

● PSF

War Dept.: George Dern

WAR DEPARTMENT
WASHINGTON, D. C.

*RF
War
Erm*

~~CONFIDENTIAL~~

April 5, 1934.

file

C. F. Lee Japan

The President,

The White House.

Dear Mr. President:

I am in receipt of your confidential letter of March 26, 1934, in which you suggest that an officer of this Department be designated to confer with representatives of the State and Navy Departments to determine whether all practicable measures are being taken to insure the safety of the Panama Canal.

In reply I am glad to advise you that, on receipt of the letter to which the Secretary of State refers, an officer of the War Department was designated for this purpose and he has already conferred with representatives of the Department of State and the Navy Department concerning the subject in question.

Respectfully yours,

Robert H. Egan

Secretary of War.

Franklin D. Roosevelt Library

DECLASSIFIED

DOD DIR. 5200.9 (9/27/58)

Date- 2/13/59

Signature- *Carl L. Spicer*

~~CONFIDENTIAL~~

1
PRIVATE
and
~~CONFIDENTIAL~~

PSF War
THE WHITE HOUSE
WASHINGTON

File
December 26, 1934.

*File
Dunn
(3) (17)*

MEMORANDUM FOR
THE SECRETARY OF WAR

I understand that Mr. Baruch and several people under him - Alec Legge, etc., were given the D.S.M. for their work on the War Industries Board during the war. Also, that Herbert Bayard Swope was Baruch's Assistant and never got one. Will you look into this? I think it would be a nice thing to award this to Swope if he rates it.

11 Received A. G. O. JAN 2 1935 F. D. R.

FDR

WAR DEPARTMENT

THE ADJUTANT GENERAL'S OFFICE

IN REPLY AG 201 Swope, Herbert Bayard WASHINGTON
REFER TO (12-26-34) Ex

January 2, 1935.

~~CONFIDENTIAL~~

MEMORANDUM for the Chief of Staff:

Subject: D.S.M. for Mr. Herbert Bayard Swope, now
Major, MI-Res., U.S.A.

1. Concerning the letter from The President relative to the possible award of the Distinguished Service Medal to Mr. Herbert Bayard Swope in recognition of his services in connection with the War Industries Board during the World War, the following information is furnished:

(a) The records show that Bernard M. Baruch and several other members of the Board recommended by him, were awarded the Distinguished Service Medal. No record has been found, however, to show that Mr. Swope was so rewarded, or that he was recommended for an award either by Mr. Baruch or any other official. Under the regulations of the Department a recommendation setting forth in detail the character of the services performed was a condition precedent for an award.

(b) The present law governing the award of decorations for services performed during the period of the World War permits consideration only of the cases of those individuals who were recommended for an award and the recommendation must have been on file in the War Department on May 26, 1928, the date the Act of Congress was approved.

(c) A careful search in the files of the War Department, especially those of The Adjutant General's Office, the Assistant Secretary of War and the War Industries Board, discloses no recommendation now on file for the award of the D.S.M. to Mr. Swope.

(d) In the absence of a recommendation for an award in the case of Mr. Swope on file in the War Department on May 26, 1928, the award to him of a Distinguished Service Medal by Executive action is precluded by law.

(e) The files of this office show that on November 16, 1931, a letter was written to Brigadier General Hugh S. Johnson informing him that no action could be taken looking to the award of the D.S.M. to Mr. Swope as an examination of the records disclosed no recommendation for this award.

(f) In this connection, the records of this office also show that on August 21, 1919, Mr. Baruch recommended several members of the War Industries Board for the award of the D.S.M., including Alex Legge and others, but does not mention Mr. Swope. In conclusion, Mr. Baruch states in his letter, "There are many other men whom I should like to recommend for this, but these men I think stand out".

James F. Hextley
Major General,
The Adjutant General.

1 Incl.
Let. fr. The President
dated 12/26/34.

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DECLASSIFIED

DOD DIR. 5200.9 (9/27/58)

Date- 2-17-57

Signature- *Carl L. Spier*

THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

July 13, 1935.

MEMORANDUM FOR

THE SECRETARY OF WAR

In regard to the suggested
appointment of Brigadier General
Kilbourne to be a Major General, I

understand that he is sixty-three years old and would have only one year to serve before retirement; that the same is true of Brigadier General Hawkins.

Did I not suggest last year that new Major Generals ought to have three or four years to serve in that rank?

F. D. R.

FOR

THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

July 18, 1935.

MEMORANDUM FOR
THE SECRETARY OF WAR

I think it is all right
to send in the name of Brigadier
General Kilbourne to be a Major
General of the line. Please
prepare nomination.

F. D. R.

WAR DEPARTMENT
WASHINGTON

~~CONFIDENTIAL~~

July 15, 1935.

MEMORANDUM FOR THE PRESIDENT:

Basic law requires that officers promoted to the grade of Brigadier General of the line shall have at least one year to serve on the active list. There is no law with regard to officers becoming Major Generals, but it has been the policy and practice of the War Department for many years to apply the same standard to Major Generals of the line as to Brigadier Generals of the line. You have never made any suggestion to me with reference to the matter.

Bureau Chiefs, who are not officers of the line but are detailed Staff Generals, have always been required to have approximately a term of four years to serve. Their category is entirely different from the Generals of the line. They serve four years and then revert back to their original rank of Colonels. They differ too from Generals of the line in that there is an abrupt change in the type of work they have when they become Bureau Chiefs, whereas in the line the demarkation between the work of a Brigadier General and a Major General embodies in it nothing of abruptness but is practically a continuance on a somewhat broadened scale of exactly the same function of service.

It is my opinion that to apply abruptly so drastic a rule as is suggested in your memorandum would tend to work injustice on a group of officers now on the Brigadier General list of the Army who fully merit promotion and whose only disobligation would be that of age. It is my belief, after having had the situation appraised without in any way compromising you, that the Senate would confirm General Kilbourne without any serious opposition. The Chairman of the Senate Committee, Senator Sheppard, is a strong advocate of the appointment of General Moses, who is a fellow Texan, and it is one of those coincidences that if this policy were applied, it would eliminate from consideration the six Brigadier Generals immediately senior to General Moses and would leave him the ranking eligible Brigadier General for promotion. Of these six, three have been performing for an indefinite period the duties usually assigned to a Major General.

Franklin D. Roosevelt Library

DECLASSIFIED

DOD DIR. 5200.9 (9/27/58)

Date- 2-17-59

Signature- Carl E. Spicer

Secretary of War.

WAR DEPARTMENT
WASHINGTON

July 10, 1935.

MEMORANDUM FOR THE PRESIDENT:

Due to the death of Major General Stuart Heintzleman, the following promotions are recommended:

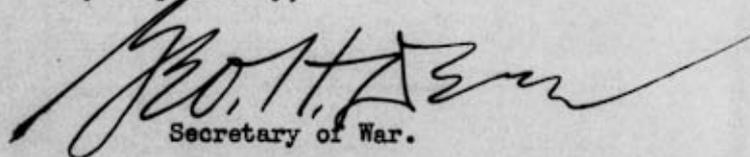
To be Major General of the Line:

Brigadier General Charles E. Kilbourn. He is the senior Brigadier General of the line who has more than one year to serve on the active list. He is eminently qualified for the position and is a recipient of the Medal of Honor, the Distinguished Service Cross and the Distinguished Service Medal. He is now on duty in the Philippine Department. If promoted he would be assigned to replace General Heintzleman in command of the Seventh Corps Area at Omaha.

To be Brigadier General of the Line:

Colonel Laurence Halstead. His nomination would be in accordance with the recommendation of the Selection Board. He is fifty-nine years of age and is at present the Executive Officer of the Office of the Chief of Infantry. On promotion he will be assigned to command the Atlantic Sector of the Panama Canal Department.

Very respectfully,


Secretary of War.

PSF War File
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THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

July 13, 1935.

MEMORANDUM FOR
THE SECRETARY OF WAR

In regard to the suggested appointment of Brigadier General Kilbourne to be a Major General, I understand that he is sixty-three years old and would have only one year to serve before retirement; that the same is true of Brigadier General Hawkins.

Did I not suggest last year that new Major Generals ought to have three or four years to serve in that rank?

F. D. R.

Senior man 1935
 2nd man 61 1872
United States Senate
 WASHINGTON, D. C. 63

- 6
- ④ 1928 Kiebourne (1871) 63 yrs old
- 5 ~~1928~~ 1928 Hawkins (1872) 63 yrs old
~~1872~~ ~~1872~~
- 6 1928 Conrad (1872) 63 - old
- 7 1929 Estes (1873) 62 old
- 8 1929 Roberts (1873) 62 old
- 9 1929 Gowan (1872) 63 old
- 10 1929 Moss (1874) 61 old
-
- 11 1930 Cole (1894) 61 old
- 12 1930 Butner (1875) 60 old
- 13 1930 McCluskey (1874) 61 old
- 14 1930 Ford (1877) 58 old

COPY *Moses*

Washington, D. C.
April 22, 1935.

My dear Mr. President:

I desire to commend to you for promotion to a Major Generalship, Brigadier General Andrew Moses.

General Moses was born in Burnet County, Texas, June 6, 1874. He was a student at the University of Texas when he was appointed to the United States Military Academy in 1893. Upon graduation from West Point in 1897 he served in the Infantry in Arizona until transferred in March, 1898, to the Artillery, in which Arm he served at various stations in the United States until promoted to Captain in 1901. He was then ordered to Havana, Cuba, where he served with his battery until June, 1903.

Returning from Cuba, he served with his battery at Fort Preble, Maine, until September, 1905, when he was detailed as a student at the School of Submarine Defense, Fort Totten, N. Y. Upon graduation from this School in 1906 he was ordered to Fort Moultrie, S. C.

He was detailed in 1907 as Professor of Military Science and Tactics at the Agricultural and Mechanical College of Texas where he served four years. During his tour of duty at the College, the cadet corps increased from a battalion to a regiment, and the high standard of the Military department gained for the institution the classification by the War Department as "Distinguished College".

For about three years after his promotion to Major in October, 1911, he was on duty with important Coast Artillery commands at Ft. McKinley, Maine, and Fort H. G. Wright, N. Y. He was on duty with the National Guard of New York when, in November, 1914, he was detailed to the General Staff Corps and ordered to Washington. He served in the War College Division, General Staff, until August, 1917, when he was appointed Colonel, Field Artillery, National Army, and ordered to the 81st Division.

He commanded the 316th Field Artillery at Camp Jackson, South Carolina, until June 26, 1918, when he was appointed temporary Brigadier General and assigned to the command

COPY

of the 156th Field Artillery Brigade. In August, 1918, General Moses sailed for France, where he commanded his brigade until it sailed for the United States in June, 1919. Upon his arrival in New York, General Moses became Chairman of the Joint Board of Review for the redelivery of all troop transports. He reverted to his permanent grade of Lieutenant Colonel March 15, 1920, and was promoted to Colonel July 1, 1920.

After completing his duty with the Joint Board of Review, he was detailed as student officer at the Army War College. Upon graduation in 1921, he was detailed as a Director of the College. He remained on this duty until August, 1923, when he was ordered to Hawaii, where he commanded the 13th Field Artillery for three years. Returning to the United States, he was in charge of the Organized Reserves, Washington, D. C., until August, 1928, when again detailed as a Director at the Army War College. He was on this duty until appointed permanent Brigadier General in September, 1929, and assigned to command of the Second Coast Artillery District, with headquarters at Fort Totten, N. Y.

He sailed in February, 1930, for the Panama Canal Zone, where he commanded the Panama Coast Artillery District until October 8, 1931, when he was detailed to the War Department General Staff as Assistant Chief of Staff G-1, in charge of personnel, his present station.

General Moses was awarded the Distinguished Service Medal, with the following citation:

"Andrew Moses, Colonel, Field Artillery, then brigadier general, United States Army. For exceptionally meritorious and distinguished services. Commanding the 316th Field Artillery from August, 1917, and the 156th Field Artillery Brigade from June, 1918, until it was demobilized, he exhibited qualities of excellent leadership and military attainments of a high order. Later, as Chairman of a joint board of review, he occupied a position of great responsibility, having full charge and control of the redelivery of all ships allocated to the War Department during the World War. By his administrative ability, excellent judgment, energy, and tact, he rendered conspicuous services in bringing about speedy and accurate settlements with the ship-owners, which resulted in a large saving to the Government."

This record is presented for your consideration.

Yours very sincerely,

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

Washington, D. C.
April 22, 1925.

My dear General MacArthur:

I desire to commend to you for promotion to a Major Generalship, Brigadier General Andrew Moses.

General Moses was born in Burnet County, Texas, June 6, 1874. He was a student at the University of Texas when he was appointed to the United States Military Academy in 1893. Upon graduation from West Point in 1897 he served in the Infantry in Arizona until transferred in March, 1898, to the Artillery, in which Arm he served at various stations in the United States until promoted to Captain in 1901. He was then ordered to Havana, Cuba, where he served with his battery until June, 1903.

Returning from Cuba, he served with his battery at Fort Preble, Maine, until September, 1905, when he was detailed as a student at the School of Submarine Defense, Fort Totten, N. Y. Upon graduation from this School in 1906 he was ordered to Fort Moultrie, S. C.

He was detailed in 1907 as Professor of Military Science and Tactics at the Agricultural and Mechanical College of Texas where he served four years. During his year of duty at the College, the cadet corps increased from a battalion to a regiment, and the high standard of the Military department gained for the institution the classification by the War Department of "Distinguished College".

For about three years after his promotion to Major in October, 1911, he was on duty with important Coast Artillery commands at Fort McKinley, Maine, and Fort H. G. Wright, N. Y. He was on duty with the National Guard of New York when, in November, 1914, he was detailed to the General Staff Corps and ordered to Washington. He served in the War College Division, General Staff, until August, 1917, when he was appointed Colonel, Field Artillery, National Army, and ordered to the 81st Division.

He commanded the 31st Field Artillery at Camp Jackson, South Carolina, until June 26, 1918, when he was appointed temporary Brigadier General and assigned to the command of the 156th Field Artillery Brigade. In August, 1918, General Moses sailed for France, where he commanded his brigade until it sailed for the United States in June, 1919. Upon his arrival in New York, General Moses became Chairman of the Joint Board of Review for the redelivery of all troop transports. He reverted to his permanent grade of Lieutenant

COPY

Colonel March 15, 1920, and was promoted to Colonel July 1, 1920.

After completing his duty with the Joint Board of Review, he was detailed as a student officer at the Army War College. Upon graduation in 1921 he was detailed as Director of the College. He remained on this duty until August, 1923, when he was ordered to Hawaii, where he commanded the 13th Field Artillery for three years. Returning to the United States, he was in charge of the Organized Reserves, Washington, D. C., until August, 1928, when again detailed as a Director at the Army War College. He was on this duty until appointed permanent Brigadier General in September, 1929, and assigned to command of the Second Coast Artillery District, with headquarters at Fort Totten, N. Y.

He sailed in February, 1930, for the Panama Canal Zone, where he commanded the Panama Coast Artillery District until October 8, 1931, when he was detailed to the War Department General Staff as Assistant Chief of Staff, G-1, in charge of personnel, his present station.

General Moses was awarded the Distinguished Service Medal, with the following citation:

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This record is presented for your consideration.

Yours very sincerely,

General Douglas MacArthur,

Chief of Staff,

Washington, D. C.

COPY

Washington, D. C.
April 23, 1935.

My dear Mr. Secretary:

I desire to commend to you for promotion to a Major Generalship, Brigadier General Andrew Moses.

General Moses was born in Burnet County, Texas, June 6, 1874. He was a student at the University of Texas when he was appointed to the United States Military Academy in 1893. Upon graduation from West Point in 1897 he served in the Infantry in Arizona until transferred in March, 1898, to the Artillery, in which Arm he served at various stations in the United States until promoted to Captain in 1901. He was then ordered to Havana, Cuba, where he served with his battery until June, 1903.

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He was detailed in 1907 as Professor of Military Science and Tactics at the Agricultural and Mechanical College of Texas where he served four years. During his tour of duty at the College the cadet corps increased from a battalion to a regiment, and the high standard of the Military department gained for the institution the classification by the War Department of "Distinguished College".

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Yours very sincerely,

Hon. George H. Dern,

Secretary of War,

Washington, D. C.

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*PSF.
War File Dern - 1936*

Memo for Sec. Dern
prepared by Creed F. Cox.--dated Dec. 20, 1935
Subject --Future policy of the United States
regarding retention of naval bases in the
Phillipines after independence.
Memo for H. L. Roosevelt attached from M.A.L.--Jan. 20-36

SEE--War File--(S) Drawer 1---1936

~~CONFIDENTIAL~~ REPORT
to the
PRESIDENT
by GEO. H. DERN, Secretary of War,
covering his recent trip to Hawaii,
Japan, China and the Philippines
(in three parts).
Part I - HAWAII, JAPAN, and CHINA.
December 20, 1935.

WAR DEPARTMENT
WASHINGTON

USS CHESTER,
En Route to Manila.
November 1, 1935.

CONFIDENTIAL

Franklin D. Roosevelt Library
DECLASSIFIED
DOD DIR. 5200.9 (9/27/58)

The President,
The White House.

Date- 9-2-66

Signature- *Carl L. Spicer*

Dear Mr. President:

This report is being prepared on board the USS CHESTER between Hong Kong and Manila, and is intended to cover our cruise preceding my official mission to represent you at the inauguration of the government of the Commonwealth of the Philippines. I do not know that you are expecting me to make a formal report on this part of my trip, but perhaps it will not be amiss to give you my impressions. They can be little more than impressions, for our visits to Hawaii, Japan and China were very brief.

PERSONNEL OF PARTY

On this cruise I am accompanied by my wife, my son, James, Brigadier General Creed F. Cox as Chief of the Bureau of Insular Affairs, Colonel Campbell B. Hodges and Major Harry A. Bishop.

U.S.S. CHESTER

I should like to begin by expressing my admiration of Captain Abbott and the rest of the officers of the U.S.S. CHESTER. Even to the eye of a "land-lubber", it is apparent that the ship is handled exceedingly well. We are being treated with the utmost cordiality and con-

sideration by these officers and they are making our cruise a delight. If they are a fair cross-section of the Navy personnel, I pay my tribute to the efficiency of our Navy.

AMERICAN FOREIGN SERVICE

I can also speak with real enthusiasm of the members of our diplomatic service in China and Japan. Ambassador Grew was absent at the time of our visit to Tokyo, and Charge d'Affaires Neville was, therefore, our official host. Upon the invitation of the Ambassador we resided at the Embassy and were most comfortable. I understand that the American Embassy at Tokyo is the "show place" of all our Embassies, and I am sure it deserves the distinction for it is beautiful and complete. Mr. Neville speaks Japanese fluently and has an intimate knowledge of the Japanese people and conditions. He seems to be popular, not only among the Americans who reside in Japan, but also among the Japanese officials and among his fellow diplomats. Both the Canadian Minister and the British Ambassador praised him highly, and he has the reputation of being exceptionally able and of having handled a difficult post (he has been Charge d'Affaires eight times at Tokyo) most competently. I also learned that Ambassador Grew is exceedingly popular. I got the distinct impression that our Embassy at Tokyo is in very capable hands.

At Shanghai and Nanking Ambassador Nelson T. Johnson was our official host. He not only performed his duties as such in a superior manner, but it soon became evident that he has a profound knowledge of China and its problems, that he is a man of broad human understanding, and that he is a gentleman and a scholar. He speaks Chinese fluently, has a wide ac-

quaintance among the leading men of the country, and has their confidence and affection. I regard him as a man of outstanding ability and especially qualified for the position he occupies.

I have reported directly to the Secretary of State on my contacts with Messrs. Neville and Johnson and other excellent members of our Foreign Service whom I met.

HAWAII

Inasmuch as you visited Hawaii last year there is probably very little that I can add to the impressions which you gained at that time. I need not refer to the beauty and charm of the Island, nor to the generous manner in which we were entertained.

Business Conditions. Business conditions seem to be in pretty good shape. I learned that the sugar people were originally displeased with their allotment under the Jones-Costigan Act, feeling that they had been discriminated against and had not been put on the same footing as citizens of the mainland. However, they have gotten over their displeasure and are now strongly in favor of the quota scheme and the A. A. A.

Sugar. I traveled over all the Island of Oahu, saw many of the sugar plantations, and visited one or two sugar mills. I feel that the sugar interests of Hawaii are entitled to great credit for making so many blades of grass grow where only one grew before. They took a large area of low grade grazing land and, through modern engineering, have reclaimed and irrigated it. Furthermore, they are applying the results of scientific agricultural research, and are undoubtedly putting their lands to the highest possible beneficial use. I was informed that they pay higher wages than

the average of agricultural wages on the mainland. It is obvious that the sugar industry is an important factor in the economy of the Territory, and that without it Hawaii could not support its present population, any more than several of our western States could support their present populations without the beet sugar industry.

Statehood. There is a great deal of agitation for statehood at the present time. A Congressional committee arrived while I was in Honolulu for the purpose of holding extended hearings on this question. A number of leading men of the Islands who formerly opposed statehood have now come out in favor of it. One of the chief reasons seems to be that, although they are citizens of the United States, they feel that they are not being given the same consideration as citizens of the States, and are, therefore, at a disadvantage. They think that with two Senators and a Congressman or two their interests will be better respected.

Notwithstanding the present agitation for statehood, there still seems to be a large element of the white population against it. One man told me that if a secret ballot could be had, a large majority of the whites would vote against statehood. Most of the people who feel this way are reluctant to express themselves openly, and consequently the impression goes out that the people of Hawaii are overwhelmingly for statehood. The views of the military people were unequivocally opposed to statehood.

The fact that forty per cent of the population of Hawaii is Japanese seems to be the stumbling block. Many prominent Americans feel sure that Japanese of the second and third generations are thoroughly American, while others say "Once a Japanese always a Japanese" and point out that American

race consciousness and race prejudice which refuses to admit any Japanese to social equality or to membership in clubs or other organizations make it impossible for these young Japanese people ever to become sincerely attached to the United States. And yet, when they return to Japan they are very unhappy and seldom stay long. They are sneered at for being more American than Japanese. Being descendants of coolies they must go back to coolie standards of living, and may not aspire to marry into a higher social stratum. Their education and training make Japanese manners and customs seem strange and unnatural to them. Hence they find themselves no better off than when they were battling the implacable race prejudice of the Americans in Hawaii.

Obviously, during my short stay I could form no definite conclusion as to the merits of the two sides of the question. Rather than take snap judgment, I merely mention these conflicting points of view to show that the situation is confusing and fraught with uncertainty.

The Army. I inspected the several Army posts and was given a magnificent review at Schofield Barracks, similar to the one that was turned out for you last year. It was a very impressive sight to see over 15,000 soldiers parade with all sorts of modern equipment, except tanks. The old war-time tanks have been condemned by Act of Congress and no new ones have yet been received by the Hawaiian Department.

The primary mission of the Army on the Island of Oahu is to protect the Naval base, and for this reason Oahu has been made a fortified Island. It seems to me that, in general, the defenses are adequate, but it might not be impossible for an enemy to make a landing on the north side of the

Island, about fourteen miles from Schofield Barracks. In order that this place may be made more secure, it is urgently necessary to increase the mobility of our troops by having a proper highway constructed from Schofield Barracks over the Kolekole Pass to the seashore. An allocation of funds from the PWA for this purpose had been granted, but upon my arrival at Honolulu I was informed that the allocation had been withdrawn. After personally inspecting the situation I took the liberty of sending you a radio message urging that this allocation be reinstated, in order that the road might be built as soon as possible.

At the present time our military installations are confined to the Island of Oahu. Owing to the increased speed and cruising range of airplanes, it is a question whether this policy should not now be modified so as to secure greater safety for the fleet by having Air Corps installations on some of the other islands besides Oahu. I shall ask the General Staff to study this problem, and will, in due time, advise you of its opinion.

I made a national defense speech at a luncheon meeting of the Honolulu Chamber of Commerce with particular reference to Hawaii, and I was surprised as well as gratified by the enthusiasm with which my address was received.

The Hawaiian Department is now commanded by Major General Hugh A. Drum, who was relieved as Deputy Chief of Staff about six months ago. General Drum brings a keen, constructive mind to the problems of Hawaii, and is making a very careful survey of the whole situation. His Department is in tip-top condition. I found that he stands very well with the civilian population because of his cooperative attitude.

JAPAN

This being my first trip to the Orient I naturally had the tourist's

interest in the unfamiliar scenes. Nevertheless, I tried to make some appraisal of the broader problems.

I must say that in Japan I was received with unreserved cordiality and friendliness. Japanese officials seemed to do everything possible to make my visit pleasant, which I could only construe as a friendly gesture toward the United States. I was granted an audience by the Emperor, was entertained at dinner by Foreign Minister Hirota, and at luncheon by the War Minister, General Kawashima. I was told that the luncheon brought together the largest gathering of important military officers of various factions that has been held in Japan for many years. Much of the usual formality and stiffness disappeared, and Mr. Neville expressed surprise at the apparent geniality and cordial good nature of the guests. At the close of the luncheon we went out on the lawn and were much photographed, both still and movies. A microphone was brought to me in order that I might make a statement that would go with the showing of the movies all over Japan, but I deemed it wise to decline this invitation.

I made two speeches in Japan. The first was at a luncheon of the American Society, which includes a good many of the members of the American Colony at Tokyo and Yokohama. In that speech I extemporaneously discussed conditions in the United States and the Administration's recovery program. My remarks were well received and the audience seemed to be deeply interested. The next day I made a speech at a luncheon meeting of the America-Japan Society, which contains members from both nations, who have banded themselves together for the purpose of promoting friendly relations between their respective countries. Prince Tokugawa is President of this Society.

In my speech I expressed admiration for many of the things that Japan has accomplished in industrializing itself so rapidly, and I referred to the fact that the bulk of the trade between Japan and the United States is reciprocal and, therefore, beneficial to both. I pointed out that trade of this kind is the best way to build up international friendships. I reminded my audience that since 1879 the United States has been Japan's largest customer, while today Japan is our third largest customer. Of course, I included appropriate expressions of good will. Apparently I struck a responsive chord, for my speech was commended by both Japanese and Americans.

I visited the Meiji Shrine at Tokyo, and also spent a day going to Nikko and back, to visit the famous shrines there. The Japanese Railway Administration furnished our transportation for the Nikko trip and gave us a special car. I got the impression that Buddhism and Shintoism have a strong hold on the Japanese people and that somehow they are closely related to Emperor worship, past and present.

Charge d'Affaires Neville expressed himself as being greatly delighted with the favorable results of my visit, from which I inferred that we had done no harm as the State Department feared we might.

After a period of intense depression, Japan is now relatively prosperous. The prosperity is due to two things. One is the great expansion of armament manufacture, which has apparently been deemed necessary on account of the Army's ambitious program on the Asiatic mainland. The other is the increased export trade of manufactured articles. These factors combine to relieve unemployment and to put the industrial population to work. I understand that the agricultural population does not feel so well off, much of

it, in fact, being in a seriously depressed condition.

Japan has paralleled the industrial plants of the United States and other western nations in order to put its people to work. By reason of its low wage scale, and perhaps also by reason of its depreciated currency, Japan can not only undersell us throughout the world, but can even invade our home market. Obviously she is not going to give up this industrial development merely because it inconveniences other nations. Perhaps we can not defend ourselves against losing our foreign market for manufactured products, but it seems perfectly obvious to me that we can and must save our home market for our own people, rather than degrade our own wage levels and living standards so as to be able to compete. We should still be able to exchange our raw cotton, mineral oils, wheat, machinery and steel products for Japan's raw silk, silk textiles, porcelains, tea, and other distinctly Oriental products, and thereby maintain a large volume of complementary trade between the two nations.

The Army and the Navy (especially the Army) are in the ascendancy over the civil authorities in Japan. They formulate their own policies and, as a result of their right to go directly to the Emperor without being accompanied by the Prime Minister or any other civilian official, and even without the knowledge of the civilian authorities, they get the approval of the Emperor to their policies which, apparently, is never denied. This seems to be the real explanation of why the seizure of Manchuria was possible, for there is good reason to believe that that invasion of Chinese territory would not have been approved by the civilian authorities if they had had any appreciable voice in the policies of the military. However, now that it is

a fait accompli it has the approval of the masses of the people, and no government could survive which undertook to repudiate it.

Another source of strength of the Army and Navy is their ability to force the passage of their budgets through the Diet practically as they desire. This arises from the power which they have to cause the downfall of the cabinet by effecting the resignations of the Army and Navy Ministers, who must be officers of a certain rank. Then, until the Diet comes to terms on the budget, no other officers will accept the War and Navy portfolios. At present the annual budgets of the Army and Navy approach in amount the total annual normal revenues of the Government, the rest of the money needed being obtained by internal borrowing, a situation which appears to an observer as fraught with financial dangers for the future.

The militarists have sponsored what might be called the "Emperor Cult". A professor, Dr. Minobe, in the Tokyo Imperial University, the leading educational institution in Japan, who was rated as perhaps the leading authority on constitutional law, had taught for thirty years that the Emperor was an organ of the Government. This teaching finally coming to the attention of the military, who were instilling a different doctrine, they violently discounted this viewpoint and maintained that the Emperor is the Government instead of simply being an agency thereof. A great "heresy trial" has been in progress, and the public has been so thoroughly indoctrined with the divinity of the Emperor that no public man, regardless of his private opinions, now dares openly to subscribe to the "Minobe theory". A prominent Japanese official told Mr. Neville that the argument of this question reminded him of our "monkey trial" at Dayton, Tennessee, but to me it seems

that the results of killing the "Minobe theory" are much more far-reaching.

Having built up this cult, the militarists have, at the same time, promoted the most intense feeling of patriotic nationalism. Not only every soldier and sailor, but every humble worker in the factories, is taught that he is playing a part in building up his country and glorifying his Emperor. This is the viewpoint that is so alarming to the Chinese who feel that the ultimate teaching is that the Emperor is not only the lord of Japan, but lord of the whole world, and that no nation is safe so long as such a fanatical, anachronistic theory is the national fetish.

Although the civilian authorities cannot do anything effectually to weaken the military, there has recently developed within the Army itself a conflict which, although it is too soon to appraise its importance, is being watched with deepest interest by Japanese liberals. This conflict arises from the fact that officers of the Japanese Army are divided into numerous cliques. Since the seizure of Manchuria the group which is generally referred to as the Araki clique has been in control. (General Araki, you will recall, was a fanatical War Minister). A second clique, headed by General Hayashi, who resigned a few weeks ago as War Minister, has been and is trying to obtain control of the direction of the Army, allegedly to bring it back to a more normal course and to check its political activities. The recent assassination of General Nagata by a lieutenant-colonel who disapproved of his policies is said to have been engineered by the Araki clique to check the growing powers of the Hayashi or less immoderate group. I was extremely interested in meeting the leaders of these two factions who, of course, socially showed nothing of their alleged real feelings toward each

other.

Before the War Minister's luncheon I was informed that the Minister would make a speech to which I would be expected to reply. It was later decided that both speeches were to be written out and exchanged, but not spoken. On the evening before the luncheon a Japanese officer furnished us with a brief synopsis of the speech that was to be made by the Minister. This synopsis contained an expression to the effect that Japan and the United States should cooperate in maintaining peace in the Pacific, the United States to guard the eastern shore and Japan to have charge of the western shore. When the official translation of the Minister's speech was delivered to us the next morning this statement was absent therefrom. I have no means of knowing whether it was in the original draft and was censored out, or whether the synopsis was inaccurate. However, during my conversation with the Minister during the luncheon, he expressed substantially the same idea, although not quite so bluntly. I did not think it appropriate to enter into a discussion with him.

During my audience with the Emperor he, of course, asked all the questions, which were confined to the usual civilities, including an inquiry regarding your health. He hoped that I was enjoying my visit and was sorry that I could not stay longer. The Emperor did not give me the impression of being a strong character. He does not appear to have a robust physique, and his tone of voice was scarcely above a whisper. He seemed rather diffident and nervous, and did not look to me like a man who would ever exercise any real leadership. He is said, however, to take an intelligent interest in affairs and to read the Japanese newspapers every day. I was told

that, even if he may be out of sympathy with the present course of affairs, he has not the power to alter matters.

The re-built Tokyo is a fine modern city, comparable with New York or Chicago, rather than the type of city one would expect to find in the Orient.

CHINA

In China we asked Ambassador Johnson to arrange all our visits, and he was with us constantly in Shanghai and Nanking. Mr. Laurence Salisbury, of the Peiping Embassy, was detailed as my "diplomatic aide", and no step was taken or move made without the advice of State Department representatives.

We spent three days at Shanghai and one day at Nanking. Ambassador Johnson, who made the arrangements for our visit, maintains offices in Peiping and Nanking, and also spends some time in Shanghai. We were entertained at luncheon by the Pan-Pacific Association where I made an extemporaneous speech similar to the one I made at the America-Japan Society in Tokyo. We were lavishly entertained at dinner in Shanghai by Consul General Cunningham, by Finance Minister Kung, and by the Mayor of Shanghai. At Nanking we were entertained at an official luncheon by Ambassador Johnson, at tea by the Minister of War, General Ho, and at a formal, state dinner by Mr. Wang Ching-wei, President of the Executive Yuan and Acting Minister for Foreign Affairs. Of all the men I met in China I was most agreeably impressed by Wang Ching-wei. He has an engaging personality and is a man of lofty ideals and progressive viewpoint. He is reputed to be the leading poet and the greatest living orator in all China. He does not speak English, so I had to converse with him through an interpreter, but I became convinced of his sincere zeal for the welfare of his country.

We met many prominent Chinese officials and citizens and were everywhere

treated with the greatest imaginable kindness and cordiality. When we boarded the train at Shanghai for Nanking a Guard of Honor, consisting of a company of gendarmes, was lined up at the train, and a similar ceremony was observed upon our return.

Our reception in China certainly was no less friendly and cordial than it had been in Japan. This was to be expected, since the traditional friendship between the United States and China has never suffered interruption, whilst a commercial rivalry has developed between the United States and Japan.

In their social contacts the Chinese are much more easy and informal than the Japanese. Even among the nationals of both countries who have been educated in America, the Chinese throw off their reserve more readily and seem to have a better time. The Japanese relax with great difficulty. Our dinners in China were gay, noisy affairs compared with the stiff formality in Japan.

Many of the Chinese officials speak excellent English and it gave us a sense of pride to find that the American influence has been quite strong in shaping the progressive movement that is taking definite form in China. In Shanghai, Nanking and Canton narrow streets have been widened, and modern thoroughfares and fine new public buildings are being erected. Considerable progress has been made in road construction, and at Nanking a large National Park has been established, which will be a reforestation demonstration unit. While popular education is still very far from universal, the National Government is working hard to make it so. It was interesting to note that already there is some complaint that the children

are being educated away from the farms, which sounded like a voice from home. However, I understand that some eighty per cent or more of the people are still illiterate.

The Chinese Republic is not a Republic at all. It is more akin to the government of Soviet Russia, in that it is a government by a party, which fills all the offices. The real leader of China is General Chiang Kai-shek, whom I did not meet because he is at his Army headquarters in Western China. He holds no important civil office, being Commander-in-chief of the armed forces and Chairman of the National Military Council, but he is the real "power behind the throne", and the National Government dares do nothing important without first obtaining his approval.

China seems to be living in mortal dread of Japan and does not know what to expect next. Apparently the Nanking Government fears that Japanese domination may go much farther than it has already gone, but that, in her present state of unpreparedness, China can do nothing about it except submit to the inevitable.

The National Government and Chiang Kai-shek are doing many things to promote national unity, including educational programs, nation-wide athletic meets, and building up the dignity of the soldier, who has always been despised in the past. The radio is also being widely used. Nevertheless, China is very far from being a united nation. There seems to be imminent danger that the leaders of the northern provinces, who are not friendly with Chiang Kai-shek, and who are subject to Japanese pressure, will break away from the National Government and set up a new autonomous regime (or perhaps an independent government) of their own, at Peiping. It is said that the Japanese military are working diligently to bring about such a rupture. Then, there are other Chinese military leaders, such as those in the Southwest,

who would apparently be glad to see Chiang Kai-shek fall, in order that they might have an opportunity to obtain increased power.

I got the impression that if China could be let alone she might be able to modernize her government and work out her own salvation. A definite movement of that kind is under way, but perhaps it was started too late.

We walked through one of the Chinese farm villages with the Ambassador, and talked with some of the people. Despite their squalid surroundings they seem to lead contented lives, they have no inferiority complex, and they are of an extremely kindly and friendly disposition. Without doubt, this unwieldy mass will be an obstacle to any efforts that may be made to modernize China.

I found that there is a general belief that America's silver purchasing policy has adversely affected China. When the Minister of Finance, Dr. Kung, brother-in-law of Chiang Kai-shek, made this point I demurred at the argument by saying that our silver policy even now had not raised the price of silver to a normal level, and that it was difficult for me to understand how China could have been seriously hurt by bringing silver back from an unprecedentedly low price to a price somewhat in line with that which has prevailed during the past decade or two. Dr. Kung did not follow up the argument, but stated that if we changed our policy now in such a way as to force down the price of silver again, China would again be hurt, and that what they need is a stable price for silver in order to be able to do business safely. Inasmuch as the value of their money depends on the bullion price of silver, this seems to be a logical position.

Dr. Kung stated that he would be glad to see international bimetallism at some fixed ratio, and felt sure that his country would be greatly benefited thereby.

CANTON

We went from Hong Kong to Canton at night on the Navy gun boat "Isabel", which, however, could not get across the bar at low tide, and hence the last hour of the trip was made on the gun boat "Mindanao". This gave us a glimpse of the seething life on the river boats, which I consider one of the most interesting sights in the world. It is said that 90,000 people live on these boats and have no home on land. We stayed at the American Consulate during the day, and were very delightfully entertained by Consul General and Mrs. Fletcher. Mr. Fletcher had made the arrangements for our visit and we had a very full day.

I learned that the preparations for our visit had been in progress for a week, the streets had been specially cleaned, muddy places had been covered up with sand, and the city was especially beautified for the occasion. We found that the streets had been cleared of traffic along the lines of our procession, and great crowds of people were lined up on the sides to see us drive by. It looked like a holiday on Fifth Avenue. It was explained to me that the personal representative of the President of the United States deserved that sort of a reception.

The significance of my visit became apparent because the Cantonese group has a special program in mind, and wants to get the backing of the United States.

Our first visit was to the Municipal Guest House, where I met Marshal

Ch'en Chi-t'ang, military leader of Kwangtung Province; Marshal Li Tsung-jen, one of the military diumvirate of the Kwangsi Province; Chairman of the Kwangtung Provincial Government, Mr. Lin Yun-kai; Mr. Hsiao Fo-cheng, member of the Executive Committee of the Southwest Political Council; Mr. Chou Lu, Chancellor of the Sun Yat-sen University; Mr. Liu Chi-wen, Mayor of Canton; Dr. Kan Chieh-hou, Special Delegate of the Ministry of Foreign Affairs. I exchanged civilities with this group and thereafter I had separate conversations with Marshal Ch'en and Marshal Li.

These two men are two of the three important military leaders of the Southwest, which comprises the Provinces of Kwangtung and Kwangsi. Their regimes are only nominally under the National Government. According to our foreign service, they are united by one ambition of wishing to avoid domination by Chiang Kai-shek and the National Government, and of ruling China themselves. They were very outspoken and bitter in denouncing the Nanking Government as unpatriotic and pro-Japanese, and claimed that the salvation of China depends upon the Southwest, and getting rid of the Nanking group. They claimed to be thoroughly disgusted and alarmed by the way the Nanking Government makes concessions to Japan, and they demand that further Japanese encroachments be forcibly resisted, so that the dismemberment of China may be stopped. When I asked them whether they considered China adequately prepared to fight Japan they replied that the principal thing needed is determination, and that what China needs is a spirit such as Ethiopia is displaying toward Italy. They referred to the Sino-Japanese fight at Shanghai in 1932 as proof of the ability of the Chinese people to fight Japan to a standstill. They also said that most of the Chinese troops in that engagement came from the Southwest provinces and were under South-

western leadership.

In reference to the widespread opinion that the Chinese people lacked sufficient national spirit and patriotism to rise up against an invader, they insisted that, all reports to the contrary, the Chinese people as a whole are intensely patriotic, and that, if they were relieved from the oppression of their own government, and were made to feel that in resisting an invader they were at the same time freeing themselves, they would rise as one man. They asserted that North China is now under the control of Japan and helpless to defend itself; that the Nanking Government, which means Chiang Kai-shek, is under the domination of Japan and is unwilling to offer any resistance to her; and that the leadership required to preserve the integrity of China must come from the Southwest. They seldom, if ever, referred to Chiang Kai-shek by name, but always referred to the Nanking Government. I was told by our State Department representatives that in their attitude they are probably motivated primarily by their own selfish ambitions and by jealousy of Chiang Kai-shek's leadership. It is doubtful whether either would be superior or even equal to General Chiang Kai-shek as China's chief leader.

They took pains to point out that responsible Japanese statesmen had declared that Japan has two enemies - Soviet Russia and the United States. These two Chinese Marshals thought, therefore, that the United States ought to be interested in keeping Japanese imperialism from spreading. To that end they wanted the United States to aid Southwest China financially and economically, so that she may be able to equip herself properly to defend, protect and preserve China. When I suggested that such action on the part

of the United States might look like an unfriendly act to Japan, they assured me that the only assistance they want is aid in the economic and industrial development of their provinces.

I was asked my personal understanding of the present policy of the United States with regard to the Far East; whether, despite the present nature of domestic problems in the United States, the Government of the United States will be able to continue to devote to Far Eastern problems as much attention as in the past; whether it is my opinion that in case of future violation of territorial integrity of China and the open door policy, the United States will continue to maintain that policy. I replied that I must decline to answer these questions, since I was merely making a friendly visit, but that if they desired me to convey any message to the President I would be glad to do so. They appreciated my position, and said they had no desire to ask me any embarrassing questions.

Marshal Li stated that shortly after your inauguration you asked Dr. Stewart, President of the Yen Ching University to come to see you, and that you asked him whether the United States, without danger of becoming involved in any war or coming into conflict with Japan, could help China in some way. Dr. Stewart was unable to give you any definite reply. Marshal Li suggested that Dr. Stewart might properly have told you that American assistance to develop the industries, and consequently to increase the defense strength, of the Southwest as the last stronghold against Japanese encroachment, would be advantageous for both China and the United States.

Marshal Li also pointed out that even if the United States outstrips Japan in an armament race it will not make us absolutely safe, but that a

sufficiently strong China, which would make it impossible for Japan to mobilize all of her naval and air forces on the other side of the Pacific, would insure American success in case of such a conflict.

During the afternoon I had a somewhat similar conversation with Mr. Hsiao and Mr. Chou, two so-called "elder statesmen" of Southwest China. Their remarks were of the same tenor as those of the two Marshals. They told me of the Japanese attempts to dominate China, and of the consequences of such domination, namely, that it would mean the division of the Pacific into two camps, the Orientals as a whole opposing the United States. They said that the only part of China which could successfully resist Japanese aggression is the Southwest, and in making this resistance the Southwest would need the help of the United States, which it would be to the advantage of the United States to give. Their conversation recalled to my mind the belief that many observers of the Chinese situation have, namely, that the Chinese, when in difficulties with a foreign nation, always attempt to inveigle another foreign nation to fight their battles for them. Although the Chinese official who interpreted our conversation described these two gentlemen as Chinese elder statesmen, I understand that they are frequently at loggerheads with the military leaders of the Southwest, are also motivated by hatred and jealousy of General Chiang Kai-shek, seize every opportunity to embarrass the National Defense, especially in its relations with Japan, and are outstanding examples of Chinese who refuse to compromise with other political leaders of China, even though such compromise would work for the unity of China and that country's ultimate good.

I realized that matters of this sort were entirely outside my prov-

ince, but when, as the guest of the Chinese, it became necessary either to listen to these remarks or to offend them deeply, I chose what seemed to be the lesser of two evils; I listened, and said little. I might add that the American Consul had emphasized the unofficial character of my visit and had requested that all embarrassing questions be avoided.

Mr. Chou, Chancellor of the Sun Yat Sen University, asked what will be the future of the American silver policy; what financial and economic assistance America can give to China, which is an important market for American goods; whether there will be a possibility for substantial American investments in the Southwest; what will be the American attitude in the event of a Russo-Japanese war; and what will be the American attitude in the event of Japanese domination over this side of the Pacific? I succeeded in evading any concrete discussion of these policies and questions. I mention their inquiries merely to inform you as to what they have in their minds.

With respect to silver, I said that the present silver policy was fixed by Congress and not by the Administration, and that the Administration, therefore, does not possess the authority to discontinue it. I made the remark that inasmuch as great quantities of silver are held by the Chinese people their wealth was doubled when the price of silver was doubled, and consequently it would seem as if the increased price of silver should have been of great benefit to China. I also pointed out that when the American silver policy went into effect silver was lower than it ever had been before in the history of the world, and even now it had scarcely been restored to a normal price. They replied that the shipment

of large quantities of silver out of China in order to take advantage of the increased price had caused a shortage of money in China and had made business very bad. They also claimed that the increased price of silver had caused a corresponding decrease in all other commodity and property values. They further stated that the increased price of silver had disturbed the relationship between the Chinese dollar and the Japanese yen, to the great advantage of Japan, which was thereby enabled to pursue a policy of dumping its goods in China. I responded that the devaluation of the yen had apparently enabled Japan to dump her products all over the world, including the United States, and I wondered whether silver had much to do with this development.

Our discussion did not assume a contentious tone and everything was friendly. They disclaimed any intention of criticising the United States for its silver policy.

Late in the afternoon there was a reception in our honor at the Canton Club, where we met many Americans and a good many people of other nationalities. In the evening there was a formal dinner given in our honor at the Government Guest House by the Provincial Government Chairman, Mr. Lin Yun-kai and Marshal Ch'en Chi-t'ang. A number of military officers and provincial and municipal officials were in attendance. Near the conclusion of the dinner Chairman Lin made a speech in which he cordially welcomed us to the city of Canton. He pointed out that the teaching of their ancient sage, Confucius, to be a good neighbor coincided with President Roosevelt's good neighbor policy; that they are greatly impressed with the President's statement of friendship among nations; that my visit

will help to strengthen the existing bond of friendship between the Chinese and the Americans in this province; and he concluded with a toast to Mrs. Dern and myself, coupled with best wishes for the prosperity of the United States. I responded in what seemed to be an appropriate manner and the dinner appeared to be a great success. After the dinner we boarded the "Isabel" and came back to Hong Kong during the night.

It would be hard to over-state the cordiality of our reception and the friendly manner in which we were treated in Canton. Perhaps there was a selfish motive behind it, but nevertheless Consul General Fletcher and Mr. Salisbury both felt that everything had gone off well, and that only good impressions were left behind.

HONG KONG

I have placed Canton ahead of Hong Kong in this report so as to keep Chinese matters together. Actually our visit to Hong Kong preceded our visit to Canton.

We spent two days in Hong Kong before going to Canton and about one-half day upon our return.

Upon our arrival we went to the Government House to call on the Governor. I was received by a guard of honor, and was impressed by the neat and smart appearance of the British troops, clad in khaki shorts. This seems to be a sensible uniform for the tropics.

We were entertained at a large dinner by the American Consul General and Mrs. Hoover, at which there were about 150 guests. There was no speech making except the usual toasts to the King and to the President, and some exchange of pleasantries and story telling. The next evening we

were entertained at dinner by the Acting Governor General at Government House.

Perhaps the only points worthy of mention in connection with Hong Kong are the intimate relations existing between the British and Americans, and the criticism of some of the resident Americans of the American silver purchasing policy.

One gentleman, reputed to be the most influential American in Hong Kong, commenced to talk to me about our "foolish silver policy". When I countered with a few questions he asked if I would talk to the manager of the Bank, meaning the British bank. I saw the banker upon my return from Canton, and he proceeded to explode with an "I told you so" speech containing neither information nor argument. When he asked, "After you Americans get all the gold and silver in the world what are you going to do with it?", I soon lost interest in the conversation and excused myself on account of another engagement.

It seemed to me that a good deal of the agitation against our silver policy emanates from speculators whose operations are impeded by this new factor.

We found Hong Kong beautiful and delightful. We sailed during the afternoon of October 31st, and are due in Manila on the morning of November 2nd.

I wanted to dictate this report while the events are still fresh in my mind, but owing to its confidential nature I shall hold it until I deliver it into your own hands.

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I shall prepare a separate report on my stay in the Philippines.

Faithfully yours,

Geo. H. Brown

~~CONFIDENTIAL~~ REPORT
to the
PRESIDENT
by GEO. H. DERN, Secretary of War,
covering his recent trip to Hawaii,
Japan, China and the Philippines
(in three parts).
Part 2 - THE PHILIPPINES
December 20, 1935.

WAR DEPARTMENT
WASHINGTON

U.S.S. CHESTER,
En route to Guam,
November 23, 1935.

~~CONFIDENTIAL~~

The President,
The White House.

Dear Mr. President:

I have the honor of submitting this report on my visit to the Philippine Islands as your representative at the inauguration of the government of the Commonwealth of the Philippines.

Owing to several confidential passages herein, this letter is intended for your personal information only. Should you desire to make any other use of its contents it should be carefully edited.

The Philippine Islands are under the jurisdiction of the Secretary of War, and are administered by him through the Bureau of Insular Affairs. I am accompanied on this trip by Brigadier General Creed F. Cox, Chief of that Bureau.

We reached Manila on the morning of November 2nd, remained in that vicinity until the morning of November 16th, when we sailed for Iloilo, Cebu, Zamboanga and Davao, in the order named, leaving the latter port for Guam on the evening of November 20th. Hence we spent nineteen days in the Philippines. While in Manila, we were the guests of Governor General Murphy at Malacañan Palace, and during our two days at Baguio we were his guests at the Mansion House. During our cruise through the Southern Is-

Franklin D. Roosevelt: 11

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Date- 9-2-66

Signature- Carl L. Spitzer

lands we based on the ship and merely spent a few hours ashore at each of the four ports visited.

GOVERNOR GENERAL MURPHY

I had already received so many favorable reports of Governor General Murphy and his record in the Philippines that I was not surprised to find that he is greatly admired in the Islands. The Filipino leaders have complete confidence in him and have cooperated with him in all of his undertakings. The masses of the people seem to trust and love him. Army and Navy officers praise his skill and fairness in handling his difficult tasks, and had nothing but commendation for the manner in which he has cooperated with them in their missions, and in looking after American interests. American civilians likewise say he has made an excellent Governor General. I had daily conferences with him during my sojourn in Manila, and I found that he had a thorough grasp of all the problems which had confronted him. He is energetic, earnest, intelligent, logical and loyal, with a humanitarian and progressive outlook. I believe he deserves to be placed among the first three or four greatest Governor Generals.

RANK OF HIGH COMMISSIONER AND COMMONWEALTH PRESIDENT

Some time before I left Washington I wrote you a letter in which I recommended that the President of the Commonwealth of the Philippines be accorded a salute of twenty-one guns, and that the High Commissioner receive nineteen guns. This recommendation was based upon the theory that we were launching a new nation, whose independence was only deferred for a short time, and that the success of the Commonwealth would be promoted if we gave it the greatest possible prestige and dignity. You approved the

recommendation, and caused the State Department to issue the necessary order. Governor General Murphy felt that this order was a mistake, and sent one or two long cablegrams in which he appealed directly to you for a reconsideration. These messages came after my departure, and were handled by the Acting Secretary of War, who transmitted to you all of the correspondence on the subject, together with a letter supporting my original recommendation. I did not see these documents until after I had sailed from San Francisco. You declined to change the order, and, therefore, the matter appeared to have been closed.

Upon my arrival in Manila, Governor General Murphy brought up the subject and discussed it with me several times at great length. He argued that a salute of twenty-one guns is a symbol of sovereignty, and the Commonwealth of the Philippines is not a sovereign nation; that it would give the President of the Commonwealth an erroneous conception of his importance and latitude of action, and make it impossible for the United States to keep a restraining hand upon the new government when necessary; and that a salute of twenty-one guns always has been, and always should continue to be, reserved for the President of the United States.

Governor General Murphy disavowed any personal interest in the matter or any reluctance to surrender the authority which he had heretofore held as Governor General, and I am sure his motives are above question. He said his only object was to protect the position of the United States, and that the proper functioning of the High Commissioner would be made very difficult, if not impossible, if he were subordinated to the Commonwealth President. He thinks the High Commissioner should keep in constant touch

with the affairs of the Commonwealth government in order that he may prevent trouble by giving timely advice, counsel, encouragement or warning, rather than permit bad practices to run along until a condition of chaos is brought about, and then intervene. Intervention would be tragic and should be avoided at almost any cost.

I discussed the subject with Vice Governor Joseph R. Hayden, a man of excellent ability and discernment, and formerly Professor of Political Science at the University of Michigan. He gave his unqualified support to the stand taken by the Governor General, and felt that great harm might be done by subordinating the High Commissioner to the Commonwealth President. I found that the other members of the Governor General's staff held the same view.

I consulted the principal Army and Navy officers and discovered that they were considerably perturbed by the prospect of having American sovereignty put into second place in the Philippines prior to the accomplishment of complete independence. They were very positive that the High Commissioner, as the President's representative, ought to be the No. 1 Man in the Islands.

I do not know where they got their information, but Manila newspapers had carried the story that the President of the Commonwealth was to receive a salute of twenty-one guns, and I knew President-elect Quezon was expecting such a salute. Although my faith in my original recommendation had been somewhat weakened by the protest of Governor General Murphy which reached me after I sailed from San Francisco, and although I was considerably impressed by the additional arguments submitted to me in Manila, I had reasons

to expect that an eleventh hour reversal of the order would produce a strained relationship between the United States and the Commonwealth government at the very beginning. I felt that it was important to start the new government with the most friendly feeling of mutual trust and confidence. Nevertheless the matter of the gun salute seemed of greater importance in Manila than it had seemed to me in Washington, and I therefore felt it my duty to lay the matter before you once more. Accordingly, I sent you the following message:

"I feel that I should advise you that some discord has developed over certain phases of forthcoming inauguration. Governor General feels very deeply that salute of twenty-one guns for President of Commonwealth would be incorrect and inadvisable. This view shared by Vice Governor and all members of Governor's staff and also by chief military and naval officers here except General MacArthur. They argue that proposed regulation is inapplicable under existing relationship between United States as sovereign nation and Philippines as subordinate entity. Twenty-one guns being symbol of sovereignty would imply Philippine sovereignty and independence contrary to provisions of Tydings-McDuffie Act; would subordinate status of High Commissioner, who is representative of the United States Government in the Philippines, thereby making his position difficult and untenable; would make effective exercise of American sovereignty impracticable. They think twenty-one guns should be reserved exclusively for President of United States and given no other official under American flag and authority. They respectfully recommend High Commissioner and President of Commonwealth both receive nineteen guns in order stated with less number to Vice President and corresponding number or none at all to subordinate officials of Commonwealth. I am somewhat impressed by foregoing views and perhaps subject is more important than I had supposed but I fear a reversal of your order now would do more harm than good. It seems essential to have full cooperation and good will of Filipinos at this particular time and even this small matter might cause friction.

Assuming that all these arguments were considered by you before you reached your decision, I have declined to recommend that you change your order as promulgated in a letter from the Secretary of State dated October 5, 1935, addressed to the Secretary of the Navy. Unless you should change your decision in the light of the foregoing information I contemplate issuing a statement sub-

stantially as follows:

'The Tydings-McDuffie Act contemplates the establishment of a Commonwealth government invested with almost complete autonomous powers over local affairs. It is the policy of the United States to inaugurate that government with all the dignity possible under the circumstances and to do this in a manner that will give pride and satisfaction to the Filipino people. The decisions made by the President of the United States as to honors to be accorded have not been based on precedent, but on the spirit and intent of the United States as expressed in law.

As to the status of the United States High Commissioner to the Philippine Islands, he is the representative of the President of the United States in the Islands and will continue to occupy this position as long as the sovereignty of the United States continues. There can be no question as to the fact that in matters which affect sovereignty of the United States or its foreign affairs, including 'direct supervision and control of the foreign affairs of the Philippine Islands' the United States High Commissioner is the symbol of the sovereign authority of the United States. The matters in which the United States has reserved an interest are specifically set forth in the Tydings-McDuffie Act and in an Ordinance appended to the Constitution of the Philippines.'

Should you feel disposed to change your decision, it has been suggested that a solution which would allow the same number of guns to the High Commissioner within the Philippine Islands as are accorded to the Commonwealth President would relieve the situation."

The next day while I was at Fort Stotsenburg I received your reply which read as follows:

"I have given long consideration to the question of the gun salute for the President of the Philippine Commonwealth after his inauguration. The United States was created by the union of thirteen independent sovereign States - a number now increased to forty eight. It was recognized from the earliest days that the Governor of each State should receive every honor accruing to the head of a sovereignty, but that because of the delegation by the States of authority over foreign relations, the President of the United States should be accorded special honors because of his direct supervision of and control over foreign affairs.

It has, therefore, been our custom to accord nineteen guns to the Governors of the American sovereign States and twenty-one guns to the President.

In view of the above long-standing precedent, and in view es-

pecially of the fact that until the termination of the forthcoming period preliminary to complete Philippine sovereignty and independence, I feel certain that President-elect Quezon will fully understand my suggestion that he be accorded the same honors as the Governors of the sovereign American States."

I fully approved your decision as above stated, although I had some misgivings about the results of putting it into effect. I immediately sent a letter to the Commanding General of the Philippine Department, containing instructions as to the honors to be accorded by the military forces in the Philippines, and informed the Governor General, the President-elect and the Commander-in-Chief, United States Asiatic Fleet, of your message and of my action.

My premonitions as to possible trouble were not without foundation, for when President Quezon learned of the matter the next morning he immediately came over to Malacañan Palace for a conference with Governor General Murphy and me. He was very vehement, not against you but against those who had advised you to change your order. He even threatened to stay away from the inaugural ceremonies and take his oath of office quietly elsewhere. After giving Mr. Quezon time to give vent to his grievances fully, the Governor General and I began to discuss the subject with him as tactfully as we could, and in the end we were successful in mollifying him, for he accepted the situation gracefully and said he was perfectly satisfied. After his departure he wrote me a letter reading as follows:

"I take pleasure in acknowledging receipt of your letter of November the 10th received this morning, and in answer thereto, I beg to request that you inform the President that I am perfectly satisfied with his decision in this matter and appreciate his attention in giving me his reasons therefor.

Thanking you for your good wishes for the success of my administration, and with warmest personal regards, I am,
Very cordially yours,

MANUEL L. QUEZON."

I relayed the substance of this letter to you by cablegram, and so it was settled that the High Commissioner and the Commonwealth President should each have nineteen guns.

There remained for decision the question of which of the two should take precedence or be considered the senior officer. The program and plans for the inaugural ceremonies were submitted for my consideration, and in revising them we took pains to outline a procedure which implied the seniority of the High Commissioner. About that time I was pleased to receive another message from you, reading as follows:

"In my cable of November 9, 1935, I suggested that the President of the Commonwealth of the Philippines be rendered a salute of nineteen guns, the same as the salute to be given to the High Commissioner. Although these two high officials will enjoy equal rank and honors, I believe that in view of the prescribed duties and responsibilities which the High Commissioner as the representative of the President of the United States will be called upon to discharge under the provisions of the law, including matter concerning foreign relations, it is proper that the High Commissioner be regarded as the senior official and therefore that as between the two he takes precedence over the President of the Commonwealth."

The foregoing message was marked "confidential", and I doubted the propriety or advisability of making it public immediately in Manila, for fear of again scratching the wound which had just been healed. We therefore proceeded in accordance with your suggestion so far as the inaugural ceremonies were concerned, and I sent you a message recommending that your suggestions be immediately published as an order in Washington. I did not know whether you preferred to do this through the State Department or the War Department. At any rate, I feel that a difficult situation was happily ended.

INSTRUCTIONS FOR HIGH COMMISSIONER

Governor General Murphy has contended for several months that the High

Commissioner should have his duties definitely outlined by instructions from the President, as was done when previous changes of government went into effect in the Philippine Islands.

You may recall that after General Cox and his staff had worked on this problem for two or three months he reached the conclusion that such instructions were neither necessary nor feasible. After considering the subject with him, I wrote you a letter outlining the channels of communication, and stating that the Tydings-McDuffie Act and Executive declarations were to be his general guide in carrying out his duties as High Commissioner.

My conception of the spirit of the law was that the Commonwealth of the Philippines was to be an autonomous government so far as domestic affairs are concerned, and that the reserved powers and authority of the United States were set forth in the Act. It seemed wise to dignify the Commonwealth government so far as was consistent, and that the High Commissioner, although the representative of the sovereignty of the United States, should remain in the background so far as possible, and should not appear to have any voice in the conduct of the proper affairs of the Commonwealth government. His main function, it seemed to me, was to keep a close watch on the operations of that government, to give counsel and advice without being meddlesome, and to keep the President of the United States apprised of conditions.

When I reached Manila Governor General Murphy renewed his argument for instructions, and he is still of the opinion that the proper way to hold up the hands of the High Commissioner is to give him a set of instructions, copy of which shall be furnished the President of the Commonwealth.

President Quezon has exhibited a distinct tendency to consider the Com-

monwealth government practically independent except with respect to the matters specifically reserved to the United States in the Independence Act. He made a statement to Governor General Murphy substantially as follows:

"So long as the Commonwealth government does not definitely infringe any of the reserved powers of the United States it has the right to run its own affairs, and the High Commissioner is nothing. If and when the Commonwealth government breaks down the High Commissioner may step in and then he is everything."

Governor Murphy's attitude is that the most important task of the High Commissioner is to prevent a break-down, rather than merely to step in after a break-down has occurred.

It seemed to me that these views emphasize the advantages of very general rather than detailed instructions to the High Commissioner at the outset in order that a proper relationship may be worked out in the light of experience.

Accordingly, shortly before my departure from Manila, I addressed the following letter to Governor General Murphy:

"With reference to the question of further instructions for the High Commissioner prior to November 15, I have very carefully noted the views presented by you in your messages Nos. 434, September 12, 435, September 13, and 450, September 23, 1935, and have taken into consideration the views expressed by yourself and other officials since my arrival in Manila.

I am still of the opinion that the broader and more general your instructions are, the more effectively you will be able to carry out your mission as High Commissioner. I am particularly impressed with the idea that concrete instructions might lead to unfortunate situations because of their mandatory nature, whereas without too many restrictions in the form of orders it is believed most situations can be better worked out through the cooperative efforts of the chief representatives of the two governments.

There can be no question as to the status of the High Commissioner to the Philippine Islands as the representative of the President of the United States so long as the sovereignty of the United States continues. Neither can there be any doubt that in matters which affect the sovereignty of the United States or its

foreign affairs, including 'direct supervision and control' over the foreign affairs of the Commonwealth of the Philippines, the United States High Commissioner will be the representative of the sovereign authority of the United States.

These matters are specifically recognized in the Tydings-McDuffie Act, and in the ordinance appended to the Constitution of the Philippines. As indicated in my letter of August 16, 1935, these laws, together with executive declarations of the President, must be your general guide. The statement of the President on March 23, 1935, on the occasion of his certification of the constitution of the Philippines, clearly defines the status of the United States in the Philippines during the period of the Commonwealth, and is cited as an example of 'executive declarations' referred to in my letter of August 16, 1935.

In view of the special situation that exists, and the broad and important powers and authority involved in the conduct of affairs in the Philippines, I am not convinced that the interests of the United States will be more effectively safeguarded by issuing additional instructions. On the other hand I am inclined to believe that, in the new and special conditions that are about to be inaugurated, the interests of all concerned will be better served by meeting situations as they arise. The effect of any law depends to some extent upon the manner in which it is administered and interpreted. Much depends, therefore, upon the personality of the official charged with these duties. You have displayed such ability, judgment and discretion during your experience as Governor General that I have implicit confidence that you can build up a series of precedents that will become a recognized code of the office in its relations with the Commonwealth government. Should developments in the conduct of affairs of the High Commissioner's office subsequently indicate the desirability of further instruction from the President, I shall be glad to recommend that additional instructions be sent to you.

With full confidence in your ability to meet the requirements of the situation and wishing you every success in your administration as first United States High Commissioner of the Philippines, I remain,

Very sincerely,

GEO. H. DERN
Secretary of War."

On receipt of this letter Governor General Murphy asked me not to consider the matter closed, and he handed me his draft of a set of instructions which he said are the result of months of work on the part of himself and his staff. I promised to study these papers carefully upon my return to Washing-

ton and, if necessary, to discuss the subject with you.

GENERAL EMILIO AGUINALDO

A few hours after my arrival in Manila I received a visit from General Emilio Aguinaldo, who came to pay his respects and welcome me to the Philippines, and to request the privilege of entertaining me at a luncheon or a dinner at his house. He said that if I could accept his invitation he would like to invite the Philippine veterans and "people from the provinces" to come to his house to greet me. Governor General Murphy had already given me a hint of the situation, and therefore I did not give General Aguinaldo a definite reply, stating that my program was well filled and that I would have to investigate and let him know later whether I could give him a date.

General Aguinaldo was a candidate for President in the recent Commonwealth election at which Mr. Quezon was overwhelmingly elected President, receiving about two-thirds of the total number of votes cast, whereas Aguinaldo received less than one-fifth. He claims his defeat was due to fraud in the elections, and he has sent you a petition, through the Governor General, asking you to cause an investigation to be made into his charges.

The Governor General told me that beginning a day or two after the election and lasting until a day or two before my arrival, nightly mass meetings of General Aguinaldo's followers were held at his house, at which the alleged wickedness of the Quezon-Osmeña regime were discussed and denounced. At one of these meetings a fiery young orator is reported to have said something like this:

"The only way to rid our country of these tyrants is to kill them. I have no parents, wife, nor children dependent upon me, and I shall be glad to lay down my life for my country in the performance of this act. How many others will join me?"

A thousand hands shot up into the air. General Aguinaldo remained silent.

Not only was assassination openly advocated at these meetings according to the Governor General, but General Aguinaldo and his adherents were preparing to stage a great demonstration on inauguration day, to show that Quezon and Osmena were not the popular choices for President and Vice President. Governor General Murphy finally called General Aguinaldo to Malacañan, and succeeded in persuading him to drop his plans for such a demonstration. If I had accepted the invitation for a formal entertainment at General Aguinaldo's house it would probably have been made the occasion of such a demonstration, at which perhaps 50,000 people might have been present. Obviously this would have been an embarrassment to the government which we were about to inaugurate, and therefore I could not be a party to it.

I felt, however, that I ought to return General Aguinaldo's call, and so one afternoon I sent him word at two o'clock that I would come to see him at five o'clock. Even upon such short notice he had gathered together over 2,000 people, with a brass band. He explained that he was sorry that he did not have longer notice, so that he might have given me the kind of welcome a Cabinet officer of the United States deserved. He treated me very cordially and hospitably and no political subjects were discussed. I exchanged photographs and expressions of good will with him, and so far as I was concerned the visit was very interesting and enjoyable.

I got the impression that General Aguinaldo's prestige had suffered a severe decline because of his ill-advised re-entry into politics, but that he still has a devoted following, although they comprise a relatively small minority of the population. Mr. Quezon and his adherents do not take him

seriously.

There appeared to be ample grounds for some of General Aguinaldo's charges of fraud in the election, but one of his closest associates told me that he could not have been elected even if there had been no fraud. This is also the Governor General's view.

Just prior to my departure from Manila, General Aguinaldo sent me a communication asking me to do something toward investigating the frauds mentioned in his petition to the Governor General, which was forwarded to you. The Governor General's action was briefly as follows:

He replied to General Aguinaldo's letter, inviting his attention to the mandatory provisions of the law, and to the fact that, since the results of the election had been certified to him, the Governor General had no other recourse except in turn to certify them to the President of the United States. He also advised General Aguinaldo that his letter was being referred to the Philippine Legislature, that body being charged with the duty of determining the results of the election; and that he was directing the Secretary of Justice to investigate the complaints set forth in General Aguinaldo's communication, and to institute proper proceedings for the punishment of violations of the law. Further, he requested General Aguinaldo to cooperate by presenting to the Secretary of Justice any additional evidence of fraud that might come to his attention.

General Aguinaldo was not satisfied, and replied with the request that the correspondence be forwarded to you for your information and action.

Assuming that Governor General Murphy's construction of the law is correct, his position seems to be sound and we ought to sustain him. Our policy

is to let the Filipinos handle their local affairs so far as is consistent, and it would seem particularly inappropriate for the United States to intervene after the new government has been inaugurated and its officials sworn in. However, I shall withhold my reply to General Aguinaldo until I return to Washington and learn what disposition you have made of the matter.

HIGH COMMISSIONER'S QUARTERS

The 74th Congress appropriated \$750,000 to construct and furnish appropriate residential and office quarters for the High Commissioner. Malacañan Palace, built by the Spaniards, and used as the residence of the Governor General, has been a symbol of sovereignty, but is turned over to the Commonwealth government by the terms of the Independence Act. The Mansion House at Baguio is also the property of the Philippine government, but its use by the High Commissioner has been authorized by the Philippine government until his permanent quarters are ready. A suite of rooms at the Manila Hotel serves as his temporary residence in Manila.

The Mansion House has an American background and is admirably suited to the requirements of the High Commissioner when he wants to get away from the heat of Manila. I was given to understand that it could be bought at a reasonable price, and I have urged High Commissioner Murphy to purchase it if satisfactory terms can be negotiated.

In Manila a site must be acquired and a building must be constructed. The money for this purpose is available and the matter is largely in the High Commissioner's hands, subject to the Secretary of War's approval. Inasmuch as the office of High Commissioner presumably will last only ten years, we should bear in mind that we are building an embassy or a legation and make

our plans accordingly. I have suggested that while the buildings and grounds are to reflect the dignity of the United States, particularly in a country whose government is the child of American effort, I think the construction should not be so elaborate and extravagant as to require excessive annual maintenance costs, either now or for our Foreign Service after independence. We should set for the Philippines an example of dignified democratic simplicity.

SHORTENING THE TRANSITION PERIOD

Several days before the inauguration, Senator Robinson was quoted by a Manila newspaper as having said that if the Filipino people wished to shorten the ten-year transition period, Congress would willingly agree. When General Aguinaldo heard of this report he immediately attempted to secure the stadium in Manila for the purpose of staging a large demonstration to convince the Congressional delegation that the Filipino people not only want the transition period shortened, but want immediate independence. He could not secure the stadium and the meeting was not held.

Other Filipinos are in favor of shortening the transition period, but the leaders of the government are against it, and they control the public sentiment. Governor General Murphy thinks it would be a fatal mistake to shorten the transition period, and that it would do untold harm to the Filipino people. President Quezon in his Inaugural Address indicated that the ten-year period was desirable from the standpoint of economic readjustment, as well as for further training in self-government. I have no doubt that Senator Robinson correctly appraises the sentiment of Congress, but my own feeling has been that the Independence Act is in the nature of a treaty with

the Filipino people which we are not at liberty to modify without their consent. Certainly we should not shorten the transition period unless we are first requested to do so by the Filipino people themselves.

FILIPINO APPRECIATION OF THE UNITED STATES

Before I went to the Philippines I had often been told that the Filipinos had no appreciation of what the United States had done for them; that they considered the Americans as aggressors and interlopers; and that they wanted to get rid of us as soon as possible. During my visit no such expressions reached my ears. On the contrary, there were many expressions of gratitude for what the United States has done in behalf of the Filipino people, and it seemed to be quite generally conceded that the rapid progress made by them had been due to the enlightened generosity of the Americans. I received numerous letters to this effect from humble citizens. In his Inaugural Address President Quezon praised the American record in the Philippines, and conceded that we had brought them the great blessings of education and civil liberty. Innumerable expressions of like tenor were heard in Manila. At Iloilo the President of the Woman's Club, an educated Filipino woman, said to me over and over again,- "I can not tell you how grateful we are to the United States for what she has done for us". Members of the reception committee at Cebu and Zamboanga echoed this sentiment. I felt that there is a growing conviction among the Filipino people that the United States has conducted a great altruistic enterprise in the Philippines, and that the American regime has been a blessing.

THE MOROS

At Zamboanga I was waited upon by a deputation of Moros headed by Datu Taupan Tabodiol, a highly intelligent man with a good command of the English

language. He spoke to me very frankly about the attitude of the Moros, stating that they would like to remain under the sovereignty of the United States, but if we are resolved to leave them they will seek a new master rather than "submit to the yoke of the Filipinos"; that they feel that Japan would be the logical country to take our place, and that they will probably ask Japan to come and take them over; that while relations between the Filipinos and the Moros are smooth on the surface at present, there is a deep underlying enmity which cannot be overcome; that the Moros are not being given any voice in their own government, and that no Moro can get a government position higher than that of janitor.

To the foregoing speech I interposed the observation that the Filipinos themselves had been undergoing a course of training in self-government for some thirty odd years, and that I hoped that they had learned to treat the Moros as we had treated the Filipinos, so as to prepare them to take a proper part in their national and local governments. I said we were not imposing the yoke of the Filipinos upon them, but were endeavoring to make them a part of the Philippine nation and of the Filipino people. I added that it was my impression that the Filipino Governors of the Moro Provinces had apparently been getting along well with the people, and that there had not been much complaint.

Apparently my remarks did not have much effect. When racial and religious prejudices are involved, reason and logic do not have much chance.

I had been laboring under the impression that in Mindanao the Moros were in the majority. This is true only of the Sulu Archipelago, which is the chain of islands lying southwest of Mindanao, embracing a population of

perhaps 250,000, organized into the Sulu Province. In the Island of Mindanao the Moros are in a majority in only two out of the nine provinces into which the Island is divided. Christian Filipinos constitute the majority of the people in the entire Island, and they comprise the largest group in seven out of nine provinces. This relationship as to numbers has undoubtedly changed since the last census (1918) so as to give greater predominance to the Christians.

Some Americans assert that we have violated our promise to the Moros by forcing them under Filipino rule, but it does not seem consistent with the principles of democracy to put the predilections of a small fraction of the population ahead of the interests of the overwhelming majority, so long as the personal rights of the minority have constitutional protection. I understand that ninety-two per cent of the total population of the Philippines is Christian. It is therefore obvious that the United States need feel no doubt as to the propriety of leaving to the government of the Philippines the solution of questions relating to the Mohammedan and Pagan groups of the population.

THE INAUGURATION

The inauguration of the Commonwealth of the Philippines may well be regarded as an historic event. The inaugural ceremonies were well planned and were carried out in an impressive manner. There were no untoward incidents to mar the occasion, the weather was fine, and a crowd estimated at 200,000 persons was in attendance. To avoid the mid-day heat, the program began at 8 o'clock in the morning.

After the invocation, Governor General Murphy introduced me and I de-

livered my address, at the conclusion of which I asked the Governor General to read the proclamation of the President of the United States. Thereupon the oath of office was administered to President Quezon, Vice President Osmena, and the members of the National Assembly, after which I formally declared the old government at an end and the new government in effect. President Quezon then delivered his inaugural address, which ended the ceremonies. I withdrew with my party and went aboard the CHESTER. High Commissioner Murphy, who had taken the oath of office on the preceding afternoon, withdrew to his quarters in the Manila Hotel. President Quezon withdrew temporarily into the Legislative Building, but returned to the inaugural stand a half hour later to review the inaugural parade, after which he was escorted by a troop of United States Cavalry to Malacañan Palace.

I entertained the High Commissioner and his family, Vice President and Mrs. Garner, Speaker and Mrs. Byrns, and the ranking Army and Navy officers and their wives at luncheon on the deck of the CHESTER,- quite a distinguished company. In the evening Mrs. Dern and I attended a dinner given in our honor by President Quezon at his house in Pasay, and thereafter we attended the inaugural ball which was a very beautiful affair. Early the next morning we sailed for Iloilo.

PRESIDENT QUEZON

The first President of the Commonwealth of the Philippines has had a long political career, and is the strong man of the Islands. He is a man of distinguished ability, a skillful politician, and seems to have high ideals. Governor General Murphy said Mr. Quezon has cooperated with him perfectly in every respect during the past two and one-half years. His in-

augural address was enlightened, inspiring and idealistic. It carried a distinct threat against any recalcitrant elements.

I found that the business interests, including the Americans, while shy of independence, are staunch supporters of President Quezon.

The Filipino people generally seem to have confidence in the new government. My feeling is that it will be so strongly centralized that it will approach a dictatorship. President Quezon said to me, "If I fail it will be my own fault, for the National Assembly is behind me to a man, and whatever I say goes". He made frequent use of the capital "I". For example, "I am going to have the Legislature meet at Baguio instead of Manila", and "I am going to make the sugar companies and the mines pay their share of the taxes". I took these casual remarks as straws to show which way the wind is blowing. However, Mr. Quezon has been in public life for many years, and he knows his constituents and his associates better than I do.

PROBABLE SUCCESS OF COMMONWEALTH

Personally, I do not entertain much doubt that the Commonwealth will be a success, particularly if its leaders cooperate with High Commissioner Murphy and continue to seek his wise counsel. Its fiscal affairs are in good condition, and if the financial example set by Governor General Murphy is followed by President Quezon, the first requisite for success will be maintained.

Many of the Filipino leaders are men of unusual ability and character. Governor General Murphy admitted to me that the Filipinos who have comprised his Cabinet compare favorably with the best of the men with whom he has had to work in some other public positions. He is lavish with his praises for several of the Filipinos who have been prominent during his administration, and it seems to me that the Filipinos have responded admirably to the oppor-

tunities that have been given them, and have demonstrated that their intellectual capacity is not inferior.

Governor General Murphy is quite sanguine that the Commonwealth government will be a success, provided the United States High Commissioner is able to assist its officials with helpful advice without appearing meddlesome. The Army and Navy officials, with very few exceptions, are skeptical of the ability of the Filipinos to run their own government. I do not know how much weight should be given to their opinions. One might say that they have been here longer than any other Americans, know the Filipinos intimately, and, therefore, ought to be the best judges of the prospects. On the other hand, one might say that our military and naval forces live a sequestered life and do not really understand the Filipino, nor the progress that has been made in the civil government. In such a group, which lives by itself, it is not difficult to get a tradition started that the Filipino is an inferior being, made to be ruled by the white man. In the "Days of the Empire" the motto of the soldier who was exasperated by the guerilla warfare of the insurrection was, "Civilize them with a Krag", and perhaps our armed forces still have a little of the notion that we are carrying the white man's burden, and that it is our duty to rule the benighted brown people. This point of view is probably an inevitable result of environment, and even though I do not concur in it, I find it difficult to become indignant with those who hold it. There is no question about the character, loyalty and patriotism of the officers who represent the Army and Navy in the Philippines, and they deserve our respect and gratitude, and perhaps also a decent consideration of their point of view.

After all, that point of view is not peculiar to the armed forces. The

American civilian population of the Philippines seems to be of the same opinion, only more so. I regret that the generous philosophy of the Independence Act does not yet seem to be well understood or accepted by the Americans who live in the Islands.

THE MILITARY MISSION

The American military mission to the Philippines, headed by General Douglas MacArthur, has established headquarters at the Santa Lucia Barracks, a small group of buildings on the military reservation inside the walled city, and I suppose General MacArthur has entered upon his duties as Military Adviser to President Quezon. The Commanding General of the Department of the Philippines has been somewhat apprehensive lest the powers of General MacArthur may interfere with the proper functioning of the Department Commander in his assigned mission. However, General MacArthur is a man of great tact, and I hope everything will go on smoothly.

President Quezon and General MacArthur have agreed on a plan for a small standing army, supplemented by universal military training which would create a reserve of trained men who could be called to the colors in emergency.

Stated broadly, we are proposing to help the Filipinos to readjust themselves for national defense during the transition period just as we are giving them an opportunity to readjust their economic condition. To build up a Philippine army will require a considerable increase in Philippine revenues, and this is probably the chief reason why increased taxes are imminent.

GOLD MINING

The gold mining industry in the vicinity of Baguio has developed to important proportions. There seems to be a fairly large gold bearing area and several mines are producing. I visited one of these and found that the most

modern and efficient methods and equipment are in use and the best engineering practice is being followed. The property which I visited is milling 1,200 tons of ore per day, carrying over \$14.00 per ton at the present price of gold. They are making an extraction of ninety per cent, and their total costs, including overhead, are \$7.00 per ton, hence the operation appears to be highly profitable. I have been informed that there are several other producing properties and still others which are good prospects. The veins are persistent, and the Philippines have already become one of the important gold producing countries of the world.

SUGAR

I visited two sugar plantations near Manila, one owned by Americans and the other by Spaniards. Both of these companies started with worthless forest land, which they had to clear and put into condition for cultivation. The operations are conducted on the same scientific lines that I observed in Hawaii. Much credit is due to those who had the enterprise to come into a new territory and, by the application of scientific methods, build up an industry that gives employment to a large number of workers, and that is an important addition to the economy of the Philippine Islands. The management of these companies is much more paternalistic than the methods to which we are accustomed in the United States. Despite their apparent regimentation, I suppose the employees are better off than almost any other class of workers in the Islands. I judge that the wage scales are low, but perhaps they will be still lower when the American free market is lost, hence an upward readjustment might not now be advisable even if justifiable. The managers lay stress on the fact that, besides their wages, the men and their families are provided with educational, medical, and recreational facilities. I asked

President Quezon what sort of taxes the sugar companies are paying, and he replied, "Practically none". This is one of the places where he thinks tax adjustments are called for. He told me that some of the sugar companies are making from thirty-five to fifty-five per cent profit per year.

The managers of both of the companies I visited assured me that they would not be able to live under Philippine independence without the American market. They claim they are making their plans to liquidate their investments during the next seven years and then discontinue operations.

COCONUT OIL

One of the chief crops of the Philippines is coconuts. This crop is marketed either in the form of copra (dried coconut meat) or else in the form of coconut oil. In some cases large corporations own extensive coconut groves, but there are also a great many small farmers who own a few coconut trees and who are, therefore, affected by the industry. I discovered a good deal of resentment against the action of Congress in imposing an excise tax on coconut oil, and it will be recalled that when I appeared before the Congressional committee I referred to this action as tantamount to violation of a treaty. However, it is not apparent that the excise tax has done any appreciable harm as yet, because the price of copra has gone up instead of down since the law was enacted. A longer experience is needed to tell the real effect.

HEMP

The production of hemp is an important industry in the Philippine Islands. I understand that fifty per cent of the total hemp produced comes from the Province of Davao, and that in that Province fifty per cent of the production is by the Japanese. I also understand that the hemp industry in

Davao was started by Americans, but the American holdings have declined whilst the Japanese have expanded. When I asked the reason, I was told that American capital had been afraid to go ahead because of the uncertainty of the American policy. I construed this to mean that Americans were unwilling to risk their money in an independent Philippine nation, and inasmuch as independence has been imminent for some time, there has been American liquidation rather than expansion.

I visited the largest Japanese hemp plantation, and it showed every evidence of efficient management.

There is a great deal of undeveloped land in Mindanao and apparently the hemp industry is susceptible of large expansion there if the market warrants it. From the standpoint of improving the national economy, it is a desirable industry, because it yields an important exportable product and adds greatly to the national income, to be distributed in the form of wages, etc.

TOBACCO

Although tobacco is one of the principal products, I did not have an opportunity to visit any of the tobacco growing areas, which are chiefly in the Cagayan Valley, in northern Luzon. There are a number of tobacco factories in Manila, to which the tobacco is shipped from the plantations for fabrication. I visited the largest of these plants and found that cigarettes and smoking tobacco are manufactured by modern machine methods, whilst cigars are all made by hand - the latter type of work furnishing employment for a large number of women, who are on a piece-work basis. While the factory which we visited was in a newly constructed, well ventilated and well lighted building, yet I somehow got the impression that cigar making is practically under sweatshop conditions. I realize that a newcomer, accustomed to Ameri-

can wage and working standards, can not form a very accurate judgment during such a casual visit.

JAPANESE AT DAVAO

Government leaders at Manila, including President Quezon, expressed themselves as being concerned over the large Japanese colony at Davao as a possible source of future trouble with Japan. When I got to Mindanao the Japanese peril seemed to be uppermost in the minds of the Filipinos and the Americans alike. The opinion was frequently expressed that when Japan gets ready for aggressive action in the Philippines it will be easy for her to create an incident in Davao which would "justify" her in sending in a punitive expedition, as the entering wedge for Japanese occupation. One American, on the other hand, said, "The Japanese are doing a good job down here, and if they are let alone they will make this a great country".

The Province of Davao, on the Island of Mindanao, contains about seven per cent of the whole area of the Philippines. Its soil is said to be the richest in the archipelago, more than half of it covered by commercial timber. It has a good climate, and the rainfall is uniformly distributed over the year. It lies within the belt where typhoons are unknown. Owing to the fertility of the soil it is especially adapted for the production of abaca, or Manila hemp.

There are 13,065 Japanese in the Province, who have an investment of 44,300,000 pesos. They are said to predominate over the Filipinos in agriculture, commerce and industry, including lumbering and fishing.

I was informed that of about 118,115 hectares of alienable land, 57,350 hectares, or nearly fifty per cent, is occupied by Japanese as follows:

Lands acquired from private persons.....	2,752	hectares
Lands legally acquired from the Government.....	25,347	"
Public lands applied for by Filipinos or Americans but occupied by Japanese.....	<u>29,251</u>	"
Total.....	57,350	hectares.

If all these lands have been legally acquired, it is obvious that the Japanese have a strong foothold, and doubtless they will cling to their interests, for they claim they represent sacrifices of money, energy and human lives.

The Japanese are united in an organization called the Japanese Association in Davao, which owns a building in the city of Davao, and maintains a staff to look after the interests of Japanese nationals. There is also a Japanese consul in Davao, who is exceedingly diligent in behalf of Japanese interests.

The Philippine government claims that much of the land occupied by Japanese under lease has not been legally acquired, and is moving to cancel all illegal leases. This has aroused a furore. A committee appointed by the Secretary of Agriculture and Commerce to study the "Davao Problem" says the "Davao Problem" is really "The Japanese Problem". Its summary may be condensed as follows:

The Japanese are very nationalistic, and, on account of their traditions, religion, history and training, they will always be loyal to the Emperor and will never become Filipinos. On account of their large investment they are bound to struggle for supremacy, and "there cannot be two masters in one house". The 13,000 Japanese in Davao own or control the largest and most productive abaca plantations, they operate two big saw-mills, and their lumber concessions cover 100,000 hectares. They control commerce and industry in the province, and all the stores sell chiefly

Japanese goods. The Japanese are industrious, well disciplined and aggressive in business. They always eat foods prepared or made in Japan, drink Japanese wines and beer, wear Japanese hats, clothing and shoes, and hence send out of the country money that ought to circulate only in the Philippines. And finally, "At the outbreak of any hostility between America and Japan, or between the future Philippine Republic and Japan, there will already be an organized Japanese army in Davao. Davao is nearer the Japanese mandated islands than Manila so that reinforcements from said islands will reach Davao earlier than those coming from Manila."

The inference is that the safety and welfare of the Philippines demand the reduction of Japanese holdings and influence, and that so far as this can be done legally it ought to be done promptly. When we have been given an opportunity to offer advice we have urged fairness and keeping within the law.

TRADE RELATIONS

The Philippines purchased \$54,000,000 worth of goods from the United States in 1934, and are our seventeenth largest customer. We bought \$92,000,000 worth of goods from the Philippines, and, of course, our free market has been the cause of raising the Philippine standard of living above that of any other nation of the Orient.

The retention of the American market in some form is vital to the future prosperity of the Philippines; and the retention of our export business to the Philippines is manifestly desirable for the United States. It is predicted that this trade will be paralyzed by the terms of the Independence Act when they go wholly into effect.

The Commonwealth government will press for prompt consideration of these trade relations, and President Quezon, when I said good-bye to him, said, "I will see you in Washington next February for I am coming to attend the trade conference". I realize that you have promised to call such a conference, and yet I have had a feeling that a conference held so soon would be premature, because no changes in the tariff will go into effect during the first five years of the Commonwealth, and a longer experience might be helpful in reaching sound conclusions. I had assumed that the primary purpose of the trade conference suggested in the Independence Act would be to work out the details of a treaty between the United States and the Philippine Republic after independence.

However, it seems that some of the industries in the Philippines are now in a very nervous state, and are threatening to liquidate on account of the prospective closing of the American free market. The forthcoming trade conference is, therefore, no doubt for the purpose of seeking immediate amendments to the Tydings-McDuffie Act, so as to provide a feeling of security and confidence in the future of Philippine industries. President Quezon justifies his demand for an early trade conference by your statement upon signing the Tydings-McDuffie bill, that if it contains any inequities they can be corrected later. He is adroit at shifting responsibility, and if the trade conference does not go to suit him he is pretty sure to blame the United States for any distress in the Islands, however inevitable. I suggest, therefore, that when the conference is begun care be taken in stating the problem.

JAPANESE TRADE WITH THE PHILIPPINES

During the past few years it has become evident that the Japanese have

embarked upon a program of peaceful penetration of the Philippines. This is shown not only by the increased number of Japanese retail stores, but also by the statistics on Japanese trade with the Philippines.

Japanese exports to the Philippines have rapidly increased during the past few years as shown by the following figures:

1933	24,051,000 yen
1934	36,461,000 yen
1935 (first 8 months)	30,073,000 yen.

Japanese imports from the Philippine Islands were as follows:

1932	9,764,000 yen
1933	14,185,000 yen
1934	18,891,000 yen
1935 (first 8 months)	15,681,000 yen.

The increase in the value of exports is chiefly in textiles, and during the past year American cotton textile exporters have repeatedly complained to me that their Philippine business is being taken away from them by Japan, and that our Government is doing nothing to protect them. It has seemed to me that this matter is almost entirely in the hands of the Philippine Legislature, which has the power to levy tariffs, subject to the approval of the President of the United States. Inasmuch as every Filipino farmer and laborer wears cotton clothing, it is quite probable that the Philippine Government would not consider it good politics to increase the cost of living of the Filipino people merely for the purpose of protecting an American industry.

Japanese importations from the Philippine Islands show that the most important item is hemp, or abaca, which was valued at 10,127,000 yen in 1934. Other important items were wood, leaf tobacco, and copra.

Japan considers its trade with the Philippines important both from the

standpoint of present profits and of future expectations. The Japanese do not expect the Philippines to become a large manufacturing center, even after independence. Japanese exports to the Philippines consist chiefly of manufactured goods, whilst importations consist largely of raw materials required for Japanese industry.

It is well understood that Japan has industrialized herself so rapidly because her only hope of sustaining her ever-increasing population is through manufacturing; and in order to expand her industry she must have a foreign outlet for her manufactured goods. That is the reason why she is already beginning to flood not only the Philippines but the rest of the world, including the United States, with the products of her factories. It goes without saying that we will take the necessary steps to save our home market and wage scales from such impossible competition, but the picture is different in the Philippines. Cheaper prices and low living standards may compel the Filipinos to buy low-cost Japanese textiles and other manufactured goods rather than to import from distant America. When it comes to dollars and cents, friendship and gratitude vanish, and goods are bought where they can be bought the cheapest. That is the rule in the United States, so why should we expect the Filipinos to do otherwise? It is therefore not surprising that Japanese textiles are driving American textiles from the Philippine market, although the higher quality of certain American textiles will probably always command somewhat of a position in the Philippine market, if not hindered by trade barriers.

THE ARMY

I visited all of our Army posts in the Philippines, namely, Fort Santiago

(location of Department Headquarters), Fort William McKinley near Manila, Corregidor, Fort Stotsenburg, Camp John Hay at Baguio, and Pettit Barracks at Zamboanga. I found each of them in satisfactory condition.

Inasmuch as the Army will not be withdrawn from the Philippines for another ten years, I deem it advisable to continue modest expenditures for the maintenance of buildings and equipment at these posts. If these structures are neglected and allowed to deteriorate the morale of the officers and men will probably go down with them.

Nearly all of our troops in the Philippines are Philippine Scouts. Without exception, the officers praise the soldierly quality of these men. They show intelligence and aptitude, as well as endurance and resourcefulness. In the reviews which I witnessed their marching was superb. They are so sober and reliable that the guard houses are nearly always empty. Enlistment in the Philippine Scouts seems to be considered "a good job", and practically all of the men re-enlist. During the insurrection the Filipinos displayed great courage and fortitude, and it seems to me that there can be no doubt that the Filipino makes a good soldier, and that the Philippine government can develop an efficient Army within the limits of its revenues.

Corregidor is an impregnable fortress, and I was assured by General Parker and General Kilbourne that it can hold out against any enemy so long as its food and ammunition last. After visiting the works I can well believe that statement.

Fort McKinley is on the outskirts of Manila, while Fort Stotsenburg is about seventy miles north. The chief mission of Camp John Hay is to provide an installation capable of accommodating the officers and men who are

sent up to the cooler climate to recuperate.

During the past two years Major General Frank Parker, Commander of the Philippine Department, has made a thorough investigation of the Philippine Archipelago with reference to the development of aviation. He, himself, has flown over 35,000 miles during this investigation. He has submitted to Governor General Murphy a report in which he shows where suitable air ports can be constructed, and providing for a comprehensive system of aviation to cover the entire Archipelago. It contains suggestions and information that ought to be of great value in the future development of air routes in the Islands. Their actual development, however, will necessarily depend upon the aviation policy of the Commonwealth government and to the extent to which money may be available for this purpose.

Under the terms of the Tydings-McDuffie Act all of the United States military reservations pass to the Philippine government when independence is proclaimed. There is probably no great hurry about it, but in due course of time we should decide upon a policy. Shall we reduce our forces in the Philippines gradually as the Commonwealth develops an Army of its own, or shall we maintain our full strength until Independence Day, and then withdraw all at once?

The Philippine Scouts have the privilege of retiring after thirty years of service. Some of them have already retired and are drawing retirement pay from the United States. If the present Scouts are permitted to re-enlist, most of them will have had thirty years of service by the end of the ten-year transition period, and will be eligible for retirement at the expense of the

United States. We shall then have a large body of aliens, living in a foreign country, drawing retirement pay from the United States Government. They will have earned it, and will be entitled to it, but nevertheless it creates a somewhat peculiar situation, and that is why I mention it. I will have the General Staff study this question without delay, taking into consideration the fact that the Philippine Scouts are the portion of our Army upon which we must largely depend for the preservation of our sovereign interests during our remaining stay in the Islands. It is important that they shall receive consideration commensurate with the nature of the service demanded of them, and the test of loyalty may prove of more importance to the United States during this period than ever before.

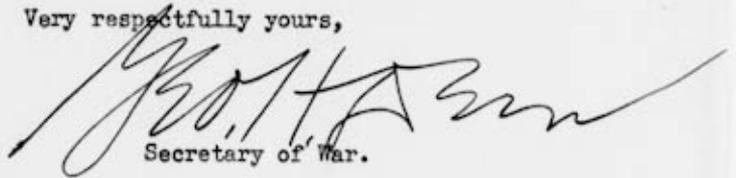
There is more involved than the question of pensions to aliens. No Americans have been called out against Filipinos since the end of the Insurrection, and I fervently hope that no Filipino blood will ever again be shed by an American soldier. Nevertheless it is conceivable that a situation might arise in which the High Commissioner would be called upon to do something against the existing government. For example, the law authorizes the "occupation of customs houses and the administration of customs" under certain circumstances, and he should have a loyal and dependable force of United States troops at hand.

In closing this rather lengthy report I wish to express to you my deep appreciation of the honor of being selected as your representative at the memorable occasion of putting into effect this great step toward making the Philippines an independent republic. It has been a rare privilege and it has

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given me pleasure to have a part in the consummation of a policy in which
I have always believed.

Very respectfully yours,

A handwritten signature in cursive script, appearing to read "Robert H. A. Brown". The signature is written in dark ink and is positioned above the typed name.

Secretary of War.

~~CONFIDENTIAL~~ REPORT
to the
PRESIDENT

by GEO. H. DERN, Secretary of War,
covering his recent trip to Hawaii,
Japan, China and the Philippines
(in three parts).

Part 3 - GUAM, WAKE ISLAND, MIDWAY,
HAWAII, CONCLUSION. December 20, 1935.

WAR DEPARTMENT
WASHINGTON

USS CHESTER,
En Route to San Francisco,
December 10, 1935.

Frank B. Rowland Library

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BUD DIR. 5200.9 (9/27/58)

Date- 9-2-66

Signature- *Carl L. Spicer*

The President,

The White House.

Dear Mr. President:

We are now on the last leg of our cruise on the USS CHESTER, and I take pleasure in submitting to you the following notes on the places which we have visited since we left the Philippines.

GUAM

Secretary of the Navy Denby is the only other Cabinet member who ever went to Guam, hence my visit was considered an event of unusual local interest, and elaborate preparations were made for our entertainment. The result was that this unimportant little island gave us an exceedingly interesting and enjoyable day.

Guam was formerly a Spanish colony, and was the seat of the Spanish Government of the Marianas Group. It was ceded to the United States by the Treaty of Paris at the close of the Spanish-American War.

The island is approximately thirty miles long and from four to eight and one-half miles wide. Its area is 225 square miles, and its population is about 20,000 Chamorros, as the natives are called, and a few whites. It is of eruptive origin and, therefore, quite mountainous. The principal products are copra (dried coconut meat), rice, corn, avocados, tropical fruits and coral. Its only exports are copra and a small amount of soap.

As one drives over the highways he gets the impression that Guam is almost an undeveloped island. Although there is plenty of good land, and an ample annual rainfall (98 inches), the Island is far from self-sustaining in food products. I do not know whether this was true under the Spanish regime or not, but Spain's policy was to make all of her colonies not only self-sustaining but revenue producing. At the present time imports exceed exports seven to one. In fact most of the food is imported, as well as practically all of the clothing and other necessities. The unfavorable trade balance seems to be made up by the expenditures of the United States Government. Hence the maintenance of the present standard of living depends upon the appropriations of the United States. The present Governor is fully alive to this unhealthy situation, and is using his best efforts to increase the production of rice and other food crops so as to improve the economy of the Island and to lessen its dependence upon the outside world. Progress in this direction is slow, because the people prefer to work for the Government for wages. Due to improved sanitary and public health measures, the population is increasing, and hence it will become more and more important to develop the agricultural resources of the Island. I suppose that with proper energy Guam could feed itself and raise a surplus for export. Through education and example we have taught the Chamorros to want many things that they did not want before. We are now, I trust, teaching them that their new wants can only be satisfied through their own productive labor.

Guam was placed under the Navy Department by President McKinley on December 23, 1898, and therefore has a military form of government, in which the people have no voice, except in an advisory capacity. The gov-

ernment might be termed a benevolent autocracy. I suppose it is the most highly socialized entity under the American flag. Indeed, it struck me as being a fascinating social laboratory in which collective effort may be compared with individualistic effort.

At the head of the Naval government of Guam stands the Governor, who is also Commandant of the Naval Station. Next to him, but with no authority except to advise, is the Guam Congress, consisting of the House of Council (16 members) and the House of Assembly (27 members). The members of both Houses are elected by the people every two years. The Governor maintains contact with the Congress through an executive congressional committee, and he finds this channel useful in determining the needs of the people in their respective districts.

There is a Division of Agriculture which promotes and carries out the Naval Government's policy in regard to the agricultural needs and activities of the Island, by encouraging and assisting the farmers in the production of vegetables, live stock and poultry, and aiding them in marketing their products. In his last annual report the Governor said:

"In order to make Guam more nearly self-sustaining, the people are encouraged to return to the soil. A Division of Agriculture has, from time to time, purchased high grade seeds and sold them or given them free of charge to farmers of the poorer class. Rice, corn, sugar cane and vegetable seeds have been distributed in this manner. Various kinds of pure bred stock have been imported by the Division to improve by breeding the strains now existing on the Island."

This is the class of work usually done by the Extension Service and Experiment Station of an agricultural college in the United States, but here it is carried somewhat further. During the past year several small dams were built to store water for increased rice acreage. For the most part such

constructive work was performed by volunteer labor, the material and the technical supervision being furnished by the Naval Government. The Governor is earnestly endeavoring to increase the rice production up to the Island's consumption, and feels confident that this will be accomplished.

Practical forestry is also encouraged by the Government, and active reforestation is going on, in order to prevent erosion and to assure an adequate supply of timber for the future.

The fishing industry is practically undeveloped. Inasmuch as it has great potentialities as a source of food supply, and also possibly for export, it is being given every encouragement by the Government which, among other things, conducts a fishing school.

The Government is also engaged in the construction, maintenance and repair of public works and public utilities, maintenance of roads and bridges, loading and unloading freight from ships, supervision of Naval Government telephones, electric lights, etc., and land surveying and general engineering for the Island. The public utilities operated by the Government consist of telephones, electric lights, garbage removal and motor transportation by truck and bus.

The educational system of Guam is interesting and seems to have been well considered, keeping the historical background, environment and needs of the Chamorro people constantly in mind. All children of both sexes between the ages of seven and twelve years must attend school, the policy being to develop the educational and cultural needs of the people to the fullest extent, and to promote the use of the English language. Inasmuch as there are few white collar jobs in Guam, the schools lay great stress

upon vocational training, such as carpentry, cooking, sewing, weaving and making fish nets. These occupations are more likely to furnish remunerative employment than higher academic education. There are also adult classes in the schools, which are well attended, the people being much interested in learning English. Special attention is given to the health of the school children. They all get a physical examination yearly. First aid, dental care, physical training, lunch during the recess period, and other services are furnished the children.

A Public Health Service and public hospitals are maintained.

There is an efficient police department, by means of which law and order, and compliance with sanitary and other regulations, are strictly enforced.

So far as I know, Guam is the only territory under the American flag that has compulsory universal military service. In the language of the Governor, "Military training begins for school boys between the ages of seven and sixteen years. Four hours each week are devoted to physical exercises, under the supervision of the Department of Education and the local school teachers. At the age of sixteen years, boys are enrolled in the Active Militia and are assigned to one of the local companies. They remain in the Active Militia until they reach the age of twenty-one years, when, at their own request, they are transferred to the Militia Reserve. At the age of twenty-five years, all members of the Guam Militia are disenrolled, unless, in the case of officers, they express a desire to continue in the service."

The Active Militia drills twice a month and the Reserve Militia once

a month. The present strength of the Active Militia is 77 officers and 1,674 enlisted men.

A full strength review was turned out for me, the troops having assembled from all parts of the Island for this purpose. They made a fairly creditable showing. During our subsequent automobile trip over the highways we saw some of them walking home barefooted, carrying their shoes in their hands.

I suppose this mild form of military training benefits the young men of Guam, both physically and morally, and gives them a new interest in life.

Among the other units which turned out to greet us during our visit were the Boy Scouts and the Girl Scouts. The Governor is extremely proud of these new organizations, and they looked very smart and up-to-date.

The Attorney General and the judiciary are, of course, appointed by the Governor, and I was assured that the administration of justice is prompt and fair. Things evidently have changed in Guam since Magellan landed there in 1521 and named the Archipelago Ladrone Islands, because the inhabitants stole everything they could lay their hands on. Last year, out of 432 criminal cases tried by the courts, only 37 cases involved stealing.

The Government is also in the banking business, having established the Bank of Guam, the \$15,000 capital stock of which is owned by the Naval Government of Guam. This bank provides a complete financial service for the residents of the Island, and is said to be operated under the soundest current banking standards, policies and practices. The management is

vested in a Board of Managers, appointed by the Governor, consisting of Naval officers and civilians.

There are also public parks and other recreational facilities.

Here is a place where the Government owns the newspapers. It prints a monthly magazine called the "Guam Reporter", and a daily newspaper called the "Guam Eagle", the latter being put out in mimeographed form, containing the daily news from all over the world, taken from radio and news broadcasts, and also local news items and notices. These are the only publications on the Island.

The present Governor-Commandant of Guam is Captain George A. Alexander, United States Navy. He has taken a deep interest in the fiscal affairs of the Island, and has made an excellent record in developing the industries, keeping down expenses and preventing waste. Along with this practical attitude he has a statesmanlike approach to the economic and social problems of the people. He knows what he is about, and is doing a good job. The natives seem to be happy under his administration and under American rule generally, because everywhere we went we saw smiling faces and received kindly salutes. There were no scowls or other evidences of discontent. My conclusion is that the Naval administration appears to be highly efficient. It operates with a balanced budget, the police force seems to be adequate and alert, and the cleanliness and neatness of the towns, villages and highways was in striking contrast with most other places we have visited.

A large public meeting was held in our honor during the evening. All the Chamorros repeated the pledge of allegiance to the flag. There was a program of native dancing and music, and a speech on behalf of the people was made by B. J. Bordallo, Chairman of the House of Council of the Congress

of Guam. I quote the following paragraphs from a typewritten copy of his address which was furnished me after the meeting:

***By virtue of His high office, we respectfully appeal to him (Secretary of War) to impart to the President and The Congress the following information:

The people of Guam are obedient to civil and military laws and regulations; we are faithful and attentive to our civic duties; we have given and shall continue to give our fullest cooperation and loyalty to the government; we have learned and profited by the fine examples and from the invaluable instructions we received from officials of the local government; we now hope with anxious anticipation that the day is not far distant when OUR CIVIL STATUS MAY BE CLARIFIED; when WE MAY BE OFFERED A SEAT IN THE COUNCIL OF OUR LOCAL GOVERNMENT; or at least RECOGNIZE OUR HUMAN RIGHTS TO PARTICIPATE IN THE LEGISLATION OF LAWS, INTENDED FOR OUR PEOPLE.

* * * * *

In behalf of our people I convey to YOU this message to PRESIDENT ROOSEVELT; WE, THE PEOPLE OF GUAM PLEDGE THE PRESIDENT OF THE MOST DEMOCRATIC AND BENEVOLENT NATION IN THE WORLD, OUR UNDIVIDED SUPPORT AND ALLEGIANCE TO THE AMERICAN FLAG AND THE IDEALS FOR WHICH IT STANDS; WE PLEDGE ONE AND ALL, ANY TIME THAT WE MAY BE CALLED UPON, OUR LIVES, OUR LIBERTY, AND OUR MATERIAL POSSESSIONS, FOR THE DEFENSE OF OUR MOTHER COUNTRY, THE UNITED STATES OF AMERICA."

The population of Guam is ninety-nine per cent Catholic, and, according to Governor Alexander, the Bishop of Guam seems to cling to the idea that he is not only the spiritual but the temporal leader of the people, and does not like to subordinate himself to the Governor. I inferred that more or less friction has occurred, for the Governor told me that he could make his government more efficient if he had the cooperation, instead of the underhanded opposition, of the Bishop. He says the Bishop is a sixteenth century Spaniard, and that if the church will only send an American Bishop, who has been trained in American methods and ideas, the situ-

ation would be very much improved, and it would be better for the people. The Bishop, however, assured me of his fidelity to the United States.

In addition to being Governor, Captain Alexander is Commandant of the United States Naval Station. Although designated as a Naval Station, Guam is an unfortified island, and there are no provisions for its defense. It is not on the route of any commercial steamship line, and its transportation facilities consist almost exclusively of Army and Navy transports, although there are occasional calls by other ships. The Army transport GRANT calls there regularly every three or four months, and the people depend on it for fresh vegetables and meats.

Naturally the people of Guam are very much interested in the Pan American Airways trans-Pacific service, which is just being inaugurated, and which will soon bring them closer to the rest of the world. As a necessary link in this important American development, the indefinite retention of Guam by the United States is indicated, and it is advisable for the American people to have a better knowledge of this American outpost, its people and its problems.

WAKE ISLAND

At 9:23 o'clock a.m. on November 27th, or about twenty-four hours before we reached Wake Island, the China Clipper of the Pan American Airways flew over the CHESTER en route to Guam on its memorable first trans-Pacific flight. We exchanged radio messages. She was flying 8,000 feet high, with a strong tail wind, and was soon out of sight.

Wake Island is really a group of three islands composed of Wilkes, Peale and Wake. We landed on Wilkes, and the Pan American Airways station

is on Peale, but the group is referred to as Wake Island because Wake, although uninhabited, is the largest of the three. This situation is similar to that of Hawaii, where the city of Honolulu and most of the important activities are centered on the Island of Oahu, and yet the territory is named Hawaii, after the largest island.

We could not anchor at Wake because the water is too deep. There was no bottom at 165 fathoms two hundred yards from shore. The ship, therefore, had to lie to while we went ashore.

The three islands lie in a triangular position, thereby forming a lagoon of beautiful green water, which is the landing field for the Clipper ships. The islands comprise about 2,600 acres, and are very low, the highest point being about twenty-one feet above the sea. The group is about four and one-half miles long and two miles across. There was formerly a small channel leading in to the lagoon, but this has filled in so that now it is not navigable, even for small boats. We were, therefore, obliged to land on Wilkes Island, which we crossed on a huge sled, or "stone boat", drawn by a caterpillar tractor, - our first sleigh ride this winter. We then crossed the lagoon in another boat to the Pan American Airways station on Peale Island.

There are no human inhabitants on the island except the personnel of the Pan American Airways, and no buildings except those which have been constructed by that Company since last June. What the Company has done is quite a remarkable engineering feat. It has taken a desert island in the tropics in the middle of the Pacific Ocean and, in a few months, it has erected a plant in which Americans can enjoy all the most modern conveniences of home, including electric lights, electric fans, refrigeration, running

hot and cold water, bath tubs, indoor toilets, and modern cooking and dining room facilities.

Electric power is supplied by Diesel driven generators. The refrigerator plant is composed of one freezer room, a service cooler room and a chill room, power for the same being obtained from the generators, and the system is cooled by either salt or fresh water.

Salt water is pumped from a well to a windmill tank and distributed from there. Fresh water is obtained by collecting rain water from the roofs of the houses in underground cisterns, whence it is pumped to a windmill pressure tank and supplied to the houses. In case of shortage, sea water must be distilled. Houses are piped to allow for the use of either salt or fresh water in lavatories and bath.

Hot water is obtained by the use of a simple but effective solar heater. The water is circulated through a coil of iron pipe placed in a shallow wooden box covered with glass, and exposed to the sun. The pipe and the inside of the box are painted black. The black absorbs the heat from the sun's rays and the glass cover prevents cooling by circulation of the air. By this apparatus the temperature of the water can be raised nearly to the boiling point with no operating expense.

The Company has designed a very attractive lay-out, and the building program has all been completed, except a hotel which they propose to erect in a few months. They have done a good deal of planting and landscape gardening, and should have a very attractive place in another year or two.

The staff consists of a group of intelligent, specially trained young men who are very enthusiastic over their pioneering work.

The Island is covered with quite a dense growth of a specie of magnolia,

but none of them are more than about twenty feet high. We were told that some of the trees have grown eighteen inches since last spring, and I wondered why the trees were not higher. While there is no evidences of a flood, one can not help wondering whether there has been a recent tidal wave that swamped the island and killed or washed out the vegetation. Most of the island is only a few feet above sea level, and it would seem as if a typhoon or some other violent storm might easily cause such a catastrophe. I wondered whether a seawall on the northeast or windward side of Peale Island would not eventually be deemed necessary.

The harbors of the United States are improved for shipping at the expense of the Federal Government. In aviation we have a new form of transportation which also requires proper water conditions, and it seems to me that it would not be inappropriate for the Government to dredge out the shallow channel above mentioned, so as to make it navigable for such boats as can be used in the lagoon. This improvement would not only facilitate the supply service for the Pan American Airways station, but if Wake Island develops into a recreational place it would be useful from that standpoint.

This group was discovered by the PRINCE WILLIAM HENRY, in 1798, and was visited and charted by the United States expedition, under the leadership of Wilkes, in 1841. General F. V. Greene hoisted the United States flag here on July 4, 1898, and the islands were formally claimed for the United States by Commander Taussig, of the BENNINGTON, in January, 1900. A survey was made by the TANAGER expedition during July-August 1923. It was also visited by the crew of the USS BEAVER in 1927. During the month of February, 1935, the island was again surveyed by a party from the USS NITRO.

The first landing, by the Pan American Airways Expedition was effected

May 9, 1935. A base was established, on Wilkes Island, materials unloaded, and construction work was started on Peale Island, May 21, 1935. The station is now in operation.

The first Pan American seaplane landed, from Midway, August 17, 1935, at 12:29 p.m., local time. The China Clipper, on its first regular trans-Pacific flight, left for Guam the day before we arrived.

Wake Island is a bird refuge and the bird life there is interesting, especially the Laysan flightless rail, the terns, the sandpipers, and the canaries which were only recently brought over from Midway. The island is infested with rats and no method has been found to exterminate them without at the same time killing the birds. Land crabs are also so abundant as to be a nuisance.

Mrs. Dern is the first woman, but one, who has ever been on the island. The wife of Colonel Hill, of the Marines, came ashore a few months ago when she was en route to Guam.

We were at Wake Island on Thanksgiving Day and had our Thanksgiving dinner with the Pan American Airways officials. It was a typical American Thanksgiving dinner, including roast turkey with cranberry sauce, sliced fresh tomatoes, ice cream made in Honolulu, plum pudding, and all the other trimmings. When we were told that the turkey and ice cream had been brought from Honolulu by airplane at a cost of a dollar an ounce, we decided that we were eating pretty expensive food.

I dare say we had our Thanksgiving dinner earlier than any other Americans in the world. The time at Wake is sixteen hours ahead of the time in Washington, because it is on the western side of the International date line. When we were having our dinner at one o'clock on November 28th it

was nine o'clock p.m. on the 27th in Washington. Someone said we were out where the days begin.

Before landing I attended a special Thanksgiving Day service on board the CHESTER, at which the Chaplain read the President's Thanksgiving Day proclamation. We then went fishing for a while, and I caught a forty inch barracuda. Fishing was excellent, and some of the men who fished during the day while the rest of us were on the island caught two sixty-inch barracudas, as well as a number of other fish.

MIDWAY

We arrived at Midway on the morning of the second 30th of November. Strange as it may seem, November had thirty-one days in it this year, and it had six Saturdays, two of them coming consecutively in the last week of the month. Saturday, the 30th of November, was repeated on account of the mysterious International date line. That's one for Ripley.

There were three islands in this group, but a sandspit has connected one of them with Midway. Eastern Island lies about two miles to the East of Midway.

Before we went ashore we went fishing for a few hours, but had no luck. We saw plenty of sharks and they had apparently scared the fish away. Several good-sized sharks were caught from the deck of the CHESTER during the day.

Midway Island is surrounded by a circular coral reef, and we had to anchor outside, at a distance of about two and one-half miles from the boat landing.

We were entertained at luncheon by the resident manager of the Commercial Pacific Cable Company, hence the first place we visited was that

Company's compound, which is a paradise. The buildings are attractive in appearance and arrangement, and this part of the island is well shaded by tall ironwood trees. The Company maintains a vegetable garden, a cow and bull, and chickens enough to keep the people supplied with fresh eggs. Shrubs and beautiful flowers abound, and, inasmuch as Midway is out of the tropics, the weather was delightful.

We later visited the Pan American Airways installation, which is practically a duplicate of the one at Wake Island. At present it does not look attractive, because construction work has barely been completed, and the buildings are on white coral sand, with no planting and landscaping yet completed. However, the Company is working to a definite plan and I suppose in a few years it will rival the Cable Company's place in beauty. A hotel is included in the lay-out, and I was informed that its construction would begin in February.

Midway, in addition to its fine climate, has a marvelous beach, and the bird life is most fascinating, especially the white and black albatrosses, or "goonies" as they are locally known. It would not surprise me if Midway should develop into an attractive resort after air travel to the island becomes sufficiently popularized.

As is the case at Wake, there is no fresh water on the island, and hence the inhabitants must depend upon rain water from the roofs, or on distillation in case of emergency.

There are no inhabitants on Midway except the employees of the two companies above mentioned, but these seem to be interested and contented, notwithstanding their isolation. They are the kind of Americans one is proud to run across in his travels.

HAWAII

Our next stop was at Honolulu, where the ship had to put in for oil. We spent the night ashore. There is nothing of consequence to report about this brief visit, except that the Department Commander, General Drum, reiterated his views about the necessity for air bases and suitable garrisons on the islands of Hawaii and Kausi. I shall have that subject studied by the General Staff.

We left Honolulu on the evening of December 4th, and arrived at Hilo, on the Island of Hawaii, on the morning of December 5th. The thing of immediate interest on this island, of course, was the eruption of Mauna Loa, which was still active at the time of our visit. Army airplanes had been made available to us for an aerial view of this spectacle, and we flew over the crater of Mauna Loa at an altitude of 14,800 feet. The new eruption, however, is not in the old crater, but about two miles down the side of the mountain. The weather was clear, and we had a good view of the stream of molten lava running down the mountainside, and of the steam issuing from the vents. The eruption is not likely to cause any property damage, and there is no danger to life. Nevertheless, it is an impressive and rare spectacle, and it is intensely interesting from a scientific standpoint.

Returning to the airport, we took automobiles and drove to the Kilauea Military Camp, where we remained over night. There we had the privilege of meeting Dr. Thomas A. Jagger, the famous volcanologist, who has spent the last twenty-four years studying the volcanos on the Island of Hawaii. I understand he was your Professor of Geology at Harvard. We were very fortunate in having him interpret what we had seen on Mauna Loa and Kilauea, which he did in a most interesting and fascinating manner. A man like Dr.

Jagger, who devotes his life to pure science, is a real benefactor of the human race.

The Kilauea Military Camp was built partly with funds raised by the citizens of Hilo, and partly with money from the recreational funds of the several Army posts on the Island of Oahu; practically all the work was done by the soldiers themselves. No Federal funds went into its construction, although it is now operated by the Army, and a little Army money is used to operate it. It serves as a rest camp for Army and Navy officers and enlisted men, who use it in large numbers, and who consider it a great boon.

The camp was originally built on privately owned land, leased for the purpose. This land was a small portion of the large area which was subsequently donated to the United States Government by its owners, and then dedicated as Hawaii National Park. The Park Service granted a five-year lease for the continuation of the camp, and this term is about to expire. I understand that the Park Service is willing to grant another five-year lease, but with such restrictions that the Army would not be able to do anything without first securing the consent of the Park Service. In other words, the Army would be subordinated to the Park Service, which is not good organization. Army officers, including General Drum, are all in favor of having this camp taken out of the National Park and made a military reservation. The citizens of Hilo, through their Chamber of Commerce, Rotary Club and city officials, have also gone on record to the same effect. The camp is located on the edge of the Park; it comprises only a few acres, about fifty, I believe, and the Park boundaries could easily be redrawn to exclude the camp.

While I am a very strong admirer of the National Park Service, it does

not seem to me that its objections to this proposal are well taken. In the first place, the Army "got there first", since the camp was established long before the area was declared a National Park. In the second place, the camp is extremely well cared for and policed, and the Park Service certainly cannot complain of any lack of good order. In the third place, I could not see that this camp in any way interferes with the efficient operation of the Park Service. I am, therefore, prepared to recommend that the Kilauea Military Camp be made a United States military reservation.

Returning to Hilo the next morning, we were entertained at an enjoyable joint luncheon of the Chamber of Commerce and the Rotary Club, after which I was asked to plant a tree, as you had done on the occasion of your visit last year. We then boarded the CHESTER and headed for San Francisco on the last leg of our cruise. We are due there about noon on December 11th.

USS CHESTER

I feel that I should not conclude this third and final installment of my report without again referring to the fine ship on which we have been privileged to make this cruise, and to the officers in charge. As the days have stretched out into weeks, and the weeks into months, I have been more and more impressed by the ability, efficiency, character and deportment of these men. It has been a genuine pleasure to associate with Captain Abbett and his subordinates, and to see how smoothly they run the ship. The crew and Marines are a good-looking lot of American boys, smart in appearance and well behaved. Altogether, this cruise has made us very proud of the United States Navy.

We have been treated with the utmost courtesy and consideration, and

nothing has been left undone that could add to our convenience and enjoyment. The ship's efficient radio service has enabled me to handle important official matters promptly at long range. The mess has been excellent, the movies have furnished nightly entertainment, and the daily morning newspaper, containing mimeographed news items of all sorts, has kept us in touch with the outside world.

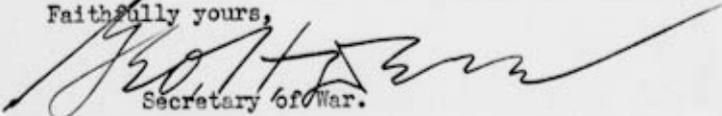
I have just completed an official inspection of the ship, which more than confirmed the opinions I had previously gained from casual observations.

CONCLUSION

I am not unmindful of the fact that my three installments constitute a pretty long report. However, it has seemed to me that the subjects I have discussed therein are of sufficient importance to justify making a written record of them. At any rate, they will give you a rather complete picture of this official journey and the manner in which my mission has been carried out.

As our cruise comes to an end I wish to assure you, Mr. President, of my very deep and sincere appreciation of the honor of acting as your representative. Speaking for my wife and the other members of my party, as well as for myself, we are all very grateful to you for having made it possible for us to travel on this ship, and to have the many interesting experiences which we have enjoyed during the past two and one-half months. There has been much important work, and the cruise has not been all play, but nevertheless it has been tremendously interesting, instructive and enjoyable.

Faithfully yours,


Secretary of War.

**RECEPTION
IN HONOR OF
THE SECRETARY OF WAR
THE HONORABLE GEORGE H. DENTON
AGANA, GUAM
24 NOVEMBER 1935**



L.NL'35

PROGRAM

1900 P.M. Reception of Guests
8:00 P.M. Banquet
9:00 P.M. Address by Honorable George H. Dern and Party
9:30 P.M. Dancing
10:00 P.M.

THIS PROGRAM

MUSICAL NUMBERS

GIVEN BY THE PEOPLE OF THE ISLAND OF GUAM

IS PRESENTED

IN HONOR OF THE

HONORABLE GEORGE H. DERN,

FAMILY AND OFFICIAL PARTY

TWENTY-FOUR NOVEMBER, NINETEEN HUNDRED

THIRTY-FIVE

PROGRAM

- 8:00 P. M. Reception of guests
8:30 P. M. Dancing
9:00 P. M. Arrival Honorable Secretary Dern and party
9:15 P. M. Dancing
10:00 P.M. Entertainment

MUSICAL NUMBERS

1. Welcome, "Chamorrta Songs"
Mr. Agustin S.N. Duenas, with Guitar
Miss Lagrimas P. Leon Guerrero
Miss Eugenia S.N. Duenas
Miss Elsie De Leon
Miss Mariana M. Leon Guerrero
Miss Antonia J. Ojeda
2. Come to the Gay Feast
Miss Carmen E. Underwood at Piano
Miss Elsie De Leon
Miss Lagrimas P. Leon Guerrero
Mrs. C. F. Robinson
3. Ancient Chamorro Dance
Mr. Juan L.G. Perez with Accordion
Mr. Antonio Quenga
Mr. Domingo Blas
4. Chamorrta Dances
Mr. Juan L.G. Perez with Accordion
Mrs. Nicolasa Salas
Mrs. Maria Gutierrez
Mr. Juan Gutierrez
5. Piano Quartett - "Invitation to the Dance"
Mrs. C. F. Robinson
Miss Rosie B. Underwood
Miss Carmen E. Underwood
Mr. James L. Underwood
6. "San Ignacio" PATRON DE AGANA
Mr. J. M. Torres at Piano
Mrs. B. J. Bordallo
Mrs. C. F. Robinson
Miss Elsie De Leon
Miss Lagrimas P. Leon Guerrero
Mr. Joaquin Sablan
Mr. Agustin S.N. Duenas

SPEAKERS

10:30 P. M. ADDRESSES

OPENING ADDRESS

George A. Alexander
Captain, U. S. Navy
Governor of Guam

ADDRESS

Honorable B. J. Bordallo
Chairman, House of Council
Congress of Guam

ADDRESS

Honorable George H. Dern
Secretary of War

MASTER OF CEREMONIES

Honorable V. P. Herrero

10:45 P. M. Intermission — Refreshments

11:00 P. M. Dancing

When Secretary Dern and Party leave
The Audience will sing "Farewell to Guahan"
(See last page for the words)

12:30 A. M. Home Sweet Home

Music By

MAYHEW'S
Music Makers

PELLICANT'S
Night Serenaders

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Hon. J. M. Flores	Chairman, House of Assembly
Mr. C. C. Butler	Merchant
Hon. V. P. Herrero	Councilman, Agana
Hon. E. T. Calvo	Assemblyman, Agana
Mr. Leon Flores	Attorney at Law
Mr. M. Sgambelluri	Merchant

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Mrs. K. Sawada

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Mr. Jose Roberto	Miss Julia Martinez

Mrs. W. H. Notley

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Honorable George H. Dern, Secretary of War

Mrs. George H. Dern

Mr. James Dern

General Creed F. Fox, U. S. A.

Colonel Campbell B. Hodges, U. S. A.

Captain Harry W. Abbett, U. S. N.

Major Harry A. Bishop, U. S. A.

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Colonel and Mrs. Walter N. Hill, USMC
Commander and Mrs. Morris M. Leonard, ChC, USN
Commander and Mrs. Leonard N. Linsley, USN
Lieut-Comdr. and Mrs. Raymond B. Storch, MC, USN
Lieut-Comdr. and Mrs. Robert E. S. Kelley, MC, USN
Lieut-Comdr. and Mrs. John Flynn, SC, USN
Lieut-Comdr. and Mrs. Thomas S. Wylly, SC, USN
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Lieut-Comdr. and Mrs. Edward J. Goodbody, MC, USN
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First Lieut. and Mrs. Louis C. Plain, USMC
Chief Pharm. and Mrs. Jason H. Barton, USN
Chief Machinist Joseph J. Ouwelant, USN
Chief Pay Clerk and Mrs. George W. Dean, USN
Pharmacist and Mrs. Sylvester R. Foley, USN
Gunner and Mrs. Theodore R. Brown, USN
Pay Clerk and Mrs. Walter C. Chapman, USN
Pay Clerk and Mrs. John H. Rath, USMC
Quartermaster Clerk and Mrs. Clyde T. Smith, USMC

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Mr. M. F. Ulloa	Mr. T. Shinohara
Mr. J. C. Castro	Mr. Francisco Taitano
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Mr. J. B. Cruz	Mr. A. T. Perez
Mr. I. A. Santos	Mr. F. C. Torres
Mr. J. P. L. Guerrero	Mr. V. C. Blas

CANTAN CHAMORRITA

Viva Secretario Guerra
 Sa matohao gui tano mame
 Bae in fatahao ni guaha
 Con todo I minagof mame.

Cao para minauleg tano,
 Hafa mohon finatomo?
 Pat para un lie jechuran mame
 Hafa guaha gi hinasomo?

Pues á Dios Secretarion Guerra
 Ultimo-ha alie-ta pago,
 Hahasoham gui puestomo
 Ni minagof mame nu hago.

In desea hao mauleg biahe,
 An un dingo este na puerto
 Ya i manalieta pago
 In considera un recuerdo.

CHAMORRITA SONG

Hail and welcome! Secretary Dern
 Your visit is an inspiration,
 And this humble entertainment is
 A token of appreciation.

To what do we owe this honor?
 What is Guam in your estimation?
 Our people you have seen,
 Are they worth consideration?

Hail and farewell! in reaching
 Post of duty and thoughts are recollected,
 In mind we wish you'd bear
 Our hearts you have affected.

Hail and Bon Voyage!
 From our harbor you depart;
 But the impression you have given
 Is a treasure in many a heart.

FAREWELL TO GUAHAN (GUAM)

Farewell to Guahan
 Farewell to thee
 With many a sigh
 Now part must we
 Thou gav'st me laughter
 Thou gav'st me smiles
 That helped me travel
 Life's weary miles

Thus will I carry
 Across the sea
 A lesson learned
 Guahan from thee
 But now we're parting
 The hour is near
 And from my lashes
 There steals a tear

The audience is requested to join in the singing of "Farewell To Guahan" as the Secretary of War takes his departure.



THE ISLAND OF GUAM

Discovered by Magellan, 6 March, 1521, remained under the Spanish flag until 20 June, 1898, when "captured" by the U. S. S. Charleston, Captain Henry Glass, U. S. Navy. Ceded to United States by Treaty of Paris. Placed under Navy Department by President McKinley, 23 December, 1898.

Area—225 square miles, approximately 30 miles long, 4 to 8.5 miles wide. Climate—healthful and pleasant. Temperature—70° to 98°. Annual rainfall—98 inches. Population—20,000. Natives called Chamorros, derived from Proto-Malay aborigines much mixed with other races. Principal products—copra, rice, maize, avocados, taro and tropical fruits. Only exports—copra and soap. Communication—radio and cable. Transportation—Army and Navy Transports and one merchant ship.

Military form of government, administered by naval officers. Salient Naval Government projects—education, sanitation, agriculture and economic improvements.

Present Governor-Commandant—Captain Geo. A. Alexander, U. S. Navy.

*File
Planned for confidential*

*757
War File
File Wagon -
(31) Wagon 1-36*

WAR DEPARTMENT

WASHINGTON

January 7, 1936.

The President,
The White House.

Dear Mr. President:

In accordance with our conversation relative to essential raw materials in the manufacture of munitions, I am submitting herewith Appendix "A" which I believe answers the questions in which you are interested, and gives both the two-year requirements in peace and in war.

To illustrate:

Material	Outside source	24-month War Requirements (short tons)			Apparent available 24-month supply
		Army	Navy	Civilian	
Manganese ore	(Russia (Brazil (India (Africa (Cuba	145,320	63,287	1,309,863*	1,199,500**
Tin	(Malay (States (Bolivia (Dutch (East (Indies	15,300	11,160	106,479*	76,000
Tungsten ore	(China (Bolivia (Burma	980	224	9,456*	7,750

*This figure may safely be taken to represent also; the 24-month Army, Navy and Civilian Requirements in time of peace.

**This figure includes 300,000 potential tons from Cuban facilities not now in operation.

May I invite your attention to the fact that the information given is, of course, secret information and should not be disclosed.

Respectfully yours,

Robert H. Wood
Secretary of War.

Incl. -
Appendix "A"

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EOB DIR. 5200.9 (9/27/58)

Date- 4-7-59

Signature- *Carl L. Spicer*

CONFIDENTIAL

WAR REQUIREMENTS OF
STRATEGIC MATERIALS FOR THE UNITED STATES

APPENDIX "A" SHEET 1
(IN FOUR SHEETS)

1 Material	2 Principal Uses	3 Satisfactory Domestic Substitutes	4 World Sources	5 1929 U. S. Imports	6 Normal Stocks on Hand in U. S.	7 Estimated Domestic Production 24 Months Including Cuba and Puerto Rico	8 Estimated Requirements 24 Months in a Major Emergency.				9 Apparent Available Supply 24 Months Including Cuba and Puerto Rico	10 Apparent Deficit	11 Stocks Req'd. to be Available on 9-Day, Including Stocks on Hand and Amounts which should be Imported from Countries other than Cuba & Puerto Rico plus 25% as a factor of safety	12 Remarks
							8 Army	9 Navy	10 Civilian	11 Total (8+9+10)				
1. Ferric Oxide Manganese Ore (50% Manganese) (Short Tons)	Steel making	None	Russia Brazil India Cuba Gold Coast Africa United States	863,502	400,000	U.S. 499,500 Mex. 300,000 Cuba 799,500	145,250	42,287	1,309,863	1,518,480	1,199,500	318,980	1,098,000	Estimated Cuban production is included with domestic production. The steel industry in this country uses only Ferric Oxide Ore in production of Ferric Manganese used in steel manufacture.
2. Chromite Ore (Short tons containing approximately 50% Metallic Chromium)	In alloy steels (a). Electroplating	None None Magnesite None None	Rhodesia Cuba New Caledonia Ceylon South Africa India Yugoslavia United States	281,134	238,000	U.S. 127,500 Mex. 74,500 Cuba 202,000	24,500	15,500	400,000	440,000	440,000	0	348,000	Estimated Cuban production is included with domestic production. (a) Stainless and tool steels, armor plate. The use of chromium is increasing. Domestic production in 1929 was only 289 S.T. Chromite. There are domestic deposits but they are chiefly inoperative. Domestic production in 1918 was 22,500 S.T. Chromite.
3. Tin (Short tons Metallic Tin)	Plated containers ... Bearing metal	Glass (a) Copper lead alloy (a) Silver Silicon (a) Aluminum Paper, cell- phane Aluminum	Malay States Bolivia Dutch East Indies Siam China	104,100	11,000	(a) 85,000	15,380	11,188	104,479	133,000	78,000	57,000 (b) 31,910	101,250 (b) 78,160	(a) Limited application. (b) Assuming use of substitutes by Army and Navy. (c) Consists of reclaimed tin. No domestic virgin tin production.
4. Tungsten Ore (Short tons containing 80% WO ₃ or approximately 40% Tungsten)	High speed tool steel Alloy steels	Molybdenum Molybdenum None None Carbon Carbon steel	China Bolivia Siam United States	4,748	2,950	4,800	(b) 980	(b) 224	(b) 9,484	(b) 10,660	7,750	2,910	8,525	(-) For high speed cutting tools. Domestic deposits are containing domestic production and amount of using molybdenum in high speed steels. Tests by Ordnance Dept. indicate that for most turning operations Molybdenum Steel is equally satisfactory as Tungsten Steel. (b) Assuming 25% civilian and military requirements are filled by substituting Molybdenum which is available in the United States.
5. Optical Glass (Short Tons)	Fire control instru- ments Cameras (b)	None None	Germany France United States	(a)	(a)	(a)(e) 231	126.4	104.4	(d)	231.0	(e) 231.0	(a) 100	(a) 194	(a) Not available. No stocks of foreign glass on hand. (b) Satisfactory glass for airplane cameras has not been produced in U.S. (c) Bush & Lusk and Co. of Monrovia installed capacity 230 S.T. per year. Present production about 2 S.T. per year. (d) Can be readily reduced to small amounts. (e) The time required for increasing production will cause deficit first six months.
6. Quinine (a) (Short Tons)	Medicines	None	Dutch East Indies India	105	(b) 72.23	None	15.15	2.94	211.92	206.92	72.23	127.68	207.36	(a) Produced from imported cinchon bark and also from quinine sulphate. (b) Includes 2.27 S.T. reserve.
7. Rubber (b) (Short Tons)	Tires	None None None None	British Malay East Indies Ceylon Brazil	541,000	444,000	(a) 497,200	136,814	2,213	664,000	1,008,729	221,200	72,227	727,499	(a) Associated rubber. (b) Synthetic rubber is still in development stage.

*This figure may safely be taken to represent also;
the 24-month Army, Navy and Civilian Requirements in
time of peace.

1 Material	2 Principal Uses	3 Satisfactory Domestic Substitutes	4 World Sources	5 1955 U. S. Imports	6 Normal Stocks on Hand in U. S.	7 Estimated Domestic Production 36 Months Including Cuba and Puerto Rico	8 Estimated Requirements 36 Months in a Major Emergency.				9 Apparent Available Supply 36 Months Including Cuba and Puerto Rico (8+8)	10 Apparent Deficit (11-12)	14 Shorts req'd. to be Available on 8-day, Including Stocks on Hand and amounts which should be im- ported from coun- tries other than Cuba and Puerto Rico plus 25% as a factor of safety 8+13+(25% of 11)	15 Remarks
							8 Army	9 Navy	10 Civilian	11 Total (8+9+10)				
8. Antimony (Short Term)	Bullet cases Shotgun shells Type metal Bearing metal Battery plates Fusible Chemicals Primers (antimony sulphide)	Frury metal (a) None None None None None None	China Malaya Mexico U. S.	14,741	1,062	(b) 41,441	22,948	1,388	55,000	78,700	48,743	25,957	54,734	(a) Lead 90%, barium 10%, balance 10% (approximately). (b) 14,000 S.T. from domestic recovery and 3,441 S.T. from new domestic pro- duction. The amount of antimony used for hardening lead (its principal use) can be somewhat reduced without serious handicaps if imports are difficult.
9. Gunshot Shells (Short Term)	See next chemical	None (a)	Ceylon India Philippines East India Central America	(b)	(a) 500	None	15,876	5,424	None	21,700	500	21,200	27,125	(a) Promising substitutes are under development. (b) Not available. All imports are as acetate. (c) As acetate.
10. Nickel (Short Term)	Alloy steel (a) Steel metal (b) Sulphate Electroplating	None None Copper, silver Cadmium	Canada New Caledonia	44,338	12,500	(a) 30,461	9,318	24,329	22,500	68,158	42,461	25,697	54,754	(a) One steel and armor plate most important. (b) A corrosion resisting natural copper-nickel alloy. (c) Includes: 2,270 S.T. domestic new production. 1,500 S.T. domestic recovery. 28,940 S.T. by-product from copper refineries. 13,431 S.T. recovered from steel scrap. Situation depends upon success of im- porting nickel from Canada.
11. Shoes, articles (cash)	Shoes Saddles S traps Leather goods	None Cotton webbing Artificial leather and cotton webbing Compressed paper	U. S. Argentina Uruguay Canada Australia Brazil Mexico Cuba	2,429,000	11,521,000	21,728,000	22,802,288	3,973,641	28,229,000	60,973,047	37,259,000	23,714,047	50,185,808	Situation depends upon successful use of substitutes.
12. Seal (Short Term)	Seal textiles (Clothing, blankets, etc.) Felt Gaskets	Cotton Wool and com- pressed paper Cotton	Australia Swedia U. S. Argentina Canada	144,000	(a) 154,500	(a) 513,000	24606	35,000	400,000	804,141	671,500	132,641	490,374	(a) Includes seal rug. Seal substitutes are not satisfactory.
13. Silica (Short Term) (Shells and splittings)	Insulator for spark plugs, condensers and ammeters	Porcelain (a) Glass (a)	India Canada Madagascar U. S.	2,500	(b) 2,500	(a) 10,440	425	328	2,873	9,654	13,940	None	1,000	(a) Not entirely satisfactory. (b) Includes 1,330 lbs. in reserve. (c) 122 domestic production was 1,028 S.T. The situation depends upon successful stimulation of domestic production.
14. Sugar (Short Term)	Feed Cane sugar Beets sugar Molasses	None None None None	Cuba Philippines Hawaii Puerto Rico U. S.	4,878,000	1,454,000	U. S. 2,734,000 Cuba 4,000,000 Puerto R. 1,200,000 Total 8,734,000	225,020	60,000	11,640,000	12,025,070	11,411,000	613,070	5,273,530	4,000,000 tons from Cuba and 1,000,000 tons from Puerto Rico in- cluded under domestic production.
15. Coffee (Short Term)	Beverage	Cereals	Brazil Colombia Venezuela Central America	743,000	240,000	None	159,000	20,000	1,500,000	1,679,000	240,000	1,439,000	2,063,730	

1 Material	2 Principal Uses	3 Satisfactory Domestic Substitutes	4 World Sources	5 1929 U. S. Imports	6 Normal Stocks on Hand in U. S.	7 Estimated Domestic Production 24 Months Including Cuba and Puerto Rico	8 Estimated Requirements 24 Months in a Major Emergency.				9 Apparent Available Supply 24 Months Including Cuba and Puerto Rico	10 Apparent Deficit	11 Stocks Req'd. to be Available on W-Day, Including Stocks on Hand and Amounts which should be Imported from Countries other than Cuba and Puerto Rico plus 25% as a factor of safety 8+13+(25% of 11)	12 Remarks
							8 Army	9 Navy	10 Civilian	11 Total (8+9+10)				
16. Silk (Short Tons)	Parachutes Powder bags Cable coverings Clothing	None (a) Cotton (b) Cotton, rayon Cotton, rayon	Japan China Italy	(a)48,500	(d) 8,875	None	(*)2,025	1,405	70,000	73,430	8,875	64,555	91,788	(a) Cotton or rayon for flare parachutes. (b) For medium calibre guns. (c) About 10% waste silk, 90% raw silk. (d) Including 4,000,000 sq. yds. cartridge silk cloth in reserve. (e) Assuming use of substitutes. Situation depends upon successful use of substitutes.
17. Quicksilver (Flasks 76 lbs.)	Explosives Paints Drugs Electrical apparatus Mercury boilers	None (a) None None None None	Italy U. S. Spain	14,283	3,000	87,600	20,000	4,200	60,000	86,200	90,600	None	20,150	(a) Lead acide and diaciditrophecol are under test. Present trend in domestic production is upward.
18. Iodine (Short Tons)	Drugs Dyes Photography	None None None	Chile U. S.	350	(a) 213	None	82	3.5	419.5	705	213	492	881	(a) Includes seven and one-half tons reserve. Situation depends upon successful curtailment of nonessential uses.
19. Nux Vomica Strychnin (Short Tons)	Medicines Fertilizer	None None	India Indo-China	1,554	(a)760	None	11	1	3,000	3,012	760	2,252	3,765	(a) Includes U.S. S.T. reserve. Situation depends upon successful curtailment of nonessential uses.
20. Opium (Short Tons)	Medicines	None	Turkey Persia Greece Yugoslavia	75	(a)85	None	17	1	138	156	85	71	198	(a) Includes 21 S.T. reserve. Situation depends upon successful curtailment of nonessential uses.
21. Nitrates (Short Tons Nitrogen)	Nitric acid Explosives Fertilizers	None None None	Chile (a) Germany United Kingdom France U. S.	200,000	47,000	1,122,000	177,772	22,588	700,000	910,370	2,179,000	None(b)	0	(a) Natural Chile nitrates. (b) Existing facilities are capable of producing required amounts of ammonia. Facilities are insufficient for the production of the ammonia into the required amount of nitric acid.
22. Campher (Short Tons)	Medicines Fires Lacquers Plastics	Synthetic campher Synthetic campher Triphenyl phosphite Triphenyl phosphite	Japan (a) Germany (b) U. S. (b)	4,837	1,027	2,500	224	1	2,000	2,224	3,227	None	283	(a) Natural campher. (b) Synthetic campher. Situation depends upon operation of facilities for production of synthetic campher and success of use of triphenyl phosphite as substitute.
23. Manila Fiber (Short Tons)	Cordage Rope	Wamp, cotton Wamp, cotton	Philippines	79,220	11,594	None	20,525	18,330	70,000	109,045	11,594	97,451	124,306	
24. Jute (Short Tons)	Burlap Carpet base Linenum base	Cotton-linen Cotton Cotton Paper	India	(a)360,000	66,000	None	63,000	810	540,000	603,810	64,000	539,810	754,742	(a) Figures are for 1929 and include 200,000 pounds of byproduct. Use of jute is based upon its low price. Situation depends upon successful use of substitutes.
25. Sisal (a) (Short Tons)	Cordage	Wamp, cotton Cotton Flax Paper	Dutch East Indies Mexico East Africa	(b)84,720	87,000	None	3,750	1,000	180,000	184,750	87,000	107,750	242,428	(a) Including byproduct. (b) Figures are for 1929. Situation depends upon imports from Mexico and successful use of substitutes.

1 Material	2 Principal Uses	3 Satisfactory Domestic Substitutes	4 World Sources	5 1929 U. S. Imports	6 Normal Stocks on Hand in U. S.	7 Estimated Domestic Production 24 Months Including Cuba and Puerto Rico	8 Estimated Requirements 24 Months in a Major Emergency.				12 Apparent Available Supply 24 Months Including Cuba and Puerto Rico	13 Apparent Deficit	14 Stocks Req'd. to be Available on W-day, Including Stocks on Hand and amounts which should be im- ported from Coun- tries other than Cuba and Puerto Rico plus 25% as a factor of safety 8+13+(25% of 11)	15 Remarks
							8	9	10	11				
							Army	Navy	Civilian	Total (8+9+10)				
28. Platinum (Troy Ounces)	Catalyst Electric contacts ... Precision instruments Laboratory ware	Plat. silver gal Palladium None Stainless steel	Russia Colombia Ethiopia Canada	115,200	(a) 79,900	(b) 40,400	11,300	3,900	111,600	125,900	120,300	5,600	118,975	(a) Includes 26,900 ounces reserve. (b) Includes 22,000 ounces re- covered metal. Ample supply assured through stocks of jewelry.
29. Shellac (Short Tons)	Paints and varnishes Plastics (a) Binders (d)	Nitrocellulose Lacquer (b) Synthetic resins (c) Synthetic resins (e)	India Indo-China Siam	20,500	2,410	None	810	37	25,000	25,047	2,410	23,437	22,310	(a) In electrical apparatus, phono- graph records, etc. (b) Manufactured from cellulose (sotton) using butyl acetate or similar solvent. (c) Phenol formaldehyde or vinyl acetate base. (d) Grinding wheels, etc. Satisfactory substitutes at reason- able prices can be made available for all uses of shellac.

War Department,
Planning Branch,
Office, Assistant Secretary of War.
April 3, 1934.

IN REPLY REFER TO S.G.O.

WAR DEPARTMENT
OFFICE OF THE SURGEON GENERAL
WASHINGTON

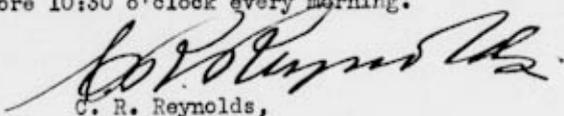
PSF
War
Dern
OFF-11011

June 25, 1936.

MEMORANDUM for The President:

Subject: Condition of the Secretary of War.

1. The Secretary's condition must be considered serious because of pronounced changes in the blood vessels and kidneys, with definite symptoms indicating unfavorable developments.
2. The primary or basic condition is arterio-sclerosis with marked hypertension, the blood pressure ranging from 195 to 282.
3. Secondary changes have manifested themselves in hemorrhages into the retina in December, 1933, and more lately in kidney insufficiency, which is right now the most serious element in the case.
4. Mr. Dern suffers somewhat from headache and dizziness. While up and around occasionally, he spends most of the time in bed.
5. Prognosis: Unfavorable as to his ultimate recovery or for unrestricted or sustained mental or physical exertion.
6. A more complete medical report from the Walter Reed General Hospital is inclosed.
7. A report of the condition of the Secretary will be presented to the President before 10:30 o'clock every morning.


C. R. Reynolds,
Major General, U. S. Army,
The Surgeon General.

1 inclosure.

WALTER REED GENERAL HOSPITAL
ARMY MEDICAL CENTER
WASHINGTON

June 25, 1936.

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DOD DIR. 5200.9 (9/27/58)

~~CONFIDENTIAL~~

MEMORANDUM TO: The Surgeon General,
War Department,
Washington, D.C.

Date- 2-17-59

Signature- *Carl L. Spicer*

RE: Secretary of War George H. Dern.

1. Secretary Dern was admitted to this hospital on May 22, 1936, for the purpose of a brief period of rest and study of his condition. He had previously been observed in this hospital from December 10, 1933 to January 4, 1934, at which time the following diagnoses were made: (1) Arteriosclerosis, generalized, with aortitis and multiple hemorrhages, exudate and edema of retina, involving macula area, left eye, moderately severe. (2) Diverticulosis, chronic, moderately severe of colon; cause undetermined. (3) Rectum, stricture of, mild; cause undetermined. (4) Astigmatism, compound, hyperopic, bilateral; presbyopia; vision on admission OD and OS 20/200 J-14; corrected to OD 20/30 J-1, OS 20/30 J-2; vision on discharge corrected to OD 20/20 J-1, OS 20/100 J-11. (5) Prostate, hyperplasia of, with chronic infection, mild; cause undetermined. Fresh retinal hemorrhages were present at time of admission but these cleared up during hospitalization and no new hemorrhages were noted. During that admission the blood pressure ranged from 160-202/80-102. The urine was repeatedly positive for albumin and blood urea nitrogen value was 18.18. Secretary Dern had comparatively few subjective symptoms at the time of that admission. Since that time he has attempted to restrict his activity as much as possible, mainly because he had been so advised by his personal physician and also because he noted a tendency to rather easy fatigue and occasional frontal headache.

2. About one month prior to present admission he had had a very severe respiratory infection as a result of which he still felt rather weak. On admission he was ambulatory and had no complaints other than mild fatigability, moderate urinary frequency and occasional frontal headaches. Study here has shown a marked degree of generalized arteriosclerosis with marked angiosclerosis, but no recent retinal hemorrhages. The blood pressure range has been from 195-282/106-140. X-ray showed the heart moderately enlarged, the transverse diameter being 17.1 cm., while that of the chest was 34.0 cm. Electrocardiogram showed a negative T wave in lead I which was suggestive of coronary sclerosis. Urinalysis has been repeatedly positive for albumin and has shown occasional hyaline and granular casts and a few white cells. The blood urea nitrogen has ranged from 26.54 to 32.0, and creatinine from 2.0 to 2.2. Phenolsulphonephthalein output in two hours was only from 15 to 20% and concentrating power of the kidneys appeared somewhat impaired. The prostate is moderately enlarged, which accounts in part for the symptoms of urinary frequency. The findings in this case are those of severe advanced arteriosclerotic hypertensive disease, with marked renal involvement and beginning renal insufficiency. Treatment has consisted of bed rest, restriction of diet and fluids, occasional saline laxatives and the occasional administration of mild sedatives as necessary for headache. There has been no material change in Secretary

Dern's condition during hospitalization. The blood pressure range has continued at the level mentioned above. There is a rather marked labile factor in the systolic blood pressure as evidenced by marked elevation following mental activity or excitement. At the present time Secretary Dern is frequently troubled with frontal headache and slight vertigo, which has necessitated his remaining in bed a greater part of the time.

H. C. Coburn, Jr.

H. C. Coburn, Jr.,
Colonel, Medical Corps,
Chief of Medical Service.



N. P. 1386
12-24

TELEGRAM—BE BRIEF

TIME FILED

_____ M.

ST PAUL AUGUST 27.1936
PRESIDENT ROSEVELT
ON SPECIAL 2657 WEST
DAWSON.

*file plus mail SF
war
Dern*

SEC'T, OF WAR DERN DIED AT 1105 AM DATE .THIS INFORMATION TO
TRAFFIC OFFICIALS OF NORTHERN PACIFIT RAILWAY FROM JEN CRAIG .

E E NELSON

1040 AM