PSF - General Correspondence "E"

Subject File

Box No 146

PSF

Inst.

PSF Gen Corres "E" 3-4

May 19, 1944

~~Confidential~~

My dear Mr. Eaton:

There is much to think about in that note of yours and I thank you for giving me such a frank expression of your views.

I was particularly interested in what you said about making every region of the country financially independent of New York. You know what this Administration has done in its efforts to free the country from monopolistic finance and I wish the people could share your knowledge. As a whole, however, the rescue job has not been completed. Much remains to be done.

I completely agree with your point of view that our system of private enterprise should be made to work more democratically — to fill the needs of all our people.

Very sincerely yours,

FRANKLIN D. ROOSEVELT

Mr. Cyrus S. Eaton,
Terminal Tower,
Cleveland 13, Ohio.

STE:dd

~~Confidential~~

CYRUS S. EATON
TERMINAL TOWER
CLEVELAND 13, OHIO

April 10, 1944

Dear Mr. President:

The widely circulated story that Willkie's Wisconsin defeat can be blamed on the lofty policies he espoused is a clever but unconvincing publicity stunt on the part of the Morgan "stooge". I was in Wisconsin for several days before the election, and heard over and over, in every quarter, that Willkie simply was not personally acceptable to the voters.

Willkie still symbolizes the Wall Street leadership of the Republican party. People have not forgotten, after all, that he organized the Commonwealth & Southern Corp. for the Morgans, and ran it for them during the eight years preceding his first try for the Presidency. Everyone is aware that this public utility holding company venture was a costly one to investors, even though few may realize that the total market value of Commonwealth & Southern common has shrunk 98% from its one-time high of $1,077,546,496 to its present figure of $23,150,413.

Eventually the voters will discover that Dewey has succeeded Willkie as the white hope of the New York financial interests. Meanwhile the Administration can take no more important step on the home front than to give some earnest of its intention to make every region financially independent of New York.

Sincerely yours,

Cyrus Eaton

Hon. Franklin D. Roosevelt
President of the United States
Washington, D. C.

THE WHITE HOUSE
WASHINGTON

May 13, 1944.

MEMORANDUM FOR

S.T.E.

FOR PREPARATION OF REPLY
FOR MY SIGNATURE.

F.D.R.

THE WHITE HOUSE

WASHINGTON

May 13, 1944.

MEMORANDUM FOR

S.T.E.

FOR PREPARATION OF REPLY

FOR MY SIGNATURE.

F.D.R.

Letter to the President, 4/10/44 from Cyrus Eaton, Terminal Tower, Cleveland 13, Ohio re Willkie's Wisconsin defeat and stating that Dewey has succeeded Willkie as white hope of the New York financial interests. Urges Administration make every region financially independent of New York.

(2956)
hmc

PSF Gen Corres "E"
3-44

THE WHITE HOUSE
WASHINGTON

May 20, 1944.

MEMORANDUM FOR

HON. J. HADEN ALLDREDGE

I am sending you some letters from Cyrus Eaton. What do you think I should reply to them? Will you keep this in confidence?

F. D. R.

3 letters dated 5/9/44, 5/10/44 and 5/11/44 from Cyrus Eaton, to the President, in re application filed by the Burlington Railroad with the ICC for approval of $30,000,000 of private financing.

PSF

Gen Corres "E" 3-44

CYRUS S. EATON
TERMINAL TOWER
CLEVELAND 13, OHIO

May 26, 1944

Dear Mr. President:

Your letter of May 19th has given me renewed hope for the future of regional finance. As you say, much remains to be done to make every region financially independent of New York. Fortunately, it can all be done easily and quickly once the Administration points the way, for I have talked with enough Senators and Representatives to know that measures to decentralize finance will have strong Congressional support.

Back in the piping days of peace, I once told you in person that I believed you would have to remain in office until the St. Lawrence Waterway was finished, no matter how many terms it took. I now believe you must consent to stay not only until that project is completed, but also until the war and peace are won, and until financial democracy has become a fact.

Sincerely yours,

Cyrus Eaton

Hon. Franklin D. Roosevelt
President of the United States
Washington, D. C.

PSF "E"

Gen. Corresp

THE WHITE HOUSE
WASHINGTON

file confidential under "Eccles"

W. M. Eccles

May 15, 1939.

ACTION RECOMMENDED AT THIS TIME

To insure a continued recovery throughout 1940 it is imperative that action be taken now to prevent a decline in the Government's contribution to buying power next year.

Political considerations that must be taken into account in working out a program include (a) the demand for progress toward a balanced bookkeeping budget in the estimates to be presented next January, (b) the demand for more adequate old age security, (c) the demand for increased farm benefits, (d) the waning popularity of work relief.

The following suggestions are designed to (a) maintain the Government's contribution, (b) meet the demands for old age security and farm benefits and (c) reduce the bookkeeping deficit:

I - Old Age Security

It is essential that the old age security program be converted from a deflationary to an economically sound one, - from a political liability to a political asset. The real demand in the country is for old age pensions rather than old age insurance. By the end of this year we will have accumulated a fund, and decreased buying power, by $1.7 billion. Even under the proposed amendments there will be an additional $500 million accruing to the reserve fund in the calendar year 1940. An incoming Administration will be in a position to inaugurate a national old age pension plan financed out of payroll tax collections and the accumulated fund, which will be more than $2 billion at the end of 1940. It will be able to reduce the bookkeeping deficit without decreasing Government cash expenditures.

This seems to me to be a distinct possibility since recent polls have indicated that of all types of expenditures old age

pensions are the most popular and that a national old age pension program will be one of the most vital issues of the coming election.

Obviously, here is a case where the Administration should assume the initiative. In the next calendar year the Federal Government will make appropriations of over $800 million for old age security. Yet only $300 million will actually be expended in old age assistance and insurance payments. Federal appropriations of $800 million, plus $250 million of state contributions, could finance an adequate national old age pension program.

A plan has been worked out along this line that will preserve the contributory principle, and is available.

II - Farm Benefits

Additional agricultural parity payments, going out in the spring of 1940, would be particularly well-timed from the point of view of other changes in the budget and of the requirements of recovery at that period. Additional payments which Congress is likely to appropriate could be coupled with increased taxes on individual incomes in the middle brackets, and on estates. This would tend to reduce savings and result in a net addition to consumption.

III - Railroad Equipment.

Additional railroad equipment would be urgently needed in the event of further recovery or in the event of war. The supply of freight cars, for example, is nearly 700,000 below 1928. The potential demand could be made actual if:

(a) the loan authorization of the RFC for equipment loans were increased,

(b) the RFC would announce that, for a period ending June 30, 1940, on equipment to be delivered before June 30, 1941, it was prepared to make loans covering the full cost of equipment for long maturities and at a low rate of interest. For this offer, interest payments could commence on June 30, 1941.

Such loans would be financed out of the proceeds of RFC guaranteed obligations and hence would not be a charge on the budget. To the extent that increased expenditures were secured in this way, budgetary appropriations (e.g., for WPA) could be reduced without entailing a decline in the net contribution to buying power.

IV - Housing

Upon the passage of the pending FHA amendments, reduce the maximum rate of interest on FHA mortgages from five percent to four and a half percent. This would mean an effective rate to the borrower of five percent, allowing for the insurance premium. Make this change effective by having the Federal National Mortgage Association purchase FHA mortgages to yield three and a half percent instead of the present four and a quarter percent. This would entail no additional charge on the budget.

V - Public Works

Provide for the continuation of non-federal public works through loans and interest subsidies, rather than outright grants of principal. In this manner $1 billion of additional expenditures could be secured at an annual charge on the budget of $20 million, if the loans were secured from the RFC, or slightly more if the loans were raised in the open market.

VI - Public Self-Liquidating Investments

Capitalize various existing revenue-yielding assets of the Government and substitute guaranteed for direct debt. Finance current expenditures on self-liquidating projects through the issue of guaranteed obligations.

Conclusion

The above program is believed to be politically feasible and economically desirable. It would obviate the danger of a downturn in 1940; it would permit various popular demands to be met; and it would permit an approach to a balanced budget for the fiscal year 1941.

PSF

Gen Corresp.
"E"

September 28, 1939

Memorandum for the President

From Lauchlin Currie

Re-complete and thorough understanding between Eccles
and Morgenthau

See--Lauchlin Currie-Administrative Asst's folder-Drawer 1-1939

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PSF
Gen. Corresp. "E"

File
Personal

THE WHITE HOUSE
WASHINGTON

April 6, 1940

Memorandum For The President.

Marriner Eccles wrote to you that he and Bob Hinckley hoped you could give Delbert Draper some encouragement as a candidate in the Democratic primary against King. You told me to sound out Congressman Murdock's ambitions first.

Murdock has already announced publicly that he will be a candidate for Senator against King.

James Rowe, Jr.

THE WHITE HOUSE
WASHINGTON

April 1, 1940.

MEMORANDUM FOR

JIM ROWE

Will you sound out Congressman Murdock on this before I do anything else?

F. D. R.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

OFFICE OF THE CHAIRMAN

March 29, 1940.

PERSONAL AND CONFIDENTIAL

Dear Mr. President:

As you know, Bob Hinckley and I have been interested in the senatorial outlook in Utah. We feel, after looking over the situation, that Delbert Draper, who has been prominent for years as a lawyer and in the party organization, would stand the best chance of winning in the primary against King. Draper, who is in the late forties, I think, is very highly regarded. He has a liberal viewpoint. He has been active for many years in the organization and has served as State Chairman.

There is one difficulty in the situation. Congressman Murdock who, as you know, has an excellent record, has indicated that he might enter the primary also. If both he and Draper were in, they would probably split the vote so that King would come through successfully. On the other hand, if Murdock were to run again for the House, where he is valuable and needed, and Draper were left free to contest the primary against King, it would make a strong and, I believe, successful ticket. From what I know of the situation and from surveying it recently, I am satisfied that Draper would stand a much better chance than Murdock in running against King in the primary, particularly because Draper would have stronger organization support against King than Murdock would.

I felt I should let you know my views and express the hope that you may feel free to give Draper such help and encouragement as you may consider appropriate.

Respectfully yours,

M S Eccles

The Honorable
The President of the United States,
The White House.

PSF
Gen. Corresp. "E" Eicher

July 28, 1939
Memo to Edward C. Eicher
From the President

In re-appt of Otha Wearin to be Director of the R.E.A.
Correspondence from Eicher attached also memos to
Pres. from Watson.

See:Otha Wearin-Gen correspondence-Drawer 2-1939

PSF
Gen Corresp E

THE WHITE HOUSE
WASHINGTON

4/17 [1940?]

Commr. Eicher 'phoned:

"Word has just come to me that the President outlined his program pretty well to Leon Henderson and Jerry Frank. What I want to put up to the President is to offer my services in any way in order to bring about Frank's election as Chairman before Leon's name goes up on the Hill.

"It seems to me there are cogent reasons why that should be advisable and I believe it can be worked out if the President is willing to authorize me to say to the other members of the Commn that that is what he would like to have done.

"There are other reasons: For example, Judge Haley, Frank and I are all agreed on a definite utility program that is about to be launched and it seems to me that it should be done under the guidance of the new chairman before Henderson's name gets into the picture.

THE WHITE HOUSE
WASHINGTON

"That is one of the things I would like his advice on. They are things that Jerry (Frank) himself cannot take the lead on asking.

"Perhaps you can get word back to me without the need of my talking to him in person."

K

TEL. TOTNES 123-4-5-6. file personal

PSF
Gen. Corresp. "E"

Elmhirst
Gen-2

DARTINGTON HALL,
TOTNES, DEVON.

October 7th /39

Dear Miss LeHand,

I am sending you a copy of a letter which I think you should have at this time. I hope very much to be able to follow it up later with other material.

Yours sincerely,

Leonard Elmhirst

Leonard K.Elmhirst.

Miss LeHand
The White House,
Washington D.C.
U. S. A.

C O P Y

THE SCHOOL,

DARTINGTON HALL,

TOTNES, S.DEVON

TRUSTEES:
L.K.ELMHIRST
D.W.ELMHIRST
F.A.S.SWATKIN
A.D.ELMHIRST

TELEGRAMS & TELEPHONE:
TOTNES 227.
CABLE ADDRESS:
LEONELM, TOTNES

WILLIAM BURNLEE CURRY, M.A., B.Sc., HEADMASTER

October 6th, 1939.

The Rt. Hon. Neville Chamberlain, P.C., M.P.
10, Downing Street, London, S.W.1.

Sir,

We, the undersigned, wrote to you last September earnestly supporting the efforts you were then making to preserve peace. As earnestly, we now beg you to face the country frankly with the existing situation created by the entry of Russia and the partition of Poland, and to resist all ill-considered and false-heroic demands for the continued active prosecution of a war which can now no longer achieve its original purpose, and which, if prolonged, must result in the prostration of ourselves as well as of our opponents, and in irreparable damage to the whole of Europe. We urge, on the contrary, that the British Government should, at this juncture, state positively the bases as it sees them of a permanent and comprehensive peace settlement for Europe as a whole, that it should not reject out of hand the offer of a truce, and that it should invite the good offices of the President of the United States in negotiating its terms.

If these efforts should fail, and the truce break down, then let us at least keep the door for negotiation always open, stand strictly on a prudent military defensive, avoiding all unnecessary sacrifices and costly adventures, and throw back upon the Nazi Government the onus and the odium of aggressive war.

Yours truly, (signed)

J.N.Wales, B.Sc. (Econ)
Raymond O'Malley, B.A.
E.Boris Uvarov, B.Sc.
Margaret Isherwood, M.A.
C.Winson
Winifred M. Edwards
W.E.Bosence, B.A.
Marjorie E.Curry
Mary L. Ogilvy
Jane Cowling.

William Hunter, B.A.
B.G.Whitmore, M.A.Ph.D.
J.V.Elmhirst
Harry S. Wraight
W.B.Curry, M.A.B.Sc.
R.H.Bolton, B.M.B.Ch.
C.Eric McNally
Margaret Wales
David Lack, M.A.
Leonard Elmhirst, M.A.B.Sc.

A.B.Forrester
Helga Forrester
Eileen Brice
D.Neylan, M.A.
Enid Cooke
Irmi Elkan
Joan R.Light
M.F.Powell
Anne Grant
Dorothy Elmhirst.

File Personal

Jan - 3

PSF
"E"

16, Queen Anne's Gate,
London, S.W.1
Whitehall 7245

114/40/Post-War
Reconstruction

September 5, 1940

Dear Miss Le Hand,

Here is a further instalment of War Aims which we were asked to reduce into the smallest possible space for a busy man to read. I hope therefore it may be useful to you.

You can hardly imagine the delight with which the public has hailed the bargain over the destroyers and island bases. This, married to the fact that we are no longer frightened of the Blitzkrieg and that even in the middle of an air raid we now carry on our normal life and even sleep, means that somehow the world looks different to-day, and though we realise that there is a lot coming yet we think we can take it, and more.

Yours sincerely,

Leonard Elmhirst

Leonard Elmhirst

Miss M. Le Hand,
The White House,
Washington, D.C.

2105/40/Post-War Reconstruction

28.8.40

Private & Confidential

Redraft of 2094/40/PWRG

Restatement of War Aims

A Programme must flow from results

1. Much is heard of the challenge which Hitler's victories and plans of reconstruction offer the world. Little has yet been heard of the challenge which is coming from Britain through the new offensive spirit of her people and the new measures which are now beginning to give spectacular results. A statement of British war aims is not a mere paper programme of desirable reforms, but an interpretation of what the measures now being taken in or originating from Britain may be expected to produce. Any acceptable programme for to-day must not only be justified by quick and visible results but must in fact flow from results which are being achieved. Failure to get results has produced that widespread sense of frustration which is the keynote of the age. But in our natural eagerness for results we must not sacrifice the human rights and values on which civilisation is based.

2. Clearly any picture must in war conditions be tentative. Many important questions, such as the redrawing of boundaries, cannot usefully be discussed until the situation and the state of opinion at the end of the war are known. This must not deter us from indicating something of what can and should be realised in a more satisfactory post-war world. We are already beginning to show to the world that there is an alternative to the Nazi doctrine of violence, which is the outcome of spiritual bankruptcy and despair. It is possible both to preserve tested values and to bring about great changes in the social and economic structure of our society. In this way we shall fulfil the promise implicit in our civilisation, and achieve results far beyond the reach of those who rely on violence.

3. Our aims for the rebuilding of Europe must be both conservative and revolutionary. We must be conservatives in setting out to preserve and restore that heritage in which the enduring values of European and Christian civilisation are embodied, and which, thanks to our favoured island position, we have been able to maintain - the heritage of civil and religious freedom. We must set out to restore amongst all those people who have been robbed of them by Hitler freedom of thought, speech and expression; freedom of information and inquiry; freedom of association; freedom of religious worship and belief; fair and open trial and the abolition of all secret agencies of oppression.

4. We are becoming revolutionaries because we do not seek simply to transfer power from one ruling clique to another, but are engaged in extending power, both political and economic, to all who are qualified to exercise it. We assert both the obligations of the individual to society and those of society to the individual. The old order, dominated by the principle of self-interest tempered by humanitarianism, is obsolete and must give place to one based on the dual conception of service to the community

and the constructive use of man-power and material resources. While respecting the rights of property and of existing interests, we must require that they be exercised subject to the overriding claims of the public interest. In the modern community the individual can and must have fuller rights and ampler security, but those rights must be based less upon special privileges and private fortunes and more upon a growing share in the common wealth.

5. We look to the shaping of a world without a proletariat - a world which will cease turning out the stunted bodies and undeveloped minds which lead to insecurity of employment, low earnings and all their attendant evils. Much of the working class has already attained standards of earnings, consumption, education, health services and security such as used to be reserved for the privileged. This process of grading up has made much more than a start but it is a vast distance from completion and it can and must be speeded up in all countries. In order to prevent the reappearance of the selfishness and sloth which disgraced the 'twenties and 'thirties some permanent and universal form of national service will be essential. Above all the children, on whom the future depends, must be given a much larger share in the goods and services available.

6. We must therefore ensure to every human being in our society a minimum standard of decent living. That minimum must include not only the material necessities of existence - food, clothing, housing, medical care, and proper provision for dependants. It must also include equal opportunity for education and the simpler amenities of life - organisations for youth, for leisure and culture - and, not least important, the provision to every individual of a part to play in society and the security that goes with it.

Europe and the British Commonwealth

7. We see in all this first a programme for Britain. Yet not for Britain only, but for all those parts of Europe where our influence may extend. The pattern of life for the nations will also be new. Just as within our own nation we intend to establish fuller rights and to demand a fuller observance of duties by the individual, so within the family of nations we propose to use all our power to secure that national rights are balanced by national duties, and that nations which neglect their duties to their own citizens or to other nations will forfeit the full advantages of membership of the community of nations. We will no longer permit an aggressor nation to have free access to resources within our control on the same terms as those who will use those resources for civilised ends. Nations which cannot or will not assure the elementary human rights of their citizens will not be treated as equals with those which do.

Far from permitting each nation State to annex to itself every source of power, we intend, by means of international controls over raw materials, industries, communications, and other key activities to build up other great concentrations of power which will transcend national boundaries and at the same time be made socially responsible to consumers. It is an accident, not a law of nature, that the entire heavy industry of, say, France and Germany, should

be linked with the armed forces and educational systems of those nations to produce a great war potential.

8. We must therefore be revolutionaries in our attitude to Europe too. We have successfully transplanted to new countries overseas some of the best elements in European civilisation; we are now ready to bring back to Europe the tested results of our great Commonwealth of free nations and of the United States to replace the chronic quarrels of national sovereignties or the alternative of a Herrenvolk dominating satellite peoples. It has become vital for ourselves and the peoples of the British Commonwealth and the United States of America, no less than for Europe, that Europe should achieve the unity and prosperity which we alone can bring it. This war has already shown that we cannot exist as an island Empire cut off from Europe by the seas. It will also show that Europe cannot long survive as an isolated unit cut off by hostile sea-power from the world overseas.

9. It must be our task therefore to serve as intermediaries between Europe and the world overseas. That means that we must use the new-found stability and confidence of our Commonwealth as a base for accepting to the full our European responsibilities and for abandoning the policy which we have hitherto pursued of limited commitments and national alliances. We are not merely a nation fighting for its own independence, but the only remaining part of Europe in which European civilisation still flourishes. We must recognise as our allies and fellow-countrymen not this or that nation, but all those men and women who share our values and beliefs, whatever their nationality or creed; and we must make it clear that wherever in Europe or elsewhere our power may reach, we intend to use it to support those values and beliefs.

0. In seeking to bring unity to Europe we do not set out to crush national aspirations in the interests of a Herrenvolk. Our aim is to liberate the peoples of Europe; but we equally reject that form of nationality which sets the Utopia of national sovereignty above the public interest of Europe and before individual liberties. As a people who from our own midst have created new nations and worked out with them a way of living as a community of free peoples, we can offer to Europe a new and living conception of nationhood in which each nation shall be free to make its contribution to the common life while recognising the overriding claims of the common interest.

What we do now is shaping the Peace

1. Such in brief outline is our conception of the peace to come. We do not believe that the task of reconstruction need wait until the cessation of hostilities. Even now we see growing up out of the improvisations of wartime a new framework around which we can if we choose build a new order for ourselves and for the peoples of Europe. In this lies our great opportunity: we must not regard this framework as an unwelcome necessity to be scrapped on the day when war ceases, but must begin adapting it now to the purposes of peace. At each step the further new mechanisms which we devise for the achieving of victory should also contribute to peace-building.

12. Thus we already see in the means we are devising for the control of wartime consumption the basis for a scientific study of the material needs of the individual and the means of satisfying them. We already see in the plans now being worked out for exploiting our economic resources in wartime the basis of a new pattern of industry and finance in peace-time, in which the fullest use of expanding resources will be the guiding principle; and in the plans which are being worked out for the best use of British and Allied man-power the framework of a new scheme of things in which every individual has a part to play as a worker in the service of society, whether he is under training, or actively employed or standing by, and has the right to enjoy the security which goes with it.

13. Already in the means we are working out to maintain and improve our spirits in the coming winter months and to ensure our workers sufficient rest and change we see the beginnings of a scheme for the organised use of leisure and the spreading of popular culture. The achievements of the young people of this country prove the worth of our educational system, but at the same time the war has shown up its gaps and imperfections. Already the special problems of youth in wartime, together with the urgent need for new leadership and enhanced technical ability drawn from new classes of society, are bringing us to consider the means for widening educational opportunities.

14. As country after country is freed from the domination of Nazism, plans and organisations will be needed to transport and distribute food to their hungry peoples. These must be prepared without delay: they can later be adapted to provide for the peoples of Europe a minimum standard of living based on scientific standards of nutrition. Even now we are having to assess the minimum needs of one importing neutral country after another While ensuring, through our blockade, that they do not exceed their rations, we are having to assist them to obtain what they need.

15. Hunger and devastation in Europe may lead to the spread of disease calling for urgent action the moment war ceases. Medical services will have to be mobilised on an international scale and the principle of making medical skill available across frontiers should be permanently established by enabling duly qualified medical men and women to practise in all countries and by giving the citizens of one country access to the medical facilities of another for special treatment.

16. There are now accumulating in the Colonial Empires and other primary producing countries vast stocks of raw materials. Organisations will be required to recreate the links between Europe and the producing countries in order first to put these vast surpluses at the disposal of a reconstructed European industry, and then to make materials continuously available for progressively raising standards of living. This implies the adaptation of existing controls through the creation of a Raw Materials Union operated in the joint interests of producing and consuming countries.

17. There will be need for the extensive reconstruction of industry due both to destruction and obsolescence, calling for a European reconstruction agency with powers to rebuild the industries of Europe, according to the principle of the optimum use of resources and markets, and not of

national political interests. By this means political and industrial boundaries will no longer coincide and the creation of a powerful military potential by any one nation will thus become impossible.

18. Again, with the end of the war both this country and the war areas of Europe will be faced with a vast housing problem created by the cessation of wartime building and in places by physical destruction. This will call for a great building scheme both in this country and in liberated Europe which will provide the basis for a continent-wide programme of scientific housing Towns must be replanned to enable their citizens to enjoy work, sleep and recreation - without the strain and squalor which is now often the rule.

19. In many other spheres, such as transport and agriculture, similar problems will arise, and the means adopted for their immediate solution will form the basis of more lasting schemes. As these schemes develop, they may well compel the creation of some kind of central organisation to co-ordinate and supervise their working; it is however too soon to conceive the precise nature and scope of such a body.

20. No less important must be the extension throughout Europe of youth organisations designed to train the coming generation from every country of Europe in its responsibility for the task of carrying on and perfecting the new European order. There can be no better way of avoiding the perversion of youth and the falsification of history than encouraging the free movement of young people across international boundaries for study, work and leisure.

21. We must see that the forces of many nations growing up on our soil, and in the waters surrounding it and the air above it, do not continue as so many fragments of armies in exile but become the nucleus of an armed force, composed of men from many nations imbued with common belief and ideals, ready when the day comes to join with their fellow-countrymen beyond the sea in casting out the invader and in forming a policing army to ensure security and order in Europe. At the same time the formation of the U.S. - Canadian Defence Board and British participation in Pan-American defence point the way to the effective organisation of regional security.

The Programme Summarised

22. Programmes, constitutions and blueprints for a new world order are more easily conceived than executed, and the world has become rightly suspicious of programmes that lead to no practical results. The programme that we have here outlined is a practical programme in the sense that it grows organically out of the present realities. It merely gives shape and direction to processes which are already at work or destined soon to emerge. Unlike so many programmes of the past, therefore, it is one which can be translated into concrete results at every step, which men can see visibly taking shape before their eyes. This programme applies first to Britain, because Britain is at this moment the only part of Europe which is free to choose its own destiny; and then to every people in Europe which with the help of our arms is liberated from the tyranny of Hitlerism. Its basic points are:

23. i. The restoration of civil and religious liberties: freedom of the press, freedom of speech, freedom of research; freedom of association; freedom of religious worship; fair and open trial, equality before the law, and abolition of secret agencies of oppression.

ii. The maintenance after the war of full economic activity based on the complete use of manpower and resources, regardless of obsolete financial criteria.

iii. The assurance of a minimum standard of life, based on scientific standards of nutrition and proper provision for dependants.

iv. The assurance of a minimum standard of housing, based on a socially planned programme of housing and social amenities.

v. The provision of medical care and a reasonable measure of economic security, covering the hazards of unemployment, accidents, ill-health, widowhood, and old age.

vi. The provision of equal opportunities for education in every country and the re-establishment of a European system to higher learning and research open to students of proved ability from all parts of the world.

vii. The provision of a wide range of cultural and recreative activities and the setting up of organisations for the training and leisure of youth on a European scale.

viii. In the case of the dependent colonies the creation of a new status - politically by making their administrations answerable for their trusteeship to a suitable international authority, and socially and economically by providing the technical and financial resources to ensure their more rapid development.

24. It is plain that this brief statement leaves a great deal unsaid. It is, however, based upon a very much fuller review of political and economic problems likely to arise, and the approach here outlined is capable of wide and effective application.

PSF

Gen. corres. "E"
3-41

April. 17. 1941.

162. E 92nd St.
N. Y. City.

Dear Miss Lehand,

The enclosed has just arrived from England as the basis for a discussion at PEP, which is now part of the Reconstruction Planning machinery of the Government.

I thought it concentrated & pithy enough to be put in front of your Chief.

I now have leave to sail for Lisbon, the first week in April & hope to fly to England from there.

Yours sincerely,

Leonard Elmhirst

File personal

P E P

The Foundations of a New Order

A basis for discussion by the War Committee

1. Looking at the problem in deliberately over-simplified terms we might say that the phase of industrial civilization which is coming to an end depended on three essential conditions:

   (a) economically on the driving force of free industrial enterprise;

   (b) socially on self help eked out by charity from an upper class acting on noblesse oblige principle;

   (c) politically on a number of civic rights and an even smaller number of civic duties resting on tradition and upon backward-looking, inflexible structure of law based largely upon property and resisting change.

2. The results were:

   (a) fairly rapid expansion of wealth but with intolerably severe fluctuations between different periods and discrepancies between different geographical, occupational, and income groups.

   (b) a great development of social insurances and voluntary effort distorted by a bias towards salvage and piecemeal palliatives rather than constructive and preventive planning of social security on a comprehensive basis;

   (c) a remarkable growth of personal freedom, but a widening gulf between law and actuality, and an irresponsible type of society.

3. The remedy lies in the direction of

   (a) economic planning to iron out fluctuations and assure steady growth and more even distribution of national income;

   (b) social security planning to provide a higher level and much more complete coverage of social services for all, rather than piecemeal provision for a depressed class excessively swollen by failure to plan industry;

   (c) a much wider conception of the duties as well as the rights of citizens, not only in their individual but also in their family and their neighborhood status, reinforced by a flexible, socially minded and forward-looking structure of law,

3. One of the important implications of 3(c) is that it counteracts the tendencies of 3(a) and 3(b) to create the "Santa Claus" State, and that it can provide a new social stimulus sufficiently strong to replace the new weakened stimuli 1(a) and 1(b).

BSF Gen Corres 3-41

file personal E

THE UNDER SECRETARY OF STATE
WASHINGTON

November 29. 1941

My dear Mr. President:

The British Government has informed us that the International Nickel Company of Canada Ltd. is considering, for the reasons mentioned in the enclosed memorandum, ceasing to employ Mr. Charles Englehard as its agent in the United States for platinum-group metals and asks whether we wish to express any views. Is this a matter in which you have any interest?

Faithfully yours,

Enclosure:
Undated memorandum from the British Embassy, entitled "Charles Englehard."

The President,

The White House.

CHARLES ENGLEHARD

1. Charles Englehard, a prominent American Platinum Dealer, is also Selling Agent in the United States for the Platinum and Allied metals production of the International Nickel Company of Canada Ltd.

2. In view of his German connections and suspected Axis affinities discussions have recently taken place in London between the Ministry of Economic Warfare and the London representative of the International Nickel Company as to the advisability of the Company withdrawing its U.S. Agency from Englehard. As he is believed to be prominent in the United States both in industry and politics, we have been instructed to ascertain the views of the United States Government before the matter is taken further with the International Nickel Company.

3. According to a letter written by Mr. Englehard to the British Consulate-General New York in reply to enquiries as to the ownership of the Hanovia Chemical and Manufacturing Co. of Newark N.J., he is a leading member of the Democratic Party in the State of New Jersey, one of the Presidential Electors for that State, and a personal friend of President Roosevelt. He also states that he is a Trustee of the Georgia Warm Springs Foundation, Warm Springs, Ga., and of the Stevens Institute of Technology, Hoboken, N.J. and that he has collected some $30,000 for British War Relief. He explains that he mentions these facts as evidence that he is "100% American and 100% believer in democratic principles for all the world."

/4.

4. The following brief details are of interest:

(a) He was born at Hanau in Germany in 1867, came to the United States in 1891 and was naturalized on September 12th, 1906.

(b) His brother-in-law (his wife's brother) is W.C. Heraeus, head of the important Platinum Company of that name of Hanau, Germany.

(c) During and immediately after the last war there were numerous complaints about his activities. In 1918 he was reported to have been refused permission to cremate certain papers in the Hudson Terminal Furnace.

(d) In the same year information was received that the Hanovia Chemical Company of which he was President, after the entry of the United States into the War, reduced the production of a certain type of glass, the process for the manufacture of which was German-owned, and which was of great importance in the manufacture of torpedoes.

(e) A reporter who called on him at his office in 30 Church Street, New York, is stated to have found there one Von Broeck who was later interned.

(f) He is believed to have been accused by a member of Congress in 1918 of giving bad advice to the War Industries Board with whom, as one of the leading Platinum experts in the United States, he conferred regularly, regarding the conservation of Platinum supplies in the United States.

5. By means of direct and interlocking stock and share holdings Englehard controls or is the

/guiding

guiding spirit in the following companies mainly concerned in dealing in and refining Platinum Group metals:

Baker & Company
American Platinum Works
Hanovia Chemical & Manufacturing Co.
Irvington Smelting and Refining Company
The Arushee Company
Charles Englehard Inc.

W.C. Heraeus, G.m.b.H. of Hanau, Germany of which Englehard personally owns 23½% of the share Capital, owns a minority interest in the American Platinum Works and some 75% of the share Capital of the Arushee Company.

The Hanovia Chemical & Manufacturing Company, of which Englehard is believed to own the entire share Capital, has a 50% interest in Hanovia Ltd. of Slough, England, the remaining 50% being owned equally by Heraeus G.m.b.H. and The Arushee Company. According to a reliable but unverified report, Englehard has substantial investments in Germany and was adding to them before the commencement of the present War.

6. Information has been received from a reliable source that in May, 1939 Englehard attended a dinner given at the Deutsche Verein, a German Club in New York, for his American business associates by a person suspected of German activities. It is reported that two representatives from the German Embassy were present.

7. Englehard is receiving Nazi propaganda material and is a subscriber to the Frankfurter Zeitung.

8. It is known on reliable information that strenuous efforts are being made by Italy to obtain via the Argentine, supplies of Platinum, Rhodium, Palladium,

/and

Iridium. In addition to local purchases endeavours are being made to obtain supplies illegally from the United States. One of the parties involved is the Argentine representative of the American Platinum Works and Irvington Smelting and Refining Works.

In a letter from Rome to one of the Buenos Aires jewellers involved in this business the suggestion is made that Baker & Co. should be approached for Rhodium.

On 2nd April, 1941, Englehard as President of Baker & Co. Inc. wrote to W.C. Heraeus acknowledging a cable sent by the latter in which they propose manufacturing Rhodium Gauze in Italy and confirming Baker & Co.'s cabled reply of 1st April as follows:

> "If you have loom in Italy already suggest you make arrangements immediately to start it if desirable and if you prefer for our Joint Account - if there should be any loss we are good for a possible loss up to maximum of 3,000 dollars per year - as far as royalty is concerned we would accept dollar credit in Italy for period of war... which would mean a sufficient amount of lire to our credit at an Italian Bank which would have purchased on the international market on day of deposit the dollar amount due. Please reply."

9. An informant who has known Englehard for many years expresses the view that his main object at present is to maintain his position in both camps, that he has substantial interests both in the United States and in Germany, and that if he can survive the war without running foul of either Government his future is secure. As for Englehard's attitude to the war, this informant believes that if he was in a position to chose, he would prefer a Nazi victory, but that he has too much to lose to risk

/engaging

engaging in pro-Axis activities and nothing to lose in assuming a strong pro-Democratic front.

BF Hen Corr 3-41

THE WHITE HOUSE
WASHINGTON

"E"

December 17, 1941.

MEMORANDUM FOR THE PRESIDENT:

I called the Attorney General in regard to Edgar Ennis for Administrator of Wages and Hours. The Attorney General says at present he is General Counsel in Immigration and that he will be in charge of the apprehension of aliens, which he thinks is a very important job at this time, even more important than Administrator of Wages and Hours.

He says Ennis is a very capable young man with very little administrative experience. He does a fine lawyer's job but he does not know that he could really recommend him highly for an administrative job.

However, if you feel that he would be more important in the other job, of course the Attorney General will go along with it.

STANDARD FORM No. 14A
APPROVED BY THE PRESIDENT
MARCH 10, 1926

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

file Personal

PSF Gen Corres 3-41

FROM The White House
Washington

MAY 2 1941

"E"

MRS EDITH EUSTIS
OATLANDS
VIRGINIA

I WISH MUCH I COULD COME TO TEA WITH YOU ON SUNDAY BUT I WILL BE DEDICATING THE WILSON BIRTHPLACE AT STAUNTON. I WILL TELEPHONE YOU NEXT WEEK AND TRY TO COME TO TEA LATER

FRANKLIN D ROOSEVELT

Apr: 30/41 Oatlands - Virginia

1534 TWENTY EIGHTH STREET

Dear Mr. President, - At the time of the Inauguration when you so kindly gave me wonderful tickets, I asked if I cd bring my English cousine to call on you some day. — I never followed up that request, because I knew how busy you were, & what terrific burdens you were carrying. — Now I am wondering

if Ted tempt you to come to Dallands some afternoon in May? (Incidentally one of these cousins Mrs Annesley, is Aunt Tissie's most intimate friend.) — You know how much pleasure you wd give me. Bring Gen. Watson with you. I suppose Sunday afternoon, May 4th, when C. Princess Martha is spending the day at Dallands is too soon. But do come soon. I have lots of questions to ask you! Yrs sincerely Edith Eustis

1534 TWENTY EIGHTH STREET

For The President

From Wm Curtis

PSF
Gen Corr "E" Sept. 22/40.

LEESBURG, VA.
177

OATLANDS HOUSE
OATLANDS
VIRGINIA

Dear Franklin, – I have hesitated to write you about dear Mrs Roosevelt, because I knew that many thousands were telling you of their sympathy. And I feared that another letter would be in the way.

But I had a very real admiration & affection for her, & so cannot wait longer to tell you how much I feel for you. I did not see her often, but when I saw her, – & she always came to see me when she was in Washington, – she not only brought

back memories of childhood & youth; & of my dear Mother & Father, — but her simplicity & affection always went to my heart. — So that when I heard that she had gone, I knew that something very close & dear to you had gone out of yr life, — & that for me another link with the past had snapped, — that I had lost an old friend who had stood for something very noble & fine. —

I wonder if you wd let me come to see you some time or other? It wd only be for five minutes, & I wd go to the office if you preferred it, but I shd like to tell you something

2.

LEESBURG, VA.
177

OATLANDS HOUSE
OATLANDS
VIRGINIA

If you wd let me come. —
I am living at Oatlands, but am in Washington almost every day, so that if yr secretary wd telephone here, Leesburg 177, it wd be safer than a message to the town house.

Yrs sincerely
Edith Eustis

OATLANDS HOUSE
OATLANDS
VIRGINIA

Yours
T. R. Carter

The President
The White House
Washington D. C.

PSF Gen Corresp. "E" Oct. 16/41

LEESBURG, VA.
177

OATLANDS HOUSE
OATLANDS
VIRGINIA

Dear Franklin, – A line to thank you for giving us so much pleasure yesterday. It is always a privilege to have you come, – but besides, you have the power, within yourself to create an atmosphere of delightful ease & gayety which permeates an entire house, even after you have left it!

Many, many thanks.

Loved seeing Anna again too.

And the Crown Princess! How much better, & happier she looks than she did last spring!

Yours v. sincerely
Edith Sichel

For the President

Gen Corres 3-41
"E"

OATLANDS HOUSE
OATLANDS
VIRGINIA

Gerald - 3 pm.
Linaka 3.30
Mary $7.50

File
Business

Pers Corres "E"
3-44

file

BF "E"

May 23, 1944.

Dear Edith:-

That is an awfully nice note of yours and I am so glad that all is going well with Morton.

I do hope you will come in to tea some day. Miss Tully will give you a ring the first chance I am able to get off.

Always sincerely,

Mrs. William C. Eustis,
1534 Twenty-Eighth Street, N.W.,
Washington, D. C.

May 8th.44

1534 28TH STREET, N. W.
WASHINGTON, D. C.

Dear Mr President, I am writing for two reasons. First to tell you how pleased all your friends were, of which I hope I may call myself one, to hear that you had returned to Washington, quite well again. the other reason is a letter from Morton, which, I know, he would hate to have me quote, but which I think might interest you as an expression of opinion from one of your junior officers overseas. He first talks of the American soldier and of his respect for him. He says, and all this leads up to what I want you to hear,-" I've seen him, (the soldier) in all kinds of circumstances. I dont think there is anyone in the world who can touch him,- not necessarily as a soldier(though he's no slouch) but as an individual. I dont think we have much to worry about our future when we can produce a race of men as good as our G.I.'s, provided of course, the wretched

1534 28TH STREET, N. W.
WASHINGTON, D. C.

shyster politicians back home dont take control of the country... and stir up all kinds of bitterness when everyone ought to be thinking of and working for just one thing- winning the war. Oh well, I obviously cant do anything about it, so I shall not worry unduly particularely as I have hreat faith in Roosevelt's ability, not only to win the war, but, even more important, to win the peace."

Morton is a Ist Lieutenant in the 82nd armored Reconnaissance Battallion in the 2nd Armored Division in England, waiting for the invasion.

Some time, will you let me pay you another visit in your office perhaps ?

Yours sincerely

Edith Curtis

PSF 11 January 1943. Gen Corres E 3-43

file
Personal

THE Carlton
WASHINGTON, D.C.

Dear Miss Tully:

At an appropriate time, would you please pass on to the President the two memoranda attached hereto.

You may have wondered at not hearing from me regarding the appointment with the President about which Ed. Flynn spoke to you some days ago. As a matter of fact, there are two loose ends which I first want to button-up before seeing the President. I'll telephone you when I am ready.

Cordially,

Oscar R. Ewing

Jack Hamlin

M E M O R A N D U M

January 9, 1942

TO: The President

FROM: Oscar R. Ewing

In order to assist in improving the political situation, I want to urge a redefinition of the status and functions of the Chairman of the Democratic National Committee as follows:

(1) All patronage should be handled through the Chairman. This will give him real influence over (a) Congress, and (b) state party organizations.

(2) The Chairman should be your sole liaison officer, so, far as politics is concerned, with (a) Congress, (b) all state party organizations, and (c) all departments and agencies of the Federal Government.

If these things were done, the Chairman would, in effect, be your political alter ego. If patronage to Senators and Congressmen flows through the Chairman, he can effectively line up Congress in support of administrative measures - and he should be made responsible for this. If patronage to the state party organizations flows through the Chairman, he can line them up for the 1944 convention and campaign, and he should be responsible for this. If the Chairman can deal authoritatively with heads of departments and agencies as your political liaison officer, he can, to the extent you desire and subject to your directions, see to it that the personnel and policies of the departments and agencies are used to support the adminstration rather than merely to advance the political interests of the heads of such departments and agencies - and the Chairman should be responsible for this.

A Chairman with these functions and responsibilities must be someone who has your complete confidence and cooperation. On his part, his undivided allegiance must be to you and your administration and he must have no political ambitions of his own. The Chairman should have cabinet status and for that reason he should be the Postmaster General. This is not only necessary in order to give the Chairman the requisite prestige, but also, because of the salary. Few men in our party can afford to be Chairman without some compensation.

I think your choice of Frank Walker as the new Chairman is admirable. He comes more nearly having all the qualifications for this job than anyone I can think of. He has your confidence. He has tact and fine political judgment. Geographical considerations are in his favor and he is already Postmaster General. I do hope you can prevail upon him to accept. But whether he or someone else becomes Chairman, I sincerely believe that he can only function effectively if the above suggestions are, in substance, carried out.

P.S. Since dictating the above, I understand Frank has agreed to accept the Chairmanship. Wonderful!
JPK

M E M O R A N D U M

January 9, 1942

TO: The President

FROM: Oscar R. Ewing

In both of the recent talks I have had with you, you have spoken of your plan of selecting a small group to act as your political advisors - a sort of political steering committee I think you called it. May I urge you to appoint the members and get the group functioning without delay.

As you know, I am greatly concerned about the deterioration of our political situation. I am concerned not only because of my devotion to you personally and to the Democratic party, but also because I think it is extremely important in connection with the war effort. In prosecuting William Dudley Pelley for sedition last summer, I learned much of Nazi propaganda. One of its chief objectives is to destroy the confidence of the American people in the administration. A disregard of politics leaves the door wide open for the Axis propagandists to do their work.

With so much of your time absorbed in war problems, it is vitally important that there be an active and workable group charged with the responsibility of (a) calling political problems to your attention, (b) suggesting solutions for these problems, and (c) generally advising you regarding political matters (not that you need much advice on political matters when you can give them your time!!).

As to the personnel of the committee, you spoke of Frank Walker, Ed Kelley, one or more women and myself. Doubtless, there should be others in the group although it ought not to be too large. You might consider Alben Barkley, Sam Rayburn, and John McCormack. Although we must never loose sight of the fact that the solid South, the under-privileged, labor and farmers are the backbone of our political strength, nevertheless, I should not think it advisable to have any special representatives of these interests included in the group. One of the chief objectives of the group will be ascertaining the views of these various interests and reconciling their conflicting points of view. Including special protagonists of these interests in the membership of the group will make the job of reconciliation well nigh impossible.

I think you might consider having the group, to a certain extent, independent of the Democratic National Committee. The Democratic National Committee deals primarily with party organization, while the group would, I assume, deal primarily with policy. The work of the Committee and the group could be correlated by having the Chairman of the Democratic National Committee, and possibly some of its other officers, as members of the group, but I believe the group will be far more helpful to you if it is headed by someone other than the Chairman of the Democratic National Committee who should be directly responsible to you.

I am sure the group would do well to make use of the reports that the Democratic National Committee began gathering from various

Congressional districts last year. Early in 1942 I had the contact man of the Democratic National Committee in each state appoint a person from each Congressional District who would send us regular bi-monthly reports as to the reaction of the voters in his district to important Federal legislation, the activities and policies of various Federal departments and agencies, military events or anything else that might be important. The information contained in these reports was unbelievably valuable and if properly used can be an incalculable help to the group and to you. The system for correlating the information thus obtained is all worked out and the person who has charge of it is available to continue the work.

There is so much to do between now and the 1944 campaign that I urge that this group be set up and started functioning just as soon as possible.