends in Europe.

3. It is therefore recommended that a single directive which will govern public statements and the general trend of our propaganda in relation to the following be issued immediately on both sides of the Atlantic:

a. Predictions with regard to the actual date of victory;

b. Rumors of the imminence of the collapse of Germany, either on the home front or militarily;

c. Discussions with regard to the opening of new fronts in Europe.

4. In the light of the Moscow declaration it is suggested that the following principles should govern all propaganda and public statements relating to the points mentioned above:

a. To ensure Germany's defeat at the earliest possible time, the Allied nations have now agreed on a combined strategy.

b. Now it is a certainty that Germany will be completely defeated by the Allied nations.

c. The length of this final lap, which we are now on, is dependent not only on the intensity of the efforts of our armed forces but also of those

working

working on the home fronts and of our friends in occupied areas.

d. Any definite statements such as "this is the last winter of the war" may be misleading. Such statements must be avoided despite the fact that the decisions which have been taken to ensure the maximum military effort at the earliest possible time may result in victory in the year 1944.

5. Your approval of the above proposals is requested.

-----

It was agreed with regard to the French Consultative Assembly that these matters were questions of policy rather than propaganda. Therefore, no present action would be taken although the committee would take note of these matters since they might present an emergency situation in the future. Also agreed to was the fact that the attitude toward France remained as previously -- that it was our policy to restore France as a great power, although at present such restoration was only in its first stages. Its speed was dependent upon the efforts of the French themselves.

The following directive was unanimously agreed upon with regard to the Italian Crown, after both the recommendations of OWI and PWE and NAF 501 from Eisenhower were considered:

Following amendments are recommended by the London Coordinating Committee:

1. At end of paragraph add:

If the new Government is formed, it must justify itself politically, militarily and administratively before any modification of their present attitude towards Italy in general can be considered by the Allied Governments.

Omit paragraph two. Substitute the following:

Directive.

a. A full and objective report of the political events

events of major importance which are taking place in Italy should be made.

b. It should be pointed out by us that these changes show that the Italian people and all other liberated countries will have the right to determine their form of Government and to choose their leaders free from foreign pressure.

c. Therefore, all defensive explanation must be avoided.

d. We should make it clear, as a corollary to (b), that the Governments of the United States and Britain are in no way responsible for the changes now being made, and are only concerned to ensure that the new Government uses its total resources in the war effort of the United Nations, that it loyally observes the armistice terms and that it conforms to the basic principles laid down in the Moscow declaration on Italy.

e. We must not speculate on future developments in the Italian situation and must avoid hostile or approving attitude towards personalities involved. Discussions with regard to the policies which the various leading figures have stood for in the past should be avoided by us. We should confine ourselves to reporting such statements as may be made by them.

The above directly has been despatched in the name of the Committee to the Combined Chiefs of Staff and with a copy to General Eisenhower.

Kindly notify the OWI and the Chief of Staff.

WINANT

PARAPHRASE OF TELEGRAM RECEIVED

To: Secretary of State, Washington  
From: American Embassy, London  
Date: November 5, 1943  
No.: 7709

The President's approval of the following recommendation of the London Coordinating Committee is respectfully requested:

1. Those organizations responsible for our political warfare have been caused considerable embarrassment because of recent contradictory statements by statesmen in the United States and Britain with regard to the imminence of the collapse of Germany and Allied military intervention on the continent.

2. These divergencies provide ammunition for German propaganda, which it is now exploiting effectively, in addition to the confusion which they are likely to create in the minds of our friends in Europe.

3. It is therefore recommended that a single directive which will govern public statements and the general trend of our propaganda in relation to the following be issued immediately on both sides of the Atlantic:

a. Predictions with regard to the actual date of victory;

b. Rumors of the imminence of the collapse of Germany, either on the home front or militarily;

c. Discussions with regard to the opening of new fronts in Europe.

4. In the light of the Moscow declaration it is suggested that the following principles should govern all propaganda and public statements relating to the points mentioned above:

a. To

- 2 -

a. To ensure Germany's defeat at the earliest possible time, the Allied nations have now agreed on a combined strategy.

b. Now it is a certainty that Germany will be completely defeated by the Allied nations.

c. The length of this final lap, which we are now on, is dependent not only on the intensity of the efforts of our armed forces but also of those working on the home fronts and of our friends in occupied areas.

d. Any definite statements such as "this is the last winter of the war" may be misleading. Such statements must be avoided despite the fact that the decisions which have been taken to ensure the maximum military effort at the earliest possible time may result in victory in the year 1944.

Your approval of the above proposals is requested.

British members of the Coordinating Committee are taking identical action with regard to the Prime Minister.

WINANT



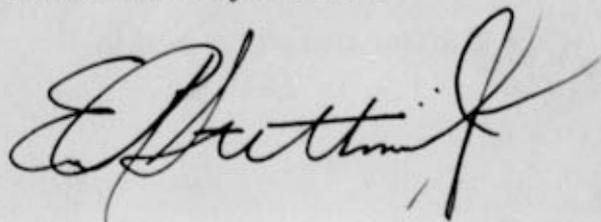
DEPARTMENT OF STATE  
WASHINGTON

November 8, 1943

MEMORANDUM FOR THE PRESIDENT

M. Henri Hoppenot, the Delegate of the French Committee of National Liberation, has left with the State Department a communication, a copy of which in translation is attached hereto, giving the reasons why, in the opinion of the Committee, it would be a mistake to entrust to Chinese troops the launching of military operations against Indo-China. The main reason advanced is that the Chinese are the hereditary enemies of the Annamites and that an attack by the Chinese would therefore be resisted by the local population as well as by French troops. It is our belief that this presentation of the case involves allegations not in accord with the facts, and that the Annamites, by and large, have for the Chinese a feeling of friendliness and cultural affinity.

The problem to which these representations relates seems primarily to be a military problem for the Joint Chiefs of Staff. We understand that it has already been brought to the attention of that body by General Bethouart, Chief of the French Military Mission.



COPY

Washington, October 20, 1943

MEMORANDUM

According to certain information which has come to the knowledge of the Committee of National Liberation, Allied plans of operation in the Far East would, in the near future, include the start of operations against the frontiers of Indo-China, operations entrusted to Chinese troops.

The Washington Delegation of the Committee has already had occasion to call the Department of State's attention to the absolute importance to the Allied cause of associating the competent French authorities with the detailing of Allied war plans in the Far East, especially when their execution involves French Indo-China. The aforementioned authorities possess, in this field, documentation and experience which can be of the greatest use to the Allied high command. The role which France has traditionally played in the Far East, the important interests which she has there, the dispositions already taken by the Algiers Committee to participate when the time comes in the struggle for the liberation of Indo-China, are all, as many more, reasons for an effective French participation in Inter-Allied Councils where the general strategy of the United Nations in the Far East is determined.

As concerns the project of a Chinese offensive against Indo-China, the Algiers Committee--if the information which has reached it on this subject is correct--must very seriously draw the attention of the American government to the great danger which its realization would present.

A Chinese attack against Tonkin would have the immediate effect of causing the whole Indo-Chinese population to rise against the Allies.

For the Annamites, the Chinese, who have so frequently in the past invaded and ravaged their frontier regions, represent the hereditary enemy. Far from greeting them as liberators, the local population would impede their advance by every means in their power. Moreover, the population and the French troops, who would take the side of the Allies if it were French, American and British forces which were coming to their help, might very well react against an attack by the Chinese, whose true intentions could easily be confused by enemy propaganda. The position which a Chinese attack apparently will cause civilian and military French Indo-Chinese to take will in the future be difficult to modify and the consequences of such a mistake run the risk of weighing heavily upon the development of the campaign.

The French Committee of National Liberation believes, therefore, that it is of the highest importance to set aside a project which, far from serving Allied interests, runs the risk of causing the greatest harm. The Committee, likewise, equally believes that, as concerns military operations whose theatre would be French territory, it is imperative to ask the Allies that no decision should be taken without our previous agreement.

(2133)

*Amo*

*State Dept. folder*

*2-43*

THE WHITE HOUSE  
WASHINGTON

November 12, 1943.

MEMORANDUM FOR

HON. JONATHAN DANIELS:

Nothing I can do about this.

F.D.R.

Letter from Hon. E. R. Stettinius, Jr., 11/6/43, to the President, in reply to letter of 10/25/43, confirming the assurance already given of the State Department's active cooperation in carrying out the manpower program. Copy of letter retained for our files.

November 6, 1943

My dear Mr. President:

In Mr. Hull's absence I acknowledge receipt of your letter of October 25, 1943 and confirm the assurance already given of this Department's active cooperation in carrying out the manpower program. Steps to implement your most recent directive have already been discussed with Mr. Daniels and Mr. Barnett, and appropriate instructions are going forward immediately.

It is noted that only men whose deferments have been officially approved by the Review Committee on the Deferment of Government Employees should be regarded as properly deferred, and that each person in this group should either have his deferment approved officially or be made available for induction. It has been the practice of this Department to forward to the Chairman of the Review Committee copies of all requests to local boards for occupational deferment. Effective immediately all such requests will be forwarded through the Committee for prior official approval, and in addition measures are being taken jointly with the Committee to submit for review as rapidly as possible all occupational deferments now in effect.

As to men of military age who have not yet had an opportunity to register, a circular instruction is being sent out forthwith calling for the registration and physical examination of all such persons in the Foreign Service, and instructing chiefs of mission and other principal officers to forward all papers to the Department of State with appropriate data regarding duties and value of the personnel concerned. As the reports are received, the agency committee of the Department will determine what employees meet the standards for occupational deferment of Executive Order 9309, and will present their cases to the Review Committee. Such of the remainder as are found to be physically fit will be made available in accordance  
with

The President,

The White House.

-2-

with the schedule suggested, i.e. in three groups to be released 30, 60, and 90 days, respectively, after registration is accomplished. It has been proposed moreover that male Foreign Service personnel already registered by physically examined also if under deferment at present on occupational grounds or because of dependents, in order that it may be determined whether they are deferrable because of their physical condition.

There is enclosed for your information and files a copy of the Department's circular instruction to the Foreign Service regarding the manpower program.

Faithfully yours,

Edward R. Stettinius, Jr.

Enclosure:

Copy of circular  
instruction.

DEPARTMENT OF STATE  
WASHINGTON

November 18, 1943

My dear Mr. President:

I refer to the Agreement for United Nations Relief and Rehabilitation Administration which was signed in Washington on November 9, 1943 by the representatives of forty-four Governments and Authorities.

It is provided in the final paragraph of the Agreement that the original thereof shall be deposited in the archives of the Department of State of the United States of America and that certified copies thereof shall be furnished by the Government of the United States of America to each of the Governments and Authorities on whose behalf the Agreement is signed.

Two certified lithographed copies of the Agreement for United Nations Relief and Rehabilitation Administration and two copies of the Department of State press release containing a list of the representatives who signed the Agreement, and their respective titles, are being furnished today to the heads of missions in

Washington

The President,

The White House.



~~Department of State~~

BUREAU  
DIVISION

TD

ENCLOSURE

TO

Letter drafted \_\_\_\_\_

ADDRESSED TO

**The President**

DEPARTMENT OF STATE

FOR THE PRESS

NOVEMBER 10, 1943  
No. 472

SIGNING OF AGREEMENT FOR UNITED NATIONS RELIEF AND  
REHABILITATION ADMINISTRATION

An Agreement for United Nations Relief and Rehabilitation Administration was signed at the White House between noon and 12:30 p.m., November 9, 1943, on behalf of forty-four Governments or Authorities representing the United Nations or Nations associated with the United Nations in the war. Mr. Franklin D. Roosevelt, President of the United States, signed the agreement on behalf of the United States of America.

The Agreement establishes the Administration, with a Council which shall be the policy-making body of the Administration, with a view to giving effect to the determination of the United Nations and of the other Nations associated with them in the war that, as stated in the preamble of the Agreement, "immediately upon the liberation of any area by the armed forces of the United Nations or as a consequence of retreat of the enemy the population thereof shall receive aid and relief from their sufferings, food, clothing and shelter, aid in the prevention of pestilence and in the recovery of the health of the people, and that preparation and arrangements shall be made for the return of prisoners and exiles to their homes and for assistance in the resumption of urgently needed agricultural and industrial production and the restoration of essential services".

The list of the signers of the Agreement, in the order in which they signed, is as follows:

- FOR THE COMMONWEALTH OF AUSTRALIA: Sir Owen Dixon, Envoy Extraordinary and Minister Plenipotentiary of Australia in Washington.
- FOR BELGIUM: Mr. Paul-Henri Spaak, Minister for Foreign Affairs of Belgium.
- FOR BOLIVIA: Señor Dr. Don Luis Fernando Guachalla, Ambassador Extraordinary and Plenipotentiary of Bolivia in Washington.
- FOR THE UNITED STATES OF BRAZIL: Mr. Eurico Pentado, Financial Attaché, Brazilian Embassy in Washington.
- FOR CANADA: The Honorable Leighton McCarthy, Envoy Extraordinary and Minister Plenipotentiary of Canada in Washington.
- FOR CHILE: Señor Don Rodolfo Michels, Ambassador Extraordinary and Plenipotentiary of Chile in Washington.
- FOR CHINA: Dr. Tingfu F. Tsiang, Chief Political Secretary to the President of the Executive Yuan of China.
- FOR COLOMBIA: Señor Don Alberto Vargas Nariño, Chargé d' Affaires ad interim of Colombia in Washington.
- FOR COSTA RICA: Señor Don Carlos Manuel Escalante, Ambassador Extraordinary and Plenipotentiary of Costa Rica in Washington.

FOR CUBA:

- FOR CUBA: Señor Dr. Aurelio F. Conchoso, Ambassador Extraordinary and Plenipotentiary of Cuba in Washington.
- FOR CZECHOSLOVAKIA: Mr. Jan Masaryk, Deputy Prime Minister and Minister of Foreign Affairs of Czechoslovakia.
- FOR THE DOMINICAN REPUBLIC: Señor Dr. Don Julio Vega Batlle, First Secretary, Dominican Embassy in Washington.
- FOR ECUADOR: Señor Dr. Don Sixto Durán Ballén, Consul General, New York.
- FOR EGYPT: Mr. Mahmoud Hassan, Envoy Extraordinary and Minister Plenipotentiary of Egypt in Washington.
- FOR EL SALVADOR: Señor Dr. Don Hector David Castro, Ambassador Extraordinary and Plenipotentiary of El Salvador in Washington.
- FOR ETHIOPIA: Blatta Ephrem Tewelde Medhen, former Vice Minister of Foreign Affairs of Ethiopia and newly appointed Envoy Extraordinary and Minister Plenipotentiary of Ethiopia in Washington.
- FOR THE FRENCH COMMITTEE OF NATIONAL LIBERATION: Mr. Jean Monnet, Commissioner for Supply and Reconstruction.
- FOR GREECE: Mr. Kyriakos Varvaresos, Governor of the Bank of Greece, and former Minister of Finance of Greece.
- FOR GUATEMALA: Señor Dr. Don Adrian Recinos, Ambassador Extraordinary and Plenipotentiary of Guatemala in Washington.
- FOR HAITI: Mr. André Lisautaud, Ambassador Extraordinary and Plenipotentiary of Haiti in Washington.
- FOR HONDURAS: Señor Dr. Don Julián R. Cáceres, Ambassador Extraordinary and Plenipotentiary of Honduras in Washington.
- FOR ICELAND: Mr. Magnus Sigurdsson, Director of the National Bank of Iceland.
- FOR INDIA: Sir Girja Shankar Bajpai, Agent General for India in Washington.
- FOR IRAN: Mr. Mohammed Shayesteh, Envoy Extraordinary and Minister Plenipotentiary of Iran in Washington.
- FOR IRAQ: Mr. Ali Jawdat, Envoy Extraordinary and Minister Plenipotentiary of Iraq in Washington.
- FOR LIBERIA: Mr. Walter F. Walker, Consul General of Liberia in New York.
- FOR LUXEMBOURG: Mr. Pierre Dupong, Prime Minister of Luxembourg.
- FOR THE UNITED MEXICAN STATES: Señor Dr. Don Francisco Castillo Nájera, Ambassador Extraordinary and Plenipotentiary of the United Mexican States in Washington.

- FOR THE NETHERLANDS: Mr. P. A. Kerstens, Minister for Trade, Industry, Shipping, Agriculture and Fisheries of the Netherlands.
- FOR NEW ZEALAND: Geoffrey S. Cox, Chargé d'Affaires ad interim of New Zealand in Washington.
- FOR NICARAGUA: Señor Dr. Don Guillermo Sevilla Sacasa, Ambassador Extraordinary and Plenipotentiary of Nicaragua in Washington.
- FOR NORWAY: Mr. Wilhelm Munthe de Morgenstjerne, Ambassador Extraordinary and Plenipotentiary of Norway in Washington.
- FOR PANAMA: Señor Don Enrique A. Jiménez, Ambassador Extraordinary and Plenipotentiary of Panama in Washington.
- FOR PARAGUAY: Señor Dr. Don Celso R. Velázquez, Ambassador Extraordinary and Plenipotentiary of Paraguay in Washington.
- FOR PERU: Señor Don Manuel de Freyre y Santander, Ambassador Extraordinary and Plenipotentiary of Peru in Washington.
- FOR THE PHILIPPINE COMMONWEALTH: The Honorable Sergio Osmena, Vice-President of the Philippine Commonwealth.
- FOR POLAND: Mr. Jan Kwapinski, Vice-Premier and Minister of Industry, Commerce and Shipping of Poland.
- FOR THE UNION OF SOUTH AFRICA: Mr. Ralph William Close, Envoy Extraordinary and Minister Plenipotentiary of the Union of South Africa in Washington.
- FOR THE UNION OF SOVIET SOCIALIST REPUBLICS: Mr. Andrei A. Gromyko, Ambassador Extraordinary and Plenipotentiary of the Union of Soviet Socialist Republics in Washington.
- FOR THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND: The Right Honorable The Viscount Halifax, Ambassador Extraordinary and Plenipotentiary of the United Kingdom in Washington.
- FOR THE UNITED STATES OF AMERICA: Mr. Franklin D. Roosevelt, President of the United States of America.
- FOR URUGUAY: Señor Dr. Don Juan Carlos Blanco, Ambassador Extraordinary and Plenipotentiary of Uruguay in Washington.
- FOR VENEZUELA: Señor Dr. Don Diógenes Escalante, Ambassador Extraordinary and Plenipotentiary of Venezuela in Washington.
- FOR YUGOSLAVIA: Mr. Constantin Potitch, Ambassador Extraordinary and Plenipotentiary of Yugoslavia in Washington.

It is provided in Article IX of the Agreement that it shall enter into force with respect to each signatory on the date when signed by that signatory, unless otherwise specified by such signatory. The Agreement was signed on behalf of fourteen Governments with a reservation or statement to the effect, in each case, that the Agreement was signed subject to ratification or legislative approval. The fourteen Governments on behalf of which the Agreement was signed with such a reservation or statement are as follows: Chile, Colombia, Cuba, Ecuador, Ethiopia, Guatemala, India, Iran, Iraq, Mexico, Nicaragua, Peru, Uruguay and Venezuela.

Article V of the Agreement provides that each member government shall contribute to the support of the Administration in so far as its appropriate constitutional bodies shall authorize.

\* \* \*

AGREEMENT FOR UNITED NATIONS  
RELIEF AND REHABILITATION ADMINISTRATION

The Governments or Authorities whose duly authorized representatives have subscribed hereto,

Being United Nations or being associated with the United Nations in this war,

Being determined that immediately upon the liberation of any area by the armed forces of the United Nations or as a consequence of retreat of the enemy the population thereof shall receive aid and relief from their sufferings, food, clothing and shelter, aid in the prevention of pestilence and in the recovery of the health of the people, and that preparation and arrangements shall be made for the return of prisoners and exiles to their homes and for assistance in the resumption of urgently needed agricultural and industrial production and the restoration of essential services,

Have agreed as follows:

Article I

There is hereby established the United Nations Relief and Rehabilitation Administration.

1. The Administration shall have power to acquire, hold and convey property, to enter into contracts and undertake obligations, to designate or create agencies and to review the activities of agencies so created, to manage undertakings and in general to perform any legal act appropriate to its objects and purposes.

2. Subject to the provisions of Article VII, the

purposes and functions of the Administration shall be as follows:

(a) To plan, coordinate, administer or arrange for the administration of measures for the relief of victims of war in any area under the control of any of the United Nations through the provision of food, fuel, clothing, shelter and other basic necessities, medical and other essential services; and to facilitate in such areas, so far as necessary to the adequate provision of relief, the production and transportation of these articles and the furnishing of these services. The form of activities of the Administration within the territory of a member government wherein that government exercises administrative authority and the responsibility to be assumed by the member government for carrying out measures planned by the Administration therein shall be determined after consultation with and with the consent of the member government.

(b) To formulate and recommend measures for individual or joint action by any or all of the member governments for the coordination of purchasing, the use of ships and other procurement activities in the period following the cessation of hostilities, with a view to integrating the plans and activities of the Administration with the total movement of supplies, and for the purpose of achieving an equitable distribution of available supplies. The Administration may administer such coordination measures as may be authorized by the member governments concerned.

(c) To study, formulate and recommend for individual or joint action by any or all of the member governments

measures with respect to such related matters, arising out of its experience in planning and performing the work of relief and rehabilitation, as may be proposed by any of the member governments. Such proposals shall be studied and recommendations formulated if the proposals are supported by a vote of the Council, and the recommendations shall be referred to any or all of the member governments for individual or joint action if approved by unanimous vote of the Central Committee and by vote of the Council.

## Article II

### Membership

The members of the United Nations Relief and Rehabilitation Administration shall be the governments or authorities signatory hereto and such other governments or authorities as may upon application for membership be admitted thereto by action of the Council. The Council may, if it desires, authorize the Central Committee to accept new members between sessions of the Council.

Wherever the term "member government" is used in this Agreement it shall be construed to mean a member of the Administration whether a government or an authority.

## Article III

### The Council

1. Each member government shall name one representative, and such alternates as may be necessary, upon the Council of the United Nations Relief and Rehabilitation Administration, which shall be the policy-making body of the Administration. The Council shall, for each of its sessions,

select one of its members to preside at the session. The Council shall determine its own rules of procedure. Unless otherwise provided by the Agreement or by action of the Council, the Council shall vote by simple majority.

2. The Council shall be convened in regular session not less than twice a year by the Central Committee. It may be convened in special session whenever the Central Committee shall deem necessary, and shall be convened within thirty days after request therefor by one-third of the members of the Council.

3. The Central Committee of the Council shall consist of the representatives of China, the Union of Soviet Socialist Republics, the United Kingdom, and the United States of America, with the Director General presiding, without vote. Between sessions of the Council it shall when necessary make policy decisions of an emergency nature. All such decisions shall be recorded in the minutes of the Central Committee which shall be communicated promptly to each member government. Such decisions shall be open to reconsideration by the Council at any regular session or at any special session called in accordance with Article III, paragraph 2. The Central Committee shall invite the participation of the representative of any member government at those of its meetings at which action of special interest to such government is discussed. It shall invite the participation of the representative serving as Chairman of the Committee on Supplies of the Council at those of its meetings at which policies affecting the provision of supplies are discussed.

4. The Committee on Supplies of the Council shall

consist of the members of the Council, or their alternates, representing those member governments likely to be principal suppliers of materials for relief and rehabilitation. The members shall be appointed by the Council, and the Council may authorize the Central Committee to make emergency appointments between sessions of the Council, such appointments to continue until the next session of the Council. The Committee on Supplies shall consider, formulate and recommend to the Council and the Central Committee policies designed to assure the provision of required supplies. The Central Committee shall from time to time meet with the Committee on Supplies to review policy matters affecting supplies.

5. The Committee of the Council for Europe shall consist of all the members of the Council, or their alternates, representing member governments of territories within the European area and such other members of the Council representing other governments directly concerned with the problems of relief and rehabilitation in the European area as shall be appointed by the Council; the Council may authorize the Central Committee to make these appointments in cases of emergency between sessions of the Council, such appointments to continue until the next session of the Council. The Committee of the Council for the Far East shall consist of all the members of the Council, or their alternates, representing member governments of territories within the Far Eastern area and such other members of the Council representing other governments directly concerned with the problems of relief and rehabilitation in the Far Eastern area as shall be appointed by the Council; the Council may authorize the Central

Committee to make these appointments in cases of emergency between sessions of the Council, such appointments to continue until the next session of the Council. The regional committees shall normally meet within their respective areas. They shall consider and recommend to the Council and the Central Committee policies with respect to relief and rehabilitation within their respective areas. The Committee of the Council for Europe shall replace the Inter-Allied Committee on European post-war relief established in London on September 24, 1941 and the records of the latter shall be made available to the Committee for Europe.

6. The Council shall establish such other standing regional committees as it shall consider desirable, the functions of such committees and the method of appointing their members being identical to that provided in Article III, paragraph 5 with respect to the Committees of the Council for Europe and for the Far East. The Council shall also establish such other standing committees as it considers desirable to advise it, and, in intervals between sessions of the Council, to advise the Central Committee. For such standing technical committees as may be established, in respect of particular problems such as nutrition, health, agriculture, transport, repatriation, and finance, the members may be members of the Council or alternates nominated by them because of special competence in their respective fields of work. The members shall be appointed by the Council, and the Council may authorize the Central Committee to make emergency appointments between sessions of the Council, such appointments to

continue until the next session of the Council. Should a regional committee so desire, subcommittees of the standing technical committees shall be established by the technical committees in consultation with the regional committees, to advise the regional committees.

7. The travel and other expenses of members of the Council and of members of its committees shall be borne by the governments which they represent.

8. All reports and recommendations of committees of the Council shall be transmitted to the Director General for distribution to the Council and the Central Committee by the secretariat of the Council established under the provisions of Article IV, paragraph 4.

#### Article IV

##### The Director General

1. The executive authority of the United Nations Relief and Rehabilitation Administration shall be in the Director General, who shall be appointed by the Council on the nomination by unanimous vote of the Central Committee. The Director General may be removed by the Council on recommendation by unanimous vote of the Central Committee.

2. The Director General shall have full power and authority for carrying out relief operations contemplated by Article I, paragraph 2 (a), within the limits of available resources and the broad policies determined by the Council or its Central Committee. Immediately upon taking office he shall in conjunction with the military and other appropriate authorities of the United Nations prepare plans

for the emergency relief of the civilian population in any area occupied by the armed forces of any of the United Nations, arrange for the procurement and assembly of the necessary supplies and create or select the emergency organization required for this purpose. In arranging for the procurement, transportation, and distribution of supplies and services, he and his representatives shall consult and collaborate with the appropriate authorities of the United Nations and shall, wherever practicable, use the facilities made available by such authorities. Foreign voluntary relief agencies may not engage in activity in any area receiving relief from the Administration without the consent and unless subject to the regulation of the Director General. The powers and duties of the Director General are subject to the limitations of Article VII.

3. The Director General shall also be responsible for the organization and direction of the functions contemplated by Article I, paragraphs 2 (b) and 2 (c).

4. The Director General shall appoint such Deputy Directors General, officers, expert personnel, and staff at his headquarters and elsewhere, including field missions, as he shall find necessary, and he may delegate to them such of his powers as he may deem appropriate. The Director General, or upon his authorization the Deputy Directors General, shall supply such secretariat and other staff and facilities as shall be required by the Council and its committees, including the regional committees and subcommittees. Such Deputy Directors General as shall be assigned special functions within a region shall attend

meetings of the regional standing committee whenever possible and shall keep it advised on the progress of the relief and rehabilitation program within the region.

5. The Director General shall make periodic reports to the Central Committee and to the Council covering the progress of the Administration's activities. The reports shall be made public except for such portions as the Central Committee may consider it necessary, in the interest of the United Nations, to keep confidential; if a report affects the interests of a member government in such a way as to render it questionable whether it should be published, such government shall have an opportunity of expressing its views on the question of publication. The Director General shall also arrange to have prepared periodic reports covering the activities of the Administration within each region and he shall transmit such reports with his comments thereon to the Council, the Central Committee and the respective regional committees.

#### Article V

##### Supplies and Resources

1. In so far as its appropriate constitutional bodies shall authorize, each member government will contribute to the support of the Administration in order to accomplish the purposes of Article I, paragraph 2 (a). The amount and character of the contributions of each member government under this provision will be determined from time to time by its appropriate constitutional bodies. All such contributions received by the Administration shall be accounted for.

2. The supplies and resources made available by the member governments shall be kept in review in relation to prospective requirements by the Director General, who shall initiate action with the member governments with a view to assuring such additional supplies and resources as may be required.

3. All purchases by any of the member governments, to be made outside their own territories during the war for relief or rehabilitation purposes, shall be made only after consultation with the Director General, and shall, so far as practicable, be carried out through the appropriate United Nations agency.

#### Article VI

##### Administrative Expenses

The Director General shall submit to the Council an annual budget, and from time to time such supplementary budgets as may be required, covering the necessary administrative expenses of the Administration. Upon approval of a budget by the Council the total amount approved shall be allocated to the member governments in proportions to be determined by the Council. Each member government undertakes, subject to the requirements of its constitutional procedure, to contribute to the Administration promptly its share of the administrative expenses so determined.

#### Article VII

Notwithstanding any other provision herein contained, while hostilities or other military necessities exist in any area, the Administration and its Director General shall

not undertake activities therein without the consent of the military command of that area, and unless subject to such control as the command may find necessary. The determination that such hostilities or military necessities exist in any area shall be made by its military commander.

#### Article VIII

##### Amendment

The provisions of this Agreement may be amended as follows:

- a. Amendments involving new obligations for member governments shall require the approval of the Council by a two-thirds vote and shall take effect for each member government on acceptance by it;
- b. Amendments involving modification of Article III or Article IV shall take effect on adoption by the Council by a two-thirds vote, including the votes of all the members of the Central Committee;
- c. Other amendments shall take effect on adoption by the Council by a two-thirds vote.

#### Article IX

##### Entry into Force

This Agreement shall enter into force with respect to each signatory on the date when the Agreement is signed by that signatory, unless otherwise specified by such signatory.

#### Article X

##### Withdrawal

Any member government may give notice of withdrawal from the Administration at any time after the expiration of

six months from the entry into force of the Agreement for that government. Such notice shall take effect twelve months after the date of its communication to the Director General subject to the member government having met by that time all financial, supply or other material obligations accepted or undertaken by it.

IN WITNESS WHEREOF, this Agreement is signed by the following representatives, duly authorized for that purpose by their respective Governments or Authorities.

DONE in Washington this ninth day of November, one thousand nine hundred forty-three, in the English language, the original to be deposited in the archives of the Department of State of the United States of America, and certified copies thereof to be furnished by the Government of the United States of America to each of the Governments and Authorities on whose behalf this Agreement is signed.

FOR AUSTRALIA:

*Colin Dixon*  
*Minister for Australia*

FOR BELGIUM:

*P. H. Spang*

FOR BOLIVIA:

*Leopoldo Lora*

FOR THE UNITED STATES OF BRAZIL:

*Edmundo de Barros*

FOR CANADA:

*Leighon McCallum*

FOR CHILE:

Este Convenio regirá respecto a Chile, de acuerdo con los preceptos de su Carta Fundamental, una vez que haya sido aprobado por el Congreso Nacional y ratificado por los organismos constitucionales correspondientes de la República.

*Rodolfo Mikich*

FOR CHINA:

*蔣廷黻 J. F. Kiang*

FOR COLOMBIA:

El Plenipotenciario de Colombia firma con la salvedad de la ulterior aprobación del Congreso Colombiano.

Arango

FOR COSTA RICA:

Alfaro

FOR CUBA:

Este Convenio, previa la aprobación del Senado de la República, será ratificado por el Ejecutivo.

Alfonso

FOR CZECHOSLOVAKIA:

Jan Masaryk<sup>2</sup>

FOR THE DOMINICAN REPUBLIC:

Julio Batta

FOR ECUADOR:

Sujeto a ratificación por el Congreso de  
la República del Ecuador.

*H. Amador*

FOR EGYPT:

*Cliff Hoverson*

FOR EL SALVADOR:

*Winston Daniel Carter*

FOR ETHIOPIA:

Subject to the ratification of the Imperial  
Ethiopian Government.

*Ephraim T. Medhaz*

FOR THE FRENCH COMMITTEE OF NATIONAL LIBERATION:

*Cliff Hoverson*

FOR GREECE:

*H. Carvasey*

FOR GUATEMALA:

Pending the required approval by the National Assembly of Guatemala, the immediate application of this Agreement shall be considered provisional with regard to the Government of Guatemala.

*Edmundo*

FOR HAITI:

*H. aut*

FOR HONDURAS:

*Julian B. B. B.*

FOR ICELAND:

*Lagman*

FOR INDIA:

This Agreement is signed subject to a reservation under Article IX that it shall enter into force with respect to the Government of India as soon as it has been approved by the Indian Legislature.

*G. S. Daryal*

FOR IRAN:

*M. Shajesteh*

This Agreement shall enter into force immediately after its approval by the Iranian Chamber of Deputies.

FOR IRAQ:

Subject to ratification by the Iraqi Parliament.

*Aliqul*

FOR LIBERIA:

*Walter Z. Walker*

FOR LUXEMBOURG:

*Pierre Dupong*

FOR THE UNITED MEXICAN STATES:

Sujeto a ratificación por el Senado de los  
Estados Unidos Mexicanos.

*J. Lastillero Najera*

FOR THE NETHERLANDS:

*P. Kerstens.*

FOR NEW ZEALAND:

*Geoffrey S. Cox.*

FOR NICARAGUA:

Ad referendum.

*[Signature]*

FOR NORWAY:

*W. Munn the Minister of Foreign Affairs*

FOR PANAMA:

*Lejima*

FOR PARAGUAY:

*Cecilio R. Marquez*

FOR PERU:

Bajo reserva de su ratificación constitucional.

*Mo. de Freyre. J.*

FOR THE PHILIPPINE COMMONWEALTH:

*S. Mena*

FOR POLAND:

*Jan Kwapiński*

FOR THE UNION OF SOUTH AFRICA:

*Ralph Mtshali*

FOR THE UNION OF SOVIET SOCIALIST REPUBLICS:

*A. Gromyko*

FOR THE UNITED KINGDOM OF GREAT BRITAIN AND  
NORTHERN IRELAND:

*Halifax*

FOR THE UNITED STATES OF AMERICA:

*Franklin D. Roosevelt*

FOR URUGUAY:

Con la reserva de que no podrá entrar en vigor  
con respecto al Uruguay hasta tanto se alcance  
la aprobación legislativa.

*J. C. Blanco*

FOR VENEZUELA:

El Plenipotenciario de Venezuela firma el presente Convenio en la inteligencia de que queda sujeto a la ratificación de los Poderes Públicos de la Nación, conforme al procedimiento constitucional venezolano.

*Abigó... G... L...*

FOR YUGOSLAVIA:

*... ..*

I CERTIFY that the foregoing text is a true copy of the Agreement for United Nations Relief and Rehabilitation Administration signed in Washington on November 9, 1943, in the English language, the signed original of which is deposited in the archives of the Department of State of the United States of America.

IN TESTIMONY WHEREOF, I, Cordell Hull, Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by the Chief Clerk and Administrative Assistant of the said Department, at the city of Washington, in the District of Columbia, this twelfth day of November 1943.

*Cordell Hull*  
Secretary of State

*M. L. Menetrick*  
Chief Clerk and Administrative Assistant



*State Dept. folder* 2-43

THE UNDER SECRETARY OF STATE  
WASHINGTON

*file*

November 25, 1943

MEMORANDUM FOR THE PRESIDENT

You will recall that the evening you spent with the President of Haiti you raised with me in conversation the possibility of developing Môle St. Nicolas as a free port.

The attached one-page summary will give you the pertinent information.

*ES*

November 25, 1943

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ERS/ete

DEPARTMENT OF STATE  
WASHINGTON

November 25, 1943

MEMORANDUM FOR THE PRESIDENT

Possible Free Port at Môle St. Nicolas in Haiti

A successful free port presupposes the simultaneous existence of such conditions as:

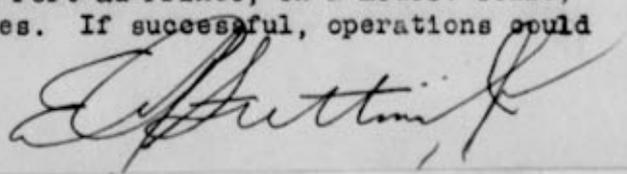
1. Adequate docking, handling and warehouse facilities for operations to be offered to traders.
2. An economic need to justify creation of the special facilities, and a potential volume of trade to warrant investment of the funds necessary.
3. The existence of relatively close markets for products handled by the port; adequate local banking facilities; a sufficient volume of seaborne traffic in the area to provide business; labor availability with skills adequate for the projected operations; special advantages in the port's location or operations to create demand for its facilities.

Môle St. Nicolas appears to possess none of the foregoing. It has a small fishing village, no dock facilities for large ships and the thinly populated hinterland has no adequate transportation to other parts of Haiti.

Free ports such as those at pre-war Copenhagen and Hamburg were successful because of the factors mentioned above, as well as the proximity of large consuming markets in a number of countries easily served by trans-shipment by fast and cheap rail and water routes.

The establishment of a free port at Môle St Nicolas, therefore, would seem to have little or no chance of commercial success.

With many advantages not enjoyed by the Môle, a Cuban free port experiment at Matanzas has been unsuccessful. If Haiti desires a free port, a start could be made at such an established point as Port-au-Prince, on a modest scale, using existing facilities. If successful, operations could then be expanded.



November 25, 1943

MEMORANDUM FOR THE PRESIDENT

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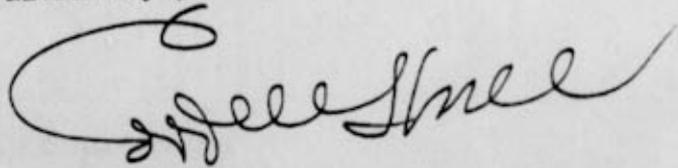
DEPARTMENT OF STATE  
WASHINGTON

November 29, 1943

My dear Mr. President:

In response to your request of July 14, we have assembled a number of communications, beginning in 1937, from our missions in Austria, Belgium, Bulgaria, France, Germany, Great Britain, Italy, Japan, and Russia, which bear upon the probability or improbability of an outbreak of war or refer to the potential military strength of those countries. Photostat copies of these documents have been made and are being sent to you in twenty-five binders. Many of these communications were transmitted in the secret systems of the Department of State and, of course, should receive corresponding treatment.

Faithfully yours,



The President,  
The White House.

Mr Shipman has recd & (25 binders)  
placed in vault - Nov. 29

July 14, 1943

Dear Cordell:

I should like to have copies of the despatches of our Ambassadors or Chargés which estimate or express any opinion regarding the probability or improbability of an outbreak of war, or which refer in any way to the estimates of potential military strength of any of the countries involved. I am concerned with those despatches dating from January 1, 1937 until such time as our Ambassadors or Chargés left the following countries:

Germany, Japan, Italy, Bulgaria, Austria  
Occupied France, Belgium

I should also like the similar despatches from England, dated from January 1, 1937 to the outbreak of the war in September, 1939.

I should like our despatches bearing on this subject from Russia from January 1, 1937 until the present time.

Sincerely yours,

The Honorable Cordell Hull  
Secretary of State  
State Department  
Washington, D.C.

*(copies of above letter sent to the following:*

*Gen. Geo. C. Marshall*

*Hon. Frank Knox*

*and are filed - Navy folder and Marshall folder, 2-43 )*

*File  
Confidential*

DEPARTMENT OF STATE  
ASSISTANT SECRETARY

Assistant Secretary  
of State  
DEC 30 1943  
5 MR. ACHESON

December 13, 1943.

S  
The Secretary:

*OC-EX*

Future United States Representation on United Nations Relief and Rehabilitation Administration and Its Standing Committees.

A problem requiring immediate attention is the future representation of the United States Government on the Council of UNRRA and its standing committees. The question is sharply focused by a memorandum dated November 11, 1943, from Mr. Oscar Cox of the Foreign Economic Administration to the Under Secretary, a copy of which is attached, claiming that FEA, and not the Department, is the proper agency to represent this Government in these matters hereafter on the ground, in substance, that future questions to be considered by the Council and its committees will concern primarily operations and not policy. For the reasons set forth below it seems to me essential that representatives of the Department be named to exercise these functions. Since regular meetings of certain of the standing committees have already begun, it is essential that a decision be reached as soon as possible.

Although my designation as United States Council Member presumably survives the termination of the First Session, you may wish to discuss this with the President and to obtain a new expression of his wishes.

1. Representation on Council of UNRRA.

As provided in the UNRRA Agreement, the Council (which consists of representatives of all member governments or their alternates) is "the policy-making body of the Administration" as distinguished from the Director General in whom "executive authority" is vested "for

carrying

carrying out relief operations \* \* \* within the limits of \* \* \* the broad policies determined by the Council and the Central Committee." (This separation of functions is parallel to that which exists between the Department and FEA under the Executive Orders of July 12 and September 25, 1943.

The first Session of the Council just concluded adopted a series of Resolutions on Policy to guide the Director General in his operations, which resolutions may be said to constitute the legislative framework of the Administration. However, these are merely the initial definitions of policy, made before any operations have been conducted and they are necessarily tentative and incomplete in many respects. Under the Agreement, sessions of the Council must be held at least twice a year. As the Administration's functions develop and unforeseeable events occur to affect its course of operations, the Council will be faced continually with questions of major political and economic policy, including, to mention but a few, such questions as: (a) Admission of non-member governments such as Turkey, Argentina and Sweden, and, pending their admission, the relation of the Administration with them; (b) the scope and nature of the operations of UNRRA in enemy or ex-enemy territory and the problem of payment therefor; (c) the relations of UNRRA with other United Nations organizations such as the Interim, and later the Permanent Food and Agricultural organization, the proposed Reconstruction Bank, the various Area Control Commissions, and, at all times, the military authorities; (d) delicate relations with member governments concerning such questions as the nature, amount and valuation of contributions in the case of supplying countries, and capacity to pay in the case of prospective recipient countries; (e) the scope of UNRRA's operations, if any, in partially occupied countries such as Russia and China and in countries which are expected to pay for relief supplies such as France, Belgium and the Netherlands; (f) politically difficult questions as to the treatment of various classes of displaced persons such as prisoners of war, so-called "intruded" persons of enemy or ex-enemy nationality, and refugees who may come within the scope of the Inter-Governmental

Committee

## Committee on Refugees.

These are a few examples of the problems which will arise from time to time for the Council to consider. Of greater importance, however, is the fact that the work and existence of UNRRA are in themselves of major political and economic importance to the countries concerned, particularly to the occupied countries and to the major contributors. In this sense it is not to be likened, as Mr. Cox suggests, to the International Labor Organization, which is primarily a technical and research body. I believe, therefore, that the United States as the principal contributing nation must be represented on the policy making body of the Administration and its policy making committees by the agency of this Government charged with the formulation of policy in the field of international relations. It would not be sufficient for the Department to be in a consultative capacity to a Council Member from an operating agency, since in the nature of the work of a session of the Council, as well as in the preparation therefor, it is essential that the Council Member himself be the representative of the policy making body of this Government; whatever technical advice is required can, as in the case of the session just concluded, be furnished to the Council Member by advisers from the operating agencies such as FEA, WPB, WSA, the War Department, et cetera. I understand that the representatives of the Bureau of the Budget who attended the recent session and observed the types of problems presented and to be presented to the Council, are in thorough agreement that the State Department continue to represent the United States on the Council and its principal committees.

### 2. Central Committee of the Council.

The Agreement provides that this Committee, consisting of representatives of the four great powers "shall when necessary make policy decisions of an emergency nature" between sessions of the Council. The meetings of this Committee will be held in Washington.

The considerations governing representation of the United States on this Committee are the same as with respect to the Council itself, and I recommend that I continue to represent the United States on this Committee which had its first meeting during the session at Atlantic City.

### 3. Committee

### 3. Committee on Supplies of the Council.

The Agreement provides that this Committee "shall consist of the members of the Council, or their alternates, representing those member governments likely to be principal suppliers of materials for relief and rehabilitation". It was determined at Atlantic City that this Committee shall consist of members of the Council, or their alternates, representing Australia, Belgium, Brazil, Canada, China, the French Committee, the Netherlands, New Zealand, the Union of Soviet Socialist Republics, the United Kingdom, and the United States. The Canadian representative on the Committee, who will in all probability be the Canadian Council Member, will be Chairman, and the meetings of the Committee will be held in Washington.

The functions of this Committee are in general "to advise the Council, the Central Committee and the Director General on general policies regarding the provision, financing and transport of supplies"; to cooperate with and make recommendations to the inter-governmental and governmental agencies with respect to supply matters; et cetera. A subcommittee of the Committee on Supplies is charged with considering the difficult question of determining the capacity of a proposed recipient government to pay for relief and rehabilitation supplies.

Again in this case the functions of the Committee on Supplies are by its terms of reference specifically limited to policy matters and it will under no circumstances concern itself with operational questions which, so far as UNRRA is concerned, are entrusted solely to the Director General.

I therefore recommend that as Council Member I represent the United States on the Committee on Supplies and that as my alternates there be designated Mr. Herman Wells, Special Adviser on Liberated Areas, Mr. Edward G. Miller, Jr., Adviser on UNRRA in the Liberated Areas Division, and, in order that he may attend meetings and be kept informed as to the deliberations of the Committee, one representative of the Foreign Economic Administration.

### 4. Committee

4. Committee on Financial Control.

This Committee, which was created by the Council at Atlantic City, will "advise the Council on all financial matters within the competency of the Administration other than those falling within the scope of the Committee on Supplies", including such questions as the disposition by UNRRA of the local currency proceeds received by it for relief and rehabilitation supplies made available to non-paying governments; the allocation of administrative expenses as between the various member governments; the review of annual budgets of the Director General; et cetera. Two members of this Committee will form part of the subcommittee of the Committee on Supplies which will deal with questions of capacity of proposed recipient governments to pay for relief supplies. This Committee will consist of the Members of the Council, or their alternates, representing China, Greece, Mexico, Norway, the Union of South Africa, the Union of Soviet Socialist Republics, the United Kingdom and the United States. The representative of the United States will act as Chairman and its meetings will be held in Washington.

Although the terms of reference of this Committee do not in themselves include matters of such broad policy as in the case of the other Committees referred to in this memorandum, it seems to me essential that the United States representative on this Committee should be a representative of the Department, particularly in view of the close correlation between the work of this Committee and the work of the Committee on Supplies, and since major political questions will undoubtedly arise with respect to the disposition of the local currency proceeds received by UNRRA in non-paying countries.

I recommend, therefore, that as my alternates to represent the United States on this Committee there be designated Mr. Emil Despres, the Adviser on financial matters in the Liberated Areas Division, and Mr. Harold Glasser of the Treasury Department.

5. Committee

5. Committee of the Council for Europe.

The Agreement provides that this Committee shall consist of the members of the Council, or their alternates, representing member governments directly concerned with relief and rehabilitation in the European Area. It was determined at Atlantic City that this Committee should be composed of representatives of all of the occupied countries in Europe and in addition, the Union of Soviet Socialist Republics, the United Kingdom, Canada, Brazil and the United States. The United Kingdom representative will act as Chairman, and the meetings of this Committee will be held in London. The functions of this Committee, as fixed by the Council at Atlantic City, are in substance "to consider relief and rehabilitation policies in Europe \* \* \*; to formulate recommendations on such policies, and to discuss such recommendations with the Director General or his representative"; the Committee is to recommend from time to time, "as policies to be adopted by the Council", whatever bases for overall requirements the Committee thinks appropriate for its area; et cetera.

Again this Committee is to concern itself solely with policy questions and it is appropriate, therefore, that a representative of the Department should act as the United States representative thereon. In view of the fact that the Committee will meet in London, I recommend that there be designated as my alternates to sit on this Committee one or more members of the staff of our Embassy in London, one of whom might be a high-ranking officer such as the Counselor, and another of whom might be Mr. E. F. Penrose, Special Assistant at the Embassy, who has followed closely the work of the former Inter-Allied Committee on Post-War Relief (Leith-Ross Committee), the functions and records of which have now been absorbed into the Committee of the Council for Europe. These designations should be approved by the Embassy in London and by Eu.

6. Committee of the Council for the Far East.

The terms of reference of this Committee correspond exactly for its area to those of the Committee for Europe for its area. The members of the Committee are the representatives from Australia, China, the French Committee, India, the Netherlands, New Zealand, the

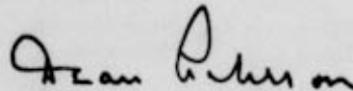
Philippine

Philippine Commonwealth, the United Kingdom and the United States. The representative from China will act as Chairman. For the time being meetings of this Committee will be held in Washington although at a later date it may be decided to hold them at some place in the Far East such as Chungking.

So long as meetings of this Committee are held in Washington, I recommend that there be designated as my alternates thereon Mr. Abbot Low Moffat, Adviser on the Far East in the Liberated Areas Division, and a member of the staff of the Division of Far Eastern Affairs, Mr. Hester of the Department of the Interior, to follow Philippine matters; Mr. John Carter Vincent, on detail to Mr. Crowley, and Mr. A. Sabin Chase, a Foreign Service Officer now serving in the Far Eastern Division.

7. Standing Technical Committees of the Council.

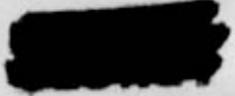
The Resolutions adopted at Atlantic City also provide for five standing technical committees of the Council on Health, Welfare, Displaced Persons, Agriculture and Industrial Rehabilitation. The composition of these committees was not determined at Atlantic City, it being provided only that such committees shall consist of such members of the Council as indicate to the Director General their intention to participate in the work thereof or of alternates nominated by such members, such alternates to possess special competence in their particular field. I believe that the representatives of the United States on these committees should be selected solely on the basis of technical competence. If you agree I shall submit to you in due course recommendations for the designation of appropriate alternates to represent the United States on these technical Committees.



Dean Acheson

*file*

THE UNDER SECRETARY OF STATE  
WASHINGTON  
December 16, 1943



MEMORANDUM FOR THE PRESIDENT

Subject: Axel L. Wenner-Gren

In accordance with our conversation before you left concerning Mr. Axel L. Wenner-Gren, I have carefully reviewed the case and have discussed it with the Secretary. The facts are as follows:

You are aware of Wenner-Gren's business interests and that while we have no specific proof, the probabilities are that some of them are connected with Goering; his following Welles around Europe in 1940; his wife's ambition that her husband should play a political role in Europe.

Just prior to his being placed on the Proclaimed List, he made a tour of South America and Mexico promising great economic development but making arrangements for investigators and in some cases archaeologists providing a perfect mechanism for economic espionage. Evidence did not connect this mechanism with the German intelligence, but the machinery was too dangerous to leave standing.

In Mexico he associated with circles believed hostile to the United States. Messersmith has written to Berle and recently to me, voluntarily in each instance, insisting that removal of Wenner-Gren from the list would undermine our Embassy and lower the prestige of the United States in the eyes of President Camacho, jeopardizing the entire purpose of the List. Department and FBI files have voluminous evidence on Wenner-Gren's alleged subversive activities. Though the evidence is not conclusive, there is ample ground for suspicion. Boiled down, the question is whether, in war, we can resolve a question of doubt in favor of an individual potentially very dangerous.

We wanted you to have this summary on the case as you will undoubtedly wish to reach your own decision as from the record a decision could be reached either way. We should point out that we believe a decision to take him off the Proclaimed List would result in a vociferous protest from the Left.

*E. A. Tamm*

DECLASSIFIED  
State Dept. Letter, 1-11-72

By R. H. Parks Date MAY 21 1973

THE PRESIDENT OF THE UNITED STATES OF AMERICA  
OFFICE OF THE SECRETARY OF WAR  
WASHINGTON, D. C.  
RECEIVED  
NOV 11 1943  
MAIL ROOM

PSF: State report folder  
2-43  
file  
Piusmal

In President's handwriting:

November 11, 1943

Ed Stettinius

To get the record of Wedder-Gren  
A Swede now in Mexico.  
Should we take him off the proscribed list?  
Berle is I think opposed, so look into it  
yourself.

f.D.R.

(2182)  
*Amo*

Copy of this memo on which is the President's notation, as indicated on this original, returned to the Secretary of State, 12/23/43.  
hms

"C H  
O.K.  
FDR"

DEPARTMENT OF STATE  
WASHINGTON

~~State, Confidential~~

December 20, 1943

Memorandum for the President

You will recall that confidential exploratory conversations were recently held between British and American officials in the field covered by Article VII of the mutual-aid agreement, with a view to reaching agreement on an orderly agenda for future discussions of a more definitive character.

It would be distinctly advantageous to have a similar interchange of ideas with Canadian officials, and I plan to extend an invitation to the Canadian Government to send appropriate officials to Washington in the near future. The procedure followed with the British officials was to hold conversations on monetary and investment policy in the Treasury Department, while simultaneously proceeding in the State Department with conversations on commercial policy, the regulation of primary products, and related subjects. It is proposed to confine, at this time, the conversations with Canadian officials to the latter group of subjects.

As it will be desirable to obtain the tentative reactions of Canadian officials to the general ideas which emerged from the conversations with British officials for the formulation of an orderly agenda for the implementation of Article VII of the mutual-aid agreements, it is my intention to ask Mr. Myron C. Taylor also to carry on the discussions with the Canadian officials, with the assistance of the same officers of this Government who collaborated with him during the recent conversations with British officials. It is also my intention to follow the practice adopted during the conversations with British officials of inviting, from time to time, other American officials to participate in the discussions as they touch on subjects on which they are particularly well informed.

DECLASSIFIED  
State Dept. Letter, 1-11-72  
By J. Schauble Date            MAR 3 1972

The

The following American officials are those who would again assist Mr. Taylor throughout the conversations:

State Department

Leo Pasvolsky, Special Assistant to the Secretary of State

Harry C. Hawkins, Chief, Division of Commercial Policy and Agreements

Leroy D. Stinebower, Chief, Division of Economic Studies

John D. Hickerson, Assistant Chief, Division of European Affairs

Treasury Department

Harry D. White, Assistant to the Secretary and Director, Division of Monetary Research

Commerce Department

Will Clayton, Assistant Secretary

Amos E. Taylor, Director, Bureau of Foreign and Domestic Commerce

Department of Agriculture

Paul Appleby, Under Secretary

Leslie A. Wheeler, Director, Office of Foreign Agricultural Relations

Tariff Commission

Oscar B. Ryder, Chairman

Lynn R. Edminster, Vice Chairman

As mentioned in my memorandum to you of September 7, 1943, I have advised the Governments of Soviet Russia and China of our readiness to enter into similar conversations with representatives of those Governments, respectively. Also it is not unlikely that it may become advisable to have such exploratory conversations with officials of other Governments. The procedure,

outlined

outlined above, contemplated for the exploratory conversations with Canadian officials on commercial policy, the regulation of primary products, and related subjects would likewise be followed in similar conversations with representatives of other Governments.

I should appreciate being informed whether the foregoing meets with your approval.

C H

*State Dept. folder*  
*2-43*

THE WHITE HOUSE  
WASHINGTON

December 21, 1943.

MEMORANDUM FOR GENERAL WATSON:

The President would like to have a one hour appointment with the State Department Planning Commission on Thursday, December 30th. The members of this Committee are Dr. Isiah Bowman, Hon. Myron Taylor, Hon. Norman H. Davis, and Mr. Pasvalsky.

G.G.T.

(2184)

(2185) - Copy sent to Admiral W. D. Leahy.

*hms*

Signed original of this letter sent to the Secretary of State.

12/23/43

*hms*

*State Dept folder*  
2-43

December 22, 1943

My dear Mr. Secretary:

The U.S. Joint Chiefs of Staff have given careful consideration to the request of the Department of State that there be allocated for commercial use in friendly nations during 1944 a total of 24 transport aircraft (DC-3 type transport aircraft or the military counterpart, C-47), such aircraft to be assigned at the rate of two per month by the Munitions Assignments Board on the basis of recommendations made by the Department in collaboration with other interested agencies.

Under present schedule, U.S. production of this type of aircraft in 1944 will fall by a substantial margin to meet military requirements as now foreseen. In view of the fact that military requirements must be given first priority, and of the fact that several classes of non-military requirements appear to be of equal urgency, I can not approve the allocation of 24 aircraft as requested by the State Department.

When it becomes apparent that military requirements for C-47 type transport planes can be met, the Joint Chiefs of Staff will take action to reduce production for military purposes and will report the amount of productive capacity which can be released to meet non-military needs. In the utilization of this productive capacity, appropriate consideration will be given to the recommendations of the State Department, as well as to those of other agencies interested in non-military air services contributing to the prosecution of the war.

Sincerely,

FRANKLIN D. ROOSEVELT

The Honorable

The Secretary of State.

MA 9882  
Copy sent to President  
Lifting Department

Enclosure A  
~~Appendix A~~

~~A93213~~  
Y

DEPARTMENT OF STATE  
WASHINGTON

November 9, 1943

MEMORANDUM FOR THE PRESIDENT:

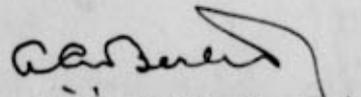
Airlines operating abroad are finding it impossible to obtain transport aircraft to meet minimum requirements. Planes can only be obtained from here; but requests therefor are rejected on the basis of "urgent military needs" and "future production already committed". Military needs must always be paramount, but the Department is deeply concerned over consequences arising from neglect of essential non-military air communications.

The United States still has reasonably adequate surface transportation; such facilities are dangerously short elsewhere. In some countries, especially the other American Republics and China, the airplane is now the main traffic carrier, and air services are so overburdened as to affect their national economies, our foreign relations, and even the war effort. Some of these countries cooperated fully in getting rid of their Axis-controlled airlines, relying on our assurances of help in maintaining their own air services.

The situation can be alleviated by a very small number of transport planes--less than half of 1 percent of current production. It is suggested that the Joint Chiefs of Staff be asked to set aside two DC-3 type airplanes each month over the next year; these to be allocated by the Munitions Assignments Board on the basis of recommendations made by this Department in collaboration with other interested agencies.

Your O.K. on this memorandum would serve as authority.

Respectfully,

  
Adolf A. Berle, Jr.  
Assistant Secretary

11-15-43

11-9-43

THE JOINT CHIEFS OF STAFF  
WASHINGTON

[REDACTED]

21 December 1943.

MEMORANDUM FOR THE PRESIDENT:

Subject: Transport aircraft for friendly nations.

A memorandum from the Assistant Secretary of State to the President on the above subject, dated 9 November, was forwarded on 11 November to the Joint Chiefs of Staff for preparation of a reply by the President.

Attached is the reply recommended by the Joint Chiefs of Staff.

For the Joint Chiefs of Staff:

*William D. Leahy*

WILLIAM D. LEAHY,  
Admiral, U.S. Navy,  
Chief of Staff to the  
Commander in Chief of the Army and Navy.

Enclosures:

Memo from Asst. Secy. of  
State to President, dated  
9 November 1943.  
Proposed reply from Presi-  
dent to Secretary of State.



[REDACTED]

DECLASSIFIED  
JCS letter, 9-18-73  
& OSD letter, 5-3-72  
DEC 4 1973

THE WHITE HOUSE  
WASHINGTON

November 10, 1943.

MEMORANDUM FOR

THE JOINT CHIEFS OF STAFF

FOR PREPARATION OF REPLY  
FOR MY SIGNATURE.

F. D. R.

November 9, 1943

**MEMORANDUM FOR THE PRESIDENT:**

Airlines operating abroad are finding it impossible to obtain transport aircraft to meet minimum requirements. Planes can only be obtained from here; but requests therefor are rejected on the basis of "urgent military needs" and "future production already committed". Military needs must always be paramount, but the Department is deeply concerned over consequences arising from neglect of essential non-military air communications.

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Respectfully,

Adolf A. Berle, Jr.  
Assistant Secretary

TH:RUC:WPL  
SA:PCG  
A-111111

11/10/43

(2192)

*Amo*

*State Dept folder 2-43*

THE WHITE HOUSE  
WASHINGTON

December 23, 1943.

MEMORANDUM FOR  
THE SECRETARY OF STATE:

What has happened to the  
plan for reorganization of the  
State Department?

F.D.R.

No papers accompanied the original of  
this memorandum to the Secretary of State.

111E

## OFFICE OF WAR MOBILIZATION

WASHINGTON, D.C.

James F. Byrnes  
Director

December 17, 1943

### MEMORANDUM FOR THE PRESIDENT:

Stettinius asks that I call your attention to the following:

Stettinius prepared a plan for reorganization of the State Department. It has been agreed to by Hull and by all assistants except Berle. It involves the appointment of Berle to a diplomatic post. While Hull agreed, he has been postponing action. Stettinius believes immediate action is necessary and hopes you can approve.

After going over the plan with Stettinius, I agree that it should greatly improve the State Department.

*J.F.B.*  
J. F. B.

