

● Adm. Asst's: Laughlin Currie -

Subject File

June 1940 - 1945

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THE WHITE HOUSE
WASHINGTON

PSF
Currie

June 6, 1940.

MEMORANDUM FOR THE PRESIDENT:

Re: War Finance.

After the interview with Jerome and me, requested by Senator Lee, Lee told the whole story to Flynn of the Wall Street Journal and it appeared today, saying, among other things, that Frank and Currie were drafting a substitute bill for Lee. Actually, of course, all I undertook to do was to report back to you, and attempt to ascertain whether you wanted us to make any constructive suggestions.

In view of this gross breach of confidence, I should like to tell Lee that you have decided to do nothing about war finance at this time. I should also like to ask him to call Flynn again and get the story straight; that we merely discussed Lee's bill at his request and that no commitments of any kind were made.

Lauchlin Currie

Lauchlin Currie

*Yours right
F.A.P.*

THE WHITE HOUSE
WASHINGTON

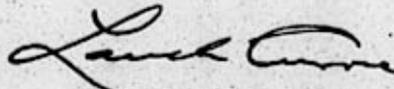
PSF
Currie

June 11, 1940.

MEMORANDUM FOR THE PRESIDENT:

Re: Defense Housing

It is my understanding that the Central Housing Committee will shortly make a recommendation to you that a Coordinator of Defense Housing be appointed. I suggested to Lowell Mellett and I now suggest to you that Marriner Eccles might be considered in this connection. He has loads of energy which at present has no outlet; he knows a good deal about housing; he has a large staff available. I have not, of course, breathed a word of this to him.



Lauchlin Currie

THE WHITE HOUSE
WASHINGTON

PSF
Currie

June 27, 1940.

MEMORANDUM FOR THE PRESIDENT:

Re: Social Security and the Platform.

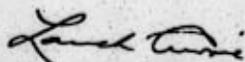
Some time back you asked me to bring up the question of old-age pensions in the latter part of June. The Republican Platform declares for "the extension of necessary old-age benefits on an earmarked pay-as-you-go basis to the extent that the revenues raised for this purpose will permit" and "a system of unemployment compensation with experience rating provisions".

I do not think the old-age plank carries much appeal and I know that labor is strongly opposed to experience rating in unemployment compensation.

The Democratic Party is in a position to offer planks on both subjects that will make a strong appeal to the aged and to labor, at no additional charge on the budget.

These planks could take the form of (a) a national old-age pension system with universal coverage guaranteeing a minimum income to all the aged, financed out of current appropriations for old-age security and (b) higher unemployment compensation benefits with greater uniformity in payments made possible by a joint pooling of a portion of existing unemployment tax collections. Both the AF of L and the CIO advocate this.

I should be glad to work on the phrasing of such planks, if you wish.


Lauchlin Currie

Lauchlin Currie

THE WHITE HOUSE
WASHINGTON

PSF
Currie

July 1, 1940.

MEMORANDUM FOR THE PRESIDENT:

Re: Reporting on the Progress of the
Defense Program.

A few days ago you authorized me to establish and maintain a current reporting system on the progress of the national defense program. In discussing this with Mr. Harold Smith, I learned that, pursuant to a section in the Executive Order laying down the duties and functions of the Budget Bureau, he is making arrangements to establish the very type of reporting you had in mind. I would suggest, therefore, that I be relieved of the assignment. Mr. Smith said that he would be glad to furnish me with the progress reports so that I can still be in a position to keep myself informed if you still wish me to follow the economic and fiscal aspects of the defense program.

Lauchlin Currie

Lauchlin Currie

OK
7/5/40

THE WHITE HOUSE
WASHINGTON

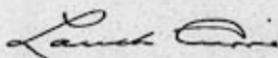
*PSF
Currie*

July 11, 1940

MEMORANDUM FOR THE PRESIDENT:

Re: R. F. C. Loan for Miss Roche

Miss Roche has been endeavoring to secure a loan from the R. F. C. since last February. She has met numerous conditions but I am afraid she will not get her loan without your help. Attached is a concise statement of her problem. Perhaps you would care to speak to Jesse Jones about it, or Francis Biddle (who represented her in her previous loans) and I could see Jones or Schram.



Lauchlin Currie

July 8, 1940.

NECESSITY FOR LOAN:

We urgently need from R F C an immediate loan of \$325,000 (a) to purchase cost saving mine machinery and equipment, (b) to give us working capital, (c) to refund long standing loans threatening forced liquidation.

WHAT LOAN WILL DO:

With this \$325,000 we can (a) Reduce cost of mining all our coal at least 70¢ per ton thru complete mechanization. A saving of 63¢ has already been effected in one mine thru partial mechanization. Our annual mine earnings will be increased, as a result, \$280,000 over previous years. (b) Save in addition \$6000 a year in penalties and interest on taxes, and \$15,000 in economical purchasing of current supplies. (c) Take up the notes which are threatening, \$140,000.

SECURITY:

We will give as security: (a) \$600,000 bonds of entire issue of \$3,891,100. These bonds have never defaulted on an interest payment in 27 years since their issue in 1913.

(b) First mortgage on \$185,000 mining machinery and equipment ordered year ago at prices then prevailing; now delivered or ready for August delivery. Valuable asset; so greatly in demand orders cannot be filled for months.

(c) Note executed by a long-established Company, whose ability to pay this loan in 6 years is evidenced by its present operating record and continuing improvement in earnings.

We have reduced operating costs at our Columbine Mine this year 63¢ a ton.

We have recently effected a permanent annual saving of \$79,000 net in bond interest thru obtaining consent of bondholders to cut bond interest from 5% to 2½%.

We have been operating in the black, with an improved showing for this year of over \$100,000.

Y. file
10/1/40

157
mine

THE WHITE HOUSE
WASHINGTON

July 16, 1940.

MEMORANDUM FOR THE PRESIDENT:

Re: Export Embargo on Iron and Steel Scrap.

I am not sure that all the relevant facts have been brought to your attention concerning (a) the extreme importance to the Japanese economy of its imports of scrap from us and (b) the numerous arguments that can be advanced for restricting our domestic supply to domestic use. I attach a brief discussion of this matter. I hope, in the interests of good relations, you will not pass this along!

My main conclusion is that if our foreign policy suggests the desirability of cutting off or curtailing our exports of scrap, ample domestic grounds exist for the prohibition or curtailment under Section 6 of the Act of July 2, 1940, of scrap as being "material or supplies necessary for the manufacture of military equipment or munitions".

There are two other possibilities. You may not want to prohibit or curtail the export of scrap at this particular moment, but you might want to put Japan on notice or exert a little pressure for other reasons. This could be done simply by adding scrap to the items that can be exported only under license. Or, finally, you might want not to prohibit the export of scrap, but to curtail it in order to prevent Japanese accumulation of a reserve stock pile.

Lauch Currie
Lauchlin Currie

July 16, 1940.

EXPORTS OF AMERICAN IRON AND STEEL SCRAP

Importance to Japanese Economy

1. For its iron Japan relies on (a) low-grade Manchurian ore, (b) higher grade Malayan and Philippine ore and (c) American scrap. Its consumption of iron in 1939 is believed to have been around 5 million tons, of which it received 2 million in scrap from the United States.

2. The supply of Malayan and Philippine ore cannot be rapidly expanded. To secure 2 million additional tons of pig iron from Manchuria would require the mining of about 6 million tons of ore, or considerably more than double current production. This in turn would require about six additional modern 1,000-ton-per-day blast furnaces, which take about a year to construct, besides additional railway equipment, ships, coal, coke, fluorspar, limestone, etc.

3. Exports of scrap to Japan for the first five months of this year ran considerably below last year, which suggests that the Japanese steel industry must be operating below capacity or else must be using up reserves. According to the Wall Street Journal of June 15, 1940, the Japanese Government is concerned about this and is preparing to subsidize imports in order to step them up to 130,000 tons monthly.

The Case for an Export Embargo on Domestic Grounds

1. A high rate of exports contributes to a tight situation in the scrap market at times of high activity. In recent years, exports have amounted to about 1/5 of domestic consumption of purchased scrap. An embargo would add 3 or 4 million tons of scrap to the domestic supply.

2. An actual shortage of scrap may appear if the iron and steel industry is forced to operate near capacity for an extended period as a result of a national emergency.

(a) Scrap requirements with steel operations at capacity.

	<u>Millions of gross tons</u>
Combined ingot capacity of steel mills and foundries	95
Total available from steel industry scrap.	27
Total additional ferrous materials required.	68
Ingot equivalent of pig iron available with blast furnaces operating at capacity.	45
Purchased scrap required per year at capacity without allowance for wastage	23

(b) This requirement exceeds the combined exports and consumption in previous peak years.

In 1929.	18
In 1937.	22

3. Total stocks on hand at the present time are estimated at slightly less than 7 million tons. This would be less than 1/3 of a year's supply at capacity operations.

4. Capacity operations and exports combined would produce a serious shortage and the price would be driven to uneconomically high levels. If this happened, there would be dislocations in the industry, especially in certain localities and among small steel producers, where scrap is the primary raw material. An embargo on exports would help prevent shortages, uneconomically high prices, and industrial dislocations in this area.

5. A high price for scrap benefits the large integrated iron and steel companies and penalizes the small non-integrated companies. When the price of scrap approaches the price of pig, the large companies can sell pig iron at a high profit, in addition to their regular sales of steel products. In fact, their control over raw materials and transportation of these materials appears to be their chief source of profit. With few exceptions, the steel-producing subsidiaries of the U. S. Steel made losses in 1939. These losses were more than offset, however, by the large profits earned by raw materials, railroads, and shipping subsidiaries (See Wall Street Journal, May 4, 1940.)

When the price of scrap rises, the large companies can squeeze the small non-integrated steel producers. The latter use scrap as their primary raw material, and when the price goes up they must charge more to cover costs or else produce at a loss. If they raise prices, the large companies can take away their business by not raising prices. However, the price usually goes up, because higher prices are in the interest of the entire industry. Inevitably these price increases are reflected in the prices of a wide range of steel and related products, thereby restricting sales, production, and employment.

6. It appears contrary to sound national policy to provide essential war material to a potential enemy. Japan is now in a position to acquire a reserve stock pile which will enable her to get along for some time. Cutting off the supply now might discourage her from extending her military operations until she is able to develop additional iron ore supplies.

England imports very little scrap from us, and, in view of shipping conditions, its place could easily be taken by semi-fabricated and finished articles.

7. In answer to the contention that an embargo will mean unemployment in the scrap industry it may be pointed out that any price above \$16 a ton (it is now \$19.50-\$20 per ton) is sufficient to bring nearly all the scrap to market. A \$16 price today will bring much more scrap to market than a \$29 price did in 1917. If the price went back to this 1917 level, some additional employment would be created, but that amount of employment could be more advantageously used in producing pig iron or pig iron capacity. In 1918 and 1919, following the war period of high operations, relatively high prices for scrap brought comparatively small quantities to the market. The supply is inelastic, and employment in this industry, therefore, does not change greatly even though there are wide fluctuations in price.

8. Section 6 of the Act of July 2, 1940, provides that "Whenever the President determines that it is necessary in the interests of national defense to prohibit or curtail the exportation of . . . material or supplies necessary for the manufacture [of any military equipment or munitions] he may by proclamation prohibit or curtail such exportation, except under such rules and regulations as he shall prescribe."

THIS DOCUMENT IS THE BEST AVAILABLE. EVERY TECHNICAL EFFORT HAS BEEN TAKEN TO INSURE LEGIBILITY.

Scrap Iron

Japan Plans to Double Buying Here in Move To Lift Its Steel Output

Government to Provide Subsidies to Its Importers—Seeks 130,000 Tons Monthly

U. S. May Limit Exports

TOKYO—The Japanese iron and steel trade is making tentative plans for doubling its imports of iron and steel scrap from the United States. This action comes on the heels of demands by the government that steel production be brought back to the high 1938 levels.

A recent government ministerial conference has voted to invoke the section of the national general mobilization law which gives the government power to order increases in iron and steel output. At the same time, the government decided to subsidize imports of scrap iron and scrap steel and to order the formation of a giant monopoly company to control those imports and manage the distribution of both domestic and imported scrap.

Local traders estimate that buying of iron and steel scrap by Japanese in the United States during the past five months has varied all the way from 40,000 to 80,000 tons a month. The new import program is expected to step up imports from the U. S. to 130,000 to 150,000 tons monthly.

Production Declined Last Winter

Japan's iron and steel production declined noticeably last winter. One reason was the decline in raw iron prices and another was the shortage of electric power which cut down on the number of attempts to lift production by using scrap iron and less scrap iron resulted in only a further decline in output.

The government since has been demanding that production be stepped up. Manufacturers claimed that this couldn't be done as long as scrap prices continued to advance and as long as the government refused to permit them to increase selling prices of steel.

The answer of the government to this is the decision to subsidize imports of scrap and at the same time to order the increase in steel output.

Industry to Manage Company

Details of the new scrap iron monopoly will be decided within the next weeks. Although the company will be organized at the request of the government, it will be run by steel manufacturers and traders. There will be no government officers in the company.

Japanese businessmen at last have convinced the government that its control over business is necessary. Businessmen should manage that control. The import company will buy scrap on world markets, principally in the United States, or order leading import companies to do the buying.

This scrap then will be sold to steel producers at fixed prices regardless of world markets. This selling price will be decided but it is expected that it will be below world markets. The government treasury will make up losses thus incurred.

Of Japan's current scrap iron imports of steel and iron scrap, 50% come from the United States, 15% from India, 15% from the Dutch East Indies, French Indo-China and the Philippines. Local traders expect all increased buying will be done in the United States, it being thought impossible to buy more heavily than at present in the other markets.

WASHINGTON—President Roosevelt at his press conference today said he had heard of no large orders for scrap iron from Japan and that he did not know whether this material would come under the classification of defense supplies which may be subject to the embargo provisions contained in pending restrictive legislation.

However, other officials here gave the opinion that scrap iron would come under the terms of the legislation which is expected to become law within the near future.

If Japan should seek to double imports of American scrap iron, it is anticipated among officials that some steps would be taken to prevent depletion of American supplies.

THE WHITE HOUSE
WASHINGTON

PSF
Currie

July 16, 1940

MEMORANDUM FOR THE PRESIDENT:

Re: Committee on Unemployment Insurance

I gather from the attached communication from Mr. Latimer that you have set up a new committee to make a report to you on pending proposals relating to unemployment insurance. Mr. Latimer would now like to know how this affects the status of the Maritime Unemployment Insurance Bill and the pending amendments to the Railroad Unemployment Act.

With reference to the former, you will recall that you directed me to coordinate the interested agencies in working up a plan for your approval. I did this and you approved the plan and we got Senator Bailey and Representative Bland to introduce it with the understanding that it was a bill you favored. It has now a fair chance of passage.

With reference to the amendments to the Railroad Unemployment Insurance Act, sponsored by railroad labor, the members of the Railroad Retirement Board have already recommended its passage without, however, committing you in any way. It will probably pass shortly.

In view of this situation, I am wondering if it might not be advisable to exempt these two bills from the consideration of the new committee and to confine its terms of reference to the much less advanced proposals to amend the unemployment insurance title of the Social Security Act? If you wish, I would be glad to so direct Latimer and to prepare a letter to the Chairman of the new committee, whoever he may be, revising the terms of reference of the committee.

The inter-departmental committee making a study of relief under the National Resources Planning Board is, by the way, also studying the whole subject of unemployment insurance. It includes representatives of Labor and Federal Security.

In 1939 you also asked the Cabinet Committee on Economic Security "to make active study of various proposals which may be made for amendments or developments of the Social Security Act" but I understand that committee has not functioned.

Lauchlin Currie
Lauchlin Currie

LC OR
LHR

MEMORANDUM

July 15, 1940

TO: Mr. Lauchlin Currie

FROM: Murray W. Latimer

SUBJECT: President's Departmental Letter on Unemployment Insurance

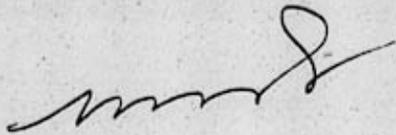
I have just received a letter from the President asking me to designate a representative on an interdepartmental committee on unemployment insurance. After referring to the bills for amending the Railroad Unemployment Insurance Act and for creating a maritime unemployment insurance system, the letter directs the committee, after study, to submit to the President before the next session of Congress, a report covering the entire subject of the Government's participation in unemployment compensation.

I should appreciate some clarification of these directions. Under your direction the plan for maritime unemployment insurance was formulated with, as I understand it, approval by the President. Hearings have been held on this bill; with certain minor modification, it has been indorsed by all maritime labor organizations, both A. F. of L. and C. I. O. After conversations with you and Chairman Bland, I arranged for a committee of the ship-owners to study the legislation, and action in that quarter in the near future is probable. I have stated on what I assumed was good authority that action now is desired. Chairmen Bland and Bailey have indicated that this is possible. Am I now to inform those interested that the Administration is opposed to action on the measure which has already been worked out?

The amendments to the Railroad Unemployment Insurance Act have progressed even further. Amendments sponsored by railroad labor have been reported out in the Senate. I am told by the chairman of the unemployment committee of the Railway Labor Executives' Association that a considerable majority of the Senate, including both the Democratic and Republican leaders, and a large majority of the House are pledged to favor the bill.

The members of the Railroad Retirement Board, including the member representing the railroads, have submitted, at the request of Chairman Lea, a report recommending the passage of the labor amendments, with the caution, however, that the reports had not been cleared by the Bureau of the Budget and that the program of the President with respect thereto was not known. Some informal suggestions of the Budget Bureau were presented to the Committee in my testimony on the Bill. Should I now, in view of the President's letter, indicate to those interested that the Administration desires the legislation held up for this session of Congress? I perhaps should say that if this is intended, its accomplishment will require word to the Congress from someone much higher in governmental rank than I.

If, however, it is not intended to stop current legislation, might I suggest that the scope of the interdepartmental committee's terms of reference be more clearly marked out?



THE WHITE HOUSE
WASHINGTON

BF
Curre

August 23, 1940.

MEMORANDUM FOR THE PRESIDENT:

Re: Foreign Relations of American Corporations.

There is available today considerable information, resulting in part from a federal grand jury investigation, on the frequently very close relations of some of our large corporations with their German counterparts.

For instance:

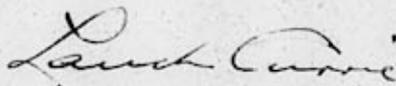
1. The ElectroMetallurgical Corporation, which controls a great many patents in the processing of chromium and chromium plating, as well as the handling of other metals, is said to have rather complete patent information exchange with the I. G. Farbenindustrie.
2. Bausch and Lomb Company has an agreement with Karl Zeiss of Germany in connection with military lens. Under this agreement Bausch and Lomb agrees to pay royalties to the German firm on any military lens equipment made for the U. S. armed forces, regardless of who owns the patent or who designed the formula used (many of our military formulae are developed by the Bureau of Standards). According to Justice investigators, Bausch and Lomb not only pays royalty on military lens but turns over to the Germans the formula used. This is a one-sided arrangement, since the Germans have not been supplying similar information to the U. S. firm. Bausch and Lomb further agreed to employ as a superintendent of its military lens department a person designated by Zeiss. Military lens include equipment for ordinary and aerial cameras, as well as vital parts for range finders, binoculars, and automatic fire controls.
3. The Sperry Instrument Company, which is one of the manufacturers of the U. S. bomb sight, is reported to have very close connections and patent information exchange with one of the large German corporations.
4. The American companies processing magnesium and owning the patents for this process are jointly owned by the Aluminum Company and I. G. Farbenindustrie. The patents cover the method of casting magnesium (fundamental to the manufacture of airplane parts) without combustion. Technical information in all developments

is made available to the German participants and certain information was made available as recently as April.

I am informed that in recent years patent exchange information has become one-sided and that we receive little of any value compared with what we give.

It has been suggested that advantage be taken of the Texas Corporation-Westrick affair to have some Senator offer a resolution calling for an investigation. Any hearings held on such a resolution would offer an opportunity for airing some of the known facts. I think such facts would have a bearing on many people's attitude toward a change in political control.

Would you like me to proceed on my own initiative in this matter?



Lauchlin Currie

THE WHITE HOUSE
WASHINGTON

August 28, 1940.

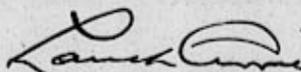
MEMORANDUM FOR THE PRESIDENT:

Re: Amendments to Railroad Unemployment Insurance.

I am sorry to bother you about this, but the railroad labor people keep calling me and it may be that you might want to help them. They have sponsored amendments to the Railroad Unemployment Insurance Act calling for increased benefits up to the level of the best state systems. These amendments were approved by the individual members of the Railroad Retirement Board, were sponsored by Wagner, and have passed the Senate. They are now bogged down in Lea's committee in the House where it has not been possible to secure a quorum, for this purpose, to act upon them. Cashin, representing railroad labor, says Lea is in possession of a letter from the Federal Security Agency stating that the latter has been advised by the Budget Bureau that the amendments are contrary to your program.

Since railroad labor appears to be very much concerned about the matter, and since it appears to be good policy to raise the Federal Unemployment Insurance System up to the level of the best states, I am wondering whether (a) you will care to respond to a letter from the railroad labor executives, or (b) communicate with Lea, or (c) take any other action. They may, of course, succeed in getting a favorable report out of the Committee in the next few days, but they have had no success so far.

Inquiring why railroad labor has come out against the selective service bill, I was told that what labor is really concerned about is not so much a military draft as the precedent they fear in drafting labor in general, and transportation labor in particular, for work at \$30 a month. Some definite commitment against such a possibility on your part might reassure them and weaken the opposition to the bill.



Lauchlin Currie

THE WHITE HOUSE
WASHINGTON

September 5, 1940

B5F
Currie

MEMORANDUM FOR THE PRESIDENT:

Re: Railroad Unemployment Insurance Amendments

In accordance with your instructions I spoke to the Budget Director and to Lea. The former told me that as a result of your letter to the Chairman of the Railroad Retirement Board, he had notified interested departments that "the general objectives of such of this legislation as related to maritime unemployment insurance and to increasing the benefits or modifying the procedures with respect to railroad unemployment insurance would not be in conflict with the program of the President", and that these departments would so notify Lea.

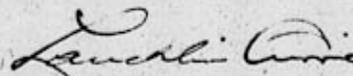
I then called Lea. I received the strong impression from my conversation with him that he would not take any action until he was reasonably sure he could get his committee to delete the two provisions of the bill shortening the waiting period to one week and providing for a carryover of one year in eligibility for benefits on the grounds that these constitute an undesirable precedent for State systems. He will take the position, I feel sure, that your approval relates only to the broad objectives and not to such "details".

I then checked with Dave Robertson, who called me, and with Murray Latimer, who both assured me that they regard these "details" as absolutely essential to the broad objective of raising benefits to the level of the best States. The actual weekly benefit provided will continue to be lower (on the basis of the same wages) than under the laws of several of the better states --- California, Illinois, New York, Ohio and Pennsylvania, for example. Only by adding the other provisions under question will the benefits in the broad sense be brought up to the level of these states.

Latimer further informs me that the desirability of the one week waiting period has been widely recognized. It is incorporated in the McCormack and Murray bills; and is recommended by the Social Security Board and by the Senate Committee on Unemployment headed by Senator Byrnes (who personally is strongly in favor of it). The carryover principle has ample precedent in early State laws.

Finally I checked with Altmeyer who stated that he regarded both provisions as desirable.

In these circumstances you may wish me to inform Lea that it is my understanding that in approving the objectives and the modifications of the procedures you included both the provisions in question.


Lauchlin Currie

THE WHITE HOUSE
WASHINGTON

September 12, 1940.

MEMORANDUM FOR THE PRESIDENT:

Re: Foreign Relations of American Corporations

On August 24 you authorized me, after consultation with the Attorney General, to proceed on my own initiative in the matter of a Congressional investigation into the inter-relations of American and German corporations, with particular reference to armaments and national defense, and the safeguarding of military secrets. I approached Claude Pepper, who was eager to proceed. He had the attached resolution prepared and took it up with Senator Byrnes, who advised against introducing it on the grounds that if his Committee approved Pepper's resolution, it would be difficult for it to turn down Bennett Clark's request for an investigation of foreign propaganda. The matter rested there. However, three days ago Senator Wheeler introduced a resolution closely paralleling Pepper's proposed resolution.

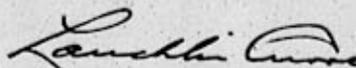
Several courses appear to be open:

(a) Byrnes might block Wheeler's resolution, in which case there would be no Congressional investigation. Wheeler, however, might make some political capital out of this.

(b) Pepper might join up with Wheeler in order to make sure that the investigation was directed toward national defense and not isolationism. Clark's resolution could then be blocked on the grounds that Dies was covering his proposed subject matter.

Arnold's investigations are uncovering a maze of inter-relationships that are unquestionably contrary to the best interests of the United States. He is, however, restricted to conspiracies in restraint of domestic trade and his findings are not getting much of a play. We are continuing to make many of our technological discoveries and improvements vital to national defense available to Germany and are getting nothing in return. The present appears a propitious time for putting a stop to these undesirable arrangements.

I shall be glad to discuss the alternatives with you at your convenience or to proceed in any way you may care to suggest.


Lauchlin Currie

RESOLUTION

Resolved. That a special committee of five Senators, to be appointed by the President of the Senate, is hereby created and is authorized and directed to make a full and complete investigation of arrangements and relations, formal or informal, existing between American industrial, financial and commercial enterprises on the one hand, and foreign governments and industrial, commercial and financial enterprises operating in foreign countries on the other hand, to determine the extent to which such arrangements and relations are or may be a means of

A. conveying to foreign governments or to industrial, commercial or financial enterprises operating in foreign countries, information regarding implements, equipment, materiel, devices, instruments, processes, patents, plans, programs or other things which are or may be useful to the military or naval establishments or the national defense of the United States; or,

B. withholding from the United States or from other industrial, commercial or financial enterprises operating in the United States, information regarding implements, equipment, materiel, devices, instruments, processes, patents, plans, programs or other things which are or may be useful to the military or naval establishments or the national defense of the United States; or,

C. retarding the development, production, or use by the United States or by American industrial, commercial or financial enterprises of implements, equipment, materiel, devices, instruments, processes, patents, plans, programs or other things which are or may be useful to the military or naval establishments or the national defense of the United States.

Section 2. As soon as practicable, the committee shall make a report or reports to the Senate concerning the investigation and, in conjunction therewith,

make recommendations with respect to legislation upon the foregoing subjects for the purpose of strengthening the military and naval establishments and for promoting the national defense.

Section 3. For the purposes of this resolution the committee or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places, either in the District of Columbia or elsewhere, during the sessions, recesses, and adjourned periods of the Senate in the Seventy-Sixth and succeeding Congresses, to employ and fix the compensation of such officers, experts and employees as it deems necessary for the performance of its duties, and to utilize the services, information, facilities, and personnel of the departments and agencies of the government. The committee is further authorized to require by subpoena or otherwise the attendance of such witnesses and the production and impounding of such books, papers, correspondence, memoranda, contracts, agreements, or other records and documents, to administer such oaths, and to take such testimony and to make such expenditures as it deems advisable. The committee shall be entitled to exercise the same powers and rights as are conferred upon the Securities and Exchange Commission by subsections (d) and (e) of Section 18 of the Act of August 26, 1935 (49 Stat. 831); and the provisions of such subsections shall be applicable to all persons summoned by subpoena or otherwise to attend and testify or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records and documents before the committee. A vacancy on the committee shall be filled in the same manner as original appointments and shall not affect the power of the remaining members to execute the functions incumbent on the special committee. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses

of the committee, which shall not exceed \$ _____, shall be paid from
the contingent fund of the Senate upon vouchers approved by the chairman.

PSF
Currie
THE WHITE HOUSE
WASHINGTON

File
Personal

September 23, 1940.

MEMORANDUM FOR THE PRESIDENT:

Re: Senator Downey.

After Townsend's declaration for Willkie, I called Downey and asked him if he were going to make any statement. I told him I was calling on my own account. He said he would think it over. Today he called me and said that shortly he was going to come out for you and your position on old age pensions. He indicated that he would like me to pass this information along to you.

Lauchlin Currie

Lauchlin Currie

*file
Confidential*

*PST
Currie*

THE WHITE HOUSE
WASHINGTON

November 28, 1940.

MEMORANDUM FOR THE PRESIDENT:

Re: Recent shipments of certain materials to Japan.

1. Lubricating Oil.

Shipments of lubricating oil to Japan in the four weeks ending November 25 amounted to 243,000 barrels, which in turn is equal to half of the total shipments to Japan in 1939. Comprised in the shipments of the past four weeks were 24,000 barrels of aviation lubricating oil subject to license.

2. Gasoline.

In the four-week period ending November 25 we shipped 375,000 barrels of high octane gas subject to license. This quantity is more than one-third of total 1939 shipments.

3. Crude Petroleum.

Shipments in the four-week period ending November 25 amounted to 1 million barrels.

4. Fuel and gas oil.

Shipments in the four-week period ending November 25 amounted to 600,000 barrels.

I do not know whether you get periodic reports on the current shipments of strategic materials. If not, would you like me to call such shipments to your attention from time to time?

Lauch Currie

Lauchlin Currie

11
THE WHITE HOUSE
WASHINGTON

File
Journal
Alm. Dist.
1-40
December 16, 1940.

MEMORANDUM FOR THE PRESIDENT:

Re: Attached clipping.

The attached may have escaped your attention. I don't know whether you knew that Robey, who would have no difficulty in finding plenty in your speeches "prejudicial to the system of free enterprise", flunked his Ph.D. examination at Columbia after teaching there for some years.

Lauch Currie

Lauchlin Currie

BSF
Currie

N. A. M. WILL SURVEY SCHOOL TEXTBOOKS

Analyses of 800 Volumes to Find Subversive Teachings, to Be Made for Industry

FAITH-BUILDING HELD LAX

Action Seen as Move to Defend Our Form of Government— Session Opens Here Today

The National Association of Manufacturers revealed yesterday that it had undertaken a study of some 800 public school textbooks throughout the country, so that its members might move against any that are found prejudicial to our form of government, our society or to the system of free enterprise.

The announcement was made preliminary to the association's forty-fifth Congress of American Industry, which opens today at the Waldorf-Astoria Hotel. The congress annually consolidates the opinions of 8,000 members, industrialists, employing 2,000,000 workers. In preparation, the association spent \$1,600,000 during the year on staff work and public information.

As to textbooks, the association announced that it has engaged the services of Ralph W. Rober, Professor of Economics in Columbia University to abstract all textbooks in the field of history, civics, sociology and economics in general use in the public school systems of the country.

Professor Rober, who long has been one of the foremost critics of "the socialism for the New Deal," has been commissioned, according to the announcement, to the objective function simply of abstracting such books, primarily by means of actual quotations which will illustrate the authors' attitude toward our governmental and economic institutions.

The question whether such an attitude is wrong or right or neutral, the association bulletin continued, is something which individual leaders of the abstracts will have to decide for themselves. Naturally, it will urge that the abstracts be used only for preliminary analysis and that each manufacturer should read in full any book which, on the basis of the abstracts, seems to him to be of questionable merit.

"Relatedly, we in the United States have come to the realization that human freedom is not self-perpetuating and that the basic principles which underlie our institutions need constant repetitions. Although the present need to strengthen vastly our physical defenses demonstrates the need for training in the arts of manufacturing production, we are faced with the task of strengthening the internal structure of education by building an understanding of, and faith in, the principles and institutions that have made America great. It is in this latter field that we have been negligent."

Responsibility Accepted

"Industry accepts its share of the responsibility for our shortcomings of the past, and it observes that the problem is not education's alone; all elements in our society should cooperate in defining the solution if that solution is to be completely satisfactory."

The National Association of Manufacturers outlined a three-point program designed not only to aid in the formulation of basic policies but to encourage manufacturers in every community to cooperate wholeheartedly with their local educational authorities in analyzing sound means by which the concept of private enterprise and the details of its operation may be brought in the schools.

- The program embodies:
- 1—Extension of the work of the association's committee on educational cooperation. This committee, formed two years ago at the suggestion of a group of prominent educational authorities, will hold day conferences between business men and educators throughout the country for the discussion of problems of mutual interest.
 - 2—Encouragement of manufacturers individually to accept the civic responsibility of equipping themselves with education and its problems in their own communities, and to cooperate toward the solution of such problems. The association plans to stimulate local business men to get in closer contact with school boards and individual teachers, and to recommend local conferences for the discussion of mutual problems between manufacturers and educators in both the secondary and college levels.
 - 3—Encourage educators to seek a better understanding of the private enterprise system so that this institution can be explained to students more effectively as an indispensable concept of the American way of life.

*file
personal*

*PSF
Currie*

THE WHITE HOUSE
WASHINGTON

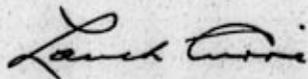
January 2, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Federal Reserve Statement.

I have been somewhat embarrassed by the publicity in connection with this statement and sorry that I was not able to head it off in any way. Secretary Morgenthau and Chairman Eccles called me in to get the background, as they expected to see you together and they thought you might possibly refer the statement to me. Then on last Monday it was decided that they would not see you together and Chairman Eccles called me and told me that he intended to take it up with you directly through Steve.

I really didn't have any advice to offer, as by the time I was informed, Chairman Eccles had already committed himself so irrevocably with his Board and System there wasn't much I could see could be done.



Lauchlin Currie

RF Exec. Oyc.

THE WHITE HOUSE
WASHINGTON

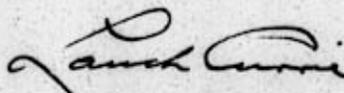
File personal

January 18, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: China Trip.

I saw Sumner Welles, as you suggested, and he immediately said that he thought my proposed trip an excellent idea and that, so far as he could see, there was no impropriety at all in my taking a leave of absence and having my expenses paid by the Chinese. Unless I hear to the contrary, therefore, I shall make my plans to leave next Sunday. I also think it advisable to work out a little statement with Steve which could be released at the appropriate time.


Lauchlin Currie

BF
Currie

THE WHITE HOUSE
WASHINGTON

April 12, 1941.

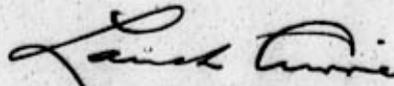
MEMORANDUM FOR THE PRESIDENT:

Re: Dinner with Willkie and Luce.

Although the matter of Mr. Willkie's going to China came up I did not quote you in any way. Willkie said that if he decided to go he would ascertain your wishes in the matter but that he was asking me entirely in my unofficial and personal capacity. I replied that I could not urge him to go since the journey was hazardous, but that if he decided to go I suggested he might consider the advisability of going to Japan first, then China, Singapore, Australia, and the Dutch East Indies. He saw the point immediately of displaying a united front to Japan and thought he could indicate to them a hardening of the American attitude in the general conflict. He said, however, that he had not come to any decision, that the trip would take so long, and that there were personal affairs that might prevent it. Luce is leaving for China on the twenty-sixth of this month.

Willkie seemed most anxious to talk about the necessity for convoys. He said he would appreciate it very much if I could check on the gravity of the shipping situation for England and let him know whether it was really as serious as it had been represented to him. Do you want me to do this?

Did you notice the attached picture from this week's Life?


Lauchlin Currie

*file
journal*

*PSF Currie folder
1-41*

THE WHITE HOUSE
WASHINGTON

April 21, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Viscount Halifax's speech before the
Newspaper Editors' Convention, April 18.

Lord Halifax spent some time justifying Munich. He recounted a private conversation he had had with Chamberlain on the latter's return from Munich, wherein he had urged him not to have a general election but, rather, to reconstitute his government, bringing Bevin and others into it. He said he thought that history might have been a little different if his advice had been followed.

I am afraid that he was displeased with my remark that morale in China had reached its lowest point at the time of the closing of the Burma Road, but was now very high. When I sat down he said that he had explained at the time to the Chinese Ambassador that China should not mind much because they could not bring any goods in during the rainy season anyway, and in the meantime it gave England "time".

Pamphlets issued by the Buchmanites on national defense were at all the dinner places.

Lauchlin Currie
Lauchlin Currie

PSF *Currie Folder*
file 1-44
per month

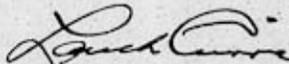
THE WHITE HOUSE
WASHINGTON

April 25, 1941

MEMORANDUM FOR THE PRESIDENT:

Re: The attached clipping

In accordance with your instructions I telephoned Willkie and told him that some of our experts were not at all sure that convoys were the answer; that the problem was tougher than in 1918 and that perhaps what was needed was more aerial observation and aerial convoys, and more scattering of ships. He said he appreciated the information and asked me to keep him informed as he is now so committed to this policy.



Lauchlin Currie

Don't Let Us Be Sunk—Willkie

Favors Navy Series

As Navy Seeks

PTERSBURG, April 25.—The War supplies of England may be assured, "delivered" and "sent" Roosevelt should promptly give the American people a plan of protection of our shipping, Wendell Willkie declared today.

In a speech to open a \$676,000 Y. M. C. A. fund drive tonight, the 1940 Republican Presidential nominee said: "There is no doubt that there is no lack in our shipping and production over here. Our supplies for Europe are at the crest on the bottom of the ocean. If our supplies there won't do great Britain or America any good, it is no time for the Administration to give us the facts, and then lead instead of follow public opinion. It is necessary to protect those shipments. I am willing, as I know the American people are, to be told the degree of destruction of supplies and a plan of protection. We should be told the facts, regardless of how distressing they may be."

Willkie was asked in an interview if he favored convoying of shipments with minesweepers. He said: "I am in favor of that method that our military and naval experts say is the most effective."

He said he did not wish to be "capriciously critical," but added: "I agree with Secretary Hull and Secretary Knox that the situation is very serious. But the only way the American people can be brought to realize the seriousness of the present world crisis is to be told the facts. That's the best way to handle generalities."

state dept. copy
published in

Foreign Relations of the United States

1941 Vol. IV The Far East

pp. 186-187.

2 12
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Personal

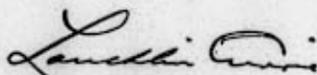
THE WHITE HOUSE
WASHINGTON

May 13, 1941.

MEMORANDUM FOR THE PRESIDENT:

The attached cable from Chiang Kai-shek, addressed to me, arrived yesterday. I think the source of his information was the Chinese Ambassador at Berlin, via Dr. Quo Tai Chi.

I am forwarding a copy to Secretary Hull.



Leuchlin Currie

PSF Currier Folder
1-41

May 12, 1941.

FOLLOWING FROM GENERALISSIMO-

MESSAGE OF THIRD INSTANT FROM PRESIDENT RECEIVED STOP
PLEASE EXPRESS MY DEEP APPRECIATION OF HIS SINCERE
ASSISTANCE STOP REPORT HAS JUST REACHED HERE THAT IF
RELATIONSHIP BETWEEN GERMANY AND UNITED STATES REMAINS
AS AT PRESENT AND NOT WORSE, GERMANY IS DETERMINED TO
START HOSTILITIES AGAINST RUSSIA WITHIN A MONTH AND A
HALF STOP IF CONVENIENT PLEASE INFORM PRESIDENT STOP

SEGAC

rsf - Currie

Telegram Received by Mr. Laughlin Currie, Administrative Assistant to President Roosevelt, Chungking, July 2, 1941. (Signed by "Segac").

Telegram states that Generalissimo has received reliable information that Japan will abrogate the Soviet-Japan Neutrality Pact and declare war on Russia.

SEE: Foreign Relations of the United States, 1941, Vol. IV, The Far East, page 289.

*File
re: Napier
Sabre Engine*

THE WHITE HOUSE
WASHINGTON

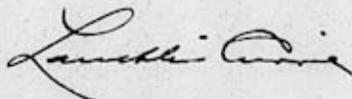
June 3, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Napier Sabre Engine.

The attached letter from Assistant Secretary Lovett comments on my memo to you on the Napier Sabre. The main points it brings out are (a) it is not feasible to enter upon volume production of the engine, (b) Mr. Knudsen proposes an experimental order of 150 engines, (c) the War Department has advised OPM that it has no objection to this proposal.

I will let you know if and when this proposal is adopted.



Lauchlin Currie

PSF Currie Folder

WAR DEPARTMENT
OFFICE OF THE ASSISTANT SECRETARY
WASHINGTON, D. C.

June 2, 1941.

Mr. Lauchlin Currie,
The White House,
Washington, D. C.

Dear Mr. Currie:

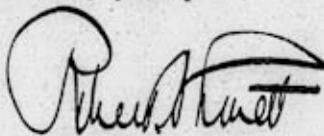
1. Your memorandum to The President on the Napier Sabre Engine has been forwarded to my office.
2. I have read Mr. Taub's report and am very much interested in this engine. For your information, the new four-engine bomber program, which has an ultimate objective of 500 four-engine bombers per month, will extend to the utmost the productive capacity of all trained personnel and the plant equipment now available in this country. In addition, it will require a most extensive personnel training program as well as considerable expansion of aircraft establishments and those available for the manufacture of high-grade machine tools. In view of which, I am advised that the production of the Sabre Engine in quantities at this time would seriously impair the production of airplanes for this program. Further, that regardless of the priority given Sabre Engine production, it would be impracticable to produce them for use at the front prior to 1943 at the earliest.
3. The decision to use Chevrolet facilities for the production of the Pratt-Whitney R-1830 Engine, to meet the requirements for the four-engine bomber program, was necessitated by the fact that Chevrolet was the most capable of all the facilities available for this production.
4. Two Sabre Engines have been requested for test at Wright Field to be used in connection with an exploration into the practicability of producing the Sabre Engine in this country. In this connection, Mr. Wm. S. Knudsen proposes an experimental order for the purpose of determining the problems connected with the production of this engine and its reduction to American production practices. Final decisions in this connection are being deferred pending the arrival and tests of these engines at Wright Field.
5. In connection with production of this engine in England, every aid is being given to the procurement of some 250 special machine tools for use in its fabrication.
6. In view of special characteristics of the Sabre Engine, particularly its use of a sleeve valve and its very high R.P.M., this department is interested in seeing at least an initial step made toward putting

Mr. Lauchlin Currie,
Page two,
June 2, 1941.

an engine of this type into production. We have, therefore, indicated to the Office of Production Management that we have no objection to the production in the Hercules Engine Company plant of an initial pilot test run of approximately 150 engines.

7. I feel that this procedure will permit us to proceed with our current program in addition to exploring the possibilities of the Sabre, the production of which, under the circumstances, we are unable to undertake in quantity at this time. I am very glad to have the benefit of your comments to The President and of Mr. Taub's report.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Robert A. Lovett". The signature is fluid and cursive, with a large initial "R" and a long horizontal stroke extending to the right.

ROBERT A. LOVETT,
Assistant Secretary of War for Air.

249
Official

THE WHITE HOUSE
WASHINGTON

May 19, 1941.

MEMORANDUM FOR

ROBERT LOVETT: x 25

Probably you know all about
this but Mr. Currie suggested I send
it to you for your consideration.

F.D.R.

Memorandum for the President from Hon.
Lauchlin Currie, 5/9/41, in re The Napier
Sabre engine. Attached is a copy of a cable
from the British aircraft authorities, which
was shown to Mr. Currie by Mr. Taub, the
engineer sent over by Beaverbrook with the
Sabre engine.

x 48
x 382
x 1175038
x Ken.

x 463-6

x 25-U

THE WHITE HOUSE
WASHINGTON

*file
personal*

June 7, 1941

MEMORANDUM FOR MISS TULLY:

I HAVE TALKED TO THE
PRESIDENT ABOUT THIS AND IT CAN
BE FILED.

HARRY L. HOPKINS

THE WHITE HOUSE
WASHINGTON

April 30, 1941.

MEMORANDUM FOR

HON. HARRY L. HOPKINS

Will you speak to me
about this?

F. D. R.

printed in

Foreign Relations of the United States

1951 Vol. IV The Far East

pp. 167-169.

15F Currie Folder

THE WHITE HOUSE
WASHINGTON

April 25, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Airplanes for China under Lease-Lend.

Meeting China's request for pursuit ships and bombers involves a major question of policy. This memorandum outlines briefly the case for the immediate diversion of some airplanes to China.

1. Japan is an Axis partner committed to a policy of domination of the Far East. Despite assurances to the contrary, it will seize every opportunity to further this policy.

2. The Russo-Japanese Pact facilitates, to a degree, this policy. While it may be presumed that mutual trust is lacking, still a parallel step by step policy of withdrawing men and material from the Manchurian-Siberian frontier may very well prove feasible and in the interests of both Russia and Japan.

3. Should Suez and the Near East fall to Germany, this would unquestionably embolden the Japanese.

4. Singapore is the key to the Indian Ocean, Australasia and Oceania. It is as indispensable to the continuation of Britain's war effort as it is to Japan's dominance of the East. It may be assumed, therefore, that Japan will move against Singapore whenever conditions appear favorable.

5. Japan would be prepared to offer China peace on very favorable terms for the purpose of releasing large numbers of men and planes and quantities of material. She could do this readily as the possession of Singapore would put her in a position to dictate any terms to China.

6. Therefore, the defense of Singapore should be a cardinal feature of our strategy and the British strategy.

7. The best defense of Singapore is in China. Were China put in a position to assume the offensive, Japan would have to strengthen her forces in China, rather than weaken them. The assumption of a vigorous air offensive by the Chinese against the Japanese in China and in Japan and in Indo-China, would also effectively tie up the Japanese air force.

On the other hand, aerial defense of Singapore is difficult as it is open to attack from the sea without adequate warning.

The best defense of Singapore, therefore, would appear to consist in (a) keeping the Chinese fighting on a larger scale than before, (b) forcing Japan to maintain and increase its ground and air forces in China, (c) attacking Japanese shipping and airdromes in Indo-China from China.

Re: Airplanes for China under
Lease-Lend

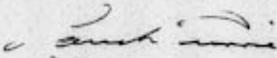
-2-

8. In addition to these considerations, Chinese morale at this moment badly needs a shot in the arm.

9. For all these reasons, we should divert some pursuit ships, bombers, and advanced trainers to China as soon as possible.

10. Both our armed services and the British will be reluctant to give up any ships for this purpose. Purvis himself is sympathetic as is also Lovett. I am afraid, however, that the matter is one that requires your personal intervention if any substantial help is to be given.

Unfortunately, I am not in a position to make any specific suggestions as I am not in possession of the facts regarding our current stocks and production and the British and American requirements. The Chinese have asked for the delivery in 1941 of 500 additional pursuit ships, 300 two-engined bombers, 12 four-engine bombers and 300 trainers.


Lauchlin Currie

THE WHITE HOUSE
WASHINGTON

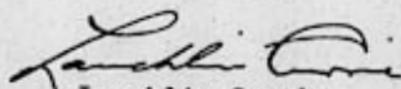
BSF
Currie

June 13, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Allocation for the Yunnan-Burma
Railway.

In accordance with what I judged to be your wishes, I asked the Corps of Engineers to work up a complete railway project, not to exceed \$15,000,000, making use wherever possible of used rolling stock and shop equipment, and including funds for supervisor and inspection. This program of "bare essentials" was worked out in collaboration with representatives of China Defense Supplies, Inc. It is estimated that the total cost of shipping all supplies involved will amount to \$3,206,000. In order to facilitate the orderly planning and processing of this project and to save your time, I suggested that only two allocations be presented for your approval, the accompanying one of \$15,000,000 and a later one of \$3,206,000 for shipping expenses.


Lauchlin Currie

Franklin D. Roosevelt Library

DECLASSIFIED

100 DIR. 5200.9 (9/27/58)

Date- 4-15-66

Signature- *Carl L. Spicer*

ADDRESS REPLY TO
CHIEF OF ENGINEERS, U. S. ARMY
WASHINGTON, D. C.

WAR DEPARTMENT
OFFICE OF THE CHIEF OF ENGINEERS
WASHINGTON

6-F

REFER TO FILE NO. 400.335(China)

May 31, 1941.

~~CONFIDENTIAL~~

Mr. Lauchlin Currie,
Administrative Assistant to the President.

My dear Mr. Currie:

In accordance with your request, representatives of this Office have consulted with the Chinese representatives of the Ministry of Communications regarding the establishment of a reduced cost estimate for providing the necessary materials for the Yunnan-Burma Railway under the provisions of the Lend Lease Act.

Agreement has been reached upon a \$15,000,000 program for providing all the required materials. This reduction has been effected by eliminating all motor trucks and the gasoline and lubricants therefor, by reducing the locomotives as proposed on May 28th, by reducing quantities of construction tools, and by limiting shop equipment to the \$1,600,000 figure proposed by this Office. However, the Chinese have asked that the tie requirement, a reduced medical requirement, and a reduced steel bridge requirement be replaced in the program.

A summary of the items included in this estimate follows:

1. Rails and accessories	\$ 3,054,000
2. Sleepers	900,000
3. Bridge and culverts	535,500
4. Locomotives and cranes	3,395,000
5. Cars and wagons	1,293,000
6. Workshop and Locomotive Sheds	1,600,000
7. Water Supply System	300,000
8. Construction equipment and tools	1,200,050
9. Construction materials	408,960
10. Telegraph and telephones	400,000
11. Medicine and medical equipment	1,000,000
12. Traffic equipment	370,000
Total	\$14,454,510
Administration & Inspection	545,490
Total	\$15,000,000

It is believed that this project can be worked out satisfactorily within the \$15,000,000 figure stated, especially in view of the fact that the Chinese state that they will agree to a further reduction in the units of equipment to be furnished in order to keep the total cost within the figures stated above.

For the Chief of Engineers:

Very truly yours,
John G. Kingman
John G. Kingman
Brigadier General,
Assistant to the Chief of Engineers.

~~CONFIDENTIAL~~

Copy

ASF, Currie Files
File
personal

June 21, 1941

MEMORANDUM FOR THE PRESIDENT

Re: Protection of American pilots sailing to China.

About 100 American pilots and mechanics have booked passage on the Dutch S. S. Jagersfontaine from San Francisco to Singapore, sailing June 30. In view of (1) your statement on the sinking of the Robin Moor, (2) the testimony of one of the members of the Air Mission to China who has just returned that the mission was followed and bombed continuously by the Japanese (more on this later), and (3) the grave possibility that a "German" raider will attempt to prevent these airmen from reaching China, you might care to authorize me to take up with Secretary Knox the provision of protection for this ship in the Far East.

Leuchlin Currie

"L. C.

OK

F. D. R."

THE WHITE HOUSE
WASHINGTON

PSF
Currie

June 21, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Protection of American pilots sailing to China.

About 100 American pilots and mechanics have booked passage on the Dutch S.S. Jagersfontaine from San Francisco to Singapore, sailing June 30. In view of (1) your statement on the sinking of the Robin Moor, (2) the testimony of one of the members of the Air Mission to China who has just returned that the Mission was followed and bombed continuously by the Japanese (more on this later), and (3) the grave possibility that a "German" raider will attempt to prevent these airmen from reaching China, you might care to authorize me to take up with Secretary Knox the provision of protection for this ship in the Far East.

Lauchlin Currie
Lauchlin Currie

Discussed with
Sec. Knox &
Admir. Stark, June 26.

[Handwritten initials]

PSF: Currie file 1941

THE WHITE HOUSE
WASHINGTON

July 11, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Reply to Chiang Kai-shek's message.

In accordance with your instructions, I discussed this matter with Mr. Welles. He suggests that you authorize me to convey the following message to T. V. Soong:

In answer to the Generalissimo's enquiry as to whether the President would be in favor of definite military arrangements between the Soviet and Chinese Governments, the President has authorized me to inform you that the United States Government, not being a party to the agreement, cannot take responsibility for it. However, the President added that he was of the opinion that such military arrangements would definitely be to China's benefit. His attitude toward the suggested pact between China, Russia and Great Britain was similar. The President would appreciate further information as to the nature of the proposed military arrangements and pact.

Lauchlin Currie
Lauchlin Currie

*L.C.
DK
JHR*

100 F - Currie

✓

Mr. Laughlin Currie, Administrative Assistant to President Roosevelt, to the Acting Secretary of State, Washington, August 3, 1941, enclosing a Cable to Laughlin Currie from Owen Lattimore, Chungking, August 2, 1941.

Currie refers to Lattimore's cable on the situation in China and recommends six courses of action to contain Japan until the Battle of the Atlantic is won.

SEE: Foreign Relations of the United States, 1941, Vol. IV, The Far East, pages 361-362.

~~CONFIDENTIAL~~

WAR DEPARTMENT
OFFICE OF THE CHIEF OF STAFF
WASHINGTON

25F
Currie

July 15, 1941

lh
f. h.

Dr. Lauchlin Currie
The White House

Dear Doctor Currie:

Based upon the report and recommendations made by the United States Military Aviation Mission and the additional report of Commander E. O. McDonnell, U.S.N.R., Naval member of the mission, the War Department will assist in aiding China as follows:

(1) Train twenty-five Chinese pilot, bomber and navigator crews beginning about April 1, 1942, at which time it is estimated our heavy bombardment squadrons in the Continental United States will be equipped with sufficient aircraft to undertake this training.

(2) Undertake, on October 1, 1941, the training of twenty-five Chinese armament and radio mechanics in the Air Corps Technical Schools.

(3) Beginning October 1, 1941, undertake the training of 500 Chinese pilots, in increments of fifty (50) every five weeks, at the Air Corps Primary, Basic, and Single Engine Advance Flying Schools. To accomplish this our own program may have to be reduced by like numbers.

(4) Determination of the amounts of aircraft ammunition which can be allotted to meet the needs of the Chinese Government will be made about October 1, 1941, in accordance with the approved War Department policy relating to Defense Aid Transfers.

It is recommended that State Department action be initiated to secure, first, guarantees from the Chinese Government which will insure that the American Volunteer Air Unit is commanded and staffed by experienced American aviators; and

Franklin D. Roosevelt ~~liberty~~

DECLASSIFIED

DOD DIR. 6880.0 (4/27/85)

Date: 2-27-59

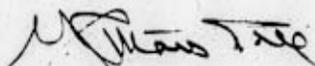
Signature: Carl S. Spiker

~~SECRET~~

SECRET

second, the Chinese Government to agree that the Chief of the American Air Mission to China will be the sole judge of the readiness for combat of the American Volunteer Air Unit.

Faithfully yours,

A handwritten signature in dark ink, appearing to read "William T. Lee". The signature is written in a cursive, somewhat stylized hand.

Chief of Staff.

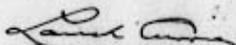
J.C.K.
THE WHITE HOUSE
WASHINGTON

August 27, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Military Mission to China

T. V. Soong called me this morning and asked if there would be any objection to the release in China of your letter to him, a copy of which I attach. He made the point that it would let the Chinese know that the Mission was in response to a request of the Generalissimo.
(Incidentally, through T. V. Soong!)


Lauchlin Currie

C
O
P
Y

*RST
Curie*

August 20, 1941.

Dear Dr. Soong:

I am happy to comply with the request of Generalissimo Chiang Kai-Shek, conveyed to me through your letter of August 7, that an American military mission be sent to China. The Secretary of War has selected as chief of the mission Brigadier General Magruder, who is now assembling his mission and will depart, as soon as possible, for Chungking.

I trust that this mission will aid China in her valiant struggle.

Sincerely yours,

(Signed) Franklin D. Roosevelt

Dr. T. V. Soong,
China Defense Supplies, Inc.,
1601 V Street, N. W.,
Washington, D. C.

*file
for mail*

THE WHITE HOUSE
WASHINGTON

September 3, 1941

MEMORANDUM FOR MISS TULLY:

You will see my telegram to
Sinclair which is attached and
I think this letter can be
filed.

HARRY L. HOPKINS

RF 1-41

THE WHITE HOUSE
WASHINGTON

August 26, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Bombers for Chinese.

The Joint Board, after prolonged and careful study by the Joint Planning Committee, recommended that 33 Hudsons and 33 DB7's be made available this year to the Chinese out of stocks and production in this country controlled by the British. When you approved this recommendation, I notified Chiang as I have been doing with other parts of the defense aid program you approved. Subsequently, however, the Army took the position that your approval was not sufficient and that a waiver would have to be obtained from the British.

I explained the matter to Harry Hopkins and he suggested we re-examine the possibilities of diverting bombers from our own Army program. I did so with rather discouraging results. Owing to continued bugs in the Martin B26, the Army is currently taking delivery of only one type of medium bomber, the North American B25, of which it expects to get 35 to 40 a month during the balance of the year, after diverting 5 a month to the Russians. In addition, the Army is scheduled to get 62 light A-20 bombers over the balance of the year which it maintains it needs badly to accompany ground operations.

I then consulted air officers who have recently returned from England. They informed me that the British would shortly experience a shortage of bomber crews and that a diversion of the magnitude I had in mind, spread over a few months, could not possibly affect the British position significantly.

I reported these facts back to Mr. Hopkins and he then asked General Burns to attempt to get the bombers required. Since the British here have no authority to release ships, we agreed that the most practicable course appeared to be to recommend that you explain the situation frankly to Churchill, along the lines of the accompanying draft cable.

I have lived with this problem for months and I think I have explored every possibility. This finally seems to be the only way out.

Lauchlin Currie

CABLE TO PRIME MINISTER CHURCHILL FROM THE PRESIDENT

August 26, 1941.

THE CHINESE HAVE BEEN PLEADING FOR SOME BOMBERS TO SUPPLEMENT THEIR FIGHTER FORCE. WE CANNOT MEET THE NEED AS OUR ARMY IS CURRENTLY TAKING DELIVERY OF ONLY ABOUT FORTY MEDIUM BOMBERS A MONTH. OUR JOINT STRATEGY BOARD RECOMMENDED THAT THIRTY-THREE HUDSONS AND THIRTY-THREE DB-SEVENS FROM YOUR PRODUCTION HERE BE MADE AVAILABLE TO THE CHINESE OVER THE BALANCE OF THE YEAR. I APPROVED THE RECOMMENDATION. I NOW FIND MYSELF IN A SOMEWHAT EMBARRASSING POSITION AS CHIANG KAI-SHEK WAS INFORMED OF THE RECOMMENDATION AND APPROVAL AND CABLED HIS APPRECIATION BEFORE I HAD AN OPPORTUNITY TO TAKE THE MATTER UP WITH YOU. I TRUST, THEREFORE, THAT YOU CAN SEE YOUR WAY CLEAR TO RELEASE THESE BOMBERS, TOGETHER WITH EQUIPMENT, ARMAMENT AND AMMUNITION. IF IT WOULD BE MORE CONVENIENT TO RELEASE MORE HUDSONS AND FEWER DB-SEVENS I AM SURE THIS WOULD MEET CHINESE REQUIREMENTS EQUALLY WELL. DO YOU THINK YOU COULD ALSO MEET AN URGENT REQUEST FOR ONE HUNDRED TONS OF INCENDIARY BOMBS? WE HAVE NONE.

September 2, 1941

MEMORANDUM FOR MR. CURRIE:

THE PRESIDENT DID NOT
WANT TO SEND A NOTE DIRECT
TO CHURCHILL AND THE
ATTACHED TELEGRAM WAS SENT
TO SINCLAIR INSTEAD.

HARRY L. HOPKINS

~~TOP SECRET~~

SEPTEMBER 2, 1941

TELEGRAM

TO AMEMBASSY

LONDON

FOR SIR ARCHIBALD SINCLAIR

I WONDER IF YOU AND MOORE-BRABIZON AND PORTAL CAN HAVE A SUGGESTION TO MAKE TO HELP US OUT OF A DIFFICULT SITUATION RELATING TO MEDIUM BOMBERS FOR CHINA.

A RECOMMENDATION HAS BEEN MADE BY OUR MILITARY PEOPLE THAT 66 MEDIUM BOMBERS BE RELEASED TO THE CHINESE OVER A PERIOD OF THE NEXT FEW MONTHS. WHILE THEY RECOMMENDED 33 HUDSONS AND 33 DB-SEVENS I BELIEVE THE IMPORTANT THING IS THAT THEY BE SATISFACTORY MEDIUM BOMBERS IRRESPECTIVE OF THE PARTICULAR TYPE.

THE PRESIDENT IS ANXIOUS TO GET THESE BOMBERS AND WE SIMPLY ARE NOT IN A POSITION TO RELEASE ANY MORE MEDIUM BOMBERS IMMEDIATELY OUT OF OUR OWN SHARE OF THE PRODUCTION, WHICH IS VERY SMALL.

CHIANG KAI-SHEK WAS ADVISED INADVERTENTLY THAT THE BOMBERS WOULD BE AVAILABLE.

I REALIZE HOW DIFFICULT IT IS FOR YOU TO RELEASE THESE BOMBERS BUT ON THE OTHER HAND WE ARE IN A DIFFICULT SITUATION IN REGARD TO THE CHINESE AND WE

- 2 -

KNOW OF THEIR VERY URGENT NEED WHICH THE PRESIDENT BELIEVES SHOULD BE MET. I KNOW YOU HAVE GIVEN SOME CONSIDERATION TO THIS. I HERNESTLY HOPE THAT A WAY CAN BE FOUND TO GIVE THEM THE BOMBERS WITH AMMUNITION.

THE CHINESE ARE ALSO MAKING A VERY URGENT REQUEST UPON US FOR ONE HUNDRED TONS OF INCENDIARY BOMBS. WE HAVE NONE. IS THERE ANY POSSIBILITY THAT THIS REQUEST CAN BE MET FROM YOUR STOCKS?

HOPKINS

COORDINATOR OF INFORMATION

WASHINGTON, D. C.

THE WHITE HOUSE
AUG 23 9 14 AM '41
RECEIVED

August 22, 1941

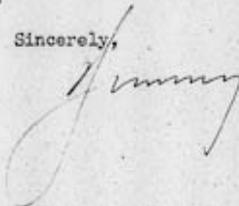
The President
The White House
Washington, D. C.

Dear Pa:

The enclosed letter and memorandum to Harry Hopkins speak for themselves. I really hope something can actually be done about it.

I know you have already been told this by Judge Rosenman, I don't honestly think they understand the implications behind it.

Sincerely,



1601 V STREET N. W.
WASHINGTON, D. C.

August 16, 1941

Colonel William Donovan
Federal Trade Building
Washington, D. C.

Dear Colonel:

This is to summarize the conversation I had with you yesterday afternoon.

The concurrence of certain events has made it desperately necessary that help of aircraft to China be immediate, so immediate that the delivery will have to be effected by diversion from the nearest available sources of supply, such as the Philippines, Singapore or the Dutch East Indies.

A. The first of these events is a new type of continuous all-day bombing--twenty-two hours out of twenty-four--by relays of bombers in units varying from large squadrons to flights of a few planes to which Chungking has been continuously subjected since the Anglo-American protest about Japanese moves to the south. Without planes to fight off the bombers over the city and to bomb back at the bases from which the raiders come, there is no possibility of defense or retribution.

It is perfectly clear that the purpose of this bombing is to finish the "China Incident" before Japan moves in other directions--by demonstrating to the people of China the difference between reality and the hopes of the last fourteen months that American assistance would be effective.

This awful demonstration of the difference between reality and promises is underlined for the Chinese by two other events.

B. The second event is the swiftness with which it is announced that deliveries of aircraft are being made to the Soviet Union, after repeated earlier promises of delivery to the Chinese have been excused as non-performable because the aircraft simply did not exist.

C. The third event--and you must understand this not in the light of true justification but in the light in which it appears to the Chinese under bombardment of twenty-two hours a day--is the recent frank disclosure of the American policy of appeasing Japan with materials of war--the very material and gasoline that are presently bombing Chungking--in order to keep Japan from attacking certain American supply routes to the south.

Adding these three events and their implication together, Chinese who are weary of Chiang Kai-shek's policy or resistance in the general democratic cause are saying, "Our resistance is just a pawn in the calculations of other democratic powers. Japan is being furnished the materials with which to

Colonel Donovan - 2

August 16, 1941

destroy us in order to relieve the British from attack in the south and maybe even the Russians from attack in the north. Although we are being given polite non-offensive aid like road materials and trucks, nothing which would really offend Japan or give us striking power of retribution against Japan is being allowed to actually get here--even though this supposedly non-existent offensive material is available immediately for our friends the Russians."

Please do not think that any of us in the Chinese Government think that way or do not understand the American problem.

But, Colonel, surely you can understand from your long experience with your nationals under attack how easily the average Chinese, particularly the average Chinese army officer, can think that way, and what a terrible problem of morale it raises for Chiang Kai-shek at the present time.

Remember that the last really effective military aid China had from the West was from the German military mission which did enormously and practically aid us in the first stages of our resistance to Japan and that the memory of that mission is still real in the minds of our army.

The cables I am now receiving from China asking if your promises of help are real are the saddest things to read and the most difficult things to answer I have ever faced in my life.

If planes are delivered to Russia now--even though the Russians are still our friends and allies--you must get planes to Chungking now or the Chinese will never understand.

I have now been in the United States over fourteen months pleading for the help of planes.

In response the President, after pointing out the dangers of non-resistance to aggression, promised to call upon his advisors to give all practical assistance to us.

I then and there stressed the urgent necessity of providing us with aircraft to defend the main routes of supply, the key urban areas, and to enable strategic operations on the part of our land forces.

In the fourteen months which have followed not a single plane sufficiently supplied with armament and ammunition so that it could actually be used to fire has reached China.

Through the exertions of the President 100 Curtiss P-40's were released by the British last fall and eventually reached China, but the necessary spare parts and ammunition without which these craft are not fighting ships but only training ships, are just being arranged for now.

Last fall and winter we were offered a few bombers capable of raiding Japan. The offer was accepted but it did not materialize.

Colonel Donovan - 3

August 16, 1941

A special American air mission under General Claggett visited China following Mr. Currie's visit and after an intensive study of our airfields, air force, and facilities on the spot, favorably reported on our plans for an air force of 350 pursuits and 150 bombers. No action has materialized.

At the end of July an allotment of 66 bombers and 269 fighters was definitely ratified by the Joint Strategy Board on the President's authority and Chiang Kai-shek was assured of immediate delivery of 24 bombers. General Chiang was never happier than when Lauchlin Currie cabled back that assurance to Chungking.

Today I am told that deliveries cannot start before October and then on a scale which will extend into Spring, 1942.

Meanwhile Chungking is bombed incessantly day and night and China goes on the second month of her fifth year of war while the promises I cabled over for encouragement one by one fail.

Army leaders and Peoples' Representatives of Free China ask Chiang Kai-shek when the American planes are coming. When he gives them my answer--that the planes are simply not yet produced in the United States--they will ask him where the planes are coming from for Russia.

It does the Generalissimo little good to reply that a generous allocation of funds is being made under the Lease-Lend enactments; that every courtesy is shown by the several agencies interested; that sincere concern is manifested by the leaders of the administration; and that more of the trucks are on the way.

What we need and need desperately is the actual appearance on the Chungking front now, of aircraft diverted from the Philippines, Singapore or the Dutch East Indies with ultimate use of the future deliveries that have been promised us.

After that immediate relief what we need is the actual allocation of favorable priorities and the actual certainty of deliveries of a special air unit of 350 fighters and 150 bombers, maintained at that size.

With this size of a force, a mere drop in the bucket as far as the needs of Britain and Russia are concerned--we could prevent or render difficult any extensive Japanese move toward the south. We could afford effective assistance to the defense of Singapore and the Dutch East Indies. We could defend the Burma Road and the key cities in Free China. We could launch counter-attacks with the purpose not only to hold existing Japanese forces in China but to compel the continuous dispatch of stronger forces.

Finally, we could attack the main industrial areas and fire the paper and wood cities of Japan.

Colonel Demovan - 4

August 16, 1941

Your special American air mission has studied this plan and declared it completely feasible.

You will excuse me for having been so frank. But the Russian situation and the failure to mention China in all the new joint strategic plans that are being publicized has really precipitated a problem of Chinese morale about the immediacy of aircraft help to China.

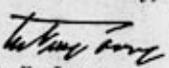
I am sure you will understand.

Remember, Colonel, that we have proved that we can fight longer than any other people who are fighting on the democratic side--that given the arms we really can finish the job.

We have stuck for five years. Please help us stick now.

With kind regards,

Yours sincerely,


T. V. Soong

August 22, 1941

Honorable Harry Hopkins
White House
Washington, D. C.

Dear Harry:

I know the enclosed has been described as just another hysterical letter from one of the three groups, British, Russian, and Chinese yelling for help. I do feel, however, very strongly that something definite, concrete, and honest should be done about it.

After all, from a long range point of view, when this war is over, China can be the greatest export market for many years to come that this country has ever seen. I am convinced from personal observations that they are going to have the fastest growing civilization when that time does come. All of this can be true only if they have been sold on our friendship and actual support. Unlike other countries, their tradition has been, and is, to remember their friends. Russia will throw us out of the window, England will use us for her own gain when she is strong and able to do so, but China will use us as a friend. Their ancestor religion may be responsible for this attitude, but let's not miss the chance of taking advantage of it.

Above all else, the most tragic part of the letter for the Chinese mind are the promises and telegrams specifying numbers and amounts all of which turn out to be just so much "bunk."

I specify this because after all I have been there and I do know the state of their mind and the things which mean much to them. If we miss the boat on this, someone should be very soundly kicked!

Sincerely,

James Roosevelt
Captain, U.S.N.C.

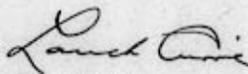
PSF Currie file
File
Personnel 1-41

THE WHITE HOUSE
WASHINGTON

September 4, 1941.

MEMORANDUM FOR THE PRESIDENT:

I think you will be pleased with this story if you haven't noticed it. I learned that Luce was editing the paper himself this week, so I arranged for him to have luncheon with the Information Officer of the British Supply Council. He came through nobly.


Lauchlin Currie

BF Currie

THE WHITE HOUSE
WASHINGTON

September 11, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Pilots for China.

Under your earlier authorization, the Intercontinent Company, an American corporation acting on behalf of the Chinese Government, has hired 101 pilots and 181 ground, medical and administrative personnel, the bulk of whom has now arrived in Burma.

The question now arises of authorizing further hiring of pilots and other personnel from our services.

- a. The Army is preparing to give 500 Chinese pilots advanced training, along the lines of the British pilot training program here, but the first batch of 50 will not arrive until November for a 7-month training course. Consequently the Chinese will not be adequately prepared to fly the machines we are sending them until the later part of 1942.
- b. The British have agreed to release 33 Hudsons and 33 DB-7 bombers for shipment in the next three months. Additional bomber pilots, radio operators and navigators are needed to make this force effective.
- c. Provision should be made for the replacement of the original hundred pilots.
- d. Present plans call for the maintenance of a force of 350 pursuit ships in China throughout 1942 and for the attainment of a goal of 150 bombers, so that more personnel is required on this score.
- e. The Army and Navy are experiencing a shortage of highly trained pilots at the moment. Beginning with October, however, the Army will begin to get the benefit of the greatly expanded training program initiated in 1940, and the situation from there on should be much easier. The Navy's position will be easier at the beginning of the year.

f. General Magruder is proceeding shortly to Chungking with several regular army air officers. These will be attached to the volunteer air force as observers and this in turn should enhance the morale, discipline and efficiency of the volunteer pilots. A short term of duty in China should afford invaluable experience to our pilots, similar to that gained by the Germans and Russians in Spain.

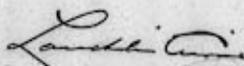
Recommendation. In the light of the foregoing considerations, would you care to authorize the acceptance by the Army and Navy, beginning in October of this year, of resignations of pilots and other personnel for service in China to the number necessary to fly the ships we are supplying to China until such time as the Chinese have an adequate number of adequately trained pilots?

Memorandum for the President.
Re: Pilots for China.

-2-

September 11, 1941.

In consultation with the appropriate Army and Navy officials, I would undertake to see that the hiring was carried out with a minimum of inconvenience to the Services and that no more personnel is hired than is absolutely necessary.



Lauchlin Currie

File
1-11

THE WHITE HOUSE
WASHINGTON

P.T. Currie
1-11
Adm
1557

September 13, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Recent private advices from China.

My recent correspondence from China has stressed the anxiety concerning our negotiations with Japan, and an increasing note of bitterness is noticeable. I attach extracts from letters from Owen Lattimore; from Major McHugh, our Naval Attache at Chungking; and from a Professor Ch'ien at Kunning. I am afraid that by now the anxiety and bitterness have increased still more.

I think it must be accepted as a fact that any agreement we might make with Japan that had the effect of deterring her from any southward or northward move, but supplied her with more materiel to fight against China, would do irreparable damage to the goodwill we have built up in China over a long period of years, and, so far as sentiment at least is concerned, would largely nullify the effect of lease-lend to China. Moreover, such an agreement would, I am afraid, injure grievously the moral basis of our cause at home. I think the closing of the Burma Road is a strictly analogous case. England was in much more dire circumstances then than now. The action was, however, enormously unpopular both in England and here, and created lasting resentment in China. Later events indicated that the action was not necessary.

When I was in China you were revered throughout China as the leader and symbol of the forces of righteousness in the world. It distresses me terribly to think that your enormous influence for good in shaping the destinies of a coming great people might be jeopardized. The condemnation of Nazi aggression and the recent silence on Japanese aggression have created a bad impression in China.

In addition to the resentment created by the actual negotiations is that arising from being kept entirely in the dark. Rightly or wrongly, the Chinese feel the same way the Czechs did when Chamberlain and Hitler were deciding upon their fate. If it is at all possible, some personal explanation from you to Chiang would at least remove this particular source of resentment. Among other things, some assurance that China will sit in on the eventual settlement as a full-fledged member would be timely and allay some of the present fears.

Lauchlin Currie
Lauchlin Currie

Excerpt from letter of Owen Lattimore, August 20, 1941.

"The Chinese have dug their toes in and will not do anything to commit themselves if they can possibly help it. They consider they have been fighting our battle for four years, and it's about time we got involved and started fighting their battle for them. They are not only hurt, but worried, over the fact that everybody is making pacts and commitments of support in every direction but that of China. This is more ominous to them than it is easy for an American to imagine, because they think it betokens a confidence on the part of the democracies that promises no good for China: a confidence that the war can be won in Europe, thus restoring the British Empire at its heart, and enabling it to reach out and rebuild its peripheries. That, they think, will mean that the democracies will say to China, at the peace conference, Oh, well, maybe you began the resistance against aggression, but we won the war. So we get the big prizes, and you get only the White Man's idea of a Chinaman's Chance -- the Japanese out of China, maybe, but maybe not out of Manchuria; the old treaties not abolished, but only diminished lingeringly, giving place to attempts at financial control.

That's not what the Chinese want. They want the war won first in Asia, leading after that to victory in Europe. That, they think, would give them more prestige, a better chance at the peace conference, and perhaps a small but valuable breathing space before the peace conference. They also think that the East is the logical place to win the first stage of victory. If we all concentrate on beating Germany, Japan will last much longer than she could on her own merits. If we beat Japan first, it will be a valuable token of victory to come against Germany -- like the fall of Turkey in the last war.

If the Chinese had a little more confidence in themselves, they would force the issue and start winning for themselves the victory they want in the East. They would abandon their present insistence that they haven't the artillery and planes for a general counter-offensive against Japan, and start in working out less orthodox methods -- really pushing the guerilla war behind Japan's front lines, and so on and so on. You know all those answers, as well as I do. But they don't have that confidence. Neither the political nor the military high command quite trusts the people enough for that. It would put too much power into the hands of the unorganized people, and break the monopoly of organized power in the Army and the Kuomintang. Pressed tight into Free China by the Japanese, the Army and the Kuomintang have been working like beavers, building up political machines and machine-control. They want to conserve their energy so that they can extend that machine control into liberated China, when the time comes. And in order to conserve their own energy, they want Japan defeated from outside -- by Britain-America, by Russia, by anybody.

(Excerpt from letter of Owen Lattimore, August 20, 1941 - continued)

There is a lacuna in the Chinese logic here. If China would be at a disadvantage following a Great Power victory in the West, China would also be at a disadvantage if the victory in the East were won primarily by the Great Powers, not China herself. But all I can say is that after these four years it's a wonder the Chinese are on their feet, and not a wonder that their thinking isn't flawless.

Recently at a reception the Generalissimo, through the Foreign Minister, conversationally tried out on the American and British Ambassadors the suggestion that everybody is making pacts with everybody -- except with China. (The same idea is percolating everywhere; it is now beginning to take the form: Britain and America are warning Japan off in all directions - Thailand, Netherlands India, even Siberia - but not Yunnan. Are they tacitly encouraging the Japanese to make a little more war on us, because we are able to stand such a lot?) Gauss stepped aside, but Sir Archibald came right back, asking if the Generalissimo would like him to mention this to his Government."

Excerpt from memorandum from Major McHugh, Naval Attache to China, August 17, 1941, reporting on a conversation with Hollington Tong, Vice Minister of Information and official interpreter for General Chiang Kai-shek. 2-17-41

Dr. Tong made the following assertion very seriously and with the quite obvious air that he had heard highly placed officials discussing it. He said, "There has been a feeling slowly crystallizing for some time now in the minds of many people, even though I myself do not believe it, that America and Britain only want to keep China fighting Japan. They say in effect to Japan, 'if you try to expand northward we will oppose you and if you try to expand southward we will stop you, but if you expand westward into China, that is all right'. He then added that these same people say that the proof of this is that the United States did not freeze Japanese assets until Japan moved into southern Indochina. He said that the same feeling had already become evident in the reaction of some Chinese to the efforts of the United States to improve the traffic on the Burma Road -- that the reason for criticizing Chinese methods and attempting to institute foreign efficiency was not really to help China but to be able to keep China fighting Japan so that America and Britain would not have to fight her. He added that these people also point continually to the fact that the United States has continued to make money by selling Japan the gasoline and oil with which to bomb China. He reminded me that the past eight days in Chungking had been pretty bitter evidence of this.

Excerpt from letter from T. S. Ch'ien, Professor of Political Science at Kunming, August 1941.

Now I come to the current Sino-American relations. Beneath all trumpets of close friendship I suspect not all is rosy. For one thing the Chinese, government people and private persons alike, think that America has done us scanty justice in the way of either help to us or check to Japan. Until the allotments under the Lend and Lease Act actually arrive in China, we have received practically no help from America. All the so-called help we have thus far received is only moral, and it is moral help to us only because we chose to think it so.

RF Currie Files
1-41

THE WHITE HOUSE
WASHINGTON

September 15, 1941

MEMORANDUM FOR LAUCHLIN CURRIE:

Will you get in touch right
away with General Magruder and work
this out with him?

E.D.R.

Memo to the Pres. from Lauchlin Currie
RE: Pilots for China

PSF Currie

THE WHITE HOUSE
WASHINGTON

October 3, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Hiring of Pilots for China.

I am in receipt of copies of your directives to the Secretaries of War and Navy on this subject. I note with considerable concern that the authorization to permit the hiring of a limited number of pilots from the Army does not take effect until next January. This would mean, in effect, that the pilots would not reach China and be in condition to fight until next March or April. Some additional pilots are urgently needed by the beginning of the year (a) to replace casualties in the original 100, (b) to man the new pursuit ships we are sending and (c) to man the 66 bombers released by the British. In order to have these additional pilots ready for combat at the beginning of the year it would be necessary to authorize hiring immediately.

May I reopen this subject with Secretary Stimson and ask that he reconsider what was doubtless his recommendation to you?

Lauchlin Currie

Lauchlin Currie

*Yrs
7/1/41*

RF Currie

THE WHITE HOUSE
WASHINGTON

October 6, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Health of Selectees and Nation.

I have seen an order signed by General Hershey dated September 29 abolishing physical examinations at local draft boards after January 1st, and placing reliance henceforth on Army examinations. This order should, I think, be reconsidered. It is stated that the purpose of the order is to obviate the embarrassment consequent upon the delay involved in the present system of two examinations. This delay, however, could easily be remedied without abolishing the local board examination.

I would direct your attention to the following data, obtained from the Surgeon General's Office, as being an indication of what may be expected as a consequence of the order:

Discharges for disability shortly after enlistment:

World War I	21 per 1,000
Selectees (Jan.-May 1941)	5.4 " "
Enlisted men (regular Army)(same period)	24.4 " "

The remarkably better showing of the selectees was attributed by the Surgeon General to the effect of local draft board and induction board examinations. Enlisted men, who had been passed by the Army medical service, have recently shown a higher rate of discharge for disability than was true even in the World War.

Medical friends fear that the effect of the order will be (a) to sacrifice the increasingly effective cooperation of some 27,000 local physicians, (b) to lower the physical and mental standards of the Army, endangering both its morale and efficiency. As it is, 30% of the disability discharges in 1941 among men of short service were for mental and nervous defects.

The high rate of rejections of registrants to date, 54%, is subject to various interpretations. It does reflect on the physical and mental health of the nation. However, the basic facts of health cannot be changed by reducing Army standards. It is worth pointing out that modern Army requirements are infinitely more exacting than formerly and one might even derive some satisfaction from the fact that as many as 46% of registrants can meet these requirements. This is certainly far higher than the ratio of acceptances by big private concerns like American Telephone and Telegraph.

Lauchlin Currie
Lauchlin Currie

RF Currie

THE WHITE HOUSE
WASHINGTON

October 24, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Maritime Unemployment Insurance.

You will recall that over a year ago you directed me to secure agreement among interested agencies on a draft of a bill to cover maritime unemployment insurance. The bill is still pending, but, because of the prospect of an abnormal influx of workers into the industry, the employers are reluctant to accept the bill in its present form.

The attached memorandum from Murray Latimer asks if, in view of the changed circumstances, you would care to authorize him to suggest certain changes in the bill that would make it acceptable to the employers.

From the point of view of fair treatment and the morale of seamen I think the need for the bill is even greater than before.

Lauchlin Currie

Lauchlin Currie

MEMORANDUM

Washington, D. C.
October 23, 1941

TO: Mr. Lauchlin Currie
FROM: Murray W. Latimer
SUBJECT: Maritime Unemployment Insurance

At the hearings on the maritime unemployment insurance bill two weeks ago and at a conference in New York last week, officers of the shipping companies have expressed considerable alarm over the ultimate results of the Government shipbuilding program. The industry expects that the 1200 ships now being built will, for the period of the emergency, be operated for Government account and that they will constitute a surplus after the emergency is over. Forty thousand men will be required to man these 1200 ships. They will represent largely excess personnel once normal conditions are reestablished; but they will, because of their training and experience, continue to attempt to secure work in the industry and may well secure enough to qualify for unemployment benefits for two or three years after the emergency has passed.

It seems to me the fears of the industry are well founded. The men drawn into the industry for the emergency will undoubtedly draw in benefits after the emergency far more than will have been paid in contributions with respect to them. Will you ascertain whether the President will approve of the inclusion of the following in the maritime unemployment insurance bill:

1. A statement in the declaration of policy to the effect that the Government is responsible for the liability on the maritime unemployment insurance fund created by drawing personnel into the industry for the duration of the defense emergency; and that such responsibility arises because of the creation of the liability and meeting it does not imply a subsidy;
2. A contribution by the Government with respect to each person employed to operate ships for Government account during the emergency (or directly by the Government) equal to the excess liability thereby created (tentatively estimated now at from \$600 to \$750 per person);
3. A direction to the Railroad Retirement Board to make studies currently with respect to the excess liability created by the emergency employment?

Murray W. Latimer

*Y. Currie File
PSF*

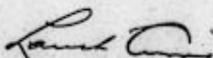
THE WHITE HOUSE
WASHINGTON

November 21, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Cyrus Eaton.

I have received a number of calls from Cyrus Eaton, the substance of which I did not consider important enough to bother you with. In a call this afternoon, however, he made an interesting point. He said that a large commercial coal operator, who was well-satisfied with his contract with the union and unsympathetic to the attitude taken by the steel companies, had expressed regret that you used the expression "closed shop" instead of "union shop". He said that the latter was the point at issue and that this permitted the employer to hire anybody he wished provided he then became a member of the union.



Lauchlin Currie

PSF - Currie

Mr. Laughlin Currie, Administrative Assistant to President Roosevelt, to the Secretary of State, Washington, Nov. 25, 1941.

Relates the substance of a cable he has just received from Owen Lattimore relating how disturbed the Generalissimo (Chiang) has been regarding assistance from the United States.

SEE: Foreign Relations of the United States, 1941, Vol. IV, The Far East, pages 651-652.

[The cable, Lattimore to Currie, Nov. 25, 1941, mentioned above, is filed in PSF - China, 1941, and was published in Foreign Relations ..., page 652.]

COPY

PF Currie
THE WHITE HOUSE
WASHINGTON

December 9, 1941

MEMORANDUM FOR LAUCHLIN CURRIE:

Will you take this up with
the Army before speaking to Magruder
about it?

F.D.A.

December 8, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Suggestions relating to the American Volunteer Air Corps now in Burma.

This group has now about 66 P-40's ready for combat, about 90 pilots, and 180 ground personnel. It needs urgently some 20,000 pounds of spare parts to bring its strength up to about 90 planes and to give it 3 months' reserve stock of spares. In addition, for sustained combat, it will require more ammunition, its present stocks being 1 million rounds of .30 caliber and half a million rounds of .50 caliber.

We have in this volunteer air group the nucleus of an American task force in Burma. I should like to suggest that we explore the possibility of converting this group into a regular American task force, offering the men their commissions and ratings back, and rushing supplies and personnel to bring it and maintain it at full strength. Colonel Chennault, the officer in charge, is a retired Air Corps officer who is highly regarded by General Arnold.

If you think the suggestion is worth exploring, I should be glad to take it up with the Army and to have General Magruder ascertain Chiang Kai-shek's reaction.

LC:em

Lauchlin Currie

BF Currie

THE WHITE HOUSE
WASHINGTON

January 24, 1947.

MEMORANDUM FOR THE PRESIDENT:

Re: Attached Resolution of the Joint
Economic Committee of Canada and
the United States on the Movement
of Labor across the Boundary.

I do not think the attached resolution requires any action on your part. If you wish I will be glad to have copies circulated for the information of the Secretary of Labor, the Attorney General, and Sidney Hillman.

Lauchlin Currie
Lauchlin Currie

LC
OK
FST

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON



ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

January 23, 1942

My dear Mr. President:

At the sixth joint meeting in Montreal on Saturday, January 17, the Joint Economic Committees of Canada and the United States passed the enclosed resolution recommending that in the movement of labor across the boundary between Canada and the United States, each country should permit the departure of labor subject only to the military service regulations of the respective countries and to such safeguards as are necessary to insure that labor is not withdrawn from its own war industries or essential civilian industries.

This resolution, which also urges the exchange of information between the employment services of the two countries, is intended to provide a solution for the present problem involved in the movement of Canadian lumbermen from the provinces of Quebec and New Brunswick to the Maine woods. It is the intention of the Joint Economic Committees to study the question of the mobility of labor across our common boundary at greater length and at some future time to bring the present recommendation up to date or to revise it in the light of actual or anticipated developments.

The question of movements of labor was referred to the Joint Economic Committees by the War Committee of the Dominion of Canada, which asked for an expression of opinion by the Committees whether Canada should permit the movement of lumbermen to the Maine woods. This movement is a normal one, though somewhat larger than usual during the current year. The recommendation of the Committees is that it should be permitted, except to the extent that it impedes the Canadian war effort.

Very sincerely yours,

Alvin H. Hansen

Alvin H. Hansen, Chairman
United States Committee
Joint Economic Committees

Enclosure

RESOLUTION OF THE JOINT ECONOMIC
COMMITTEES OF CANADA AND THE UNITED STATES

(A) WHEREAS action designed to facilitate the fullest use of Canadian and United States resources for war purposes should logically include labour as well as material resources; and

(B) WHEREAS the application of this principle to labour involves special considerations in view of the different methods of mobilizing manpower in the two countries and of their different wage policies; and

(C) WHEREAS the economic development of border areas has depended upon a relatively free flow of labour across the border which is especially significant in the case of seasonal workers whose movement is essential to the continued full use of the combined resources of the two nations:

THEREFORE, The Joint Economic Committees recommend that:

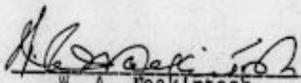
1. Each country should permit the departure of labour to the other subject only to the military service regulations of the respective countries and to

such safeguards as are necessary to ensure that labour is not withdrawn from its own war industries or essential civilian industries;

2. There should be a continuous exchange of information between the employment services of the two countries concerning the available supply of labour in border areas with a view to its more effective utilization; and that for this purpose direct communication between neighbouring employment offices in the two countries should be encouraged;

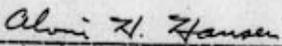
3. Each country should instruct its appropriate authorities to act in collaboration with those of the other country in taking the steps necessary to give effect to this policy.

Signed:



W. A. Mackintosh
Canadian Chairman

Date: January 17th, 1942.



Alvin H. Hansen
United States Chairman

451 Currie Folder

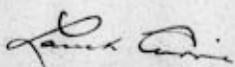
THE WHITE HOUSE
WASHINGTON

February 20, 1942.

MEMORANDUM FOR THE PRESIDENT:

If you have occasion to review in any way in your forthcoming speech our policy in the past year, it might be worthwhile pointing out that we actually have given substantial aid to China.

There appears to be some tendency to depreciate the extent of this aid. It is quite true that we might have given more guns and planes (if we had them), but in other items we sent all that the Burma Road could handle, even after its traffic had been trebled.



Lauchlin Currie

PSF.
Curre

Published in

Foreign Relations of the United States

1942 China

page 46.

THE WHITE HOUSE
WASHINGTON

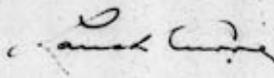
May 15, 1942.

MEMORANDUM FOR THE PRESIDENT:

Re: Owen Lattimore.

I have received a cable from Madame Chiang for Owen Lattimore, asking him to remain here for the next three or four months to emphasize to our people the necessity of supporting China and regarding her as an equal partner in war and peace.

OK
7/20/42



Lauchlin Currie

Adm. Asst. PSF Currie Folder

THE WHITE HOUSE
WASHINGTON

DECLASSIFIED
By Deputy Archivist of the U.S.

by W. J. Stewart Date 1-23-73

May 28, 1942.

~~CONFIDENTIAL~~

MEMORANDUM FOR THE ATTORNEY GENERAL:

I think this is something that should be looked into. It seems to me that a Congressman who takes board and lodging at the Mayflower and lobbies for the firm that pays it is just as guilty as a Congressman who takes cash fees for the same objective.

F.D.R.

Memorandum for the President from Hon. Leuchlin Currie 5/27/42, in re a development in the Empire Ordnance Investigation. States Ganson Purcell of the SEC advises that it appears that the Empire Ordnance Corp. and Cohen have been paying all the bills at the Mayflower for the past months of Matthew Merritt, Congressman-at-Large from New York. During this period Merritt has been lobbying at the War Dept. and WPB for contracts for Cohen.

file personal *BF Currie to des*
THE WHITE HOUSE
WASHINGTON

June 2, 1942.

MEMORANDUM FOR THE PRESIDENT:

Re: Dinner forum of business executives.

A few days ago I attended an off-the-record dinner forum composed of about ninety important business executives. This is the same group I have been meeting with for the past two years.

I am happy to report that the atmosphere was better than it has ever been in the past. There was little griping at Government and the New Deal was not even mentioned. Very fulsome compliments were paid to Mr. Ickes by the oil executives present.

Lauchlin Currie
Lauchlin Currie

THE WHITE HOUSE
WASHINGTON

*file
personal*

June 3, 1942.

Dear Grace:

This is the memo I mentioned to you over the phone just now. Please don't hesitate to advise me if you think it had better not go in or if you think it would be better to take up the matter informally and verbally, or whether a decision has already been made. . .

Many thanks.

Lester

Currier Folder
PSF

THE WHITE HOUSE
WASHINGTON

June 3, 1942.

MEMORANDUM FOR THE PRESIDENT:

Re: Special envoy to China.

I - What could be accomplished.

I think a good deal could be accomplished by a mission at this time. It would be widely heralded as an indication of some important impending action by America and would, in a way, serve "to encourage the garrison until supplies arrived", that is, until we can get the air freight service organized and build up our air strength in China. It would, of course, strengthen Chiang's position. In addition, it would afford an opportunity to:

1. Impress Chiang and other government officials with magnitude of America's war effort.
2. Check on India-China cooperation.
3. Check on organization of air-freight line to China.
4. Secure first-hand information from Stilwell.
5. Appraise Chinese staying power, both in real and psychological terms.
6. Appraise economic position.
7. Secure background for development of a Chinese air program alongside American air program, and to secure first-hand views from Chennault.
8. Explore Sino-Russian relations.
9. Check on nature of Japanese peace feelers, if any.
10. Check on military and political situation in India.
11. Smooth Stilwell-Army, CDS-Army relations.

Published in

Foreign Relations of the United States

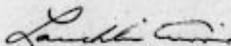
1942 China

pages 62-63.

II - Who might be sent.

I think Mr. Hopkins, the first choice of the Chinese, would unquestionably be the ideal person for this mission, both in prestige and ability to get things done. If, however, the trip is deemed to be too long and too hazardous, I should like, most diffidently, to remind you of my own qualifications.

1. Considerable prestige in China. It so happened that my visit was well-timed. The extension of lend-lease to China occurred immediately afterward. Tax reforms I recommended were adopted. I have guarded this prestige since, declining several invitations of Madame Chiang to go back because I did not think the time was ripe. Believe that I am personally congenial to the Generalissimo and that he trusts me.
2. Familiarity with China, with the whole Chinese lend-lease program, and with our own position.
3. In a position to follow up after my return.
4. Excellent relations with the Army. Effective aid must largely rest with the Army, but it would be inappropriate with General Stilwell there to send an Army man. I know intimately Stilwell and other members of his mission, Chennault, Bond of CNAC, and other key Americans and Chinese who would, I am sure, talk freely to me.
5. Sending me would be regarded as logical by the Chinese, as lend-lease followed my first visit, it is known that I have been helping on lend-lease and that I am a true friend of China's.
6. I have already had all the necessary vaccinations and inoculations and could leave at a moment's notice.


Lauchlin Currie

*file
L. Currie
Folder
PF*

THE WHITE HOUSE
WASHINGTON

June 8, 1942.

MEMORANDUM FOR THE PRESIDENT:

Re: Losses of raw materials for arsenals
in northern Burma.

I have just been advised that among the material captured by the Japanese at Lashio and at Wanting and other places along the Burma Road is included 44,000 tons of raw materials for arsenals. This includes:

20,000 tons of steel
9,000 tons of lead
5,000 tons of copper
3,000 tons of zinc
5,000 tons, miscellaneous (mostly
oils and chemicals).

I am afraid that we have no good reason for believing that if we had been able to ship an equal tonnage of ammunition, it would not have met the same fate.

Lauchlin Currie
Lauchlin Currie

PSF Currie

THE WHITE HOUSE
WASHINGTON

June 13, 1942.

MEMORANDUM FOR

LAUGHLIN CURRIE

Will you be good enough to
acknowledge these two letters?

F.D.R.

IN RE

CABLE ADDRESS "MUSEUMS NEW YORK"

WHITNEY SOUTH SEA EXPEDITION
THE AMERICAN MUSEUM OF NATURAL HISTORY
CENTRAL PARK WEST AT 79TH STREET
NEW YORK, N. Y.

MUSEUM COMMITTEE
LEONARD C. SANFORD, M.D., CHAIRMAN
~~FRANK M. CHAPMAN, M.D.~~
FRANK M. CHAPMAN, M.D.
ROBERT CUSHMAN MURPHY, D.Sc.

June 10th, 1942.

Miss Marguerite LeHand,
The White House,
Washington, D. C.

My dear Miss LeHand:

Remembering your past kindness in bringing urgent matters to the personal attention of the President, I am sending herewith a letter from my friend, Dr. Donald D. Van Slyke, of the Rockefeller Institute for Medical Research.

Dr. Van Slyke is not only a foremost American scholar, but is also extraordinarily close to the pulse of China because of his experience in that country and his present affiliations. You will require no effort to realize the critical importance to our nation of Dr. Van Slyke's plea.

With best wishes, I am

Yours sincerely,

Robert Cushman Murphy



Humanity
above all

American Bureau for Medical Aid to China Inc.

National Headquarters • 1790 BROADWAY • NEW YORK, N. Y. • Circle 7-0840

Mrs. Ching Koi-shak
Honorary Chairman
His Excellency, Dr. Hu Shih
Honorary President

Helen Kennedy Stevens
Executive Director

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Chairman
Dr. Edward H. Hume
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Chih Meng

June 9, 1942

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

My dear Mr. President:

I write as an individual citizen, but as President of the American Bureau for Medical Aid to China, which is a Sino-American affiliate of United China Relief, I have been in a position to keep in touch with Chinese affairs, and feel that the morale, and the stability of the government, in China are now so critical that this letter to you is justified.

Since Burma was lost Chinese morale has deteriorated rapidly. The defeatist element has gained face. Generalissimo Chiang Kai-shek's position has been weakened. The danger grows of his losing power, and of a compromise between China and Japan. His broadcast to his people Saturday, with assurance that American help would be on time and adequate, was a desperate pledge of his name and face to save the situation.

The following cable which has been brought to my attention, is one of the indications of these conditions. It was signed by eight responsible Americans in West China.

"CHINESE PUBLIC INCREASINGLY APPREHENSIVE BECAUSE OF COMPLETE BLOCKADE AND JAPANESE NEW OFFENSIVES AND LACK EVIDENCE DIRECT AMERICAN AID URGE THAT ALLIED STRATEGY INCLUDE ALL POSSIBLE IMMEDIATE DIRECT AID CHINA SIGNED BUCK (Lossing) FEIN (William) SHYTHE (Lewis) ROY (Andrew) PHELPS TOOPER (YMCA) BROWN (O.R.M.D.) HAAS (Lily)."

May I suggest the following measures to support morale of Chinese and the position of the Generalissimo.

June 9, 1942

(1) A broadcast from our President to the Chinese people, confirming the Generalissimo's broadcast promise of American help, and cast in such terms that it will enhance the Generalissimo's prestige with his people.

(2) Increased speed if possible in getting war planes to China.

(3) Recognition, publicized here and in China, of the Chinese Military Commission which the Generalissimo recently sent to Washington.

Yours respectfully,

Donald D. Van Slyke

Donald D. Van Slyke

June 16, 1942.

Dear Dr. Van Slyke:

Owing to the tremendous pressure under which he labors, the President, after reading your letter of June 9th, asked me to acknowledge it.

I happen to be in a position to assure you that the President is devoting much time and anxious attention to current developments in China.

Our air forces in the China-India theatre are being steadily augmented and great efforts are being made to develop the India-China air freight line. As you are familiar with the country, I need not emphasize the difficulties the Army Ferry Command and CNAC are having to overcome in developing an air line through unfamiliar, mountainous and hostile country during the monsoon season.

The head of the Chinese Military Mission has access at all times to our ranking officers, including General Marshall, and Dr. Soong, as you doubtless know, sits on the Pacific War Council. In addition, our War Department is in close and constant touch with the Chinese scene through Lt. Gen. Stilwell, the Generalissimo's Chief of Staff.

I appreciate your anxiety, which I share. I feel, however, that the President is doing everything possible to support the Generalissimo in his magnificent effort.

Yours very sincerely,

Lauchlin Currie
Administrative Assistant
to the President.

Dr. Donald D. Van Slyke,
President, American Bureau for
Medical Aid to China, Inc.,
1790 Broadway,
New York, New York.

LC:em

June 16, 1942.

Dear Dr. Murphy:

I am enclosing a copy of a letter

I have today written Dr. Van Slyke.

Yours sincerely,

Lauchlin Currie
Administrative Assistant
to the President.

Dr. Robert Cushman Murphy,
Whitney South Sea Expedition,
The American Museum of Natural
History,
Central Park West at 79th St.,
New York, New York.

LC:em

Published in

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1942 China

page 89 (footnote)

THE WHITE HOUSE
WASHINGTON

file

FOR THE PRESIDENT

~~SECRET~~

BF Currie Folder

CABLE FROM MADAME CHIANG KAI-SHEK TO LAUCHLIN CURRIE

June 27, 1942

GENERALISSIMO WIRING T. V. WELCOMING YOU.

COME IMMEDIATELY.

~~SECRET~~
WAR DEPARTMENT
HEADQUARTERS OF THE ARMY AIR FORCES
WASHINGTON

B.F. Currie Folder
file
per [unclear]

August 2, 1942

MEMORANDUM FOR THE PRESIDENT:

Subject: Reply to Cable from Mr. Currie

In connection with the cable to me from Mr. Currie at Chungking for transmittal to you (copy attached) the following reply has been sent:

ESSENTIAL THAT YOU CONFER WITH STILWELL RELATIVE TO THIS MATTER PERIOD REUR ONE ZERO ZERO FOUR AMISCA PERIOD EVERY EFFORT IS BEING MADE TO PROVIDE THE MOST SATISFACTORY AND EFFICIENT SERVICE POSSIBLE WITH AVAILABLE CARGO PLANES PERIOD TO STILWELL FOR CURRIE FROM ARNOLD PERIOD DOCTOR SOONG COMMA PAN AMERICAN AIRWAYS AND OUR OWN FERRYING COMBAND ARE ALL IN ACCORD WITH PLAN AS OUTLINED TO STILWELL FOR SUBMISSION TO CHINESE FOR THEIR CONCURRENCE

H. H. Arnold
H. H. ARNOLD,
Lieutenant General, U.S.A.,
Commanding General, Army Air Forces.

Incl: Cpy of cable frm Mr.
Currie to Gen. Arnold,
8/1/42.

Franklin D. Roosevelt Library
DECLASSIFIED
DOD DIR. 5200.9 (9/27/88)

Date- 9-15-66

Signature- *Carl L. Spicer*

COPY

Chuncking
Wellwell
0240

20hhZ
8/1/42

No. 1004 airmail, August 1, 1942.

This message for Arnold from Currie for transmittal to President.

Available reports from SOONG imply that the intention of the Army is to turn DINJAI-KUNMING Ferry over to CHAC. Altho the latter is doing a good job and has a background of experience, I feel that ferrying is an American Military job. CHAC is 55% owned by the Chinese Government. This gives rise to numerous difficulties of priority, employees, etc. This change would make the position of American Forces here very difficult. Military discipline will become increasingly important when Jap air activity is again resumed in Burma. The receipt of 6 DF radio equipments that have been requested would result in more flights and a pay load of additional 1,000 lbs. per plane due to possible reduction in gas reserve. Urgently needed are more former airline crew per plane. The better approach is to increase capacity of ferrying.

Chief/Air Staff
Info copies to:
Plans
Air Trans. Sec.

August 2, 1942

Receipt is acknowledged of memorandum to The President from
Lt. General H. H. Arnold, 8/2/42

Name

Please accomplish and return to
Lieutenant General H. H. Arnold
Commanding General, Army Air Forces
Room 2018
Aunitions Building

PSF Currie Folder

THE WHITE HOUSE
WASHINGTON

August 12, 1942.

MEMORANDUM FOR THE
SECRETARY OF STATE:

Will you please be good enough
to prepare reply for me to send to Lauchlin
Currie today?

F.D.R.

Lead phoned from State Dept. to Map Room
Aug. 11 to the Pres. from Currie re India
(Message signed Merrill from New Delhi)

BF
THE WHITE HOUSE
WASHINGTON

*Let Currie know
Folder*

September 11, 1942

MEMORANDUM FOR THE PRESIDENT:

Lauchlin Currie gave you his report on his trip to China three weeks ago. I know you haven't had any time to read it and he wondered if and when you are going to read it if he could come and be there, so he could give you his reactions; and also there is a letter to be prepared to the Generalissimo but Lauch did not want to go ahead with it until you had seen his report, as it might change the answer.

Will you let me know when you can see Lauch on this particular thing?

G.

BSF 16
Personal & Confidential

THE WHITE HOUSE
WASHINGTON

November 24, 1942

MEMORANDUM FOR THE PRESIDENT:

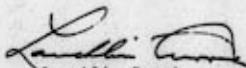
Re: India-China Air Ferry

I am in receipt of a communication from General Arnold which makes the following points:

1. 78 transport planes have been dispatched from here for this route.
2. The total of 100 pledged will be fulfilled in somewhat less than 4 months from date.
3. It is proposed to send 12 4-engine transports (converted bombers), starting immediately, at the rate of 4 per month.

On the other hand, information secured from the Operations Division of the War Department indicated that on November 4th there was a total of only 50 planes available for operation on the India-China route, and these 50 included those grounded for lack of parts and in need of repairs and overhaul. Ten planes had been lost, 9 of them on the ground from Jap strafing, and the Tenth Air Force had 5 planes for its own use.

In view of the fact that you had hoped to have 100 planes operating on this route by last June, you may wish to direct that a renewed attempt be made to attain as soon as possible a figure of 100 2-motor transport planes available for operation on the India-China route, and that this figure be maintained. This would be, of course, in addition to the twelve 4-motor planes.


Lauchlin Currie

Handwritten notes:
L. Currie
2-4-42

PSF
L. Currie
2-4-42
Adm
Ass't

THE WHITE HOUSE
WASHINGTON

December 3, 1942.

MEMORANDUM FOR THE PRESIDENT:

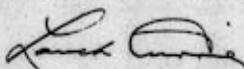
Re: Relations between Chiang Kai-shek and Stilwell.

I have interviewed Hollington Tong, Vice Minister of Information accompanying Madame Chiang, on this subject.

Dr. Tong acted as interpreter in all my interviews in China and hence knew the Stilwell situation thoroughly.

He tells me that things are working out satisfactorily for the time being. Stilwell came back from his month in India, which I had maneuvered as a "cooling off" period, in a much better frame of mind, being even prepared to work some with Ho Ying-chin, the Minister of War. The Generalissimo, on his side, decided to make the best of things, apparently accepting my warnings as to the difficulties and possible bad consequences of effecting a change. In bringing about this better atmosphere, Dr. Tong laid stress upon the scheme to train more Chinese in India, as giving everybody something tangible to work on. Dr. Tong was good enough to attribute the improved atmosphere to my efforts.

I am still skeptical as to whether the relatively harmonious state of relations can persist through an actual campaign. There is, of course, a better chance that the Generalissimo will permit Stilwell actually rather than nominally to command Chinese troops entering Burma from India than from China. Some of my American informants say the Chinese are lukewarm over the invasion of Burma.


Leuchlin Currie

*file
person*

*BF Currie folder
2-42*

THE WHITE HOUSE
WASHINGTON

December 3, 1942

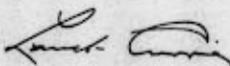
MEMORANDUM FOR THE PRESIDENT:

Re: Expressions of Chinese Nationalistic Spirit

In one of my many talks with the Generalissimo I warned him that certain groups in the United States professed to look for the growth of an aggressive, militaristic China. Disclaiming any such fears on behalf of the Administration, I nevertheless suggested that he might keep this matter in mind in connection with the use of such phrases as "the leadership of Asia."

I note that in his message to the Herald Tribune Forum the Generalissimo repudiates "the idea of leadership of Asia because the 'Fuehrer principle' has been synonymous for domination and exploitation."

The New York Times in an editorial on November 27th picked up this part of his message, remarking "It is good to have the issue brought into the open." The editorial made the point that although some people feared the aggressiveness of a victorious China, it, the New York Times, did not.



Lauchlin Currie

PSF: Currie

THE WHITE HOUSE
WASHINGTON

December 22, 1942.

MEMORANDUM FOR

GENERAL WATSON

I want to see Owen Lattimore
on Wednesday or Thursday of this
week. Will you give the attached
to me when he comes in?

F. D. R.

THE WHITE HOUSE
WASHINGTON

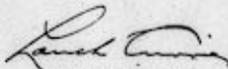
December 18, 1942

MEMORANDUM FOR THE PRESIDENT:

Re: Attached draft of letter to the
Generalissimo from Owen Lattimore.

If the attached draft meets with your approval, I propose to have the signed letter carried to China by our new Naval Attache which should insure its safe and uncensored delivery.

I am attaching a copy of the cable from Lattimore to the Generalissimo which you approved this morning, which is going forward through my code.



Lauchlin Currie

nationals of several nations. These boards of trustees would represent an advance over the mandate of the League of Nations because they could be used to define more clearly the importance of time and the principle of "coming of age." This would be analogous to the principle of successive stages of self-government embodied in the American schedule for Philippine independence. The President ^{Tells me} ~~is~~ that Mr. Churchill ^{is interested} ~~is~~ ^{the} principle of trusteeship.

2. Southern Pacific.

~~As you, the President is convinced~~ ^{I suggested to the President} that for the western Pacific from about the latitude of French Indo-China to about the latitudes of Japan, the principal major powers concerned will be China and America. After this war we shall have to think of China, America, Britain and Russia as the four "big policemen" of the world. Only if they work together can they have uniformity of practice in working out a method for the periodic inspection of the armaments of all countries in order to prevent surreptitious re-armament for purposes of aggression. China and America have obvious qualifications as the most responsible powers in a large area of the western Pacific. In the northern part of the Pacific, however, where American territory approaches closely to Siberia, Korea, and Japan, it would be undesirable to attempt to exclude Russia from such problems as the independence of Korea. To isolate Soviet Russia in this area of the world would run the danger of creating tension instead of relieving tension. South of Korea the question of actual bases from which China and America might protect the peace of the western Pacific is one of those details which may well be left for later consideration. The President is much impressed by your clear view that only bases in the two key areas of Liaotung and Formosa can effectively coordinate land, sea and air power for the long term prevention of renewed aggression.

The President is delighted by the friendship that has sprung up between his wife and Madame Chiang and is looking forward eagerly to Madame Chiang's visit to the White House.

In conclusion, let me add that I am ^{soon} ~~leaving in a few days~~ to take up my new duties in charge of the Pacific Bureau of the Office of War Information in San Francisco. It will, therefore, be some time before I can communicate directly with you again, but I look forward to the hope that I may at some time in the future serve under you once more.

Yours very sincerely,

PSF Currie

Message from the President to the Graduating Classes of Chinese Flying Cadets at Luke Field and Williams Field, Arizona, March 10, 1943, delivered by Leuchlin Currie, Administrative Assistant to the President.

Pilots of China:

You are the latest of hundreds of Chinese pilots trained in this country. You have upheld the high standards set by the first group and we are all proud of your performance. We know that we have imparted to you our technical knowledge and skill. We hope that we have also imparted some feeling of the warmth of our friendship for the Chinese people.

It is appropriate that these exercises should fall so close to the anniversary of Dr. Sun Yat Sen's death. Sun Yat Sen, like George Washington, no longer belongs only to his own country but rather to all the forces of freedom and progressiveness in the world. Americans join Chinese in paying homage to his memory and in deriving inspiration from his last will and testament.

I know there is no need for me to exhort you to be fearless and efficient in driving the Jap from the skies and the land of China. I need only wish you a safe journey home upon the completion of your operational flying and "good hunting" when you get there.

Franklin D. Roosevelt

BF Currie folder

THE WHITE HOUSE
WASHINGTON

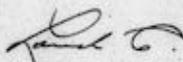
file
personal

March 25, 1943.

MEMORANDUM FOR THE PRESIDENT:

Re: Conditions in the Communist
Area in China.

The attached is an excerpt from
a letter from a friend in China. We
get so little nowadays about conditions
in Communist China that I thought
this might interest you.


Lauchlin Currie

February 20, 1943

Mr. Hall and the Communist Area.

This man has just spent six months with the 8th Route Army and should be seen as soon as he reaches Washington and used to the full.

He was in the Navy in the last war and in a reserve officer with the rank of Lieutenant. He went to the nascent Language School in Peking in 1919 and at that time made a trip to the Lost Tribes country in the western hills. He has been with the National City Bank of New York for some time, was heading their Hankow office when the Japs arrived in 1938, and was preparing to go home, expecting the war to begin in April 1941, when he was asked to go up and close up the Peking office. He was caught there in December.

He made plans to escape with the help of the 8th Route people on January 14 but was to be told thru an innocent third party, who delivered the note on January 18. He then waited to see if he might be listed for repatriation but found in March that he probably would not be. He got in touch with the 8th Route people again and was held up by a Jap comrade in the hills which delayed arrangements for the trip. Finally the leader of the 8th Route people in Peking with a Muser under his gown walked past the Jap gendarmes into his apartment on top the National City Bank in the Legation Quarter and personally announced that plans were ready. One route not watched by the Japs at that time was to get on the little train at the Chien Men station and ride thru the wall out to Paochachen west of the city. In Hall's case I believe from talk in Chenetu that he made a practice of taking long walks all over the city, longer and longer every day, until he finally walked off into the beyond.

At Yenan he found a community with no New Life Movement. They have dances once a week on Saturday nights with gramophone music. He dropped in for lunch with General Chu Teh and ate up much of the millet but when the General asked the cook for more the cook offered cabbage and told him he had had his grain ration for the day. Yenan has been bombed and is therefore spread out. But on Thanksgiving he invited Chu and the higher officials to a Thanksgiving dinner, the one thing he was allowed to put up money for.

In all this time in the area he could find no evidence of graft or scandal, either financial or sexual. You will remember that in Chungking one of the recent events that may have obliged Kung to play in with the CC was the Central Trust truck scandal in which it was found that an official had been using the trucks for private trade in a big way.

Hall's main reactions are two, so far as I have got in one talk. First the people in the communist area are much more alive intellectually and are filled with an ideal still. He addressed a hastily collected

school body and was asked questions for two hours afterward. The people there are a selection, by circumstance, and include many of high training. They teach the army to read and have newspapers circulating pretty widely. The Chengtu West China U. campus struck him unpleasantly in contrast; I found that over half the students there are studying money and banking to make money in the inflation, and the faculty are sensitive about it.

Second, Hall finds the people in Chungking are blindly self-confident of their ability to mop up the communists when the time comes, just as the Japs were about mopping up China. He believes the people here are likely to try a little six weeks' campaign to liquidate the communists, and find themselves in trouble plenty as a result. Of course the great fear here is Russia, and Hall says he notices people feeling worried and disheartened, if anything, by the recent Russian successes as at Khar'kov.

Finally he is very much afraid the Japs may pull a fast one and come in thru Sian and take out the whole producing area built up around Paochi at the end of the Lung'ai line and so on, where there are several big textile plants as well as CIC efforts. The armies facing the communists are sodden with commerce, as are the Japs in some areas, trading with each other, and as Graham Peck found a year ago the officers in Honan are great merchants. The fortification system is also built against the communists and not against the Japs.

—
THE WHITE HOUSE
WASHINGTON

ASF
Currie

March 26, 1943.

MEMORANDUM FOR THE PRESIDENT:

Re: Insurance for American civilians
abroad on war work.

I am attaching a suggestion that machinery be set up whereby the Government may offer insurance for its civilian employees who are traveling or serving abroad in dangerous areas. I think the need is an urgent and justifiable one. You may care to refer this to the Budget Bureau for investigation.

Lauchlin Currie

Lauchlin Currie

L.C.

Take up with Harold Smith

ASF

INSURANCE FOR AMERICAN CIVILIANS ABROAD ON WAR WORK

The U. S. Government is sending an increasing number of missions abroad into comparatively hazardous and unhealthy climates by many modes of transportation. This number is likely to grow rather than diminish in the future. It is possible that a number of claims will be made on behalf of employees who have become disabled or died either from injury or disease sustained while in the performance of their duties.

The U. S. Employees Compensation Act of September 7, 1916 as amended provides for medical treatment and compensation to dependents in the case of death. But no provision is made for payment of premiums for life insurance to cover personnel of foreign missions. Nor do appropriations for the individual government agencies provide for this.

A civilian employee of the United States assigned to a foreign post has no facility for insurance to cover war risks such as is available to military personnel. Yet he may have no more choice but to serve abroad when so ordered. His family is equally without protection from the ordinary life insurance policies taken out in peace-time. Lloyds will undertake to cover the hazard of foreign service in war time only at the cost of very high premiums. American companies will not insure at any price.

These heavy charges may either act as a deterrent in securing qualified personnel for service abroad from those having family responsibilities or else impose an excessive burden on the individual concerned. There is a current example of the Director of State Planning, Nashville, Tennessee, who loses his insurance if he goes to China for the OWI. This burden is unnecessary and could easily be removed by devising an insurance scheme to cover U. S. employees on foreign service along the lines of that covering the military. A government scheme which would spread the risks of each individual and pool the costs could be made virtually self-supporting.

BF *Carrie folder. 2-43*
THE WHITE HOUSE
WASHINGTON

file
Personal
April 15, 1943.

MEMORANDUM FOR THE PRESIDENT:

Re: Attached interview with a
man recently returned from
Tokyo.

The attached contains some of
the more interesting statements I
extracted from a long interview
with an Argentine consul who was
in Tokyo as recently as January.

Lauchlin Currie
Lauchlin Currie

April 15, 1943

ONI Interview with a Mr. Lavalle, until recently Argentine Consul in Tokyo

Mr. Lavalle left Tokyo in January. Regarding the morale of the Japanese people, he said there was complete confidence in victory - indeed of victory's having been achieved. The only problem now was to consolidate the gains. The one anxiety was fear of an attack by Russia, which he said was spreading not only through the government but through the people. He thinks that the government is somewhat disturbed by the complacency of the population and has tried to counteract this by stressing the fact that the war is going to be a long and hard one. The Ministry of Information has launched a slogan of a "hundred-years war" and this has been accepted without criticism by the rank and file.

There is no sort of communication allowed by the soldier who departs for the front and his family who is left behind. Once a soldier leaves for the front, he is considered almost as a dead man, and consequently the prolongation of the war and the continued disruption of the family does not have the same psychological effect as it does in European countries.

The chief shortage of consumers goods in Japan is coal and textiles. There is almost a complete absence of coal. There still are textiles but they are poor and shoddy, short-fibered, which do not stand up to washing. The chief bottleneck otherwise is transport, particularly shipping. The railways are still working efficiently. The roads, however, are getting into bad condition and there are relatively few gasoline driven automobiles. A number have been converted to charcoal burners.

There is a fairly acute manpower shortage. One of the chief results is that women are taking a far larger part in public work than heretofore. ARP services, for example, are manned by women in the proportion of 6 women to about one man. There are similar high proportions of women in other public services. As far as Mr. Lavalle was able to observe this has not altered the previous existing status of women in Japan. He does not think they are becoming any more politically conscious or any more resentful of their low status. Since 1943 the Government has increasingly applied puritanical measures with the result that both the prostitutes and the geishas have enormously diminished in number. He thinks the geishas have diminished by 90%, from about 40,000 to 4,000.

Mr. Lavalle described at some length the changed policy of the Japanese Greater East Asia Ministry towards the subjected oriental populations, showing how they have been granted far more independence, have been reestablished in possession of their property, either completely or with 49% control (51% control being left to the Japanese), relieved of repressive police measures, the brutality of the soldiers forcibly restrained, and a very fair semblance of autonomy. Mr. Lavalle thinks that this policy was adopted under the advice of Wang Ching-wei, and thinks that it is being extremely successful and that the greater part of the conquered population are finding an acceptable modus vivendi under the new arrangements.

Mr. Lavalle said he was conscious of a steadily increasing hostility to all Europeans without exception. The Germans have received a number of diplomatic snubs. They made three attempts to get restoration of German-held property and were rebuffed each time. For the orientals who are at the moment enemies, there is, on the other hand, very little hostility. There are still a fair number of Chinese working in Japan, chiefly as coolies or cooks in restaurants, etc. The greater number, however, have been repatriated. No hostility is expressed towards the Chinese, not even very much towards the Chungking Government who are considered as misguided, rather than as enemies.

Mr. Lavalle is completely pessimistic about the possibility of influencing the bulk of the Japanese population by any propaganda appeal whatsoever. He does not think that the fissures in the population are of any importance, the deprivations cannot be exploited, and the complete assurance of victory could only be undermined by a series of smashing military defeats.

1.

BSF Currie folder
2-43
file

THE WHITE HOUSE
WASHINGTON

May 10, 1943

MEMORANDUM FOR THE PRESIDENT:

Re: Comments of Time's Chungking
Correspondent on the Honan
Famine.

White, Time's Chungking correspondent, was recently permitted to make a tour of the famine area. A description was printed in Time. His comments on the handling of the famine were, however, heavily censored. I have just received a copy of the uncensored version, sent to me by a member of our Embassy staff. I think you will find it interesting as another illustration of what is happening in China today.

Paul A. Currie
Paul A. Currie

Uncensored version of cable filed by T. H. White, Time correspondent
in Chungking.

As the truth of the Honan famine becomes known in Chungking this month, all China's bitter problems seem reflected in the administrative bedlam of this disaster. The major facts can no longer be avoided.

1. The failure on the part of both the provincial and national governments to take relief measures adequately or in time. As early as October it was known that food resources were gone and without outside aid millions would die. But until March no major movement of foodstuffs to the stricken areas was begun. The Chungking Government felt it had discharged its burden by allocating a hundred million dollars to famine relief. But the actual funds (which were only paper money) only partially arrived in March. The provincial government although realizing the futility of paper money made no determined effort to import outside foodstuffs. The roadless condition of Honan which is subject to constant Japanese threat made investigation difficult. The National Government sent two famine commissioners to investigate last fall, but these men traveled only on the main highways. Never during the disaster have major provincial or national officials paid a visit to Chenchoo which is at the center of the catastrophe.

The national funds received by the provincial government were largely hoarded almost a month in the vaults of Honan banks before being transferred to food surplus areas to buy grain. Until the middle of March the total of foodstuffs sent to succor twenty million people consisted of four million pounds of grain, a large part of which consisted of stocks seized from private merchants who brought imports as occasional transactions. Actual cash distributions of relief money were made in notes of fifty and hundred dollar denominations, whereupon the government banks charged the destitute fifteen percent for exchanging into small notes which would be acceptable to merchants. The complacency in this matter was the result of a belief that money appropriations would meet demand, that once an administrative decision was made in the capital it would be effective immediately a thousand miles away. This disinclination to grapple with reality underlines the tremendous change in Chinese thinking since the early glorious days of the war.

2. The failure illustrates the basic change in Chinese economy during the past three years. The entire military and civilian infrastructure of the Chinese Government rests on peasant's tax-pit in grain. Grain as a medium of exchange, as a standard of value, has reduced value in Chinese fiscal thinking. Textiles in kind which substituted three years' worth of American advice gives only stability

Impotence of Chungking government and propaganda as to the extent of the disaster in this key province. All these aids and ends help fill out the statistical picture, but no one can possibly portray the real horror of the spectacle or the terror in the eyes of the peasants.

Probably the most basic fact in this connection is the political stability of the peasantry. The Chinese peasant, seven years ago, was the government's vote of confidence in every province except the Japanese. Nothing like then - war, flood, famine - has shaken them or caused them to withdraw their support for the National Government. The unwavering loyalty of the peasantry to the war of national liberation probably underlies the essential stability of the authorities contemplating their plight. But perhaps the worst point out there is the Chungking Mount the State of 1945 the Japanese were able to push through the Chinese territory which previously depended upon their peasant cooperation. Dead peasants count.

THE WHITE HOUSE
WASHINGTON

May 11, 1943.

MEMORANDUM FOR THE PRESIDENT:

Re: Insurance for Government civilian
employees abroad.

At your suggestion I conversed the subject with Harold Smith and it developed that any scheme of government insurance would require legislation. It is probably preferable to procure commercial life insurance at reasonable rates on a group payment plan. A protective association could be formed similar to the State Department's Foreign Service Protective Association. The Equitable Life is prepared to write group insurance for travel or residence in war zones, at around \$15 a \$1,000 per year.

Representatives of various agencies who are desirous of forming such an association have elected me Chairman of the Board of Directors of the "War Agencies Protective Association", subject to my approval. They based this action on the grounds that it would be very helpful to them to have some government official who did not belong to any of their agencies serve as chairman. I am assured that the position is nominal and that there are no duties or responsibilities. Unless, therefore, you see any objection, I shall accept.

Leuchlin Currie
Leuchlin Currie

*KSF
Currie*

451 - 1 - 11/11/43
11/11/43

THE WHITE HOUSE
WASHINGTON

*PSF.
Currie*

May 24, 1943.

MEMORANDUM FOR THE PRESIDENT:

Re: Use of New Explosive RDX.

1. I have been reliably informed that this explosive gives an effect 40% greater than TNT.
2. We are currently producing around 7,000 tons a month.
3. This quantity must meet the requirements of the British and of the Army and the Navy for all purposes.
4. Consequently, the bulk of our aerial bombs continues to be powered by TNT.
5. Greatly increased production of RDX would require a small amount of stainless steel. On the other hand, reduction in TNT output would release manpower and toluol, which would permit the manufacture of more high octane gas.
6. A swing-over from TNT to RDX would be similar in its effect to an increase in plane and pilot output, and would mean a saving in material and gasoline.
7. If you wish, I would be very happy to get the services' viewpoint on this whole matter.

Lauchlin Currie
Lauchlin Currie

T-102

PSF Currie folder
2-43

THE WHITE HOUSE
WASHINGTON

May 27, 1943.

MEMORANDUM FOR

LAUCHLIN CURRIE:

Yes, will you get the
services' point of view?

F.D.R.

Memorandum to the President, 5-24-43, from
Lauchlin Currie re use of new explosive
RDX.

PSF
Currie

THE WHITE HOUSE
WASHINGTON

June 29, 1943.

MEMORANDUM FOR THE PRESIDENT:

Re: Request for leave of absence
for Murray Latimer.

Governor Lehman called me this morning and stated that he would like very much to secure Mr. Latimer's services for possibly six months to serve as his chief administrative officer. Mr. Latimer would be happy to do this but felt that he would have to secure your approval. Governor Lehman asked if I would endeavor to secure such approval.

Lauchlin Currie
Lauchlin Currie

O. Keeney

"Book
Library B"

PSF Currie

THE WHITE HOUSE
WASHINGTON

"General Watson
I will see him
sometime
while he is
here-".

C
O
P
Y

October 21, 1947.

MEMORANDUM FOR THE PRESIDENT:

Re: Attached book on China's Struggle
for Railroad Development, inscribed
to you by the author (3 top
characters in longest line are the
characters for Roosevelt, the
bottom 2 are President)

Minister Chang is still a power in
Chinese politics and he has been sent over
here by the Generalissimo as a counterweight
to T. V. Soong in post-war planning. It
would give both him and me enormous "face"
if you would consent to see him for a few
minutes. I could arrange to give plenty
of advance notice to General Watson. I am
attaching an acknowledgment of the book.

(Signed) LAUCHLIN CURRIE
Lauchlin Currie

Miss Chen:

*I gave the original of
this memo to Rodosta
Bansawa.*

LC

October 22, 1945

My dear Minister Chang:

I have received through Mr. Currie your book on China's Struggle for Railroad Development, which you so kindly sent me. Your personal inscription makes it a doubly valuable acquisition to my personal library at Hyde Park. I trust that your visit to this country will prove of great value to both of our countries in the post-war period, and I look forward to a discussion of our common interests before you return to China.

Very sincerely yours,

FRANKLIN D. ROOSEVELT

Honorable Chang Kia-ngau,
Plaza Hotel,
New York, New York.

(FDR)

file
PSF Currie folder 2-44

THE WHITE HOUSE
WASHINGTON

May 29, 1944.

MEMORANDUM FOR THE PRESIDENT:

Re: Messages in connection with Liberation.

I think it would be appropriate and desirable for you to deliver, over a world hook-up, one or more messages when the invasion starts.

1. It will be one of the most important and decisive moments in our history. It is appropriate that the President and Commander-in-Chief should give expression to the feelings of the people at such a time.
2. There has been no particular occasion for you to deliver a world message for some time. This is an opportunity to assert your world leadership. After all, we are supplying the bulk of the manpower, planes and materiel.
3. In terms of psychological warfare, an opportunity is afforded to deliver messages to the people of conquered lands and to Germans that might be comparable in its effect to Wilson's Fourteen Points. Anything that will arouse the to-be liberated areas and cause division in Germany would shorten the war and save American lives.
4. I should hope that the message or messages would (a) inspire our soldiers and the enslaved peoples, (b) reassure the little people of Germany that they, though not their leaders, will be treated humanely and bring home to them the futility of continuing the struggle, (c) arouse the home front so that we may be worthy of the occasion and put forth an extra effort.
5. Some people will cry "politics" but these people would say that of anything you do and the nature of the occasion is such that they will make no impression.
6. I have discussed this with the other assistants and with Leo Crowley and they feel, I believe, as I do. I do not think a recording prepared in advance would be nearly as effective as a world broadcast immediately following the first landing of our troops. I am sure you would have the largest audience in history.

Lauchlin Currie
Lauchlin Currie

Currie

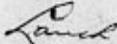
THE WHITE HOUSE
WASHINGTON

June 7, 1945.

Dear Grace:

This was handed to me
in New Delhi in August 1942.

Yours,



Lauchlin Currie

Miss Grace Tully,
The White House.

THIS DOCUMENT IS THE BEST
AVAILABLE. EVERY TECHNICAL
EFFORT HAS BEEN TAKEN TO
INSURE LEGIBILITY.

OFFICE-BEARERS FOR 1941-42

President:

ABUL KALAM AZAD

Treasurer:

VALLABHSHAI PATEL

General Secretary:

J. B. KRIPALANI

अखिल भारतीय कांग्रेस कमेटी

स्वराज भवन, इलाहाबाद

آل انڈیا کانگریس کمیٹی

• سراج ہاؤس - اہل آباد

ALL INDIA CONGRESS COMMITTEE

SWARAJ BHAWAN, ALLAHABAD

Camp Office - Bombay

Telephone: 341

Telegram: "CONGRESS"

Ref.....

August 9, 1942

Dear Sir,

In the meeting of the Congress working Committee held on August 6 it was decided that Maulana Abul Kalam Azad, the Congress President, should formally send a copy of the A.I.C.C. resolution to President Roosevelt and heads of other allied powers. But before he could do so he was arrested this morning at about 4 A.M. Mahatma Gandhi, Pandit Jawaharlal Nehru and other members of the Working Committee including the General Secretary were also arrested simultaneously. It was therefore devolved upon me in my capacity as the acting secretary of the All India Congress Committee to forward a copy of that resolution to you which I do hereby through a special mess

Would you kindly forward the same to the President Roosevelt?

Yours sincerely,
S. Kripalani
S. Kripalani
Office Secretary