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Panama Canal Zone

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*Caval Zone folder
1-44*

WAR DEPARTMENT
WASHINGTON

April 11, 1944.

~~SECRET~~

MEMORANDUM FOR THE PRESIDENT:

I have read General Edgerton's memorandum and have shown it confidentially to the Chief of Staff. Without of course having been able to check up on the factual statements, we nevertheless agree on the principles and purposes of General Edgerton. I return his memorandum to you herewith.

Henry L. Stimson

Secretary of War.

Franklin D. Roosevelt Library

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DOD DIR. 5200.9 (9/27/58)

Date- 3-17-59

Signature- *Carl L. Spicer*



THE PANAMA CANAL
CANAL ZONE
EXECUTIVE DEPARTMENT

CABLE ADDRESS:
"PANCANAL, PANAMA"

Balboa Heights, C. Z.,
March 24, 1944.

MEMORANDUM FOR GENERAL BRETT:

The Panama Canal has a number of important problems, and general plans for their solution, affecting the welfare of the unskilled and semi-skilled (Silver) personnel and their families, in which Mrs. Roosevelt may be specially interested and to the solution of which, I am sure, she would be disposed to lend her influence.

I. Housing for Silver Personnel:

A Larger Proportion Should Reside in the Canal Zone: At present not more than one-third of the permanent force of Silver employees are furnished living quarters in the Canal Zone. The remainder live as best they can in the cities of Panama and Colon, where rents are high, congestion excessive, and health conditions below the standards maintained in the Canal Zone. A much larger proportion of these employees should reside in the Zone and it is the aim of the Canal administration ultimately to provide quarters for about two-thirds of the normal personnel.

Employees Living in the Canal Zone Have Many Advantages: The advantages to the employees of living in the Canal Zone are direct and obvious. They include better housing at lower cost than those prevailing in the cities of Panama and Colon; closer proximity to places of employment; better sanitary conditions and medical attention; better police protection; and better schools. All these advantages exist even under present circumstances. When the improved housing plans referred to below are realized the advantages will be still greater in that respect.

Protection Against Subversive Activities is Highly Important Among Advantages to the United States of Housing Employees in the Canal Zone: The direct benefits to the employees of residence in the Canal

Incl

Zone are reflected in their increased efficiency and improved morale in the work. The better housing and subsistence not only increase the output of the employees, but increase their loyalty, reliability, and continuity of service. However, overshadowing, perhaps, all the other benefits to the United States, especially in critical times like these, is the removal of the majority of the employees from the subversive influence of self-serving or misguided agitators of the demagogue type, who find fertile and profitable fields for the cultivation of discontent in the crowded terminal cities. It is safe to say that in spite of all efforts to eradicate them, agents of enemies of the United States remain at large in the Republic of Panama. They are undoubtedly striving individually and in association with others, of probably less culpable motives, who wield personal or political influence in that country, to organize and lead employees of the United States for purposes in opposition to its interests. An obvious aim of such enemy agents is to foment discord and to make trouble of any kind that might impede the conduct of the war by the Allied Nations. Housing a large proportion of the employees in the Zone would greatly decrease the dangers from these sources.

The Quality of the Housing Should be Improved: While the Silver quarters in the Canal Zone are generally much better than those the workers can afford in the Republic of Panama, it is not desirable for workers to be housed in apartment buildings in this climate. Individual houses, or two-family cottages of modest type, should replace the large apartment buildings now housing a dozen families or more each. The separate cottages will give an employee individual responsibility for the care of his house and its surroundings, will encourage small gardens for vegetables and flowers, will decrease the likelihood of epidemic of diseases spread by contagion. In such circumstances each family can take pride in the comfort and appearance of its home, which will contribute to the self-respect and well-being of the workers to the ultimate advantage of the work.

Living Conditions in the Zone are the Responsibility of the Government: Ownership and control of the land and buildings in which workers live in the Canal Zone is in the Government. Living quarters are assigned by seniority and there is very little latitude for any individual to improve his living conditions by his own effort. The reasons for re-

taining control by the Government are compelling and with that complete authority goes a corresponding increase of responsibility for the provision of housing of a desirable type and quality. This obligation can be met without large ultimate expense, except for buildings and improvements of a public character, because the rents to be charged for the dwellings can absorb the costs of their upkeep, once the initial investment is provided, if compensation rates are maintained, as they must be, high enough to meet the costs of living.

An Important Step in this Program should be Taken Immediately: An exceptionally favorable opportunity exists for a substantial increase in the number of Silver quarters to be provided economically and quickly by necessary alterations in the buildings at Paraiso, which the Army is prepared to release to the Canal on or after April 1. The buildings cannot be adapted to single occupancy, and so are not entirely suitable to the ultimate aim of the program to avoid apartments. However, the more urgent need, which will serve the requirements of employees whose living conditions are the poorest, is for additional quarters of any type in the Canal Zone. The buildings at Paraiso can be adapted economically to comfortable occupancy by more than 200 families in three or four months time.

Estimates are being prepared for submission to the Bureau of the Budget with recommendations for a special appropriation or allotment for this work. Its importance should be presented to the Budget with all of the emphasis it warrants.

Subsequent Program: Following the steps for which the immediate opportunities are exceptionally favorable, it is proposed further to increase the Silver family quarters in the Canal Zone to the desired total by constructing single or double family cottages, in successive annual increments over a period of from four or five years following the close of the war. After the completion of that program the replacement of the old apartment buildings should be undertaken.

Owing to the lack of space in the existing townsites and to the occupancy and use by the Army, Navy and existing Canal activities of most of the level ground in the Canal Zone, it will be necessary to develop additional townsites on both the Atlantic and the Pacific sides of the Isthmus and the costs of grading and preparing the sites for

development will be unusually high. This investment can not be repaid by rental receipts without charging much higher rents than heretofore, which would no doubt require a general increase in pay schedules and would be more costly than the provision of the townsites.

This program is being studied carefully and it will be proposed in the near future by the submission to the Bureau of the Budget of estimates of the appropriations required for the first year's work.

II. Improvement in Silver Schools:

Replacement of Old Buildings and Moderate Expansion are Required: A number of the colored school buildings are very old and are poorly adapted to school use, partly because of age and partly because they were originally designed and constructed for other purposes. These buildings should be replaced as soon as practicable. The capacities of the colored school buildings in nearly all communities is inadequate and additional school rooms should be provided. They can be provided to advantage in connection with the replacement of the old buildings and the construction of larger as well as better school buildings. This program will be carried out by appropriations, when they are obtainable, to be requested in the annual estimates of appropriations for the Canal.

The increase in the Silver quarters for families in the Canal Zone will require proportionate expansion in the colored schools, for which the buildings should be provided with the other necessary public buildings in the new townsites. The annual expense of operating the new schools must be borne by the annual appropriations for the Canal.

III. Recreational Facilities:

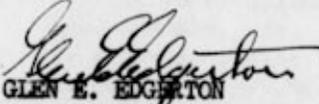
Moderate Expansion and First Class Maintenance are Required: For a number of years the recreational facilities, such as clubhouses, moving picture theatres and buildings and grounds for athletics have been inadequately provided for by the appropriations it has been possible to obtain for those purposes. The deficiency exists in recreational facilities for Americans as well as for natives of the tropics, but is more unfortunate for the latter employees because of their lower economic status and consequent lesser ability to provide wholesome recreation and amusement for themselves and because they have no vacations for recreational purposes.

During the past three years while employment at good wages has been available in the Canal Zone for all who desired it, the receipts from moving picture and clubhouse activities have been swelled by the free spending by the thousands of temporary employees on the rolls of the Canal, Army and Navy, and by the soldiers and sailors, to whom the recreational facilities of the Canal towns are open, although intended primarily for the civilian population. Consequently without any material changes in prices or charges, which are considered fair and reasonable, substantial funds have accrued which are available for the maintenance, repair and improvement of the plant. Advantage is being taken of this favorable situation to make the most urgently necessary replacements and improvements to the facilities. When normal conditions return, however, the funds from this source will practically disappear again and it will be necessary for replacements as well as expansion, when required, to be provided by funds from other sources.

Appropriations for such purposes, although they are of high importance, have always been very difficult to obtain. As a result the war period of extraordinary activity and employment has been marked by notable inadequacy in the old clubhouses, restaurants, moving picture houses, and athletic grounds, at the time when they have been needed most and for which time they should have been expanded, or at least put in good condition, before the emergency.

These deficiencies have been costly in creating discontent and dissatisfaction among the employees, and so increasing the rate of turnover in personnel with the direct and indirect losses and expense it entails.

Repetition is likely to occur unless adequate recreational facilities are provided and maintained in the same first class condition as other parts and appurtenances of the Canal.


GLEN E. EDGERTON
Governor

THE WHITE HOUSE
WASHINGTON

April 8, 1944.

MEMORANDUM FOR
THE SECRETARY OF WAR

I got General Edgerton to send me this copy of his memorandum of recommendation to General Brett in regard to the Canal Zone, and I think you might like to read it and send it back to me. All this is wholly "off the record" of course.

F. D. R.

IN REPLY
REFER TO:

CDC 323.36 C/S, CDC
(31 Mar 44)

HEADQUARTERS CARIBBEAN DEFENSE COMMAND

OFFICE OF THE COMMANDING GENERAL /as1

C/O POSTMASTER,
NEW ORLEANS, LOUISIANA

31 March 1944.

Miss Malvina C. Thompson,
The White House,
Washington, D. C.

Dear Miss Thompson:

If you will recall, as you were departing from Guatemala, I mentioned to you that we would send you a letter covering certain points which were discussed by Mrs. Roosevelt and General Brett.

One of the principal subjects was in connection with housing accommodations and physical recreational facilities for both military and civilian personnel. Governor Edgerton has expressed his views in the memorandum which is attached. What he says applies equally to similar employees of the Army and Navy.

Prior to the outbreak of the war, a permanent building program was underway in the Canal Zone to provide adequate housing facilities for military personnel. After Pearl Harbor, this program was suspended, in order to concentrate every effort to meet the demands of the emergency.

Now that the latter period apparently is over, as far as this area is concerned, it is highly desirable from a morale point of view to carry on with the original program, so that the personnel living in this area will be adequately housed and will have available within the Canal Zone and on the various reservations facilities for healthful physical exercise and entertainment. In such facilities would be included: service clubs; swimming pools; gymnasiums, primarily for boxing and basketball during the eight to nine months' rainy season; tennis, handball, volleyball courts; and bowling alleys. The necessity for this applies not only to enlisted and commissioned personnel, but also to the rather large number of civilian employees of the services and includes unskilled and semi-skilled, or so-called Silver, personnel.

In connection with the visit to the recreation center in Guatemala City on Sunday evening, 26 March, the subject was discussed of a rather liberal policy of awarding Medals of Merit to civilians in foreign countries, who have been especially helpful

*YOP
I asked for this as I
wouldn't make a mistake
eg.*

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CDC 323.36 C/S, CDC

-to Miss Thompson-

31 Mar 1944.

in bolstering the morale of troops. For instance, Madame Irene O. de Peyre of Guatemala was largely responsible for the establishment of the recreation center in Guatemala City, which is sponsored entirely by Guatemalan ladies and in which there are no charges. This headquarters has recommended Madame de Peyre for the Medal of Merit, but to date the award has not been approved. There is a number of civilians in other communities, as was evidenced by the visit in Panama, whose services could very well be recognized.

I hope the Panama hat, which we forwarded several days ago by courier, has arrived safely.

General Brett has written a letter to the War Department, pointing out the beneficial results of Mrs. Roosevelt's visit to this area. From our point of view, the trip was highly successful. Personally, it was a pleasure to meet you and my only regret is that I could not accompany the party on the entire trip.

With kindest regards, I am

Sincerely,



D. L. WEART,
Brigadier General, G.S.C.,
Chief of Staff.

Incl--

Gov. Edgerton's
memo, 24 Mar 44.

(2904) Signed original and 1 copy of this letter sent to Hon. James M. Barnes.

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*PSF; Canal Zone folder
1-44*

May 11, 1944

My dear General Brett:

In the near future Mr. Donald M. Nelson, Chairman of the War Production Board, is proceeding at my request to Mexico and to the Canal Zone.

The purpose of his trip will be to study production and supply problems as they relate to needs of both the Armed Forces and the essential civilian economy of this country and of Central America.

I request that you make available to him and his party every facility, including such information as he may require to accomplish this mission.

Sincerely,

FRANKLIN D. ROOSEVELT

Lieutenant General George H. Brett
Commanding General
Panama Canal Department and
Caribbean Defense Command

(copy filed - Donald M. Nelson folder, dr. 2-44)