

DIARY

Book 761

August 4-10, 1944

- A -

| | Book | Page |
|---|------|------|
| Appointments and Resignations | | |
| Mann, James H.: Urged by HMJr to remain with War Refugee Board - 8/4/44..... | 761 | 18 |

- C -

| | | |
|--|--|-----|
| China | | |
| Fall of Hengyang discussed in Friedman letter - 8/9/44.. | | 309 |
| Correspondence | | |
| Mrs. Forbush's mail reports | | |
| 8/4/44..... | | 19 |
| 8/11/44: See Book <u>762</u> , page 1 | | |
| 8/18/44: Book <u>763</u> , page 237 | | |
| 8/25/44: Book <u>766</u> , page 91 | | |

- G -

| | | |
|--|--|-------|
| Gamble, Theodore R. | | |
| Congratulated by HMJr on success of 5th War Loan Drive - 8/5/44..... | | 54,55 |
| Germany | | |
| For reaction to Bretton Woods Monetary Conference see Post-War Planning | | |

- L -

| | | |
|---|--|-----|
| Lend-Lease | | |
| Executive Reports as of June 30, 1944 - 8/4/44..... | | 28 |
| United Kingdom: Aircraft despatched, weeks ending July 21 and 28 - 8/8/44..... | | 243 |

- M -

| | | |
|-----------------------------------|--|--|
| Mann, James H. | | |
| See Appointments and Resignations | | |

- N -

| | | |
|--|--|--|
| New York Times | | |
| See Post-War Planning: Bretton Woods Monetary Conference | | |

- P -

| | | |
|---|--|---|
| Post-War Planning | | |
| Bretton Woods Monetary Conference | | |
| New York Times editorial comment: Sulzberger (Arthur H.)- Treasury correspondence concerning - 8/4/44..... | | 1 |
| a) Luxford suggests luncheon conference to Sulzberger - 8/11/44: See Book <u>762</u> , page 6 | | |
| b) Sulzberger note after Luxford and Bernstein lunch - 8/29/44: Book <u>767</u> , page 67 | | |
| c) Luncheon conference described in Luxford memorandum 9/2/44: Book <u>768</u> , page 74 | | |

| | Book | Page |
|--|------|------------------------|
| Post-War Planning (Continued) | | |
| Bretton Woods Monetary Conference (Continued) | | |
| "Thank you" letters to delegates, technical and legal advisers, secretariat, etc. - 8/5/44..... | 761 | 57, etc. 218, etc.; |
| a) Various replies - 8/7/44..... | | 240, 246, 273 |
| (See also Book <u>762</u> , page 77) | | 111 |
| German reaction reviewed by Ostrow - 8/5/44..... | | |

Sulzberger, Arthur H.

See Post-War Planning: Bretton Woods Monetary Conference

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE Aug. 4, 1944

TO Mrs. Klotz

FROM Mr. Gaston

At the Secretary's request, three alternative drafts of a reply to ~~the~~ attached letter from Arthur Sulzberger were prepared and sent to him at the farm. The Secretary finally decided not to send any letter but to talk to Mr. Sulzberger on the phone, which he did yesterday, August 3rd. He said Mr. Sulzberger was principally disturbed because he thought the Secretary's telephone remarks might be construed as a reflection on his patriotism and the Secretary assured him that he had no such idea. Mr. Sulzberger seems receptive toward the idea of reviewing The Times policy on the whole matter of the International Stabilization Fund and the Bank for Reconstruction and might call us soon to have someone sent up to New York to discuss the matter with Charles Merz, editor of The Times, who is away on vacation at present. The Secretary said if I got such a call from Mr. Sulzberger, I was to have Ansel Luxford go.

A handwritten signature or set of initials, possibly 'WAG', written in dark ink.

TO:

2

*Draft by
W.S.H.*

FROM: MR. GASTON



THE SECRETARY OF THE TREASURY
WASHINGTON

August 1, 1944

Dear Arthur:

I have read your letter of July 27 and Russell Porter's memorandum which you enclosed with mixed feelings of surprise and hope. I am mildly surprised that neither you nor Mr. Porter finds any real defense for the editorial policy The Times has pursued with respect to the Bretton Woods conference. My hope is that since there is so little to be said in favor of the policy, affecting the whole area of international cooperation now and after the war, into which The Times has allowed itself to drift, you may be willing to cause it to be reviewed and to get back onto sounder ground, which would be more consistent with the reputation of The Times and your own intention.

As to the latter, there is of course no need for you to defend your patriotism to me. I certainly hadn't thought I was imputing any lack of it. What I suspected was simply that you hadn't paid much attention to the editorial policy that was being developed; and this you confirmed both in our telephone conversation and by inference in your letter. And it would be as far as possible from my mind to accuse any of your editorial staff of lack of patriotic intent because of the policy they have pursued. I simply think they have been influenced too much by the opinions of a few hardshell New York bankers whose thought processes have been frozen for a good many years.

Russell Porter modestly disclaims ability to think on the high level of the editorial page, but he makes it abundantly clear that he disagrees with editorial page policy. I hope, by the way, that you have retained a copy of his excellent memorandum, for I think you ought



- 2 -

to study it carefully. My own opinion is that he went to the conference, as a good reporter should go, with an open but critical mind, and that he now bases his judgments on a better stock of knowledge than any of your editorial writers has yet displayed.

Mr. Porter thinks there were some incidental benefits from The Times editorials in causing reconciliation of ideas at the conference. I don't know how seriously he means this, and it doesn't agree with my observations nor with those of any others of the Treasury group so far as I can learn. In any event, it surely doesn't amount to much as a defense of an editorial position that has seemed to range The Times alongside the others Mr. Porter mentions, "the Hearst Press, the Chicago Tribune, the Wall Street bankers and die-hard Republicans like Senator Taft" in outright opposition to any realistic form of international cooperation in the monetary field-- in other words, to all the objectives of the Bretton Woods conference.

But Mr. Porter's memorandum tells me that I have misunderstood the policy and objectives of The Times. "Unfortunately," he writes, "it appears that some still mistakenly believe that The Times in this case has deserted the cause of international cooperation." This is precisely what I have believed. All of your editorials on Bretton Woods seem to me to support that belief.

I should like to believe that it was not the purpose of The Times to cause the conference at Bretton Woods to fail and that it is not now your purpose to prevent acceptance by Congress of the agreements reached at Bretton Woods. I could be convinced of this if you were to review your policy and the methods by which it is to be expressed and adopt, as Mr. Porter suggests, a "broader view."

I think the matter is of enough importance to merit your own direct and personal attention, and I want to make a suggestion to you. It is that in the near future

- 3 -

you arrange for a meeting of The Times editorial board and permit a few people from the Treasury to discuss this whole matter with them and with you; not for the purpose of engaging in post mortems or recriminations, but merely to consider whether and to what extent the agreements reached at Bretton Woods ought to have the active support of The Times.

Sincerely,

Mr. Arthur Hays Sulzberger,
The New York Times,
Times Square,
New York, New York.

TO:

6

draft by

~~John~~

Sanford

FROM: MR. GASTON



THE SECRETARY OF THE TREASURY
WASHINGTON

August 1, 1944

Dear Arthur:

I was greatly encouraged by your letter of July 27 and particularly Russell Porter's memorandum which you enclosed.

I sensed from your letter and the fact that you enclosed Porter's memorandum that you personally still have an open mind on the merits of the International Monetary Fund and the International Bank for Reconstruction and Development, as these proposals emerged from the conference at Bretton Woods. This was most reassuring to me because, frankly, the editorial position of The Times has seemed to me to range it alongside the others Mr. Porter mentions, "The Hearst Press, the Chicago Tribune, the Wall Street bankers and die-hard Republicans like Senator Taft" in outright opposition to any form of international cooperation in the monetary field--in other words, to all the objectives of the Bretton Woods Conference.

Now that I realize that you are still open-minded on the subject, I would urge that you defer decision until you have heard both sides of the matter fully discussed. I think the matter is of enough importance to merit your own direct and personal attention, and I want to make a suggestion to you. It is that in the near future you arrange for a meeting of The Times editorial board and permit a few people from the Treasury to discuss this whole matter with them and with you; not for the purpose of engaging in post mortems or recriminations, but merely to consider whether and to what extent the agreements reached at Bretton Woods ought to have the future blessing of The Times.

Sincerely,



Mr. Arthur Hays Sulzberger,
The New York Times,
Times Square,
New York, New York.

Mr. Gaston says that in case you haven't signed and mailed either of the letters to Arthur Sulzberger which we sent up to you yesterday, I think the attached letter is much better and perhaps you would prefer this one to either of the other two.



THE SECRETARY OF THE TREASURY
WASHINGTON

August 3, 1944

Dear Arthur:

Thanks for your letter of July 27 and the memorandum from Russell Porter. You have more than made good your promise to talk to him about Bretton Woods.

I think, however, that in your letter you express assumptions and suspicions not justified by what I said to you over the telephone. Of course I had no intention of questioning your patriotism or that of anybody else connected with The Times, and I should be shocked to learn that you really thought I was doing that. Nor did I question the non-partisanship or sincerity of Times editorial policy.

What I did think and attempt to say was that your editorial board was gravely wrong, in my opinion, in its editorial treatment of the Bretton Woods monetary conference. Your editorials seemed to have the objective of preventing the adoption through the Bretton Woods conference of any realistic plan of international monetary cooperation.

Mr. Porter thinks the Times editorials might be viewed in a different light and that they had the incidental effect of promoting agreement on a satisfactory basis. Knowing what actually happened at Bretton Woods I am not much impressed by this theory, but I am greatly impressed by Mr. Porter's suggestion that The Times might now review and reorient its editorial policy in the light of what happened at Bretton Woods.

Since you were so good as to send me his complete memorandum containing this suggestion, I am encouraged to believe that you may be willing to consider putting



- 2 -

it into effect. You told me, I think, that although of course you had read the editorials you hadn't paid much attention to the development of editorial policy on this subject. If you do interest yourself in the editorial policy of The Times on major matters, and I know you do, I think this subject of international cooperation is big enough to claim your active attention. I should think the mere fact that Mr. Porter cited, of your finding yourself ranged in the public view alongside those he mentions, "the Hearst press, the Chicago Tribune, the Wall Street bankers and die-hard Republicans like Senator Taft," should cause you to want to take stock and reappraise your position.

If you should decide to do that, I can make some of our people here available to meet with you and your editorial board and with any others you might wish to bring in to present differing views, at any time you suggest. I hope you will accept this suggestion. I think it is important and a reasonable thing to do.

Sincerely,

Mr. Arthur Hays Sulzberger,
The New York Times,
Times Square,
New York, New York.

The New York Times
Times Square

ARTHUR HAYS SULZBERGER
PUBLISHER

July 27, 1944

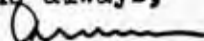
Dear Henry:

I am enclosing a memorandum prepared at my request and at your suggestion by Russell Porter who, with John Crider, covered the monetary conference for The Times. Mr. Porter, who is one of our ablest men, was assigned some months ago to the problem of reconversion and readjustment to civilian economy.

May I take this occasion to assure you that The Times does not set out to "torpedo" any meeting, even though we would be following high example were we to do so. Here in our shop we are not interested in politics, except as it serves the nation, and it is never our intention that our editorial criticism be narrowly partisan. As you will note from Mr. Porter's memorandum, we appear to have served a useful purpose by the editorial positions that we took in connection with these recent meetings.

Please realize that I, too, love my country and that I, too, fight for a stable world in which my children and theirs may live in peace. We believe in "torpedoing" the Germans and the Japs, and in cooperation both with our fellow citizens and our allies.

As always,



Hon. Henry Morgenthau, Jr.
Secretary of the Treasury
Washington, D.C.

L

Enclosure

July 27, 1944.

Memo. for Mr. Sulzberger.

At your request I am temporarily stepping out of my role as reporter, now that the Bretton Woods assignment is over, and giving you my impressions of Mr. Morgenthau's reaction to The Times' editorials.

Naturally as a layman I would not presume to discuss the pros and cons of the criticisms of the Monetary Fund and the World Bank made by editorial writers who have had specialized training and have engaged in prolonged studies in the financial and economic fields.

However, I was able to make certain observations on the effect of these criticisms, and it seemed to me that to a considerable extent they were constructive and helpful in bringing the pressure of public opinion to bear upon the conference in a way that brought about more conservative provisions generally and greater safeguards for American interests than otherwise would have been the case.

For one thing, they apparently served to stiffen the backbone of our delegation in negotiating with foreign delegations over controversial issues. It gave our negotiators the opportunity, when hard pressed by other nations and groups of nations with insistent demands for concessions, to point to the Times' editorials and say, "You can see that there is a very important section of public opinion in the United States that thinks we have already gone too far. If you force us to go any further it is doubtful that we can get enough public support to get this through Congress." Obviously this argument was much more effective when based upon the viewpoint of The Times, with its

world-wide reputation for honesty and fairness and its well-known editorial stand for post-war international cooperation in general, than it would have been if it had rested solely on the opposition of the Hearst press, the Chicago Tribune, the Wall Street Bankers, and die-hard Republicans like Senator Taft. It seemed to me that this was a highly valuable contribution, especially in view of the noticeable weakness of our delegation on the diplomatic side, and its need for some stiffening influence when dealing with skilled foreign diplomats and negotiators. The monetary and economic experts in our delegation were universally respected for their technical knowledge and skill, but appeared to be mere "babes in the wood" when they came up against hard-boiled foreign diplomats on matters involving world politics and the play of national interest. One of our best and most respected experts, for example, naively admitted at a press conference attended by the entire foreign as well as domestic press, that he had been "surprised" to find that national prestige and other political considerations were considered important by so many foreign delegations in the solution of what were to him exclusively economic problems.

Secondly, it seemed to me that our editorials had a definite effect in modifying the views of some of our delegates who went to Bretton Woods with purely idealistic conceptions of "the almost perfect state," as Don Marquis used to put it, without any realization of the give-and-take necessary in a world of realism to reach practical and workable solutions. At the beginning of the conference, delegates of this type seemed disposed to agree to almost any foreign demand as long as their pet theories seemed untouched, but at the end, under the steady pounding of The Times' editorials, as well as the eye-opening effect of the more extreme foreign demands, these delegates of ours began to talk more and more in terms of sound and conservative policies and protection of American interests. The same change in viewpoint was noticeable among some of the more New Dealish American writers who went to Bretton Woods more or less as propagandists for the American

delegation's plans, but later began expressing doubts and wound up tacitly conceding that there might be considerable force after all in some of the Times' editorial arguments.

Thirdly, I think that the Times' editorials were an important factor in smoking out Lord Keynes and causing him to admit that much of the criticism of his plans in this country was justified, and to agree that in spite of his adherence to ^{his} 1920 dictum that the old gold standard was a "barbarous relic," some "link" to gold is necessary in the post-war monetary standard. If it had not been for these editorials it is conceivable that the British would have shown themselves less willing to compromise on certain issues. It is also conceivable that the Russians would not have made their dramatic ^{-minute} last change increasing their subscription to the bank, had they not been impressed by ^{this} ^{American} ^{in my opinion,} ~~the source of criticism in this country.~~ The same holds true of the French decision to sign the agreement despite the loss of the major points they fought for, and ^{of} the similar decisions of various other countries. There seemed to be a general feeling that the agreement had to be in such form that it had a reasonable chance of Congressional approval, and that The Times' viewpoint had to be given the most serious weight in this respect.

In spite of the above considerations a good many people at Bretton Woods seemed to have the idea that the purpose of the Times' editorial campaign was not merely to exert pressure for a more practical and conservative fund and bank, but actually went much further -- that is, that the aim was to torpedo the conference and the whole broad program of post-war international cooperation of which it is a part. To me, this seemed inconceivable in view of the Times' long and valiant ^a fight for real international cooperation, although I must admit that some people to whom I expressed this view thought I was rather unsophisticated about it, and that it was impossible to reconcile a stand for extreme economic nationalism with a general policy of international cooperation. It was also pointed out that The Times, like other critics of the

plan, had failed to accept Lord Keynes' challenge to produce a better one.

Unfortunately it appears that some still mistakenly believe that The Times in this case has deserted the cause of international cooperation. To my way of thinking, this impression could be dispelled by taking a broader view of the Bretton Woods conference. This would not require any abandonment of our original position. On the contrary, it was admitted by the sponsors of the Bretton Woods plan that, as The Times held, neither the fund nor the bank in themselves can solve the problems of post-war currency stabilization and international investments. But these plans, like the problems they seek to solve, are merely pieces - though indispensable ones - in the whole mosaic of the post-war world. The Bretton Woods Conference can be considered as part of the entire series of United Nations agreements which began with the Food Conference at Hot Springs and the UNRRA conference in Atlantic City, and will continue with future conferences on such subjects as foreign trade, commercial agreements, tariff barriers, commercial aviation, shipping, etc., on up to the final over-all peace conference.

The purpose of all these preliminary economic conferences is to stimulate foreign trade, production and employment all over the world, to minimize the danger of economic rivalry, depression and social chaos which characterized the nineteen twenties and thirties, and to prevent the world from drifting into war again *or into communism or some new form of fascism.* Certainly, the attempt to provide international guarantees for the repayment of international loans, to reduce the threat of competitive currency depreciations, discriminatory exchange practices and other methods of economic warfare, and thus protect American workers, employers and investors against the risks of unemployment, restricted markets and defaulted loans, even if it should prove imperfect or unsuccessful in the final analysis, is a laudable one.

Much as one might desire a complete return to the old gold standard and other orthodox economic standards of former years, certainly no one would want to do so if it made it impossible for the rest of the world to buy and sell in the United States, forced Great Britain and other great trading nations to adopt the barter system and other Nazi-like measures at our expense, and thus brought about another period of mass unemployment, depression and incipient revolution in the United States.

No one is gifted with sufficient prophetic vision to say at this time whether these particular efforts at international cooperation will succeed or fail in their aims, or to what extent, but it seems to me that it would be constructive public policy to adopt a sympathetic attitude toward them, reserving of course the right to criticize them in whole or in part.

The ultimate goal of this and all the other conferences that have gone before and are yet to come is to prevent another world war. From this larger point of view it seems a practical blend of common sense and idealism to say that all people of good-will should cooperate ~~in support of the~~ in support of the attempt, and try to help it succeed. Even if it fails, it is better to have tried and lost than not to have tried at all.

Respectfully yours,

Russell Porter

Russell Porter

August 4, 1944

Memorandum for the Secretary's Files

Secretary Morgenthau telephoned at 10:00 a.m. today to say that he had just had a very satisfactory telephone conversation with Mr. Sulzberger in which Mr. Sulzberger said that he would hold everything until his editor, Mr. Charles Merz, returned, at which time he would be glad to have him meet Treasury people. The Secretary said he informed Mr. Sulzberger that he would have Mr. Luxford go up to New York to talk with them when Mr. Merz returned.

Mr. Sulzberger said in the telephone conversation that the Keynes Plan and the White Plan had both been buried and that there was a new plan which he thought he liked. The Secretary informed him that John Crider knew at Atlantic City that there was to be a new plan and could have told his editorial staff that before their editorials on the Bretton Woods conference appeared.

The Secretary said he was quite satisfied with the conversation.

H. D. White

HDW

AUG 4 1944

Dear Mr. Mann:

I have just been informed that you have been offered the commission of Lieutenant (Junior Grade) in the United States Naval Reserve and that you are anxious to accept such commission.

It would be farthest from my thoughts to wish to deprive you of the honor of military service while our country is at war, but on the other hand I believe that you would want to serve in the post where you can be most useful. I have in mind your experience in the Treasury Department in the economic warfare and monetary fields, your familiarity with the economic warfare problems in connection with Argentina and your recent valuable contribution to the War Refugee Board.

It is therefore my hope that you will, even at sacrifice of your own inclinations and desires, consent to remain and carry on your present work.

Sincerely,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

James H. Mann, Esq.,
War Refugee Board,
Washington, D. C.

MEMORANDUM FOR THE SECRETARY.

August 4, 1944.

Mail Report

Again a week of routine mail brought in more letters dealing with bond matters than any others. The announcement that Series E Bonds will soon be redeemed "over the counter" brought only a few comments. Most of them were unfavorable and made the point that easing restrictions will defeat the purpose of this move. Just 36 bonds were submitted for redemption -- the lowest figure for many weeks. Most of the replies to the redemption slip, a dozen or so during the week, gave illness as the reason for cashing bonds. There were only 3 complaints from members of the armed forces in regard to delays in handling bond matters, and very few others from the general public. Suggestions about the promotion of the 6th Drive exceeded the number of communications concerning the 5th.

In a very light tax mail were a dozen requests for refunds, and a few miscellaneous questions and suggestions. The car use stamp is still a source of trouble, with a number of strongly worded protests against the present method of handling this tax.

There continue to be requests for copies of the report of the Bretton Woods Conference, and scattered comment, largely favorable, but occasionally critical, on its decisions.

Only 4 gifts were received -- the smallest for \$5.00, and the largest for \$170.00.



General Comments

Garet Garrett, National Industrial Conference Board, New York City. At the end of the Bretton Woods Conference you made a speech, summing up the work that had been done there, which, it seemed to us, was rather badly treated in the press. It should have been printed in full, like the broadcast which followed. Please, will you be so good as to send us a copy of that speech? We want it for "The Economic Record" which now is a quarterly publication of the National Industrial Conference Board devoted to news of thought and opinion.

Susan Harkins, Harrison, New York. On December 15, 1942, I received an acknowledgment of a Money Order for \$60.00 I sent you in fulfillment of a promise to contribute \$10.00 per month for the duration of the war, to help the war effort. I am more than sorry that I got behind in those payments. I owe you for all of 1943, and now 7 months in 1944 -- a total of \$170.00. It seems I overpaid my taxes, so now I have a cheque for \$165.00 from the Treasury Department. May I please ask you to accept this endorsed cheque for \$165.00, together with the enclosed postal order for \$5.00 -- all of which leaves me in the happy and grateful position of having been able to fulfill my promise. My Country is more than welcome to my humble contribution.

Ing. Enrique de Montalvo, President of National Committee of Mexico, Democracias En Guerra, Mexico City. Since the World Monetary Conference started in Bretton Woods I have been interested in all developments. Thanks to your prestige, technical and moral authority and your skillfull it was a really success. * * * You can be proud and satisfied you achieved a great success in benefit of all the world. President Mr. Roosevelt surely feels glad to be you with Secretary of State Mr. Hull, his best Cabinet's Officers, and be you one of the besto Secretary of Treasury the United States have had in plenty years.

- 2 -

Unfavorable Comments on Bonds

F. O. Furey, Publisher, The Walthill Citizen, Walthill, Nebraska, returning citation, writes as follows: "This newspaper has supported every war effort and will continue to support every war effort -- Red Cross Drives, U.S.O., and everything else connected with the prosecution of the war. After the raw deal weekly newspapers received at the hands of Congress, with the help and assistance of the Treasury Department, do you think this card means anything to us? The weakness of the Roosevelt Administration is that in recent years it has begun to play ball with the big fellows and forget the little ones. * * * The little fellows who have been his mainstay and strength are losing confidence in him."

Albert Sargent, Route 3, Vassar, Michigan. We are writing in regard to eighteen \$18.75 bonds I sent in there on February 26, 1944. I sent them in to have my wife's name put on them. It has been five months and I haven't received any word about them yet. I am beginning to worry about them. Will you please either send me the bonds or the money? I have paid \$338.50 for those bonds and now haven't the money or the bonds. * * *

Stella Rose, New York City. If the Republican Party ever wanted to substantiate a claim of gross incompetence and waste in the present regime, it could point with great relish to the 1 East 23rd Street Office of the War Finance Committee. * * * Never once during the Fifth Bond Drive have I been able to obtain information there that I sought in connection with my own efforts to sell bonds. I have

- 3 -

walked into that office at various hours of the day to find the staff doing absolutely nothing. * * * On numerous occasions I have sought information which could not be given me and asked that I be called back, but, of course, that would have meant an effort, so I was just ignored. I was particularly riled this week when I was told that for the remainder of the Drive, I was to bring my sales to 305 Fifth Avenue. Dutifully, I treked over there in this hot weather at 5:00 one afternoon, and then again at 2:30 the next and found the place closed on both occasions. Not knowing what to do, I took a chance and went back to 1 East 23rd and sure enough, there was the "staff" lolling about. When I asked where I am to take my applications up to August 31st (you see, I take these Bond Drives rather seriously -- but then, I'm not a drain on the taxpayers), I was told by the lady in charge that she's a stranger there herself. In the next breath, she told me the War Finance Committee wanted her to stay on to organize the 6th Drive. Now, I ask you!!!

Mrs. R. Sebastian, Hopkinsville, Kentucky. Perhaps you can tell me why the Postmaster in this town, Hopkinsville, Kentucky, refuses to certify my War Bonds for redemption. He also said he could not take my Social Security Card, official pass to Camp Campbell, Kentucky, marriage license, or anything else that might identify me, as proof of who I am. Instead, he told me to go to the bank where there would be a charge to certify them. I am the wife of a soldier and need the money urgently, or I would not take these measures. * * *

A. L. Stone, Stone Electric Supply Company, Los Angeles, California. An organization to which I belong recently sold a block of series "F" bonds in the amount of \$54,020.00, and in their stead purchased 7/8% Treasury Certificates. The reason for this action as reported by our administrative committee was to the effect

- 4 -

that there was a possibility that the Government might make it difficult to convert series "F" bonds into cash, and that it seemed advisable to sell the series "F" bonds. Statements of this character have come to my attention several times recently, and in each case the information emanated from some one of the banking fraternity. I would appreciate some statement from the Treasury Department to offset the above rumor as it appears to the writer to be pure and unadulterated propaganda. Any form of statement that you may furnish will be greatly appreciated and in addition will tend to clarify this situation. * * *

Unfavorable Comments on Taxation

R. C. Adair, Superintendent, Goodwill Industries, St. Louis, Missouri. * * * There is one matter that is causing considerable dissension in this part of the country, and I pass it on to you, realizing that you cannot cure it entirely, but perhaps you can improve on the present situation quite considerably. * * * The Democrats got the taxes high, got March 15 set as a deadline for the payment of them, and anybody that didn't have their report in and their payments made on that date got a fine slapped on them. There was no leniency granted, everybody had to have their tax report in on that date, regardless of how busy they were -- war, war emergencies, war work, notwithstanding. Thousands of folks had more tax withheld from their wages than was due; they were promised a refund. Four months have gone by and hardly anyone has received their refund. I'll quote something that is heard quite often: "If the Democrats are so insistent in getting every penny and every report in by March 15, why aren't they equally interested in getting the refunds back to the people within thirty days of the time they got them in?" There is a lot of talk going on that folks will never get their refund; once the Government gets hold of the money, no one will ever get it back. The Republicans are all saying that it will be different if we get in office. In the first place, you won't be overcharged on your withholding tax; the second place, if anything like that does happen, you will get a refund right away because we'll be as interested in seeing that you get your refund as we are in collecting your taxes. Another story came out in the daily papers in St. Louis awhile back, stating that many of the persons making out returns are making mistakes and have not turned in sufficient money. These persons were being called in, shown their mistake, and then given an opportunity to pay that money, plus one-half of one percent on the unpaid balance. This was immediately picked upon with a statement that what is

- 6 -

good for the goose is good for the gander. If the Government is going to charge the citizens one-half of one percent per month on the amount they didn't pay on their tax bill, why shouldn't the other citizens get interest at the rate of one-half of one percent per month on all of the money they paid in excess of the amount they should have paid. * * * The return of this money now would be a big thing in the furtherance of the next bond campaign, the furtherance of the payroll deduction plan for bonds, and in promoting good-will toward the Administration in this election year. I know this is true in this section of the country, and I believe it is true throughout the entire United States.

The following is a copy of a letter addressed to James P. Finnegan, Collector of Internal Revenue, St. Louis, Missouri, by Thomas W. Kirk, Ventura, California: "I returned to the United States on March 7, 1944, after eighteen months overseas. On March 13, 1944, I arrived in St. Louis for the first time in two years. On April 5, 1944, I filed my income tax return for 1942 and 1943; my return was made out by one of your men, and I felt certain I was meeting all necessary requirements. My wife did not file a separate return, even though she had it all made out at the time and ready to file, because I told her to hold it and we would file joint returns as soon as I reached home. I had no idea this was not a perfectly legal procedure, and I felt it would save the Government time and money. * * * The deductions from Mrs. Kirk's pay were more than sufficient to pay her income tax, which fact was largely responsible for withholding the return in order that no refund would be necessary. Considering the fact above, it would appear there is no basis for a penalty since the penalty is charged against the balance due from the person in default. Since I filed an affidavit at the time of filing my

- 7 -

income tax report, and another at your request at a later date, indicating my reason for filing a late return, I feel that I definitely indicated that my failure to file on or before was not willful neglect on my part to meet my obligations. It is my understanding, from competent legal authority, that willful neglect is necessary to merit a penalty. * * * I do not think that it was intended to put the pressure on service men that has been brought to bear in this case. * * * It seems to me that the circumstances were available in sufficient detail to enable the Collector of Internal Revenue to understand the reason for delay and thus avoid the use of threats to effect collection of such a minor sum. "

F. S. Ragle, American School, Chicago, Illinois. On March 15 of this year I found that because of lowered commissions, I have overpaid my income tax by \$420.00. * * * On March 16 there were pictures of yourself making a refund, and the implication was plain that overpayments would be made promptly. Acting upon this assumption, I had a new and long-needed roof laid on my house. But the refund was never made, and I am now threatened with a mechanics' lien on my home. Will whoever reads this letter please check this delay in the refund and endeavor to expedite the payment? And also, will you please inform me when this payment will be made so that I will have something to show my creditors?

- 8 -

Edward C. Wild, North Road, Shelburne, New Hampshire. Last week while my car was parked at the Cascade Mill, my tax stamp was stolen. This stamp was purchased at Berlin, New Hampshire, on the third of August, 1944. Of course, you will say "too bad", but you will simply tell me I will have to buy another. To some men \$5.00 is a small sum, but to me, a father of 10 children, it is nothing to be thrown around. I go into the Post Office, hand \$5.00 to the postal clerk, and he gives me a stamp, but no other receipt. As soon as I fill out the stamp and stick it on my car window, I have obeyed the law, but there is nothing to stop a person from reaching in the car and taking the stamp off the glass and using ink remover and filling out the stamp and putting it on their car. I have no use for a thief or a man that tries to evade trying to pay his tax, so I would like to make a suggestion. * * *

FOREIGN ECONOMIC ADMINISTRATION

28

WASHINGTON 25, D. C.

August 4, 1944

MEMORANDUM

To: The Honorable Henry Morgenthau
From: Herbert Willett
Director of Research and Reports
Subject: Lend-Lease Executive Reports

Transmitted herewith, for your information,
are copies of Lend-Lease Executive Reports 1, 2
and 3, as of June 30, 1944.

11-2-8
RECEIVED
DIVISION OF RESEARCH AND REPORTS

CONFIDENTIAL
Executive Report No. 1

**ALLOCATIONS, OBLIGATIONS AND EXPENDITURES
LEND-LEASE FUNDS APPROPRIATED TO THE PRESIDENT**

Report as of June 30, 1944

(Thousands of Dollars)

| Appropriation Category | Adjusted Appropriations | Cumulative to June 30, 1944 | | |
|----------------------------------|-------------------------|-----------------------------|-------------------|-------------------|
| | | Allocations | Obligations | Expenditures |
| Ordnance and Ordnance Stores | \$1,592,306 | \$1,575,179 | \$1,437,713 | \$1,270,334 |
| Aircraft and Aero. Material | 2,549,625 | 2,541,118 | 2,436,699 | 2,167,712 |
| Tanks and Other Vehicles | 739,273 | 701,389 | 656,054 | 629,193 |
| Watercraft | 3,621,703 | 3,448,930 | 3,188,503 | 2,931,177 |
| Misc. Military Equipment | 334,288 | 323,619 | 270,111 | 264,556 |
| Production Facilities | 1,154,688 | 1,112,004 | 1,057,896 | 998,919 |
| Agric. and Indust. Commodities | 13,158,929 | 13,008,925 | 10,653,421 | 9,266,159 |
| Servicing, Repair of Ships, etc. | 790,818 | 698,424 | 633,663 | 621,186 |
| Services and Expenses | 700,000 | 431,928 | 319,300 | 276,389 |
| Administrative Expenses | 28,999 | 28,217 | 27,954 | 27,718 |
| Total | 24,670,629 | 23,869,733 | 20,681,314 | 18,453,343 |

| Procuring Agency | Cumulative to June 30, 1944 | | |
|---|-----------------------------|-------------------|-------------------|
| | Allocations | Obligations | Expenditures |
| War Department | \$5,491,438 | \$5,153,423 | \$4,844,756 |
| Navy Department | 3,819,515 | 2,813,117 | 2,274,284 |
| Maritime Commission and War Shipping Admin. | 3,407,226 | 3,133,579 | 3,039,273 |
| Treasury Department | 4,807,793 | 3,856,005 | 3,179,993 |
| Department of Agriculture | 6,317,891 | 5,702,462 | 5,096,779 |
| Other | 25,870 | 22,728 | 18,258 |
| Total | 23,869,733 | 20,681,314 | 18,453,343 |

August 1, 1944

CONFIDENTIAL
Executive Report No. 2

STATEMENT OF LEND-LEASE AID

Report as of June 30, 1944

(Thousands of Dollars)

| Type of Aid | Cumulative to | | Month of | |
|--|-------------------|-------------------|------------------|------------------|
| | June 30, 1944 | May 31, 1944 | June 1944 | May 1944 |
| Goods Transferred | 24,819,000 | 23,606,518 | 1,212,482 | 1,160,132 |
| Servicing, Repair of Ships, etc. | 522,853 | 490,860 | 31,993 | 67,909 |
| Rental of Ships, Ferrying of Aircraft, etc. | 2,210,752 | 2,097,145 | 113,607 | 169,194 |
| Production Facilities in U. S. | 621,700 | 618,303 | 3,397 | 289 |
| Miscellaneous Expenses | 96,046 | 94,751 | 1,295 | 1,307 |
| Total Services | 3,451,351 | 3,301,059 | 150,292 | 238,699 |
| Total Goods and Services | 28,270,351 | 26,907,577 | 1,362,774 | 1,398,831 |

Data on Goods Transferred include value of goods procured from lend-lease appropriations to the President and to the War and Navy Departments.

| Type of Aid | Cumulative to June 30, 1944 | | | | |
|---|-----------------------------|----------|-----------|----------|-------------------|
| | Br. Empire | China | U.S.S.R. | Other | Total |
| Goods Transferred | 18,621,060 | 204,832 | 5,421,647 | 571,461 | 24,819,000 |
| Servicing, Repair of Ships, etc. | 365,808 | 1,895 | 101,445 | 53,705 | 522,853 |
| Rental of Ships Ferrying of Aircraft, etc. | 1,772,564 | 13,978 | 234,543 | 189,667 | 2,210,752 |
| Production Facilities in U. S. | - | - | - | - | 621,700 |
| Miscellaneous Expenses | 52,502 | 1,212 | 2,470 | 39,862 | 96,046 |
| Total Goods and Services | - | - | - | - | 28,270,351 |

August 1, 1944

CONFIDENTIAL
Executive Report No. 3

LEND-LEASE GOODS TRANSFERRED

Report as of June 30, 1944

(Thousands of Dollars)

| | Cumulative to June 30, 1944 | | | | |
|---|-----------------------------|----------------|------------------|----------------|-------------------|
| | Br. Empire | China | U.S.S.R. | Other | Total |
| Ordnance (Excl. Ammunition) | \$748,278 | \$15,724 | \$275,177 | \$23,778 | \$1,062,957 |
| Ammunition and Components | 1,606,671 | 22,204 | 414,772 | 31,271 | 2,074,918 |
| Aircraft | 2,349,554 | 72,657 | 799,595 | 115,599 | 3,337,405 |
| Aircraft Engines, Parts, etc. | 1,518,865 | 27,515 | 251,323 | 23,936 | 1,821,639 |
| Tanks and Parts | 2,186,793 | 939 | 437,779 | 39,866 | 2,665,377 |
| Motor Vehicles and Parts | 600,353 | 25,797 | 644,034 | 20,520 | 1,290,704 |
| Watercraft and Parts | 2,516,550 | 6,147 | 220,383 | 166,249 | 2,909,329 |
| Foods | 2,253,767 | 44 | 774,673 | 23,593 | 3,052,077 |
| Other Agric. Products | 569,899 | 43 | 8,439 | 127 | 578,508 |
| Machinery | 594,424 | 6,241 | 585,501 | 11,691 | 1,197,857 |
| Metals | 928,921 | 11,668 | 388,127 | 42,776 | 1,371,492 |
| Petroleum Products | 1,033,600 | 2,578 | 48,609 | 3,152 | 1,087,939 |
| Miscellaneous Materials and Manufactures | 1,713,385 | 13,275 | 573,235 | 68,903 | 2,368,798 |
| Total | 18,621,060 | 204,832 | 5,421,647 | 571,461 | 24,819,000 |

August 1, 1944

CABLE FROM WAR REFUGEE BOARD TO AMBASSADOR WILSON FOR SAXON
ALGIERS

The Board is requesting the USCC to hold the 50,000 peseta
balance at the Board's disposal as recommended in your 2507
of July 26. Blickenstaff has been advised.

THIS IS WRB CABLE TO ALGIERS NO. 42

10:20 a.m.
August 4, 1944

MJMarka/sg 8/3/44

DMH-979

This telegram must be paraphrased before being communicated to anyone other than a Government agency. (RESTRICTED)

Algiers

Dated August 4, 1944

Rec'd 4:51 p.m., 5th

Secretary of State

Washington

2583, August 4, 10 p.m.

FOR WAR REFUGEE BOARD FROM SAKON

Are we authorized to accept, chargeable to War Refugee Board, messages from private relief organizations such as American Jewish Joint Distribution Committee, American Friends Service Committee, and the Unitarian Service Committee for transmission to United States and other destinations? Indications are that Ackerman gave some such commitment to these private organizations. Would appreciate prompt instructions this matter.

RANK

CHAPIN

FROM: Habana
DATED: August 4, 1944
REC'D: August 7, 8 am

Secretary of State
Washington

SECRET

No. A-1697, August 4, 9:20 a.m.

Reference my despatch no. 7489, July 24, 1944 regarding Germans in Cuba available for exchange for persecuted minorities in Europe. The Office of the Legal Attache, under date of July 31, furnished the Embassy with a cable obtained from a confidential source, translation of which reads as follows:

"CDA17 CD Madrid Exteriores Via EU CABLES
169 19 2330.

Jul 20-44

"Charge' d'Affaires of Spain, Habana,
Habana.

"41 with reference to despatch no. 280 of 23 December 1943: German Embassy interested your kindly ascertaining exact number of German subjects interned and not interned residing Cuba who wish to return, informing them in case they decline that they cannot count hereafter on subsidy of German Government. Reference Embassy adds that on basis number of Germans to be repatriated, request you propose to Cuban Government new exchange including men military age and Cuban subjects who at German initiative were transported to Spain more than a year ago and whose departure it has not been possible to permit by German Government because of failure obtain necessary safe conducts from North American and British Governments. Reference Embassy indicates that it may be stated that German Government is willing to permit departure same number Cubans of military age as Germans qualified military

service in

- 2 -

service in Cuba reference Embassy likewise stating that in occupied territories there are 110 Cubans of whom 70 are of military age, reference Embassy being interested telegraphic reply on first point which proposed exchange.

(sgd) JORDANA."

London

36

Dated August 4, 1944

Rec'd 1:49 p.m.

Secretary of State,

Washington.

6235, Fourth

Emerson, director executive committee IGC,
requests delivery of following message to Miss
Martha Biehle, room 930 Dupont Circle Building,
Washington:

"Please inform Chamberlain and Larned that
the British and American Governments and the
Executive Committee as a whole have now finally
approved asking the international migration service
to act as the agent of the Intergovernmental Committee
in the following terms: we offer to contribute one
thousand pounds in a lump sum towards the execution
of the international migration service surveys in
Switzerland, the Middle East and Mexico on the under-
standing that (1) the general results of the surveys
in Mexico and the Middle East are made available
to us and that particular information relevant to
the work of the Intergovernmental Committee is
supplied

-3- #6235, Fourth, from London
supplied (2) as regards Switzerland the Intergovern-
mental Committee is supplied not only with general
information relevant to its work but also with detailed
particulars relating to as many individuals as possible
who prima facie likely to fall within the task of
the Intergovernmental Committee of finding new homes
for them. We are writing the international migration
service with a copy to you but we should appreciate
an affirmative response in the meanwhile".

WINANT

RR

EMBASSY

NO. 2076

Tegucigalpa, Honduras, August 4, 1944.

Subject: Persons Claiming Honduran Nationality Held by the
GermansSECRET

The Honorable
The Secretary of State,
Washington.

Sir:

1/ With reference to the Department's instruction No. 1714
2/ of July 24, 1944 concerning certain claimants to Honduran
nationality who are being held by the Germans, I have the
honor to enclose copy of Note No. 197 of August 4, 1944 from
the Honduran Ministry for Foreign Affairs. A free translation
is also enclosed.

Respectfully yours,

John D. Erwin

Enclosures:

1. Copy of Note No. 197
2. Translation of No. 1

File: 711.5
JBF:ms
Osald

TRUE TRANSLATION

MINISTRY OF FOREIGN RELATIONS
OF THE
REPUBLIC OF HONDURAS

Enclosure No. 2 to desp. No. 2076
American Embassy, Tegucigalpa,
Honduras, August 4, 1944

Tegucigalpa, D.C, August 4, 1944

Note No. 197

Excellency:

Through the worthy medium of Your Excellency, the Government of Honduras desires to transmit the following communication to the Government of the Swiss Confederation:

"The Government of Honduras has learned that the following holders of passports issued in its name have been removed by German authorities from the civilian internment camp at Vittef, France:

- SZENBERG, Samuel
- SENBERG, Estera
- SZENBERG, Bella
- SZENBERG, Jerry
- SZENBERG, Ella
- HOENSTEIN, Abraham
- HOENSTEIN, Estera
- KACHEMELSON, ~~Estera~~
- KACHEMELSON, ~~Estera~~

The Government of Honduras strongly protests this treatment of the above named persons, and it urgently requests information concerning their present whereabouts and welfare. Further, it requests information concerning the names, whereabouts, and welfare of any other persons to whom documents have been issued in the name of the Government of Honduras and who may have been similarly removed from, or who are detained at places other than civilian internment camps.

The Government of Honduras expects immediate transfer of all such persons to civilian internment camps where they may be readily available for exchange when negotiations reach a stage at which they may be included in such exchange and where, pending such exchange, they would be under the supervision of the protecting power and the International Red Cross.

Further, the Government of Honduras takes this opportunity to reiterate its stand that it will not permit the validity of any documents issued in its name to be questioned by Germany, and that it expects the German Government to accord holders of such documents the same treatment which the German Government hopes to obtain for its nationals in Honduras. Further, the mention of particular names is not to be construed as limiting in any way the protection extended by the Honduran Government of all persons holding documents issued by its name."

In thanking your Excellency in advance for the attention which this request may merit, I avail myself of the occasion to reiterate the expression of my highest and distinguished consideration.

/s/ SILVERIO LAINEZ

His Excellency
Ambassador Extraordinary and Plenipotentiary
of the United States of America
American Embassy

translated by: ns

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
 TO: American Consulate General, Naples
 DATED: August 4, 1944
 NUMBER: 431

CONFIDENTIAL

FROM WAR REFUGEE BOARD TO ACKERMANN.

Please refer to your No. 102 of July 29th in reply to our No. 36 July 21.

The following is for your information:

It is assumed that you have seen Heathcote-Smith's cable to Emerson of July 15, copy of which was transmitted to the War Refugee Board by Myron Taylor as cable No. 237 of July 17, concerning Heathcote-Smith's suggestion among others that the German Government be requested to release refugees deported from Allied Italy and to deliver such refugees to Allied authorities at a North Atlantic port whence they would either be returned to Allied Italy or taken to temporary havens of refuge elsewhere.

After receiving Taylor's message, the Board cabled Emerson in London referring to the President's pronouncement of March 24 and his message to Congress concerning the 1000 refugees, both of which make clear this Government's willingness to cooperate with other sympathetic Governments in finding havens of refuge for all victims of enemy persecution able to leave German-occupied territory. We also advised Emerson that this Government was prepared to cooperate in every way with the British and other Governments in facilitating any feasible plan of action in regard to the matter referred to by Heathcote-Smith, even though it is quite possible that many of the deportees from Italy have already been executed. The following is an extract of the Board's cable to Emerson:

QUOTE It is our view that any approach to the Germans should indicate the willingness of the Allied Governments, with due regard to military necessities, to consider measures for the reception in Allied and neutral territory of any Jews in German occupied territory, and should not be limited to deportees from Italy. This Government has recently advised the British Government of its willingness to join in such an approach to the German Government. However, we are prepared to consider sympathetically any plan designed to meet the Italian problem referred to by Heathcote-Smith. In the circumstances it would appear most feasible for the Intergovernmental Committee to determine the practical problems involved and discuss the matter with the British Government.

UNQUOTE

The Board

- 2 -

The Board received a reply from Emerson suggesting that the intervention of the Vatican be requested by the British and American Governments in approaching the German authorities with a request that non-Italian civilian refugees held in North Italy be released. Emerson also suggested that the British and American Governments assure the Vatican that they would make arrangements for the maintenance, care and transportation of the refugees involved in the event that the Vatican's efforts prove successful.

The Board is cabling Emerson that his proposal is completely acceptable to the American Government and suggesting that Emerson now discuss the matter with the British Government and secure its consent to requesting the Vatican to intervene, on the understanding that the British will share with the American Government the responsibilities indicated by Emerson in the event that the Vatican's efforts prove successful.

THIS IS WEB CABLE TO NAPLES NO. 40.

STETTINIUS
(Acting)

CABLE TO LISBON

From War Refugee Board to Norweb

Please deliver the following message to Dr. Joseph Schwartz,
242 Rua Aurea, Lisbon, from Moses A. Leavitt of the American Jewish
Joint Distribution Committee:

"Approve additional emigration 2,000 people our share
\$500,000 which assume included \$3,000,000 overall appropriation"

THIS IS WRB CABLE TO LISBON NO. 70

10:20 a.m.
August 4, 1944

FH:lab 8/4/44

CABLE TO LISBON

From War Refugee Board to Norweb

Please deliver the following message to Dr. Joseph Schwartz,
242 Rua Aurea, Lisbon, from Moses A. Leavitt of the American Jewish
Joint Distribution Committee:

"Vaad Hahatzala received word Nuetra Rabbi has 1800 refugees
under his care requiring substantial funds for maintenance
also to prevent their deportation STOP Please ask Saly Mayer
investigate and report situation through McClelland soonest".

THIS IS WRB CABLE TO LISBON NO. 71

2:40 p.m.
August 4, 1944

FH:lab 8/4/44

COPY

(Released for distribution 8/8/44)

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, Lisbon
TO: Secretary of State, Washington
DATED: August 4, 1944
NUMBER: 2410

SECRET

Under date of August 2, we received from Istanbul a message as follows:

For attention of Joseph Schwartz, Joint Distribution Committee, Lisbon.

No. 124.

A demand is being made by Hirschmann, who has been working very closely on the Bulgarian situation, that a revocation of anti-Jewish laws is necessary and he is desirous, in connection with the proposed revocation, of offering to the Bulgarian Government a plan for relief and assistance of all needy Jews in Bulgaria. It is his belief that these steps will help initiate a substantial program of economic rehabilitation in that country. Hirschmann discussed the entire matter with me and that JDC agree in principle to undertake such a program was requested by him. Even though Hirschmann would like to say through appropriate channels that the JDC is willing to assist in such a program, it is quite obvious that at this time we cannot give estimates. A reply by cable is urgently requested.

Pending comments and advice from the Department, the Embassy is delaying delivery to Schwartz as the United States is at war with Bulgaria and as the telegram quoted in Section One suggests direct or indirect contact with Government that country by official or unofficial U. S. Citizens.

It is requested that instructions be transmitted by cable.

DCR:MAS:FB 8/8/44

Lisbon

Dated August 4, 1944

Rec'd 12:48 a.m., 5th

Secretary of State
Washington

2412, August 4, 5 p.m.

FOR LEAVITT FROM SCHWARTZ WEB 139 JDC 44

Following list of Rumanian claimants with amounts in dollars. Dvantsman Merice 10,000, Feldstein Isaac 10,000 Filderman W 13,600, Gold Marcus 10,000, Goldstein Adolf 35,000 Grad Leon and Michel 10,000 Gruenberg Nathan 15,000, Heller Eduard 4,000, Jancu Cornel 2,000 Klipper Nathan 5,000 Mayerson Dector 1000 Milman Aisig 10,000 Presents Marce 10,000 Resenthal Sigismund 5000 Sumer Wolf 5000, Wecheler Aron 40,000 Zimmer Moses 13,840. Total number individual claimants 17 total dollar amount 189,440 total amount Leis advanced 154,020,000. Additional lists maybe forthcoming which will forward immediately.

HORWEB

WFS JJM

CABLE FROM WAR REFUGEE BOARD TO BUTTERWORTH AND BLICKENSTAFF,
MADRID, SPAIN

Please refer to our 1984 July 15 concerning the
50,000 peseta balance being held by the USCC at the disposal
of the War Refugee Board.

Saxon recommends the retaining of this balance at the
disposal of the War Refugee Board in view of the expenses which
may arise as a result of the evacuations discussed in your
2415 of July 11. The Board concurs with Saxon's recommendation
and has requested the USCC to hold this balance at its dis-
posal.

Please confirm by pouch that the original 50,000 pesetas
were disbursed for port dues in connection with the Camp Lyautey
evacuation.

3:00 p.m.
August 4, 1944

MJMarka/sg 8/4/44

FROM: American Legation, Stockholm
 TO: Secretary of State, Washington
 DATED: August 4, 1944
 NUMBER: 2942

CONFIDENTIAL

We have been presented a list by the Italian Legation of some 50 Italian refugees who look to it for financial support. The bulk of these people consists of Italian seamen who escaped from German vessels in Swedish ports. Within the framework, of monthly payment of 50,000 crowns to Italian Legation the British Legation and we have already authorized appropriation of 3,000 crowns for refugee relief. Now 5,000 kr. monthly extra to defray expenses of newly arrived refugees has been requested by the Italian Legation.

London is being wired by the British Legation recommending authorization be given it to pay 2,500 kr. per month to meet its share of this charge and the Foreign Office is informed that on analogy of sums spent here by Allied Legations for their refugees, the amount which the Italian Legation now requests seems reasonable. We concur with this view and we request authorization to increase our monthly payment to the Italian Legation by 2,500 kr., equivalent to \$598.52.

An increase in the number of destitute Italians arriving in Sweden is anticipated by the Italian Legation, depending on war conditions.

JOHNSON

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATED: August 4, 1944
NUMBER: 5004

CONFIDENTIAL

McClelland sends the following for the War Refugee Board.

Reference is made herewith to Department's cable of July 31, no. 2631.

The appearance of Krier and Clement's names in the NEW YORK TIMES is regretted. Was the fact of their presence in Switzerland stated? Kindly let us know when you find out where and how this information leaked out. Discussed the matter with Krier on August 3. Both of us feel they should go ahead with their project, although Krier will first talk with Clement, other members of our Legation and with certain Swiss political friends. You will be kept advised.

HARRISON

Distribution of true
reading only by special
arrangement. (SECRET W)

August 4, 1944
6 p.m.

AMEMBASSY,

ANKARA.

678

The War Refugee Board cable 92 below is for Hirschmann.
The result of Hirschmann's negotiations with the
Bulgarian Minister and of Kelley's approach to the Turkish
Secretary General of the Ministry of Foreign Affairs
(your 1370 and 1371 of July 26 and your 1381 of July 27)
is highly gratifying to the Board. Please accept our
congratulations.

The Board would like to be advised whether in view
of your 1287 of July 15 efforts are also being made to
induce the Turkish Government to issue transit visas for
the 400 to 500 refugees the Bulgarian Government is now
apparently willing to permit to leave Bulgaria weekly by
rail.

STETTINIUS
ACTING
(GLW)

WRB:MMV:KG
8/3/44

NE

AMT-823
Distribution of true
reading only by special
arrangement. (SECRET-W)

Ankara
Dated August 4, 1944
Rec'd 6:57 a.m., 5th.

Secretary of State,
Washington.

1424, August 4, 2 p.m.

FOR PEHLE WRB FROM HIRSCHMANN.

Ankara's No. 115, reference Embassy's 1423,
August 4, 1 p.m.

I have learned that the emergency committee to save the Jewish people of Europe is planning campaigns for the solicitation of funds for projects to be undertaken in Istanbul for the purpose of rescuing Jews from the Balkans.

For your information Jabotinsky has placed no (repeat no) other proposal for rescue work before us and there is little likelihood in our opinion that under present conditions here additional feasible proposals will be possible in the near future. Also, funds are available from present sources for all refugee emigration now under way or under consideration for the immediate future. For your guidance recent political developments here and other factors

-2- #1424, August 4, 2 p.m., from Ankara.

factors beyond control of any relief or rescue organization limit for the moment rescue possibilities and the existing difficulties cannot be overcome by the mere possession of funds. If you agree please transmit the above to Baerwald.

KELLEY

RR

Miss Chauncey (For the Sec'y), Abrahamson, Akzin, Borenstein, Cohn, DuBois, Friedman, Gaston, Hodel, Laughlin, Lesser, Mann, Mannon, Marks, McCormack, Pehle, Sargoy, Standish, Stewart, Weinstein, Cable Control Files.

NOT TO BE RE-TRANSMITTEDSECRETCopy No. 1OPTEL No. 253

Information received up to 10 A.M. 4th August 1944.

THEATRE OF OPERATIONS

1. NAVAL

Normandy Port of CHERBOURG now handling shipping on a considerable scale; 12 Liberty Ships are being berthed simultaneously besides tank landing ships and a large number of smaller craft.

Early 3rd, a heavy attack was made on shipping off NORMANDY Beaches by explosive motorboats and human torpedoes. E-Boats and low flying aircraft carried out diversionary attacks. Human torpedoes sank a British Destroyer and a trawler. Another British Destroyer, two Merchant ships and part of the artificial breakwaters were damaged. An armed landing craft was sunk by explosive motorboats and 30 human torpedoes destroyed. One E-boat sunk and another damaged; 31 prisoners taken.

2. MILITARY

France No confirmed reports received regarding progress in U.S. sector. Unconfirmed reports state that MORTAIN has been reached from the West. In the British sector local advances of up to 1½ miles have been made between TILLY SUR SEULLES and VIRE.

Italy Continued progress by Indian troops west of SANSEPOLORO whilst advances of up to 4 miles have straightened our line south of FLORENCE on a front of some 25 miles. South Africans have occupied IMPRUNETA meeting many booby traps and New Zealanders met strong opposition to their advance.

Russia Russians have made progress N.W. of REZECKNE and N. of KOVNO. South of the SAN CONFLUENCE they have crossed the VISTULA on 20 mile front and are 60 miles E.N.E. CRACOW. Further South they have captured SANOK at the foot of one of the CARPATHIAN Passes.

3. AIR OPERATIONS

Western Front 3rd. 3688 offensive and escort sorties flown. More than 1050 Bomber Command aircraft bombed three flying bomb supply dumps dropping about 5,000 tons H.E. Good visibility and very good concentration reported all three.

106 Fortresses dropped 235 tons on an oil refinery near STRASBOURG while 184 Fortresses dropped total 492 tons on railway centres at SAARBRUCKEN, MULHOUSE and STRASBOURG with good to excellent results at all three places.

In addition 672 U.S. heavy bombers were sent to attack Flying Bomb launching and supply sites; synthetic petrol plants and other objectives in N.W. FRANCE and BELGIUM. Results not yet available.

Spitfires attacked human torpedoes off HAVRE and the ORNE destroying 6 and probably destroying another.

Day's Casualties German 14:1:1. Allied - 15 missing including 14 bombers.

Mediterranean Escorted Fortresses and Liberators from MEDITERRANEAN attacked chemical works and aircraft component factories at an near FRIEDRICHSHAFEN dropping total 835 tons. Enemy casualties 18:13:1. Ours 12 missing.

3rd. Liberators from MEDITERRANEAN bombed railway viaduct AVISIO - 122 tons and bridges at SAN MICHELE and ORA - 84.

German Activity During 24 hours ending 6 A.M. 4th, 193 Flying Bombs plotted.

August 5, 1944

Dear Ted:

This is for you personally. I have written a separate letter about the Fifth War Loan that you can use publicly.

You have done a great job in this latest drive, the biggest of the lot so far. You have done a great job for the country and that's something from which you can take real satisfaction.

But I can't avoid mentioning that you have also done a great job for me. My reputation has been in your hands and you have not failed me. You have more than made good - again.

I want you to know that I am grateful.

Sincerely,

(Signed) Henry Morgenthau, Jr.

Mr. Theodore R. Gamble,
Director, War Finance Division,
Treasury Department,
Washington 25, D. C.

HEG:aja
VH

August 5, 1944

Dear Mr. Gamble:

The figures that I was happy to be able to give out this week show the Fifth War Loan to have been a smashing success. The timing and the result made a fitting salute to our boys as they broke through the German lines and began to sweep across Normandy and Brittany and to the advance of our forces in the Pacific.

We have raised the greatest sum ever raised in any financing operation. We have exceeded our quotas in gross amount by 29 per cent. We more than made good our quota for individual subscriptions and even the E bond sales, of which we were in doubt for a time, went over the top.

Besides showing the will of the American people to back the attack, to support their men in action, this result reflects the work of a grand organization of willing workers who are giving their most enthusiastic and loyal efforts to this great war-time task under your direction.

There is no way in which I can thank these workers adequately; and I know none of them asks for thanks for this patriotic service. But I do want them to know that what they are doing is not going unnoticed and I offer you and them my congratulations and my admiration for a great job well done.

Sincerely,

(Signed) Henry Morgenthau, Jr.

Mr. Theodore R. Gamble,
Director, War Finance Division,
Treasury Department,
Washington 25, D. C.
HRG:ajs

56

Identical letters to Delegates

AUG 5 1944

Dear Judge Vinson:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Judge Fred H. Vinson, Director
Office of Economic Stabilization,
Washington, D. C.

EMB:er 7/31/44

AUG 5 1944

My dear Mr. Wolcott:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morganthau, Jr.

Secretary of the Treasury.

Honorable Jesse P. Wolcott,
Member, Committee on Banking
and Currency,
House of Representatives,
Washington, D. C.

AUG 5 1944

My dear Senator Wagner:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Honorable Robert F. Wagner,
Chairman, Committee on Banking
and Currency,
United States Senate,
Washington, D. C.

EMB:sh - 7/31/44

AUG 5 1944

My dear Senator Tobey:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Honorable Charles W. Tobey,
Member, Committee on Banking and
Currency,
United States Senate,
Washington, D. C.

AUG 5 1944

My dear Mr. Spence:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) M. Morganthau, Jr.

Secretary of the Treasury

Honorable Brent Spence,
Chairman, Committee on Banking
and Currency,
House of Representatives,
Washington, D. C.

EM:sh - 7/31/44

25

AUG 5 1944

Dear Miss Newcomer:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(signed) H. Morgenthau, Jr.

Secretary of the Treasury

Miss Nabel Newcomer,
Professor of Economics,
Vassar College,
Poughkeepsie, New York.

25

AUG 5 1944

Dear Mr. Eccles:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(signed) H. Morgenthau, Jr.

Secretary of the Treasury

Mr. Harriner S. Eccles, Chairman,
Board of Governors of the Federal
Reserve System,
Washington, D. C.

25

AUG 5 1944

Dear Mr. Brown:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Mr. Edward E. Brown, President,
First National Bank of Chicago,
Chicago, Illinois.

EMB:er 7/31/44

25

AUG 5 1944

Dear Mr. Acheson:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Mr. Dean Acheson,
Assistant Secretary of State,
Department of State,
Washington, D. C.

RM:ecr 7/31/44

66

○ Letters to Technical & Legal Advisers

25

AUG 5 1944

Dear Mr. Cox:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Oscar Cox,
Foreign Economic Administration,
Washington, D. C.

RMB:ff 7/31/44

Regraded Unclassified

AUG 5 1944

Dear Mr. Cohen:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morganthau, Jr.

Secretary of the Treasury.

Mr. Ben Cohen,
Stabilization Board,
The White House,
Washington, D. C.

EAB:FC 7/31/44

AUG 5 1944

Dear Mr. Szymanski:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion.

Sincerely yours,

(Signed) H. Morgenthau, Jr.
Secretary of the Treasury.

Mr. H. S. Szymanski,
Board of Governors,
Federal Reserve System,
Washington, D. C.

HMS:rf 8/1/44

AUG 5 1944

70

My dear Mr. Reeds:

The United Nations Secretary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) M. Morgenthau, Jr.

Secretary of the Treasury.

Honorable Chauncey W. Reed,
Member, Committee on Colago, Reights,
and Hearings,
House of Representatives,
Washington, D. C.

DUB:sh - 7/31/44

AUG 5 1944

Dear Mr. Pierson:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Mr. Warren Pierson,
Export-Import Bank,
Washington, D. C.

EM:smw
7/31/44

AUG 5 1944

Dear Mr. Pasvolaky:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Mr. Leo S. Pasvolaky,
Department of State,
Washington, D. C.

EMB:smw
7/31/44

AUG 5 1944

Dear Mr. Maffry:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. August Maffry,
Department of Commerce,
Washington, D.C.

EMB:rl 7/31/44

AUG 5 1944

Dear Mr. Loughbein:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Walter Loughbein, Jr.,
Securities and Exchange Commission,
Washington, D.C.

AUG 5 1944

Dear Mr. Livesey:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Frederick Livesey,
Department of State,
Washington, D. C.

EMB:ff 8/1/44

AUG 5 1944

Dear Mr. Hansen:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.
Secretary of the Treasury.

Mr. A. H. Hansen,
Board of Governors,
Federal Reserve System,
Washington, D.C.

EMB:rl 7/31/44

AUG 5 1944

Dear Mr. Goldenswaiser,

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. E. A. Goldenswaiser,
Board of Governors,
Federal Reserve System,
Washington, D. C.

25

AUG 5 1944

Dear Mr. Gardner:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.
Secretary of the Treasury.

Mr. Walter Gardner,
Board of Governors,
Federal Reserve System,
Washington, D. C.

EMS:ah 7/31/44

25

AUG 5 1944

Dear Mr. Edmiston:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Henry Edmiston, Vice President,
Federal Reserve Bank of St. Louis,
St. Louis, Missouri.

EMS:ah 7/31/44

25

AUG 5 1944

Dear Mr. Collado:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. E. G. Collado,
Chief of Division of Financial and
Monetary Affairs,
Department of State,
Washington, D. C.

AUG 5 1944

Dear Mr. Bryan:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.
Secretary of the Treasury

Mr. Malcolm Bryan,
First Vice President,
Federal Reserve Bank of Atlanta,
Atlanta, Georgia.

25

AUG 5 1944

My dear Mr. Somers:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

FRANCIS W. WOODRUFF, Jr.

Secretary of the Treasury.

Honorable Andrew L. Somers,
Chairman, Committee on Coinage,
Rights and Measures,
House of Representatives,
Washington, D. C.

EAB:gas
7/31/44

83

Letters to the Secretariat: Mr. Kelchner
Mr. Coe
Mr. Jessup
Mr. Smithies

AUG 5 1944

Dear Mr. Smithies:

As president of the United Nations Monetary and Financial Conference, I wish to express my sincere appreciation for your work with the technical secretariat of the Conference.

The Conference had the difficult task of preparing proposals for an International Monetary Fund and an International Bank for Reconstruction and Development. The work of the Conference was by its nature highly technical and required consideration of a large number of technical documents. It is a tribute to your competence and good judgment that your part in this work was so well done.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Mr. Arthur Smithies,
Bureau of the Budget,
Washington, D. C.

EMB:lr 8/2/44

AUG 5 1944

Dear Mr. Jessup:

As president of the United Nations Monetary and Financial Conference, I wish to express my sincere appreciation for the work of the technical secretariat of the Conference.

The Conference had the difficult task of preparing proposals for an International Monetary Fund and an International Bank for Reconstruction and Development. The work of the Conference was by its nature highly technical and required consideration of a large number of technical documents. It is a tribute to you and your staff that this work was so well done. I congratulate you on the competence and excellent judgment with which the technical secretariat carried out its functions.

Sincerely yours,

(Signed) H. Morgenthau, Jr.
Secretary of the Treasury

Mr. Philip C. Jessup,
Professor of International Law,
Columbia University,
New York, New York.

EMB:lr 8/1/44

AUG 5 1944

Dear Mr. Coe:

As president of the United Nations Monetary and Financial Conference, I wish to express my sincere appreciation for the work of the technical secretariat of the Conference.

The Conference had the difficult task of preparing proposals for an International Monetary Fund and an International Bank for Reconstruction and Development. The work of the Conference was by its nature highly technical and required consideration of a large number of technical documents. It is a tribute to you and your staff that this work was so well done. I congratulate you on the competence and excellent judgment with which the technical secretariat carried out its functions.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Frank Coe,
Assistant Administrator,
Foreign Economic Administration,
Washington, D. C.

EMB:ff 8/1/44

AUG 5 1944

Dear Mr. Kalshauer:

As president of the United Nations Monetary and Financial Conference, I wish to express my sincere appreciation for the work of the Secretariat of the Conference.

The task of arranging the Conference and of providing the necessary facilities was a difficult one, particularly in view of the short period available for preparation. The efficiency with which the Conference carried on its work is in no small part due to you and your staff.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Mr. Warren Kalshauer,
Chief of Division of International
Conferences,
Department of State,
Washington, D. C.

EMB:lr 7/31/44

88

Letters regarding the work of:

Mr. Coe
Mr. Jessup
Mr. Smithies

25

AUG 5 1944

Dear Mr. Smith:

As president of the United Nations Monetary and Financial Conference, I wish to express the appreciation of the Conference for the fine work of Mr. Smithies as secretary of the Commission on the International Bank for Reconstruction and Development.

The work of the Conference was by its nature highly technical and required for its efficient functioning a competent technical secretariat. It is a tribute to Mr. Smithies' ability and judgment that his part in this work was so well done.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Harold Smith, Director,
Bureau of the Budget,
Washington, D. C.

EMB:rf 8/2/44

28

AUG 5 1944

Dear Dr. Butler:

As president of the United Nations Monetary and Financial Conference, I wish to express the appreciation of the Conference for the distinguished work of Professor Philip C. Jessup as assistant secretary general.

The work of the Conference was by its nature highly technical and required for its efficient functioning a competent technical secretariat. Throughout the conference, Professor Jessup was invaluable in organizing and directing the technical secretariat. I am glad to call your attention to the extraordinary ability and the exceptional judgment with which Professor Jessup carried out his important duties at the Conference.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Dr. Nicholas Murray Butler,
President, Columbia University,
New York, New York.

KMB: ff 8/2/44

25

AUG 5 1944

Dear Mr. Crowley: ²

As president of the United Nations Monetary and Financial Conference, I wish to express the appreciation of the Conference for the distinguished work of Mr. Frank Gee as technical secretary general.

The work of the Conference was by its nature highly technical and required for its efficient functioning a competent technical secretariat. It is a tribute to Mr. Gee that he organized and directed the technical secretariat of the Conference with extraordinary ability and exceptional judgment.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Lee T. Crowley, Administrator,
Foreign Economic Administration,
Washington, D. C.

EMB:ff 8/2/44

92

Identical letters to: Mr. Angell
Mr. Arey
Mr. Bopp
Capt Ullmann

25

AUG 5 1944

Dear Captain Ullmann:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Captain William L. Ullmann,
Headquarters, Army Air Forces,
Room 4B-272, Pentagon Building,
Washington, D. C.

EMB:ff 8/1/44

Regraded Unclassified

AUG 5 1944

Dear Mr. Bepp:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Karl R. Bepp,
Federal Reserve Bank,
Philadelphia 1, Pennsylvania.

25

AUG 5 1944

Dear Mr. Aray:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I knew I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Mr. Hawthorne Aray,
Expert-Import Bank,
Lafayette Building,
Washington, D. C.

EMB:ff 8/1/44

Regraded Unclassified

25

AUG 5 1944

Dear Mr. Angell:

The United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, has stirred the world. It has given to people everywhere confidence that the United Nations will cooperate in building a peaceful and prosperous world.

As chairman of the United States delegation, I am proud of the record made by our delegation at the Conference. The delegation has justified in every respect the confidence placed in it by the President. I want you to know, particularly, that I am deeply appreciative of your part in the work of the United States delegation.

The action of the Conference does not of itself assure international cooperation on the monetary and financial problems of the post-war period. We still have before us the task of bringing to the attention of the people and of Congress, the importance of the work done at Bretton Woods and the necessity of participation by the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

There is still much to be done before the Conference will have achieved its ultimate purpose. We need the help of every member of the United States delegation in carrying the program of the Conference to a successful conclusion. You have already done much to assure international monetary and financial cooperation and I know I can count on you to continue the good work.

Sincerely yours,

(Signed) H. Morganthau, Jr.

Secretary of the Treasury

Mr. James V. Angell,
Foreign Economic Administration,
Washington, D. C.

97

Letters regarding the work of:

Mr. Angell
Mr. Bopp
Mr. Collado
Mr. Gardner
Mr. Maffry
Capt Ullmann

AUG 5 1944

Dear General Echols:

As chairman of the United States delegation, I express on behalf of all the delegates our appreciation of the outstanding work of Captain William Ullmann at the United Nations Monetary and Financial Conference.

The effectiveness of the United States delegation at the Conference was in no small part due to the great technical competence and the complete devotion with which Captain Ullmann performed the duties assigned to him.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Major General Oliver P. Echols,
Headquarters, Army Air Forces,
Room 4C880,
Pentagon Building,
Washington, D. C.

EMB:lr 8/2/44

25

AUG 5 1944

Dear Mr. Secretary:

As chairman of the United States delegation, I express on behalf of all the delegates our appreciation of the outstanding work of Mr. August Maffry at the United Nations Monetary and Financial Conference.

The effectiveness of the United States delegation at the Conference was in no small part due to the great technical competence and the complete devotion with which Mr. Maffry performed the duties assigned to him.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

The Honorable,

The Secretary of Commerce.

25

AUG 5 1944

Dear Mr. Eccles:

As chairman of the United States delegation, I express on behalf of all the delegates our appreciation of the outstanding work of Mr. Walter Gardner at the United Nations Monetary and Financial Conference.

The effectiveness of the United States delegation at the Conference was in no small part due to the great technical competence and the complete devotion with which Mr. Gardner performed the duties assigned to him.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Marriner S. Eccles, Chairman,
Board of Governors of the Federal
Reserve System,
Washington, D. C.

25

AUG 5 1944

Dear Mr. Secretary:

As chairman of the United States delegation, I express on behalf of all the delegates our appreciation of the outstanding work of Mr. E. G. Collado at the United Nations Monetary and Financial Conference.

The effectiveness of the United States delegation at the Conference was in no small part due to the great technical competence and the complete devotion with which Mr. Collado performed the duties assigned to him.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

The Honorable,

The Secretary of State.

AUG 5 1944

Dear Mr. Williams:

As chairman of the United States delegation, I express on behalf of all the delegates our appreciation of the outstanding work of Mr. Karl Bopp at the United Nations Monetary and Financial Conference.

The effectiveness of the United States delegation at the Conference was in no small part due to the great technical competence and the complete devotion with which Mr. Bopp performed the duties assigned to him.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Mr. Alfred H. Williams,
President,
Federal Reserve Bank,
Philadelphia, Pennsylvania

25

AUG 5 1944

Dear Mr. Crowley:

As chairman of the United States delegation, I express on behalf of all the delegates our appreciation of the outstanding work of Mr. James W. Angell at the United Nations Monetary and Financial Conference.

The effectiveness of the United States delegation at the Conference was in no small part due to the great technical competence and the complete devotion with which Mr. Angell performed the duties assigned to him.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Lee T. Crowley, Administrator,
Foreign Economic Administration,
Washington, D. C.

Treasury Department
Division of Monetary Research

104

Date.....19

To: Mrs. McHugh

Mr. White took only the originals of these letters with him. The Secretary is to return them to you for mailing. Will you please return copies to us after they are mailed?

Thanks,

Kathryn

MR. WHITE
Branch 2058 - Room 214½

AUG 5 1944

Dear Mr. Sweetser:

As chairman of the United States delegation, I wish to express my sincere appreciation for your work at the United Nations Monetary and Financial Conference.

The Conference was given the task of preparing definite proposals for international monetary and financial cooperation. Perhaps not less important was the necessity of demonstrating to the entire world that the United Nations could cooperate in peace as well as in war.

You and your staff did excellent work in keeping the world informed of the achievements at Bretton Woods.

Sincerely yours,

(Signed) Henry Morgenthau, Jr.

Secretary of the Treasury

Mr. Arthur Sweetser,
Office of War Information,
Washington, D. C.

EMB:lr 8/4/44

Arthur Sweetser
Regraded Unclassified

25

AUG 5 1944

Dear Mr. Eccles:

As chairman of the United States Delegation, I express on behalf of all the delegates our appreciation of the outstanding work of Dr. E. A. Goldensweiser at the United Nations Monetary and Financial Conference.

As you know, Dr. Goldensweiser was especially effective in the committee of the Conference in which he presented the viewpoint of the United States delegation with great lucidity and conviction. He made an important contribution to the work of the delegation.

Sincerely yours,

(Signed) Henry Morgenthau, Jr.

Secretary of the Treasury.

Mr. Marriner S. Eccles, Chairman,
Board of Governors of the Federal
Reserve System,
Washington, D. C.

EMB:ff 8/5/44

AUG 5 1944

Dear Mr. McDermott:

As president of the United Nations Monetary and Financial Conference, I wish to express my sincere appreciation of your excellent work in arranging to keep the press and the people informed of what was done at the Conference.

The Conference had the difficult task of preparing proposals for an International Monetary Fund and a Bank for Reconstruction and Development. The work of the Conference was by its nature highly technical. Despite this the press and the public were thoroughly informed of the purposes and achievements of the Conference. It is a tribute to you and your staff that this was so well done.

Sincerely yours,

(Signed) Henry Morgenthau, Jr.

Secretary of the Treasury

Mr. Michael J. McDermott,
Special Assistant to the Secretary of State,
Department of State,
Washington, D. C.

HMB:lr 8/4/44

August 5, 1944

Dear Mr. Secretary:

As president of the United Nations Monetary and Financial Conference, I wish to express my appreciation of the splendid work of Mr. Michael McDermott as press relations officer of the Conference.

The work of the Conference was by its nature highly technical. Despite this the press and the public were thoroughly informed of the purposes and achievements of the Conference. It is a tribute to Mr. McDermott and his staff that this was so well done.

Sincerely yours,

(Signed) Henry Morgenthau, Jr.

Secretary of the Treasury

The Honorable

The Secretary of State.

EMB:jm
8/5/44

25

AUG 5 1944

Dear Mr. Secretary:

As president of the United Nations Monetary and Financial Conference, I wish to express my appreciation of the outstanding work of Mr. Warren Kelchner as secretary general of the Conference.

The task of arranging the Conference and of providing the necessary facilities was a difficult one, particularly in view of the short period available for preparation. The efficiency with which the Conference carried on its work is in no small part due to Mr. Kelchner and his staff.

Sincerely yours,

(Signed) Henry Morgenthau, Jr.

Secretary of the Treasury.

The Honorable,

The Secretary of State.

August 5, 1944

Dear Mr. Davis:

As chairman of the United States delegation, I express on behalf of the delegation our appreciation of the splendid work of Mr. Arthur Sweetser at the United Nations Monetary and Financial Conference.

The Conference provided an opportunity to demonstrate to the entire world that the United Nations could cooperate in peace as well as in war. It is a tribute to Mr. Sweetser that he and his staff were so successful in keeping the world informed of the achievements at Bretton Woods.

Sincerely yours,

(Signed) Henry Morgenthau, Jr.

Secretary of the Treasury

Mr. Elmer Davis, Director,
Office of War Information,
Washington, D. C.

EB:lr 8/4/44

John H. Rm 2111
Regraded Unclassified

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE

August 5, 1944

TO Mr. White

FROM Mr. Ostrow

Subject: German Reaction to the Proposed International Monetary Fund
and Bretton Woods

German economic and particularly banking circles have shown considerable interest in the international currency stabilization plans from the very beginning. From time to time the German press published reports, usually on the financial page, on the discussions evoked by these plans in the United States and other enemy countries. Leading German newspapers and the economic journals printed extensive summaries of the various draft proposals.

This lively interest in the currency plans of Germany's enemies apparently irked certain Nazi groups. The resentment of these groups was reflected in an article by Fritz Nonnenbruch, one of the leading Nazi financial writers, in the VOELKISCHER BEOBACHTER, Hitler's own paper.

This financial writer expressed his displeasure over the fact that the German papers were outdoing themselves in reporting on the American and British currency plans. According to Nonnenbruch, Germany's interest in these plans was confined to indications of tension between the British and the Americans and to anything which showed that Great Britain was losing its former position of dominance in world economy. Anything beyond this, in particular the technical details of the plans, was a matter of indifference to the Germans.

Nonnenbruch consoled himself that the circle of those Germans who showed great interest in all news reports about the Anglo-American currency plans was, as he put it, "Thank God, only small." He attributed German interest in the currency plans to what he described as "the old and not yet eradicated respect which many Germans have for everything that comes from abroad." Although these people, he declared, were thoroughly familiar with the details of the currency plans, they failed to grasp their real meaning.

German official reaction to Bretton Woods was in the form of a speech by Dr. Funk, Reich Minister for Economic Affairs and president of the Reichsbank, before a select gathering in Berlin on July 7, 1944, to which correspondents of the foreign press were invited. Dr. Funk rejected the world currency plan as an instrument of American economic imperialism.

The conference, he declared, was being held for political and propaganda reasons in order to create the impression throughout the world that the war against Germany was practically won.

Dr. Funk then went on to say that the American currency plan was put forward as a remedy for the world's economic ills because Anglo-American imperialism could think only in terms of money. He vowed that he would not tolerate any arrangement whereby the value of money was determined by Wall Street. Money derived its value from the authority of the State and from the productive work of the people. A universal currency must therefore remain a Utopian dream. The proposed return to gold currency, he said, was an attempt to make the dollar a world currency.

In Dr. Funk's opinion the American plans were doomed to failure. Order in the world's economy, he declared, could not be restored by means of currency plans. Currency order could be restored only through economic planning. Apparently as a counter measure to Bretton Woods, the Nazi economic dictator proposed cooperation among the European nations with a view to working out plans for a mutually harmonious economic and trade policy.

In conclusion, he argued that an international currency mechanism would deprive the member countries of their autonomy, place them in a monetary strait jacket, and permit foreign powers to determine the destiny of their peoples. On the other hand, a new order built on Nazi principles offered the same economic advantages to all and at the same time guaranteed the sovereignty of each nation.

Dr. Funk's speech was played up in a front page article of the *VOELKISCHER BEOBACHTER* under the heading "Germany's Reply to Bretton Woods." The article began by pointing out that Germany's opposition to international finance and capital dates back to the Dawes and Young Plans. It then went on to say that, when Dr. Funk addressed the gathering, "the voice of National Socialist Germany leaped across the frontiers and now has a word to say in Bretton Woods. It is the voice of National Socialist opposition against international financial plutocracy, and it is attacking the already weak position of the leading spokesmen in Bretton Woods, namely, the Americans."

According to this Nazi party organ the British, under the pressure of war, became "have-nots" and this mentality was strongly reflected in the Keynes Plan. In the arena in which the Americans and the British were staging their bout, continued this journal, the other "so-called United Nations" were standing around as supernumeraries and among them, with folded arms and with its own intentions more or less concealed, stood the Soviet Union. The contradiction between the brutal intentions pursued by the Americans by means of their currency plan and the mellifluous phrases

with which they sought to conceal their naked imperialism constituted the weakest point in the American position. It was against this point that Funk had directed his attack. In conclusion the VOELKISCHER BEOBACHTER declared grandiloquently:

The cracks at the conference at Bretton Woods are so deep and wide and the belief in the sole beatifying power of American dollar imperialism is so badly shattered that the speech of the National Socialist Minister for Economic Affairs is bound to be heard there. It will be more effective than everything which the Americans have to say there, and we assume that Keynes will be among those who will understand it. The voice of National Socialist Germany can no longer be ignored.

Funk's speech denouncing the international conference at Bretton Woods was broadcast by the Berlin radio to Europe on July 7. The highlights of this broadcast were summarized by the Federal Communications Commission in its Central European Survey No. 10 (page 15), dated July 14, 1944.

Other comment in the German press may be divided into two periods: (1) press reaction to the conference of experts in Washington and to subsequent developments prior to Bretton Woods, and (2) press comment which followed the announcement that a conference would be held at Bretton Woods.

An analysis of press comment in the first period shows that German editorial writers endeavored to bring out the following main points:

1. The experts of the United States Treasury won an unqualified victory over Keynes. The British delegation to the conference of experts in Washington had to yield to the American standpoint. It was outmaneuvered with the aid of governments-in-exile and satellite governments dependent upon the United States Treasury.
2. The United States succeeded in protecting its interests without surrendering any of its principles. Imperialistic American aims emerged victorious.
3. The international monetary fund as approved by the experts resembled very much the stabilization fund of the White Plan. Its purpose, like that of the White Plan, was to ensure the predominance of the American dollar.

Bretton Woods was described as a conference for the exploitation of other countries by Jewish Wall Street capital. Many papers carried sharp attacks against Roosevelt, Morgenthau, and the "Jewish world currency plan." Some papers maintained that the conference was decided upon suddenly, that this reflected nervousness and showed the effects of the approaching presidential election.

Other papers consoled themselves with the thought that the conference at Bretton Woods could only deliberate and recommend but could not conclude any agreements. Until its recommendations could be accepted by the various governments much time would elapse. Meanwhile, the international situation would change and the resolutions and plans approved by the conference would become illusory.

- - -

Brief summaries of the comments which appeared in the various German newspapers and periodicals reviewed by this office are given below.

The DEUTSCHE ALLGEMEINE ZEITUNG (No. 115 of April 26, 1944) carried an article by its Zuerich correspondent under the heading "The Outmaneuvered Author of a Currency Plan" and the subheading "Morgenthau outdoes Keynes."

Professor Keynes, wrote this correspondent, was returning from Washington as an "outmaneuvered author of a currency plan." The apprehensions expressed by the London ECONOMIST that the Americans would put through their Morgenthau-White Plan were now confirmed by the results of the "conference of experts" in Washington. After the unsuccessful outcome of a similar conference of experts in the fall of 1943, Morgenthau could now claim credit for the success of his pressure methods. However, even more revealing was the submission of the British delegation to the theses set forth in the American plan. Whereas Keynes endeavored, even though in the interests of the City, to push his plan for a reorganization of world trade and to assign to the currencies, through the intermediary of an international clearing institute, an auxiliary function, Morgenthau insisted on extending the gold predominance of the United States into a general economic predominance. The principal instrument for achieving this end was the stabilization fund envisaged in the White Plan which had now been approved by the Allied experts.

According to this correspondent, the British delegation had been outmaneuvered with the aid of a few exiled and satellite governments which were dependent upon the American Treasury. This, he said, was evidenced by the details published about the planned stabilization fund and its functions. As in the UNRRA, the United States had secured for itself a majority in the executive committee of nine members as well as the concession that the seat of the organization would be in the United States.

The correspondent then went on to say that in earlier statements Secretary Morgenthau had made no attempt to conceal that, in his opinion, the foreign balances blocked in the United States could be released only after the quotas had been made available for the stabilization fund and after arrangements had been made to meet other American claims in connection with the war. This hint had been directed also to the neutral countries which did not participate in the currency conversations but which had considerable blocked balances which could serve as a means of pressure in line with American post-war plans.

The recommendations of the experts in Washington, he wrote, were deliberately distorted when they were made public in London. Whereas Washington placed emphasis on the stabilization function of the Fund and barely spoke of promoting international trade, the London newspapers indulged in verbose statements about the cooperation agreed upon in Washington to facilitate trade and to maintain a high degree of employment in the member countries. On the other hand, the London press completely disregarded the fact that none of the principles developed in the Keynes Plan had been given consideration and that no agreement had been reached in respect to fixing a dollar-pound rate.

The BERLINER BOERSEN-ZEITUNG (No. 115 of April 27, 1944) wrote that, since Lord Keynes, on behalf of the British Government, and Harry White, as collaborator of the Secretary of the U. S. Treasury Morgenthau, made public their fundamentally divergent world currency plans, an endless discussion followed reflecting the marked differences between the British and American views. An analysis of the new currency plan was not possible without a comparison of the two preceding drafts of the "so-called White and Keynes plans." Such a comparison showed unequivocally that the American Government succeeded in carrying through its fundamental thesis. The international monetary fund which was now being proposed - or had already been forced upon the world - resembled very much the stabilization fund of the White Plan.

The compromise reached between Great Britain and the United States, this journal declared, had all the negative characteristics of a compromise. In other words, the critical points had been eliminated without reaching a genuine solution of the disputable issues. One of the two partners, namely, the United States, had been able to carry its point and to protect its interests without surrendering any of its principles or forfeiting any opportunities. According to the BOERSEN-ZEITUNG this fact deserved special emphasis.

BANKWIRTSCHAFT (No. 9 of May 1, 1944), the leading Nazi financial journal, wrote that the essence of the new plans was the creation of a stabilization fund which was definitely in line with the modified White Plan. A concession to the British was seen in the fact that no mention

had been made of stabilizing the pound sterling. Thus the plans for an international monetary fund showed many gaps. Moreover, nothing more was being said about a new currency unit such as the Unitas and Bancor. Only a stale compromise remained from the ambitious plans discussed in 1943.

Under the heading "World Currency Plan as Instrument of U.S.A. Imperialism" the DEUTSCHE VOLKSWIRTSCHAFT (No. 13 for May 1944), the leading economic journal in Nazi Germany, wrote that the result of the conference of experts showed that Germany's enemies were absolutely incapable of solving urgent problems in the post-war period. Moreover, the conference showed a lack of good will to regulate the international exchange of goods and services in a manner that would ensure some degree of permanency. Shortsighted imperialistic American aims had emerged even more completely victorious than one believed possible heretofore. This victory was due to the position of power enjoyed by the United States among Germany's enemies and their satellites. Power politics and the hidden aims behind the White Plan, declared the DEUTSCHE VOLKSWIRTSCHAFT, actually prevailed over an initial effort to achieve a more thorough-going solution as envisaged in the Keynes Plan.

In the opinion of the ESSNER NATIONAL-ZEITUNG, Goering's own newspaper, (summarized in the NEUE ZUERCHER ZEITUNG No. 829 of May 16, 1944) it was completely incomprehensible how, in view of the economic experiences of recent decades, the Anglo-Saxons could propose with a clear conscience a project which endeavored to bring about "with the help of primitive monetary measures" economic equilibrium in all countries and in the exchange of goods and services among them. The currency plans were described as "symptom therapy" which did not even approach a solution of the real causes of economic disturbances.

The NEUES WIENER TAGBLATT (No. 139 of May 21, 1944), writing about the impending "secret" world currency conference, asserted that President Roosevelt now evidently desired to bring about by force "the big exploitation conference" with the aid of which Jewish Wall Street capital wished to set up the machinery for the monopolization of world economy. England, the world merchant of yesterday, had been thrust into a position which resembled that of an "itinerant peddler" rather than a merchant.

The monetary conference was described by this paper as "a new trick of those speculators who had always caused wars in order to keep their business going." These circles, inspired by Morgenthau, were prompted solely by the desire to exploit the influence which dollar imperialism had won over countries dependent upon Washington, primarily England. Morgenthau wished to use the conference only as a means of placing the participating countries in "gold fetters" from which they could never free themselves until the last dollar went into the pockets of money-greedy Jewish financial powers upon which Roosevelt and Morgenthau based their "policy of liberation."

Hitler's VOELKISCHER BEOBACHTER (No. 143 of May 22, 1944) carried prominently on the first page an article under the heading "Roosevelt Presses for Acceptance of Jewish World Currency Plan" and the subheading, "Morgenthau would like to give to Wall Street speculators absolute control over world economy."

According to this article, an industrious and diligent nation, densely populated and without gold reserves, could never rise through its own work on the basis of Morgenthau's world currency plan, since the United States, Great Britain, and Soviet Russia, possessing a majority in the Fund, assumed for themselves the right to prescribe for the other countries the extent of their foreign trade.

According to the BERLINER BOERSEN-ZEITUNG (No. 148 of June 2, 1944), the international monetary fund as approved by the experts was in reality the American White Plan with a few modifications. Like the White Plan, its purpose was to ensure the predominance of the dollar. That the English were fully aware of this was evidenced by a recent debate in the British House of Lords. The United States, continued this journal, was much to blame for the present war because of its unsuccessful economic policy and because it saw in war the only way out of its economic distress. The Americans believed that, by placing the other countries, particularly their Allies and England, their principal competitor, in the fetters of fixed currency parities, they would be able to ensure the predominance of the dollar, their exports, and full employment. This, declared the BERLINER BOERSEN-ZEITUNG in conclusion, was a fallacy, as the United States would some day learn much to its sorrow.

The announcement that a date had been set for the international monetary conference, wrote the BERLINER BOERSEN-ZEITUNG (No. 164 of June 18, 1944), had evoked considerable surprise in international circles. The haste with which Washington was now pushing the conference, after long delays caused by tension among the participants, reflected nervousness in view of the approaching presidential election. The experts of the United States Treasury apparently desired to place their plan upon an international basis as soon as possible owing to the uncertainty of the distribution of political strength in Congress after the election. According to Harry White, the purpose of the international currency plan was the elimination of competition in the devaluation of national currencies and the prevention of discriminatory economic methods. However, remarked this journal, his proposals were now being discussed in American financial circles with increasing reserve.

Of decisive importance, wrote the DEUTSCHE ALLGEMEINE ZEITUNG (No. 182 of July 4, 1944), were the disputes between the experts of the United States and Great Britain which centered around the so-called White and Keynes Plans. Finally, the experts had reached a compromise

solution recommending the creation of an international stabilization fund which greatly resembled the White Plan. The conference at Bretton Woods could only discuss and propose a plan; it could not conclude agreements. Until the plan was accepted by the respective governments much time would elapse. Meanwhile, changes in the international situation might take place which would make "all the resolutions and plans of the conference illusory."

The BERLINER BOERSEN-ZEITUNG (No. 180 of July 5, 1944) pointed out that only Bolivia was absent from the conference of "so-called United Nations" at Bretton Woods and that the neutral countries apparently failed to make use of their right to send observers.

The DEUTSCHE ALLGEMEINE ZEITUNG (No. 184 of July 6, 1944) stressed the opposition to Bretton Woods in the American press, quoting excerpts to this effect from the NEW YORK TIMES to which it referred as the principal source of such opposition.

DEPARTMENT OF STATE
DIVISION OF

1944 AUG 11 PM 2 21

COMMUNICATIONS
AND RECORDS
(LIAISON)

From

Embassy London

Dated August 5, 1944

Rec'd August 11, 8 am

Secretary of State,
Washington

..-963, August 5, 4.15 p.m.

For the Secretaries of State and Treasury from Taylor.

There is summarized below the press and journal comment on the International Fund and Bank proposals for the period August 1 to August 5.

The Financial News editorial of August 2 headed "Judgment Reserved" noted the omission, in "the highly compressed summary", of the Fund proposal of (1) the authorization to members to impose exchange restrictions against exports of a "scarce currency" country and (2) of the stipulation that the Fund shall not reject changes in exchange rates because of domestic social or political policies. But this editorial suggested that the summary may have been made by "somebody incapable of realizing the importance of this point and therefore not qualified to undertake the work of condensation."

The Financial News of August 4 gives prominence to the White Paper released the previous night heading its front-page article "Safeguards are in Monetary Plan" and also published in full the text of articles IV to VIII of the Fund and article IV of the World Bank.

The reaction of the Times (August 4) to the publication of the British White Paper is of special interest. The "City Notes" financial column, like the Financial News front-page article, notes that the cables summaries published last week were misleading on the two points concerning; (a) the action which members may take when a currency becomes scarce and (b) the provision that the Fund should not reject changes in the par value of a currency "because of domestic, social or political policies". This column states "In (those) two important respects the summaries had seemed to suggest that the Joint statement.....had been altered for the worse. The full text of the articles of agreement show that in fact the sin was one of omission in the summaries rather than of commission by the delegates to the conference."

The leading editorial in the Times, headed "Examining the Plan" states: "In this country every consideration of tradition and interest points towards a policy of sympathy and support for the establishment and operation of new international agencies designed to lead to a better economic order. But there is an equally strong conviction that any measures which exposed Great Britain to the risk of mass unemployment, or made it impossible for her to meet her obligations as a debtor, would be unacceptable because they must be self-defeating."

This editorial then asserts that Britain's decision on Bretton Woods will turn on the following three main questions:-

1. "Whether the scheme makes adequate provision for the protective action which may have to be taken by any country that attempts to maintain a high national income and level of employment in the face of deflationary developments abroad." The editorial asserts that the "ideal protection" in this case is to have large liquid reserves and raises the question whether the Fund's reserves will prove to be adequate. If such reserves are not available, the Times declares, this protection "can be obtained only through the application of foreign exchange control, coupled with the long-term planning of overseas trade." "But", the editorial continues, "these are precisely the measures to which the Bretton Woods plan seeks to offer an alternative. Yet, until the efficacy of this alternative is assured, the imposition of penalties by a majority vote of the Fund upon what may be indispensable measures of self-help exposes national policy and well-being to a contingency not lightly to be risked."

2. The second question is "whether adequate provision is made for the maintenance of a general equilibrium of trade and exchange so that each country may be able to pay for its current imports with current exports." Noting that import surpluses for reconstruction or industrial development may be financed by loans, it is asserted that "the success of this policy demands the timely adoption of measures to ensure that import surpluses during the phase of development shall be followed by export surpluses later."

3. The third question is "whether the scheme will promote the further development and integration of world economy on practical lines." This, the editorial explains, requires for smaller countries "the opportunity and encouragement to combine into economic groups, such as the sterling area, thus reap at least some of the advantages of modern mass production without losing their national individuality."

-3- London

-953 August 5, 1944

These questions, the editorial asserts, "illustrate.... the impossibility either of separating financial issues from issues of trade or of separating issues of international trade and finance from domestic economic policies." Stating that the Bretton Woods conference shed "little or no light" on these points the editorial ends "only if the national income and level of employment of the major countries are kept in a process of steady expansion can there be stability and equilibrium in international economic relations."

The financial editor of the Manchester Guardian, in an article of August 4 criticizes the reporting on the Bretton Woods Conference. The article states: "The White Paper containing the 'Final Act' of the Monetary conference at Bretton Woods proves that we have neglected all along, that the British public has received a misleading impression of what happened at the meeting. This is a serious matter. Both Houses of Parliament took a keen interest in the proposals on which the conference was based, and great anxiety was expressed in the debates over the details of the scheme..... Both courtesy and self-interest should have suggested to the Treasury some attention to the information of the public. This time it will pay heavily in ill-informed criticisms which will cost many a civil servant a night's rest."

With regard to the rationing of currencies, the writer claims that the 'Final Act' "seems to recapture something of the original idea of the Monetary Plan that the creditor country, or rather the over-exporting country, shall not be free to 'squeeze' the deficit countries without incurring a plain loss in the process". He adds "The clause seems to include, though this is not quite clear, the right to stop temporarily the service on loans in the scarce currency without incurring the odium of default."

Alluding to the desirability of a provision allowing such a group as the sterling area to devalue its currencies simultaneously, the writer concludes as follows: "On the other hand, the clauses referring to uniform changes in exchange values (para 19) seem to exclude altogether such real and devaluations as that which saved this country in 1931 and created the sterling area."

The Financial Times of August 4 states that the text of the 'Final Act' clarified "several items which were left obscure by the earlier summaries". Particular reference is made to articles 4 and 7 of the Fund. The article quotes at considerable length from the preface of the White Paper.

London

A-963 August 5, 1944

An article in the Money Notes Column states that the fears expressed in some quarters that the Fund plan departed from the principles laid down in the Joint Statement have now been allayed and concludes: "Altogether from a first perusal of the full text there have been few changes in the main principles which had increased the support for the original plan".

The Financial Times also reports the views expressed by the National City Bank in its monthly news letter on Britain's sterling position. The article states "although the International Monetary Fund and Bank for Reconstruction is mentioned only as not solving Britain's problem, the Letter clearly throws cold water on those ideas."

Oscar Hobson, City Editor of the Jews Chronicle, writes (August 4) "all doubts and suspicions based on the partial and incomplete summary, which is all that has so far been available, can be cleared up." Referring to the text of the Final Act, Hobson states "The skilled draftsmanship which has evidently been at work has produced a clean and lucid text which should leave little room for misunderstanding. Hobson discusses at length the issue of scarce currencies and he concludes his article as follows: "The currency which everybody has, rightly or wrongly, in mind as a candidate for possible "scarcity" is, of course, United States dollars, and it must be acknowledged to be an act of enlightenment and statesmanship on the part of the American delegates to the Conference that they have accepted an article which places on the United States the responsibility of radically modifying her pre-war foreign trade policy. We do not know, of course, that Congress will accept this obligation, but meanwhile it is of the highest importance that the delegates of the 44 nations should have adopted an article condemning in such uncompromising terms the pursuance by any country of a contractionary and deflationary economic policy."

The Daily Express of August 4 carries a news item on the Mite Paper which states that: "Monetary proposals which were criticized in Parliament earlier this year as putting us on the long, weary road back to gold are issued today as a Mite-paper". The article also contains a very brief statement on the Fund and Bank.

The Daily Telegraph City Column of August 4 reports the publication of the Mite Paper and states "Obscurities surrounding the international currency plan agreed by the experts at the Bretton Woods discussions are removed by the Mite Paper published yesterday."

The Financial Editor of the Manchester Guardian states (August 5): "Further scrutines of the Bretton Woods documents suggests that the proposed monetary system, of which the Currency Fund and the World Bank are integral parts, offers a fairly strong protection against any threat to our domestic employment arising out of financial commitments. It must not, of course, be expected of any monetary system that it can by itself create trade or ensure stability. There are

many causes outside the field of finance which cause instability. The greatest danger of all lies in the lack of coordination between the domestic economic policies pursued in different countries. It is known to all that these policies ought to be coordinated, but that is a far bigger task than devising a monetary mechanism. At any rate, the freedom to vary our exchange rate which we value so much after the 1931 experience, is very wide."

With regard to "tied" loans the article states: "..... the vital point referred to by Lord Keynes in his early statement on the subject, that loans must be free of any condition that the proceeds should be spent in particular countries has, after all, been included in the full text. 'Tied' loans would permit an over-exporting country to export still more and thus to make the disequilibrium worse."

The Daily Express, August 5, carries a short editorial on the Monetary Plan which states: "Lord Keynes had better get busy with his missionary work..... Critics who from the first have felt the deepest suspicion of the proposals now receive powerful support."

Referring to the three questions posed by the Times of August 4, already referred to in this cable, the editorial adds: "The agreement is notably unforthcoming on all these points. And it is no earthly use to Britain unless the experts can give a good, round, unequivocal Yes to all of them -- and to some others."

The Daily Express of August 5 also reports a speech made by Sir Patrick Hannon (Conservative M.P. from Hoveley, Birmingham), who is President of the National Union of Manufacturers and Vice President of the Federation of British Industries, before the British and Central European Chamber of Commerce in London on August 4. Sir Patrick Hannon commented on the Bretton Woods Conference as follows: "I am a British politician, and with me charity begins at home. I am profoundly concerned for the future of my people..... I fail to see that in the conclusions which have been reached there is the measure of elasticity which will enable any of the countries finally taking action for the protection of their own interests to prevent their being interfered with, and perhaps, stultified by intervention from outside..... I am profoundly concerned with the return to gold, and when the House meets again, believe me, we shall have a very lively debate."

London

A-953 August 5, 1944.

The Daily Herald, August 5, carries a strongly worded editorial on Sir Patrick Hannon's "alarm and profound concern" over the Monetary agreement. The editorial states: "The prospect of a world in which countries take action for the general interest is obnoxious to him - as is, of course, the prospect of a British national economy in which the autocracy of the wealthy manufacturer might be curbed. It would be possible to write at length about Sir Patrick Hannon's views on the conclusions of Bretton Woods, and on his attitude to other attempts which are being made to bring unity and cooperative enterprise into international trade. But it would be a waste of space."

Of the August 5 editions of the weekly journals, only Statist carried comment on the Monetary Conference. A note in the "Money Market" section of the Statist, after complaining that the Government did not obtain and publish the full text of the Bretton Woods' agreements immediately, criticizes briefly the comments of the Guaranty Survey on the fund. The article comments: "No way all agree with the Survey that balanced budgets, prosperous internal economies, avoidance of currency depreciation, abolition of prohibitive tariffs and trade restrictions, constitute the royal road to exchange stability. Is not a common fund basically destined to foster just these very things?"

An article in the Statist entitled "Money" states: "As perhaps was reasonably to be expected the results, so far as they are known of the three weeks' discussions at Bretton Woods, have left a certain measure of disappointment. Many of the delegates went there with preconceived notions of what should be achieved and under the not unnatural impression that virtual agreements, at least in principle, would be arrived at. Agreement in principle, and practical achievement are two totally different things.....In so far as the Conference at Bretton Woods and the Governments who hope to ratify their achievements have done something calculated to achieve stability of currency and particularly something that will tend to secure stability in the exchanges, they will have achieved something quite substantial, but by no means something ranking as a determining factor."

Referring to the sterling balance problem, the article comments: "It may be argued that the position we are trying to take up is quite good in its way, but ignores the fact that Government would neither have proposed nor accepted an invitation to a Monetary Conference if we possessed reserves comparable to those we had in the second half of last century. If we still had the commanding position we then enjoyed as traders and manufacturers the money question might be left to right itself."

London

A-963 AUGUST 5, 1944.

After going on to describe Britain's dominant position in world finance at the end of the last century, the article concludes: "It is said of the Monetary Conference at Bretton Woods there was a certain rivalry to secure control of the exchanges after the war. If such a condition as we have endeavoured to indicate ever arises again in any country, that country will command the exchanges provided trading and manufacturing interests give it such a commanding position in the economic world that it must of necessity take a predominant place in the world's money markets."

.I.L.ET

.MF:..LJU:ODR:..M/c

HIS

TO BE SENT IN SECRET "W"

Distribution of true
reading only by special
arrangement. (SECRET W)

August 5, 1944

6 p.m.

AMREP,

ALGIERS.

2353

The following for Saxon is WRB 42.

The Board is requesting the USCC to hold the 50,000
peseta balance at the board's disposal as recommended
in your 2507 of July 26. Blickenstaff has been advised.

STETTINIUS
ACTING
(GLW)

S/CR

AF

WE

SWP

WRB:MMV:KG
8/4/44

RA-130

This telegram must be paraphrased before being communicated to anyone other than a Government agency. (SECRET-O)

London

Dated August 5, 1944

Rec'd 8 a.m., 6th

Secretary of State

Washington

6279, August 5, 7 p.m.

FOR DEPARTMENT, FEA AND WRB.

Relief subcommittee agrees to shipment and distribution of 300,000 specially prepared 3 kilo food parcels to concentration camps as proposed in your telegram 6035, July 31. Only provision made by me was that route of on-shipment from Gothenburg of any parcels sent via Gothenburg must be approved by British. MEW is telegraphing British Embassy on same subject. There is no (repeat no) objection to use of salvaged cargo of CHRISTIANA for this purpose.

WINANT

EEC:WMB

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, London
 TO: Secretary of State, Washington.
 DATED: August 5, 1944.
 NUMBER: 6289.

CONFIDENTIAL

This morning, at a conference between Browne and Henderson of the Refugee Section of the Foreign Office, Vice Director of IGC, speaking for the Director, a problem was brought up, as follows:

Four hundred of the six hundred refugees in the camp for refugees at Fedhala are Sephardic Jews of Greek nationality, so Beckelman of FEA, Manager of the refugee camp there reports. Beckelman has made the recommendation to Valentin Smith that it is desirable to move these four hundred inmates from this camp to a camp in Palestine for Greeks, distribute the remaining 200 elsewhere, and then close up the camp, whose capacity is 2,000, with few newcomers expected. (Valentin Smith is the IGC representative in Algiers.) The departure of United States troops from Morocco, resulting in a lessening of supplies and other facilities, it is understood, is, to some extent, the reason for this recommendation.

Instructions have been asked of IGC by Valentin Smith, and IGC, in turn, conferred with the London Office of UNRRA, as it understood that the camp had been taken over, from the joint operations of the American and British Governments, by UNRRA. The London UNRRA states that it does not know who is responsible for the camp, and that it has nothing at all to do with it. At the time the Congress passed the appropriation bill for UNRRA, the camp was transferred to UNRRA, the Foreign Office understood, but it doubts now whether its own responsibility toward the camp stopped at that time, in light of the present developments. In view of the fact that several of the officials of the camp are being paid by it, it urgently wishes to know the agency that is now operating the camp.

With reference to the proposal of Beckelman to move the 400 Greeks, IGC desires to give Valentin Smith instructions to act according to the decision which the operation of the camp made, but this it is unable to do until the name of the operation is known. There is no desire on the part of IGC to recommend approval or disapproval of the proposition, but IGC will strongly object to any action which might, in the end, hinder the final repatriation to Greece of Greeks, because this will be IGC's responsibility.

It is urgently requested that the name of the agency now responsible for the Fedhala Camp be transmitted.

WINANT

DCR:LCW 8/8/44

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, London
TO: Secretary of State, Washington
DATED: August 5, 1944
NUMBER: 6292

CONFIDENTIAL

Following is for the attention of the War Refugee Board.

Reference is made herewith to Department's cable of August 2, no. 6097.

This morning at a meeting between Vice-Director IGC, Henderson of the Refugee Section Foreign Office, and Browns, they discussed intervention by the Vatican on behalf of non-Italian refugees in Northern Italy.

It was stated by Henderson, who was given paraphrase of no. 6097, that he would have to secure definite answer from higher authorities in the Foreign Office. He advanced his own informal opinion that the British Government might not feel that it had enough facilities available at once for transportation, maintenance and care of these refugees to give the Vatican necessary assurance on this point.

It was stated ~~that~~ confidentially by the Vice-Director that proposal for Vatican intervention originated with the Vatican itself. He asserted that the proposal was still approved by IGC but emphasized most strongly the necessity that the American and British Governments have care, maintenance and transportation facilities available prior to requesting the Vatican to act as otherwise the Vatican would regard the request as insincere and would refuse to intervene.

It was also stated by him that IGC desired this particular Italian refugee problem kept separate from the larger Hungarian problem even though dealt with by the same methods. He felt that because of the following differences from the Hungarian situation it could be kept separate: smaller number of refugees, relative ease of their transportation to safe territory, the Vatican's special interest and the likelihood of success being greater.

WINANT

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, London.
TO: Secretary of State, Washington.
DATED: August 5, 1944
NUMBER: 6293.

SECRET

With reference to messages from the Embassy, Number 6087, dated July 31, and Number 6193, dated August 3, and with reference to telegram from the Department, dated July 28, Number 5948, we received the information today, in absolute confidence and informally, from Henderson of the Foreign Office, Refugee Section, that, with regard to joint American-British action replying to the Horthy offer, scarcely anything was accomplished on August 4 when the War Cabinet considered this matter.

On August 8, this matter will be further discussed by the Cabinet. Fearing that the motive of the Horthy offer is a plot by the Germans to break up the delicate political situation in the Near East by putting there thousands of people who are regarded by the local inhabitants of such places as being undesirable, some members are opposed to acceptance. The British Government's final reply may well be less sympathetic than the reply that would be indicated by the attitude of the Foreign Office by itself.

WINANT

DCR:LCW 8/7/44
mhh

BJR - 54

PLAIN
London
Dated August 5, 1944
Rec'd 10:08 p.m.

Secretary of State,
Washington.

6306, Fifth

Possible repercussions of Turkey's break with Germany are discussed by editorials in MANCHESTER GUARDIAN and DAILY TELEGRAPH. GUARDIAN editorial, which deals mainly with problem of rescuing Hungarian Jews, states that while break is welcomed by Allies, it is likely to have unfavorable effect on Jews in Hungary because "as long as Turkey remained at least on speaking terms with the Germans it was far easier to arrange for their escape through Rumania and Turkey to the sea". Editorial holds that recently reported offer by Admiral Horthy to let some Jews leave Hungary was probably genuine. Questioning Horthy's motives, GUARDIAN says that offer was hardly prompted by sympathy for Jews, whose position in Hungary has steadily deteriorated during past six years. It adds: "It was not until Mr. Eden and Mr. Roosevelt had promised reprisals for the guilty and until the King of Sweden, the Pope and neutral governments had made appeals to him that the Regent attempted to intervene. One cannot avoid the feeling that if the Allies were losing the war instead of winning it Horthy would have followed the example of a rather more illustrious Admiral and turned a blind eye to the proceedings." Declared that whatever the motive, offer has been made and serious attempts should be made to take advantage of it, editorial refers to Mr. Eden's recent statement in Commons that deportation of Jews from Hungary has ceased until Swiss Government has completed evacuation of those in certain categories whom Hungarian Government appears ready to allow to leave. It asserts that this is good as far as it goes as is fact that International Red Cross Committee has delegates in Budapest trying to solve administrative problems which must beset any large scale emigration. Editorial continues: "But there is no knowledge of the scale of this evacuation and considerable doubt as to whether the British and American Governments are devoting their full energies to furthering these efforts. The Swiss Government cannot act without their help. It would be criminal if lack of money or even ships were permitted to handicap the scheme.

There is also

-2- #5306, Fifth, from London.

There is also another aspect which more particularly affects the British Government. Horthy has promised that all Jews with a permit for Palestine may go free, but there are 300,000 Jews in Hungary and at present only about 14,000 permits left for Palestine. Are we to leave it at that? If military or economic conditions are held to prevent the issue of more permits to Palestine (and this is highly questionable) the Allies must make alternative arrangements now." Editorial goes on to say that both Germans and Hungarians should be reminded of what is to come, and that those responsible will be held responsible. Stating that military measures should not be excluded, it declares that bombing of railway lines from Hungary to Poland and Czechoslovakia would make export of Jews more difficult".

Asserting that Turkey's breach with Germany has shaken whole of Balkans, TELEGRAPH asserts: "There are reports of refusal by all three Balkan satellites, Bulgaria, Hungary and Rumania, to obey German orders that they should break with Turkey. The weakness of the Hungarian Regent and the German obsession of the Magyars surrendered their country to German occupation last spring and permitted vast and hideous massacres of Jews. Since then the Russian advance and the Allied air onslaughts have demonstrated to Hungary, as to Bulgarian and Rumania, that they have fought on the wrong side. The memory of Hungarian and Rumanian divisions sacrificed to German strategy in Russia rankles in both these mutually hostile countries, whole plains German armies may further despoil but can no longer defend. The peoples throughout the vast region of the Danube Valley and the Balkans and the Aegean feel the warning tremors of German downfall".

Please transmit copy to War Refugee Board.

WINANT

RTM

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Delegate, Rome
TO: Secretary of State, Washington
DATED: August 5, 1944
NUMBER: 104

CONFIDENTIAL

Reference is made herewith to my cable of July 17, no. 237 and Department's answer of July 24 no. 16.

Taylor's 267.

Last week I forwarded the properly paraphrased copies of both messages to the Cardinal Secretary of State for the consideration of His Holiness the Pope. The plan that the Pope approach through appropriate channels the necessary German authorities proposing the release from Northern Italy of interned refugees mainly Jews as well as the larger plan heretofore advanced by the War Refugee Board relative to the release of all Jews in Germany at Atlantic ports was proposed by Sir Clifford Heathcote Smith, author of the first message, in an audience with His Holiness on Thursday.

In my audience with His Holiness yesterday I supported his plan with encouraging results for I was assured unhesitatingly by His Holiness that at the earliest moment he would make such an approach. His sympathetic and deep interest in all humanitarian projects for the relief of distressed persons is obvious. Naturally the method of approach is a matter within his own discretion. I did not make any inquiry as to any plan he might have in mind or propose a method.

KIRK

No. 19,249

SUBJECT: With Reference to Proposed Establishment by Mexico of a "port of Refuge" for Refugees from Enemy Occupied Europe for the Duration of the War.

The Honorable
Secretary of State,
Washington, D.C.

Sir:

I have the honor to refer to the Department's telegram of August 3, No. 1461, stating that the War Refugee Board has been informed by the Joint Distribution Committee that the President of Mexico has recently issued a proclamation stating that Mexico will furnish facilities for the admission of refugees of enemy occupied Europe for the duration of the war. I am instructed to secure and cable, if possible, the text of such proclamation for use by the War Refugee Board in dealing with an offer by the Hungarian Government to permit emigration of refugees from Hungary.

On the receipt of this telegram I informed Mr. McGurk in the Mexican Division of the Department by telephone, during a conversation covering other matters, that I had just received this telegram and that I was not making a reply by cable as no such proclamation had as yet been issued by the President and that the status of the matter here is certainly not such, so far as I am informed, that the establishment of a port of refuge here could be used as a basis for negotiations with the Hungarian Government for the emigration of refugees from Hungary. I asked Mr. McGurk to be good enough to inform the War Refugee Board that I was sending full information to the Department so far as the arrangements here are concerned and so far as they have been made.

By this time the Department has received my despatch No. 19,191 of August 3, with its enclosures, in which I cover this matter. It will be noted that Messrs. Waldman and Landau took up this matter with the Mexican Government on the basis that very probably no refugees would arrive at the proposed port of refuge and that the action of the Mexican Government was to be largely symbolical and helpful as a moral gesture. I, however, pointed out in my conversations with Mr. Waldman and Mr. Landau the necessity of making as concrete arrangements as possible with the Mexican Government so that if refugees do arrive no misunderstandings of any kind can arise with respect to maintenance, the conditions of stay and the length of stay in Mexico. They are fully understanding of this and I understand that a representative of the Joint Distribution Committee will arrive in Mexico on Monday, August 7, to discuss this matter of guarantees, etc., with the Ministry of Gobernacion in Mexico City.

It is only after such formal arrangements have been completed with the Mexican Government through the Ministry of Gobernacion that the establishment of a "port of refuge" in Mexico could be used as the basis of any negotiations with the Hungarian or any other Government.

As I informed the Department in my despatch No. 19,191 these conversations have taken place directly between Messrs. Waldman and Landau and the Ministry of Gobernacion and this Embassy has not directly participated therein as the conversations were initiated by Messrs. Waldman and Landau with the Ministry of Gobernacion without my direct intervention and on their own initiative. I have, therefore, as yet no official information from the Mexican Government that the establishment of the port of refuge is purely symbolical and a gesture or whether it will be prepared to receive during the period of the war at such port of refuge a certain number of emigrants.

- 2 - No. 19,249, August 5, 1944

I am taking Messrs. Waldman and Landau to call on the Minister of Foreign Relations on Monday, August 7.

I am under the impression that the Joint Distribution Committee may be under the impression that more definite arrangements have been made here than I am officially aware of at this time and as obviously the establishment of a port of refuge for symbolic purposes and the actual reception of emigrants and granting of visas by the Mexican Government are separate matters, I would suggest that no action be taken by the War Refugee Board on the basis of this Mexican action until I am able to give more concrete information which I can obtain officially from the Mexican Government as to its attitude on this matter. This situation I believe can be clarified during the next week.

Respectfully yours,

To Department in Quintuplicate
GSM:NA

Reference is made to your 2371 of August 1, WEB 130.

For your private and secret information: In addition to the communication received from Hungary through Swiss Foreign Office and referred to in Department's 2118 of July 28 to you, the following communication has been received by this Government from the delegate of Intercross:

QUOTE The Hungarian Government is willing to make possible the emigration of certain categories of Jews and has advised the I.C.R.C. of its readiness in this respect.

Very obviously from the viewpoint of maintaining the principle of neutrality, which in effect is based on reciprocity, the I.C.R.C. feels that the number of emigrant Jews to be admitted to the United States should be substantially increased, and that a corresponding number of Entry permits should be accorded.

It would, furthermore, be desirable if the United States Government would make a public statement on this subject, indicating the number of Entry permits accorded. The I.C.R.C. is of the opinion that such a statement would impress the Hungarian Government as the visible sign of a favourable reaction to their decision to cease the persecution of the Jews also on this side. Moreover, the possibility of an eventual withdrawal of the concession granted would be made difficult by a public declaration, as suggested above, which would at the same time also forestall an attempt on the part of the countries of emigration to throw the blame for an eventual failure on the countries of immigration.

The I.C.R.C. would like to be informed whether the United States Government would be willing to transmit and support this proposal to the Governments of the South American Republics or whether the I.C.R.C. should do so directly.

The I.C.R.C. reserves the right to issue a communique concerning this proposal, which has simultaneously been submitted to the Government of Great Britain. UNQUOTE

To this communication this Government proposes to reply as follows:

QUOTE It has now been indicated by the Hungarian Government that certain categories of Jews will be permitted to emigrate from Hungary. This Government, despite the substantial difficulties and responsibilities involved has consistently made clear its determination to take all practicable steps to rescue victims of enemy oppression in imminent danger of death. In view of the desperate plight of the Jews in Hungary and the overwhelming humanitarian considerations involved, this Government now wishes to repeat specifically its assurance that it will arrange for the care of all Jews permitted to leave Hungary who reach

neutral or United Nations' territory, and will find for such people havens or refuge where they may live in safety. These assurances have been communicated to the governments of neutral countries who have been requested to permit the entry of Jews who reach their borders from Hungary. This Government now awaits some concrete evidence of the willingness of the Hungarian Government to carry out its proposal. UNQUOTE

In addition, the Minister at Bern will indicate to Intercross the opinion of this government that in view of the above assurances it is considered unnecessary to consult the governments of the South American republics at this time.

The delivery of this reply is being delayed until August 7 in the hope that the British Government will agree to take a similar attitude so that the reply would be a joint or parallel one.

The broad program envisaged in Department's 2118 under (3) and in projected reply to Intercross might be jeopardized by limited scope of approach suggested in 142 from Amembassy London to you. Therefore, irrespective of suggestions contained in 142 from London, you are requested to act at once in the sense of Department's 2118 under (3), either singly or if possible and not involving delay, jointly with your British colleague. You are authorized, however, to give the assurance concerning availability of supplies for Hungarian refugees through blockade in line with 142 from London.

Regarding points raised in last paragraph of your 2371, you may, if necessary, inform Portuguese authorities as follows:

(a) Definite arrangements for food to come through blockade have not yet been made but will be made.

(b) This Government, singly or with British Government's cooperation, will guarantee maintenance of Hungarian refugees; the actual financing will be done by private organizations if possible, by Government (or Governments) if necessary.

(c) Evacuation of Hungarian refugees will be undertaken as promptly as the military and shipping situation permits; no definite decision can be reached at present as to their ultimate destination, but it is thought here that this point should be irrelevant to Portugal.

(d) This Government, singly or with British Government's cooperation, will cover administrative costs incurred by Portugal in handling Hungarian refugees thus to be admitted, on the assumption that WRB representative in Lisbon will approve such costs as appear reasonable.

THIS IS WRB CABLE TO LISBON NO. 72.

Bakzinjar 8/4/44
10:20 a.m.
August 5, 1944

EOG-932
Distribution of
true reading only by
special arrangement.
(SECRET W)

Lisbon

Dated August 5, 1944

Rec'd 2:30 p.m.

Secretary of State,

Washington.

2418, August 5, noon

THIS IS WEB 140 JDC 46 FOR LEAVITT FROM SCHWARTZ

Additional number 35 adults just came into Spain
over mountains. Among them were parents of 3 children
previously rescued. Total rescued now 402.

NORWEB

EEC WMB

Distribution of true
reading by special
arrangement. (SECRET W)

Dated August 5, 1944

139

Rec'd 6:53, p.m.

Secretary of State,
Washington.

2419, August 5, 1 p.m.

Regarding group of 1200 Rabbis and religious
leaders Mayer was told by Sternbusch that payment
of 700,000 Swiss francs was asked for. 200,000
were to be paid by Sternbush and JDC to pay rest.
This money was to be used for purchase of goods
to be shipped to Hungary. Also firms were named to
make purchases all of which were on black list.

REURTEL to Saly Mayer July 26.

Mayer referred to WRB representative McClelland
who refused to authorize deal unless Washington
approved. Mayer then wire Budapest asking if money
payment alone were not adequate and has received no
reply to date. JDC representative never refused
to help but on the contrary tried to find ways of
helping consonants with American and Swiss regula-
tions. We had previously given Mayer specific
instructions

-2- #2419, August 5, 1 p.m., from Lisbon

instructions never to undertake any enterprise unless he had given McClelland full information in advance and had his approval. McClelland is in general most sympathetic and cooperative but could not approve this project. Sternbusch in common with many other individuals in our rescue work seems to feel that Mayer must put up all money he demands with no questions asked. JDC can not work in such a way nor is it possible to agree to suggestions which are unsound and improperly considered. It is absolutely impossible for JDC to approve any project whatever without submitting it to proper authorities for their consideration and approval.

It was never stated nor was any assurance given by any one competent to do so that in the event of the payment mentioned being made these people would be evacuated to Palestine or any other safe place. It was also not made clear whether the 700,000 Swiss francs was in complete payment or only a first installment on a much larger sum as had been previously intimated.

There is nothing which is legitimate that JDC
will not

-3- #2419, August 5, 1 p.m., from Lisbon

will not undertake and are not now doing to save this group which you may not know includes the family of our staff member Jose F. Blum.

Now group of 1200 is in Bergenbersen near Hanover a camp for refugees possibly destined for exchange.

NORWEB

BB WSB

CABLE TO AMEMBASSY, MADRID, SPAIN

For your private and secret information: In addition to the communication received from Hungary through Swiss Foreign Office and referred to in Department's 2126 of July 28 to you, the following communication has been received by this Government from the delegate of Intercess:

QUOTE The Hungarian Government is willing to make possible the emigration of certain categories of Jews and has advised the I.C.R.C. of its readiness in this respect.

Very obviously from the viewpoint of maintaining the principle of neutrality, which in effect is based on reciprocity, the I.C.R.C. feels that the number of emigrant Jews to be admitted to the United States should be substantially increased, and that a corresponding number of Entry permits should be accorded.

It would, furthermore, be desirable if the United States Government would make a public statement on this subject, indicating the number of Entry permits accorded. The I.C.R.C. is of the opinion that such a statement would impress the Hungarian Government as the visible sign of a favourable reaction to their decision to cease the persecution of the Jews also on this side. Moreover, the possibility of an eventual withdrawal of the concession granted would be made difficult by a public declaration, as suggested above, which would at the same time also forestall an attempt on the part of the countries of emigration to throw the blame for an eventual failure on the countries of immigration.

The I.C.R.C. would like to be informed whether the United States Government would be willing to transmit and support this proposal to the Governments of the South American Republics or whether the I.C.R.C. should do so directly.

The I.C.R.C. reserves the right to issue a communique concerning this proposal, which has simultaneously been submitted to the Government of Great Britain. UNQUOTE

To this communication this Government proposes to reply as follows:

QUOTE It has now been indicated by the Hungarian Government that certain categories of Jews will be permitted to emigrate from Hungary. This Government, despite the substantial difficulties and responsibilities involved, has consistently made clear its determination to take all practicable steps to rescue victims of enemy oppression in imminent danger of death. In view of the desperate plight of the Jews in Hungary and the overwhelming humanitarian considerations involved, this Government now wishes to repeat specifically

its assurance that it will arrange for the care of all Jews permitted to leave Hungary who reach neutral or United Nations¹ territory, and will find for such people havens of refuge where they may live in safety. These assurances have been communicated to the governments of neutral countries who have been requested to permit the entry of Jews who reach their borders from Hungary. This Government now awaits some concrete evidence of the willingness of the Hungarian Government to carry out its proposal. UNQUOTE

In addition, the Minister at Bern will indicate to Intercross the opinion of this government that in view of the above assurances it is considered unnecessary to consult the governments of the South American republics at this time.

The delivery of this reply is being delayed until August 7 in the hope that the British Government will agree to take a similar attitude so that the reply would be a joint or parallel one.

The broad program envisaged in Department's 2126 under (3) and in projected reply to Intercross might be jeopardized by limited scope of approach suggested in 116 from Amembassy London to you. Therefore, if-
respective of suggestions contained in lly from London, you are requested to act at once in the sense of Department's 2126 under (3), either singly or, if possible and not involving delay, jointly with your British colleague. You are authorized, however, to give the assurance concerning availability of supplies for Hungarian refugees through blockade in line with 116 from London.

10:20 a.m.
August 5, 1944

RAksiniar 8/4/44

ED
Distribution of true
reading only by special
arrangement. (SECRET-W)

August 5, 1944
5 p.m.

AMEMBASSY,
MADRID.

2185

The cable below to Butterworth and Blickenstaff is
from War Refugee Board.

Please refer to our 1984 July 15 concerning the
50,000 peseta balance being held by the USCC at the
disposal of the War Refugee Board.

Saxon recommends the retaining of this balance at
the disposal of the War Refugee Board in view of the
expenses which may arise as a result of the evacuations
discussed in your 2415 of July 11. The Board concurs
with Saxon's recommendation and has requested the USCC
to hold this balance at its disposal.

Please confirm by pouch that the original 50,000
pesetas were disbursed for port dues in connection with
the Camp Lyautey evacuation.

STETTINIUS
(Acting)
(GLW)

WRB:MMV:KG
8/5/44

WE

SNP

AF

S/CR

CABLE TO MINISTER JOHNSON AND OLSEN, STOCKHOLM, SWEDEN

For your private and secret information: In addition to the communication received from Hungary through Swiss Foreign Office and referred to in Department's 1501 of July 28 to you, the following communication has been received by this Government from the delegate of Interross:

QUOTE The Hungarian Government is willing to make possible the emigration of certain categories of Jews and has advised the I.C.R.C. of its readiness in this respect.

Very obviously from the viewpoint of maintaining the principle of neutrality, which in effect is based on reciprocity, the I.C.R.C. feels that the number of emigrant Jews to be admitted to the United States should be substantially increased, and that a corresponding number of Entry permits should be accorded.

It would, furthermore, be desirable if the United States Government would make a public statement on this subject, indicating the number of Entry permits accorded. The I.C.R.C. is of the opinion that such a statement would impress the Hungarian Government as the visible sign of a favorable reaction to their decision to cease the persecution of the Jews also on this side. Moreover, the possibility of an eventual withdrawal of the concession granted would be made difficult by a public declaration, as suggested above, which would at the same time also forestall an attempt on the part of the countries of emigration to throw the blame for an eventual failure on the countries of immigration.

The I.C.R.C. would like to be informed whether the United States Government would be willing to transmit and support this proposal to the Governments of the South American Republics or whether the I.C.R.C. should do so directly.

The I.C.R.C. reserves the right to issue a communique concerning this proposal, which has simultaneously been submitted to the Government of Great Britain. UNQUOTE

To this communication this Government proposes to reply as follows:

QUOTE It has now been indicated by the Hungarian Government that certain categories of Jews will be permitted to emigrate from Hungary. This Government, despite the substantial difficulties and responsibilities involved, has consistently made clear its determination to take all practicable steps to rescue victims of enemy oppression in imminent danger of death. In view of the desperate plight of the Jews in Hungary and the overwhelming humanitarian considerations involved, this Government now wishes to repeat specifically its assurance that it will arrange for the care of all Jews permitted to leave Hungary who reach neutral or United Nations' territory, and will find for

- 2 -

such people havens of refuge where they may live in safety. These assurances have been communicated to the governments of neutral countries who have been requested to permit the entry of Jews who reach their borders from Hungary. This Government now awaits some concrete evidence of the willingness of the Hungarian Government to carry out its proposal. UNQUOTE

In addition, the Minister at Bern will indicate to Intercross the opinion of this government that in view of the above assurances it is considered unnecessary to consult the governments of the South American republics at this time.

The delivery of this reply is being delayed until August 7 in the hope that the British Government will agree to take a similar attitude so that the reply would be a joint or parallel one.

The broad program envisaged in Department's 1501 under (3) and in projected reply to Interross might be jeopardized by limited scope of approach suggested in 230 from Amembassy London to you. Therefore, irrespective of suggestions contained in 230 from London, you are requested to act at once in the sense of Department's 1501 under (3) either singly or, if possible and not involving delay, jointly with your British colleague. You are authorized, however, to give the assurance concerning availability of supplies for Hungarian refugees through blockade in line with 230 from London.

THIS IS WRB CABLE TO STOCKHOLM NO. 68

10:20 a.m.
August 5, 1944

BAksin:ar 8/4/44

KEM-187

Stockholm via London

Dated August 5, 1944

Rec'd 2:10 p.m., 6th

Secretary of State,
Washington.

2958, Fifth.

Swedish politics UPSALA NYA states foreign power acquiring control of Aalands would be favorable position for attacking Sweden and could seriously impair Swedish Navy movements. Aalands from barrier between Bothnian Gulf and Baltic so important any one controlling barrier could close sea routes on both sides. 1921 Aalands Convention prescribes signatories should appear League Nations Council should risk arise of convention being unobserved. Literally interpreted this means Sweden would be legal ground for and might be obliged to make representations in present threatening situation. Such representations would be addressed Britain and Russia (six). Germany needn't be considered because it withdrew from League Nations. Safeguarding Aalands may demand swift action. British seapower is presently barred from Baltic and same applies Russia while Finnish Gulf still contested. Formally can be said Britain Russia Finland as belligerents aren't entitled safeguard Aaland's neutrality. Sweden from juridical and practical viewpoints is powerbest suited for assuming task. Such attitude by Sweden with British Russian approval could benefit those parties and also Finland which seeking leave war. Germany from international law standpoint couldn't regard Swedish military guarantee for Aalands neutrality as hostile act..

TIMWINGEN referring reports regarding possible German occupation Aalands to safeguard iron ore traffic between Luleaa and Germany states motive cited reveals utter ignorance actual conditions in Baltic. Actually for as long as it's compatible with Swedish commercial interests to export iron ore from Luleaa to Germany traffic whether by Swedish or German ships may proceed inside Swedish territorial waters from Luleaa to

Blekinge coast

-2- #2958, August 5, from Stockholm via London.

Blekinge coast and is on ought to be immune to belligerent measures. Traffic is protected by Swedish neutrality patrols in sea and air. South of Oeland and Blettinge traffic must cross international waters where it subject attack without Swedish neutrality being violated. German occupation Aaland for purpose safeguarding ore traffic thus totally unnecessary. Presence German troops and naval and air forces in Aaland even if allegedly concerning protection military transports might easily develop into action directed against Sweden. Same thing applies to possible Russian attempt occupy Aalands and to Russian attacks on shipping in Swedish waters. If Sweden's commercial interest in exporting ore to Germany should cease which would be case if German coal exports to Sweden terminated by Russian advance into upper Silesia, then ore traffic would cease. This would remove objective for Russian attacks which in 1942 caused repeated violation Swedish neutrality. While traffic continues, however, southern Baltic is only area where under international law, Russians may attack traffic. It's German problem meet that threat.

SVENSK UTFRIKSHANDEL. General Swedish Export Association organ discussing post-war Swedish Russian trade states Russian purchases Sweden will be limited certain specialties if Russia continues receiving American Lend-Lease shipments. Reportedly Americans now contemplate extending arrangement for two years after war's termination. If extension effected, it will seriously affect Sweden's trade.

Conference resolution advocating early liquidation BIS states Bank badly misused by Germans and urges Sweden sever its relations with Bank. Matter now immediately important as Bank's two British members haven't resigned. Only neutral representative on board is Swedish Riksbanks head Ivar Rooth. When British directors signal their intention retire, Swedish representative also ought resign because it's wiser leave voluntarily than be thrown out.

During past few days over two hundred Estonian refugees arrived Gotland in small boats and this week's total expected exceed four hundred. Refugees include all classes but many seem prosperous.

Two liberators

-4- #2958, August 5, from Stockholm via London.

149

Two Liberators and three Mustangs landed Skanne
yesterday with crew members practically uninjured.

JOHNSON

LMS

PARAPHRASE OF TELEGRAM RECEIVED

FROM: AMLEGATION, Stockholm
TO: Secretary of State, Washington
DATED: August 5, 1944
NUMBER: 3964

See my 2480, July 5, midnight (658 to London)

This message has been repeated to London as my No. 837,
August 5, 9 p.m.

At last it appears that the imbroglio of the Samba Ndskontoret or the Norwegian Legation's Refugee office has been resolved. A reorganization of the Sambandskontoret has been effected under the leadership of Dr. Malm who came on a medical mission to Stockholm four months ago and who although relatively unknown as a Norwegian national figure, appears to be an individual of confidence and ability. Next to Dr. Malm in Sambandskontoret is a man by the name of Mr. Norum whose associates will be Messrs. Dahl and Dieseth, two members of old Sambandskontoret. Mr. Storlie, a new man who is borrowed from the so-called Rettskontoret or the legal office of the Norwegian Legation and possibly one or two more men make up the personnel of the Sambandskontoret as reconstituted. The former head of Sambandskontoret, Mr. Gram, is out of that organization as he has at last been taken up on the threat he has so many times made to resign. Nevertheless, he remains as the financial director of the Norwegian Legation whose main duty appears to be the financing of the home front through purchase of black market Norwegian crowns in Sweden.

There have been dropped from the Norwegian Legation two former Sambandskontoret members, Messrs Skougen and Feydt together with a former part time worker in Sambandskontoret and the mistress of Feydt, Mrs. Keiru. On the authority of Major Bauman, the present Stockholm representative of Milorg, these individuals will be subject to legal prosecution after the war for their recent subversive activities if they return to Norway. The report is now being spread by the three disgruntled employees that it is their intention to work in behalf of Norway for a foreign power and against the current Government of Norway. It is expected that they will offer their services either to the Soviet Legation, the British or the United States.

8-8-44
DCR:EMS

CORRECTED COPY

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Legation, Bern
DATED: August 5, 1944
NUMBER: 2697

CONFIDENTIAL

For McClelland.

Reference Department's 2486 of July 21, WRB's 84.

Turkish Embassy, Washington, now advises that early last June Turkish Consulate Bucharest was instructed to issue transit visas to Schleiffer family.

This is WRB Bern Cable No. 107

STETTINIUS
(ACTING)

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATED: August 5, 1944
NUMBER: 5023

CONFIDENTIAL

McClelland sends the following for the War Refugee Board.

Reference is made herewith to Department's cable of July 30, no. 2614.

I refer you to Legation's messages dated July 26, no. 4802, and of July 29, no. 4874. Neither Saly Mayer nor myself have ever refused to grant serious consideration to any objective and acceptable proposition for effecting the rescue of endangered Jews in Hungary regardless of the quarter from which such a proposition came. Our primary concern has always been not "It can not be done" but "How can this be done." In view of the contradictory and often unreliable nature of many of the proposals of Sternbuch, we have had to handle them with considerable circumspection.

This convoy of 1,200 Jews has been sent to Gergen-Balsen near Hannover in Germany according to recent reliable reports.

HARRISON

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATED: August 5, 1944
NUMBER: 5042

CONFIDENTIAL

Reference is made herewith to your message of July 28, no. 2605.

Since my British colleague is without instructions, I have informed M. Pilet ~~Giaz~~ of your hope that the Swiss Government will receive Jews from Hungary and he has been assured by me that they will be evacuated as soon as possible and that arrangements will be made for their maintenance in Switzerland in the meantime.

It is understood by me that M. Pilet is to take this matter up with his colleagues on the Federal Council. Developments will be reported.

HARRISON

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATED: August 5, 1944
NUMBER: 5037

CONFIDENTIAL

Reference is made herewith to my cable of July 5, no. 4260.

There follows in my 5040 today a translation from the German of the Hungarian Foreign Office note of July 18 to the Swiss Legation in Budapest.

HARRISON

LFG-92

This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (RESTRICTED)

Bern

Dated August 5, 1944

Rec'd 11:15 p.m.

Secretary of State,
Washington.

5040, August 5, 6 p.m.

With reference to note verbale number No. 257, June 26, 1944, concerning a communication regarding the inquiry of American Government with respect to treatment of Jews in Hungary, Royal Hungarian Ministry has the honor to inform the Swiss Legation of the following: As in most European states Jewish question has particularly in recent decades also become one of the greatest economic, social and political problems in Hungary. Jewish problem became especially difficult as Jewry, thanks to liberal organization of the state, had been able secure prominent position in economic, political and cultural life. Also in those large states where race problem was far less important-as for instance negro question in the United States-government was obliged to take corresponding measures for the protection of its own race. In consequence various governments of Hungary were obliged to strive against excessive influence of this foreign race as Hungarian Jewry constitutes far greater danger for Hungary than for instance Negroes or Japanese for white population of United States. Jews not only possessed most important economic positions in Hungary but thereby exerted very strong influence on national life of the country as a whole which threatened degenerate foundations of the national character of the people.

Recognizing this danger as in other European states the Hungarian Governments of the time also undertook solution of Jewish question. Articles of law XV of 1938 IV of 1939 and XV of 1941 formed legal basis for measures which tended toward solution Jewish question.

Military events on eastern front and approach of Soviet Army to Hungarian frontier made it necessary fully to mobilize all military material and moral forces of country for defense of nation's existence. This also meant elimination of everything that would undermine or diminish the country's resisting power. As defeatist propaganda and agitation of Jews-as in

1918-became more

- 2 -

1918-became more and more perceptible in this decisive phase of the war and in order to prevent repetition of tragic events of 1918-1919 government was obliged to eliminate on increased scale influence of Jews. They were consequently separated from rest of population and put to more useful work-either in country itself or abroad. In so doing Government and its functionaries did not fail consider laws of humanity and justice. If individual cases of injustice occurred they were always due to sporadic of some subordinate organs which in each case responsible.

Numerous Jews were placed at the disposal of German Government as workers as was case for years for tens of thousands of workers of Hungarian nationality and Christian faith.

Treatment of Jews working in Hungary is similar to that accorded other workers in work camps (for example students, et cetera).

With respect to food rationing non-working Jews do not receive certain more or less luxury articles (such as rice, fowl, butter, poppy); concerning basic necessities however they are on same basis as rest of population.

It may be added in supplement that during recent weeks situation of Jews has been notably improved. Enclosed note gives details regarding these concessions. At the instance of some foreign organizations (International Red Cross, War Refugee Board) Hungarian Government has made it possible for Hungarian Jews to receive material help and for a considerable number of Jews to emigrate to neutral states, respectively, to Palestine.

Two. Translation from French of enclosure to above follows: present status of action taken by Hungarian Government regarding Jews is following:

HARRISON

WSB

MS-90

This telegram must be paraphrased before being communicated to anyone other than a Government agency. (RESTRICTED)

Bern

Dated August 5, 1944

Rec'd 11:44 p.m.

Secretary of State,
Washington.

PRIORITY

5040, August 5, 6 p.m. (SECTION TWO)

I

1. Deportation of Jews for work abroad temporary suspended.

2. View proposals presented by Swedish Red Cross by Swiss Legation acting behalf Palestine Immigration commission as well as by War Refugee Board, Hungarian Government authorized emigration Jews Sweden, Switzerland, Palestine and other countries.

A. Jews who obtain from King Swedish nationality can emigrate Sweden in accordance with action of Swedish Red Cross.

Jews who have relatives Sweden or who have commercial contact for certain time with that country can emigrate Sweden or Palestine. This category includes about 400 or 500 persons.

B. Several thousand Jews are authorized emigrate Palestine aided by Palestinian Immigration Commission through Intermediary Swiss Legation Budapest.

Persons indicated above can emigrate Palestine if bearers "Certificate D' Immigration" delivered by British authorities.

C. On basis of proposals mentioned above from War Refugee Board, Hungarian Government authorized Inter-Cross to arrange sending Jewish children under 10 years age to Palestine. War Refugee Board will be authorized materially assist Jews interned Hungary.

II. In addition

-2- #5040, August 5, 6 p.m. (SECTION TWO), from Bern.

II.

In addition concessions above mentioned following mitigations accorded in treatment Jews:

1. Deportation baptized Jews for work abroad stopped.
2. A. Administration behalf baptized Jews entrusted "Counsel for Baptized Jews" established July 6, 1944;
B. Jews baptized prior to August 1, 1941, remain in the country but their segregation from non-Jewish persons will be ordered;
C. They are obtaining all facilities in exercise of their religion.
3. A. Facilities ordered for baptized residing Budapest will be extended to Baptized Jews outside of capital.
B. Revision of situation of Baptized Jews sent to work in Germany foreseen.

HARRISON

WMB JJM

LFG-172

This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (RESTRICTED)

Bern

Dated August 5, 1944

Rec'd 12:56 p.m., 6th

Secretary of State,

Washington.

5040, August 5, 6 p.m. (SECTION THREE)

Four. It will be decided as soon as possible who are to be considered as converted Jews and such action will affect not only Jews aged 16 to 60 but Jews all ages.

Five. Following exempted bear Jewish star: A. Family members of ministers of Christian religion (parents, brothers and sisters, wives and children of Protestant ministers); B. Bearers ecclesiastical (Papal) decorations; C. Members of Order of Holy Sepulchre.

One. (A) Discretionary right reserved for regent in exemption certain number of Jews. There will be exempted: B. Jews living in marriage with persons of Christian origin.

C. Jews bearing certain war decorations (golden medal military bravery, et cetera); D. Jews of certain special merits; E. Ministers of Christian religions.

Two. Departures Jews for work abroad will take place under conditions accordance humanitarian laws and Hungarian Red Cross will have possibility exercise control.

Three. It will be permitted to send via Red Cross food parcels to persons interned concentration camps.

(END OF MESSAGE)

HARRISON

RB CSB

FEM-993

This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (Restricted)

Bern

Dated August 5, 1944

Rec'd 5:51 p.m.

Secretary of State.

Washington.

5041, August 5, 7 p.m.

Legation's despatch 8466, June 12.

Swiss note July 31 informed Legation camp commandant Vittil orally stated 163 Jews named in telegram under reference transferred Bergen - Belsen. Swiss Legation Berlin endeavoring obtain confirmation which will be transmitted when received.

HARRISON

WSD

HIS
Distribution of true
reading only by special
arrangement. (SECRET W)

TO BE SENT IN SECRET "W"
August 5, 1944
8 p.m.

161

AMEMBASSY,
ANKARA,
683

The cable below for Hirschmann is WRB 89.

The War Refugee Board is sending the following cable
to Ambassador Harriman in Moscow:

QUOTE The War Refugee Board has received the following
cable from its representative in Bern.

INNERQUOTE Recently received urgent appeal from
Mixed Relief Commission of ICRC based on reports from
de Steiger ICRC delegates Bucharest regarding plight several
thousand Soviet refugees who have been forced leave their
homes by retreating German Army. 5500 such refugees are in
Transylvania 1200 Tatars Province of Bessarabia and many more
thousands in other provinces of Rumania. Their situation
is extremely precarious they have no right to work and no
relief for them has been organized. ICRC appeals for funds
purchase pharmaceutical products clothing Switzerland and to
supply their delegates on spot with money to purchase food-
stuffs and fuel. ICRC delegates have already approached
Rumanian Government in attempt to secure work permits for
these people. I forward this appeal to you for any helpful
action you feel might be undertaken END OF INNERQUOTE

Kindly transmit the above report as of interest and a
matter of information to the Soviet Government. Kindly advise
the Soviet authorities in submitting this information that the
War Refugee Board will be pleased to do everything possible to
arrange for the relief of the groups mentioned in the cable
from Bern if the Soviet authorities so desire, or to take any
other measures on the suggestion of the Soviet authorities.
UNQUOTE

Please investigate and report to the Board any information
which you may obtain concerning this situation.

STETTINIUS
ACTING
(GLW)

S/CR
WRB:MMV:KG
8/5/44
mhh

NE EE SE

CABLE TO AMEMBASSY, ANKARA, TURKEY

For your private and secret information: In addition to the communication received from Hungary through Swiss Foreign Office and referred to in Department's 865 of July 28 to you, the following communication has been received by this Government from the delegate of Intercross:

QUOTE The Hungarian Government is willing to make possible the emigration of certain categories of Jews and has advised the I.C.R.C. of its readiness in this respect.

Very obviously from the viewpoint of maintaining the principle of neutrality, which in effect is based on reciprocity, the I.C.R.C. feels that the number of emigrant Jews to be admitted to the United States should be substantially increased, and that a corresponding number of Entry permits should be accorded.

It would, furthermore, be desirable if the United States Government would make a public statement on this subject, indicating the number of Entry permits accorded. The I.C.R.C. is of the opinion that such a statement would impress the Hungarian Government as the visible sign of a favourable reaction to their decision to cease the persecution of the Jews also on this side. Moreover, the possibility of an eventual withdrawal of the concession granted would be made difficult by a public declaration, as suggested above, which would at the same time also forestall an attempt on the part of the countries of emigration to throw the blame for an eventual failure on the countries of immigration.

The I.C.R.C. would like to be informed whether the United States Government would be willing to transmit and support this proposal to the Governments of the South American Republics or whether the I.C.R.C. should do so directly.

The I.C.R.C. reserves the right to issue a communique concerning this proposal, which has simultaneously been submitted to the Government of Great Britain. UNQUOTE

To this communication this Government proposes to reply as follows:

QUOTE It has now been indicated by the Hungarian Government that certain categories of Jews will be permitted to emigrate from Hungary. This Government, despite the substantial difficulties and responsibilities involved, has consistently made clear its determination to take all practicable steps to rescue victims of enemy oppression in imminent danger of death. In view of the desperate plight of the Jews in Hungary and the overwhelming humanitarian considerations involved, this Government now wishes to repeat specifically

-2-

its assurance that it will arrange for the care of all Jews permitted to leave Hungary who reach neutral or United Nations' territory, and will find for such people havens of refuge where they may live in safety. These assurances have been communicated to the governments of neutral countries who have been requested to permit the entry of Jews who reach their borders from Hungary. This Government now awaits some concrete evidence of the willingness of the Hungarian Government to carry out its proposal. UNQUOTE

In addition, the Minister at Bern will indicate to Intercross the opinion of this government that in view of the above assurances it is considered unnecessary to consult the governments of the South American republics at this time.

The delivery of this reply is being delayed until August 7 in the hope that the British Government will agree to take a similar attitude so that the reply would be a joint or parallel one.

The broad program envisaged in Department's 665 under (2) and (4) and in projected reply to Intercross might be jeopardized by limited scope of approach suggested in 46 from Embassy London to you. Therefore, irrespective of suggestions contained in 46 from London, you are requested to act at once in the sense of Department's 665 under (2) and (4), either singly or, if possible and not involving delay, jointly with your British colleague. You are authorized, however, to give the assurance concerning availability of supplies for Hungarian refugees through blockade in line with 46 from London.

THIS IS WEB CABLE TO ANKARA NO. 94.

10:20 a.m.
August 5, 1944

BA'tzin:ar 8/4/44

CABLE TO KELLEY FOR HIRSCHMANN, ANKARA, TURKEY FROM WAR REFUGEE BOARD.

Reference is made to your 1335 of July 21 requesting information about the proposals received through Bern and Stockholm which were mentioned in our 614 of July 7.

The Bern proposal is similar to the one set forth in your 1356 of July 24 and to the Jeel Brands proposal with which you are familiar. After due deliberation, Bern was advised that ~~it~~ was not (repeat net) feasible to undertake the transaction in question.

Through Stockholm a vague proposal was made by some dubious individuals to exchange Latvian Jewish refugees for money or non-military supplies or both. Existing conditions in Latvia render it unnecessary to go further into this proposal.

THIS IS WRB CABLE TO ANKARA NO. 95.

11:20 a.m.
August 5, 1944

MSARGOY:sh 8/4/44

RA-77
Distribution of true
reading only by special
arrangement. (SECRET W)

Ankara

Dated August 5, 1944

Rec'd 11:12 p.m.

Secretary of State

Washington.

1429, August 5, 1 p.m.

FOR PEHLE WRB FROM HIRSCHMANN ANKARA NO. 116.

Three Turkish vessels the BULBUL, the MARINA and the MAFKURA arrived today Istanbul from Constanza carrying approximately 1100 Jewish refugees. This is the largest number of refugees which has ever arrived at one time from the Balkans. As soon as Mr. Kelley learned of the arrival of the vessels he informed the Turkish Foreign Office which made arrangements at once for the issue of transit visas and for special trains to transport the refugees to Syria.

Arrangements are also being made for food and medical attention for the refugees on their arrival.

As the Board has been informed these vessels chartered by the Jewish Agency have been subject to numerous difficulties as a result of which their departure from Rumania was considerably delayed.

It was only

-2- 1429, August 5, 1 p.m. from Ankara

It was only due to the prior arrangements made by Ambassador Steinhardt with the Turkish Foreign Office, the insistent pressure exercised on the Rumanians by the board's representative and the repeated representations made by Mr. Kelley at the Foreign Office that this deadlock was finally broken and the vessel permitted to sail from Constanza during a time of important political events.

Data regarding the refugees, their sex, ages, organizational affiliations and other pertinent information will follow.

KELLEY

RB:WSB

COPY

PARAPHRASE OF TELEGRAM RECEIVED

FROM: AMERICAN EMBASSY, Ankara
TO: Secretary of State, Washington
DATED: August 5, 1944
NUMBER: 1430

CONFIDENTIAL

With reference to Department's cable 665, dated July 28, 1944, following a consultation with my British colleague and after being advised that no instructions from London had been received by him on the subject, this morning I discussed the matter of issuance of Turkish transit visas to people in Hungary who hold Palestinian certificates or American immigration visas which were issued on or subsequent to the first of July, 1941, with the Secretary General of the Ministry of Foreign Affairs. During the conversation, I requested having instructions sent at once to Turkish Consular officers in Hungary to issue Turkish transit visas to such people without prior consultation with Ankara. In addition, I requested him to have like instructions dispatched to the Turkish Consular officers in Slovakia, Bulgaria and Rumania. The reply of the Secretary General was that he was sure his Government would be willing to take the measures requested immediately. It was his hope that the transportation of refugees from Hungary could be arranged for in such a manner that they would go to Istanbul by vessel, from Burgas or Varna perferably.

With respect to our assurance that the U.S. would be willing to arrange for the support and maintenance of refugees while in Turkey, he declared that it should be of the most aid to the Turkish Government at this time when a highly increased burden has been placed on the railroads of Turkey as a result of the halting of Turkish coastwise shipping services, if the U. S. could make arrangements to make available a few passenger cars to the Turkish railroads from one of the Near Eastern nations, in order to accelerate the transportation of refugees. It is my strong recommendation that WRB and the Department put forth every endeavor to comply with this very reasonable request of the Government of Turkey.

Referring to paragraph No. five, as reported in Embassy's cable 1365, dated July 25, 1944, Hirschmann has urged Cretzianu to persuade his Government to issue, without limit, Rumanian transit visas to Jewish refugees who are departing for Palestine from Hungary via Rumania.

KELLEY

DCR:MED
8/8/44

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATED: August 5, 1944
NUMBER: 5043

SECRET

From McClelland for WEB. Department's telegram of July 21, 1944 No. 2486, first paragraph, is referred to herewith.

Any steps designed to secure or facilitate entry permission for Jews from Hungary into countries of refuge or immigration either on a temporary or a permanent basis should be undertaken according to information possessed by us here concerning the present situation of Jews in Hungary as reported in Legation's telegram of August 3, 1944, No. 4972. Practical use of transport and obtaining necessary transit facilities, especially through Germany or German controlled territory, appears to us to be the most serious difficulty to be anticipated in carrying out such evacuation. The most practical direction in which to guide evacuation, depending of course on current Balkan developments, would seem to be exit from Hungary by Rumania by sea (or overland through Bulgaria) to Turkey en route to Palestine or other North African havens. There is some hesitancy about relying on the continued German acquiescence to the mitigated policy shown to the Jews by the government of Hungary.

In line with Legation's telegram of July 21 No. 4659 and last paragraph of Department's telegram of July 6 No. 2315, the British government can doubtless most properly and successfully dispose of issuance of Palestine certificates for this purpose. Since September 15, 1943 approximately 10,000 nominative family and individual certificates have been granted for Jews in Hungary according to information which the Geneva office of the Jewish Agency for Palestine has given us. The British Embassy in Ankara has regularly received lists of names of these certificate holders along with instructions that as soon as these people reach Turkish territory entry visas to Palestine are to be granted to them. These lists were also transmitted to Turkish authorities by the British Embassy which requested issuance of the Turkish transit visas prerequisite to the granting of Hungarian exit visas and Bulgarian and Roumanian transit visas.

At the Jewish Agency for Palestine's request the British government, as a result of the situation created by the occupation of Hungary by Germany, asked the government of Switzerland as its protecting power to aid in finding means whereby official confirmation that they were holders of Palestine immigration certificates could be received by Jews in Hungary from protect-

ing power

-3- #5043, August 5, 1944, from Bern.

ing power. It was hoped that this would forestall deportation and possibly enable holders to leave for Palestine. It was agreed, after several weeks of negotiation between the governments of Hungary, Switzerland, and Great Britain, that there would be transmitted to the Swiss Legation at Budapest lists of all persons or families to whom certificates had been granted. Such action has been taken and the Division of Foreign Interests of the Federal Political Department has instructed the Swiss Legation to issue a declaration to properly identified holders. The following is the substance of the text of the declaration which has been approved by the British government:

At any time which the bearer of this certificate (name) may reach Palestine, he or she will be admitted as an immigrant to that country and thereafter, upon completion of two years residence, will obtain Palestinian citizenship in accordance with Palestine citizenship order of 1925-1941 consolidated.

In carrying out this task the Swiss Legation will have the assistance of Krausz, Director of the Jewish Agency Office in Budapest, who at the present time is preparing a list of those who will leave in the initial transport of 2,000 people mentioned in the Legation's telegram of August 3, 1944 No. 4972, paragraph 5.

HARRISON

DCR: IDB: EFR 8/9/44

DEPARTMENT
OF
STATE

OUTGOING
TELEGRAM

170
DIVISION OF
COMMUNICATIONS
AND RECORDS

THIS
This telegram must be
paraphrased before being
communicated to anyone
other than a Government
Agency (SECRET O)

30-00

August 5, 1944

5 p.m.

CONFIDENTIAL
For security reasons the
text of this message must
be closely guarded.

EMBASSY,

CHUNGKING

1041

FOR FRIEDMAN FROM THE SECRETARY OF THE TREASURY

You are instructed to proceed to Kunning and
Chengtu for about two weeks to investigate the price
situation, the impact of army expenditures, the open
market for U. S. dollar, sterling and rupee currency
and drafts, and the gold market in the two centers.

COMMUNICATIONS
AND RECORDS
DIVISION
(L. W. RICHARDSON)
STET (A)

1944 AUG 8 AM 10 14

DEPARTMENT OF STATE
DIVISION OF

S/CR

CA

PLA:GL:ja
8/4/44

NOT TO BE RE TRANSMITTEDSECRETOPTEL NO. 254

Information receive up to 10 A.M. 5th August 1944.

1. NAVAL

Photographic reconnaissance DUNKIRK 3rd showed E-boat pans half demolished; demolitions have also been carried out to quays at DIEPPE. A British Submarine on 28th July sank escorted 4,000 ton ship off TOUDON. Another British Submarine sank an R-Boat North of CRETE on 4th. Early this morning a British Frigate sank a U-Boat 20 miles south of BEACHY HEAD and took six prisoners. An eastbound convoy was attacked by aircraft North of BENGHAZI last night and one 7,100 ton ship was torpedoed.

2. MILITARY

Normandy To noon 3rd. U.S. Armour is thrusting through DINAN into BRITTANY and through RENNES towards the BAY OF BISCAY. After severe fighting at LEMESNIL ADELEE, south of ST. POIS, U.S. Forces reached their objective near MORTAIN, while further north they advanced to ST. SEVER CALVADOS.

To noon 4th. British troops are now half mile north of VILLIERS BOCCAGE. They have advanced to EVRECY and ESQUAY and captured PT. 112, two miles N.E. EVRECY.

Italy Poles, in ADRIATIC Sector have advanced about 3 miles and captured 2 villages. Indian troops continued their advance and captured a feature 3 miles N.E. SUBIANO. U.K. tanks reached RIGNANO and South Africans, closely co-operating with New Zealanders, reached the outskirts of FLORENCE.

Burma Reported that on 2nd considerable number of Japanese evacuated MYITKYINA across the IRRAWADDY to the East and yesterday capture of town was announced.

Russia Russians have advanced another 15 miles N.W. of KOVNO. In the centre they have widened their bridgehead west of VISTULA and captured a town on the river 40 miles from CRACOW.

3. AIR OPERATIONS

Western Front 4th. Bomber Command operations: 2 flying bomb supply depots bombed by 222 and 65 heavy bombers respectively dropping 848 and 346 tons H.E. some cloud but visibility good and very concentrated attack on both depots. Two oil refineries North of Bordeaux bombed at about 6 P.M. by 178 and 104 heavy bombers respectively dropping 810 and 403 tons H.E. Extremely accurate visual bombing carried out, in one case flames up to 4,000 feet and fierce fires seen 100 miles away, in the other violent explosions reported and smoke to 10,000 feet. Four bombers missing.

1,265 U.S. heavy bombers, (14 missing) dropped total 2,493 tons on PEENEMUNDE Experimental Establishment, KIEL Port area and other objectives Northern GERMANY; good results reported at PEENEMUNDE and at BOSTOCK and ANKLAM Aircraft works. 727 escorting fighters, (15 missing) scored 38:1:5 in the air and 15:0:5 on the ground. U.S. Heavies also dropped 253 tons on launching sites, railways, etc. in N.E. FRANCE. Fighter bombers of A.E.A.F. destroyed or damaged 75 M.T., 77 railway wagons, 17 locomotives, two tanks and an ammunition train.

German Activity During 24 hours ending 6 A.M. 5th, 149 Flying Bombs plotted.

NOT TO BE RE-TRANSMITTEDSECRETOPTEL No. 255

Information received up to 10 A.M. 6th August 1944.

1. NAVAL

Last night off ST. NAZAIRE, a British Cruiser with four Destroyers sank at least 7 ships out of an escorted southbound convoy. Early this morning other enemy ships were met but no details yet received.

2. MILITARY

Normandy Except in area south and southeast CAEN considerable advances on while NORMANDY front. Line now runs approximately down RIVER ORNE to THURY HARCOURT. AUNAY SUR ORNE-VIRE-DOMFRONT-MAYENNE-LAVAL-CHATEAUBRIANT-REDON-VANNES.

Italy To noon 5th. Following up an enemy withdrawal, Poles have made slight advances along their whole front. Patrols have crossed the ARNO about 3 miles East of FLORENCE. ADRIATIC. On 1st and 2nd German troops landed on three islands off SIBENIK; no details yet available.

Russia Russians yesterday captured JABLONNA, 10 miles north of WARSAW and STRYJ, 30 miles south LWOW.

Burma Our troops on PALEL-TAMU Road have reached a point 4 miles from latter; on IMPHAL-TIDDIM Road our leading troops are now some 28 miles south of BISHENPUR.

3. AIR OPERATIONS

Western Front 5th. 1,048 escorted bomber command aircraft dropped total 3,198 tons on 2 flying bomb supply depots, 1289 on 3 oil storage depots near BORDEAUX, 75 on U-Boat pens at BREST and 75 on ETAPLES Railway bridge. Visibility excellent and bombing concentrated. 1,046 escorted U.S. heavy bombers attacked objectives HANOVER, BRUNSWICK and MADGEBURG areas including 2 oil targets 8 aircraft and armaments factories and two airfields, 2765 tons being dropped with good results. 34 Fortresses dropped 429 tons on 6 flying bomb launching sites. In addition to flying armed reconnaissances and patrols, aircraft of the A.E.A.F. dropped 274 tons and railways in N. FRANCE. German casualties 37:3:19, ours 16 heavy bombers and 9 fighters missing.

5th/6th. 59 aircraft despatched including 35 Mosquitoes to a synthetic oil plant near BOCHUM. All returned safely.

Italy and Southern France 3rd/4th. Wellingtons and Liberators from MEDITERRANEAN dropped 140 tons on VALANCE Railway Centre. On 4th 112 medium bombers and 137 fighters attacked objectives battle area and communications in N. ITALY and S. FRANCE.

Rumania 4th. 78 U.S. fighters, 11 missing, attacked airfields at FOCSANI and subsequently landed in RUSSIA. Enemy casualties 5:0:3.

German Activity During 24 hours ending 6 A.M. 6th, 128 flying bombs plotted.

CO¹¹ FMH-212
Distribution of true
reading only by special
arrangement. (SECRET W)

Stockholm
Dated August 6, 1944
Rec'd 6:13 p.m.

Secretary of State,
Washington.

2975, August 6, 7 p.m.

Traveler who left Budapest July 5 gave following information to dissident Hungarian Legation here (reference paragraph three of WRB telegram 66 received as Department's 1551 August 3, 8 p.m.):

Our 14, August 6, 7 p.m. to Lisbon repeats this.

Germans are said to have given Weiss family (46 persons) permission to leave Hungary for neutral destination and take with them all valuables except jewelry. In return Hermann Goring Werke was given all factories of Manfred Weiss Company in Hungary. Thus all csepe came into German hands. In addition Weiss family paid Germans one and one half million Swiss francs. Transaction took place behind backs of Hungarian authorities who therefore resented it. Hungarian Jews are also embittered by Weiss case. End of travelers information.

Above report which is telegraphed as of interest to WRB in connection with Legation's 2396, June 30, 9 p.m. (sent to Lisbon as 12, June 30, 9 p.m.) is included in Legation's despatch 3782 of July 27.

JOHNSON

BB WSB

August 6, 1944

LFG

This telegram must be
paraphrased before being
communicated to anyone
other than a Government
Agency. (RESTRICTED)

In telegram from Bern 5040 August 5, 6 p.m.
re treatment of Jews, at beginning after date
insert (SECTION ONE)

DIVISION OF COMMUNICATIONS AND RECORDS

WSB

NCB-214

PLAIN

Ankara

Dated August 6, 1944.

Rec'd 6:18 p.m.

Secretary of State,
Washington.

MOST IMMEDIATE.

1434, Sixth.

FOR PEHLE WRB FROM HIRSCHMANN.

Ankara No. 117.

It now appears that information furnished to me by the Jewish Agency from Istanbul with regard to the arrival of the three vessels in Istanbul was inaccurate. Only one vessel, the MARINA, with 340 refugees has actually arrived in the Port of Istanbul. A second vessel is reported to be outside the entrance to the Bosphorus.

KELLEY

WTD

Miss Chauncey (For the Sec'y), Abrahamson, Akzin, Borenstein, Cohn, DuBois, Friedman, Gaston, Hodel, Laughlin, Lesser, Mann, Mannon, Marks, McCormack, Pehle, Sargoy, Standish, Stewart, Weinstein, Cable Control Files

CABLE TO AMBASSADOR MURPHY, ALGIERS

Refugees have arrived at Ontario, New York. Reports indicate that extreme care has been exercised in their selection. We wish to express to you the Board's deep appreciation for your prompt organization of the project and for the splendid cooperation and assistance you have given Ackermann in carrying out his assignment. It would be appreciated if you would extend to the appropriate officers of the Allied Force Headquarters our appreciation for the excellent and prompt service performed.

THIS IS WRB CABLE ALGIERS NO. 43.

2:00 p.m.
August 7, 1944

ALaughlin:AA:JBF:mm 8/7/44

UNRESTRICTED

SECRETARY OF STATE
WASHINGTON

From: London
Dated: August 7, 1944
Rec'd: August 11, 6 am

A-968, August 7.

Refugee problems were touched upon in Parliamentary debates in the House of Commons on July 28 and again on August 1. On the former date Squadron Leader Fleming asked the Foreign Secretary if he would consider the advisability of granting British nationality to the remaining Jews in Nazi-occupied territory on terms similar to the offer made to the French in 1940.

Mr. George Hall, replying for the Government, said that this question had been considered but that the suggestion had been disapproved on the ground that the British Government was pledged to aid and rescue, as far as it was able, all victims of Nazi oppression regardless of race or religion, and also because it was felt that the Germans would not be deterred by what would amount merely to verbal British protection of Jews.

On August 1 the Parliamentary Secretary to the Ministry of Economic Warfare (Mr. Foot) was questioned by a number of members as to the response being made to the offer of Admiral Horthy to permit certain categories of Jews to leave Hungary.

Mr. Foot replied to the general effect that everything possible was being done and that the International Red Cross and the American and neutral Governments were being consulted and kept informed. He added that several times during the past year the British Government had assured certain neutral governments that if arrangements could be made to receive children from enemy-occupied territory the American and British Governments would sanction the importation of additional supplies through the Blockade. He asserted that since the reception of the Horthy offer these assurances had been repeated and that he understood similar assurances had been or were being given by the United States Government.

In reply to a further question Mr. Foot said that there had not yet been time to receive any replies from the neutral governments to whom the assurances had been made. He commented further to the effect that the failure of earlier evacuation schemes had not been the fault of neutral governments but was due to the reluctance of the occupying authorities or the Nazi Government to let the children go.

WINANT

MJB
Distribution of true
reading only by special
arrangement. (SECRET W)

August 7, 1944
6 p.m.

AMPOLAD,

CASERTA, ITALY.

17

The following for Murphy is WRB 43.

Refugees have arrived at Ontario, New York. Reports indicate that extreme care has been exercised in their selection. Board wishes to express to you its deep appreciation for your prompt organization of the project and for the splendid cooperation and assistance you have given Ackermann in carrying out his assignment. It would be appreciated if you would extend to the appropriate officers of the Allied Force Headquarters our appreciation for the excellent and prompt service performed.

STETTINIUS
(Acting)
(GLW)

WRB:MMV:KG
8/7/44

S/CR SE

EE
 Distribution of true
 reading only by special
 arrangement. (SECRET W)

August 7, 1944

8 p.m.

AMEMBASSY,

LISBON.

2200

The following for Norweb and Dexter is WRB 72.

Reference is made to your 2371 of August 1, WRB 130.

For your private and secret information: In addition to the communication received from Hungary through Swiss Foreign Office and referred to in Department's 2118 of July 28 to you, the following communication has been received in substance by this Government from the delegate of Intercross:

QUOTE The willingness of the Hungarian Government to make possible the emigration of certain classes of Jews has been communicated to the ICRC.

The latter believes there should be a substantial increase in the number of emigrant Jews admitted into the United States, coupled with the issuance of a correspondingly increased number of entry permits.

A public statement on this subject by the United States Government, indicating the proposed number of entry permits would be desirable. Such a statement, the ICRC believes, would impress the Hungarian Government as a visual sign of favorable reaction to its decision to stop Jewish persecution. This public declaration would render difficult the withdrawal of the concession granted as well as forestall an attempt by the countries of emigration to throw the blame on the countries of immigration should there be eventual failure.

Information is desired by the ICRC as to whether it should transmit this proposal directly to the Governments of the South American Republics or whether the United States Government is willing so to do.

This proposal has been submitted simultaneously to the Government of Great Britain. The right to issue a communique concerning it is reserved by the ICRC. UNQUOTE
 To this communication this Government proposes to reply as follows:

QUOTE It has

-2- #2200, August 7, 8 p.m. to Lisbon

QUOTE It has now been indicated by the Hungarian Government that certain categories of Jews will be permitted to emigrate from Hungary. This Government, despite the substantial difficulties and responsibilities involved has consistently made clear its determination to take all practicable steps to rescue victims of enemy oppression in imminent danger of death. In view of the desperate plight of the Jews in Hungary and the overwhelming humanitarian considerations involved, this Government now wishes to repeat specifically its assurance that it will arrange for the care of all Jews permitted to leave Hungary who reach neutral or United Nations' territory, and will find for such people havens of refuge where they may live in safety. These assurances have been communicated to the governments of neutral countries who have been requested to permit the entry of Jews who reach their borders from Hungary. This Government now awaits some concrete evidence of the willingness of the Hungarian Government to carry out its proposal. UNQUOTE

In addition, the Minister at Bern will indicate to Inter-cross the opinion of this government that in view of the above assurances it is considered unnecessary to consult the governments of the South American republics at this time.

The delivery of this reply is being delayed pending receipt from the British Government of its agreement to taking of similar attitude so that the reply will be a joint or parallel one.

The board program envisaged in Department's 2118 under (3) and in projected reply to Inter-cross might be jeopardized by limited scope of approach suggested in 142 from Amembassy London to you. Therefore, irrespective of suggestions contained in 142 from London, you are requested to act at once in the sense of Department's 2118 under (3), either singly or, if possible and not involving delay, jointly with your British colleague. You are authorized, however, to give the assurance concerning availability of supplies for Hungarian refugees through blockade in line with 142 from London.

Regarding points raised in last paragraph of your 2371, you may, if necessary, inform Portuguese authorities as follows:

(a) Definite arrangements for food to come through blockade have not yet been made but will be made.

(b) This Government, singly or with British Government's cooperation, will guarantee maintenance of Hungarian refugees; the actual financing will be done by private organizations if possible, by Government (or Governments) if necessary.

(c) Evacuation of

-3- #2200, August 7, 8 p.m. to Lisbon

(c) Evacuation of Hungarian refugees will be undertaken as promptly as the military and shipping situation permits; no definite decision can be reached at present as to their ultimate destination, but it is thought here that this point should be irrelevant to Portugal.

(d) This Government, singly or with British Government's cooperation, will cover administrative costs incurred by Portugal in handling Hungarian refugees thus to be admitted, on the assumption that WRB representative in Lisbon will approve such costs as appear reasonable.

STETTINIUS
(ACTING)

WRB:MMV:KG
8/5/44

S/CR

WE

SWP

PAS-478

PLAIN

182

Lisbon

Dated August 7, 1944

Rec'd 11:33 p.m.

Secretary of State,
Washington.

2427. Seventh, 1 p.m.

TO LEAVITT FROM SCHWARTZ WRB 142, JDC 48.

Wish advise SS MARINA arrived Istanbul August 5
with 315 passengers mostly children. SS BULBUL and
MAFRUK expected arrive on 7th. Total passengers all
3 boats about 1050, all of whom will leave Istanbul
August 7 by special train for Palestine.

NOEWXB

JJM
WMB

MAE-287
Distribution of true
reading only by special
arrangement. (SECRET-W)

Lisbon
Dated August 7, 1944
Rec'd 1:11 p.m.

103

Secretary of State,
Washington.

2428, August 7, 1 p.m.

WRG 143, JDC 45 FOR LEAVITT FROM SCHWARTZ

Saly Mayer advises group 500 Hungarian Jews expected Basle immediately. This group together with 1,200 now at Bergen Belsen possibly make up group of 1700 we cabled about from Ankara.

Inter-Cross attempting arrange transport through Rumania for certificate holders for Palestine. Also trying find ships, which is most difficult. If all other possibilities fail, Inter-Cross has asked if United States and British Governments would provide one or two ships for this purpose. We understand WRB representative Bern telegraphing recommending such action. Should urge you take this matter up with Washington immediately as time is short.

Just heard SS BULBUL left Constantza August 1 with 350 passengers. JDC will pay 175,000 Swiss francs on arrival Istanbul from two million francs which Mayer has. For your information 380,500 francs already paid from this account for 761 people who came on SS KASEEC. Forty refugees coming from Greece arrived in Istanbul August 3.

\$50,000 you sent to British Passport Control Office Constantinople arrived safely.

NORWEB

JT
LMS

PLAIN

Lisbon

Dated August 7, 1944

Rec'd 11:32 p.m.

Secretary of State,

Washington.

2431. Seventh, Three p.m.

FOR ASOFKY HIAS NEW YORK FOR BERNSTEIN WEB 144.

REURTEL July 31 Jacobson's itinerary French
Morocco, Algiers, Tunis, Egypt, Palestine in transit
remaining each country only time necessary make
connections, Turkey indefinitely.

NORWEB

JJM
WMB

MJB-502

PLAIN
Lisbon
Dated August 7, 1944
Rec'd 4 a.m., 8th

Secretary of State,
Washington

2435, August 7, 5 p.m.

FOR DR. FRANCIS X. SWIETLIK, NATIONAL PRESIDENT
POLISH AMERICAN COUNCIL, MARQUETTE UNIVERSITY, MILWAUKEE,
WISCONSIN, FROM FLORIAN PISKORSKI WRB 145.

Assume Council giving thought to alleviation suffering Poles in liberated areas Poland where urgent need relief agency activity exists. I believe official step should be taken immediately by Council to send field operating units to Poland composed of American citizens preferably Polish-speaking if possible with social work background, non-partisan approach and without political bias. These units should give all of the necessary direct aid, such as feeding, medical attention, reuniting families and establishing contacts for Poles in America. Polish American Council representing six million Americans of Polish origin has already given aid to Poles in all parts of the world since beginning of hostilities and has been active over three years from Lisbon giving direct relief to Poles in occupied countries and aid to Poland. This work probably ending because of recent events. Council has now arrived at point which should permit its activities being carried into Poland itself where there has never been such suffering as at present. Suffering will certainly be augmented with approach of sixth war winter. Polish American Council plans should be presented in person by Council's president to UNRRA's director general to obtain UNRRA's approval and assurance of material assistance.

During its three years of activity in Lisbon European office has compiled lists of names and addresses of Polish civilians, war prisoners and internees assisted which could act as basis for direct activities in Poland. 80,00 Polish war prisoners and internees in Germany have requested us through their camp leaders to assist their families from whom they are now cut off and who depend entirely on our care.

- 2 - #2435, August 7, 5 p.m., from Lisbon

If this suggested program is approved proper steps should be taken through governmental channels for official recognition of Mission by the Soviet Government. Also authorization should be sought and issuance of visas and travel priorities for me for exploratory trip to Poland.

Have consulted WRB representative Amembassy, Lisbon, and he urges immediate action your part to prevent suffering and to give expression to America's interest in Polish people.

NORWEB

WSB

MJB
 Distribution of same
 reading only special
 arrangement. (SECRET W)

August 7, 1944

6 p.m.

EMBASSY,

MADRID.

2194

The following is from War Refugee Board.

For your private and secret information: In addition to the communication received from Hungary through Swiss Foreign Office and referred to in Department's 2126 of July 28 to you, the following communication has been received in substance by this Government from the delegate of Intercross:

QUOTE The willingness of the Hungarian Government to make possible the emigration of certain classes of Jews has been communicated to the ICRC.

The latter believes there should be a substantial increase in the number of emigrant Jews admitted into the United States, coupled with the issuance of a correspondingly increased number of entry permits.

A public statement on this subject by the United States Government, indicating the proposed number of entry permits would be desirable. Such a statement, the ICRC believes, would impress the Hungarian Government as a visual sign of favorable reaction to its decision to stop Jewish persecution. This public declaration would render difficult the withdrawal of the concession granted as well as forestall an attempt by the countries of emigration to throw the blame on the countries of immigration should there be eventual failure.

Information is desired by the ICRC as to whether it should transmit this proposal directly to the Governments of the South American Republics or whether the United States Government is willing so to do.

This proposal has been submitted simultaneously to the Government of Great Britain. The right to issue a communique concerning it is reserved by the ICRC. UNQUOTE

To this communication this Government proposes to reply as follows:

QUOTE It has

-2- #2194, August 7, 8 p.m., to Madrid

QUOTE It has now been indicated by the Hungarian Government that certain categories of Jews will be permitted to emigrate from Hungary. This Government, despite the substantial difficulties and responsibilities involved, has consistently made clear its determination to take all practical steps to rescue victims of enemy oppression in imminent danger of death. In view of the desperate plight of the Jews in Hungary and the overwhelming humanitarian considerations involved, this Government now wishes to repeat specifically its assurance that it will arrange for the care of all Jews permitted to leave Hungary who reach neutral or United Nations' territory, and will find for such people havens of refuge where they may live in safety. These assurances have been communicated to the governments of neutral countries who have been requested to permit the entry of Jews who reach their borders from Hungary. This Government now awaits some concrete evidence of the willingness of the Hungarian Government to carry out its proposal. UNQUOTE

In addition, the Minister at Bern will indicate to Interross the opinion of this government that in view of the above assurances it is considered unnecessary to consult the governments of the South American republics at this time.

The delivery of this reply is being delayed pending receipt from the British Government of its agreement to taking of similar attitude so that the reply will be a joint or parallel one.

The broad program envisaged in Department's 2126 under (3) and in projected reply to Interross might be jeopardized by limited scope of approach suggested in 116 from Embassy London to you. Therefore, irrespective of suggestions contained in 116 from London, you are requested to act at once in the sense of Department's 2126 under (3), either singly or, if possible and not involving delay, jointly with your British colleague. You are authorized, however to give the assurance concerning availability of supplies for Hungarian refugees through blockade in line with 116 from London.

STETTINIUS
(ACTING)

WRB:MBV:RG
8/5/44

WE

SE

BC

S/CR

BE
Distribution of true
reading only by special
arrangement. (SECRET W)

August 7, 1944

189

6 p.m.

AMLEGATION,

STOCKHOLM

1572

The following is WRB No. 68.

For your private and secret information: In addition to the communication received from Hungary through Swiss Foreign Office and referred to in Department's 1501 of July 28 to you, the following communication has been received in substance by this Government from the delegate of Intercross:

QUOTE The willingness of the Hungarian Government to make possible the emigration of certain classes of Jews has been communicated to the ICRC.

The latter believes there should be a substantial increase in the number of emigrant Jews admitted into the United States, coupled with the issuance of a correspondingly increased number of entry permits.

A public statement on this subject by the United States Government, indicating the proposed number of entry permits would be desirable. Such a statement, the ICRC believes, would impress the Hungarian Government as a visual sign of favorable reaction to its decision to stop Jewish persecution. This public declaration would render difficult the withdrawal of the concession granted as well as forestall an attempt by

the

-2- #1572, August 7, 6 p.m. to Stockholm

TO BE SENT IN SECRET "W"

-2-

the countries of emigration to throw the blame on the countries of immigration should there be eventual failure.

Information is desired by the ICRC as to whether it should transmit this proposal directly to the governments of the South American Republics or whether the United States Government is willing so to do.

This proposal has been submitted simultaneously to the Government of Great Britain. The right to issue a communique concerning it is reserved by the ICRC. UNQUOTE

To this communication this Government proposes to reply as follows:

QUOTE It has now been indicated by the Hungarian Government that certain categories of Jews will be permitted to emigrate from Hungary. This Government, despite the substantial difficulties and responsibilities involved, has consistently made clear its determination to take all practicable steps to rescue victims of enemy oppression in imminent danger of death. In view of the desperate plight of the Jews in Hungary and the overwhelming humanitarian considerations involved, this Government now wishes to repeat specifically its assurance that it will arrange for the care of all Jews permitted to leave Hungary who reach neutral or United Nations' territory, and will find for such people havens of refuge where they may live in safety.

These

-3- #1572, August 7, 6 p.m. to Stockholm

TO BE SENT IN SECRET "W"

-3-

These assurances have been communicated to the governments of neutral countries who have been requested to permit the entry of Jews who reach their borders from Hungary. This Government now awaits some concrete evidence of the willingness of the Hungarian Government to carry out its proposal. UNQUOTE

In addition, the Minister at Bern will indicate to Inter-cross the opinion of this government that in view of the above assurances it is considered unnecessary to consult the governments of the South American republics at this time.

The delivery of this reply is being delayed pending receipt from the British Government of its agreement to taking similar attitude so that the reply will be a joint or parallel one.

The broad program envisaged in Department's 1501 under (3) and in projected reply to Inter-cross might be jeopardized by limited scope of approach suggested in 230 from Amembassy London to you. Therefore, irrespective of suggestions contained in 230 from London, you are requested to act at once in the sense of Department's 1501 under (3), either singly or, if possible and not involving delay, jointly with your British colleague. You are authorized, however, to give the assurance concerning availability of supplies for Hungarian refugees through blockade in line with 230 from London.

STETTINIUS
ACTING
(GLW)

WRB:MMV:CMH
8/5/44

NOE SE BC

CABLE TO JOHNSON, STOCKHOLM FOR OLSEN, FROM WAR REFUGEE BOARD

Reference Department's 1313 of July 1 and Department's _____
of _____ (WRB to Stockholm no. 62).

American Relief for Norway advises that second remittance
of \$10,000 will be transferred to you for the month of August for
continuation of operations referred to in your no. 1772 of May 19
and 1926 of May 31, even though report on use of first remittance
of \$10,000 has not been made.

THIS IS WRB CABLE TO STOCKHOLM NO. 69

4:15 p.m.
August 7, 1944

FH:lab 8/5/44

This telegram must be paraphrased before being communicated to anyone other than a Government agency. (RESTRICTED)

August 7, 1944

5 p.m.

War Refugee Board

RESTRICTED

AMLEGATION,

STOCKHOLM.

1592

Partial salary payment to Dorfman of \$70.00 monthly effective August 1 authorized for reimbursement by WRB. This amends Department's 1352, July 7.

STETTINIUS
Acting

FA:WB:FE 8/7/44

S/CR

BF

WRB

OFS

PLAIN
Stockholm via London
Dated August 7, 1944
Rec'd 1:03 p.m., 8th

Secretary of State
Washington

2980, Seventh

Baltic news SVENSKA third Helsinki STB report states city of Narva nonexistent. Tartu reports that ruin piles are all that remains of city. Leningrad radio reports city captured by Russians a week ago and explosions still occurring.

AFTONTIDNINGEN third private: German press in Baltics apparently considered situation hopeless. DZO gives prominence Sweden's on comprehensible passivity and asserts that Russian occupation Baltic area and Aaland Islands will mean threat to Scandinavia.

SYDSVENSKA fourth reports reaching Stockholm from Baltics state large numbers German women children in Baltics already removed Germanward however German controlled radio stations particularly Riga exhort Balts to remain calmly in native localities and trust in protection afforded by German army. Many refugees arrived Sweden lately. They report German civil administration left Riga across Baltic sea and entire Baltic area placed under military administration headed by General Braermer.

MORGONTIDNINGEN fifth Moscow reports Hitler dismissed General Lindemann as Baltic commander-in-chief. He's succeeded by General Schoerner military chief in Rumania.

DAGENS fifth Moscow reports Germans initiated large scale transfer of troops in Baltics via Libau and Windau ports. German civilians also being evacuated via these ports.

SVENSKA and DAGENS fifth large numbers Baltic refugees landed eastern shores Gotland Island. This week two hundred representing various social classes arrived in tugs and small fishing boats. Favorable wind conditions contributing factor and influx further large contingents expected.

JOHNSON

CSB

FBM-469
Distribution of true
reading only by special
arrangement. (SECRET-W)

Stockholm

Dated August 7, 1944

Rec'd 10:57 p.m.

Secretary of State,

Washington.

2993, August 7, 10 p.m.

THIS IS 64 FOR WRB IN REPLY TO WRB 59.

Following is paraphrase of note delivered to Swedish Foreign Office within past week by local Hungarian Legation. It sets forth what is represented to be new basis of treatment of Jews by Hungarian Government. Department's 1486 July 27, midnight.

Jewish deportations have been stopped until further notice.

Based on request of Swedish Red Cross, WRB and Palestine Immigration Committee, Hungarian Government agrees to authorized emigration of certain groups of Jews to Sweden, Switzerland, Palestine and other countries.

Jews may emigrate to Sweden in cases where Swedish King has authorized Swedish citizenship. Other groups may emigrate to Sweden if they have relatives or long standing business connections here.

Others may emigrate to Palestine through facilities of WRB and Swiss Legation if they have immigration certificate to Palestine issued by British authorities.

Intercross will be permitted to send children under 10 years to Palestine and also to engage in relief activities for Jews interned in Hungary. It is also authorized to send gift parcels to all Jews interned in Hungary.

Following relaxations in treatment of Jews have already been decreed.

(A) All Jews who were baptised prior to August, 1941, will be permitted to remain in Hungary but will be isolated.

(B) Under authority of Regent to grant exceptional treatment he has made following exemptions from Jewish decrees:

One. All

-2- #2993, August 7, 10 p.m., from Stockholm

One. All who are living in mixed marriages.

Two. Those who were awarded golden star for bravery during first world war.

Three. Those who have won other types of special recognition.

It was further ordered that future deportees for labor service will have right of supervision by Hungarian Red Cross representatives in order to avoid further charges of brutality. END OF PARAPHRASE.

Swedish Foreign Office advises program scheduled for August one of interning and/or deporting also Jews has been cancelled after strong approaches by Swedish and Swiss Legations in Budapest.

Swedish Foreign Office unable to confirm assurances given Cardinal Seredi by Hungarian Government as reported in WRB 63 (Department's 1526, August 1) but will make inquiries.

Reply to paragraph two of WRB 66 (Department's 1551 of August 4, 1 p.m.) is deferred until Swedish Foreign Office can check its information that Hungarian Jews in Hungary turned over to Swedish Legation in Budapest the equivalent in local currency of two million Swedish kronor.

We are informed by Rabbi Ehrenpreis that Germans refused to give Wallenberg visa for temporary return to Stockholm.

JOHNSON

WTD EH

PARAPHRASE OF TELEGRAM SENT

FROM: Secretary of State, Washington.
 TO: American Legation, Bern
 DATED: August 7, 1944.
 NUMBER: 2715

SECRET

The following message has been repeated, only for information, to London, dated August 7, Number 5234.

Please refer to message dated August 2, Number 2657, from the Department, which was repeated as Number 6096 to London.

You are directed, lacking other instructions which in the meantime may be sent you, to send on August 11 to Intercross the text of the reply which was transmitted to you for your information in message from the Department, Number 2657.

Immediately upon receipt of this message you should notify Intercross that on the 11th of August you will deliver a response to this communication regarding the so-called Horthy offer.

Being considered by the British Government at the present time is the matter of the reply of the British Government, to be made to Intercross. Deference to the British Government, which requested a postponement for three or four days, caused the delay in delivering the reply of this Government from the 7th to the 11th of August. It is hoped by this Government that before the 11th of August your British associate will have received from London instructions that are similar, but in any case the delivery of the reply of this Government is not to be postponed beyond the 11th of August.

It is the intention here to make public the message from Intercross, and the reply of this Government to that message, as soon as the reply of this Government, referred to in preceding paragraphs, has been delivered by you. This intention has not been communicated to the British Government.

STETTINIUS
 (Acting)

WRD:GLW
 PARAPHRASED:
 DCR:LCW 8/11/44

PARAPHRASE OF TELEGRAM RECEIVED

128

FROM: American Legation, Bern
TO: State Department, Washington
DATED: August 7, 1944
NUMBER: 5068

SECRET

McClelland sends the following for WRB.

Replying to your message regarding Jews of non-Hungarian citizenship, you are advised that the suspension of deportation measures applies to all Jews in Hungary regardless of nationality, according to our information. We have already insisted at ICRC on the principle of non-discrimination on the 21st of July and repeated this the 3rd of August. However, you must understand that in spite of our repeated efforts for two years assimilation of Jews to status of civilian internees in conformity with the Geneva Convention is not obtainable.

It is extremely difficult to dispatch safely refugee lists which should not pass German censorship. We are renewing our attempts. Your answer on Italian-Slovakian rescue plans are being urgently awaited.

With respect to your message regarding Joint Relief Committee London, we conferred once again with ICRC headquarters on this question yesterday. It is affirmed by ICRC that they have repeatedly submitted a precise scheme concerning various regions and camps in which it is possible to distribute food parcels under their supervision. This affirmation by them implies that they possess an adequate staff in the camps indicated. ICRC would appreciate a definite decision and are unwilling to have negotiations repeatedly drawn out by subsidiary inquiries. We are of the opinion that British authorities are responsible for the difficulties.

HARRISON

DCR:LEB:EFR 8/9/44

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATED: August 7, 1944
NUMBER: 5078

CONFIDENTIAL

McClelland sends the following for the War Refugee Board. Reference is made herewith to Department's cable of July 1, no. 2241 and Legation's message of July 24, no. 4748.

Neither the Union of Orthodox Rabbis (license W-2117) nor the International Rescue and Relief Committee (license W-2138) have sent into enemy territory any free currency during the period ending June.

HARRISON

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
 TO: Secretary of State, Washington
 DATE: August 7, 1944
 NUMBER: 5091

CONFIDENTIAL

Reference is made in the following to the Legation's June 17 telegram No. 3871 and the Department's July 4 telegram No. 2316 (WRB No. 71).

According to the Swiss, a letter dated May 5 from the Swiss Legation at Berlin reported that German Foreign Office was notified of Nicaraguan telegram which is quoted by the Department in part. Said notification has not been answered by German Foreign Office as yet. July 27 cable from Nicaraguan Foreign Office dated July 19 concerning this notification has been acknowledged by Swiss Foreign Office.

According to oral statement of Swiss Foreign Office in paragraph six of Legation's cable under reference the inclusion of Nicaragua in Swiss memorandum quoted seems to have been a mistake.

The foregoing message is for attention of Nicaraguan interests in Germany.

HARRISON

Miss Cheunsey (For the Sec'y), Abrahamson, Akzin, Borenstein, Cohn, DuBois, Friedman, Gaston, Hodel, Laughlin, Lesser, Mann, Mannon, Marks, McCormack, Pehle, Sargoy, Standish, Stewart, Weinstein,
 Cable Control Files

DMH-390

PLAIN

Bern

Dated August 7, 1944

Rec'd 6:19 p.m.

Secretary of State

Washington

5072, 7th

Axis press reports Hungarian authorities have reduced (1) number motor vehicles in operation August 16 to 4,000 private cars and 5,000 taxis and (2) allotment mixed fuels to passenger cars and trucks by 25-50 and to taxis by 17-50 percent. Many cars permitted after August 16 will operate on generators or gas equipment. Reduction due introduction German traffic regulations anti-Jewish measures and increased military requirements.

HARRISON

DU

BE
Distribution of true
reading only by special
arrangement. (SECRET W)

August 7, 1944

6 p.m.

AMEMBASSY,

ANKARA.
685

The following is WRB no. 94.

For your private and secret information: In addition to the communication received from Hungary through Swiss Foreign Office and referred to in Department's 665 of July 28 to you, the following communication has been received in substance by this Government from the delegate of Intercross:

QUOTE The willingness of the Hungarian Government to make possible the emigration of certain classes of Jews has been communicated to the ICRC.

The latter believes there should be a substantial increase in the number of emigrant Jews admitted into the United States, coupled with the issuance of a correspondingly increased number of entry permits.

A public statement on this subject by the United States Government, indicating the proposed number of entry permits would be desirable. Such a statement, the ICRC believes, would impress the Hungarian Government as a visual sign of favorable reaction to its decision to stop Jewish persecution. This public declaration would render difficult the withdrawal of the concession granted as well as forestall an attempt by the countries of emigration to throw the blame on the countries

of

TO BE SENT IN SECRET "T"

-2- #685, August 7, 6 p.m. to Ankara

of immigration should there be eventual failure.

Information is desired by the ICRC as to whether it should transmit this proposal directly to the governments of the South American Republics or whether the United States Government is willing so to do.

This proposal has been submitted simultaneously to the Government of Great Britain. The right to issue a communique concerning it is reserved by the ICRC. UNQUOTE.

To this communication this Government proposes to reply as follows:

QUOTE It has now been indicated by the Hungarian Government that certain categories of Jews will be permitted to emigrate from Hungary. This Government, despite the substantial difficulties and responsibilities involved, has consistently made clear its determination to take all practicable steps to rescue victims of enemy oppression in imminent danger of death. In view of the desperate plight of the Jews in Hungary and the overwhelming humanitarian considerations involved, this Government now wishes to repeat specifically its assurance that it will arrange for the care of all Jews permitted to leave Hungary who reach neutral or United Nations' territory, and will find for such people havens of refuge where they may live in safety. These assurances have been communicated to the governments of neutral countries

who

TO BE SENT IN SECRET "W"

-3- #685, August 7, 6 p.m. to Ankara

-3-

who have been requested to permit the entry of Jews who reach their borders from Hungary. This Government now awaits some concrete evidence of the willingness of the Hungarian Government to carry out its proposal. UNQUOTE

In addition, the Minister at Bern will indicate to Intercross the opinion of this government that in view of the above assurances it is considered unnecessary to consult the governments of the South American republics at this time.

The delivery of this reply is being delayed pending receipt from the British Government of its agreement to taking of similar attitude so that the reply will be a joint or parallel one.

The broad program envisaged in Department's 665 under (2) and (4) and in projected reply to Intercross might be jeopardized by limited scope of approach suggested in 46 from Amembassy London to you. Therefore, irrespective of suggestions contained in 46 from London, you are requested to act at once in the sense of Department's 665 under (2) and (4), either singly or, if possible and not involving delay, jointly with your British colleague. You are authorized, however, to give the assurance concerning availability of supplies for Hungarian refugees through blockade in line with 46 from London.

STETTINIUS
ACTING
(GLW)

WRB:MMV:KG
8/5/44

NE

SE

BC

LL-309

PLAIN
Ankara
Dated August 7, 1944
Rec'd 2:14 p.m.

Secretary of State,
Washington.

MOST IMMEDIATE
1437, Seventh.
Reference Embassy 1434, August 6.

FOR PEHLE WRB FROM HIRSCHMANN

Ankara number 118.

The Jewish agency Istanbul was informed last evening by the Turkish police that one of the three boats carrying refugees from Constanza to Istanbul, the MAFKURA, which had on board approximately 300 passengers, had been torpedoed by an unknown submarine near the port of Igneada on the Black Sea about 45 miles from the entrance to the Bosphorus. The BULBUL is standing by at Igneada and assisting in the rescue work.

The Turkish Foreign Office has been requested to expedite arrangements for the rescue, safety and comfort of the passengers. Additional information will be forwarded as soon as available.

As reported in telegram under reference the MARINA 5 safe Istanbul with approximately 340 passengers including 190 children from Transnistria and its passengers are scheduled to proceed by rail from Istanbul to Syria on Tuesday August 8.

KELLEY

WSB

MS - 449
Distribution of true
reading only by special
arrangement. (SECRET W)

Ankara

Dated August 7, 1944

Rec'd 9:35 p.m.

Secretary of State,
Washington.

1438, August 7, 1 p.m.

FOR FEHLE WRB FROM HIRSCHMANN ANKARA NO. 119

I have conferred with the Apostolic Delegate in Istanbul relative to the steps he in Turkey and his colleagues in Rumania and Hungary were taking in connection with the evacuation of the Jewish population from Hungary (REDEPTEL 670, July 31). I urged him to take further feasible steps.

The apostolic Delegate referred to a number of telegrams which he and his colleague in Hungary had sent on this subject and advised me that he was prepar(*) in a series of questions and requests in writing which I have done and I expect a reply from him shortly. I took occasion to express to him the appreciation of the board for his initiative and assistance. You will be advised of his response to my written requests.

KELLEY

DU KH

(*) Apparent omission correction to follow.

CORRECTED COPY

MJB-449
Distribution of true
reading only by special
arrangement. (SECRET W)

Ankara

Dated August 7, 1944

Rec'd 9:35 p.m.

Secretary of State,
Washington.

1438, August 7, 1 p.m.

FOR PEHLE WRB FROM HIRSCHMANN ANKARA NO. 119.

I have conferred with the Apostolic Delegate in Istanbul relative to the steps he in Turkey and his colleagues in Rumania and Hungary were taking in connection with the evacuation of the Jewish population from Hungary. (REDEPTEL 670, July 31). I urged him to take further feasible steps.

The Apostolic Delegate referred to a number of telegrams which he and his colleague in Hungary had sent on this subject and advised me that he was prepared to take further salutary steps. He requested me to submit to him a series of questions and requests in writing which I have done and I expect a reply from him shortly. I took occasion to express to him the appreciation of the board for his initiative and assistance. You will be advised of his response to my written requests.

KELLEY

DU KH

KEM-446
Distribution of ~~time~~
reading only by special
arrangement. (SECRET W)

Ankara
Dated August 7, 1944
Rec'd 9:35 p.m.

Secretary of State,
Washington.

1439, August 7, 2 p.m.

FOR PEHLE WRB FROM HIRSCHMANN ANKARA NO. 120

In a conference today with Milhallov, First Secretary of the Russian Embassy in Ankara, I expressed the hope that his Government would make special efforts to distinguish between the victims of fascism and the Fascists themselves when the Red Army enters enemy territory. Milhallov assured me on behalf of the Soviet Government that all citizens in enemy territory would be treated alike as this was a fundamental principle of the Soviet regime and that the victims and those who were incarcerated would be treated with special solicitude.

KELLEY

WSB

EOC-468
Distribution of
true reading only by
special arrangement.
(SECRET W)

Ankara
Dated August 7, 1944
Rec'd 10:45 p.m.

Secretary of State,
Washington.

1440, August 7, 3 p.m.

FOR PEHLE WRB FROM HIRSCHMANN, Ankara No. 121.

At a meeting on August 5 arranged through Simond, Cretzianu informed me that the Rumanian Government had agreed in principle to grant transit visas to Jews arriving from Hungary into Rumania provided that the Turks would grant transit visas to the same refugees. I strongly urged Cretzianu to request his Government to permit without delay the entrance of Hungarian Jewish refugees into Rumania and to allow them to remain temporarily in Rumania until such time as transportation and technical facilities were provided for their evacuation. I urged Cretzianu not to permit his Government to "construct a technical wall" against these refugees from Hungary at this time, reminding him that such action would result in increased pressure on the Rumanian Government and would be remembered to the detriment of that Government.

Cretzianu referred to the chaotic situation now existing in Rumania in regard to transit, housing, food etcetera and asserted that a sudden influx of foreign population into the country might create an acute problem which could not be solved overnight. I stated that in my opinion the Intercross would take all measures necessary to provide such facilities including funds for these purposes if required. The latter seemed to satisfy Cretzianu.

I also informed him that the Bulgarian Government had agreed to permit refugees arriving from Rumania to enter Bulgaria and that it was taking all possible steps to facilitate the transit of such refugees to Turkey.

In the course of our conversation, I advised him as suggested in Department's 669, July 31 and referred to contents of Department's 627, July 11. Cretzianu said that he was pleased to interpret the desire of the United States Government to evacuate the oppressed

Hungarian citizens

-2- #1440, August 7, 3 p.m. from Ankara.

Hungarian citizens to Rumania as a temporary haven as a recognition of the part of our Government that Rumania in contrast to Hungary now constituted a safe country for persecuted peoples. To this I replied that the results in Rumania would speak for themselves.

In view of Mr. Kelley's successful intervention with the Turkish Foreign Office in securing the latter's authorization of the issue of Turkish transit visas to refugees with Palestine passports (REEMBS 1430, August 5) There would appear to be no obstacle now standing in the way of a large movement of Hungarian refugees through Rumania or into Rumania as a temporary haven.

I again promised Cretzianu that wide publicity would be given in America to the Rumanian Government's affirmative decision to provide the haven and facilities referred to above.

KELLEY

WMB

EEC

ECC-507

This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (RESTRICTED)

Ankara

Dated August 7, 1944

Rec'd 3:59 a.m. 8th

Secretary of State,

Washington.

MOST IMMEDIATE

1445, August 7, 7 p.m.

FOR PEHLE, WRB. FROM HIRSCHMANN.

Ankara No. 122.

The Turkish Foreign Office has informed Embassy that both the BULBUL and the MEFKURA were attacked by an unknown submarine 5 miles from the Turkish shore; that the latter vessel which was also subjected to gunfire, was sunk by a torpedo and that only 5 of the 295 passengers were saved; of the Turkish crew of 8, 6 were saved. The BULBUL was not damaged and none of its 405 passengers injured. The Embassy has requested the Turkish Foreign Office to obtain permission for the landing of the passengers of the BULBUL and their transportation by automobile and train to Istanbul. The Foreign Office has informed the Embassy that all possible aid in the emergency will be furnished through the Turkish Red Crescent, the expenses for which I have promised

-2-#1445, August 7, 7 p.m. from Ankara.

promised will be paid by us.

With reference to an inquiry made by the Turkish Foreign Office regarding the carrying out of our plans with regard to the 2 Bulgarian boats VITA and FIRINE, I have stated that we desire to proceed without delay in carrying out the rescue program for refugees from Bulgaria. Your views on this point would be appreciated. As soon as further information is available you will be informed.

KELLY

WMB

JJM

BJR - 39
Distribution of true
reading only by special
arrangement. (SECRET W)

Ankara

Dated August 7, 1944
Rec'd 5:25 p.m. 9th

Secretary of State,
Washington.
1446, August 7, 11 p.m.

FOR PHILE WRB FROM HIRSCHMANN. ANKARA'S NO. 123.

In a further interview with Balabanoff on August 5 the position of WRB relating to Bulgarian Jewish refugees as set forth in the Embassy's 1414, August 2 was presented to him. Balabanoff said that he would inform his government without delay of my requests and would warmly recommend them.

In the course of the discussion Balabanoff stated that:

One. The political situation in Bulgaria had eased considerably in recent weeks, and this circumstance should tend to assist his government in taking measures which heretofore were subject to strong Nazi influence and opposition.

Two. The relationship between the Bulgarian and Soviet Governments had improved in the last few weeks.

In this connection I informed Balabanoff that all of my discussions with him were reported by me to the Soviets.

Three. He was fully informed of the telegrams relating to refugee movements exchanged between the WRB and the Bulgarian Minister in Stockholm.

Four. He would gladly recommend the revocation of the anti-Jewish laws in return for the continuance of the "happy omission" of bombing of Sophia, to which I replied that I had no authority to speak on military matters to him or his Nazi partners who were the initial perpetrators of the bombing of civilians.

Five. Would be interested in the nature of the goodwill which Bulgaria might build up in the United States by taking the steps which I requested especially with regard to the post-war period. He expressed a special desire to know how long the United States Government would retain an interest in European and Balkan affairs after the war. Again I replied that this was not within my knowledge or jurisdiction but that the United States Government's basic concern with minorities and humanitarian rights was well known.

Balabanoff is being handed an informal memorandum written by me to Pimond covering completely the points presented in the Embassy's 1414, August 2, he promised to inform me as soon as he had a reply from Sofia.

IRKELLEY

REP:WSB

LFG-419

This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (RESTRICTED)

Istanbul

Dated August 7, 1944

Rec'd 7:29 p.m.

Secretary of State,

Washington.

460, August 7, 1 p.m.

TO WAR REFUGEE BOARD FOR ZASLANY FROM
ZERVSHINEVSKRALL

Rec'd your cable August 1st. Benjehuda remaining until general situation clears or at least mid-August. Impractical for Khuda to leave. Turkish steamship MORINA arrived August 5 carrying 315 passengers. BULBUL MAFKURE expected soon. The SALAHALDEN still in Constanza but expect her and SMYRNY soonest. MILKA and similar vessels at our disposal and we are hoping to continue despite restrictions at present.

Please accelerate by all means arrival of Eliash as his presence is indispensable. Have no definite information of Joel from Budapest. For the sake of emigration his return is necessary. If such information arrives we shall make up our minds.

BERRY

CSB

NOT TO BE RETRANSMITTEDSECRETOPTEL NO. 256

Information received up to 10 A.M. 7th August 1944.

1. NAVAL

The second convoy attacked by the British Cruiser and four Destroyers early 6th, sustained damage but escaped into ST NAZAIRE. Yesterday an enemy convoy of 4 TLC escorted by one trawler was attacked by 5 MTB's off ST. MALO. The trawler was sunk and one TLC set on fire and believed blown up. 4 MTB's slightly damaged.

During 5th/6th two British Frigates unsuccessfully attacked by torpedo bombers off CAP D'ANTIFER, 8 attacks were made. A British Submarine sank by gun fire two Goasters and one sunk off MALACCA STRAIT between 18th and 21st July. A British Frigate sank a U-Boat off LORIENT. The Captain, 2 officers and 16 men taken prisoner.

2. MILITARY

France U.S. advance in BRITANNY PENINSULA has continued. Forward troops reported in BREST while armoured units have reached the LOIRE 15 Miles E of NANTES. Fighting for ST. MALO continues. Strong opposition on British front. Germans have counter-attacked S. of AUNAY SUR ODON without success.

Italy Polish and Italian troops have made some gains and are now in contact with enemy all along the watershed between MISA and CESARO. South African forces attempting to cross ARNO in S.E. part of FLORENCE were stopped by heavy machine gun fire from opposite bank in neighborhood of UPIZZI GALLERIES thus belying German claim treating FLORENCE as open city. Further down stream, outtroops made three crossings also in face of heavy machine gun opposition.

Albania Shortly after midnight 28th/29th, a Commando and other British troops landed unopposed near SPILJE under cover of naval and air support. German garrison MIMARE attacked at 6:25 A.M. and majority enemy positions taken against stubborn opposition. About 40 Germans killed and 30 taken prisoner. Our casualties, 1 officer and 6 O.R. killed and 47 all ranks wounded; all casualties evacuated. Afterwards, remains of German garrison, including the commander, wiped out by Partisans.

Russia Russians have made further progress S.W. of PSKOV, W. of REZEKNE, N.W. of KOVNO and on VISTULA where they have eliminated German bridgehead E. of River above its confluence with SAN. They also report progress N.W. and E of RZESZOV. They have captured DROHOBYCZ, N.W. of STRYJ.

Burma Our troops have captured TAMU.

3 AIR OPERATIONS

Western Front 6th. 1,104 U.S. heavy bombers (24 missing) dropped 1,842 tons on 2 oil refineries near HAMBURG and on one aircraft assembly and two aero-engine factories near BERLIN with good results. Escorting fighters scored 31:0:5 in action and 2:0:5 on the ground for 9 Fighters missing.

Bomber command aircraft (4 missing) dropped 629 tons on two flying bomb supply depots and 200 tons on HAZEBROUCK Railway Centre. Results difficult to assess owing to cloud. German casualties 2:0:2. In addition to armed reconnaissance, aircraft from A.E.A.F. (6 missing) dropped 160 tons on railway bridges, 238 on ammunition dumps and 99 on a tank concentration in Northern FRANCE. German casualties 5:0:1.

German Activity During 24 hours ending 6 A.M. 7th, 89 flying bombs plotted.



TREASURY DEPARTMENT

WASHINGTON 25

August 7, 1944



MEMORANDUM TO THE SECRETARY

Attached is the experience record of Frederick Roberts Atcheson, Acting Deputy Director of Operations, for the Surplus Property Division.

A handwritten signature in cursive script, appearing to read "E. L. Orlich".

E. L. Orlich
Assistant to the Secretary

Attachment

FREDERICK ROBERTS ATCHESON
(ACTING DEPUTY DIRECTOR OF OPERATIONS)

Business Experience:

Prior to 1919 was in the
British Army.

1920 - Worked with brother in
Saskatchewan, Canada, on a farm.

1920 - 23 Assistant Claims Officer
Workmen's Compensation Board
Winnipeg, Manitoba, Canada
(Provincial agency)

1923 - Present Comptroller
Marshall Field & Company
121 North State Street
Chicago, Illinois
(Retail Dry Goods Store)

FOREIGN ECONOMIC ADMINISTRATION
WASHINGTON

218

August 7, 1944

Dear Secretary Morgenthau:

What you say in your letter of August 5th is particularly true as applied to yourself: You did a superb job at Bretton Woods.

If there is any way in which I can help I will, of course, be delighted to do so.

Sincerely,

Oscar Cox

The Honorable Henry Morgenthau, Jr.
The Secretary of the Treasury
Washington, D.C.

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25, D. C.

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

August 7, 1944

Dear Mr. Secretary:

I have your letter of August 5 with regard to the United Nations Monetary and Financial Conference at Bretton Woods.

I am deeply conscious of the importance of the work that was accomplished there and am very glad that I had an opportunity to participate and to do what I could in the common endeavor. I also realize that the next task to be undertaken is to convince the people of the United States of the fact that American prosperity cannot be achieved without world prosperity, and that by virtue of its position and its resources the United States must play a leading role in postwar international reconstruction.

If at any time I can be of any service in connection with this undertaking, it will give me great pleasure to participate in it.

Sincerely yours,

E. A. Goldenweiser

E. A. Goldenweiser,
Director of Research and Statistics.

Honorable H. Morgenthau, Jr.,
Secretary of the Treasury,
Washington (25) D. C.



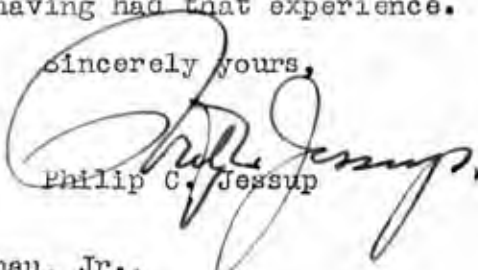
Columbia University
in the City of New York
SCHOOL OF LAW

August 7, 1944

Dear Mr. Secretary:

Your very kind letter of August 5 relative to the services of the technical secretariat at the Bretton Woods Conference is very greatly appreciated. It was a privilege to have an opportunity to serve with the secretariat and under you at that very successful Conference and I am grateful for having had that experience.

Sincerely yours,


Philip C. Jessup

The Hon. Henry Morgenthau, Jr.,
Secretary of the Treasury,
Washington, D. C.

OFFICE OF ECONOMIC STABILIZATION
WASHINGTON, D. C.

FRED M. VINSON
DIRECTOR

August 7, 1944

Dear Mr. Secretary:

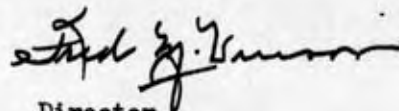
I have your letter of August 5, 1944, and appreciate very much indeed your friendly references to my participation in the International Monetary and Financial Conference recently held at Bretton Woods, New Hampshire.

You may rest assured I will be very happy indeed to do what I can to bring about a full realization of the Conference's objectives.

The opportunity and privilege of working with you in this instance was, I assure you, a source of genuine pleasure.

With personal regards, I am

Sincerely yours,


Director

Honorable Henry Morgenthau, Jr.
Secretary of the Treasury
Washington, D. C.



EXECUTIVE OFFICE OF THE PRESIDENT
WAR REFUGEE BOARD
WASHINGTON 25, D. C.



OFFICE OF THE
EXECUTIVE DIRECTOR

AUG 7 1944

My dear Mr. Secretary:

I am pleased to send you herewith a copy of the report of the War Refugee Board for the week of July 24 to July 29, 1944.

Very truly yours,

A handwritten signature in cursive script, appearing to read "J. W. Pehle". The signature is written in dark ink and extends to the right with a long horizontal stroke.

J. W. Pehle
Executive Director

The Honorable,
The Secretary of Treasury.

Enclosure.

Report of the War Refugee Board
for the Week of July 24 to July 29, 1944

SITUATION IN HUNGARY

American Offers to Hungary and the Neutrals

As a result of the various confirmations of earlier reports to the effect that the Hungarian Government would authorize the departure of all Jews from Hungary holding entry permits for another country, definite steps have now been taken to insure the availability of new American visas as a means of saving additional thousands of threatened persons from deportation and death.

Accordingly, American consular officers in neutral countries are being authorized to issue immigration visas to every person who has been in enemy-controlled areas since December 8, 1941, to whom an American immigration visa was issued or for whom such visa was authorized on or after July 1, 1941 (when the present regulation and security-check system went into effect), provided such person presents himself to an American consular officer in a neutral country and is not affirmatively found to have become disqualified for a visa. The Board, in cooperation with various private agencies, has compiled lists of names of persons in enemy territory who may be affected by these new instructions.

The Swiss Government is being requested to advise the German, Hungarian, Rumanian, and Bulgarian Governments, as well as such authorities as there may be in Slovakia, of this action on our part, and to request the release through neutral countries of persons holding American visas or for whom American visas were authorized on or after July 1, 1941.

The Governments of Switzerland, Spain, Sweden, Portugal, and Turkey are being requested to permit the entry of such persons upon the assurance that they will be adequately maintained and that arrangements will be made for the evacuation of all such persons admitted into their territories who may be found not to be qualified for the issuance of such visas. These neutral governments are also being requested to advise Germany and Germany's allies of their willingness to receive such persons.

- 2 -

The Turkish Government is also being requested to advise enemy governments of its willingness either to issue transit visas to all persons in enemy-controlled areas holding Palestine certificates, or to admit such persons into Turkey in transit to Palestine without the formal issuance of visas.

In a further attempt to take advantage of the current Hungarian situation, we are advising our Missions abroad that this Government is prepared to advise the Hungarian and neutral governments that all Jews arriving in neutral countries from Hungary will be afforded havens in United Nations territory just as promptly as military considerations permit.

Ambassador Winant is being asked to endeavor to ascertain from the British Foreign Office whether the Government of the United Kingdom will join us in this attempt to save lives. At the same time, American Missions in neutral countries are being instructed to take appropriate action along these lines immediately - alone if necessary, but preferably in collaboration with their British colleagues.

Winant is also being asked to inform Sir Herbert Emerson of the Intergovernmental Committee of our actions in this respect and to endeavor to get from him some indication of the extent to which IGC funds may be available for the maintenance of such refugees from Hungary as may arrive in neutral countries as a result of our approaches.

We are also asking that Winant urgently propose to the Foreign Office the necessity of making available immediately to Jews in Hungary substantial additional numbers of Palestine certificates. We are pointing out in this connection that the possibility should not be overlooked that once the holders of such additional certificates arrived in Turkey or Spain, they may be routed to havens other than Palestine if circumstances should be deemed to preclude their entry into Palestine.

Finally, our representatives in both Bern and Ankara are being asked to consider the advisability of requesting Rumania formally to admit Jews from Hungary and to afford them refuge in southeastern Rumania until their evacuation can be effected.

- 3 -

Private Reports of Conditions in Hungary

Private sources in Lisbon advised us that word has been sent by the Hungarian Government to its Charge d'Affaires in Lisbon to the effect that 1) in response to an appeal from the Swedish Government, the Hungarian regime has agreed to permit the emigration to Sweden or Palestine of Jews who have relations living in Sweden or who have business connections there; 2) in response to the appeal of the British through the Swiss, the Hungarian Government has agreed to resume permitting Jews with valid entry visas to emigrate to Palestine; and 3) in response to our appeal through the Swiss, the Hungarian Government has agreed to permit International Red Cross assistance to Jews in camps and ghettos in Hungary, and to send Jewish children under ten years of age to Palestine. The Hungarian Charge d'Affaires was also said to have been informed that while these measures are being carried out, the deportation of Jews for labor abroad has been suspended.

Our representatives in Stockholm and Bern were promptly asked to ascertain, if possible, whether such a message was transmitted to the Hungarian Missions in Sweden and Switzerland, as well as the extent to which this entire report with respect to current Hungarian policy can be substantiated.

Report from Swedish Attache in Budapest

In a message dispatched before the receipt of our cable, Minister Johnson relayed to us certain information indirectly received from Wallenberg, the newly appointed Attache to the Swedish Mission in Hungary. Wallenberg reported that prospects appear favorable for evacuating to Sweden 650 Jews in Hungary holding Swedish papers of one kind or another. Both the Hungarians and the Germans are reported to have agreed in principle to the departure of this group, but the problem remains of securing German transit permits as well as transportation to Sweden. Wallenberg indicated that it may also be possible to evacuate to Sweden some 200 Jewish children under ten years of age.

Wallenberg's report confirmed previous messages received by us indicating that deportations had actually stopped but Wallenberg considered this to be a temporary lull, the situation being tense and further deportations likely.

- 4 -

Considerable assistance and protection could be rendered, Wallenberg felt, by organizing refugee camps under the protection of the Swedish Legation. Wallenberg suggested experimenting with the idea of proposing locally a camp for 1000 people, despite the fact that somewhat similar proposals of the International Red Cross have been rejected.

Pope's Appeal Effective

The Apostolic Delegate in Washington has informed us that, according to word received through the Apostolic Nunciature in Budapest, as a result of the personal appeal of the Pope to Hungarian Regent Horthy, the latter has assumed "a more determined attitude of opposition" to the racial laws. It was also stated that members of the Catholic hierarchy have been encouraged to carry on a more intense activity in favor of victims of the racial laws. The Hungarian Government itself is said to have assured Cardinal Seregi, Primate of Hungary, that a stop would be put to the Jewish deportations.

We have asked our representatives abroad to advise us of any indications that Hungarian authorities are fulfilling these assurances.

Slovak Maquis Aids in Hungarian Rescues

We were informed by McClelland that there is a disposition on the part of the Czechoslovak resistance movement to assist in rescuing Jews from Hungarian-dominated territories by helping them reach Slovakia, to be enrolled in the Slovak Maquis or to be hidden. Funds were urgently requested to carry on this program. Following discussions with the Czechoslovak Minister at Geneva, Minister Harrison endorsed the operations envisioned, and McClelland made an initial contribution of \$10,000 from special War Refugee Board Funds to the account in Switzerland of the Czech resistance movement.

British Newspaper Comment

According to an article in the London Times, trustworthy information coming out of central Europe indicates that the brutal measures taken against the Jews in Hungary have had a disturbing effect on the economic life of the country and have caused acute friction in Governmental ranks.

Both the Times and the News Chronicle reported the reception by Anthony Eden on July 26 of a deputation arranged by the Archbishop of Canterbury and including representatives of Jewish and other religious denominations

and members of both Houses of Parliament. Proposals were submitted for facilitating rescue operations in enemy territory, and Eden is said to have assured the delegation that all practicable steps would be taken to rescue the greatest possible number of persons from Nazi hands.

Representations Made to the Spanish Foreign Office

A representative of our Embassy in Madrid has drawn to the attention of the Spanish Foreign Office the reported assurances given by Hungarian Regent Horthy to the International Red Cross. Advantage was taken of this opportunity to reinforce our previous request that the Spanish Government do everything in its power to facilitate the exodus of threatened persons to temporary havens on Spanish territory, pending their evacuation to further destinations.

We were also advised that our Embassy supported the British Embassy's request for Spanish visas for 1500 Jews in Hungary and Germany to whom Palestine entry permits had been or were to be issued. According to a later report from Madrid, the issuance of these visas was subsequently authorized by the Foreign Office, which also instructed the Spanish Legation in Budapest to make every effort to obtain from German and Hungarian authorities permission for their departure from Hungary.

Evacuation of Children from Hungary to Tangier

We have been advised from Tangier that the Jewish community there has followed up with the Spanish Red Cross in Madrid the matter of evacuating 500 Jewish refugee children from Hungary. According to a representative of the Tangier community who went to Madrid recently for this purpose, the Spanish Foreign Office promised that instructions would be sent to the Spanish Minister in Budapest to issue visas to this group. The Spanish Red Cross is also said to have agreed to request that the International Red Cross assist in evacuating the children.

The Jewish community in Budapest subsequently indicated that the Spanish Minister there had received no such instructions to date. Moreover, according to word received from the Blickenstaff organization in Madrid, no approach can be made to the International Red Cross for assistance until instructions have been received from the Spanish Foreign Office by the Spanish Minister in Budapest. We are therefore asking our Embassy in Madrid to take all appropriate steps to accelerate the issuance of such instructions.

FOOD PARCELS TO UNASSIMILATED PERSONS

Board Representative McClelland has relayed to us the substance of a counterproposal advanced by the International Red Cross Committee in connection with our request that German authorities be approached for permission to distribute relief packages generally to unassimilated persons confined in camps in enemy territory. Intercross reiterated its conviction that such an approach as that jointly proposed by our representatives and the British would be flatly refused by the Germans.

The alternative proposal advanced by the Intercross Committee is substantially the same as that it has previously proposed. Intercross pointed out that in the case of selected camps, it is able to assure the delivery of individual packages and to verify regularly that they are received by the prisoners for whom they are intended, despite the official attitude of the Germans as revealed by their consistent refusal to assimilate such detainees to the status of prisoners of war or civilian internees, either by analogy or directly. It was stated that in the past Intercross delegates have been able to make unofficial visits to these camps, and there is little reason to doubt that in the future they will be able to repeat such visits.

The distribution of packages individually and personally by an Intercross delegate in concentration camps is no more possible, it was asserted, than it is in prisoner-of-war camps. Intercross delegates are said to have many possibilities of verifying, both by means of regular visits, as in the case of prisoner-of-war camps, and through controls exercised independent of the regular visits, the fact that in the camps to be specified, relief goods are consumed by the beneficiaries for whom they are intended and are not diverted.

For these reasons, the Intercross Committee asked that blockade authorities take into account the realities of the situation and permit Committee delegates the liberty of using control methods available to them in determining whether the distribution of relief goods is being carried out satisfactorily, rather than to insist on one special form of control or another. In assuming the responsibility for such distribution, the Committee indicated that it would agree that in the event any irregularities should be brought to its attention in connection with the reception of relief goods, it would suspend all shipments immediately.

- 7 -

While Intercross could not reveal either the number of names of civilian prisoners in its possession or information regarding the size of the various camps, in proposing to undertake the delivery during the initial month of a maximum of 30,000 parcels for concentration camps and 35,000 to the Resienstadt (which Intercross regards as a ghetto and not a camp), the approximate number of civilian prisoners to whom it can deliver individual parcels at present is implicit.

Approval of London Blockade Authorities Sought

In a communication to our Embassy in London, repeated to Bern for Harrison and McClelland's information, FEA, State and the War Refugee Board are asking that Ambassador Winant present the Intercross counterproposal to the Relief Subcommittee of the London blockade authorities as soon as possible and endeavor to obtain a favorable reply. We are suggesting that the economic warfare considerations that heretofore have precluded our making packages available to Intercross for distribution under the plan suggested are now less controlling than has been the case in the past. Winant is being informed of our conviction that the amount of food which might fall into enemy hands could not affect the outcome of the war nor prolong it, while the desperate situation of the people held in these camps makes it increasingly necessary that an effort be made to give them some assistance even though we may not have ironclad guarantees of 100-percent receipt by the intended beneficiaries. We are proposing therefore that blockade authorization be granted for the shipment of a total of 300,000 specially prepared food parcels to Intercross for distribution on a trial basis by them under the plan proposed.

Board Representative McClelland has inquired as to whether usable food items from the cargo of the "S. S. Christina" could be turned over to Intercross for packaging into three-kilo parcels for forwarding under the Intercross plan to individual addressees in camps selected by Intercross. If the blockade authorities agree in principle to the Intercross counterproposal, we are assuming that there would be no objection to the proposed utilization of the salvaged "Christina" cargo.

CONDITIONS IN BULGARIA

Board Representative Hirschmann has indicated that developments of a promising nature are under way in connection with the evacuation, by sea and by rail, of refugees from Bulgaria to Istanbul. In a memorandum informally submitted by Hirschmann to Balabanoff, the Bulgarian Minister to

Turkey, Bulgarian authorities were asked to authorize and facilitate the movement by rail of not less than 500 individuals weekly through or from Bulgaria to Turkey; to authorize and assist the movement of refugees by ship from Bulgarian ports; and to order the cessation of all persecution and repressive steps. These matters are said to have been discussed by Balabanoff with Bulgarian officials in Sofia.

In the interview subsequently arranged between Hirschmann and Balabanoff by the Intercross representative in Ankara, Balabanoff indicated that the Bulgarian Government had accepted the proposals made. Hirschmann was authorized to transmit to us the following decisions of the Bulgarian Government:

"One. The Jews are gradually having restored to them the status which they held before the war.

"The 'restrictions, oppressions, persecutions and abuses' are being eliminated,

"Two. Facilities have been officially authorized which will permit them to leave Bulgaria with all possible assistance and a minimum of formalities.

"Three. Instructions will be issued to expedite the departure from Bulgaria of vessels containing refugees.

"Four. The departure by rail will be authorized by approximately 400 to 500 refugees weekly provided the Turk authorities grant transit visas en route to Palestine."

Balabanoff indicated that these decisions of the Bulgarian Government were being communicated to the leaders of the Bulgarian Jewish Community. It was stated that while the change of policy is definitive, the steps will be gradual in order not to "fly in the face of the Germans." Balabanoff went on to say that Bulgaria's new regime is essentially liberal in policy and is attempting to find the best and quickest way to get out from under the Nazi yoke.

At Hirschmann's request, Balabanoff agreed to confirm in writing the Bulgarian agreement on these matters.

Bulgaria Agrees to Sailing of Turkish Rescue Vessel

In the course of Hirschmann's interview with Balabanoff, it was stated that the Bulgarian Government now agrees in

principle to permit the sailing of the "S.S. Tari" to a Bulgarian port and back to Istanbul without a German safe-conduct. In a communication subsequently addressed to the Intercross representative, Balabanoff suggested that a request be submitted through the Bulgarian Red Cross to the Bulgarian Government for a formal settlement of this question.

Balabanoff Note

Balabanoff's note continued:

"I take advantage of this opportunity to share with you the impressions which I bring back from my last short visit in Bulgaria.

"There is no doubt that the new Bulgarian Government regrets exceedingly all the measures which have been taken regarding Jews in our country and that it does not in the least approve these measures. This Government intends to mitigate the situation of the Jews. But for reasons which will be readily understood, it could not proceed to annul immediately the law concerning the Jews. However, it is firmly decided to avoid all arbitrary action in the application of this law as well as all restrictive measures not provided for by the law. In the second place, the Bulgarian Government has decided to facilitate the emigration of Jews desiring to leave the country by reducing, for this purpose the administrative formalities to a strict minimum by removing all obstacles.

"The President of the Bulgarian Council of Ministers has invited the Jewish Consistory in Bulgaria to come to see him and he has had a long conversation with its members concerning the situation of the Jews in the country. He has spoken to them of the steps which he intended to take to mitigate their situation and to facilitate the departure of those who might desire to leave the country. At Sofia, I was able to ascertain that the members of the Consistory came away from the conversation very well satisfied and pleased with their visit to the Bulgarian Prime Minister to whom I understand they expressed their thanks and gratitude for his plans for the Jews.

"In general I consider that the policy of the new Bulgarian Government toward the Jews will be based on principles of equity and humanitarianism. Likewise I do not exclude the possibility of reaching gradually and quickly a completely normal state in the situation of the Jews in our country."

- 10 -

Possibility of Using Bulgarian Ships Explored

Hirschmann also reported that for some time now efforts have been directed toward acquiring permission from Turkish and Bulgarian officials for two Bulgarian ships in Burgas - the "Pirin," capable of carrying 400 passengers, and the "Vita," with a capacity of 350 passengers - to proceed to Istanbul.

Hirschmann Advised of Olsen Memorandum

In a cable to Ankara we have forwarded for Hirschmann's information and guidance details of the recent informal exchange of memoranda between the Bulgarian Minister to Stockholm and Board Representative Olsen on the matter of persecutions in Bulgaria.

CONDITIONS IN RUMANIA

Hirschmann has forwarded to us details concerning an organized underground movement for the transportation of refugees across the border from Hungary into Rumania. Although no figures are available as to the actual number who have crossed into Rumania by this method, 600 to 700 refugees from Hungary are now estimated to be in Bucharest. In addition, 700 to 800 refugees from Hungary are now thought to be in hiding in frontier towns.

After the arrival of these refugees in Rumania, the German Minister to Rumania is reported to have brought pressure to bear on the Rumanian Government to enact a decree to the effect that anyone escaping across the Rumanian border would immediately be executed by the Rumanians. The Rumanian Government is said to have acquiesced in this demand and to have enacted and published such a decree. According to information reaching Hirschmann, however, the Rumanian Government has not enforced this decree but has instead requested Jewish organizations in Rumania to arrange for the evacuation of the refugees from Hungary at the earliest possible moment. Hirschmann emphasized that at the moment this escape route, while fraught with dangers, offers the best means of evacuating appreciable numbers of refugees from Hungary.

While funds are apparently available for these operations in their present scope, in the event they are expanded additional funds are expected to be needed on short notice. While no commitments have been made thus far, funds already placed at Hirschmann's disposal may be drawn upon in the event expenditures in this direction become desirable and necessary.

- 11 -

Conference Held with Rumanian Minister

A further meeting has been held between Hirschmann and Rumanian Minister Cretzianu, again through the Intercross representative as intermediary.

One of the urgent requests made of Cretzianu in the course of this interview was that the Rumanian Government issue without delay thousands of Rumanian transit visas to Jews in Hungary who would remain in Rumania only long enough to embark on vessels leaving Constanza. Cretzianu promised immediately to "warmly and strongly recommend to Bucharest" that this request be granted.

In view of the current deadlock that is preventing the departure from Constanza of certain Turkish ships and of the Greek ship "Smyrnie," Hirschmann asked that Cretzianu ascertain the reasons for this stalemate. Cretzianu was also asked to urge his government to facilitate by all possible means the departure of these vessels, and he agreed to do so.

Since it had been reported in Istanbul that certain Rumanian political personalities were seeking to proceed from Rumania to Turkey by means of refugee ships, inquiry was made as to the veracity of this report. Cretzianu asserted that there were two categories of politicians in Rumania who might conceivably undertake such escapes: the so-called liberals, and politicians seeking to "desert the sinking ship." Cretzianu declared that he would work against the efforts of the latter to secure Turkish visas. Hirschmann gained the impression from this interview that Cretzianu is actually speaking for the Rumanian Government and is searching more intensively for means of assisting in the rescue and transportation of refugees through and from Rumania.

Differences Between Private Agencies Composed

According to another cable from Hirschmann, certain operational conflicts have now been settled between representatives of the Jewish Agency and of Vaad Hahatzala with respect to the insistent demand of the latter that a larger representation of Agudath Israel and Vaad Hahatzala refugees in Rumania be included in the contemplated voyages of ships from Constanza to Istanbul. Hirschmann has taken the position that we will not assume jurisdiction over the age, type, origin, or organizational affiliation of the refugees who are chosen to proceed on ships from the Balkan countries to Istanbul and thence to Palestine. At the same time, Hirschmann has advised the Vaad Hahatzala representative that no

- 12 -

objection will be raised to his taking independent steps to secure ships to bring from Constanza to Istanbul the refugees in whom his organization is exclusively interested.

INTERCROSS AGREES TO MAKE APPROACH RE CHILDREN

The International Red Cross has now agreed to approach the Germans with respect to Sweden's willingness to receive child refugees from any part of German-controlled Europe, and negotiations toward this end are now under way.

With respect to whether or not Intercross will undertake the actual selection of children to be evacuated to Sweden, we have been advised that, because of various technical difficulties and the grave responsibility involved, further consideration must be given to this matter.

EVACUATION OF SPANISH REFUGEES FROM PORTUGAL TO MEXICO

Minister Norweb has informed us that the Portuguese police have been increasingly active in apprehending and turning over to police authorities Spanish Republican refugees. Norweb urged that the Mexican Minister to Portugal be advised by his Foreign Office to grant the visas promised for Spanish refugees in hiding there, promptly upon his arrival in Portugal. Norweb also recommended that the Mexican Minister intervene with the Portuguese for exit permits for these refugees after Mexican visas have been granted, in order to insure the protection of refugees who might otherwise be apprehended.

RECOGNITION OF LATIN AMERICAN PASSPORTS

In response to Minister Harrison's recent recommendation, we are asking our Missions in such Latin American countries as have not already made arrangements for their interests in Hungary to be taken care of, to consult appropriate officials of their respective Foreign Offices in an effort to persuade these various governments to ask some neutral country to assume such representation. Although the interests of these governments in Hungary may be nominal, we are pointing out that such representation in Hungary, preferably by Switzerland, is an essential first step in the humanitarian effort to save the lives of persons there holding documents issued in the names of these governments.

Spanish Response to Exchange Preparations

Our Embassy in Madrid has been assured by a reliable official of the Foreign Office that the Spanish Government will cooperate in every way possible in order to facilitate

- 13 -

the exchange, on Spanish territory, of refugees from German-controlled areas for German nationals from South America. Spanish cooperation was also promised in connection with arrangements for the prompt transfer of refugees onward to Camp Lyautey. In this connection it was suggested that the Spanish Government would very likely agree to the use of a Spanish ship for this purpose, provided tonnage is available, and provided the exchange agreement includes such arrangements and all belligerents guarantee safe-conduct.

In the opinion of the Embassy representative, however, the onward transportation of such refugees could be arranged more satisfactorily outside Spain. One arrangement suggested was that the refugees be sent to Camp Lyautey on the same ship that transports the German repatriates to the port of exchange, in this way making the stay of the refugees on Spanish territory as short as possible. Their through transportation to Gibraltar by rail, for embarkment there, was also proposed.

COOPERATION WITH THE INTERGOVERNMENTAL COMMITTEE

Sir Herbert Emerson of the Intergovernmental Committee has extended to Executive Director Pehle an invitation to attend a forthcoming session of the Plenary Committee of the IGC Executive Committee as an observer, or to appoint a representative or representatives to attend.

In response to this kind invitation, Emerson is being advised that because of the impossibility of sending an observer from Washington, we are relying upon our Embassy there to keep us informed.

J. W. Pehle
J. W. Pehle
Executive Director



TREASURY DEPARTMENT

WASHINGTON 25

August 8, 1944



MEMORANDUM TO THE SECRETARY

As I have stated to you before, it was my opinion that the surplus property records of Treasury Procurement were not current and a quick survey of the status of documents which affected our transit account, confirmed inventory account and disposal records in the various regions was made.

In the transit account we find that there are over 250 documents which were past standard clearance date, representing a total of \$2,330,000. The total accumulated days over standard performance was 1398 and the oldest document was practically one month beyond standard clearance date.

In the Inspection Division, in which the standard performance is sixteen days, there were 1516 documents which had not been cleared in this time. They represented a value on declarations of \$5,636,978. The total accumulated days beyond standard performance was 27,278 days, or in other words, they averaged twenty days beyond the standard length of time for inspection. The oldest document in the regions average from twenty days to six months past due.

On the confirmed inventory report there were 1183 documents past due, representing a value of \$4,374,614. The days past due were 18,147 with the average over-due condition of approximately twenty days.

In the report on items disposed of there were 3,082 documents past due with a total accumulated over-due days of 15,589, with documents ranging from ten days to six months past due. No value was ascertainable on this last item.

Memorandum to the Secretary

-2-

August 8, 1944

Until we clear up all these past-due documents, no report which we send you will be of any real value. We anticipate having most of these conditions cleared up by August 31, 1944.

E. L. Olrich
E. L. Olrich
Assistant to the Secretary



TREASURY DEPARTMENT

WASHINGTON 25

August 8, 1944



MEMORANDUM TO THE SECRETARY

As of June 1, 1944, from a study of the N.Y.A. operations of Treasury Procurement, it was apparent that special attention would be required to clear up the book inventory of undisposed property because:

(1) Either the property had not been disposed of or

(2) The property had been disposed of and the documentation of disposal was inordinately delayed.

Since July 1, 1944, progress has been made in both disposal of property on hand and cleaning up the delayed documentation situation. From July 1 to August 1, 1944, the outstanding book inventory of items on hand was reduced from \$1,121,691 to \$338,994 or a reduction of \$800,000.

I have every reason to believe that by September 1, 1944, most of the outstanding items will be cleaned up. I have assurance from our regional offices that all items will be cleaned up by October 1, 1944. Attached is a report showing the condition by regions.

E. Olrich
E. Olrich
Assistant to the Secretary

Attachment

PROGRESS REPORT SUMMARY - NYA RESIDUE

| | <u>Regions</u> | | <u>As of</u> <u>7/1/44</u> | <u>As of</u> <u>8/1/44</u> |
|---------------|----------------|----------|-------------------------------|-------------------------------|
| Boston | I | \$ | 18,382 | -- |
| New York | II | | 132,354 | \$ 83,938 |
| Washington | III | | 347,391 | 30,000 |
| Cincinnati | IV | | 183,762 | 25,000 |
| Chicago | V | | 133,245 | 109,050 |
| Atlanta | VI | | 87,879 | 75,056 |
| Fort Worth | VII | | 140,200 | -- |
| Kansas City | VIII | | 54,420 | 15,950 |
| Denver | IX | | 6,000 | -- |
| San Francisco | X | | 18,058 | -- |
| Seattle | XI | | <u>--</u> | <u>--</u> |
| | | Total \$ | 1,121,691 | \$338,994 |



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON 25

OFFICE OF THE CHAIRMAN

August 8, 1944.

Dear Mr. Secretary:

This is to thank you for your letter of August 5. Your generous comments on whatever I may have been able to contribute to the results achieved at the Bretton Woods Conference are very much appreciated.

The start made there toward international co-operation in the monetary and financial field will, I hope, lead to the ultimate solution of the basic problems that will confront us after the war. Needless to say, I am deeply interested and will do all in my limited power to advance these solutions in the best interests of this country.

Let me take this occasion also to thank you for your letter of the same date in commendation of Dr. Goldenweiser's contribution to the work of the American Delegation. I am taking the liberty of passing this on to him for I know he will feel gratified, as will all the members of this Board, by your words of appreciation.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "M. S. Eccles".

M. S. Eccles,
Chairman.

Honorable Henry Morgenthau, Jr.,
Secretary of the Treasury,
Washington 25, D. C.



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON

OFFICE OF THE CHAIRMAN

August 8, 1944.

Dear Mr. Secretary:

I thank you for your letter of August 5 with reference to Walter Gardner's contribution to the effectiveness of the United Nations Monetary and Financial Conference. It is a pleasure to the Board and to me to be assured that a member of our staff assigned to this work has rendered an important service.

I appreciate your writing to me about it.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "M. S. Eccles".

M. S. Eccles,
Chairman.

Honorable H. Morgenthau, Jr.,
Secretary of the Treasury,
Washington (25) D. C.

933

FEDERAL RESERVE BANK
OF
ST. LOUIS

August 8, 1944.

Honorable Henry Morgenthau, Jr.,
Secretary of the Treasury,
Washington, D. C.

My dear Mr. Secretary:

This is to thank you for your kind letter of August 5 with respect to the United Nations Monetary and Financial Conference at Bretton Woods.

It was a great honor to have had the opportunity to be present at the Conference. Its results cannot be measured by the agreements alone. The fact that the representatives of the United Nations could compose their differences and reach agreements in the monetary and financial fields demonstrated to the world a unity of purpose that holds great promise for future economic collaboration on other matters that will be vital to world peace and prosperity. That so much was accomplished in the short time available to the Conference is indeed a tribute to your inspired and able leadership.

Unquestionably a big job still remains to be done to bring home to the American public generally and to the banking and financial community in particular the importance of the agreements to the cause of international cooperation. You can count on me to do everything in my power to contribute to the achievement of this objective.

Sincerely yours,

Henry H. Edmiston

Henry H. Edmiston,
Vice President.

**BRITISH AIR COMMISSION**

1785 MASSACHUSETTS AVENUE
WASHINGTON, D. C.

TELEPHONE HOBART 9000

PLEASE QUOTE

REFERENCE NO.....

With the compliments of British Air Commission
who enclose Statements Nos. 147 and 148 --
Aircraft Despatched -- for the weeks ended July
21st and July 28th respectively.

The Honourable Henry Morgenthau, Jr.
Secretary of the Treasury
WASHINGTON, D.C.

August 8th, 1944.

STATEMENT NO. 147

Aircraft Despatched from the United States
Week Ended July 21st, 1944

BRITISH/U. S. SECRET

| <u>TYPE</u> | <u>DESTINATION</u> | <u>ASSEMBLY POINT</u> | <u>BY SEA</u> | <u>BY AIR</u> | <u>FLIGHT DELIVERED FOR USE IN CANADA</u> |
|------------------------|--------------------|-----------------------|---------------|---------------|---|
| <u>LOCKHEED</u> | | | | | |
| Fortress | U.K. | U.K. | | 1 | |
| <u>CONSOLIDATED</u> | | | | | |
| Liberator GR VI | U.K. | U.K. | | 1 | |
| Liberator B VIII | M.E. | M.E. | | 5 | |
| <u>DOUGLAS</u> | | | | | |
| Dakota III | U.K. | U.K. | | 18 | |
| Dakota III | M.E. | M.E. | | 3 | |
| Dakota III | India | India | | 5 | |
| Dakota III | S. Africa | S. Africa | | 1 | |
| Dakota III | Canada | Canada | | | 1 |
| <u>BOEING</u> | | | | | |
| Catalina IV B | U.K. | U.K. | | 3 | |
| <u>NORTH AMERICAN</u> | | | | | |
| Harvard | U.K. | U.K. | | 12 | |
| Harvard | M.E. | Alexandria | | 1 | |
| Mustang | U.K. | U.K. | | 9 | |
| <u>GRUBMAN</u> | | | | | |
| Avenger | U.K. | U.K. | | 3 | |
| Hellcat | U.K. | U.K. | | 4 | |
| <u>NOORDUYN</u> | | | | | |
| Harvard | U.K. | U.K. | | 6 | |
| <u>VOUGHT-SIKORSKY</u> | | | | | |
| Corsair | U.K. | U.K. | | 3 | |
| <u>WACO</u> | | | | | |
| Glider | India | Bombay | | 6 | |
| <u>MULTEE</u> | | | | | |
| Avenger | M.E. | Alexandria | | 4 | |
| | | | Total: | 48 | 37 |
| | | | | | 1 |

Movements Division
British Air Commission

July 28, 1944.

mmh
File V-17

STATEMENT NO. 148

Aircraft Despatched from the United States
 Week Ended July 28th, 1944

BRITISH/U. S. SECRET

| <u>TYPE</u> | <u>DESTINATION</u> | <u>ASSEMBLY POINT</u> | <u>BY SEA</u> | <u>BY AIR</u> | <u>FLIGHT DELIVERED FOR USE IN CANADA</u> |
|------------------------|--------------------|---------------------------|-------------------|-------------------|---|
| <u>LOCKHEED</u> | | | | | |
| Fortress III | U.K. | U.K. | | 4 | |
| <u>CONSOLIDATED</u> | | | | | |
| Liberator B VIII | M.E. | M.E. | | 10 | |
| Liberator C VII | U.K. | U.K. | | 1 | |
| L-5 Sentinel | India | Karachi | 20 | | |
| <u>DOUGLAS</u> | | | | | |
| Dakota III | U.K. | U.K. | | 3 | |
| Dakota III | India | India | | 4 | |
| Dakota III | S. Africa | S. Africa | | 2 | |
| <u>BOEING</u> | | | | | |
| Catalina IV B | U.K. | U.K. | | 4 | |
| <u>NORTH AMERICAN</u> | | | | | |
| Harvard | M.E. | Alexandria | 8 | | |
| Mustang P-51 C | U.K. | U.K. | 5 | | |
| Mustang P-51 F | U.K. | U.K. | 1 | | |
| Mustang P-51 C | N.W. Africa | Casablanca | 6 | | |
| <u>REPUBLIC</u> | | | | | |
| Thunderbolt | M.E. | Alexandria | 8 | | |
| <u>VOUGHT-SIKORSKY</u> | | | | | |
| Corsair | India | Cochin | 2 | | |
| R-4B Helicopter | U.K. | U.K. | 4 | | |
| <u>BEECH</u> | | | | | |
| UC 45 Beechcraft | India | Cochin | 4 | | |
| UC 43 Beechcraft | U.K. | U.K. | 3 | | |
| <u>NOORDUYN</u> | | | | | |
| Harvard | U.K. | U.K. | 28 | | |
| <u>STINSON</u> | | | | | |
| Reliant | U.K. | U.K. | 8 | | |
| Reliant | India | Cochin | 9 | | |
| <u>VULFES</u> | | | | | |
| Vengeance | U.K. | U.K. | 13 | | |
| <u>GRUMMAN</u> | | | | | |
| Hellcat | U.K. | U.K. | 9 | | |
| | | | Total | 129 | 28 |
| | | | | | 0 |

Movements Division
 British Air Commission

August 2, 1944.

msh
 File V-17

OFFICE OF WAR MOBILIZATION
WASHINGTON, D. C.



JAMES F. BYRNES
DIRECTOR

August 8, 1944.

Dear Secretary Morgenthau:

Thank you for your kind note of August 5th.

The Bretton Woods Conference was a great constructive step forward toward a workable, peaceful world. It was a great privilege to participate in the Conference to the limited extent that I was able, and I shall be glad to do what I can to carry the programs of the Conference to a successful conclusion.

Sincerely,

Ben V. C.
Ben V. Cohen

Honorable Henry Morgenthau, Jr.,
Secretary of the Treasury,
Washington, D. C.

Secretary of State,
Washington.

2449, Nighth, noon

FOR LEAVITT FROM SCHWARTZ WKB 146 JDC 51.

Regret advise that of three ships which left
Constanza with total approximately 1050 refugees only
two ships MARINA with 315 passengers and BULBUL with
500 arrived safely. SS MAFKURA was sunk by submarine
action near Igneada with about 250 lives lost and
very few survivors. SS DULBUL landed at Igneada
with approximately 500 passengers we sending posthaste
food supplies these passengers and also those few
rescued. Bunsnik may proceed Igneada order arrange
disembarkation BULBUL passengers and their overland
transportation all of which complicated view fact
this military area. 315 MARINA passengers leaving
for Palestine today.

NORWEB

CSB

KD-867

PLAIN

Lisbon

Dated August 8, 1944

Rec'd 6:27 a.m., 9th

Secretary of State

Washington

2450, Eighth, Moon

FOR LEAVITT FROM SCHWARTZ WRB 148 JDC 49.

Received urgent message from Arthur Greenleish and Max perlman both Rome stating they require for budgetary needs current quarter Rome and north as new areas liberated \$200,000 and for Southern Italy also current quarter \$50,000 additional. All funds should be sent to Rome account American Joint Distribution Committee Arthur Greenleish and or Max Perlman. Thus far no transmissions from New York have been received.

HOKWES

WBB

LFG-872

PLAIN

Lisbon

Dated August 8, 1944

Rec'd 6:39 a.m., 9th.

Secretary of State,

Washington.

2451, Eighth,

FOR LEAVITT FROM SCHWARTZ WRB 147 JDC 50.

Wish advise Gilbert Simond International Red Cross has arranged for additional car containing four tons each of figs, raisins and hazelnuts and three tons of soap which most urgently needed to be sent to Theresienstadt. This was done with balance of original \$100,000 which we sent Simond. Concerning your latest remittance \$100000 plan to use this for purchase of shoes when and as license available. With the liquidation of the concentration in Transnistria food purchases for Rumania no longer necessary since sufficient supply available locally for local currency and transshipment through Rumania to Theresienstadt and other places becoming most complicated and difficult.

You will be interested to know that Eri Jabotinsky alleges that he has received funds directly from Mirelman Buenos Aires although thus far War Refugee Board has not approved any project in which Jabotinsky interested and he in fact doing no rescue work.

HORWEB

WSB

CABLE FROM WAR REFUGEE BOARD TO MINISTER JOHNSON, STOCKHOLM, SWEDEN

Please refer to your 2920 of August 3 relating to the supposed sympathy of the Rumanian Minister to Stockholm regarding the evacuation of Jews from Rumania.

Since the interviews described in our 982 of May 22, Hirschmann has had further conferences with Cretzianu concerning the same subject matter. The Rumanian Government has now indicated in a number of ways its willingness to cooperate in refugee evacuation operations. Evacuation of refugees from Rumania apparently was recently organized on an official basis in Rumania through the creation of an Inter Ministerial Commission. Furthermore four Turkish and one Greek ship have apparently been authorized to evacuate refugees from Constanza to Istanbul and certain of these vessels have already commenced operations.

For your information Hirschmann has raised with Cretzianu the possibility of utilizing for refugee evacuation operations the two Rumanian ships now in Istanbul (our 1430 of July 17). The Rumanians have also suggested certain other Rumanian ships as suitable for refugee evacuation and the implementation of these suggestions is now being negotiated in Ankara.

Inasmuch as the Board already has a satisfactory contact with the Rumanian Government through Cretzianu in Turkey close to the scene of operations, it is felt that little is to be gained and confusion may result if an independent approach is now made to the Rumanian Minister to Stockholm.

THIS IS WEB CABLE TO STOCKHOLM NO. 70

10:40 a.m.
August 8, 1944

MJMarks:dh 8/7/44

BAS
Distribution of true reading
only by special arrangement. 3 p.m.
(SECRET W)

SECRET "W"

AMLEGATION,

STOCKHOLM.
1576

The War Refugee Board cable 69 below is for Olsen.

Reference Department's 1313 of July 1 and Department's
1502 of July 28 (WRB to Stockholm no. 62).

American Relief for Norway advises that second
remittance of \$10,000 will be transferred to you for the
month of August for continuation of operations referred to
in your no. 1772 of May 19 and 1926 of May 31, even though
report on use of first remittance of \$10,000 has not been
made.

STETTINIUS
ACTING
(GLW)

WRB:MMV:KG S/CR NOE SWP

8/8/44

MS-783
Distribution of true
reading only by special
arrangement. (SECRET W)

Stockholm
Dated August 8, 1944
Rec'd 10:14 p.m.

252

Secretary of State,
Washington.

US URGENT

3006, August 8, 8 p.m.

THIS IS OUR 65 FOR WAR REFUGEE BOARD.

We are informed that approximately 400 Latvians have arrived in Sweden during past 10 days. According to Mr. Sanderson, who has visited Latvian refugee camp here and talked with almost all of the recent arrivals, it appears that Latvian civilian authorities permitted Latvians who had been co-operating or collaborating with them to leave Latvia and go to Danzig, if they had means of getting there. The German Military, however, who assisted Latvians escaping urged them to go to Sweden since there would be no safety in Danzig. Consequently, the boats headed for Sweden. Recent Arrivals here have left for port called Masirbe, near Windau.

The recent arrivals report that German Military have left Riga and are concentrating at Windau, which the recent arrivals think the Germans will defend to the last as the only available port of troop evacuation. It is said that the Gestapo and S. S. were remaining in Riga. It is also stated that all Jews in Riga ghettos were shot by Security Police as well as about 1000 in concentration camp in Daudaga. Greatest confusion is reported to be existing in Latvia, with Germans themselves panic stricken. Russians have allegedly sunk 5 boats endeavoring to evacuate German civilians from Latvia. Security Police are reportedly making house to house searches for Partisans. Women from 15 to 65 are said to have been conscripted to dig trenches. It is also reported that there is great friction between civilian authorities, Military and Security Police. For example, 7 boatloads of people who were permitted by civilian authorities to leave Latvia were said to have been captured and shot by Security Police.

From handful of Lithuanians brought to Sweden through Olson's Lithuanian operations, it is learned that German civilians administrative staff left Lithuania on July 3. It was intended that they should establish quarters near the German border but they proceeded on into Germany. It is stated that all Jews in Vilna and Kaunas have been shot. Olson's keyman in the Lithuanian operation, Dr.

-2- #3006, August 8, 8 p.m., from Stockholm.

Vokietais, who personally went over to Lithuania to work out the rescue program has not been heard from for almost 3 weeks despite the fact that a boat has been sent after him twice. It may be assumed that he has been captured by the Germans.

JOHNSON

WMB JM

CABLE TO MINISTER HARRISON AND MCCLELLAND, BERN, SWITZERLAND

Contrary to German assurances to Swiss Government reported in your 4223 of July 3 and 8964 of July 8 that no further deportations of holders of Latin American passports would occur subsequent to May 11, it is reported from Lisbon that such deportations occurred in Vittel subsequent to that date.

Please request Swiss authorities to inquire of German Government regarding the truth of this report and strongly to protest on behalf of this Government should the report be based on truth.

It is further reported that deportees from Vittel and other civilian internment camps are now confined in Birkenau, Oswiecim, Sosnowitz, Kattowitz, Prodorf, Innsbruck and others. Please request Swiss authorities to inquire of German Government regarding the truth of this report and to demand facilities for the return of such deportees to civilian internment camps under Swiss or Intercross supervision; also to demand that pending return Swiss or Intercross representatives be admitted to places where such deportees are held.

THIS IS WRB CABLE TO BERN NO. 112

11:25 a.m.
August 8, 1944

BAkzin:ar 8/7/44

Cable to Harrison and McClelland, Bern, from Department and War
Refugee Board.

Reference Legation's No. 4972 of August 3.

Department and War Refugee Board are very interested in
message received from Intercross and it is assumed you will keep
Department and War Refugee Board advised of further developments.

In the meanwhile, it is suggested that McClelland discuss
items one through four with Saly Mayer and obtain his views and
comments.

The report contained in item five of your cable being
forwarded to War Refugee Board representative Hirschman in Ankara
for his information and guidance.

THIS IS WRB CABLE TO BERN NO. 113.

11:25 a.m.
August 8, 1944

FHodel:dg 8/7/44

COPY DOR:AGH

LC - 686

This telegram must be paraphrased before being communicated to anyone other than a Government agency. (RESTRICTED)

Bern

Dated August 6, 1944

Rec'd 5:31 p.m.

Secretary of State,

Washington.

5109, August 6, 6 p.m.

AMERICAN INTERESTS GERMANY

Legation's 5041, August 4.

Swiss Foreign Office note August 3 states Swiss Legation Berlin reports Germany Ministry of Foreign Affairs refuses to furnish information confirming or denying presence persons included in group 163 Jews removed Vittel to Bergen Belsen contending they are not nationals countries under Swiss protection.

Swiss Legation reserves the right take up the question with two functionaries now absent who ordinarily occupy themselves with matters concerning transfer of internees and promises supplementary information when obtainable.

HARRISON

RAS VIA WAR DEPARTMENT
 This telegram must be
 paraphrased before being
 communicated to anyone
 other than a Government
 Agency. (RESTRICTED)

August 8, 1944

8 p.m.

RESTRICTED US URGENT

AMLEGATION,

TEHRAN

484

From Marcel Wagner to Axel Ludvigsen.

The number of this message is 0064. From your first message of the 4th of August, number mutilated, we understand that the James agreement is being followed by you. As we stated in our message 0063, this is in accord with our ideas. May I stress the importance of your prefixing to the proposal the preamble in the James agreement adapting it to conditions locally.

Insertions or changes in margin numbered paragraphs of the James agreement should be made in the proposal as follows:

Paragraph 4. As per our message number 0056, use your own judgment as to the reducing the area.

Paragraph 15. 250,000 and 500,000. This answers the question your message.

Paragraph 17. 30 percent and 30 percent.

Paragraph 20. 12 1/2 percent and 15 percent.

Paragraph 22. 100,000 barrels.

Paragraph 23. At the end of the first sentence add: "and shall be made in American dollars except in such cases where the company may be compelled to accept payment for its products in currency other than American in which case the company shall have

-2- #484, August 8, 8 p.m. to Tehran

have the option of settling in such other currency".

Paragraph 26. To this paragraph add paragraph 26 1/2. Provide a payment of 20 percent net profit available to the common stock of the operating company.

Paragraph 41. \$30,000. To the end of this paragraph add following: "Graduates of such training program who prove to be deserving shall after sufficient experience be rewarded with managerial or submanagerial positions".

Paragraph 47. Paragraph 47 1/2 to be added to this. Provide appointment of a representative of the Government the same as Amiranian 17th article.

Paragraph 61. At the end of this paragraph add as follows: "or any taxes higher proportionately than taxes paid by other companies engaged in the same business". Also add paragraph 61 1/2 as follows: "Upon request of Government or company at any time the parties will mutually agree on fixed payments to the Government in lieu of all taxes which payments shall not be higher proportionately than similar payments then being made by other companies engaged in the same business and if parties fail to agree on amounts of such payments within a reasonable time such payments shall be fixed by arbitration".

Our message 0065 will follow with more information.

STETTINIUS
Acting (JCS)

PED:TT:TL

ME NEA
8-8-44

CORRECTION

MS

Distribution of true
reading only by special
arrangement. (SECRET W)

August 8, 1944

In telegram number 1370 from Ankara dated
July 26, 4 p.m., FOR PELLE WRE FROM HIRSHMANN,
please change the number of the telegram to read
"1730". Advice from Ankara.

DIVISION OF COMMUNICATIONS AND RECORDS

JMS