

● PSF:CF: Navy, 1933-40

THE PRESIDENT HAS SENT A MEMORANDUM  
TO THE SECRETARY OF THE NAVY IN REPLY TO THIS  
SO THIS CAN FILE.

C.F.

C.F.  
"Mary"

THE SECRETARY OF THE NAVY.  
WASHINGTON.

*PSF  
Conf  
Navy*

April 13, 1933.

My dear Mr. President:

I enclose you herewith a letter from Admiral Pratt, Chief of Naval Operations, and also a letter from Admiral Upham, Chief of the Bureau of Navigation, which they consider it their duty to write me, and which I consider it my duty to transmit to you.

The officers of the Navy with whom I have entrusted the consideration of \$260,000,000, the amount assigned the Navy by the Director of the Budget, Mr. Douglas, after full consultation in trying to meet your desires in the matter, have reached the conclusion that \$270,000,000 is the least that the Navy can possibly be operated on.

I am advised that it is impossible to have the Fleet operated on \$260,000,000 with any degree of safety or efficiency. The only condition in which they think it can be operated on \$270,000,000 would be in a lump sum, and even under these conditions it would be necessary to make drastic cuts in the shore facilities.

If we can get \$230,000,000 for new construction, this would materially help the shore establishments on the East Coast.

The Department has shown a fine spirit in conforming with your wishes in this matter, and feel that with the \$270,000,000 as above indicated, and with \$230,000,000 for new construction, they can handle the situation somehow.

I have sent a copy of this letter to the Director of the Budget, as up to this time I have been unable to make arrangements to confer with him, as he has been exceedingly busy.

With kind regards and best wishes, I am

Sincerely yours,

*Claude Swanson*

The President,  
The White House.

In reply address not the signer of  
this letter, but Bureau of Navigation,  
Navy Department, Washington, D. C.  
Refer to No.

NAVY DEPARTMENT  
BUREAU OF NAVIGATION  
WASHINGTON, D. C.

SERVICE  
LL-1(362)  
Nav-61-IR

12 APR 1933

From: The Chief of the Bureau of Navigation.  
To: The Secretary of the Navy.

SUBJECT: Expenditures 1934 - Proposed reduction of  
Appropriations.

Reference: (a) C.N.O. SERVICE ltr. of 3 April 1933, file  
Op-38-A-MW-FF1(1934)/A4-3(320510).  
(b) Budget Officer's SERVICE ltr. of 6 April 1933,  
file A4-3(11)(1934)/FF(330201)NBO/McL-EJK.

1. Reference (b) contains certain tentative proposals  
regarding a limitation of the expenditures for the fiscal year  
1934. I feel it my duty to indicate the serious impairment of  
naval personnel which would result from the adoption of the  
proposal relative to Pay, Subsistence and Transportation.

2. Referring to the Appropriation, Pay, Subsistence  
and Transportation, the amount provided for 1934 is:

Appropriation	\$142,977,450
Transferred from clothing and small stores	1,750,000
Total available	<u>\$144,727,450</u>

Deductions

(a) The Act to maintain the credit  
of the United States reduces  
compensation to officers and  
men, 15%.....\$ 15,500,000

(b) Deny promotions to enlisted men. 1,000,000

(c) Tentative allowance by Navy  
Budget Officer estimate..... 122,000,000

(d) Balance to be saved..... 6,227,450

\$144,727,450=\$144,727,450

3. The balance (\$6,227,450) to be saved from this appropriation under the figure assigned by the Navy Budget Office can come only by reducing personnel. To meet this figure by such reduction would require:

(a) Discontinue all first enlistments for 1934 (fiscal) thereby saving men, approximately..... 6,000

(b) Deny re-enlistment to approximately..... 7,000  
Total reduction in 12 months..... 13,000

Average for the year..... 6,500

The total enlisted personnel on 1 July 1934 would then number 66,700 (approximately) as against 79,700 now in the service. Under present conditions with 79,700 men, ships allowances average 74.7% of complements. With the reduction to 66,700 the average percentage would be 60.6%. I believe the Secretary of the Navy would not be ready to accept responsibility for the resulting unreadiness of the Fleet. And this aside from the havoc to morale that would unquestionably result were we to deny re-enlistment to many men who by reason of long service and fine records have been encouraged to look to the Navy for their life work. The number added to unemployment is a factor to be recognized, but a more serious phase lies in the thought that such men faced with rejection by the Government would become fertile soil for subversive propaganda which is being constantly handed to our enlisted men - without effect to date.

4. While ever ready to co-operate in full measure in the realization of all possible economies, and ready now to accept the full amount of cuts suggested in reference (b), I were remiss in my duty to the Secretary of the Navy did I fail to make of record this analysis of what would result from those cuts.

5. It is therefore apparent that the reduction of the appropriation "Pay, Subsistence and Transportation" should be restricted to the sum of \$16,500,000, leaving available for expenditures \$128,227,450. In my opinion, this is the maximum reduction in the "Pay, Subsistence and Transportation" appropriation that can be made without further seriously impairing the enlisted personnel as an important factor in the national defense.

*J. H. ...*

Copy to:  
Asst. Sec. Nav. *OK - Pratt*  
C.N.O.  
N.B.O.

*You cannot reduce the personnel of the (Navy - 2) beyond a certain limit and lose some reasonable assurance of efficiency & national security. Under Plan (A) with an 85-45% distribution of enlisted force to active and inactive ships the total available personnel is 74,000. This is a minimum and some think is not adequate 11/1/34.*

~~Confidential~~

DECLASSIFIED

DOD DIR. 5200.9 (9/27/58)

Date- 2/6/59

In reply refer to Initials and No.

NAVY DEPARTMENT  
OFFICE OF CHIEF OF NAVAL OPERATIONS  
WASHINGTON

Signature- *Carl L. Spicer*

Op-10 Hu

12 April 1933

~~Confidential~~

From: Chief of Naval Operations.  
To: Secretary of the Navy.

SUBJECT: Reduction of 1934 appropriations to a \$260,000,000 cash withdrawal basis, as affecting the efficiency of the Fleet.

The Situation

1. We are faced with the problem of cutting our 1934 expenditures to the sum of \$260,000,000 in order to help balance the national budget. Can it be done? Is it a safe thing to do? What part of the naval establishment has in the past borne the brunt of the cuts made? What part should now bear the brunt, the more useful or the less useful?

The two parts of the Navy

- 2. The two parts of the Navy speaking in broad terms are
  - (a) the Fleet
  - (b) the Shore Establishments

The Broad Plan to meet the proposed reductions

The Broad Plan then must take into consideration

- (A) Reductions in the Fleet
- (B) Reductions in the Shore Establishment

Under Plan (A) it is proposed to put approximately one third of the Fleet in an inoperative status for 6 months, rotating with ships which will permit two thirds of the Fleet to get one year's full training in each 18 months - to reduce the personnel to a fixed percentage - to reduce the steaming and training operations by a fixed amount, the entire plan being a compromise to bring costs down, and not a plan which efficient operation would demand. The Fleet remains on the West Coast as it is cheaper and more efficient for it to be there.

Under Plan (B) the attempt is made to survey the shore establishments - out where necessary - put in an inoperative status yards and stations no longer necessary for the maintenance and repair of the Fleet - reduce costs all along the line.

Under Plan (A) with an 80% distribution of enlisted men to active ships and 45% to inactive ships the percentages of enlisted men are as follows:-

The Fleet versus the Shore Establishments

Of the two the Fleet is the essential part, the shore establishments are auxiliary. The former should have priority, but always in the past, when cuts have been made, when limitation of armament forced reductions it was the Fleet that has taken the brunt of the battle. Once again it is the same old problem and unless (b) the shore establishments now take the brunt, it will again be the Fleet. Already the Service is topheavy from too many shore establishments and unless we can find a way to finance them from funds coming not directly from the naval appropriations we will in time reach the stage where we are operating a Pinafore Navy.

The operational readiness of the Fleet under Plan (A)

Under Plan (A) the whole fleet is not in instant readiness to move, and would not be until a general mobilization order were given and time taken to put the fleet in a condition of operational readiness. That portion of the fleet viz. two thirds of it could move at reasonably short notice provided its personnel were not too greatly reduced. The best that can be said of the plan is that we endeavor to keep the portion of the fleet actively operating, in a fit condition as to the gunnery and tactical training.

The material readiness of the Fleet

As each year goes by and ships grow older, without new replacements coming along, the material condition of the Fleet retrogrades. As appropriations for maintenance and upkeep are cut, as they have been in recent years culminating in the present drastic slash, the material condition steadily goes down. One object under Plan (A) would be to devote the 6 months of inactive operation to intensive work on material. To achieve tangible results however, sufficient personnel in the proper ratings must be kept on board, and this personnel must be permitted the use of the yard facilities where they are based.

The personnel condition of the Fleet

With the present personnel allowance of 79,700 enlisted men the Fleet is undermanned to meet a national emergency. It is operating on approximately a 75% allowance of full complement. Under Plan (A) with a total enlistment force of 79,000 and a distribution of 90% enlistment force for active ships and a 45% enlistment force for inactive ships the percentages of enlisted force for types are as follows:-

Battleships	75%
8" Cruisers	75%
6" Cruisers	76.5%
Destroyers	72.5%
Submarines	83%
Aircraft Carriers	75%

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DOD DIR. 5200.9 (9/27/58)

Date- 2/6/59

Signature-  
*Carl L. Spicer*

~~Confidential~~

Under Plan (A) with an 85% distribution of enlisted force to active ships and 45% to inactive ships the percentages of enlisted force for types run as follows:-

Battleships - - - - -	71.6%
8" Cruisers - - - - -	71.6%
6" Cruisers - - - - -	73 %
Destroyers - - - - -	87.0%
Submarines - - - - -	81.0%
Aircraft Carriers - - - -	71.6%

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Date- 2/5/59

Signature- *Carl S. Spicer*

This is the lowest margin it is practicable to accept and still keep up a fleet worthy of the name. It is not a safe margin for proper readiness and can only be justified as an emergency condition and not as normal practice. It is less than other Navies deem wise.

The total reduction from 79,700 men under the 85 - 45% plan amounts to 2700 men, leaving the balance of 77,000 men which we should not go below.

#### New Building

Unless there is a new building program taken in hand at once, the material condition of the Fleet will steadily grow worse. Unless its personnel is kept up its readiness condition can not be maintained. Without a building program there is no justification for the great number of navy yards and stations now kept open on the East Coast, for there is no repair work of importance for them to undertake, sufficient to justify their existence. It is not safe to bring a portion of the Fleet back, for bad enough as the condition of readiness of the Fleet is when it is kept together, the condition would be much worse were the Fleet separated.

#### The Power of the Fleet to Accomplish its Purpose

It is beyond the province of the naval technician to say what should be the purposes for which a fleet is maintained. This is the province of Government guided by wise statecraft. However it is the duty of the naval adviser to state what in his opinion is the power of the Fleet to accomplish in the matter of national defense. This is embodied in the following short Conclusion.

#### Conclusion

Under the present plan of operating and with the present allowed complement, the Country is reasonably safe defensively on both oceans for the time being. Under Plan (A) the Country is reasonably safe defensively on one ocean for the present. It is not in a sound position under present operating plan or under Plan (A) to undertake alone and with any reasonable assurance of success operations going beyond the scope of defensive operations. It is the opinion of the Chief of Naval Operations that the next two or three years constitute the period of greatest danger for the Navy so far as can be forecasted now.

*W.V. Pratt*

W.V. Pratt.

APPROVED

Secretary of the Navy

~~CONFIDENTIAL~~

*Title*  
*Naval Disarmament*  
*Conf.*  
19 May 1933

*RSF*  
*CF*  
*NAVY*

A PLAN FOR THE EQUALIZATION AND LIMITATION OF  
ARMAMENTS AMONGST THE SEVEN GREAT MILITARY NATIONS

Reference: League of Nations "Armaments Year Book 1932";  
Navy Department Comparative Statistical Data 1932;  
League of Nations Draft Convention submitted by the  
United Kingdom March 16, 1933.

PREAMBLE

Armaments are not the cause of war in the first instance. They are the executives upon whom fall the burden of waging war, and as such they fill an important role in the framework of the World's structure, the dislocation of any part of which is a disturbing element in the consummation of that ideal World Peace.

The six principal factors which go to make up the framework of the World's skeleton as placed in the order of their precedence are (1) moral, (2) legal, (3) social, (4) economic, (5) political, (6) executive (in a military sense) or military. A dislocation of any one of these groups is a major world illness depending upon the extent of the dislocation. In the case of most major illnesses the seat of trouble has usually arisen in items (3), (4) and (5) but all five may be involved, and if too greatly involved then (6) is called into play to effect the remedy. War is the result. It is then of importance that each of the first five items adjust their difficulties within themselves before calling upon (6) for a solution.

GENERAL DISCUSSION ARMAMENTS

In the past it has been item (6), the executive or military factor, which has received the greatest amount of attention under the terms Limitation of Armament or Disarmament in order to offer some remedy for the World's sickness. Excellent as these attempts may be they are only partial remedies even if successful. However the more successful these ventures are the further the progress towards our ideal.

In the first great disarmament conference, that held in Washington in 1921-22, there were two successful steps taken forward from the military point of view (a) unlimited competition was stopped, (b) economy was

introduced. From the moral point of view the Nine Power Pact possibly may have helped pave the way for the Kellogg-Briand Pact. But out of this first conference there arose several disturbing elements, which when added to the disturbing elements already in existence, caused the path of further arms conferences to be anything but simple. Mr. Hughes adopted the only method practicable at that time, to achieve any results in limitation. He refused to discuss national needs, and came down to the practical basis of facts. The result was limitation of naval craft on the arbitrary ratio basis. Since that time the Kellogg-Briand Pact has come into existence, which if adequately implemented and coupled with a satisfactory Arms Pact, would in course of time render specific assistance pacts unnecessary, would automatically abrogate other treaties affecting armaments, and would make superfluous any need for further military sanctions clauses to enforce the will of these Nations who have agreed to work together towards a definite end, that of ultimate peace and progress.

It may be the first practical error in the Washington Conference was to make a distinction in the ratio matter between France and Italy on the one hand and Japan on the other. This mistake was a thorn in the flesh during the conference and has plagued us ever since. Possibly it prevented further achievements at the Washington Conference. It had its repercussion at the London Conference and it accentuated the national disinclination of France to seek solutions along our way of thought. But France and ourselves came together later and joined forces under items (1) and (2), moral and legal, when we originated the Kellogg-Briand Pact. We stood then on common ground, on a sound moral basic principle, and from this basis we can work. If then we can introduce into the Kellogg-Briand Pact proper implements to make it a practical instrument, and at the same time couple with it a practical solution to the arms problem based on justice, equity and restraint, we have paved the way for the ultimate doing away of any treaties which carry unjust military restrictions on the one hand, and on the other we have started on the road to a reduction of armaments on the percentage system of reduction all along the line. If then we can accomplish this feat in item

(6), it may point the way for similar achievements in items (3) and (4). It then is a matter of arrangement how to embody these achievements under item (2) so that they become self-perpetuating so far as is practicable. When these things are done item (1), in a political sense, comes into its own element automatically, and the Nations of the World have embarked on a course of conduct, which however tortuous and uncertain and long the actual procedure may be, in the end is bound to draw them closer to the ideal goal, World Peace. In effect they will have mobilized all their forces for Peace much as in the past we mobilized our military forces for War.

#### THE PLAN

##### General Principles

This suggested plan is based on two fundamental concepts considered essential which have not always been evident in the various attempts made in the past to secure agreement on limitation of armaments. Three of the pre-requisites to a stabilized world society are enlightenment, tolerance and considered restraint.

(1) As a first essential to political stability it is believed that justice and equality of opportunity must be given to each nation lying within a certain political sphere, to attain, compatible with the rights and needs of others, what it believes is its just rights and needs (this is as true in the matter of armaments as it is in other world matters).

(2) The plan accepts the Kellogg-Briand Peace Pact, properly implemented, as the directive agency back of all limitation of armament agreements.

NOTE: The acceptance of and adherence to these two principles ultimately renders void any treaties, assistance pacts or other agreements inconsistent with the principles enunciated above.

### THE IMPLEMENTS OF THE KELLOGG-BRIAND PACT

By implementing the Kellogg-Briand Peace Pact the powers of this instrument are increased. It no longer remains in the moral realm only. It now enters the executive and military realm and as the directive it has place in armaments agreements.

From being a negative instrument it becomes a positive one. It carries with it obligations as well as rights.

The implements are embodied in the five categories - (a) inspection, (b) consultation, (c) judgment, (d) decision, (e) action.

Action may be of two characters, negative in which case the Peace Pact remains in the moral realm. It may be positive in which case the Peace Pact becomes executive.

As an executive instrument one extreme is pressure by the armed forces, the ultimate being war if resistance takes place. The other extreme lies in the sphere of minimum peaceful pressure necessary to produce results.

Three forms of pressure short of war or what may lead to war are - (1) non-recognition, (2) outlawry, (3) embargo (including the economic field). Another form of pressure closer to the border line of war is (4) pacific blockade. Pacific blockade would inevitably lead to war in the case of a determined nation unless sufficient pressure were opposed to her to prevent the outbreak. This accumulation of pressure will probably not be attained until the preconceived ideas of neutrality are revised.

### THE NATIONS OF THE WORLD

From the military point of view and for the purposes of this plan, the Nations of the World may be grouped in three classes, called A - B - C, in the order of military importance.

Class A comprises those great nations which have or may have the need for both forms of armament, land and sea or land or sea in a major degree. (In this general statement the air is included).

At present these nations are the United States, United Kingdom, France, Italy, Japan, Germany, Union of Soviet Republics, seven in number. Later China might be

included but this is entirely problematical and dependent much upon her stabilization as a world power, and her ability to assume the obligations of a world power as well as to claim its rights.

Class B - Includes those important nations whose interests in armaments are of a lesser degree than those of Class A, and whose power in the execution of the implements of the Kellogg-Briand Peace Pact would be small in comparison to the power vested in the members of Class A.

Class C - Includes those nations not in Class A and Class B.

These classifications are purely military and in no way reflect upon a nation's standing as an independent and sound member of the World Society of Nations. They are grouped in this order merely for the purposes of this plan.

This plan is made out only for the group in Class A, but plans for limitation should be made to include Classes B and C. However in the interests of peace and world stability the settlement of the armament problems of Class A are of such paramount importance that they should not be made to wait upon settlements in Classes B and C.

#### DETAILS OF THE PLAN

In June 1932 President Hoover transmitted to Geneva a plan for the reduction of armaments. Aside from the reduction feature there were three extremely important points made in the statement of principle.

- (1) The citing of the Kellogg-Briand Pact as furnishing the background.
- (2) The growth of the armaments of the world in mutual relation to each other, and the preservation of relativity in making reduction.
- (3) The connection existing between land forces - sea forces - air forces.

This plan recognizes these facts. The growth of armaments in relation to each other is due to the fact that as between the different types of power land and sea, there has always existed a balance of power. When this balance is properly adjusted there is equilibrium and long periods of peace.

When there is lack of proper adjustment there is danger of war. Nothing more clearly indicates an aggressive motive in the underlying policy of a nation than for it to be over strong in all types of armaments. On the other hand, it is possible to create friction, hard feeling and a sense of injustice, by too arbitrary methods. Competition within limits is not unwise, in that it affords each nation the opportunity to find the expression for its own greatest needs, realizing however that in so doing it must make concessions elsewhere. All of these principles and points are taken account of in the following plan, as is the status quo of armaments as laid down in the official document of the League of Nations, "Armaments Year Book 1932, Special Edition". The method of the interchangeability of armaments is new but it follows in the scheme of limitation as a consequent of that fact, long in existence between nations "the balance of power existing between armaments to preserve equilibrium of force".

The first step then in the process of our investigation is to determine what will be fair figures, or commensurate ratios, so that the interchangeability of armaments may be effected in a rational manner. It is necessary to have specific standards as units of measure. For the military forces this is assumed as the individual manpower, as represented by the regular enlisted professional soldier. For the naval forces this is assumed as the individual ton of ship going into the combat types. For the air forces this is assumed as the individual plane, forming one of the combat types.

The simplest problem is to obtain a measure of interchangeability in material. This reduces itself to a comparison between planes and tons of ships. The simplest standard of measure is cost per year of serviceable activity.

#### TAKE COMBAT TYPES OF SHIPS

The cost per ton fully equipped ready for action, exclusive of personnel, with treaty life of the legal number of serviceable years is as follows:

	<u>Cost</u>	<u>Life</u>
Battleships	\$ 1,150	26 years
Aircraft Carriers	1,467	20 "
Cruisers 8"	1,600	20 "
" 6"	1,678	20 "
Destroyers	2,823	16 "
Submarines	<u>3,562</u>	<u>13 "</u>
	6 ) 12,280	6 ) 115
Average	2,047	19

The average cost per ton per year of treaty life =  $\frac{2047}{19} = 108$

#### TAKE COMBAT TYPES OF PLANES

	<u>Cost</u>	<u>Life</u>
VF (fighters)	\$26,333	5 years
VS (carrier)	21,000	6 "
VO (amphibion)	25,000	6 "
VB (bombers)	31,000	5 "
VP (patrol, standard, large)	<u>65,000</u>	<u>8 "</u>
	5 ) 168,333	5 ) 30
Average	33,667	6

The average cost per plane per year of serviceable life =  $\frac{33667}{6} = 5611$

The measure of interchangeability of ton to plane  
on the cost basis =  $\frac{108}{5611} = \frac{1}{51}$

Let us now compare Military force with Naval force the standard of measure being the regular trained enlisted man power on the one hand and the ton of combat ship on the other (excluding officers in both cases).

From the Year Book, 1932.

	<u>Military Actual Strength</u>	<u>Naval Force</u>
United States	139,957	1,251,840
United Kingdom	165,476	1,250,247
France	450,846	674,299
Italy	491,398	404,005
Japan	<u>266,248</u>	<u>850,328</u>
	5 ) <u>1,513,925</u>	5 ) <u>4,430,719</u>
Average	302,785 men	886,144

$$\text{The ratio on this basis} = \frac{302,785}{886,144} = \frac{1}{2.93}$$

Let us now compare the naval strength of the three powers who have signed the Washington and London Treaties on the basis of allowed Treaty strength versus the military strength of the remaining four powers of Class A as set out in the proposal of the United Kingdom of March 16, 1933.

<u>U.K. Proposed Military Strength</u>		<u>London Treaty Naval Strength</u>	
Germany	200,000	U.S.	1,186,200
France	400,000	U.K.	1,201,700
Italy	250,000	Japan	763,050
Soviet Republic	<u>500,000</u>		
	4 ) <u>1,350,000</u>	3 ) <u>3,150,950</u>	
Average	337,500		1,050,317

$$\text{Ratio} \frac{337,500}{1,050,317} = \frac{1}{3.11}$$

Comparing this ratio with the one above gives the simple working ratio of interchangeability of man power to tons as  $\frac{1}{3}$ .

A comparison of this  $\frac{1}{3}$  interchangeability ratio with that of the one previously obtained viz:  $\frac{1}{51}$  shows that it immediately sets the ratio of interchangeability of plane to man power as  $\frac{1}{17}$ .

Therefore we can set the interchangeability ratios as  $\frac{1}{3} \cdot \frac{1}{17} \cdot \frac{1}{51}$ .

TO DETERMINE THE NUMBER OF PLANES TO SET AS STANDARD

From the Comparative Statistical Data prepared December 31, 1932, for the use of the Committee on Naval Affairs.

The first assumption made, which is in keeping with the efforts at Geneva is -

"That bombing from the air is prohibited."

Excluding also from the category of combat types training planes and miscellaneous types in exactly the same manner that certain ships are put in the exempt tonnage class by the London Treaty we have the number of combat planes for the five nations as follows -

United States	1873
United Kingdom	873
France	1408
Italy	1203
Japan	<u>1833</u>
	5 ) 7190
Average	1438

Going a step further in order to find a definite starting point which shall reconcile all points of view as set forth by the status quo - the United Kingdom Draft Proposal - the London Treaty - we arrive at the following figures which may be set as the standard from which we may start to work, that is the 100% of armaments. These figures are -

Military Forces	Naval Forces	Air Forces
320,140	968,230	1558

Found by taking the mean of the two sets of figures given before for estimates of military and naval strength and adding the appropriate number of planes.

Let us analyze the picture as presented by these average figures. We see (1) there are not the same high and low spots in armaments as existed before the World War; (2) that the average world is still well armed, but that instead of an aristocracy or ruling class in armaments

able to maintain effective balances of power in the world and world equilibrium through their own efforts, we have arrived at a more democratic form on a lower scale of existence but with a wider spread. The natural tendency has been to bring more nations of the smaller military class to the forefront and for them to become allied with other nations in order to reach the same proportion of effectiveness which existed before the World War. We see that the war fever has not decreased. As it grew less in time in some spots, it only spread over a wider world area, and with it comes the demand for equality in all forms of armaments under the cloak of equality as a national right. It becomes rather evident that unless we face the armament problem from a new point of view that the whole scheme of limitation may reach an impasse some day. In that case there is nothing left except for us to stand alone and be strong in an economic sense, in a military sense, in a moral sense; otherwise our words carry no weight.

The next step in the analysis is to see how far we can go now in the matter of reduction with safety, and will it be fair to others. I do not say acceptable to others, for in the present state of world mind dominated by fear, faced with economic and industrial stagnation and financial unbalance, the sense of insecurity prevades all things, all nations fear to move in any direction. They are digging in behind their own national bulwarks of defense in every direction.

TAKE

Military Force	Naval Force	Air Force
320,140	968,230	1558 = 100% (Standard)

Lay a 20% flat reduction on the 3 - 17 - 51 interchangeability ratio and see how it will work out

	Military Force	Naval Force	Air Force
	5 ) <u>320,140</u>	5 ) <u>968,230</u>	5 ) <u>1558</u>
	<u>64,028</u>	<u>193,646</u>	<u>312</u>
Remaining	256,112	774,584	1246 = 80% of standard

Our requirements are military force 140,000 to 150,000 men.

Plane requirements Navy at least 1000. Let us put the total 2000.

Tonnage requirements Battleships = 450,000 (30,000 ton ships)

Cruisers = 300,000

Destroyers = 150,000

Carriers = 120,000

Submarines = 50,000

Total 1,070,000 tons

Here is where the interchangeability factor works. It has the virtue of permitting a nation to be strong in what she needs most, but it does not permit her to be equally strong in all arms which is the keynote to aggressive action in a military sense, and it serves to maintain the balance of power between nations with land force needs and those that require sea force.

Our requirements having been stated above let us see how they can be met on the 80% standard, a cut from the 100%, which is the practical status quo of armed world force as represented by the five nations chosen for comparison, of 20%.

The first thing to note is that our requirements mean a flat cut of 116,200 tons of naval tonnage from the London Treaty figures of 1,186,200 tons allowed.

The ratios or interchangeability are  $\frac{\text{men}}{\text{tonnage}} = \frac{1}{3}$ ,  $\frac{\text{planes}}{\text{men}} = \frac{1}{17}$ ,  $\frac{\text{planes}}{\text{tons}} = \frac{1}{51}$ .

Say we need 2000 planes

2000 - 1246 = 754 excess  $754 \times 17 = 12,818$  men to be subtracted

256,118 men - 12,818 = 243,294- men left

Say we will need an Army of 145,000 men

243,294 - 145,000 = 98,294 men in excess of our needs

$98,294 \times 3 = 294,882$  converted tons

$774,584 + 294,882 = 1,069,467$  tons #

Our disposition of the 80% standard thus would be

Military force 145,000 men - Ships 1,069,467 tons - Planes 2000 #

which gives us our required naval strength.

We could accept a 20% reduction of standard strength and still fulfill our needs, and so far as we are concerned could PROPOSE IT.

Let us examine the case of France on a 20% reduction basis, Evidently her need is man power. She does not need so great a Navy. If she works for a great Navy in addition to a great Army she is heading toward aggressive standards of military force, would tend to upset the balance of sea power in Europe and would run counter to Great Britain's interests. The MacDonald proposal gives France 400,000 men. Then with a standard of 1246 planes she will have to get these surplus men out of tonnage.

$400,000 - 256,112 = 143,888$  men in excess of 80% standard

$143,888 \times 3 = 431,664$  tons to be subtracted from 774,584

$774,584 - 431,664 = 342,920$  tons somewhat low

The present 5-5-3 (or 10-10-6) ratio if France and Italy had been included in the Naval Treaty would have allowed France  $\frac{6}{10}$  of 774,584 = 444,744 tons. The old two power standard of Great Britain as 10-10-5 ratio would allow France 387,292 tons which while near to 342,920 would still be unacceptable to France on the terms of the old balance of sea power before the World War on the 400,000 man power basis. But if France will accept a 350,000 man power standard then the excess men are

$350,000 - 256,112 = 93,888$

$93,888 \times 3 = 281,664$  tons to be subtracted from standard

$774,584 - 281,664 = 492,920$  tons left which is above the 5-5-3.

Therefore France could still maintain the 5-5-3 sea standard and still have an Army of between 350,000 and 400,000 men.

She likely would not accept 20% cut unless the Kellogg-Briand Peace Pact were implemented sufficiently to give her the security she needs.

#### ITALY

Italy gains in theory what she desires, equality with France. In practice she will probably accept less. This proposal should take care of her needs.

### GREAT BRITAIN

This proposal might pinch Great Britain somewhat. She might reduce the plane standard and the army standard somewhat and come within her naval tonnage needs, but most likely the drive will be made on size of battleships - size of cruisers - abolition of submarines - reduction of aircraft carrier tonnage. These are technical details and there may be some room for compromise.

### JAPAN

The case of Japan is somewhat similar to France only with less reason. It is more aggravated. For the Manchurian Experiment Japan needs a sizeable Army. In fact her position in the Orient will demand it, if not immediately, in the yearsto come probably, especially if China ever organizes and she antagonizes Russia.

In addition to this she is competing to become the greatest air power, and is now talking of demanding equality in sea strength. Truly an aggressive attitude in fact, regardless of the explanation given. The virtue of adhering strictly to this plan is that if it is honestly carried out, it automatically prevents a state of affairs as indicated above from taking place, yet gives a Country the right to equality in armaments actually and the choice of which arm she chooses to feature, but it does not permit her to feature all, as the present system might, if the 5-5-3 were ever broken. That is one of the reasons of the 5-5-3 and the need to adhere to it unless we can devise a fair plan which will maintain the 5-5-3 and still meet Japan's most urgent need. We must preserve the necessary balance of power in armaments, a greater safeguard for the peace of the World than any plan for equality in each arm could ever be.

2000 planes or equality in air power with us would require a reduction in men or ships, 12,818 men or 38,454 tons of ships.

Her military strength is set at 266,248 in the 1932 Armaments Year Book. Since 266,248 men is already greater than the standard 256,112 she should take her plane strength from tonnage -

774,584 - 38,454 = 736,130 tons

266,248 - 256,112 = 10,136 extra men which must come out of tonnage

10,136 X 3 = 30,408 tons to be taken out

736,130 - 30,408 = 705,722 tons left

This would give her Army 266,248 men - Navy 705,722 tons - Planes 2000.

Her allowed Treaty tonnage now is 763,050 tons

her ratio of naval strength =  $\frac{705,722}{1,069,467} = .66$

On the 20% cut basis our ratio naval strength

which is better than the 10 - 6 ratio now in force, but is less than a 10 - 7 ratio. Therefore on the basis of the status quo which she will claim in naval strength as claim for equality, we can admit the status quo, but it must include all armaments, and we can admit the claim for equality but it must be on the basis of a fixed standard on all armaments which can be lowered or raised on the percentage basis, and which admits of an interchangeability factor. This is not as safe as the 5-5-3 or 10-10-6 for it would be 10-10-6.6. It would be safe enough if you could account for men as easily as you can for tons, and trust to their honesty. However it shows the value and fairness of the 5-5-3 ratio and exposes some of the sham in the claim for equality in naval strength. A declaration of intentions in armaments must be a part of the agreement, and Nations must be held to it subject to due notice of change.

#### ADJUSTMENTS IN TYPES

##### Battleships

The British want 25,000 ton ships with 12 in. guns.

The Japanese want 25,000 ton ships with 14 in. guns.

The French are building a ship carrying a 13.2 in. gun.

We want the 35,000 ton ship with 16 in. guns.

A compromise would be 30,000 ton ships with 14 in. guns. This saves 75,000 tons. We need the larger ships. The British want numbers. London Treaty stipulation can not be exceeded.

### Cruisers

The limit of size is 10,000 tons. The number of ships carrying 8 in. guns is limited to 18. The British want us to come down in tonnage of ships and size, to get numbers. We desire the biggest and best, and are willing to cut numbers. We have no bases from which to operate. They have. These are difficulties but they do not interfere with acceptance of the principles of the plan. London Treaty stipulations must not be exceeded.

### Destroyers

No difficulties there from any source. London Treaty stipulations should not be exceeded, except as hereinafter set forth under Submarines.

### Submarines

These offer the greatest difficulties. Great Britain and ourselves are willing to do away with the type. If this were done we could stand bigger tonnage cuts but France and Japan are adamant. Therefore it seems useless to prolong the fight along the lines it has proceeded in the past.

Art. 22 - Part IV - London Treaty must be continued.

Limits must be established in size and numbers.

Possibly an inducement might accomplish what interminable wrangling will not.

We might analyze this problem for a moment. The submarine tonnage situation for 1932 was as follows -

France - 97,875	Italy - 53,664	London Treaty (U.S.) - 52,700 tons allowed
		(Japan)
average = 61,928. In round numbers let us set the maximum allowed tonnage to be 62,000 tons #		

The maximum number not to exceed 45 whatever size is built.

Transfer Clause. Any part of submarine tonnage not used in construction of submarines may be converted to destroyer tonnage on what is practically the cost basis, viz:  $1\frac{1}{2}$  tons destroyer tonnage for each ton of submarine tonnage converted.

Inducement Clause. Any Nation abolishing submarines, or not using any of the allowed submarine tonnage for such construction may convert all of the submarine tonnage to the destroyer class or  $\frac{1}{2}$  of this allowed tonnage to the destroyer class and  $\frac{1}{2}$  to the light cruiser class in ships of and under 5,000 tons displacement at the rate of  $1\frac{1}{2}$  tons of surface construction for each ton of submarines converted, and this extra tonnage caused by the conversion may be allowed in excess of standard, both general and in type. This clause can not be made reciprocal, that is having once made the decision a Nation can not reconvert the tonnage back to submarines. In case a Nation later decides to build submarines it can do so, but this clause then becomes invalid and it must scrap surface ships in order to bring the tonnages back to the figures which would be valid if this clause had not been invoked.

#### 6" Cruisers Special Flying On and Off Deck

This is desired by United States with the percentage of allowance as permitted under the London Treaty. Japan is particularly opposed to this. We can make a concession here provided other Nations meet us on the ground of not reducing the maximum tonnage allowed in the cruiser class for the individual ship, below 10,000 tons and provided further the aircraft carrier tonnage be not reduced below 120,000 from the permitted limit now which is 135,000 tons.

#### Aircraft Carriers

Reduce total allowed tonnage to 120,000 tons.

Reduce size of individual ships to 20,000 tons.

No objection should be expected to this, as we are the leading exponents in advocating a strong sea air force. We can stand it.

#### Exempt Classes - Rules for Scrapping, etc.

Perfectly satisfactory as under the London Treaty.

#### Aircraft

No bombing permitted, but combat types exclusive of bombers permitted.

Other types of planes, such as training planes, etc. allowed without restriction as to numbers under an Exempt Clause.

Total number of planes allowed not to exceed 2500.

Limit to deadweight. No plane in the combat class and this includes all types, observation, patrol, fighting, etc., to exceed 35,000 pounds deadweight.

No limit to civil air development, but specifications for these air ships must take them completely outside the combat class.

Two dirigibles permitted.

#### Military (Army) Limitations

These should be worked up by the Army in definite shape as have been the naval limitations. There are however several points of general interest and these must be safeguarded.

(1) The line of distinction between regular trained, and untrained troops or reserves must be clearly defined. The limitations must be such that untrained troops can not be immediately mobilized and take their place alongside of regular trained troops. If there be doubt they should be counted as regulars, but if possible the system of training should be such that this can not happen. If a Country will not subscribe to this then she should pay the penalty and have her man power which is trained this way counted as regular troops. This is very necessary for if it is not done the virtue of the interchangeability scheme will be jeopardized by a Nation which builds up only to its allotted tonnage and then secretly trains its man power on a large scale, while openly it counts only a small percentage of it.

(2) The amount of reserve ammunition and guns allowed must be subject to strict limitation, and should be based on the needs of the regular force it maintains, not on its regular force plus the reserves. A minimum reserve of ammunition, etc. for training of reserves may be allowed, but not for war use. The matter of reserve ammunition for the naval forces is not very important. Navies never carry large amounts. The way they fight is different. There is no special need for limitation in this respect.

(3) No Country should be permitted to accumulate stores of ammunition, guns, etc. for another.

(4) Countries determine their status and rating by the League of Nations verdict. Any Nation or section of territory which is clearly dominated by another or which has treaties of offensive or defensive alliance, should have its man power, its tonnage and its aircraft counted as forming a part of the armament of the protecting Nation. This condition should be reciprocal.

It would seem that ultimately if these four points were adequately met the burden of defense would fall upon the Kellogg-Briand Pact and not upon other Treaties and that the execution would become more a joint moral matter and one of pressure than a warlike act in the first and immediate instance. For one reason each individual Nation can not be armed to the teeth and prepared to act instantly.

#### Gas Warfare

It seems rather futile to prescribe arbitrary rules which are almost certain to be broken. It is much like the prohibition question. If you go too far you defeat the purpose. It would seem better to make a ruling such as this -

Gas which is permanently injurious is prohibited. Any Nation using it comes under the outlaw class in a manner somewhat similar to the Root resolution in the Washington Treaty.

Gas which is not permanently injurious is permitted.

This would take care of police needs without special exemptions. A technical board might define in detail.

#### Special Rules

Certain special rules of the Washington Treaty such as Arts. XVI, XVII, XVIII, XIX, XIV, XV, and Art. XXI modified, and Art. XXII, it would seem, could be perpetuated to good effect, even though there is also a Consultation Clause implementing the Kellogg-Briand Pact. It might be considered a less serious matter to invoke this Clause Art. XXI than the Consultation Clause under the Kellogg-Briand Pact.

It would seem that a modified XXI might be made applicable to Military forces, and that some of the other rules mentioned above might also if modified to meet Army requirements be made to apply.

#### Aggression

The violation of this agreement with intent, should automatically carry with it the taint of aggression.

It does not seem to be possible to give a definition of aggression nor would it seem wise to attempt to do so. Each case should be settled on its own merits by the Nations sitting in judgment. They only have the right to decide what is aggression.

#### Political

No matter how reasonable a scheme may be, unfortunately it is no sign that it will be a practical success. It would seem if we are to expect ever to advance along the road to peace and gradual limitation of armament on a sound and fair basis that in the end we must come to some sort of a scheme like this. But it means a radical departure from the accepted order of things. It gives a sanctity and power to the Kellogg-Briand Peace Pact which is not vested in any other Treaty, nor can be so vested without invalidating this plan as a motivating power towards peace. Yet it implies an obligation on our part, which apparently our people are unwilling to accept, on the theory that we should keep out of war, and forgetting that non participation does not keep us free from the evil effects of war, which we in common with all the World must share, as the results of a major war. Our attitude in this has been much what it has been toward neutrality, that is governed by the factors fear, ignorance, helplessness and greed. It would seem that the honest way is to find out what is right and to do it. Yet there are the practical difficulties at home. Abroad the outlook is worse. Of the seven great powers capable of making a plan like this work, Russia is a doubtful problem and Germany and Japan are distinctly aggressively minded, to the extent that they would even welcome war, should they have a fair chance to win. Why is this? The key seems to lie in the attitude of mind of the leaders who hold the reins of

government in the two Countries. Then so long as they are in power what chance has a plan like this of becoming all embracing? It has none at all. It is like throwing lambs to the wolves. The only four Countries which could band together under the banner of further limitation of armament, are the very ones that disarmament hurts most if the peace of the world is to survive. Yet in all probability they are strong enough to preserve the peace if they will band together. In that group we hold the key position and yet how doubtful the other three must be of any support from us other than pious wishes. We will get nowhere without moral leadership and that leadership means willingness to fight for the right if necessary. Why is it worse to fight for what is right than to let those less scrupulous fight for selfish ends? It looks as though we may have to adopt this attitude if any sort of peace is to be kept. At least the willingness to take the chance must be there and perhaps by venturing boldly at first we lost less in the end. Today there are four Nations which we can count upon as pulling together to a reasonable degree and of those four France and Italy have only a speaking acquaintance with each other.

Coming to the final analysis then the best hope of peace that the world has today and so far as we can look ahead into the future, is that the United States and the United Kingdom must stand firmly side by side, shoulder to shoulder, 50-50 in all things. We must pass over the little annoyances, avoid haggling over the small details that the great things may be accomplished. We must accept our share of the world obligations, stand firmly together for the peace and if worst comes to worst fight together in order to bring back peace at the earliest moment. In 1918-19 when we were preparing the military sanctions for a League of Nations that was my opinion then and I have seen no reason to change it since.

The MacDonald plan is without doubt the best offer today. It sticks to the method we have been following for the past years and it tides over an emergency. But even the MacDonald plan may not stand on

its own feet too long. The show down will come at the next naval conference, if not before, then what will we do? We can not afford to permit Germany, Japan or any other Nation to demand and maintain practically full equality in all branches of arms with every Nation. Yet that is what equality means to the aggressively minded Nation. If we are going to adhere to the spirit of the Peace Pact we can not admit their arguments. What can we do? We can adhere firmly to the 5-5-3 and take the chance of a break. We can let the break come rather than yield. If we could depend upon our people before the emergency strikes them, of building up our naval strength to meet the competitive building we would have to face, well and good, we can drive our competitors to the wall and ruin them financially and if we break that is what we must be prepared to do. It will not be safe to do otherwise after a broken Conference. Then what of the prospects, of limitation, of economy in regards to armaments, of peace in general? Rather poor. Yet if we do not take a firm stand the prospects are poorer. This is the outlook following the present accepted order of things, and method of handling the disarmament question. If the MacDonald plan becomes the order of business in 1935, then there is the opening to broaden the scope to include military force and air force within the purview of the 1935 conference, and from that opening gradually come to a plan like the one outlined above if it is then desirable to do so.

But for the present and to include the coming June Conference it would seem best to hold to the MacDonald Plan. Consolidate the gains and eliminate further discussion on armaments, for effort now must not be wasted on those discussions when more momentous problems for the restoration of the world wait. Technically the MacDonald proposal is perfectly satisfactory except in its air limit which is far too small, and not in keeping with the rest of the proposal of military strength which comes nearer to the status quo, than does the air offer. However were the flat air offer accepted on account of the present emergency, and a reservation of our own put in, then in case later we ever adopted

a method of handling armament limitations similar to the one described above on the percentage basis, the reservation with the interchangeability clause might be made to cover our air needs.

#### International Law

In connection with a plan of this sort it would seem necessary that the rules of International Law be brought up to date to incorporate any new changes which might result from an agreement of this sort.

The rules of aerial warfare formulated by the Commission of Jurists which met at the Hague in 1923 may have to be revised.

Belligerent vs. Neutral Rights may have to be given thought. Freedom of the Seas discussed.

The entire matter of neutrality reviewed.

Blockade may take on a new conception.

Visit and search may be a different procedure. The Kirkwall practice of the late war may receive added sanction.

These are merely a few of many questions which at some time may come up and about which decisions should be made after which competent jurists will have to meet in order to codify and to bring International Law up to date.

#### Final

The Plan outlined above represents only my own personal reflection and analysis in the matter of Disarmament. It is made for my own benefit. It does however to my mind show the value some day of handling the disarmament question on the percentage basis applied to all armaments. The MacDonald Proposal now seems to me to show possibilities of coming to this scheme in 1935, if the international atmosphere is not propitious or the scheme desirable earlier, but I am most skeptical of any scheme unless we have the full force of the Kellogg-Briand Peace Pact implemented, or a Treaty almost exactly like it, as the sole directive power back of the Armaments question. Once let us get this in force with the Great Powers honestly back of it and we are on the road to a gradual reduction in armaments as the years move on. This will mean however a very radical change in our national conception of what our international policy should be. Will

we ever reach that degree of understanding and a willingness to undertake the obligations which will fall to our lot? If we do not I see nothing ahead, except the application of force, even if in the gloved fist, a state of world tension and suspicion, fear and aggression whenever the moment is propitious as it is today. It may and likely will some day lead to the same sort of competition in armaments that the World saw before 1914. We may be forced to it if for no other reason than as the great peace loving Nation of the World we must be in a position to enforce the peace if we can not get it through mutual understanding and tolerance. To say nothing of the wasteful expenditure of human life, we can not afford to pay for the cost of another World War, even though we play no part in bringing it about. In the final analysis it will be our sea power working in conjunction with that of Great Britain which will be the best guarantee of peace.

Summing up then my analysis leads me to see just three roads along which we can travel in the matter of the armaments question. The first is the broad road along which the Nations of the World may travel, and must travel if they expect in the end to arrive at any great and permanent reduction in world armaments. It is a dangerous road beset with many tribulations, but it does have definitely in view, even if in the very distant future, the goal of Peace at the end of the road. It will fail I think unless ultimately all other Treaties bearing on armaments are set aside and some one definite Treaty carrying the spirit of the Kellogg-Briand Peace Pact alone stands as the directive. Then and possibly only then, will some plan like that outlined above find a place, for much will depend upon the moral honesty apart from the legal honesty of the great and powerful Nations of this World, not to violate the spirit of the Peace Treaty and to accept the obligations implied in such a Treaty when the necessity arises. This may be a long undertaking.

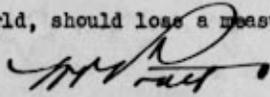
The second road is less broad. It is more arbitrary. It is probably safer and may be all that we can do now. The directive motive back of armaments lies in the Washington and London Treaties, the MacDonald Proposal if it is agreed to, and such other non aggression and arms limiting agreements as may be reached. In following this path it should be remembered that

naval force has already been reduced and to a degree stabilized, while military force has not. I have been fearful that naval force would continue to be the target, while military force which is today the great disturbing element in Europe so far as armaments are concerned would again slip out from under the limitation scheme. It is so easy for Great Britain and ourselves, the great sea powers, to reach agreements, and I feel that when pressure is brought to bear on military strength that France adroitly and through fear, I am willing to admit, turns the tide away from consideration of reduction of military strength and set it strongly in the direction of further naval reduction which if carried too far does in my opinion have anything but a good reaction on the prospects of peace. I feel that England regards sea power, wisely administered and held in the right hands, as being a great stabilizing force in the interests of the peace of the World, and in this I thoroughly agree. For this reason I welcome the MacDonald Proposal which stems the tide against further naval reduction now, leaving it to come up in 1935, and turns it back to military force, the sore spot, and where it rightfully belongs now. It will also take France out of the special privilege class, who not being bound by either military or naval agreements limiting armaments, has been free to do as she pleased, being held only by the amount of money she felt she could spend. She too as well as Japan has been spending considerable money in the attempt to increase her naval strength as well as demanding the right to have a large Army for her defense. The MacDonald Proposal, wise as it is now, only throws the naval problem ahead to 1935 when it will again come up, for this proposal does not change the system we are operating under in effecting limitations. When 1935 comes there will be another nut to crack. Japan will assume much the role that France holds today, a Nation having a powerful Army, embarked on an aggressive campaign, for whatever the plea of necessity and just rights she may make, her action is aggressive, will demand equality in sea strength with Great Britain and ourselves. This will mean, should we yield to the claim of equality, the setting aside of a fundamental principle, embodied in the Washington and London Treaties and lying in the 5-5-3 ratio<sup>5</sup> which were considered just

balances of power, much in view of the fact that Japan is also a great military power. What will we do then? If she will not yield, and Great Britain and ourselves will not yield, which we can not afford to do as our combined sea strength is the best guarantee for world peace in evidence today, then we must turn to the first road with all its attendant dangers, or let the break come. Concessions only postpone the evil day, it merely carries on the inching in process until it arrives at the stage when it is too late to stop and the thing she wants is accomplished. Is her attitude of mind such that sea power can safely be entrusted to her keeping as it can be to Great Britain and to ourselves? She will have to prove herself first.

If the break comes, then we will have to embark on the third narrow road of competitive building which we will have to do if we stand alone as we have in the past. Or leaving Japan out, we may come to such agreements with the rest of the World as seem proper to make. In the case of the break, the mutual interests of Great Britain and ourselves in sea power will draw us inevitably closer together provided we take care not to let economic and other matters drive a rift between us. Even if the break comes, standing together we can exercise a great power for restraint even should Japan embark on a great naval building program, for together we have the power to break her, while at the same time exercising a restraining influence on any warlike tendencies arising in Europe. It would seem as though we had arrived at the parting of the ways from the old established policy of complete isolation in world affairs so far as relates to war or to the danger of war. We can not force England to walk alone and at the same time carry naval limitation too far. We can not walk alone, carry naval limitation too far and hope to have a helpful voice in the Orient or even to protect our own interests. We may in the end, without involving ourselves to further commitments, have to come to a realizing sense that the sea power of Great Britain and our own must walk hand in hand in any world crisis. Then and only

then, if the Nations of the World can not be trusted to walk the first broad road in harmony, do I see a prospect of enforcing the peace through the application of the restraining influence of sea power. It comes back to the old maxim "United we stand, divided we fall" for in the World as it exists today with our influence, our interests, our trade stretching out over the World we are no longer an isolated Nation, and the one thing in which we demand isolation is in our military and political commitments. There is much inconsistency in this attitude, and we may be forced even if against our will, to some sort of an understanding with Great Britain as regards the use of sea power. It is better thus than that the World should fall, or that the Anglo-Saxon civilization which has given so much that is good to the World, should lose a measure of its influence.



W. V. Pratt.

P.S.

Aggressive Weapons

In my opinion it is technically incorrect to attempt to base limitation of arms under headings of offensive and defensive weapons. The French are correct in their point of view. Whatever limitations are desired should be made arbitrarily because it is desirable to do so, or because an agreement can be reached. But to base these decisions upon a principle which is incorrect only leads to counter proposals which may cloud the issue, and possibly are made for that very reason. The Japanese counter proposal would fall flat without the backing of an attempted line of demarcation between offensive and defensive weapons. It is how they are used. The machine gun may be as bad as the tank. The submarine is frequently more aggressive than a battleship.

*JTB*  
~~Confidential~~

PSF.  
CF  
Navy

IN REPLY ADDRESS  
THE SECRETARY OF THE NAVY  
AND REFER TO NO.

(C) NN/P18-2

NAVY DEPARTMENT  
WASHINGTON  
SONYD-0-EGM

23 August 1933.

My dear Mr. President:

In accordance with our conversation of Saturday relative to the hours of work and pay of the field employees of the Navy Department, the following order is proposed to carry into effect the ideas outlined by you.

ALNAV 0003-1030 HEREBY SUPERSEDED PERIOD SEPTEMBER ELEVENTH AND EVERY ALTERNATE MONDAY THEREAFTER SHALL BE A NON-WORK DAY IN THE FIELD SERVICE PERIOD PER ANNUM AND PER MONTH EMPLOYEES SHALL BE FURLOUGHED WITHOUT PAY ON THE MONDAY NON-WORK DAYS PERIOD NECESSARY TWENTY-FOUR HOUR SERVICE SHALL BE MET BY REARRANGEMENT OF SHIFTS PERIOD UNDER THIS PLAN PER DIEM EMPLOYEES WILL WORK 5 1/2 DAYS NAMELY 44-HOURS WORK WITH 48-HOURS PAY ONE WEEK AND 4 1/2 DAYS NAMELY 36-HOURS WORK WITH 40-HOURS PAY THE ALTERNATE WEEK PERIOD EXEMPTIONS HERETOFORE AUTHORIZED UNDER 5-DAY WORK WEEK ARE HEREBY CONTINUED MODIFYING AS NECESSARY FOR NEW WORK WEEKS PERIOD

As stated in previous correspondence, the cash withdrawals made available to the Navy Department by the Director of the Budget for the fiscal year 1934 were based on a 5-day 40-hour week. To put the above order into effect will necessitate an additional allotment of \$5,000,000.

If the order as proposed above, is approved, it is requested that the Director of the Budget be directed to release this amount from the funds appropriated for the Navy for the fiscal year 1934. The above order, if approved, will be placed in effect as soon as funds are made available.

If this order is placed in effect without providing additional funds noted above, it will necessitate immediate discharge of approximately 4,000 employees and seriously interfere with the operation of the Fleet.

Respectfully,

Franklin D. Roosevelt Library

DECLASSIFIED

W. H. STANDLEY

DOD DIR. 5200.9 (9/27/59)

Acting Secretary of the Navy

The President,  
The White House

Date- 2/6/59

Signature- Carl L. Spicer

NAR25

PSF CF. Navy

ROUTINE

SERVICE CIPHER

FROM: NAVSTA GUANTANAMO

TO : COMSPECRON

INFO: OPNAV

0009 FOLLOWING RECEIVED FROM WEALTHY CUBAN FAMILY IN GUANTANAMO  
CONFIRMED BY BEST INFORMATION AVAILABLE OUR HOUSE AND STORE SACKED  
FEAR COFFEE PLANTATION WILL BE DESTROYED STOP TROOPS IMPOTENT IN  
RURAL DISTRICTS STOP FATHER AND BROTHER STILL PRISONERS FOR NO  
REASON SIGNED MOLA UNQUOTE 1210

TOR CODE ROOM 1424 9 SEPTEMBER 1933

DISTRIBUTION:

30.1..ACTION 10A....11....12....13(2)....16....19....20,....20A.....

17F7L

ROUTINE  
SERVICE CIPHER

FROM : COMSPERON

TO : OPNAV

INFO : COMDT FIFTH, USS NITRO, NSD NOB NORFOLK

0009 YOUR TRIPLE ZERO SEVEN ONE FIVE THREE FIVE REQUISITIONS  
FORWARD BY AIR MAIL TODAY SATURDAY AND DUPLICATES FROM KEY WEST  
TOMORROW SUNDAY RECOMMEND NITRO SAIL FIFTEEN SEPTEMBER OR EARLIER  
IF STORES CAN BE ASSEMBLED AND LOADED 1245

TOR CODE ROOM 1356 ) 9 SEPTEMBER 1933

DISTRIBUTION:

38...ACTION 10A...11...12...13(2)...16...19...20...20A...

05... FILE WHITE HOUSE

NAM NR 42 Z ROVE V NUNT GR 3

FROM USS REUBEN JAMES  
ACTION SM WASH  
H

1009 REUBEN JAMES NOB NORFOLK FOR SEA 1348

38 ACTION

05 30A 11 12 13(2) 16 20 19 20

1356 TM 9 SEPT

WHITE HOUSE

NAR27

ROUTINE  
SERVICE CIPHER

FROM : USS MCFARLAND  
TO : MRO WASHN

øøø9 MCFARLAND ARRIVED KEY WEST 13ø1

TOR CODE ROOM 1434 9 SEPTEMBER 1933

DISTRIBUTION:

38.....ACTION 1øA.....11.....12.....13(2).....16.....19.....2ø.....2øA.....

ø5.....FILE WHITE HOUSE

NAM NR 41 Z ROVE V N IRF GR 6

FROM USS DUPONT  
ACTION SM WASH  
H

1009 DUPONT ARRIVED NOB NORFOLK 1320

38 ACTION

1342 TM 9 SEPT

19 10A 11 12 13(2) 16 20 05

WHITE HOUSE

NAM NR 45 Z ROVE V NESS GR 6

FROM USS BERNADOU  
ACTION SM WASH  
H

1009 BERNADOU ARRIVED NOB NORFOLK 1350

38 ACTION

05 10A 11 12 16 13(2) 14 20

WHITE HOUSE

1405 TM 9 SEPT

XL YM

ROUTINE

FROM : COMSPERON  
TO : CGC GRESHAM  
INFO : OPNAV

~~CONFIDENTIAL~~

0008 UPON ARRIVAL AT MANTANZAS, FOR WHICH PORT YOU WILL SAIL AT ONCE, CONTACT THE CONSUL. DO NOT RESORT TO ACTUAL USE OF SMALL ARMS OR GUNS UNTIL OTHER METHODS ARE EXHAUSTED AND THEN NOT UNLESS YOU ARE DEFINITELY FIRED ON. BE PREPARED TO EVACUATE AMERICAN CITIZENS, BY BOAT, IN CASE THEIR LIVES ARE ENDANGERED, CONSULT CONSUL BEFORE THIS STEP IF POSSIBLE 1755

RECEIVED IN CODE ROOM  
0200 9 SEPTEMBER, 1933,

DISTRIBUTION

38.....	ACTION	20A.....
10A.....		NSDALY.....
11.....		FILE.....
12.....		WHITE HOUSE .....
13(2).....		
16.....		
19.....		
20.....		

~~CONFIDENTIAL~~

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

Date- 11-4-63

Signature- Carl L. Spicer

MAR 16

ROUTINE  
SERVICE CIPHER

FROM : USS J FRED TALBOTT  
TO : SM WASHN

0009 J FRED TALBOTT ARRIVED MANZANILLO 0909

TOR CODE ROOM 1018 9 SEPT 1933

DISTRIBUTION:

38....ACTION 10A;...11....12....13(2).....16....19....20....20A....

05....FILE WHITE HOUSE

NAR 14

ROUTINE  
SERVICE CIPHER

FROM: USS OVERTON

TO : SM WASHN

ØØØ9 OVERTON ARRIVED CIENFUEGO Ø73Ø

TOR CODE ROOM Ø944 9 SEPT 1933

DISTRIBUTION:

38.....ACTION..1ØA.....11.....12.....13(2).....16.....19.....2Ø.....2ØA.....

Ø5.....FILE

WHITE HOUSE

WASHN NR.

NAM NR 24 Z ROVE VE NESD GR 11

FROM: USS HENDERSON  
ACTION: SM WASH

1009 HENDERSON NOB NORFOLK FOR PORTAUPRINCE ARRIVE 5 HOURS  
FOURTEENTH 1000

1016 TM 9 SEPT

38 ACTION

10A 11 12 13(2) 16 19 20 05 WHITE HOUSE

~~CONFIDENTIAL~~

PSF  
CF  
NAVY

ROUTINE

YHS

FROM : CGC UNALGA.

TO : COMSPERON.

9909 ON MONDAY THE RAILROAD WORKMAN'S AGREEMENT ENDS AND MAY LEAD TO FURTHER SABOTAGE AND DISORDER. AT PRESENT THE TOWN IS QUIET. THE CONSULAR BELIEVES THAT AMERICAN LIVES ARE SAFE AT PRESENT EXCEPT THAT THERE MAY BE POSSIBLE DANGER INCIDENT TO DESTRUCTION OF PROPERTY.

ANCHORED AT DESTINATION AT 1920. DELIVERED THE AMBASSADOR MESSAGE TO CONSUL. 2400

RECEIVED IN THE CODE ROOM AT 0223, 9, SEPTEMBER, 1933.

DISTRIBUTION :

38.....ACTION.

10A.....

11.....

12.....

13(2).....

16.....

19.....

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20A.....

USLY.....

WHITE HOUSE

FILE.

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DECLASSIFIED  
DDO DIR. 5200.9 (9/27/58)

Date- 4-11-63

Signature- Carl L. Spicer

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

ROUTINE

PSF  
CF

Navy

XHS YHS

FROM : COMSEVEN.

TO : OPNAV.

INFO : COMBBERON - RDO KEY WEST.

0010 INFORMATION IS REQUESTED AS TO WHEN FUEL OIL IN SUFFICIENT QUANTITY TO COMPLETELY FILL TANKS AT KEY WEST, FLORIDA, WILL ARRIVE. WHEN THE COAST GUARD DESTROYERS AND THE BAINBRIDGE HAVE BEEN FUELED, 500000 GALLONS WILL REMAIN ON HAND, IT IS REQUESTED THAT TANKS BE FILLED TO FULL CAPACITY.

2030

RECEIVED IN THE CODE ROOM AT 2100, 10 SEPTEMBER, 1933.

DISTRIBUTION :

38.....ACTION

10A..... 11.....

12..... 13(2).....

16..... 19.....

20..... 20A.....

23..... SANDA.....

DALY..... WHITE HOUSE

FILE.

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**DOD DIR. 5200.9 (9/27/58)**

Date- 2/6/59

Signature-

*Carl L. Spicer*

~~CONFIDENTIAL~~

PST  
CF  
Navy

X 3H Y M

ROUTINE

FROM : USS J F TALBOTT  
TO : COMSPERON  
INFO : OPNAV

~~CONFIDENTIAL~~

ØØ11 THE FOLLOWING ANALYSIS HAS BEEN GATHERED THROUGH SOCIAL CONTACT WITH VARIOUS CITIZENS OF MANZANILLO, CUBA. IT IS BELIEVED THAT THE CUBANS ARE VERY MUCH AGAINST ANY ACTION WHICH MAY BE TAKEN BY THE UNITED STATES, ACCORDING TO THE UNDERCURRENT OF FEELING HERE. WHILE DRIVING THROUGH THE VARIOUS PARTS OF THE CITY TODAY IT WAS NOTICED THAT 3 RED FLAGS WERE OPENLY DISPLAYED. A SUSPECTED RADICAL WHO CLAIMS TO BE A MEMBER OF THE A B C, SANTIAGO ANDRACA, ■ SAYS THAT WHEN THE AMERICAN SHIPS LEAVE QUOTE THE STREETS WOULD RUN WITH BLOOD UNQUOTE. HE ALSO STATES THAT THE A B C HAVE BEEN ORDERED TO USE FORCE TO OPPOSE ANY AMERICAN LANDING FORCE Ø42Ø

RECEIVED IN CODE ROOM  
Ø75Ø 11 SEPTEMBER 1933

~~CONFIDENTIAL~~

DISTRIBUTION

- |               |             |
|---------------|-------------|
| 38.....ACTION | 19.....     |
| 1ØA.....      | 2Ø.....     |
| 11.....       | 2ØA.....    |
| 12.....       | DALY.....   |
| 13(2).....    | FILE.....   |
| 16.....       | WHITE HOUSE |

ROOSEVELT LIBRARY  
DECLASSIFIED  
DOD DIR. 5200.9 (9/27/58)

Date- 11-4-63

Signature- Carl S. Spicer

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DOD DIR. 5200.9 (9/27/88)

PSF  
CF  
NAVY

Date- 11-4-63

XW YM

ROUTINE

Signature- *Carl S. Spicer*

FROM ; USS BAINBRIDGE

TO ; COMSPERON

INFO ; OPNAV

~~CONFIDENTIAL~~

1011  
 LOCAL AUTHORITIES GUARANTEE SAFETY OF MANAGER WOOD AND ASSISTANT HICKS, CUBAN AMERICAN SUGAR COMPANY, WHO TOOK REFUGE ON BRITISH MERCHANT SHIP BARON POLWORTH BECAUSE OF LABOR TROUBLE AND RIOT CAUSED BY COMMUNIST AGITATORS 5 SEPTEMBER. THEY WILL RETURN ASHORE 11 SEPTEMBER. ONE GUARDIA AND 2 RIOTERS KILLED DURING RIOT ON 5 SEPTEMBER. TWO COMMUNISTS BANISHED BY LOCAL AUTHORITIES. LABOR COMMITTEE HAS LEFT FOR HAVANA FOR ADVICE. SECRETARY WOOD AND WIFE, CUBAN AMERICAN SUGAR COMPANY, REMAINED ASHORE AND WERE NOT ALARMED. AMERICANS AND LOCAL AUTHORITIES SAY TROUBLE NOT TO BE EXPECTED AS LONG AS WARSHIPS ARE HERE. UNTIL STRIKE ADJUSTED BELIEVE A NAVAL VESSEL SHOULD BE KEPT HERE. LOCAL AUTHORITIES IN FULL CONTROL AND SITUATION QUIET IN PUERTO PADRE, CHAPARRA AND DELICIAS WITH LEADERS FAVORABLE TO AMERICANS AND PROPERTY WAS FOUND UPON PERSONAL INVESTIGATION ASHORE

RECEIVED IN CODE ROOM 0545 12 SEPTEMBER 1933

DISTRIBUTION

- 38.....ACTION 10A..... 11..... 12.....
- 13(2)..... 16..... 19..... 20.....
- 20A..... DALY..... WHITE HOUSE. FILE.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

ROUTINE

XNS VNS  
FROM : COMSERON,  
TO : USG BAINBRIDGE - COM CG DESRON,  
INFO : NAVSTA GUANTANAMO - OPNAV - USCGC KUNY.

0912 WHEN RELIEVED BY MUST, BAINBRIDGE PROCEEDED TO  
GUANTANAMO, MUST RELIEVE THE BAINBRIDGE AT PUERTO PADRE  
AFTER DOCTOR PROCEEDED, 1745

RECEIVED IN THE CODE ROOM AT 1945, 12 SEPTEMBER, 1933.

- DISTRIBUTION :
- 33.....ACTION.
- 17A.....
- 11.....
- 12.....
- 13(2).....
- 16.....
- 19.....
- 20.....
- 29A.....
- 04LY.....
- FILE.
- WHITE HOUSE.

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DDO DIA 5200.8 (9/27/58)

Date- 11-4-63

Signature- Carl S. Spicer

~~CONFIDENTIAL~~

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DDO DIR. 5200.9 (9/27/58)

Date-

Signature-

XL YL  
FROM: COMSPERON  
TO: OPNAV

Franklin D. Roosevelt Library

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DDO DIR. 5200.9 (9/27/58)

Date- 11-4-63

Signature- *Carl S. Spicer*

*PSF  
CF  
Navy*

ØØ13 COMSPERON HAS MAINTAINED EXTREMELY CORDIAL AND COMPLETELY COOPERATIVE RELATIONS WITH THE AMERICAN AMBASSADOR IN CUBA. HE ASSURES THE DEPARTMENT THAT HE HAS CONTINUALLY PROFESSED TO REPORTERS WHO ARE SEEKING INFORMATION THAT HE HAS NO KNOWLEDGE UPON WHICH TO VENTURE AN OPINION OF THE CUBAN POLITICAL SITUATION AND HE HAS EMPLOYED CONSISTENTLY EVERY MEANS TO EFFACE HIMSELF OF INVOLVEMENT IN THAT SITUATION. CONVEYING AN IMPRESSION WHICH IS DELIBERATELY SENSATIONAL AND ENTIRELY FALSE, STATEMENTS DESIGNED TO BE MISLEADING HAVE BEEN PUBLISHED BY CERTAIN NEWSPAPERS AND ATTRIBUTED TO COMSPERON. THESE STATEMENTS SUGGEST LACK OF ACCORD BETWEEN HIMSELF AND THE AMERICAN AMBASSADOR AND INTIMATE RATHER CLEVERLY COMSPERON'S APPROVAL OF THE CURRENT REVOLUTION 133Ø

RECEIVED IN CODE ROOM 1448, 13 SEPTEMBER, 1933.

DISTRIBUTION

38...ACTION 1ØA 11 12 13(2) 16 19 2Ø 2ØA Ø5 FILE

WHITE HOUSE

~~CONFIDENTIAL~~

*File*

*PSF*

XL YL

FROM: COMSPERON

TO: CGC GRESHAM; CGC TUSCARORA

INFO: OPNAV

**C.F.**  
*Navy*

ØØ13 UPON BEING RELIEVED BY CGC TUSCARORA, CGC GRESHAM PROCEED  
KEY WEST. WITH DOCTOR ON BOARD CGC TUSCARORA DEPART KEY WEST  
TO ARRIVE MATANZAS ØØØØ FRIDAY AND RELIEVE GRESHAM 181Ø

RECEIVED IN CODE ROOM 2Ø4Ø, 13 SEPTEMBER, 1933.

DISTRIBUTION

38.....ACTION 1ØA 11 12 13(2) 16 19 2Ø 2ØA Ø5

FILE WHITE HOUSE

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DECLASSIFIED

DIR. 5200.9 (9/27/58)

~~CONFIDENTIAL~~

100- 11- 4- 63

Signature- *Carl S. Spicer*

F7L 34

ROUTINE  
SERVICE CIPHER

FROM: COMSPERON  
TO: USS MISSISSIPPI  
INFO: OPNAV

0013 AFTER DARK TODAY WEDNESDAY WITHDRAW WITH BERNABOU OUT OF  
SIGHT OF HAVANA. AMBASSADOR DESIRES TEST EFFECT OF SUCH  
WITHDRAWAL. MAKE NO MOVEMENT REPORT OF THIS OPERATION UNLESS  
SO DIRECTED BY DEPARTMENT 1545

RECEIVED IN CODE ROOM 1630, 13 SEPTEMBER, 1933.

DISTRIBUTION

38.....ACTION 10A 11 12 13(2) 16 19 20 20A 05

FILE WHITE HOUSE

FORWARDED TO SECNAV

DALY.....

FILE.....

~~WHITE HOUSE.~~

PSF  
CF  
Navg

ROUTINE

XMS YMS

FROM : USCG MONT.

TO : SAC WASHINGTON.

RE: MENDO PABRE FROM KEY WEST, FLA., USCG MONT. #118

REC'D IN THE SIDE ROOM AT 8:00, 13 SEPTEMBER, 1963, 133

DISTRIBUTION :

38.....ACTION

75A.....

11.....

12.....

19(2).....

16.....

13.....

25.....

25A.....

DALY.....

FILE.....

WHITE HOUSE.

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DOD DIR. 5200.9 (2/27/58)

Date- 11-4-63

Signature- Carl L. Spicer

~~CONFIDENTIAL~~

BEST AVAILABLE COPY

PSF  
CF  
Navy

XL YL

FROM: COMSPERON

TO: OPNAV

ØØ13 COMSPERON HAS MAINTAINED EXTREMELY CORDIAL AND COMPLETELY COOPERATIVE RELATIONS WITH THE AMERICAN AMBASSADOR IN CUBA. HE ASSURES THE DEPARTMENT THAT HE HAS CONTINUALLY PROFESSED TO REPORTERS WHO ARE SEEKING INFORMATION THAT HE HAS NO KNOWLEDGE UPON WHICH TO VENTURE AN OPINION OF THE CUBAN POLITICAL SITUATION AND HE HAS EMPLOYED CONSISTENTLY EVERY MEANS TO EFFACE HIMSELF OF INVOLVEMENT IN THAT SITUATION. CONVEYING AN IMPRESSION WHICH IS DELIBERATELY SENSATIONAL AND ENTIRELY FALSE, STATEMENTS DESIGNED TO BE MISLEADING HAVE BEEN PUBLISHED BY CERTAIN NEWSPAPERS AND ATTRIBUTED TO COMSPERON. THESE STATEMENTS SUGGEST LACK OF ACCORD BETWEEN HIMSELF AND THE AMERICAN AMBASSADOR AND INTIMATE RATHER CLEVERLY COMSPERON'S APPROVAL OF THE CURRENT REVOLUTION 133Ø

RECEIVED IN CODE ROOM 1448, 13 SEPTEMBER, 1933.

DISTRIBUTION

38...ACTION 1ØA 11 12 13(2) 16 19 2Ø 2ØA Ø5 FILE

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WHITE HOUSE

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~~CONFIDENTIAL~~

Date- 11-4-63

Signature- Carl S. Spicer

~~CONFIDENTIAL~~

XM YM

ROUTINE

FROM ; USCG HUNT (DD 194)  
TO ; SHIP MOVEMENTS WASHINGTON

*PSF*  
**C.F.**  
*Navy*

ØØ14 HUNT ARRIVED PUERTO PADRE Ø819

RECEIVED IN CODE ROOM Ø936 14 SEPTEMBER 1933

DISTRIBUTION

38.....	ACTION	1ØA.....	11.....	12.....	13(2).....
16.....		19.....	2Ø.....	2ØA.....	DALY.....

WHITE HOUSE

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DECLASSIFIED

DDO DIR. 5200.9 (9/27/68)

Date- 11-4-63

Signature- *Carl S. Spicer*

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DOD DIR. 5200.8 (9/27/58)

XL YL

FROM: COMSPERON

Date- 11-4-63

TO: CGC GRESHAM; CGC TUSCARORA

Signature- *Carl L. Spicer*

INFO: OPNAV

0013 UPON BEING RELIEVED BY CGC TUSCARORA, CGC GRESHAM PROCEED  
KEY WEST. WITH DOCTOR ON BOARD CGC TUSCARORA DEPART KEY WEST  
TO ARRIVE MATANZA 0800 FRIDAY AND RELIEVE GRESHAM 1810

RECEIVED IN CODE ROOM 2040, 13 SEPTEMBER, 1933.

DISTRIBUTION

38.....ACTION 10A 11 12 13(2) 16 19 20 20A 05

FILE WHITE HOUSE

~~CONFIDENTIAL~~

XB YB

FROM : COMSPERON  
TO : YAMACRAW (CG)  
INFO : OPNAV

0013 PROCEED WITHOUT RELIEF TO KEY WEST AT SIX O'CLOCK SATURDAY  
MORNING 16 SEPTEMBER 1943

TOR CODE ROOM 1444 13 SEPTEMBER 1933

DISTRIBUTION:

38....ACTION	19....
10A...	20....
11....	20A...
12....	05....
13(2)..	FILE
16....	WHITE HOUSE

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DDO DIR. 5200.9 (9/27/88)

Date- 11-4-63

Signature- *Carl S. Spicer*

~~CONFIDENTIAL~~

9/15/33

~~CONFIDENTIAL~~

XC YW

ROUTINE

FROM: USCG HUNT

TO : SHIP MOVEMENTS WASHINGTON

INFO: COMSPERON

*PSF*

**C.F.**

*navy*

0816 ARRIVAL REPORT. AT MANATI - HUNT 0800

DISTRIBUTION

38.....ACTION 10A..... 11..... 12..... 13(2).....

16..... 19..... 20..... 20A..... DALY.....

WHITE HOUSE FILE

1933

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DOD DIR. 5200.9 (9/27/88)

Date- 11-4-63

~~CONFIDENTIAL~~

Signature- *Carl S. Spicer*

~~CONFIDENTIAL~~

44-1111

XHS YHS

FROM : COMSPERON.

TO : CGC HUNT.

INFO : OPNAV - COMDESRON CG.

0015 PROCEED TO MANATI TOMORROW, SATURDAY, AT DAYLIGHT IF  
CONDITIONS AT PUERTO PADRE PERMIT. EXPEDITE REPORT OF CONDITIONS.  
CONFER WITH OFFICIALS AT CENTRAL MANATI. 1935

RECEIVED IN THE CODE ROOM AT 2100, 15 SEPTEMBER, 1933.

DISTRIBUTION :

38,.....ACTION

10A.....

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13(2) .....

16.....

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20A.....

DALY.....

FILE.....

WHITE HOUSE

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DOD DIR. 5200.9 (9/27/88)

Date- 11-4-63

Signature- Carl S. Spicer

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

ROUTINE

XHS YHB

FROM : USCG HUNT.

TO : SM WASHINGTON.

INFO : COMSPERON.

ØØ16 AT Ø55Ø, 16 SEPTEMBER, FOR MANAYI FROM PUERTO PADRE,  
USCG HUNT. Ø55Ø

RECEIVED IN THE CODE ROOM AT Ø71Ø, 16 SEPTEMBER, 1933.

DISTRIBUTION :

38.....ACTION

1ØA.....

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13(2).....

16.....

19.....

2Ø.....

2ØA.....

DALY.....

FILE..

WHITE HOUSE.

Franklin D. Roosevelt Library

~~CONFIDENTIAL~~

11 NAO

T F7L Z F7L V NELL Q LARK GR 12

ASF  
CF

FROM; USS NITRO  
ACTION; COMSPERON  
INFOR; OPNAV C

Navy

*File*

1017 EXPECT TO ARRIVE MORNING TWENTYONE SEPTEMBER WILL ADVISE  
EXACT HOUR 2120

1933

1045 MG 18 SEPT

RELAYED

38-ACTION  
10-A 11 12 13(2) 16

19 20 05

WHITE HOUSE

20-A

**C.F.**  
*Navy*

13 F7L

ROUTINE  
SERVICE CIPHER

FROM: COMSPERON

TO : USS BERNADOU - USS COLE.

INFO: COMDESRON TEN - OPNAV - USS TWIGGS.

ØØ18 BERNADOU PROCEED NUEVA GERONA ISLE OF PINES TO ARRIVE ELEVEN  
HUNDRED TWENTY SEPTEMBER RECEIVE DOCTOR FROM COLE WHICH VESSEL  
PROCEED GUANTANAMO Ø94Ø

38.....ACTION

1ØA 11 12 13(2) 16 19 2Ø 2ØA Ø5 FILE WHITE HOUSE

F7L

NR 2 Z ROVE V NWJP Q F7L GR 7 BT

FROM; USS STURTEVANT.  
ACTION; MRO WASHINGTON  
INFO; COMSPERON.

SM

1016 STURTEVANT GUANTANMO BAY FOR ANTILLA 0001

0224 MS **SEPT 18**

38 ACTION

10A 11 12 13(2) 16 19 20 05 WHITEHOUSE

F7L NR 4

X6

ROUTINE  
SERVICE CIPHER.

FROM COMDESRON 10  
TO SM WASH  
INFO COMSPERON

0078 COMDESRON TEN IN ELLIS KEY WEST FOR HAVANA 0008

TOR IN CODE ROOM 0300 18 SEPT 1933

DISTRIBUTION

38...ACTION 10A 11 12 13(2) 16 19 20 20A 05 FILE

WHITEHOUSE.

F7L 5

Z ROVE Y NUJN Q F7L GR 7

FROM; USS OVERTON.  
ACTION; MRO WASHINGTON.  
INFO; COMSPERON.

SM

1018 OVERTON GUANTANAMO BAY FOR ANTILLA 0100

ACTION 38

0841 PD SEPT 18

10A 11 12 13(2) 16 19 20 05 WHITEHOUSE

NAZD NR 4 Z ROVE V NAZD GR 8

FROM; USS CUYAHOGA.

ACTIC; MRO WASHINGTON.

SM

1017 SEQUOIA AND CUYAHOGA ARRIVED NAVY YARD WASHINGTON 2230

LW 2237 SEPT 17

38 ACTION

19 WHITEHOUSE

*File*

PRIORITY  
~~CONFIDENTIAL~~

XG YG

FROM: COMSPEROM

TO : USS HAMILTON

INFO: OPNAV

ØØ18 TAKE ESSENTIAL MEASURES TO PROTECT THE LIVES OF AMERICANS  
SEEKING REFUGE WITH YOU BUT UNDER NO CIRCUMSTANCES WILL YOU LAND  
TO PROTECT CONSULAR AGENCY. MAKE EVERY EFFORT TO PREVENT CLASH  
WITH MOB THROUGH DISPOSITION OF SHIP Ø655  
TOR IN CODE ROOM Ø75Ø 18 SEPT 1933

DISTRIBUTION

38...ACTION

18A.....

11.....

12.....

13(2).....

16.....

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2Ø.....

29A.....

WHITE HOUSE

STATE DEPT

BALY

FOLE

~~CONFIDENTIAL~~

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DECLASSIFIED  
EOD DIR. 5200.9 (9/27/58)

Date- 11-4-63

Signature- Carl S. Spicer

NR 1 Z ROVE V NAZD GR 9

FROM; USS CUYAHOGA  
ACTION; MRO WASHN  
BG

<sup>E</sup>  
1017 SQUOIA AND CUYAHOGA DEPARTED LEEDSTOWN FOR WASHINGTON 0715

ACTION 38  
19

0727 MA 17 SEPT

*White House*

T QUAK Z ROVE V NRDF Q QUAK F7L GR 9

FROM : USCG SEMMES  
ACTION : MRO WASHN  
INFO : COAST GUARD HDQTRS WASHN - COMSPERON

6016 MOVEMENT SEMMES ARRIVED HAVANA AT NINETEEN HUNDRED 2000

2031 FD SEPT 16

38 ACTION

19 RELAYED TO CG

10A 11 12 13 16 19 20A 05

*White House*

R 25

TL

-Z- ROVE V NRDF -Q- F7L -QVAH -GR 18 BT  
FROM : USCG SEMMES  
ACTION : MRO WASHN D.C.  
INFO : COMSPERON - COAST GUARD HDQTRS WASHN

6016 MOVEMENT DEPARTED KEY WEST FOR HABANA AT FOURTEEN HUNDRED  
EXPECTED TIME OF ARRIVAL EIGHTEEN HUNDRED THIRTY <sup>3</sup>14~~00~~

1645 LH 16 SEPT.

RELAYED TO COAST GUARD

38 ACTION

19

*White House*

PRIORITY  
~~CONFIDENTIAL~~

FROM: USS HAMILTON  
 TO : COMSPERON  
 RELAYED TO OPNAV

ØØ18A COMMUNIST PARTY FROM MABAY IS ENTERING THE CITY TODAY IT IS FEARED. THIS WORD WAS RECEIVED FROM THE CONSULAR AGENT WHO BELIEVES THIS WILL CAUSE A DISORDER. RADICALS HAVE APPROACHED HIS SECOND SOLDIER GUARD AND HE THEREFOR HAS REQUESTED THAT I BE READY TO SEND A LANDING FORCE ASHORE TO PROTECT HIS OFFICE. I REFUSED BUT WILL SEND A BOAT ASHORE WITH ORDERS TO LAY OFF THE DOCK, NO ONE TO LAND FROM THE BOAT, AND TO REMOVE ANY AMERICAN CITIZENS WHOSE LIVES ARE ENDANGERED. IN THE CITY THERE ARE APPROXIMATELY 25 AMERICANS, THIS INCLUDES THE FAMILIES. INSTRUCTIONS IN REGARD TO THIS MATTER IS REQUESTED. Ø145  
 TOR IN CODE ROOM Ø41Ø 18 SEPT 1933

## DISTRIBUTION:

38.....ACTION

WHITE HOUSE...

1ØA.....

11.....

12.....

13(2)...

16.....

19.....

2Ø.....

2ØA.....

DALY.....

FILE

~~CONFIDENTIAL~~

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DDI MAR 5200.9 (9/27/88)

Date- 11-4-63

Signature- Carl L. Spicer

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DDI DIR. 5200.9 (9/27/88)

AS 76

FROM; USS TAYLOR

Date- 11-4-68

ROUTINE  
~~CONFIDENTIAL~~

TO; COMSPERON

Signature- *Carl S. Spicer*

RELAYED TO OPNAV.

ØØ17 THE AMERICAN CONSUL FEELS THAT IN CASE OF A GENERAL STRIKE THE LOCAL CONDITION WARRANTS THE EVACUATION OF ALL THOSE AMERICANS AND FOREIGNERS SO REQUESTING TO RENTE. HE ADVISES THIS STEP, UNLESS THERE ARE MORE FAVORABLE CONDITIONS, AND UNLESS OTHERWISE DIRECTED, WILL USE THE TAYLOR TO ASSIST IN REMOVING AMERICANS AND OTHER FOREIGN FAMILIES WHO ARE TAKING REFUGE IN RENTE NOW (THIS NUMBER WILL PROBABLY BE INCREASED BY 25 PEOPLE BY TOMORROW NIGHT, MONDAY) IN CASE OF A GENERAL STRIKE, AND IF POSSIBLE WILL ACCOMPLISH THIS WITHOUT AN INFLAMMATORY ACT OR PROVOCATION. A DISORDERLY CONDITION WOULD RESULT FROM A GENERAL STRIKE JUST AT THIS TIME WHICH WOULD ENDANGER THE LIVES OF AMERICAN AND FOREIGN CITIZENS. IT IS THE DESIRE OF THE CONSUL THAT THE EMBASSY BE FURNISHED WITH A COPY OF THIS DESPATCH 2235 TOR IN CODE ROOM Ø24Ø 18 SEPT 1933

DISTRIBUTION

38 ACTION

1ØA.....

19.....

11.....

2Ø.....

WHITEHOUSE

12.....

2ØA.....

13(2)...

DALY....

16.....

FILE.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

PRIORITY

PSE  
L.F.  
Mury

*File*

YHS YHS  
FROM : USS TAYLOR.  
TO : COMSPERON.  
INFO : OPNAV.

ØØ2Ø EXCEPT FOR ABOUT THREE LOCAL STRIKES OF VERY MINOR IMPORTANCE AND THAT GENERAL CONDITION OF UNREST WHICH IS PREVAILING THROUGHOUT CUBA, MANZANILLO IS DECIDEDLY QUIET. 1525 RECEIVED IN THE CODE ROOM AT 1645, 2Ø SEPTEMBER, 1933.

DISTRIBUTION :

- 38.....ACTION. PHONED TO COMDR. ROCKWELL AT 1745.
- 1ØA.....
- 11.....
- 12.....
- 13(2).....
- 16.....
- 19.....
- 2Ø.....
- 2ØA.....
- DALY.....
- WHITE HOUSE....VIA MESSENGER.
- FILE.

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DOD DIR. 5200.9 (9/27/58)

Date- 11-4-63  
Signature- *Carl L. Spicer*

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DOD DIR. 5200.9 (9/27/58)

Date- 11-4-63  
Signature- *Carl L. Spicer*

~~CONFIDENTIAL~~

NAR27  
XG

PSF

ROUTINE  
SERVICE CIPHER

C.F.

*Navy*

FROM: USS HAMILTON

TO : COMSPERON

INFO: COMDESRON 10- OPNAV- USS TWIGGS

0022 NO DISORDER AS YET AT CENTRAL FEW RURALES PRESENT TO MAINTAIN  
ORDER NO OPEN COMMUNISTIC ~~DEMONSTRATIONS~~ DEMONSTRATIONS HAVE OCCURED  
ALTHOUGH ACTING MANAGER BELIEVES SOME REDS PRESENT. TROUBLE APPEARS  
ENTIRELY NON POLITICAL . RESULT OF ATTEMPT MEET STRIKERS DEMANDS  
WILL BE KNOWN TOMORROW SATURDAY. DOCTOR BOROTO REPRESENTATIVE OF CUBAN  
GOVERNMENT IS IN CAYO NAMBUTO QUIET SITUATION AND MAINTAIN ORDER.  
LATTER PLACE QUIET. ESCAPE FROM CENTRAL WOULD BE DIFFICULT ACCOUNT ~~HW~~  
ONLY ONE ROAD TO PORT 1130

TOR IN CODE ROOM 1540 22 SEPT 1933

DISTRIBUTION:

38..ACTION 10A 11 12 13(2) 16 19 20 20A 05 FILE WHITE HOUSE  
RELAY TO CUYUHOGA

10 F7L

ROUTINE  
SERVICE CIPHER

FROM : USS HAMILTON  
TO : COMSPERON  
INFO : OPNAV; COMDESRON 10; USS TWIGGS

0022 STRIKERS CONTROL SITUATION AT TANAMO CENTRAL BRITISH AND AMERICAN  
MEN AND FAMILIES NOT ALLOWED LEAVE HOMES FOOD LIMITED NO GREAT HARDSHIPS  
AT PRESENT. MISTER LANIGAN BRITISH CITIZEN ACTING MANAGER CAME TO  
CAYO MAMBI FOR CONFERENCE. FOREIGNERS NOT IN IMMEDIATE DANGER.  
MANAGER IN HAVANA CONFERING REPRESENTATIVE THERE REGARDING POSSIBILITY  
MEETING STRIKERS DEMANDS WHICH IF MET WILL SOLVE TROUBLE IF NOT MET  
THEN LIGHT AND WATER MAY BE CUT OFF FROM HOMES AND AMERICANS FOREIGNERS  
IN DANGER. MORE TO FOLLOW 1125

TOR 1431 22 SEPTEMBER, 1933.

DISTRIBUTION

38:..ACTION 10A 11 12 13(2) 16 19 20 20A

05 FILE WHITE HOUSE

XXXXXXXXXXXXXXXXXXXX

[9/24/53]

26 F7L

ROUTINE  
SERVICE CIPHER

FROM: USS J FRED TALBOTT  
TO : COMSPERON  
INFO: OPNAV

0024 SERGEANT PEREZ PALACIOS AND FOUR SOLDIERS HAVE ESTABLISHED  
GUARD AT YACHT CLUB LANDING WITH RESULT THAT OUR MARINE GUARD  
HAS BEEN WITHDRAWN. SERGEANT PALACIOS ASSUMES RESPONSIBILITY  
FOR SAFETY OF AMERICANS LOCATED AT LANDING 1730  
TOR IN CODE ROOM 1940 24 SEPTEMBER 1953.

DISTRIBUTION:

88000000ACTION

10A 11 12 13(2) 16 19 20 20A 05 FILE WHITE HOUSE STATE

John D. Roosevelt Library

5200.2 (9/27/58)

Date- 11-4-63

Signature- Carl L. Spicer

PSF  
C.F.  
Navy

27 F7L

ROUTINE

FROM: USS J FRED TALBOTT

SERVICE CIPHER

TO : COMSPERON

INFO: OPNAV

0024 YOUR 1210. MOB VIOLENCES OF VARIED INTENSITY OCCURRING  
DAILY. ANTIAMERICAN FEELING INCREASING WITH LIGHT AND COMMUNICATION  
SERVICES DISCONTINUED AND CONTROLLED BY STRIKERS. FOUR HUNDRED  
STEVEDORE STRIKERS MANY OF WHOM ARE ARMED NOW LIVING AT CAYO JUAN  
CLARO ONE HUNDRED YARDS FROM YACHT CLUB. CONSIDER IT NECESSARY THAT  
PRESENT GUARD OF TWO MARINES REMAIN AT YACHT CLUB TO EXPEDITE  
AND PROTECT EVACUATION OF AMERICANS SHOULD POSITIVE NECESSITY  
ARRISE 1400

TOR IN CODE ROOM 1945 24 SEPTEMBER 1933.

DISTRIBUTION:

38.....ACTION

10A 11 12 13(2) 16 19 20 20A 05 FILE WHITE HOUSE STATE

9/24/33

Franklin D. Roosevelt Library

DECLASSIFIED

DDO DIR. 5200.9 (9/27/58)

OM : USS J FRED TALBOTT  
TO : COMSPERON  
INFO : OPNAV

Date- 11-4-63

Signature- *Carl S. Spier*

~~CONFIDENTIAL~~

0023 AN ULTIMATUM REQUIRING AN ANSWER IN 48 HOURS WAS DELIVERED TO THE GENERAL MANAGER OF THE CUBAN-AMERICAN SUGAR COMPANY BY EMPLOYEES. THE COMPANY COULD NOT MEET THE DEMANDS AND A GENERAL STRIKE WAS CALLED AT 1200 SATURDAY 23 SEPTEMBER, RESULTING IN SUSPENSION OF ALL LIGHT, POWER AND WATER.

HAVE EVACUATED ALL AMERICANS TO CAYO JUAN CLARO AND ESTABLISHED GUARD. FROM AN INTERVIEW WITH A LIEUTENANT OF MILITARY IT WAS STATED ALL AMERICAN PROPERTY WOULD BE PROTECTED. CONSIDER IT DESIRABLE AND NECESSARY FOR A NAVAL VESSEL TO REMAIN AT PUERTO PADRE AND BELIEVE IF NECESSARY, WITH THE FORCE UNDER MY COMMAND STRATEGIC POSITIONS CAN BE OCCUPIED.

IT WAS LEARNED THRU A BRITISH STEAMER THAT HMS DANÆ WAS 50 MILES OFFSHORE STANDING BY IN CASE RENDERING AID TO BRITISH SUBJECTS WAS NECESSARY.

THE ONLY ELECTRIC POWER PLANT AT DELCIAS FURNISHING POWER TO PUETO PADRE, DELICIAS CHAPARRA AND OUTLYING DISTRICTS IS THAT OWNED BY THE CUBAN-AMERICAN SUGAR COMPANY 2250

RECEIVED IN CODE ROOM 0430 24 SEPT

~~CONFIDENTIAL~~

DISTRIBUTION:

38.....ACTION 10A 11 12 13(2) 16 19 20  
20A DALY FILE WHITE HOUSE STATE

FROM : COMSPERON  
TO : J FRED TALBOTT  
INFO : OPNAV

~~CONFIDENTIAL~~

0024 DO NOT UNDERSTAND YOUR DESPATCH 2250 OF YESTERDAY. DO NOT  
SEND MEN ASHORE FROM TALBOTT EXCEPT FOR PROTECTION OF AMERICANS  
WHOSE LIVES ARE ACTUALLY IN DANGER. ADVISE AS TO WHERE A GUARD  
HAS BEEN ESTABLISHED AND BY WHOM 0050

*Received in Code room  
0415 24 Sept 1933*

DISTRIBUTION:

38.....ACTION

10A

11

12

13(2)

16

19

20

20A

WHITE HOUSE

STATE

DALY

FILE

~~CONFIDENTIAL~~

Franklin D. Roosevelt Library  
DECLASSIFIED  
DOD DIR. 5200.2 (5/27/58)

Date- 11-4-63

Signature- *Carl L. Spicer*

FROM : USS J FRED TALBOTT  
TO : COMSPERON  
INFO : OPNAV

~~CONFIDENTIAL~~

0024 WITH THE EXCEPTION OF ONE AMERICAN AT PUERTO PADRE WHO COULD NOT BE LOCATED, ALL AMERICANS IN THIS VICINITY ARE NOW AT THE YACHT CLUB AT CAYO JUAN CLARO, OWNED BY THE CUBAN-AMERICAN SUGAR COMPANY. AMERICANS ASKED TO STAY THERE FOR PROTECTION. TALBOTT HAS ESTABLISHED A GUARD OF MARINES AT THE YACHT CLUB LANDING. IT IS BELIEVED THAT THE SERIOUSNESS OF THE SITUATION WARRANTS THE PRECAUTIONS WHICH HAVE BEEN TAKEN. 0210

RECEIVED IN CODE ROOM 0400 24 SEPT

DISTRIBUTION:

38.....ACTION 10A 11 12 13(2) 16 19 20  
20A DALY FILE WHITE HOUSE STATE

~~CONFIDENTIAL~~

John F. Roosevelt Library

UNCLASSIFIED

DDI BR. 5200.9 (9/27/88)

Date- 11-4-63

Signature- Carl L. Spicer

ROUTINE

SERVICE CIPHER

12 E7L

FROM: COMSPERON

TO : USS J FRED TALBOTT

**INFO : OPNAV**

0024 WITHDRAW GUARD FROM YACHT CLUB LANDING AS SOON AS SITUATION

WARRANTS 0935

TOR IN CODE ROOM 1030 24 SEPTEMBER 1933

DISTRIBUTION:

38.....ACTION

10A 11 13(2) 16 19 20 20A 05 FILE WHITE HOUSE STATE DEPARTMENT

PSF CFN204

F7L 19

ROUTINE

FROM: COMSPERON

SERVICE CIPHER

TO : USS J FRED TALBOTT

INFO: OPNAB.

0024 MY 0024 0935 REPORT AT ONCE WHEN GUARD HAS RETURNED TO SHIP.  
UNLESS AMERICAN LIVES ARE IN IMMINENT DANGER FROM MOB OR OTHER  
IMMEDIATE VIOLENCE YOUR INSTRUCTIONS CLEARLY PRECLUDE ANY LANDING  
OPERATIONS. NOTHING IN YOUR REPORTS THUS FAR INDICATES SUCH A  
CONTINGENCY. HAS ANY MOB DEMONSTRATION OCCURRED. SUBMIT EXPLICIT  
REASONS FOR NECESSITY OF RETAINING GUARD ASHORE OR WITHDRAW IT 1210  
TOR IN CODE ROOM 1310 24 SEPTEMBER 1933

DISTRIBUTION:

38.....ACTION

10A 11 12 13(2) 16 19 20 20A 05 FILE WHITE HOUSE STATE DEPART

FONED: 1420

COMDRPICKHARDT CAPT TOWNSEND ADMIRAL STANDLEY COL. ROOSEVELT  
MR WILSON

*Aib*

*PSF*

**C.F.**

*Navy*

XW&M YM

ROUTINE

FROM : COMSPERON  
 TO : USS J F TALBOTT; USS DUPONT  
 INFO : OPNAV; COMDESRON 10; USS MISSISSIPPI;  
 USCG GRESHAM; USCG YAMACRAW

~~CONFIDENTIAL~~

0025 AT 0700 TUESDAY 26 SEPTEMBER USS DUPONT WILL ARRIVE AT LAT 24-30  
 LONG 82-47 AND AFTER TAKING ON BOARD 8 CIVILIAN EMPLOYEES FROM USS  
 MISSISSIPPI WILL TRANSPORT THEM TO KEY WEST WHERE THEY WILL BE GIVEN  
 COMMERCIAL TRANSPORTATION NORTH. DUPONT WILL THEN RELIEVE USS J F TALBOTT  
 AT PUERTO PADRE. TALBOTT WILL TRANSFER DOCTOR TO DUPONT FOR TEMPORARY  
 DUTY AND THEN GO TO KEY WEST 1052

RECEIVED IN CODE ROOM 1140 25 SEPTEMBER 1933

DISTRIBUTION

- |               |                           |
|---------------|---------------------------|
| 38.....ACTION | 19.....                   |
| 10A.....      | 20.....                   |
| 11.....       | 20A.....                  |
| 12.....       | DALY.....                 |
| 13(2).....    | FILE.                     |
| 16.....       | WHITE HOUSE VIA MESSENGER |

COAST GUARD TELETYPE IN CODE

Franklin D. Roosevelt Library

DECLASSIFIED

DD DIR. 5200.9 (9/27/58)

Date- 2/6/59

Signature- Carl L. Spicer

~~CONFIDENTIAL~~

PSF CF  
Navy

File

XW YW

ROUTINE

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

FROM : COMSPERON  
TO : USS OVERTON - USCG HERNDON  
INFO : OPNAV - USS MISSISSIPPI - USCG GRESHAM -  
USCG YAMACRAW - COMDESRON

0025 IT IS DIRECTED THAT THE USS OVERTON PROCEED ON 27 SEPTEMBER,  
WITH SUCH STORES AND MAIL AS MAY BE IN KEY WEST FOR THE USS  
MISSISSIPPI, TO LAT. 24 30, LONG. 82 47 AND CONTACT THAT VESSEL  
AND THEN RELIEVE THE USCG HERNDON IN HAVANA, HERNDON TO KEY WEST  
UPON BEING RELIEVED BY OVERTON 1050

RECEIVED IN CODE ROOM  
1150 25 SEPTEMBER, 1953.

DISTRIBUTION

- |               |                              |
|---------------|------------------------------|
| 38.....ACTION | 19.....                      |
| 10A.....      | 20.....                      |
| 11.....       | 20A.....                     |
| 12.....       | DALY.....                    |
| 13(2).....    | FILE.....                    |
| 16.....       | WHITE HOUSE BY MESSENGER     |
|               | COAST GUARD TELETYPE IN CODE |

~~CONFIDENTIAL~~

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

Date- 2/6/59

Signature- Carl L. Spicer

PSF  
**C.F.**  
*Navy*

XR YR

ROUTINE

~~CONFIDENTIAL~~

FROM: COMSPERON.

TO : USS TAYLOR, TWIGGS, BERNADOU, COLE, FAIRFAX, DUPONT, REUBEN  
JAMES -

USCG WELBORN C WOOD, WILKES.

INFO: COMDESRON TEN - OPNAV - USS MISSISSIPPI.

0029 THERE IS MUCH EXCITEMENT IN HAVANA. HOWEVER, CUBAN TROOPS HAVE CONTROL OF THE DISORDERS AND OF THE SITUATION IN GENERAL. THIS SPECIFIC INFORMATION IS SENT TO YOU SO THAT ANY EXAGGERATED RUMORS MAY BE QUICKER QUIETED. DISORDERS AND DEMONSTRATIONS MAY BE HELD IN DIFFERENT PLACES IN SYMPATHY WITH THE COMMUNIST SHOOTING THIS AFTERNOON IN HAVANA 1720

RECEIVED IN CODE ROOM 2210 29 SEPTEMBER 1933.

DISTRIBUTION:

- 38.....ACTION
- 10A.....
- 11.....
- 12.....
- 13(2).....
- 16.....
- 19.....
- 20.....

- 20A.....
- DALY.....
- FILE.
- WHITE HOUSE.

~~CONFIDENTIAL~~

Mr. F. Roosevelt Library  
DECLASSIFIED  
DDO DIR. 5200.9 (9/27/58)

Date- 11-4-63

Signature- *Carl S. Spica*

2300 PHONED: ADMIRAL STANDLEY, CAPT TOWNSEND, COMDR KIRK, AND MR WILSON

PSF

C.F.  
Navy

~~CONFIDENTIAL~~  
ROUTINE

XG YG

FROM: COMSPERON

TO : WAINWRIGHT(CG)- WILKES(CG)

INFO: OPNAV- COMDESSQDN- YAMACRAW(CG)

0030 UPON BEING RELIEVED BY WAINWRIGHT THE MORNING OF THE SECOND  
OF OCTOBER WILKES WILL PROCEED TO KEY WEST. WAINWRIGHT PROCEED TO  
~~XXXX~~ MATANZAS AND RELIEVE AT TIME SPECIFIED 0940

TOR IN CODE ROOM 1050 30 SEPT 1933

DISTRIBUTION:

38...ACTION

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20A.....

11.....

DALY

12.....

WHITE HOUSE

13(2)...

FILE

16.....

19.....

~~CONFIDENTIAL~~

Franklin D. Roosevelt Library

DECLASSIFIED

DOD DIR. 5200.9 (9/27/58)

Date- 2/6/59

Signature- Carl L. Spicer

PSF  
C.F.  
Navy

XR YR  
FROM: COMSPERON  
TO : OPNAV.

ROUTINE

~~CONFIDENTIAL~~

1433

ØØ12 THE DISPOSITION OF FORCES UNDER MY COMMAND IS BEING MODIFIED AS FOLLOWS: SHIPS ARE BEING WITHDRAWN FROM PUERTO PADRE TO NIPE BAY; ALSO VESSELS AT MANZANILLO, MATANZAS, AND CIENFUGOS ARE BEING WITHDRAWN AND RETURNED TO THEIR RESPECTIVE BXSE BASES. THESE CHANGES ARE BEING MADE ON THE ADVICE AND AT THE INITIATIVE OF AMBASSADOR WELLES, WHO STATES THAT THE WITHDRAWAL WILL SHOW A SMALL CHANGE IN POLICY AND AT THE SAME TIME AFFORD AN OPPORTUNITY FOR THE STABILITY OF CONDITIONS TO BE TESTED IN THE PORTS ABANDONED. ORDERS FORBIDDING DISCUSSION AND THE RELAYING OF INFORMATION CONCERNING THESE MODIFIED DISPOSITIONS HAVE BEEN ISSUED TO ~~THE~~ THE PERSONNEL OF THIS FORCE 15ØØ

DISTRIBUTION: RECEIVED IN CODE ROOM 155Ø 12 OCTOBER 1933.

38.....ACTION

1ØA.....

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13(2).....

16.....

19.....2Ø

2Ø.....

2ØA.....

DALY.....

FILE.

WHITE HOUSE.

Franklin D. Roosevelt Library

DECLASSIFIED

DOD DIR. 5200.9 (9/27/88)

Date- 11-4-63

Signature- Carl L. Spier

~~CONFIDENTIAL~~

Rec'd  
10/6/6:15 PM

PSF  
C.F.  
NAVY  
Read to  
Mr. early 6/6/62

~~RESTRICTED~~  
~~NADM NR 4~~

# NAVAL MESSAGE

RECEIVED AT NAVY DEPARTMENT

FROM ; USS KANE  
TO ; USS OKLAHOMA

PASSED BY USS OKLAHOMA TO OPNAV FOR APPROPRIATE ACTION.

U.S. GOVERNMENT PRINTING OFFICE 4-7142a

0030  
*(Kane)* SIXTEEN TEN UNIDENTIFIED TRIMOTORED LOW WINGED MONOPLANE FLEW OVER SHIP DROPPING TWO BOMBS WHICH EXPLODED CLOSE ABOARD STARBOARD QUARTER PERIOD KANE IMMEDIATELY TOOK UP HIGH SPEED CHANGED COURSE WENT TO GENERAL QUARTERS AT ONE SIX TWO FIVE SAME PLANE FLEW OVER AND DROPPED A THIRD BOMB ON STARBOARD BOW AT ONE SIX TWO SIX ANTI AIRCRAFT GUN OPENED FIRE ON PLANE FIRED TWO ROUNDS ONE SIX THREE TWO PLANE AGAIN FLEW NEAR SHIP DROPPED THREE BOMBS ONE HUNDRED YARDS ON STARBOARD BEAM ANTI AIRCRAFT GUN FIRED ON PLANE DURING APPROACH AND RETREAT AMMUNITION EXPENDED NINE ROUNDS 1840

TOR IN CODE ROOM Franklin D. Roosevelt Library

DECLASSIFIED

ON  
ACTION (PHONED ADM PYE 1545 "DO NOT INFORM ANYONE") 5200.9 (9/27/58)  
11 16 19 20 38

Date- 2/6/59

Signature- Carl L. Spicer

x18  
x422-6

*Rec'd  
with 6:15p*

*Read to  
Mr. Early 6:16p*

# NAVAL MESSAGE

~~RESTRICTED~~  
NADN NR 25

RECEIVED AT NAVY DEPARTMENT ~~RESTRICTED~~  
FROM ; USS KANE  
TO ; USS OKLAHOMA

PASSED BY USS OKLAHOMA TO OPNAV FOR APPROPRIATE ACTION

~~UNIDENTIFIED PLANE MADE NO ATTEMPT TO ASCERTAIN NATIONALITY OF~~  
THIS SHIP PERIOD AN AMERICAN ENSIGN WAS DISPLAYED HORIZONTAL ON TOP OF  
WELL DECK AWNING IN ADDITION TO ENSIGN AT FORE TRUCK THERE WERE SEVERAL  
MERCHANT VESSELS PASSED DURING THE EXCHANGE WITH PLANE NONE OF WHICH  
WERE CLOSE ENOUGH TO BE IDENTIFIED BY NAME 1857

13.....ACTION (PHONED ADM PYE 1545 "DO NOT INFORM ANYONE)

05 10A 11 16 19 20 38 FILE.

TOR IN CODE ROOM 1530 30 AUGUST 1936

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

Date- 2/6/59

Signature- *Carl L. Spicer*

*Rec'd  
10/14 6:15 pm*

*Read to  
Mr. Early 6:16 pm*

# NAVAL MESSAGE

~~RESTRICTED~~

RECEIVED AT NAVY DEPARTMENT ~~RESTRICTED~~

~~NADN NR 27~~

FROM ; USS OKLAHOMA  
ACTION ; OPNAV  
INFO ; COMDESDIV-7 USS QUINCY CG CAYUGA USS KANE

PRIORITY

U. S. GOVERNMENT PRINTING OFFICE 4-7142a

ØØ3Ø CAN SEE NO REASON WHY KANE WAS BOMBED AS SHE DOES NOT RESEMBLE ANY SPANISH SHIP WE HAVE SEEN SINCE OUR ARRIVAL THESE WATERS PROTEST SHOULD BE MADE TO BOTH GOVERNMENT AND MILITARY HEADQUARTERS AS PLANE UNIDENTIFIED OKLAHOMA CAN CONTACT REBEL AUTHORITIES THROUGH CONSUL BAY AT SEVILLE IF DESIRED BUT ALL MESSAGES FOR AMERICAN EMBASSY MADRID WILL HAVE TO BE RELAYED THROUGH BRITISH UNTIL ARRIVAL QUNICY BARCELONA ABOUT TWO SEPTEMBER 211Ø

TER IN CODE ROOM 162Ø 3Ø AUGUST 1936

13.....action(phoned adm pye 1635 "do not inform anyone")

Ø5 1ØA 11 16 19 2Ø 38 FILE

Franklin D. Roosevelt Library

DECLASSIFIED

DOD DIR. 5200.9 (9/27/58)

Date- 2/6/59

Signature- *Carl L. Spicer*

C O P Y  
**NAVAL MESSAGE**  
 (NAVY DEPARTMENT)

*Read to Mr. Early 6/16 pm*

From <u>SENAV</u> Released by <u>FRANK PYE (FONE)</u> Date <u>30 AUG 1936</u> If restricted, indicate below:  If SECRET or CONFIDENTIAL, use special blank.	ACTION    INFORMATION	To <b>ADMIRAL STANDLEY</b>  <b>ON BOARD SPECIAL TRAIN CARRYING REMAINS OF LATE SECRETARY OF WAR DERN</b> To <del>AMES IOWA</del> Boone, Iowa <i>By direct wire</i> <i>(By direction of Mr. Early)</i>	ACKNOWLEDGE PRIORITY ROUTINE ACKNOWLEDGE <i>Wife</i> PRIORITY ROUTINE
--	-----------------------------------	---	--

(DO NOT WRITE IN THIS SPACE)

4-7702

Franklin D. Roosevelt Library

~~CONFIDENTIAL~~

**DECLASSIFIED**  
**DOD DIR. 5200.9 (9/27/59)**

UNLESS DESIGNATED OTHERWISE TRANSMIT THIS DISPATCH AS NITE.

TEXT

Date- *2/6/59*

Signature- *Carl L. Spicer*

**KANE REPORTS HAVING BEEN ATTACKED BY UNIDENTIFIED PLANE ALTHOUGH AT TIME OF ATTACK UNITED STATES COLORS DISPLAYED AT FORWARD MAST HEAD AND HORIZONTALLY ON WELLS DECK AWNING PERIOD PLANE MADE THREE BOMBING ATTACKS DROPPING SIX BOMBS SEVERAL STRIKING WITHIN ONE HUNDRED YARDS PERIOD AFTER BOMBS WERE DROPPED IN SECOND ATTACK AND DURING THIRD ATTACK KANE FIRED ON PLANE WITH ANTI-AIRCRAFT GUN PERIOD KANE HAS BEEN DIRECTED TO REPORT HER EXACT POSITION AT TIME OF ATTACK PERIOD WHITEHOUSE AND STATE DEPARTMENT HAVE BEEN INFORMED AND REQUESTED TO MAKE STRONG PROTEST WITH BOTH THE SPANISH GOVERNMENT AND THE REBEL MILITARY AUTHORITIES**

PYE

(NOTE: Unable to send the above to Ames, Iowa due to absence of telegraph operator.

Sent to Dispatcher C&NW RR at Boone, Iowa, at 8:20 P.M., who carried the message in sealed envelope and delivered to the Pullman Conductor on Funeral train.)

(Deliver to Communication Office. Will be returned to File Room after message has been transmitted.)

(C) The White House  
 Tel. & Tel. Ofc.

THE WHITE HOUSE  
WASHINGTON

October 20, 1936.

*C.F. Navy*

MEMORANDUM FOR

THE ATTORNEY GENERAL *x 10*

Will you be good enough to look into this whole problem personally? It is a difficult question. Will you let me have your recommendation?

F. D. R.

*x 20*  
Let. from CORDELL HULL, 10/19/36 - copy retained, transmitting memo. containing his opinion on controversy bet. State-War & Navy in respect to restrictions on exportation of arms under Espionage Act. - copy retained.

Also let. from CLAUDE SWANSON, 10/7/36, with his 11-page memo, 10/7/36. *x 18*

October 19 1936

My dear Mr. President:

In compliance with the request contained in your memorandum of October 8, I transmit herewith a memorandum which expresses my carefully considered opinion in regard to the controversy which has arisen between the Department of State and the War Department on the one hand and the Navy Department on the other hand, in respect to restrictions on the exportation of arms under the provisions of the Espionage Act. This controversy which involves important questions, both of law and of policy, has been the subject of discussion among the three Departments for over a year. As I explained in my letter of September 16, it has now been brought to a head by the application of the Douglas Aircraft Corporation for a license to export the model DF commercial flying boats which it manufactures.

AS

The President

The White House.

As the differences of opinion are causing serious difficulty in the administration of the law governing the issuance of licenses for the exportation of arms, and as it seems likely that adherence to the point of view of the Navy Department may involve the Department of State in embarrassing litigation based upon an allegation that I am exceeding my legal authority, I should greatly appreciate it if you would inform me of your decision on the points at issue.

Should you doubt how the legal question that is presented should be decided, you may think best to refer it to the Attorney General for his opinion, in which event it would seem desirable to point out that the matter is urgent and that a decision should be reached at the earliest possible moment.

I return herewith the Secretary of the Navy's letter and memorandum of October 7 in regard to this matter.

Faithfully yours,

Enclosures:  
Memorandum  
Secretary of the Navy's  
letter and memorandum of  
October 7, 1936.

October 8, 1956

~~CONFIDENTIAL~~

MEMORANDUM FOR THE SECRETARY OF STATE:

Will you please read this and let me  
have your opinion.

F. D. R.

ad

Letter, memorandum & contents Receipt No. 53 from  
Secretary of the Navy - 10/7/56.

In re: Application of the Douglas Aircraft Co. for a license  
to export 1 of its DF flying boats to a foreign country.  
In Sec.'s letter he states the Navy Dept. believes that the  
release of this Douglas DF flying boat for export at this  
time would violate the provisions of the Espionage Act.

REGRADED  
UNCLASSIFIED



4

*C. F. Navy*

7/15/36

In reply refer to Initials and No.

NAVY DEPARTMENT  
OFFICE OF CHIEF OF NAVAL OPERATIONS  
WASHINGTON

24 September 1936

My dear McIntyre:

At my conference at the White House the other day the President referred to a controversy which we have been having with the Douglas Aircraft Company concerning the sale of planes to foreign countries and asked me to look into the matter and inform him on the subject;

There is enclosed a copy of a proposed letter from the Secretary of the Navy to the Secretary of State dealing with the sale by the Douglas Aircraft Company of two commercial flying boats each to Russia and Japan. The granting of the export license by the State Department has been held up at the request of the Navy Department and as a result, the Douglas Aircraft Company has protested to the President who in turn, as stated above, has asked the Navy Department for information on the case.

The main point at issue is not to what degree the commercial boat is based on an Army or Navy design but on the question as to whether or not we should sell to a potential enemy our latest development of flying boats, in which our country leads the world by a considerable margin.

x18-R  
x20  
x18  
x249  
x1661

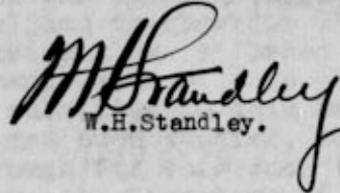
This boat is superior in range and speed to any now available to Japan. It is comparable in performance to our latest patrol boats, 110 of which are now on order and the last of which will not be delivered for 18 months. The plane in question can readily be converted into a patrol plane and produced in Japan in quantity by about the time our deliveries are completed.

To prevent the exportation of these boats and similar ones will work a financial hardship on the Douglas Aircraft Company and on the aircraft industry as a whole, which must be weighed against national defense considerations. The Navy Department, as indicated in the tentative letter, takes the view that the release of this Douglas DF flying boat for export would be prejudicial to the national defense and thus contrary to section two of the Espionage Act of June 15, 1917, a copy of which is also attached hereto. Holding this view the Navy Department cannot do otherwise than recommend against the general release of this plane. In this particular case the Douglas Company undertook to make the contracts in question and built the boats without in any way referring or mentioning the fact to the Navy Department. This action is so at variance with the action of the aircraft industry as a whole in similar cases that my sympathy for them is somewhat tempered.

At the same time, as can be seen in detail in the enclosed letter, it is regrettable that our present policy of universal release, whereby any

airplane or engine released for sale to one foreign country is thereby automatically released for sale to any other country, can apparently not readily be modified. Specific release, which would check quite suitably the distribution of newer types to undesirable destinations, would at the same time be a great boon to our aircraft industry since the industry would then be in tremendously better position to compete in practically all foreign countries.

In the last analysis it would seem that the Executive must decide whether or not the provisions of the Espionage Act are to be enforced and if so, upon whom this responsibility devolves.

  
W.H. Standley.

Mr. Marvin H. McIntyre,  
Secretary to the President,  
The White House.

NS/GB  
Aer-PL-1-NS/GB  
L11-4(2)  
QM(94)

Sir: It is difficult to state with authority to what extent each of these three big boat developments is related to the other, but this

In his letter of 17 August 1936, the Secretary of the Navy informed the Secretary of State that the Navy Department considered that large commercial flying boats of the latest design in general and developments of current Navy patrol plane types in particular are material involving the national defense, in view of which it was requested that no export license be issued for the Douglas DF flying boat without reference to this Department for further determination of its relation to national defense. In letters of 4 and 12 September, the Secretary of the Navy reiterated the opinion expressed in the Department's letter of 17 August and declined to consider the release of this plane for export until this Department was afforded an opportunity to examine the design and performance data on this plane. The complete data desired have not yet been submitted to this Department although some information on this plane has been studied, but in view of the urgency now given this matter through its reference to the President by the Douglas Aircraft Company, the Secretary of the Navy feels obliged to set forth in more detail at this time the position of the Navy Department in this matter.

The modern big boat construction in which Douglas has engaged has consisted of the Navy XP3D and XP3D-2 patrol plane, the Army OA5 amphibian, in general similar to the Navy XP3D except for addition of the amphibian gear, and the DF flying boat. This Department contracted with the Douglas Company for the design studies and other pertinent data on the XP3D as of May 20, 1933, and exercised its option under that contract for the construction of the XP3D on February 16, 1934. The development of the Army OA5 amphibian was contemporaneous with the development of the XP3D. It is understood from statements of the Douglas Company that the design of the DF flying boat was undertaken two years ago or, presumably, in the Fall of 1934. To what extent this original DF flying boat design resembles the present DF flying boat is not known by this Department. As regards the Douglas Dolphin amphibian developed solely by Douglas about 1931, these present big boat developments can be termed developments of the Dolphin only in so far as large flying boats of 28,000 lbs. gross weight can be compared to the small Dolphin type of 9,000 to 10,000 lbs. gross weight, the similarity being in general only in the relative arrangement of the hull, wing and engines. The DF flying boat and XP3D-2, which is the final modification of the original XP3D, are, however, quite similar in appearance and are of approximately equal performance in so far as the performance of the DF boat can be calculated from available data. Many details of the two designs are identical, the wing area and wing and engine mount design being substantially identical so far as can be determined. The hull and, of course, the interior arrangement of the DF differ from the XP3D-2. It may be pertinent to note that the two

designs are sufficiently similar so that it is understood that data on the XP3D patrol plane were accepted by the Department of Commerce for the issuance of an air-worthiness certificate for the DF flying boat.

It is difficult to state with authority to what extent each of these three big boat developments contributed to the other, but this Department is of the opinion that the DF flying boat would not have been available at this time in its present form and as the advance development which it represents had not the O45 and XP3D developments been undertaken at a total cost of some \$500,000 to the Government.

Although it is clear that the Navy Department can justly consider that the development of the XP3D has contributed directly to the DF flying boat development, the Navy Department's interest in the DF flying boat lies not so much in the details of the design as in the complete design which represents the result of the best design and manufacturing practice and experience of both the Government and the Douglas Aircraft Company and gives a performance superior to the best big boat performance elsewhere in the world today. The Navy Department considers it desirable, therefore, to consider this question, not from the standpoint of military secrets, but from the standpoint of its relation to the national defense.

Although the DF flying boat is not in itself a military airplane, its long range, large useful load and high speed in themselves render it of definite military value and the change of this design to a full fledged patrol plane is one primarily of incorporation of armament installations which is a minor design problem in this plane. This plane as a patrol plane would be of equal or superior performance to our latest patrol plane now being delivered, the PBX-1, on which deliveries will not be completed for at least 18 months. The sale of the Douglas plane abroad at this time, therefore, would permit the production abroad of patrol planes of our own design within two years which would be of equal or superior performance to our latest patrol planes at that time.

The release of the Douglas DF flying boat would also lead, as a matter of equity, to the release of the commercial version of the PBX-1 airplane, built by the Consolidated Aircraft Corporation, which has already been requested and which the War and Navy Departments have recommended against as prejudicial to the national defense. This plane could be made definitely superior to the PBX-1 through the incorporation of later developments and results of its release for foreign sale at this time would be even more prejudicial to national defense than release of the Douglas plane.

While the same situation exists in regard to the duplication of other military aircraft designs abroad, the Navy Department considers that our big boat or patrol plane situation is unique in this respect because of the very definite leadership which we now hold in this field of aircraft construction. It is conceded that it may be expected that our patrol plane designs will become sufficiently well known

PL-1-NS/GB  
4(2)  
QM(94)

use to permit their duplication to a degree whether or not they are released for sale abroad, but it is inconceivable that we would assist so materially in permitting this leadership, which is so vital a military as well as a commercial asset to this country, to be reduced at a definitely earlier date through deliberately furnishing these aircraft to serve as prototypes for competing developments.

The Secretary of the Navy must, in his responsibility for the national defense, consider this question as it pertains to our more probable enemies. There are unquestionably countries, however, to whom these planes could be exported where their presence would not be detrimental to our national defense and where they would not serve as prototypes for competing aircraft designs. These countries represent a very sizeable market and the availability of this market to our aircraft industry without the degree of restriction now found necessary would result in very real benefit to the industry, while the denial of this market to the industry by our present export policy results in their definite loss. Under our present policy of universal release, the Navy Department must in every case consider the effect of the export of that article to our most probable enemy in order to determine the proper relation which its export would have on our national defense. Until some way of modifying our present universal release policy can be effected, such restrictions on our aircraft export trade cannot be avoided if questions of national defense are given their proper consideration. In this connection, the Secretary of the Navy would be glad to know if other countries are bound by the same restrictions as to universality of release rather than specific release in view of what would seem to be the very vital bearing of our own universal release policy on the choice between justice to our aircraft manufacturers and the requirements of national defense.

It is desired to emphasize at this point that the Navy Department has always recognized the benefit which the aeronautical industry derives from its export business and has invariably endeavored to follow a policy which would permit of the greatest freedom of export compatible with considerations of national defense. This question will be found to have predominated in considerations governing this Department's export policy since the earliest active contact of this Department with these matters in 1926. This interest is not merely a desire of the Navy Department, but is a very real responsibility because of the effect which the condition of our aircraft industry has on our national defense. This Department fully realizes the effect which the export trade may have on increased production facilities, reduced production costs and the general health of the industry, and recognizes fully their importance to national defense. This is only one side of the question, however, as the Department's responsibility for national defense must also take due note of the effect which the export of our aircraft equipment will have in building up the war machine of our potential enemies and the effect of this upon the relative effectiveness of our national defense. Either side of this question presents no difficulty in administration when considered alone, but the compromise between these two which must obviously be effected in evaluating our export business in terms of national defense is most difficult of solution and has

(2)

Given the Navy Department grave concern. If our potential enemies' national defense is strengthened to a greater extent by our export of certain articles to them, than is our own national defense, then obviously this export is prejudicial to national defense regardless of the extent of the benefit which is apparently derived by our industry from the export of this article.

The question of the legality of the action of the Navy Department in opposing the release of the DF flying boat for export rests upon the determination of the authority of the Secretary of the Navy in determining the relation of matters to the national defense and in the application of the provisions of Section 2 of the Espionage Act of June 15, 1917. The Secretary of the Navy is of the opinion that the action which is being taken by the Navy Department on this matter is legal in so far as this can be determined at present without reference to the Federal Judiciary.

In view of the above considerations, the Navy Department is still of the opinion that the release of the Douglas DF flying boat for export would be prejudicial to the national defense.

Respectfully,

The Honorable  
The Secretary of State

AERONAUTICS

SECTION 2. OF THE ESPIONAGE ACT OF JUNE 15, 1917.

Sec.2. (a) Whoever, with intent or reason to believe that it is to be used to the injury of the United States or to the advantage of a foreign nation, communicates, delivers, or transmits, or attempts to, or aids or induces another to, communicate, deliver, or transmit, to any foreign government, or to any faction or party or military or naval force within a foreign country, whether recognized or unrecognized by the United States, or to any representative, officer, agent, employee, subject, or citizen thereof, either directly or indirectly, any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, note, instrument, appliance, or information relating to the national defense, shall be punished by imprisonment for not more than twenty years: Provided, That whoever shall violate the provisions of subsection (a) of this section in time of war shall be punished by death or by imprisonment for not more than thirty years; and (b) whoever, in time of war, with intent that the same shall be communicated to the enemy, shall collect, record, publish, or communicate, or attempt to elicit any information with respect to the movement, numbers, description, condition, or disposition of any of the armed forces, ships, aircraft, or war materials of the United States, or with respect to the plans or conduct, or supposed plans or conduct of any naval or military operations, or with respect to any works or measures undertaken for or connected with, or intended for the fortification or defense of any place, or any other information relating to the public defense, which might be useful to the enemy, shall be punished by death or by imprisonment for not more than thirty years. (40 Stat. 217-218.)

Enclosure (B)

PSF

THE WHITE HOUSE  
WASHINGTON

*L. F. Navy*

~~CONFIDENTIAL~~

CLS  
11-29-62

April 3, 1937.

MEMORANDUM FOR

THE SECRETARY OF THE NAVY  
x18

Will you please let me  
have a memorandum on the possi-  
bility of manufacturing torpedoes  
at Mare Island in comparison  
with Alexandria?

F. D. R.

x18-7B

x18-3

x18-R

REGR/DED  
UNCLASSIFIED



(Sc) 575

DEPARTMENT OF THE NAVY  
OFFICE OF THE SECRETARY  
WASHINGTON

DATE: 2/5/59

SIGNATURE: Carl L. Spica

MAR 31 1937

**SECRET**

MEMORANDUM

From: The Secretary of the Navy  
To: The President.

Subject: Torpedo Situation.

1. The Bureau of Ordnance has prepared for me a study of the torpedo situation in the Navy which indicates:-

- (a) That the existing facilities for torpedo manufacture in the United States are inadequate.
- (b) That it is imperative to expand torpedo manufacture at the earliest practicable time in order to supply torpedoes to meet the needs of the present ship construction and for the planned program.
- (c) That it is vital to expand manufacturing facilities in order to be in a position to meet approved war plans.

2. The shortage in torpedoes will become increasingly serious until in July 1943 this shortage will amount to 2636 torpedoes. To eliminate this shortage we require about 1000 torpedoes per year until 1944. After 1944 the requirements will be about 400 torpedoes per year.

3. The Naval Torpedo Station, Newport, R. I., is the only plant now manufacturing torpedoes or equipped to manufacture them. Production is on an eight hour day, five day week schedule with the machining division working three eight hour shifts. The present force of 3100 men is the maximum which can be efficiently employed with the floor space and machine tool equipment available. From the point of view of national security it is not advisable to expand Newport. We already have too great a concentration there. The output at Newport has increased from 1.5 torpedoes per working day in 1935 to two torpedoes per working day on 1 July 1936 and 2.5 torpedoes per working day on 1 January 1937. This is considered to be the maximum production at Newport.

~~SECRET~~

-2-

4. The Naval Torpedo Station, Alexandria, Virginia, a war time plant built to assemble torpedoes from parts manufactured elsewhere, and later through failure to obtain parts equipped to manufacture complete torpedoes, did not actually get into production until after the Armistice.

5. The present buildings are in fairly good condition. Much of the machine tool equipment has been transferred to other yards and stations, and much of it is of obsolete design. To re-equip Alexandria as a modern plant, capable of manufacturing complete torpedoes, and to equip the proving range at Piney Point would cost approximately \$2,750,000. A labor market is available. Proximity to the Naval Gun Factory permits a leveling of peak loads and slack periods mutually valuable to both plants. It is estimated that if the money required were made available now, Alexandria assisted by the resources of the Naval Gun Factory could be in production in about two years at a maximum capacity production of about two torpedoes per working day and a minimum capacity of one torpedo per working day. The two-year time estimate given assumes normal ability to buy machine tools.

6. The only commercial plant in the United States with extensive torpedo experience is the E. W. Bliss Co. of Brooklyn, New York. Prior to 1922 Bliss built for the Navy about 5000 torpedoes and in 1918 reached the production rate of 150 torpedoes per month. The torpedo manufacturing facilities of this company have been almost completely depleted but the company is interested in resuming torpedo manufacture and has shown a willingness to negotiate to this end. From a recent inspection of their Brooklyn plant, it is estimated that rehabilitation for the manufacture of torpedoes would cost about \$1,750,000. This cost would make no provision for proof-ranging. Bliss estimates an additional \$410,000 to reestablish their proof range. This range, however, is not adequate for modern torpedoes and the proofing would have to be done at Newport, R. I., necessitating considerable expenditure of money to enlarge Newport's proofing facilities. The cost of the naval inspection force at the Bliss plant should be included in the cost of the torpedoes manufactured by that company.

Franklin D. Roosevelt Library  
DEC 11 1946  
U.S. MAR. 5200.8 (9/27/46)

~~SECRET~~

-3-

7. The superiority of torpedoes manufactured by the Navy has been thoroughly demonstrated by the record of the performance of these torpedoes during the past fifteen years.

8. It is recommended that authority be granted to reopen the torpedo station at Alexandria, Virginia, during the present fiscal year, for the manufacture of torpedoes and that funds in the amount of \$2,750,000 be made available for this project.

*Claude A. Swanson*

---

Franklin D. Roosevelt Library

DECLASSIFIED

DOD DIR. 5200.9 (9/27/58)

Date- 2/5/59

Signature-

*Carl L. Spicer*

CONFIDENTIAL

April 12, 1937.

MEMORANDUM FOR THE SECRETARY OF THE NAVY: <sup>x18</sup>

In view of your memorandum of April tenth, relating to decision on 14" or 16" gun, will you please discuss, confidentially, with the Secretary of State as to whether we should ask Norman Davis, who is now in London, to try to get us the latest confidential information in regard to Great Britain and Japan.

F.D.R.

FDR/dj

C.F.

Navy

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7/12/29/37

x419  
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x119  
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x Taylor

PSF

7.

"Mary"

Substitute letter  
dated 12/28/37 was sent & is filed  
187 No. Naval Elder folder.

THE WHITE HOUSE  
WASHINGTON

RA

1937(?)

Not sent

My dear Mr. Chairman:

The estimates of funds necessary for replacement of naval vessels and maintenance of the Naval Establishment in the fiscal year 1939 passed by the Bureau of the Budget and which I approved were prepared in the late Autumn to provide for the Navy's essential needs that could be foreseen at that time.

In view of the present disturbed conditions in international affairs and the unfortunate fact that other nations are continuing an armament race on an increasing scale, I shall be very pleased if you will inform the members of your committee, particularly the sub-committee on the naval appropriations, that after Congress reconvenes I may be compelled to send to the Congress a recommendation for the construction of additional naval vessels.

Very sincerely yours,



The Chairman  
of the Appropriations Committee,  
House of Representatives,  
Washington, D.C.

*L. F. Navy*

THE SECRETARY OF THE NAVY  
WASHINGTON

THE WHITE HOUSE  
MAR 29 09 AM '38  
RECEIVED

SECRET

March 1, 1938.

My dear Mr. President:

I have received your memorandum *mf*  
as to conditions in Spain. I thank you  
for sending it and, as requested, its contents  
will be kept strictly secret.

Sincerely yours,

*Claude A. Swanson*

*x18*

The President,  
The White House.

Franklin D. Roosevelt Library  
DECLASSIFIED  
DOB DIR. 5200.9 (9/27/68)

Date-

JAN 20 1972

Signature-

*RHP*

C.F. Navy

March 2, 1938.

My dear Mr. Ayres:-

I am glad to send you confidentially, for the use of the Commission, the informal report on steel prices made to me by the Assistant Secretary of the Navy.

I call your attention to the fact that when this report was made to me it was very clearly stated to me that it was based on the study of the books of only one company -- the Lukens Steel Company -- and that the information was taken from the books without analysis as to whether the books themselves represented a fair estimate or allocation of cost items.

When the Commission has finished with this file, please return it to me.

Very sincerely yours,

Hon. W. A. Ayres,  
Federal Trade Commission, x100  
Washington, D. C.

x342  
x18  
x327

FEDERAL TRADE COMMISSION  
WASHINGTON

W. A. AYRES  
COMMISSIONER

March 1, 1938

THE WHITE HOUSE  
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RECEIVED

*File*

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

Dear Mr. President:

Since my request on February 26 that the Federal Trade Commission be given access to a study of the reasonableness of steel prices made in the Navy Department, I have been informed that another study of the same subject was made last year by the Procurement Division of the Treasury, and that this study, being the basis of a report to you, has the same confidential status as the Navy Department's study.

This study too would help the Commission in making a full and fair report to you about the relation between monopolistic practices and changes in price. May I therefore respectfully ask that not only the Navy Department report but also the report by the Procurement Division be made available to the Commission?

Very truly yours,

*W. A. Ayres*  
W. A. Ayres,  
Commissioner.

*See Memo. dated  
Aug. 2, 1937, to  
Admiral Peoples  
re this study -  
filed in his Naval  
Bldg. Folder*

*x 21-24*

FEDERAL TRADE COMMISSION  
WASHINGTON

W. A. AYRES  
COMMISSIONER

February 26, 1938

*check up  
reports  
S. B. T.*

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

THE WHITE HOUSE  
FEB 27 4 42 PM '38  
RECEIVED

Dear Mr. President:

The Assistant Secretary of the Navy was quoted in the trade press some time ago to the effect that the prices of iron and steel as quoted to the Navy appear to be reasonable in the light of a study by the Navy of costs of production in the industry. Officials of the Navy Department have informed the Federal Trade Commission that this study was in fact made, but that it was the basis of a report to you and can be made available to the Commission only by you.

In connection with the report on the relation of monopolistic and unwholesome practices to price change which the Commission is preparing by your direction, the Commission has had access to information which tends to support the view that iron and steel prices are unduly high. Anxious to make a fair and well balanced report, the Commission desires also to examine any available information which supports the reasonableness of these prices.

The Commission will, of course, respect the confidential character of any part of the information which may have been obtained under pledges of confidence, or which, in your judgment, should be kept confidential.

May I respectfully request that this report be made available to us?

Very truly yours,

*W. A. Ayres*  
W. A. Ayres,  
Commissioner.

FEDERAL TRADE COMMISSION  
WASHINGTON

W. A. AYRES  
COMMISSIONER

*file*

②  
*67  
navy*

March 4, 1938.

My dear Mr. President:

Thank you for your letter of March 2, 1938, and the informal report on steel prices made to you by the Assistant Secretary of the Navy, which you so kindly forwarded for the confidential use of the Commission.

We sincerely appreciate the opportunity to examine this material, and shall return same at the earliest possible moment.

Cordially yours,

*W. A. Ayres*  
W. A. Ayres,  
Commissioner.

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

THE ASSISTANT SECRETARY OF THE NAVY  
WASHINGTON

5 March 1938

6  
C. F. Navy

MEMORANDUM FOR: Mr. Marvin McIntyre.

My Assistant has just informed me that Mr. Kanee told him that the President was going to forward the "Joint Study of the Lukens Steel Company, with respect to the fair price of steel" to the Federal Trade Commission.

In this connection, may I invite to your particular attention, and that of the President, the fact that definite commitments were made to Mr. R. W. Wolcott, the President of the Lukens Steel Company, that the data obtained from their Profit and Loss statement and other confidential books and documents, would not be broadcast, either within the Government or to the general public. I am sure you can readily appreciate that some of these figures might cause the Lukens Steel Company some embarrassment if they should get into the hands of their competitors. I believe the spirit of this gentleman's agreement should be followed.

v 340

I do not think there is any objection to the Federal Trade Commission receiving a copy of this report. However, I do think that they should be informed of the understanding which the Treasury Department and the Navy Department has with the Lukens Steel Company in this regard.

Told  
Charles Edison  
Charles Edison  
file x18

x100  
x342

REFRAINED  
UNCLASSIFIED

PSK  
L. F. Navy

March 21, 1938

PERSONAL and CONFIDENTIAL

CLS 11-4-63

Dear Charlie:

After the call of Messrs. <sup>Murrell</sup> Chessman and <sup>James</sup> Pope, of Astoria, Oregon on the President Friday night, he asked me to take up the subject of the development of Tongue Point with the Navy Department, with a view to getting their reaction. <

For your confidential information, I quote below from a memorandum we have just received from Admiral Leahy:

x360  
"Study has been given to the subject by representatives of both services. It has been found that the development at Tongue Point as an airfield involves as a minimum, extensive dredging, filling, and surfacing at a cost running into several hundred thousand dollars. Such an expenditure, especially in view of the nearby Army field at Vancouver Barracks and the commercial field and seaplane ramp at Astoria itself, is not considered necessary and is not recommended by the representatives of either service.

"A concrete seaplane ramp and limited apron can be installed for approximately \$65,000. Such a ramp would permit Navy patrol planes and Army or Navy amphibians to be hauled out of the water and parked on the apron for repairs or servicing. It appears that such a ramp would be used by the Navy very infrequently, probably not over once or twice a year, and its use by the Army would be very rare. Because of the limited benefit reasonably to be expected from this development the advisability of expending the sum of \$65,000 in this manner is questioned by the representatives of both the Army and the Navy who made the study.

"The study given to the subject disclosed that the most probable benefit to be expected from a limited expenditure of funds at Tongue Point would be obtained through the construction of the concrete seaplane ramp and apron."

I am sorry that the news was not more favorable.

Sincerely yours,

M. H. McINTYRE  
Secretary to the President

x18  
x249 official  
Honorable Charles L. McNary, X  
United States Senate,  
Washington, D. C.

RB/bsp

THE WHITE HOUSE  
WASHINGTON

March 18, 1938.

MEMO FOR MAC

Will you break the news  
gently to Senator McNary?

F. D. R.

DECLASSIFIED

DOD DIR. 5200.9 (9/27/88)

WAR DEPARTMENT  
OFFICE OF THE CHIEF OF STAFF  
WASHINGTON, D. C.

Date- 2/6/59

In reply refer to Initials  
and No.

(SC)NL-9/EG38

D-12639 Serial 5459

NAVY DEPARTMENT  
OFFICE OF CHIEF OF NAVAL OPERATIONS  
WASHINGTON

Signature- Carl L. Spicer

~~CONFIDENTIAL~~

17 MAR 1938

My dear Mr. President:

Reference is made to your conversation on the subject of the development of Tongue Point at Astoria, Oregon, with a view to its availability for use as an emergency landing field for both the Army and Navy.

Study has been given to the subject by representatives of both services. It has been found that the development at Tongue Point as an airfield involves, as a minimum, extensive dredging, filling, and surfacing at a cost running into several hundred thousand dollars. Such an expenditure, especially in view of the nearby Army field at Vancouver Barracks and the commercial field and seaplane ramp at Astoria itself, is not considered necessary and is not recommended by the representatives of either Service.

A concrete seaplane ramp and limited apron can be installed for approximately \$65,000. Such a ramp would permit Navy patrol planes and Army or Navy amphibians to be hauled out of the water and parked on the apron for repairs or servicing. It appears that such a ramp would be used by the Navy very infrequently, probably not over once or twice a year, and its use by the Army would be very rare. Because of the limited benefit reasonably to be expected from this development the advisability of expending the sum of \$65,000 in this manner is questioned by the representatives of both the Army and the Navy who made the study.

The study given to the subject disclosed that the most probable benefit to be expected from a limited expenditure of funds at Tongue Point would be obtained through the construction of the concrete seaplane ramp and apron.

Sincerely yours,

William D. Leahy

WILLIAM D. LEAHY  
Admiral, U. S. N.  
Chief of Naval OperationsThe President,  
The White House.

x18-2

WAR DEPARTMENT  
OFFICE OF THE CHIEF OF STAFF  
WASHINGTON, D. C.

March 17, 1938.

Admiral William D. Leahy,  
Chief of Naval Operations,  
Navy Department,  
Washington, D. C.

My dear Admiral:

Referring to your letter of March sixteenth, enclosing draft of a proposed letter to The President relative to the development of Tongue Point as an emergency landing field, I beg to inform you that I am in complete accord with the views expressed in that draft. I would add also that my technical advisers are of the opinion that from an Army standpoint no need exists for any development at Tongue Point in view of the fields now available in that region.

Sincerely yours,

*Malin Gray*  
Chief of Staff.

x25T

x25 U  
x25

CHARLES L. MCNARY, OREGON  
CHAIRMAN

THE WHITE HOUSE

WASHINGTON

United States Senate

CONFERENCE OF THE MINORITY

*C. F. McNary*

April 4, 1938.

Hon. Marvin H. McIntyre,  
Secretary to the President,  
The "hite House, Washington, D. C.

Dear Marvin:

Your recent letter touching upon the development  
of the Tongue Point project in the estuary of the Columbia  
River was received a few days ago.

The information contained in the letter is cruelly  
disappointing, especially in view of the hopeful conversations  
had with President Roosevelt and Admiral Leahy. Indeed, I  
should be happy if the President discussed the matter once  
again with Admiral Leahy to see if it would not be advantageous  
for this defenseless portion of the country to receive some  
consideration.

I have not made the contents of your letter public  
but if this is final I should like to notify the people of  
the Northwest of the true situation. However, I shall not do  
so until sufficient time has been given to consider the subject  
again and receive your permission to remove the veil of secrecy.

With sentiments of warm personal esteem, I am

Very truly yours,

McN/T

*Charles L. McNary*

x360  
x18-*re*  
x18



THE WHITE HOUSE  
WASHINGTON

April 6, 1938.

MEMO FOR MAC

Will you call up McNary  
on this and tell him I am taking  
it up again with Leahy? Will  
you take it up with Leahy and  
suggest that he and the Chief of <sup>x257</sup>  
Staff try to work up something?

F. D. R.

THE WHITE HOUSE  
WASHINGTON

4/7

Sen. McNary was asked to sit tight  
on this until MHM returns  
and takes it up with Leahy.

*File  
hold until we  
hear from Sen.  
McNary*

# United States Senate

CONFERENCE OF THE MINORITY

May 13, 1938.

Hon. Marvin H. McIntyre,  
Secretary to the President,  
The White House, Washington, D. C.

Dear Marvin:

On March 21st you wrote me a letter having to do with the proposed Tongue Point project in the estuary of the Columbia River between the states of Oregon and Washington. I replied thereto on April 4th. The day before you went to the hospital you phoned to my office for me to "sit tight."

Happily you are back again, and in the meantime Senator Walsh has introduced in the Senate and Mr. Vinson in the House companion bills authorizing the Secretary of the Navy to proceed with the construction of certain public works everywhere but along the neglected Oregon and Washington coastline. On Calendar Day of May 4th I introduced a bill providing for facilities for the use and maintenance of naval aviation squadrons, etc. at Tongue Point at a cost not to exceed \$3,000,000.

Senator <sup>Alfred E.</sup> Reames, who joins me in this note, has been detained at the hospital. Have you any word for us?

With assurances of sincere friendship, I am

Very truly yours,

McN/T

*W. L. McNary*

*File  
talked on phone  
about.*

*W. F.  
Mary*

*L. F. Navy*

June 25, 1938

My dear Senator:

Sorry not to have replied sooner to your letter of May thirteenth but, frankly, I understood that Admiral Leahy was communication with you directly.

I had an opportunity to talk with him again about the proposed Tongue Point development yesterday. The Admiral says that he is following ~~to~~ up and, confidentially, will try to give the project a fair wind before the Board.

As I think you know, a Board was appointed with Rear Admiral Hepburn as President, to meet in Washington July fifteenth, to recommend Shore Station developments and practically everything is help up pending its recommendations.

I hope that something will be worked out as a result.

Sincerely yours,

M. H. McINTYRE  
Secretary to the President

Honorable Charles L. McNary, X  
United States Senator,  
Salem,  
Oregon.

mhm/tmb

x18

19-B

THE WHITE HOUSE  
WASHINGTON

6/23

MHM to take up with Adm. Leahy  
when he comes in tomorrow.

Board with R Adm Hebburn as President  
will meet in Washington 15 July to  
recommnd show status development-

I suggest that Senator McNamara  
be advised that no action is  
practicable prior to receipt of the  
Recommendations of this Board

I will try to give the  
project a fair wind before the  
Board

WLB

ALES L. McNARY, OREGON  
CHAIRMAN

## United States Senate

CONFERENCE OF THE MINORITY

June 21, 1938.

Hon. Marvin H. McIntyre,  
Secretary to the President,  
The White House, Washington, D. C.

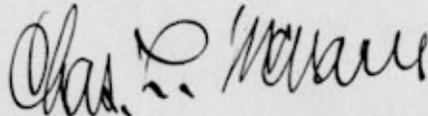
Dear Marvin:

Before leaving for my home in the West I want to call your attention to a letter I wrote you on May 13th, which has been unanswered, no doubt due to the stupendous accumulation of work incident to the closing weeks of the session of the Congress.

I hope you will look in the files, including my letter of April 14<sup>th</sup> and the request contained therein.

With every good wish, I am

Very sincerely yours,



McN/T

STATE, Secretary of  
May 10, 1938

The President returned to Secretary Hull, with his approval, a draft of a dispatch dated May 9th, to the American Embassy in London in re naval tonnage and armament.

See G. F. State 20

L. F.  
Navy

THE ASSISTANT SECRETARY OF THE NAVY  
WASHINGTON

(80)A13-4/851

15 August 1938

PSF

*File  
L. F.  
Navy*

CONFIDENTIAL  
14072

MEMORANDUM FOR THE HONORABLE MARVIN H. McINTYRE

Dear Mac:

Receipt is acknowledged of your communication of July 25, 1938 in regard to certain charges made by Mr. Lamont.

Somewhat previously Mr. Lamont had already submitted the same subject matter of these charges to Senator David I. Walsh, Chairman of the Senate Naval Affairs Committee.

Inasmuch as the subject matter of the charges is identical, and Rear Admiral H. G. Bowen, Engineer-in-Chief, U. S. Navy, has already replied to Senator Walsh, I am forwarding you, herewith, a copy of the Engineer-in-Chief's reply to Senator Walsh.

Will you please note that part of the Engineer-in-Chief's reply refers to certain confidential problems in which the Bureau of Engineering is now engaged.

Sincerely

*Charles Edison*

Charles Edison

Franklin D. Roosevelt Library

DECLASSIFIED

DOD DIR. 5200.9 (9/27/50)

Date- 4/5/59

Signature-

*Carl F. Spicer*

x808  
x18  
x198  
x198-A  
x18-U

~~CONFIDENTIAL~~

NAVY DEPARTMENT  
BUREAU OF ENGINEERING  
WASHINGTON, D. C.

ENCLOSURES

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

Date- 4-7-70

Signature- JW Dwyer

~~CONFIDENTIAL~~

My dear Senator:

1. Receipt is acknowledged of Commander J. A. Saunders' memorandum of 25 July 1938 forwarding the correspondence you have received from Mr. W. D. LaMont.
2. The Bureau of Engineering has carefully examined the correspondence and in the following paragraphs is presenting the pertinent facts concerning the Bureau's activities with Mr. LaMont in connection with the testing of the LaMont boiler, as well as related information concerning the Bureau's present position in regard to the Naval employment of high pressure, high temperature forced circulation boilers.
3. To provide a comprehensive perspective of the Bureau's activities in connection with high pressure, high temperature installations and forced circulation boilers, including the LaMont unit, the following chronological sequence of important events related thereto is presented.

<u>Date</u>	<u>Event</u>
20 October 1933	Test of LaMont boiler was authorized and construction at the Naval Boiler Laboratory began shortly thereafter.
9 October 1934	Bureau of Engineering received request from Engineering Experiment Station at Annapolis, Maryland for a new boiler to help carry increasing plant load.

<u>Date</u>	<u>Event</u>
8 April 1935	Date of Contract NOs-41502 for Babcock and Wilcox Company. Steamotive unit for Engineering Experiment Station (Third unit of this design manufactured by Babcock and Wilcox Company.)
29 May 1935	Rear Admiral, S. M. Robinson relieved as Chief of Bureau of Engineering.
6 August 1935	Contract delivery date for Steamotive unit at Engineering Experiment Station.
19 September 1935	Actual delivery of Steamotive unit at Engineering Experiment Station.
October 1935	Started negotiations with Foster Wheeler Company for the purchase of a superheater control boiler for Naval Boiler Laboratory with the object of providing competition with Babcock and Wilcox.
25 March 1936	Babcock and Wilcox Company informed that Foster Wheeler economizers must be used in Naval boilers.
5 August 1936	Navy Budget Officer indicated that funds would be allocated in 1938 budget for high pressure high temperature trial installation in a destroyer.
11 January 1937	LaMont development far enough advanced so that unit is ready for abridged tests at Naval Boiler Laboratory.
1 February 1937	Congressional hearings on 1938 budget.
6 February 1937	Test of LaMont boiler at Naval Boiler Laboratory completed.

<u>Date</u>	<u>Event</u>
11 February 1937	Bureau of Engineering notified Yards, New York and Philadelphia, that funds had been requested for high pressure high temperature installation in a destroyer.
11 March 1937	Report of operating tests of LaMont boiler received by Bureau of Engineering.
( 2 April 1937) (27 April 1937)	Bureau of Engineering letters to Chief Naval Operations requesting assignment of a destroyer for high pressure high temperature installation.
22 April 1937	Bureau of Engineering forwarded report of operating test of LaMont unit to Mr. LaMont.
8 May 1937	Letter received from Chief of Naval Operations assigning USS DAHLGREN for high pressure high temperature test installation.
1 July 1937 (Fiscal year 1938)	Funds for high pressure high temperature installation in USS DAHLGREN became available.
20 July 1937	Contract let to Babcock and Wilcox Company and General Electric Company for DAHLGREN machinery installation and work began. Contract delivery date 15 September 1938.
15 October 1937	Report of inspection of LaMont boiler after completion of operating tests received from Naval Boiler Laboratory.
9 November 1937	Report of inspection of LaMont boiler forwarded to Mr. LaMont.
25 July 1938	LaMont Corporation informed Bureau of Engineering that Combustion Engineering had been granted license rights to use LaMont patents in the United States, Mexico, Central and South America.

Note: In explanation of the above and the following paragraphs, it must be noted that the activities of the LaMont Corporation are independent of those of Mr. LaMont and that the boiler designs used by the LaMont Corporation are different from the LaMont design which was tested at the Naval Boiler Laboratory.

4. The Testing of the LaMont Boiler at the Naval Boiler Laboratory.

(a) With reference to the Bureau's authorization of the test of the LaMont boiler on 20 October, 1933, it is the policy of the Bureau to require that equipment to be tested at Naval Laboratories to determine suitability for Naval use be completely developed and beyond the experimental stage. The LaMont test was authorized under special conditions, not ordinarily accorded other exhibitors, in that the LaMont boiler was entirely experimental and had not been erected or tested prior to installation at the Boiler Laboratory. A section of the Boiler Laboratory was assigned to Mr. LaMont for the erection of his boiler, which was occupied without cost to Mr. LaMont for a period of over three years. To operate his boiler, makeshift pumps and other auxiliaries were employed by Mr. LaMont. Air for combustion was supplied from the Navy Yard mains rather than by a blower as in a shipboard installation. Under these conditions it was impossible to get complete data during the test of the LaMont boiler to determine its suitability for Naval use.

(b) Shortly after the test was authorized, Mr. LaMont informed the Bureau that unless unforeseen delays occurred his boiler would be ready for test within approximately two months. However, it was found that the boiler as originally designed required numerous modifications and it was not until 11 January 1937, more than three years after the test had been authorized, that the development had proceeded far enough so that Mr. LaMont was able to present his boiler for test. For more than three years the facilities of the Boiler Laboratory were available to Mr. LaMont, during which time he had the help and advice of members of the Laboratory's staff.

(c) As listed in the chronological summary above, the abridged tests of the LaMont boiler were completed on 6 February 1937. Since suitable auxiliaries are a most essential part of a forced circulation boiler and

since the LaMont boiler was equipped with makeshift auxiliaries, the boiler could not be given the usual complete set of Laboratory tests to determine its suitability for Naval use. The LaMont boiler was therefore tested to determine whether or not it would meet special agenda requirements which were prepared by the Boiler Laboratory for the test and approved by Mr. LaMont and the Bureau of Engineering.

(d) As a result of the abridged tests, it was found that the boiler met most of the special agenda requirements under which the test was conducted and which were agreed to in writing by Mr. LaMont. It must be emphasized that in view of the numerous modifications that were made to the boiler during the three years the unit was at the Boiler Laboratory and since properly designed auxiliaries were not employed, the agenda requirements could not be as complete as those ordinarily required to determine the suitability of a boiler for Naval use. Specifically, it was impossible to determine the net steam output of the unit or the efficiency of the entire unit. Nor was information concerning the extended reliability of the unit or its maintenance requirements obtained. The LaMont boiler as tested was not especially light in weight nor particularly small in size for the amount of steam generated. The efficiencies obtained during the test of the LaMont boiler were not as high as those being obtained with modern Naval boilers employing natural circulation. It is also significant that because of the large amount of development work that was necessary after the erection of the LaMont boiler at the Laboratory it was operated but 130 hours during the intervening three years. In view of the above, the small capacity of the boiler, the considerable number of modifications that would be required for a Naval installation, and the lack of suitably designed auxiliaries, the unit could not be approved as being suitable for Naval use.

(e) After completion of the tests, Mr. LaMont submitted a preliminary design of a destroyer size boiler which he proposed to build and which he proposed the Government should purchase under a special arrangement. It has been the Bureau's experience that a small boiler cannot be "scaled up" into a large size unit. (The LaMont boiler tested at the Laboratory had a capacity of about 1/10 that of a modern destroyer

boiler, while the Steamotive unit at the Engineering Experiment Station has approximately 1/2 the capacity of a modern destroyer boiler.) A large boiler modeled after a small unit often has decidedly different characteristics from those of the smaller boiler. It is for this reason that the Bureau's specifications always require a demonstration test of a full sized boiler proposed by a shipbuilder, when the boiler differs in comparatively minor particulars from a boiler which has been previously tested. Based on the above, the Bureau informed Mr. LaMont in letter of 29 May 1937, that no funds were available to further develop the LaMont boiler and that the Bureau would not participate in any further development, until Mr. LaMont and his associates had carried their developments through to full scale size including the necessary auxiliary equipment. Mr. LaMont and his associates were further informed that if further development of the LaMont boiler was accomplished commercially and if the Navy's present experimentation with the high pressure high temperature forced circulation type boiler should indicate its suitability for Naval use, the Bureau would then be interested in a test of a full size LaMont boiler and would welcome the boiler into the competitive field.

5. High Pressure High Temperature Developments in the Navy..

(a) In view of the rapid developments that have taken place in this country and foreign countries in the use of high pressures and temperatures both in commercial and Naval fields, the Bureau of Engineering has been carefully following these developments, having in mind the possible Naval application of machinery installations employing higher pressures and temperatures. On 8 April 1935, almost two years before the LaMont test at the Boiler Laboratory had been completed, a former Chief of the Bureau of Engineering arranged for the purchase of a Babcock and Wilcox high pressure forced circulation (Steamotive) boiler to carry part of the daily steam load at the Engineering Experiment Station. The design of this boiler was based on two previous similar boilers which had been manufactured and tested by the Babcock and Wilcox Company. It will be noted that LaMont boiler was not ready for tests for over fifteen months after actual delivery of the Steamotive boiler at the Engineering Experiment Station. At the time of purchase the Steamotive boiler was the only forced circulation boiler available commercially in its size in this country, and this conditions still obtains.

(b) Based on the performance of the Steamotive unit at the Engineering Experiment Station and on the performance of the Lynn Steamotive unit, the Bureau, with the approval of the Congress, arranged for the purchase of a high pressure high temperature installation for use on the destroyer DAHLGREN. This installation is now in process of construction. In connection with the bid received from the Babcock and Wilcox Company and General Electric Company for this high pressure installation, the contractors reduced the original price in the order of \$300,000 so that the experimental installation in this destroyer could be made with the funds available to the Bureau. It must be emphasized in connection with this experimental installation, that the Steamotive boiler and associated auxiliaries were jointly designed and tested by the Babcock and Wilcox Company and General Electric Company and had reached a state of development where successful operation was reasonably assured. The same situation did not exist at the completion of the Laboratory's tests of the LaMont boiler, since the tests demonstrated that considerable development work was still necessary before a unit of destroyer size would be ready for shipboard installation.

(c) The primary purpose of the DAHLGREN installation, which was authorized by the Congress, and which is in process of construction, is to obtain experience and information concerning the possible Naval employment of high pressures and high temperatures and only secondarily to determine the merits of the forced circulation boiler.

(d) The Bureau of Engineering notified the Combustion Engineering Corporation when informed by them that they were considering entering into negotiations with the LaMont Corporation to obtain a license to use the LaMont patents in the United States, that the Bureau was not in a position to state to what extent it was interested in forced circulation boilers until the place which high pressures and high temperatures may or may not occupy in Naval Engineering had been determined by experiment. The Combustion Engineering Corporation was further informed that if the results of the experiment indicate that the Navy should employ high temperatures and high pressure steam and if and when as a result of this the forced circulation boiler should be employed in Naval vessels, the Bureau would be very pleased to find another company in the United

States in a position to offer competition should the Bureau desire to purchase forced circulation units. In letter of 25 July, 1938 the LaMont Corporation informed the Bureau that Combustion Engineering Corporation had been granted license rights to use patents held by the LaMont Corporation in the United States, Mexico, and Central and South America. The Bureau also has under test at the Naval Boiler Laboratory a completely developed forced circulation Besler boiler of small size to determine its suitability for certain Naval applications. This boiler is commercially available in small sizes for rapid delivery. Under the above conditions there is no possibility of the Babcock and Wilcox Company obtaining a monopoly in the field of forced circulation boilers in this country.

(e) The attached correspondence stresses the point that the LaMont type boilers are being used abroad. The general situation in the German Navy in regard to boilers, temperatures and pressures is known to the Bureau of Engineering. The troubles and delays which the developments in German Naval engineering have given rise to have also come to the attention of this Bureau. In connection with the use of the LaMont boiler abroad, it should be noted that the designs now being employed are an outgrowth of the original LaMont design, which the Bureau believes did not prove satisfactory. From information available to the Bureau it is apparent that the development of the LaMont boiler abroad has resulted in a boiler which does not have the attractive features of extreme low weight and low space factors which the original LaMont design contemplated. It is also known that an experimental LaMont boiler has been installed in a British destroyer. The working pressure of this boiler is 290 pounds and the efficiency 71% at an evaporation of 121,500 pounds of steam per hour. At approximately the same evaporation the modern 600 pound natural circulation boilers being installed in our destroyers have by actual test shown an efficiency of 84.5%. Since boiler efficiency is a very important factor in the overall efficiency of a machinery installation, a vessel fitted with our modern Naval boilers would show a very appreciable fuel saving, with resulting increase in cruising radius, over a vessel fitted with boilers similar to the LaMont boiler installed in the British destroyer, all other conditions being equal.

(f) In connection with the use of forced circulation boilers it is the opinion of the Naval Boiler Laboratory that it is quite possible by judicious changes in design to so raise the capacity of natural circulation boilers that they can successfully compete with forced circulation boilers in weight, space and cost, still retaining other desirable characteristics inherent in the natural circulation boiler. This matter is now the subject of a careful investigation by the Bureau of Engineering.

6. Specific Comments on the LaMont Correspondence.

The Bureau finds many statements in the attached correspondence which are not susceptible to substantiation. Some statements are half-truths and do not present a complete picture. It is not considered necessary to prepare a lengthy rebuttal of the entire correspondence, however, the following brief statements will give an indication of its validity.

(a) The statements attributed to Bureau personnel are entirely false.

(b) The Boiler Laboratory has never received other than routine instructions, either written or oral, from Bureau personnel in regard to the test of the LaMont boiler. Conclusions in Laboratory test reports are drawn from the test results and no instructions are issued by the Bureau concerning these conclusions.

(c) There is no record of the Bureau ever having entered into any negotiations concerning the purchase of a German LaMont boiler.

(d) The statement that the Babcock and Wilcox Company has a copy of the LaMont report is without foundation.

(e) The Bureau never informed Mr. LaMont, either orally or in writing, that the LaMont boiler was suitable for Naval use.

(f) The chronological summary gives the dates test reports were forwarded to Mr. LaMont.

(g) With reference to the criticisms of the test report contained in reference V of the correspondence, Mr. LaMont was informed in letter of 1 June 1938 that reports of tests conducted at the Naval Boiler Laboratory are held confidential between the Bureau of Engineering and exhibitors. Since exhibitors by agreement are not permitted to utilize contents of test reports for sales or advertisement purposes, the embodiment of discussions and opinions in reports is permitted by the Bureau, and is not considered to be prejudicial to the interests of the exhibitors.

(h) The chronological sequence of events shows that in October 1935 the Bureau started negotiation with the Foster Wheeler Company for the purchase of a superheat control boiler for the Naval Boiler Laboratory. This boiler has since been tested and found satisfactory for Naval use and by this action the Bureau has provided competition for the Babcock and Wilcox Company in the supply of boilers on Naval contracts. The effect of the competition was evident in the purchase of the boilers for battleships WASHINGTON and NORTH CAROLINA in which case the boilers were obtained at a cost of approximately \$217,000 below the estimated cost. In requiring the use of Foster Wheeler economizers in Naval boilers, the Bureau has likewise provided competition for the Babcock and Wilcox Company.

(i) It will be noted that throughout the correspondence there are no real substantiating data concerning the claims made by Mr. LaMont as to efficiency, space and weight saving gains which he states will be possible through the use of a LaMont boiler. Some of the gains which he attributes to his boiler are functions of temperature and pressure and would likewise exist in a natural circulation boiler installation.

(j) The Bureau of Engineering has no information in regard to any propaganda, native or foreign, in connection with the activities of either Mr. LaMont or Mr. Kampff.

(k) The Bureau of Engineering has no information concerning the action pending in the Supreme Court, New York County between the LaMont Corporation and Mr. W. D. LaMont.

7. As requested in Commander Saunders' memorandum, the entire correspondence is being returned herewith. It will be noted that certain of the above subparagraphs contain information in connection with the DAHLGREN installation as well as some of the Bureau's present thoughts concerning the employment of high pressures and high temperatures in the Navy. It is recommended that the information contained in these subparagraphs be considered as confidential.

8. In conclusion it is desired to state that the Bureau of Engineering is willing to rest on the facts in connection with its activities with Mr. LaMont and does not desire to enter into a defense of the inaccurate and unreliable claims made by him.

Very respectfully,

(Signed) Rear Admiral H. G. Bowen, U.S.N.

Engineer-in-Chief, U.S.N.,  
Chief of Bureau.

Honorable David I. Walsh,  
United States Senate.

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DOD DIR. 5200.9 (9/27/58)

Date- 2/5/59

Signature-

*Carl L. Spicer*





DEPARTMENT OF THE NAVY  
OFFICE OF THE ASSISTANT SECRETARY  
WASHINGTON

*File*  
SC A13-4/S51

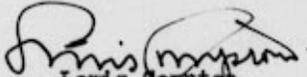
27 July 1938.

6  
My dear Col. McIntyre:

This will acknowledge receipt of your memorandum of July 25th, transmitting for attention and acknowledgment the communication from Mr. Walter D. LaMont, addressed to the President of the United States, under date of July 20, 1938.

This matter will be given prompt consideration and appropriate action.

Respectfully yours,

  
Lewis Compton.  
Assistant to

The Assistant Secretary of the Navy.

Hon. M.H. McIntyre,  
Secretary to the President,  
The White House,  
Washington, D.C.

July 25, 1938

Respectfully referred to the Acting  
Secretary of the Navy for such attention  
and acknowledgment as may be deemed appro-  
priate.

M. H. McINTYRE  
Secretary to the President

mga

LAMONT, Walter D., 21 Fifth Ave., New York, N. Y., 7/20. Submits history  
involving German Secret Agents and undue money influence in our Navy.

October 17, 1938

*L. F. Navy*

MEMORANDUM FOR THE SECRETARY OF WAR: *x 25*

The Secretary of the Navy asked me to bring this to your attention. I hope the Army Arsenals will be able to meet the dates of delivery.

*x 18*

*Gen. Admiral*

F.D.R.

fdr-dj-rr

*18-9*

Memo from the Chief of the Bureau of Ordnance to the Assistant Secretary of the Navy - Oct. 6, 1938  
Signed by *Mr.* W. R. Furlong

RE: Production for New Shipbuilding Program; encloses list of material for new construction required from Army Arsonals.

*x 25-2*

*x 18 Mrs. Naval Bleg. Follen*

COPY

THE WHITE HOUSE  
Washington

October 17, 1938

MEMORANDUM FOR THE SECRETARY OF WAR

The Secretary of the Navy asked me to bring this to your attention. I hope the Army Arsenals will be able to meet the dates of delivery.

F.D.R.

IN REPLY ADDRESS  
BUREAU OF ORDNANCE, NAVY DEPARTMENT  
AND REFER TO No.

NAVY DEPARTMENT  
BUREAU OF ORDNANCE  
WASHINGTON, D. C.

Al-3 (AB)

6 October 1938

MEMORANDUM

From: The Chief of the Bureau of Ordnance.  
To : The Assistant Secretary of the Navy.  
SUBJECT: Production for New Shipbuilding Program.  
Enclosure: (A) One sheet.  
(Herewith)

1. There are listed on the attached sheet ordnance items which the Navy is calling on the War Department to manufacture for the new ships. These are some of the items which are beyond the capacity of the Washington Gun Factory.
2. While a great deal more is going out to private industry, some of the particular items listed can be made quickest and with less expense by the Army Arsenals.
3. The Army Arsenal being a Government plant cannot be held strictly to a date of delivery, yet our Navy Yards will want these materials at a definite date in order that they can meet the completion date of the ship.
4. The purpose of this memorandum is to see if the Army can be informed of the necessity of meeting the dates of delivery.

*W. R. Furlong.*  
W. R. Furlong.

MES

U. S. WAR DEPT.  
 400.325  
 OCT 25 1938  
 Navy mail 1

MATERIAL FOR NEW CONSTRUCTION REQUIRED

FROM ARMY ARSENALS.

<u>Material</u>	<u>No.</u>	<u>For</u>	<u>Source</u>	<u>Est. Cost</u>	<u>Required Delivery</u>
16" Guns	6-8	Battleships 57-60	Watervliet	\$ 366,000	Final 9-1-41 ✓
Rough Machine 16" Slides	12(±)	Battleships 55-60	Watertown	125,000	8-1-39 to 9-1-40
5" Single Encl. Mounts	40	Destroyers 429-436	Rock Island	1,500,000	11-29-39 to 6-28-40
5" Twin Encl. Mounts	20	Battleships 57-60	Watertown	3,000,000	11-29-40 to 8-29-41
5" Twin Encl. Mounts	18	Light Cruisers 51-54	Watertown	3,250,000	5-15-40 to 1-15-41
16" Projectile Hoists	18	Battleships 55-60	Rock Island(?)	360,000	7-1-40 to 8-30-41 ✓
				<u>TOTAL... \$ 8,601,000</u>	

\* \* \* \* \*

*file*

WAR DEPARTMENT  
WASHINGTON

THE WHITE HOUSE  
OCT 22 11 11 AM '38  
RECEIVED

October 22, 1938.

The President,

The White House.

Dear Mr. President:

The question referred to in your memorandum of October 17, 1938, has been considered by the Ordnance Department of the Army. This is the same order which I discussed with you at the time the Army agreed to accept it. Secretary Edison also took the matter up with me.

The delivery dates desired by the Secretary of the Navy can be met.

Respectfully yours,

*Louis Johnson*

Acting Secretary of War.

1 Incl.

Navy Dept. Memo. 10/6/38

rlv

JOHNSON, Hon. Louis  
Assistant Secretary of War,  
EDISON, Hon. Charles  
Assistant Secretary of the Navy,  
11-2-38

C.F.  
Navy

Wrote to the President saying that in furtherance of the plan for expansion of aircraft production as submitted to the President in a joint letter dated Oct. 28, 1938, they submitted list of locations which have been selected as sites for production plants to be constructed immediately.

SEE C.F. WAR (Filed C.F. Fourth Drawer)

~~1~~  
L.F.  
Navy

THE WHITE HOUSE  
WASHINGTON

November 11, 1938.

MEMORANDUM FOR  
CAPTAIN CALLAGHAN <sup>50-13</sup>

Will you speak to me  
about this?

F. D. R.

Memorandum in re <sup>n.c.</sup> Fakarava, an Island of the  
Tuamotu Group, Ngaruae, or North Pass, and  
Pufana and Poniu Reefs, in re anchorage for  
fleet. Attached is a map in re above, <sup>773</sup>  
which is property of the Navy Dept.  
x18

THE WHITE HOUSE  
WASHINGTON

November 15, 1938

copy  
/

B. F. Navy

MEMORANDUM FOR

CAPTAIN CALLAGHAN <sup>x50-73</sup>

Will you let me have a  
map of the Pacific with all these <sup>x18</sup>  
Islands on it with a red circle  
around each one?

F. D. R.

x18-R  
x773  
Memo in re Fakarava, <sup>xN.C.</sup> an Island of the Tuamotu Group, Ngaruae, or North Pass, and Pufana and Poniu Reefs, in connection with anchorage for fleet, memo on Fakarava, memo on Tuamotu Group, <sup>xN.C.</sup> copy of letter from Admiral Wm. D. Leahy to the Secretary of State, 7/23/37 (Secret) in re mid-Pacific islands which might be taken over by the U.S., with attached papers in re Guano Islands, <sup>xN.C.</sup> and a map of Tuamotu Group. Also attached is the original of the President's memo for Capt. Callaghan dated 11/11/38.

PSF  
THE WHITE HOUSE  
WASHINGTON

*L. F. May*

December 12, 1938.

MEMORANDUM FOR

THE ASSISTANT SECRETARY OF THE NAVY<sup>x18</sup>

In regard to your letter of November twenty-fifth relating to aircraft expansion, I talked about it on Friday with the Chief of Naval Operations and told him that I would approve, as a supplementary estimate for the Navy for the fiscal year 1940, the addition of sufficient planes to bring the total number of new planes up to five hundred. This means an addition of one hundred and fifty planes over the present replacement program of three hundred and fifty planes for Navy, Marine Corps and Reserves.

*11-25-38  
Naval Budget  
F. D. R.*  
*x18-R*  
*18-5*  
*49-9/11/38*

In regard to shore facilities for aviation and submarines, I told Admiral Leahy I would approve a supplementary item (outside the regular budget) for \$20,000,000 to start work during the fiscal year 1940 on the list of priority (a) bases as recommended by Admiral Hepburn's Board. In this \$20,000,000 <sup>x</sup> should be included the general development of Guam as a Base.

*x119*  
*19-13*

No papers accompanied memo. F. D. R.

THE WHITE HOUSE  
WASHINGTON

Miss Juley:—

The attached is copy  
of the missing correspondence  
for identification purposes.

Have you been able to  
obtain any clue as to whereabouts  
of original?

Kindly retain copy  
attached for me.

Many thanks—

J. Buchanan

~~CONFIDENTIAL~~

NOV 25 1938

My dear Mr. President:

I enclose herewith a memorandum showing in condensed form the Navy's naval aviation requirements, for your consideration in connection with your current plans for strengthening our aviation arms. The memorandum and the plans and studies on which it is based have the approval of Admiral Leahy.

I cannot stress too strongly my recommendation that the Navy's aviation requirements receive favorable consideration at this time. The aircraft are the minimum number needed for the Navy as authorized in the Naval Expansion Act, and the shore facilities must be available for the aircraft to function satisfactorily in carrying out their missions with the Fleet. The shore facility requirements are confirmed by the extensive studies of the Statutory Board headed by Rear Admiral Hepburn, required for Congress by the terms of the Naval Expansion Act. The cost is at present only a rough estimate and may exceed the figure of \$120,000,000 used in the memorandum. The report of the Hepburn board is now being completed.

Early approval of the attached memorandum will be greatly appreciated, since the Navy Department can then develop detailed plans and studies on a definite basis.

Sincerely yours,

(s) Charles Edison

The President,  
The White House.

Franklin D. Roosevelt Library

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DOD DIR. 5200.9 (9/27/58)

Date- 2/5/59

Signature-

Carl H. Spicer

3

~~CONFIDENTIAL~~  
(S) A1-3/VV.  
Op-10 Bu  
Serial 41.

1st Endorsement

5 NOV 1938

From: Chief of Naval Operations  
To: The Assistant Secretary of the Navy

SUBJECT: Naval Aircraft, Number Required.

1. Forwarded approved, with the recommendation that the subject matter be brought to the attention of the President in connection with any proposed increased military aviation program now under consideration. The Chief of Naval Operations considers it essential that the necessary expansion of naval aviation shore facilities and an increase in the number of tenders be carried on concurrently with any increase in the number of naval aircraft.

WILLIAM D. LEAHY

Franklin D. Roosevelt Library

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DOD DIR. 5200.9 (9/27/58)

Date- 2/5/59

Signature-

Carl S. Spicer

Signature - *Car. E. Spence*  
Date - 2/5/54

~~CONFIDENTIAL~~

87 118/15200.9 (S/27/58)

DECLASSIFIED

MEMORANDUM for THE PRESIDENT

SUBJECT: Naval Aircraft Requirements.

I - Requirements

(a) The total peacetime Naval plane requirements, including the Naval Aviation Reserve, are 3,381, divided as follows:

Regular Navy and Marine Corps .....	3,000
Naval Aviation Reserve .....	381

(b) Planes are on hand or funds (including the 1940 Bureau of Aeronautics Budget Estimates) available for procurement as follows:

Regular Navy and Marine Corps -	1,997	Shortage -	1,003
Naval Aviation Reserve -	212	Shortage -	169
Total Shortage .....			1,172

II - Procurement

(a) It is proposed to make up this shortage of 1,172 planes over a period of five years, which will involve an annual additional procurement of about 230 planes per year. The average yearly procurement for the replacement of the obsolete planes for the regular Navy, Marine Corps and Reserves is now about 350 planes per year. Hence, if the above increases are made, the average annual procurement of planes for the next five years will be about 580 per year, which will cover all Naval peacetime requirements but will not provide for any wartime reserve.

(b) On the basis of the foregoing the Navy will require 1,187 planes during the next two years (the fiscal years 1940 and 1941), which is the period now tentatively set for the expansion of Army aviation to 10,000 planes. The cost of the 1,187 Naval planes will be \$124,500,000. Subtracting from this amount the sum of \$38,549,524 already carried in the 1940 Bureau of Aeronautics Estimates for new aircraft, the additional amount required for the first two years is \$86,000,000. This is the amount which should be specifically provided for Naval aircraft expansion concurrently with the funds for the Army's two year expansion program.

III - Shore Facilities

(a) The Navy is already seriously lacking in shore facilities for Naval Aviation. These present deficiencies in shore facilities, together with additional requirements resulting from Naval Aviation expansion commensurate with the Naval Expansion Act of 1938, make it essential that action be taken to expand Naval Aviation shore facilities. The total cost of these additional facilities is estimated at \$120,000,000. This amount should be specifically provided concurrently with that recommended for procurement of aircraft.

*/s/ Charles Edison*

~~CONFIDENTIAL~~

P51

*L. F. Navy*

*File*  
*STE*

In reply refer to Initials  
and No.

NAVY DEPARTMENT  
OFFICE OF THE CHIEF OF NAVAL OPERATIONS  
WASHINGTON

4 January 1939.

Memorandum for the President:

With reference to the published accounts of the Hepburn Board in the Press the Board was convened by the Secretary in accordance with the provisions of the Naval Expansion Act and the report was transmitted by the Secretary of the Navy to the Speaker of the House also in accordance with the provisions of the Act.

The Board realizing that full publicity might be given to this report either by the Congress or in the hearings before congressional committees worded the report so that it would be of as little value as possible to a possible enemy without subjecting the report to criticism on the ground of incompleteness.

The Senate and House Naval Committees were informally advised by my office that the Navy Department was of the opinion that the full report should not be made public.

It was transmitted to the Congress in a confidential status and any information obtained by the Press must have been furnished by the office of the Speaker.

No information whatever has been given out by the Navy

Department. Franklin D. Roosevelt Library

DECLASSIFIED  
DOD DIR. 5200.9 (9/27/58)

*Williams, Leahy*

Date- 2/12/59

Signature- *Carl S. Spicer*

*18-R*

March 13, 1939

*67  
Navy*

My dear Mr. Chairman:

The President has directed me to send you the enclosed letter from the Attorney General and to say that it will be appreciated if the Commission will be good enough to furnish the requested documents for the confidential use of the Department of Justice and the Temporary National Economic Committee.

*x10  
x3322*

Very sincerely yours,

STEPHEN EARLY  
Secretary to the President

Honorable R. E. Freer, *x100*  
Chairman,  
Federal Trade Commission,  
Washington, D. C.

Enclosure

hm

Letter from the AG, dated 3/9/39 to the President; copy retained for our files.

Sta. OK

For the President's approval.

March 9, 1939

The President  
The White House  
Washington, D. C.

My dear Mr. President:

x342

It is my understanding that in January, 1938, the Navy Department transmitted to The President two memoranda on "The Fair Price of Steel." One of these applied to the industry in general and had been prepared by the Procurement Division, Treasury Department. The other was a joint study of the Lukens Steel Company with respect to the fair price of steel prepared by the Navy Department and the Procurement Division of the Treasury. Both reports subsequently were transmitted to the Federal Trade Commission during the early part of the year. Early in 1938 the Federal Trade Commission transmitted to the White House a Report to The President entitled "Monopolistic Practices and Other Unwholesome Methods of Competition" in which one chapter was devoted to steel.

x  
x18  
x21-2y  
x277

Since the Department of Justice is engaged in an investigation of the iron and steel industry for the Temporary National Economic Committee and since these studies are understood to contain relevant information of importance, it is respectfully requested that the Department be given access to these three documents.

Respectfully,

(Signed) Frank Murphy  
Attorney General

March 27, 1939

*C. F. Navy*

My dear Mr. Chairman:

The President has asked me to thank you for your letter of March fifteenth, advising him of the material which the Commission has forwarded to the Attorney General, for the confidential use of the Department of Justice and the Temporary National Economic Committee, and to say that he will appreciate it if the Commission will be good enough also to send to the Attorney General a copy of the confidential memorandum referred to on page two of your letter.

x10  
x3322

Very sincerely yours,

STEPHEN EARLY  
Secretary to the President

Honorable R. E. Freer, x100  
Chairman,  
Federal Trade Commission,  
Washington, D. C.

hm

THE WHITE HOUSE  
WASHINGTON

March 27, 1939.

MEMORANDUM FOR

R. F.

Will you have Federal Trade  
send this memorandum to the  
Attorney General?

F. D. R.

FEDERAL TRADE COMMISSION  
WASHINGTON

R. E. FREER  
CHAIRMAN

March 15, 1939.

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

My dear Mr. President:

In response to your direction, as set forth in Secretary Early's letter of March 13, 1939, we have today forwarded to the Attorney General, for the confidential use of the Department of Justice and the Temporary National Economic Committee, the following material:

- (1) "Joint Study of the Lukens Steel Company with Respect the Fair Price of Steel, Made by Navy Department and Procurement Division, Treasury Department, December, 1937." You loaned this copy of the report to the Federal Trade Commission for its confidential use.
- (2) "Draft of the Study of the Fair Price of Steel, September 18, 1937." This study was made for the President by the Procurement Division of the Treasury Department for the purpose of determining the fair base price of structural steel delivered on cars at Pittsburgh, Pennsylvania. You loaned this copy of the report to the Federal Trade Commission for its confidential use.
- (3) A copy of the chapter on Steel which was transmitted to the President as Chapter III of the Federal Trade Commission's Report on Monopolistic Practices and Other Unwholesome Methods of Competition. This report was made to you in response to your direction of November 16, 1937.

The President

- 2 -

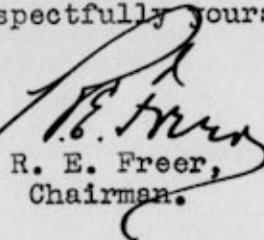
March 15, 1939.

4

At the time the Commission's report on monopolistic practices was transmitted to you, we also forwarded a confidential memorandum concerning the reasonableness of steel prices as discussed in that report, with particular regard to the material contained in the reports listed as items (1) and (2) above. A copy of this confidential memorandum was not included in the material transmitted to the Attorney General, but we shall be pleased to forward a copy to him upon your request. x277

With kind personal regards and expressions of high esteem, I am

Respectfully yours,



R. E. Freer,  
Chairman.

FEDERAL TRADE COMMISSION  
WASHINGTON

R. E. FREER  
CHAIRMAN

March 28, 1939.

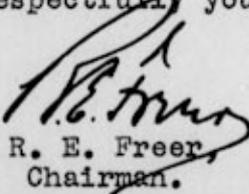
My dear Mr. President:

In response to your direction, as set forth in Secretary Early's letter of March 27, 1939, we have today forwarded to the Attorney General, for the confidential use of the Department of Justice and the Temporary National Economic Committee, a copy of our confidential memorandum to you concerning the reasonableness of steel prices.

The original of this memorandum was transmitted to you with our report on "Monopolistic Practices and Other Unwholesome Methods of Competition."

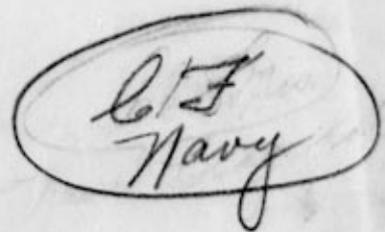
With kind personal regards and expressions of high esteem, I am

Respectfully yours,

  
R. E. Freer  
Chairman.

x 100

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



## DEPARTMENT OF THE NAVY

WASHINGTON

APR 3 1939

My dear Mr. President:

In furtherance of your wishes and instructions concerning the Experimental Building Program, the General Board was directed to make recommendation on the advisability of acquiring, complete, a Motor Torpedo Boat of British design already proven by actual operation. The General Board recommended that such a boat be obtained and their recommendation was fully concurred in throughout the Navy Department.

In the interests of developing this type as quickly as possible, I have explored this field thoroughly and the Navy Department is now in position to contract with an American agent for a 70-ft. Motor Torpedo Boat to be designed and built by Mr. Scott-Paine of the British Power Boat Company of Southampton, England, for experimental use in connection with the Experimental Building Program authorized by Section VI of the Naval Expansion Act of May 17, 1938.

In view of the fact that the funds appropriated for the Experimental Program are to be expended only in your discretion, this matter is submitted with request for your approval. We can have this boat running in American waters probably by July and its acquisition will be invaluable in the expeditious development of our own program.

Sincerely yours,

x18  
Claude A. Swanson

The President,  
The White House.

OK if price is as low  
as the proposed American  
70 footer.

x18 Mis. Naval Bldg folder

FSN  


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 4-4-39

June 15, 1939.

C. F. Navy

Secret

MEMORANDUM FOR CAPTAIN CALLAGHAN: x 50-B

The President states that he is willing to go along with developing a rigid or semi-rigid airship, zeppelin, ~~provided the Navy will be satisfied as to the safety to human life.~~ He suggests that you get in touch with Mr. Paul W. Litchfield, of the Goodyear Tire and Rubber Company, Akron, Ohio, and find out what he has to offer, and then take up with the proper authorities in the Navy.

x 249 Official  
x 71

x 18

x 18 - S

E. M. W.

x 18 - This Naval Bldg folder

THE WHITE HOUSE  
WASHINGTON

June 15, 1939.

GENERAL WATSON:

*Lt* Colonel <sup>Harold R.</sup> Bull says the  
officer who knows all about balloon  
barrage is

Colonel F. C. Clark,  
War Plans Division, \*  
Room 414, Winder Bldg.

War Dept., Br. 1810.

THE WHITE HOUSE  
WASHINGTON

6-15-39

MEMORANDUM FOR MRS. DENNISON:

The General wants you to find out from the War Department who would be interested in the development of a balloon garage. When you have this information he wants to make an appointment with the proper person for Mr. Paul W. Litchfield, of the Goodyear Tire and Rubber Company, of Akron, Ohio.

Roberta

June 16, 1939.

MEMORANDUM FOR GENERAL CRAIG:

Dear General:

The President had an interesting talk with a Mr. Paul W. Litchfield, of the Goodyear Tire and Rubber Company, Akron, Ohio, about balloon barrages.

x  
At the President's direction, I request that you be good enough to designate as a representative of the War Department the best of your balloon experts, who will communicate with Mr. Litchfield and arrange with him a date that he can come to Washington and talk to the officer concerning balloon barrages. Colonel Bull has suggested Colonel F. C. Clark, War Plans Division.

x 25  
x 25-2

With many thanks,

As ever,

EDWIN M. WATSON.

WAR DEPARTMENT  
OFFICE OF THE CHIEF OF STAFF  
WASHINGTON, D. C.

*File*

JUN 21 1939

MEMORANDUM FOR GENERAL WATSON:

Subject: Conference with Mr. Paul W. Litchfield  
on Balloon Barrages.

In accordance with your Memorandum of June 16th to meet the direction of the President, Colonel F. S. Clark, War Plans Division, has communicated directly with Mr. Paul W. Litchfield of the Goodyear Tire and Rubber Company, Akron, Ohio, to arrange for the desired conference on balloon barrages.

*Main*  
Chief of Staff.  
x 25-T

Copy 24

27-A  
Navy

THE SECRETARY OF THE NAVY

Washington

November 18, 1940.

MEMORANDUM FOR THE PRESIDENT

I think it would be extremely useful if we could quietly encourage the reopening of that Chinese airplane factory at Loi Wing which shut down at the time the Burma Road was closed. x150

It is in reality an assembling plant. Before they closed, they were turning out quite a number of planes which were shipped there from the United States knocked down. I think some real encouragement might be helpful in this direction. If you approve, I will see what I can do.

FRANK KNOX x18

F. K.

O K if can be done - take up with Welles. x20

F. D. R.

11/19/40

x150-A  
x249 official