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July 17, 1941  
9:30 a.m.

GROUP MEETING

Present: Mr. Bell  
Mr. Haas  
Mr. Thompson  
Mr. Gaston  
Mr. Blough  
Mr. Graves  
Mr. Cochran  
Mr. Schwarz  
Mr. Viner  
Mr. Sullivan  
Mr. Kuhn  
Mrs. Klotz  
Mr. Foley

H.M.Jr: Herbert?

Gaston: I haven't anything.

H.M.Jr: John?

Sullivan: We got a request from Leon Henderson's office for permission to examine the individual income tax returns of a hundred of our wealthiest taxpayers. The request came to Mr. Blough, and we can't see any possible connection between that and the work that Henderson is doing on price control, and we are recommending that that request be denied. Is that satisfactory with you?

H.M.Jr: Confirmed.

Sullivan: The American Bar Association has asked me to

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speaking at their meeting at Indianapolis the latter part of September, and they are doing a great deal of work on overlapping taxes, and I thought that that might be a good place for somebody to make a speech on the work we are doing. I mean, if you think it is wise to give publicity to it.

H.M.Jr: State Bar?

Sullivan: No, it is the National Bar - the American Bar Association.

H.M.Jr: I would go.

Sullivan: Clinton Davidson, of Fidiciary Council, is one of the most objectively interested fellows in the country on tax matters and by far the most popular witness outside the Government on the Hill and before both Committees, and I think I told you sometime ago that he was trying to interest wealthy people owning state and municipal bonds in the repeal of the exemption of future issues. He was in to see me yesterday. He has had quite a good deal of success. They intend to publish a petition to the Congress, a full page advertisement in the papers, but many of these people who are quite willing to do it are rather afraid that the Government, the administration of the Treasury, would suspect some ulterior motive from their concerted action along this line, and he wanted some assurance that we wouldn't criticize that action or might even make some favorable comment, and I suggested that he send to me a copy of the petition, and we could then submit it to--

H.M.Jr: What do you recommend?

Sullivan: I would like to see the petition first. I

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think the work he is doing is quite good, and I think it is going to be quite helpful.

H.M.Jr: All right.

Sullivan: Did you want to discuss this morning the application of the joint returns with the exemption on unearned income?

H.M.Jr: Yes.

Sullivan: Mr. Blough and Mr. Tarleau and I worked on that yesterday afternoon, and I would like Roy to discuss that a little while.

Blough: I have a memorandum, if you are in the mood for memoranda, but I can talk--

H.M.Jr: How long will it take you to do it?

Blough: I can do it in either ten words or ten minutes.

H.M.Jr: We will try ten words. (Laughter)

Blough: In ten words, it is this. The idea would accomplish a very useful result but would be extremely complicated for the taxpayer to work out on his tax return, and that we fear that it is not a practicable thing to ask him to do, that however, we think there is a sort of a substitute in the form of a - if we add a special credit for small - or smaller earned incomes where there are two people working, that we will help to accomplish the same result without the complications.

That is more than ten words. I am sorry, Mr. Secretary.

(Mr. Foley entered the conference.)

H.M.Jr: Well, that doesn't have the appeal. It makes



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it more difficult. But after all, if I can say that for a man or woman who is earning his own living up to the present amount of fourteen thousand dollars, that they are exempt from joint returns, that is about fifteen words. Now you get all these special deductions and exemptions and you can't explain it to anybody. I don't care how complicated it is on the taxpayer. It is a question of selling it to the public.

Blough: Would it be feasible to sell the idea to the public and then try to work out a simplified and perhaps not fully applicable but a simplified way of handling it. There are eight separate steps in computing the tax when there is both earned and unearned income in the family.

H.M.Jr: Well, if you can work out a way, as long as you can stick to the formula.

Sullivan: He means departing from the formula and getting a rough approximation of the general result.

Blough: Now Mr. Gaston suggested a substitute which is interesting and that is that the smaller earned income of the two be treated as a separate income entirely for income tax purposes in computing the tax.

H.M.Jr: No, I don't like that.

Blough: And the rest of the income be added together.

H.M.Jr: This other thing is something - it is easy to explain. I don't care if you have to go through eight steps.

Blough: I agree that it is very easy to explain.

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- H.M.Jr: And it makes sense.
- Blough: And it makes sense and it becomes very hard for them to work out.
- H.M.Jr: Well, I think, seeing that the sanctity of the home and everything else is at stake, they would be willing to take eight steps forward in order to preserve the sanctity of the home. (Facetiously) You do some more home work. I like the idea, but I don't care how many steps there are.
- Blough: Well, it can be done. It is simply a matter of complication.
- H.M.Jr: Let's leave it that way. When I am pressed for an answer to talk for the Treasury, let me say that this is the scheme. Now, put it down, because I don't understand this three to fourteen thousand thing. Put it down on one sheet of paper, you see, that we feel here that husband and wife who earn income, each of them, up to fourteen thousand dollars, that that fourteen thousand dollars would be exempt from a joint return. In other words, if they each had fourteen and earned twenty-eight thousand, that would be exempt, but anything over and above that--
- Blough: That is right.
- H.M.Jr: .... would pay a tax.
- Well, you can explain that, but if you go into a lot of other stuff, you can't explain it.
- Blough: That is correct.
- H.M.Jr: Now, I don't know why there have to be eight

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steps. See what you can do, Roy, putting that down with that three to fourteen thousand. I may find - they may ask me again today; and, if they do, I am going to talk about it.

- Blough: That can be stated very simply in a single paragraph, Mr. Secretary, and I will be very glad to--
- H.M.Jr: You had better get it to me by ten twenty-five in case they ask me again. A lot of people are excited about it.
- Blough: Fine.
- H.M.Jr: I can explain that. All right. And I like it.
- What else?
- Sullivan: Mr. Doughton called this morning to tell me he called General Watson and Watson didn't call him back. He got hold of the General the next day and the General said that the President had no memorandum other than a short one he had drawn up himself. I assured the Chairman that the General must have misunderstood the situation.
- H.M.Jr: And so what?
- Sullivan: And so we thought it was a little late. He would have liked to have it, but he thought he had better not bother him.
- H.M.Jr: O.K. That is all right.
- Sullivan: The bill will be ready Friday night, and they are meeting Saturday morning to go over it.
- H.M.Jr: Watson calls me up no sooner than Doughton

called him up and said, "Doughton wants a memorandum. What is this?" So I said, "It is a memorandum I gave to the President." So he says, "What should I do?" I said, "You ask the President." He said, "What is your opinion?" So I said, "Well, I will answer it, Pa, but please remember I have a very delicate throat, and I don't like to get it cut. My recommendation is that the President doesn't give it to him." He says, "All right, I will remember about your throat," and he says, "I won't cut it." So that is that. So he didn't. The throat is still all right.

Foley: It looks as though you were getting ready. (Laughter) You have your collar open.

H.M.Jr: I take my shirt off when that comes. Dan ran me around the White House lot twice and just had me sweating. At eleven-thirty, if Mr. Bell and Mr. Cochran will come in, I am having Miss Kistler and Miss Shanahan here, of White's office, to post me on what happened for tomorrow.

Cochran: It is eleven-thirty?

H.M.Jr: Yes.

Cochran: I have one note from Sir Frederick Phillips. I will bring it in at that time. Then we have a wire from Japan to the effect that the Bank of Japan has been given more control over all financial institutions in the country in tightening up regulations and so on. We have arranged now to get more detailed information from New York for a few days on the Japanese transactions.

The Yokohama Specie Bank.

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May I put in touch with Mr. Kuhn a Professor Stockton. He is former president of Hull's University down in Tennessee. Mr. Gray of the State Department called yesterday and asked if we could use him. He is a pretty good publicity man, they say.

H.M.Jr: Can he sing?

Cochran: No, but he has a nice voice over the phone.

H.M.Jr: We could use a good singer.

Incidentally I thought number three program was the best yet.

Graves: Yes, so did I.

H.M.Jr: The best yet. And I listened to the police band from Mexico City. Do you think I ought to send the President of Mexico, Camacho, a telegram thanking him?

Graves: I don't know exactly what that arrangement was involving the--

H.M.Jr: That was awfully funny. It was all right. Ferdie cozes telegrams. I don't know how many he sent last night.

Kuhn: Two this morning.

Graves: I called Mr. Hoyt myself.

H.M.Jr: Oh, did you? It was very good.

Graves: Yes, it was good. He is a great fellow.

H.M.Jr: You will have every state putting on a coast-to-coast broadcast. That will be something.

Graves: Well, they will be doing things like that.

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H.M.Jr: Jake?

Viner: I think you ought to send somebody for the Treasury to - who can speak Japanese to Tokyo.

H.M.Jr: I know. We have been working on it ever since you suggested it. The difficulty is to find the person. Ever since you suggested it, we have been working on it.

Viner: Well, I really meant read it rather than speak it. I have one possible suggestion, although I don't know him very well, and that is John Aldrich of Columbia University. He may or may not be able to read Japanese, I am not sure.

H.M.Jr: Supposing you find out. Ferdie said he knew somebody last night who has been twenty-five years secretary of the YMCA in Japan.

Kuhn: He has been home here for fifteen years.

Viner: Well, back in 1918 I worked here on stuff taken out of the Japanese mails by the Naval Secret Service, Information Office, and translated, with a New Yorker who read and spoke Japanese, Edgar Salinger, who may still be available. Do you know him by any chance?

H.M.Jr: Well, if either of you will send me in a little memo about it, I will be delighted.

I thought I had that Count yesterday, the Hungarian Count with the Japanese mother. I thought he might talk it, but he said he doesn't. I said, "Do you know anybody who talks it." "My brother, he talks it very well." "Well, where is your brother?" "My brother is in Prague." That didn't work out. That is true. Isn't that what he said, Ferdie?

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Kuhn: Yes.

H.M.Jr: Word for word, isn't it?

Kuhn: Yes.

H.M.Jr: Will you get me some names?

All right?

Viner: May I use the phone to ask people that I know.

H.M.Jr: Oh, sure. Do you want to go and get the memo for me right now, Blough?

Blough: Yes.

H.M.Jr: Have it for ten twenty-five.

Haas: I have some more Savings Bond figures.

H.M.Jr: Just so we make - it doesn't come two ways now, does it?

Graves: No, I have withdrawn in favor of Mr. Haas.

H.M.Jr: Just as long as I get them, boys, that is all I care about.

Graves: You remember I told you when we were lunching together the other day that I had suppressed these figures the first part of the month, but I had them as of that day.

H.M.Jr: Now they look better.

Graves: That is the reason I suppressed them, they looked too good. They might be misleading, if you don't know exactly the base.

H.M.Jr: All right. Anything else?

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Haas: I haven't anything else.

H.M.Jr: I don't mind being put in there (referring to newspaper clipping) as Irving Berlin, but Irving Berlin might mind.

Schwarz: Who is the third man?

H.M.Jr: Bob Patterson, Barry Wood, and the third one is me.

Viner: Where is May West?

H.M.Jr: She is up in her room waiting for you to come up and see her sometime. (Laughter) O.K., Touché!

Viner: Touché! Crushed.

Schwarz: If you have a chance, Mr. Secretary, would you help us to expedite the radio talks on notes? The time is getting a little shorter.

H.M.Jr: Where are you?

Schwarz: Early said he presented it to the President and I thought you might have the opportunity to speed it along.

H.M.Jr: This is the twenty-second, isn't it?

Schwarz: It is the first, August 1, either here or at Hyde Park.

H.M.Jr: I will call up the President.

Schwarz: You may be asked at press conference for a comment on a proposal that all future wage increases be made in Savings Bonds.

H.M.Jr: Yes?



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Schwarz: The Wall Street Journal seemed to be interested in that.

H.M.Jr: Harold?

Graves: I had a telegram from Mr. Poland from Los Angeles, suggesting to me the name of George Martin of the Security National Bank as Chairman for --

H.M.Jr: What is the name?

Graves: George Martin.

H.M.Jr: I know him.

Graves: He says that you know him and I wondered if you had any impression about him.

H.M.Jr: He is tip-top, a very prominent Republican.

Graves: Will you allow me to send a telegram to him today --

H.M.Jr: Wait a minute, for State Chairman?

Graves: For Chairman of Southern California.

H.M.Jr: Before you do that, ask - what is this actress?

Schwarz: Helen Gahagan?

H.M.Jr: I wouldn't want to do it without asking Helen Gahagan.

Viner: Have you chosen anybody for Iowa yet?

Graves: No.

Viner: I have got a man for you.

Graves: Good.

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H.M.Jr: Call up Helen Gahagan and ask her. She would be very frank about it.

Graves: Would she be apt to understand that we are anxious not to have politics in this at all?

H.M.Jr: Explain it to her, but after all, you are going right down there in the movie colony and everything else and this man - but she has got her feet on the ground. Supposing you ask her.

Graves: I will call her.

H.M.Jr: And anyway, if there would be any come-back from the President or Mrs. Roosevelt, we would say we had talked to Helen Gahagan and she said it was all right. That would be an anchor to the windward.

Graves: Everybody that Mr. Poland has been in touch with has been --

H.M.Jr: He is a very able citizen. I am wrong, he is either very close to Willkie or Hoover, one or the other. I don't know which.

Graves: He is the fellow, according to my telegram, who organized for you a farmers' banquet in San Francisco in 1933.

H.M.Jr: That is right. But I still say if you call up Helen Gahagan on the phone --

Graves: All right. I have nothing.

H.M.Jr: What is her husband's name?

Schwarz: Melvin Douglas.

H.M.Jr: She is quite a girl.

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Foley: She is National Committeewoman in California.

Graves: I know. By and large we are trying to stay away from any political angle on this particular thing.

H.M.Jr: I know. I still say, though, that it won't do any harm to ask Helen Gahagan.

Graves: Very good. They wanted an answer by this afternoon. They wanted me to wire them by afternoon.

H.M.Jr: Well, if you can call her by twelve o'clock.

Graves: Yes. Mr. Sloan and I are going to see Mr. Forrestal at eleven this morning. Forrestal had already put his recruiting man in touch with us.

H.M.Jr: Did he?

Graves: Yes.

H.M.Jr: He is a good one.

Graves: I have nothing else.

H.M.Jr: Daniel? Oh, excuse me, one thing. When you come in tomorrow, have here at ten o'clock the fellow who does the direct by mail. Have him here at ten.

Graves: Yes, Buckley.

H.M.Jr: With the latest key sheets. You know, I want -- I once was in the direct mail business, so I know something about it. I mean, bring his sheets in showing what each project has done, how it pulled, right up through until tonight, if possible. I would like to go over it with him. And then I want --

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Graves: He had better bring the material he is using so you will see it.

H.M.Jr: And the material. If he will have the material on one page, and then on the opposite page where we stand, how the thing is pulling.

Graves: Yes.

H.M.Jr: Please. Now, Mr. Bell.

Bell: Here is that statement of National Defense Expenditures by months. I broke it down to War and Navy so you could see that the Army went off in May and the Navy went up and then in June the Army went up and the Navy went off.

H.M.Jr: The Army in April spent five hundred and sixteen million, in May four hundred fifty-six, and in June five hundred and seven. The Navy spent two hundred twenty in April, three hundred thirty-eight in May, and two hundred forty-seven in June. We spent twenty-nine million dollars less in June than we did in May.

Bell: It is going at a pretty good rate this month.

Foley: I have got an appointment with Wallace.

H.M.Jr: All right. I have got a call in for him and I am going to tell him I want to bring Dr. Viner with me at this meeting this afternoon.

Viner: What time?

H.M.Jr: Two fifteen. We will leave here at two.

(The Secretary held a telephone conversation with Vice President Wallace).

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H.M.Jr: He would be delighted. On your way.

Foley: All right. Dean Acheson said this morning that you asked him about buying an icebreaker from the Russians. He said he has got it cleared over there and he is writing you that it would be a good idea to go ahead and negotiate now.

Gaston: That means we can negotiate direct.

H.M.Jr: Does that mean we can negotiate direct?

Bell: I should think so. That was the idea.

Foley: I should gather so. Why don't you talk to Dean, Herbert, to make sure?

H.M.Jr: I think I would talk to Dean first.

Gaston: Right.

Bell: That is all I have.

H.M.Jr: Norman?

Thompson: I have your memorandum about Professor Odegard. I can arrange that all right, but I need to talk to Odegard first to make sure he will be satisfied.

H.M.Jr: I only want to do it if it is to his advantage.

Thompson: Well, there is one thought on it. Under the civil service tie-ups we have now there is a three grade demotion.

H.M.Jr: My only thought was --

Thompson: I don't know whether you want to do it without Odegard knowing that it means a three grade demotion in the records.

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H.M.Jr: If he is not to gain by it, forget it.

Thompson: I will talk to him.

H.M.Jr: If he gains by it, you see.

Thompson: You see, he is in the top stage now as a sort of expert.

H.M.Jr: Well, it is only if he would gain on the net, that is what I was thinking.

Thompson: I will go over it with him.

H.M.Jr: I thought he might work for Dr. Viner.

Cochran: Mr. Secretary, Mr. Turbay, the Colombian Ambassador, was in yesterday.

H.M.Jr: What is the man's name?

Cochran: Turbay, Colombian Ambassador. He came in to give us some more information on the Stabilization movement. He had given given word to the press that he was coming down here, so they may question you about it this morning.

H.M.Jr: What do I say?

Cochran: He was just in on a routine conversation.

Schwarz: Yesterday they asked if they had been to see Dan and we were able to say that they had not.

H.M.Jr: I will tell them to go and see the Colombian Ambassador.

Cochran: That is about what the press bureau said yesterday.

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- Bell: They asked me last week and I said that they had been in and paid more or less of a courtesy call and left some documents which we were to study and we may have them in again, I said, but I said, "At the present time we have nothing to say on what is in store for them," but he keeps giving something to the press from the embassy all the time. I think it is very unfortunate.
- Schwarz: He wants to be President, they tell me.
- H.M.Jr: Oh. Ferdie, if you come back in about five minutes, I will be ready for you.
- Kuhn: Yes, sir.

July 17, 1941  
9:55 a.m.

HMJr: Hello.

Henry  
Wallace: Hello.

HMJr: Henry?

W: Yes.

HMJr: Would it be agreeable to you in addition  
to Foley that I bring Dr. Viner?

W: Oh, fine.

HMJr: I understand he's working with you anyway.

W: Be delighted to have him.

HMJr: Thank you.



July 17, 1941  
10:05 a.m.

HMJr: Hello.

Operator: Mr. Cooper.

HMJr: Hello.

Jere  
Cooper: Hello, Henry.

HMJr: Jere, did you get my letter?

C: Yes, thank you.

HMJr: I wrote it that way - I didn't think I'd go - you'd want a long, lengthy explanation.

C: Uh huh.

HMJr: All you wanted was the results.

C: Yeah.

HMJr: Is that right?

C: Yeah, certainly.

HMJr: Now, if it - if it - I think it'll happen either - right away.

C: Uh huh.

HMJr: I told the boys to fix it up, and they've got some way of doing it.

C: All right.

HMJr: So - now, does that take care of her all right?

C: Well, of course, I don't know until I find out what they do, Henry.

HMJr: All right. Well.....

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C: But if it - if it doesn't, I'll let you know if you want me to.

HMJr: I - that's what I'm calling you for.

C: All right.

HMJr: Anything else?

C: No, I'm going to committee meeting right now.

HMJr: Well, any time anything like that - I consider it a privilege.

C: Well thank you. That's very kind. I appreciate it so much.

HMJr: And just call me myself, don't call anybody else.

C: All right. Thank you so much, Henry.

HMJr: All right.

C: Good-bye.

July 17, 1941  
4:01 p.m.

Oscar  
Cox: Yes, Mr. Secretary.

HMJr: Oscar?

C: Yes.

HMJr: Are you going to be able to do anything on the Lend-Lease for Mr. Pleven?

C: Uh.....

HMJr: Representing General DeGaulle?

C: I think so, although I had put it up to Harry before Pleven spoke to him.

HMJr: Yeah.

C: And he never reached any decision on it; and as you know, he's now in England.

HMJr: I know, but there's.....

C: I think the thing to do on it is to.....

HMJr: I can't hear you, Oscar.

C: I say I think the thing to do is to just go ahead and put it up to the President in terms of a specific requisition.

HMJr: Yeah. Now do you know what he wants?

C: No I don't. I'd like to talk to him.

HMJr: Well, he's here now. When could you talk to him?

C: Any time he wants to. I can see him right away if he wants to.

HMJr: Well, where are you?

- 2 -

C: Second Floor of the Federal Reserve Building.

HMJr: Well, he'll be through here - he could be over there at - let me ask him.

(Talks aside) Have you another appointment?

He could be there - he could be there, maybe, in fifteen or twenty minutes.

C: That'll be fine.

HMJr: What's your room number?

C: I'm in the Richmond Room.

HMJr: In the Richmond Room?

C: Yeah. Gone Southern. They're so damned fancy over here they don't have numbers on the rooms.

HMJr: In the Richmond Room of the Fed?

C: Yeah, second floor.

HMJr: In fifteen or twenty minutes.

C: That'll be fine.

HMJr: Now what you want to know is what he wants you to - put the requisition through and put it up to the President.

C: Right.

HMJr: Well, that's fast enough.

C: Yeah. We'll do it as fast as we can.

HMJr: Wonderful. He doesn't want much.

C: All right. I'll.....

- 3 -

HMJr: I mean, it won't run into many dollars.

C: Well, we're not worried about the dollars. Have we got three thousand pursuit ships for him?

HMJr: What?

C: What does he want? Only three thousand fighter ships?

HMJr: No, he didn't - he hasn't asked for any planes.

C: Yeah.

HMJr: He might - no, they - I think they want some cranes, so that they can equip their docks to unload; they've got docks there with the water - thirty-three feet.....

C: Yeah.

HMJr: .....and some broadcasting equipment, and Harry's arranged that he may get the quinine and medical supplies for the Red Cross.

C: Good. Well, I think we ought to do it, and we'll be glad to push anything we possibly can.

HMJr: Now your're talking.

C: Right.

HMJr: Thank you.

C: Good-bye.

HMJr: I'll have him over in fifteen or twenty minutes.

C: That's good.

HMJr: Thank you.

July 17, 1941  
4:42 p.m.

James  
Forrestal: Henry?

HMJr: Yes, Jim.

F: You mentioned, I think, a hundred flying  
boats delivered since the first of the  
year.

HMJr: Yeah.

F: Well, the actual figure is a hundred  
and seventy-two. Ninety to the British  
and eighty-two to us.

HMJr: Well, I must have had in mind.....

F: Probably the British - probably - maybe  
you had our figure in mind, you see.

HMJr: Yeah.

F: And they're coming out now at the rate of  
forty a month.

HMJr: Wonderful. I must have had the figure -  
to the Navy, itself.

F: Very likely.

HMJr: How many is your figure?

F: Huh?

HMJr: How many did you get?

F: One hundred - we got ninety, and the  
British got eighty-two.

HMJr: Well, that must have been for the U. S.  
Navy.

F: Yeah. And there - they are - they aren't  
yet quite up - they'll be up to fifty a

- 2 -

month, I think, by the end of the summer.

HMJr: I sent a copy, whatever I wrote on it, to Frank Knox.

F: Yeah.

HMJr: You can ask him if you're interested. He's got a copy of the figures and my letter to the President.

F: Yeah. All right, I'll - I'll take a look.

HMJr: Take a look at it and see if.....

F: You've only.....

HMJr: And before I sent the figures over, I had Lubin check them.

F: Yeah. Well, just like all figures, I find they're just about as elastic as.....

HMJr: Because we're on a - our figures are on a weekly basis.

F: Yeah.

HMJr: Yours are, I think, on a monthly basis.

F: Yeah.

HMJr: But anyway - and you say now you're getting forty a month?

F: Yeah. Well, we're getting - we had actually - we had, yes, there were thirty-nine, actually, in June.

HMJr: That was all together?

F: Yeah.

HMJr: Or just for the Navy.

F: No, combined.

- 3 -

HMJr: I see. Well, that's fine.

F: You don't want to go out to the Pacific and see the Fleet next week, do you?

HMJr: (Laughs) You rush me.

F: Huh?

HMJr: Where you going, to Hawaii?

F: Yeah.

HMJr: Not next week, but maybe some time in August. No, I couldn't go next week.

F: You couldn't go?

HMJr: You're going out, huh?

F: Well, I think so.

HMJr: Well, it sounds exciting.

F: It'd be fun to go together.

HMJr: Yeah. I'd love it. Try me again.

F: All right.

HMJr: I tell you. My wife and I are planning to go away up to a fishing camp in the Adirondacks for a week on the twenty-fourth.

F: Yeah.

HMJr: We've planned it for two months.

F: Yeah.

HMJr: So, I think I - I'll do that.

F: Okay, Henry.

HMJr: Give me another chance.



- 4 -

F: All right.

HMJr: Thank you.

5281

FROM THE DESK OF  
OSCAR COX

29

Secretary Morgenthau:

For your confidential  
information.

17 July 1941.

OSC

ADDITIONAL DEFENSE MATERIAL  
IN THE PLACE OF PASSENGER AUTOMOBILES

There is set forth below in short form a plan to obtain additional defense articles by making available more strategic materials, men and executive ability. The plan allows sufficient time so that the substitution of defense articles for passenger automobiles can be efficiently achieved. Sufficient time is allowed before the purchase of materials is necessary, and sufficient time is allowed for the selection of and jiggling for defense materials. The plan can be achieved with a minimum disturbance to the labor set-up and contemplates the utilization, in their regular order, of tool designers, tool makers, machinery set-up men and machinery operators.

The plan is as follows:

- 1) Passenger car production is to be curtailed on the following scale:
  - a) For October, November and December, 1941, 20% less than for the same months in 1940.
  - b) For January and February, 1942, 30% less than for the same months in 1940.
  - c) For all months thereafter until the schedule is revised, 50% less than the comparable month in 1940.
- 2) A warning for reduction should be issued to manufacturers of motor car accessories and manufacturers of semi-finished raw materials, such as bar steel, in order that no over-size inventory shall be built up on diameters, thicknesses, or sizes only fitted for passenger car practice.

- 2 -

- 3) A schedule of reduction of spare parts to be fabricated during restricted periods should be issued, based upon known mortality and allowing for the increase in demand for such parts due to the fact that cars would stay in use longer.
- 4) A list of defense substitutes for automobiles and parts shall be made available quickly. This will allow the maximum advantage in time for planning tools and jigs for the utilization of machine tools made available.

OSG:djb  
7-15-41

TELEPHONE: REPUBLIC 7660



Box 680  
BENJAMIN FRANKLIN STATION  
WASHINGTON, D. C.

**BRITISH MERCHANT SHIPPING MISSION**

17th July, 1941

Dear Mr. Mack,

Thank you very much for your letter of July 15th, 1941. I shall, of course, be delighted to see you and would suggest some time tomorrow if that would be convenient to you. Perhaps your secretary could arrange a definite time by telephone?

*ambin  
day.*

I very much regret the misunderstanding which has arisen over the case of the "Testbank." It was not until I had made careful inquiry that I wrote to the Secretary of the Treasury, but I was not informed of the delay on the British Government side to which you now draw my attention.

It now appears that the hold up on this vessel was due to lack of coordination on our side, which will be put right for the future.

Yours sincerely,  
*Arthur Salter*  
Arthur Salter.

Clifton E. Mack, Esq.  
Director of Procurement  
Treasury Department  
Washington.

July 15, 1941.

Rt. Hon. Sir Arthur Salter,  
Director-General,  
British Merchant Shipping Mission,  
Washington, D. C.

My dear Sir Arthur:

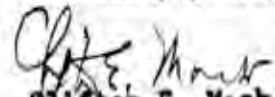
Your letter of July 12, 1941 with reference to phosphate shipments from Florida ports under various requisitions, has been referred to me by the Secretary of the Treasury.

I appreciate your assurance that full information will be furnished this Division concerning the expected ship arrivals, due consideration being given to all circumstances.

The last paragraph of your letter states that a vessel arrived at Tampa on June 30th to load pebble phosphate, but that it was necessary to take a cargo of triple super phosphate as no pebble phosphate was available. Our records show that we did not have a clearance from the British Purchasing Commission to make awards on pebble phosphate until July 3rd.

Would it be convenient for you to meet with me in order that further possible misunderstandings may be avoided? I assure you that the Procurement Division will do all possible to assist you in your shipping problems which I appreciate are most difficult.

Sincerely yours,

  
Clifton E. Mack,  
Director of Procurement.

CEM/ste

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Used by the Secretary at his press  
conference on Thursday, July 17, 1941

NATIONAL DEFENSE EXPENDITURES  
(Daily Treasury Statement)

1941	<u>War</u>	<u>Navy</u>	<u>Other</u>	<u>Totals</u>
April	\$ 516 M	\$ 220 M	\$ 25 M	\$ 761 M
May	456	338	43	837
June	507	247	54	808
July 1-15	245	179	37	461

Actual expenditures for 1941 . . . . \$ 6,048 M

Estimated expenditures for 1942 . . 15,500 M

Under Secretary  
July 17, 1941



## TREASURY DEPARTMENT

## INTER-OFFICE COMMUNICATION

DATE July 17, 1941

TO Secretary Morgenthau

FROM Mr. Cochran

## STRICTLY CONFIDENTIAL

*Exempt from release  
this 7/17/94  
MUC*

Mr. Bewley, British Financial Counselor, called on me at 10:15 this morning. He permitted me to see the text of a strictly confidential telegram to Lord Halifax from Mr. Eden. This repeated a communication from the British Legation in Bern to the effect that French-German negotiations for repaying occupation expenses in gold instead of French francs had terminated. Under this agreement Darlan was reported to have agreed to pay in gold. This whole matter had been kept absolutely secret and the French public knows nothing about. The message stated that two payments had already been made, one of 5,000,000 gold francs and a second in a still higher amount. Darlan had secured liberation of French sailors in exchange. Informants in Vichy feared the intervention of the French fleet against Great Britain. (I remarked to Bewley that the message from Bern, dated June 26, had been written before the armistice in the Near East between France and Great Britain). The message concluded that payment in gold of occupation expenses would lead to the progressive liquidation of all French gold stocks abroad except those blocked in Anglo-Saxon countries. Our confidential files indicate that in addition to the \$245,000,000 of gold held in Martinique, France has had approximately \$500,000,000 of gold in French West Africa, from which latter supply some has been transported to Europe within the past few months. It is not believed that there is much Bank of France gold in France itself. The balance of the French gold stock is held in American or British territory.

*J. M. F.*

July 17, 1941

Dear Fiorello:

Last Friday, at Cabinet, I listened to discussions on how aluminum could be collected, paid for, and distributed. Frankly, after listening to the explanation, I did not understand the procedure.

I would appreciate it if you would write me an explanation of just how the whole thing works as I am very much interested in understanding just how aluminum is collected, who collects it, what the ultimate destination of it is, and what happens to the money received through the sale of the aluminum.

Kind regards,

Yours sincerely,

*Henry*

Honorable Fiorello La Guardia,  
Director, Office of Civilian Defense,  
Washington, D. C.

By Messenger

*7/16 Gene Hoffman  
10:10 a.m.*

July 17, 1941

Dear Fiorello:

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(Signed) Henry

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(Signed) Henry

By Messenger

Honorable Fiorello La Guardia,  
Director, Office of Civilian Defense,  
Washington, D. C.

July 17, 1941

To: Mr. Foley  
From: The Secretary

If we could get that amendment through, making it possible for me to buy United States Government Bonds, I could buy one with the President on August 1. I wish you'd see if there's any chance of getting this amendment through before August 1, so that I could buy one of the certificates on August 1. See what you can do about it, and let me know.

*done*

July 17, 1941

To: Mr. Norman Thompson

From: The Secretary

I wonder if we couldn't put Professor Odegard on a salary of a hundred dollars a week just the way Viner is, so that if he's away for this week, he would get his salary just the same. I'm going to consult with him even though he's away, and he's thinking about our problem all the time.

This is OK with Odegard  
& will be done  
7/18  
The

THE SECRETARY OF THE TREASURY  
WASHINGTON

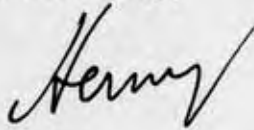
July 17, 1941

Dear Archie:

I am sending you herewith the letter which I have just received from Mr. Howard Dietz. I think if you could find time to read this before you come for supper tonight, it would be helpful.

I would appreciate it if you would bring this material with you tonight as I need it to work with.

Yours sincerely,



Honorable Archibald MacLeish,  
Librarian of Congress,  
Washington, D. C.

THE SECRETARY OF THE TREASURY  
WASHINGTON

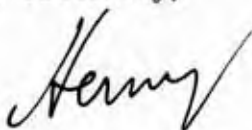
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Yours sincerely,

(Signed) Henry

By Messenger

Honorable Archibald MacLeish,  
Librarian of Congress,  
Washington, D. C.

10:05 a.m.  
7/19/41

July 17, 1941

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I would appreciate it if you would bring this material with you tonight as I need it to work with.

Yours sincerely,

(Signed) DanFS

By Mes-

Honorable Archibald MacLeish,  
Librarian of Congress,  
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[Signed] Henry

By Messenger

Honorable Archibald MacLeish,  
Librarian of Congress,  
Washington, D. C.

DEFENSE SAVINGS STAFF

46

ADVANCE NOTICE RADIO PROGRAM

THURSDAY - JULY 17, 1941

Time: 9:30 - 9:45 A.M.

Program: Stepmother

Station: WJSV and Columbia Broadcasting System

Time: 3:30 - 3:45 P.M.

Program: Lorenzo Jones

Station: WRC and National Broadcasting Red Network

Time: 4:14 - 4:30 P.M.

Program: Portia Faces Life

Station: WRC and National Broadcasting Red Network

Time: 9:30 - 10:00 P.M.

Program: Quiz of Two Cities

Station: WRC - Washington  
and  
WFBR - Baltimore

THESE PROGRAMS PROMOTE THE SALE OF DEFENSE BONDS AND STAMPS.

CONFIDENTIAL

## UNITED STATES SAVINGS BONDS

Sales in July Compared with June, 1941  
On Basis of Issue PriceFirst Thirteen Business Days  
(June 1-16, July 1-16)

(Amounts in thousands of dollars)

Item	Sales		Increase or Decrease (-) in July Compared with June	
	July	June	Amount	Percent
	Series E - Post Offices	\$ 27,780	\$ 22,577	\$ 5,203
Series E - Banks	<u>47,676</u>	<u>32,891</u>	<u>14,785</u>	<u>45.0</u>
Series E - Total	75,457	55,468	19,989	36.0
Series F - Banks	12,748	18,510	- 5,762	- 31.1
Series G - Banks	<u>55,625</u>	<u>113,720</u>	- <u>28,095</u>	- <u>24.7</u>
Total	<u>\$173,830</u>	<u>\$187,698</u>	-\$ <u>13,868</u>	- <u>7.4%</u>

Office of the Secretary of the Treasury,  
Division of Research and Statistics.

July 17, 1941.

Source: All figures are deposits with the Treasurer of the United States  
on account of proceeds of sales of United States Savings Bonds.Note: Figures have been rounded to nearest thousand and will not  
necessarily add to totals.

CONFIDENTIAL

## UNITED STATES SAVINGS BONDS

Daily Sales - July 1941  
On Basis of Issue Price

(In thousands of dollars)

Date	All Bond Sales				Post Office Bond Sales	Bank Bond Sales			
	Total	Series E	Series F	Series G	Series E	Total	Series E	Series F	Series G
July 1941									
1	\$ 9,505	\$ 2,387	\$ 957	\$ 6,160	\$ 595	\$ 8,910	\$ 1,793	\$ 957	\$ 6,160
2	11,612	4,066	845	6,701	1,735	9,877	2,331	845	6,701
3	15,045	4,903	843	9,299	2,077	12,969	2,827	843	9,299
5	22,900	9,589	2,437	10,875	3,191	19,709	6,397	2,437	10,875
7	11,028	6,315	472	4,242	3,908	7,120	2,407	472	4,242
8	11,226	4,867	1,197	5,162	1,346	9,881	3,522	1,197	5,162
9	16,570	6,277	880	9,413	2,229	14,341	4,048	880	9,413
10	11,430	6,018	605	4,808	2,459	8,972	3,559	605	4,808
11	16,311	8,504	1,197	6,610	2,405	13,905	6,098	1,197	6,610
12	12,689	4,482	860	7,347	1,672	11,017	2,810	860	7,347
14	13,435	7,754	1,046	4,636	3,060	10,375	4,693	1,046	4,636
15	10,083	4,754	602	4,728	1,458	8,625	3,296	602	4,728
16	11,994	5,541	808	5,645	1,645	10,349	3,896	808	5,645
Total	\$173,830	\$ 75,457	\$ 12,748	\$ 85,625	\$ 27,780	\$146,049	\$ 47,676	\$ 12,748	\$ 85,625

Office of the Secretary of the Treasury, Division of Research and Statistics.

July 17, 1941.

Source: All figures are deposits with the Treasurer of the United States on account of proceeds of sales of United States Savings Bonds.

Note: Figures have been rounded to nearest thousand and will not necessarily add to totals.

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Regraded Unclassified

THE WHITE HOUSE  
WASHINGTON

July 17, 1941

MEMORANDUM FOR THE SECRETARY OF THE TREASURY:

Dear Henry:

I am enclosing herewith several copies of a Press Release together with the text of a Proclamation. The Press Release has been approved by the President and the Proclamation has been signed by him under this date.

These will be made available to the Press at the White House this afternoon. UNTIL RELEASED, they are to be considered as CONFIDENTIAL.

RELEASE is automatic -- 3:00 P. M. Eastern Standard Time, today.

The above, for your information and guidance.



STEPHEN EARLY  
Secretary to the President



July 17, 1941

As a further step in view of the unlimited national emergency declared by the President, he has today issued a proclamation authorizing the promulgation of a list of persons which will be known as "The Proclaimed List of Certain Blocked Nationals". The list will consist of certain persons deemed to be acting for the benefit of Germany or Italy or nationals of those countries and persons to whom the exportation directly or indirectly, of various articles or materials is deemed to be detrimental to the interest of national defense. The list will be prepared by the Secretary of State acting in conjunction with the Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Administrator of Export Control, and the Coordinator of Commercial and Cultural Relations between the American Republics.

Simultaneously with the issuance of the proclamation, a proclaimed list was issued by the designated Government officials containing the names of more than 1800 persons and business institutions in the other American Republics. This list is the result of long and intensive investigations and studies by the interested governmental agencies. The list will be published in the Federal Register and may be obtained in pamphlet form from various governmental institutions and the Federal Reserve Banks. From time to time there will be additions to and deletions from the list which will be made public. The President gave warning that anyone serving as a cloak for a person on the list will have his name added forthwith to the list.

The list will have two principal functions. In the first place, no article covered by the Export Control Act of July 2, 1940, may be exported to persons named in the list except under special circumstances. Secondly, persons on the list will be treated as though they were nationals of Germany or Italy within the meaning of Executive Order No. 8363, as amended, under which, on June 14, 1941, the freezing control was extended to all of the countries of the continent of Europe and nationals thereof.

At the time of the issuance of the proclamation, it was also announced that in attaining the objectives of Executive Order No. 8363, as amended, all efforts are being made to cause the least possible interference with legitimate inter-American trade. With that end in view the Treasury Department has issued a general license with respect to inter-American trade transactions and the financial transactions incidental thereto involving persons in the other American republics who may be nationals of a European country designated in the order. This general license will permit such classes of transactions without the necessity of applying for specific licenses.

The general license, however, will not apply to persons as long as their names appear on the proclaimed list. In addition, exporters and importers in the United States may from time to time be advised by their banks or otherwise that instructions have been issued by the Secretary of the Treasury requiring specific license applications for trade transactions involving certain persons in the other American republics who are not named on the proclaimed list.

Furthermore, financial transactions which are not incidental to licensed trade transactions are not covered by the general license. With respect to such purely financial transactions, appropriate specific licenses will have to be obtained from the Treasury Department.

The proclaimed list will also serve as a guide to United States firms in the selection of agents and representatives in the other American republics.

AUTHORIZING A PROCLAIMED LIST OF CERTAIN BLOCKED  
NATIONALS AND CONTROLLING CERTAIN EXPORTS

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

I, FRANKLIN D. ROOSEVELT, President of the United States of America, acting under and by virtue of the authority vested in me by Section 5(b) of the Act of October 6, 1917 (40 Stat. 415) as amended and Section 6 of the Act of July 2, 1940 (54 Stat. 714) as amended and by virtue of all other authority vested in me, and by virtue of the existence of a period of unlimited national emergency and finding that this Proclamation is necessary in the interest of national defense, do hereby order and proclaim the following:

Section 1. The Secretary of State, acting in conjunction with the Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Administrator of Export Control, and the Coordinator of Commercial and Cultural Relations Between the American Republics, shall from time to time cause to be prepared an appropriate list of

(a) certain persons deemed to be, or to have been acting or purporting to act, directly or indirectly, for the benefit of, or under the direction of, or under the jurisdiction of, or on behalf of, or in collaboration with Germany or Italy or a national thereof; and

(b) certain persons to whom, or on whose behalf, or for whose account, the exportation directly or indirectly of any article or material exported from the United States, is deemed to be detrimental to the interest of national defense.

In similar manner and in the interest of national defense, additions to and deletions from such list shall be made from time to time. Such list and any additions thereto or deletions therefrom shall be filed pursuant to the provisions of the Federal Register Act and such list shall be known as "The Proclaimed List of Certain Blocked Nationals".

Section 2. Any person, so long as his name appears in such list, shall, for the purpose of Section 5(b) of the Act of October 6, 1917, as amended, and for the purpose of this Proclamation, be deemed to be a national of a foreign country, and shall be treated for all purposes under Executive Order No. 8389, as amended, as though he were a national of Germany or Italy. All the terms and provisions of Executive Order No. 8389, as amended, shall be applicable to any such person so long as his name appears in such list, and to any property in which any such person has or has had an interest, to the same extent that such terms and provisions are applicable to nationals of Germany or Italy, and to property in which nationals of Germany or Italy have or have had an interest.

Section 3. The exportation from the United States directly or indirectly to, or on behalf of, or for the account of any person, so long as his name appears on such list, of any article or material the exportation of which is prohibited or curtailed by any proclamation heretofore or hereafter issued under the authority of Section 6

- 2 -

of the Act of July 2, 1940, as amended, or of any other military equipment or munitions, or component parts thereof, or machinery, tools, or material, or supplies necessary for the manufacture, servicing, or operation thereof, is hereby prohibited under Section 6 of the Act of July 2, 1940, as amended, except (1) when authorized in each case by a license as provided for in Proclamation No. 2413 of July 2, 1940, or in Proclamation No. 2465 of March 4, 1941, as the case may be, and (2) when the Administrator of Export Control under my direction has determined that such prohibition of exportation would work an unusual hardship on American interests.

Section 4. The term "person" as used herein means an individual, partnership, association, corporation or other organization.

The term "United States" as used herein means the United States and any place subject to the jurisdiction thereof, including the Philippine Islands, the Canal Zone, and the District of Columbia and any other territory, dependency or possession of the United States.

Section 5. Nothing herein contained shall be deemed in any manner to limit or restrict the provisions of the said Executive Order No. 8389, as amended, or the authority vested thereby in the Secretary of the Treasury and the Attorney General. So far as the said Executive Order No. 8389, as amended, is concerned, "The Proclaimed List of Certain Blocked Nationals", authorized by this Proclamation, is merely a list of certain persons with respect to whom and with respect to whose property interests the public is specifically put on notice that the provisions of such Executive Order are applicable; and the fact that any person is not named in such list shall in no wise be deemed to mean that such person is not a national of a foreign country designated in such order, within the meaning thereof, or to affect in any manner the application of such order to such person or to the property interests of such person.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the City of Washington this seventeenth day of July, in the year of our Lord nineteen hundred and forty-one, and of the Independence of the United States of America the one hundred and sixty-sixth.

(SEAL)

FRANKLIN D. ROOSEVELT

By the President:

SUMNER WELLES

Acting Secretary of State

**THE PROCLAIMED LIST OF CERTAIN  
BLOCKED NATIONALS**

. . .

**Promulgated Pursuant to the Proclamation  
of July 17, 1941**

**THE PROCLAIMED LIST OF CERTAIN BLOCKED NATIONALS**  
**ADMINISTRATIVE ORDER**

By virtue of the authority vested in the Secretary of State, acting in conjunction with the Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Administrator of Export Control, and the Coordinator of Commercial and Cultural Relations between the American Republics, by Proclamation of the President, promulgated July 17, 1941,\* the following list known as "The Proclaimed List of Certain Blocked Nationals" is hereby promulgated.

Date: July 17, 1941.

By direction of the President:

SUMNER WELLES,  
*Acting Secretary of State.*

HENRY MORGENTHAU, Jr.,  
*Secretary of the Treasury.*

FRANCIS BIDDLE,  
*Acting Attorney General.*

JESSE H. JONES,  
*Secretary of Commerce.*

RUSSELL L. MAXWELL,  
*Administrator of Export Control.*

NELSON A. ROCKEFELLER,  
*Coordinator of Commercial and Cultural Relations  
between the American Republics.*

\*Proclamation of July 17, 1941, is printed at page 55.

(1)

## ARGENTINA

- A. E. G. Cia. Argentina de Electricidad, S. A.  
 Accumulatorenen-Fabrik A. G. (Fabrica de Acumuladores S. A., Buenos Aires branch)  
 Aceros Boehler Casa Dank, Soc. de Resp. Ltda.  
 Aceros Styria, S. R. L. -- -- -- --  
 Afa Tudor Varta, Fabricas Reunidas de Acumuladores S. A.  
 Agfa Argentina (Dr. Kurt Oppenheim y Cia.)  
 Aiello, J. Juan de J. Carlos Armagnague, Casa  
 Amme, Giesecke y Konegen Soc. de Resp. Ltda.  
 Anilinas Alemanas S. A. -- -- -- --  
 "Argenteco"—Argentina Technical Company  
 Argentina de Cereales y Algodon S. A., Cia. (C. A. D. E. C. A.)  
 Argentina de Comercio S. A., Cia. "Cadeцин"  
 Argentina de Fiscalizaciones y Mandatos, Cia.—"Cadeфина"  
 Argentina de Imp. y Exp. S. A., Cia. "Cardimex"  
 Argentina de Maquinas Soc. de Resp. Ltda., Cia. "Cadema"  
 Argentina de Representaciones Cia. (Soc.)..  
 Argentina Exportadora de Cereales Cia. ("Comparex")  
 Argentina Nueva Cia. General de Navegacion (Owners of s. s. "Buenos Aires", s. s. "Comodoro Rivadavia", and s. s. "Madryn")  
 Argentina Technical Company—"Argenteco"  
 Armagnague, J. Carlos,—Casa J. Juan Aiello  
 Aseguradora Argentina Cia. -- -- -- --  
 Banco Aleman Transatlantico (Deutsche Uberseeische Bank)  
 Banco Germanico de la America del Sud (Deutsche-Sudamerikanische Bank)  
 Banco di Napoli -- -- -- --
- Bdo. de Irigoyen 330, Buenos Aires, and all branches in Argentina.  
 Cangallo 2629, Buenos Aires.  
 Belgrano 550, Buenos Aires.  
 43 Esparza, Buenos Aires.  
 Cangallo 2629, Buenos Aires.  
 Bdo. de Irigoyen 653, Buenos Aires.  
 Bolivar 1828, Buenos Aires.  
 25 de Mayo 252, Buenos Aires.  
 Salta 323-25, Buenos Aires, and all branches in Argentina.  
 252-25 de Mayo, Buenos Aires.  
 Moreno 970, Buenos Aires.  
 Moreno 970, Buenos Aires.  
 Buenos Aires.  
 Reconquista 336, and Moreno 986, Buenos Aires.  
 Cangallo 541, Buenos Aires.  
 Reconquista 336, Buenos Aires.  
 c/o A. M. Delfino y Cia., Florida 439, Buenos Aires.  
 252-25 de Mayo, Buenos Aires.  
 Bolivar 1828, Buenos Aires.  
 San Martin 233, Buenos Aires.  
 Buenos Aires, and all branches in Argentina.  
 Buenos Aires.  
 Cangallo 332, Buenos Aires.

## ARGENTINA—Continued

Banque Francaise et Italienne pour l'Amerique du Sud S. A.	Buenos Aires, and all branches in Argentina.
Bauchhage y Cia. . . . .	Jose Uriburu 259, Buenos Aires.
"Bayer," La Quimica, S. A. . . . .	Cervino 3101, Buenos Aires, and all branches in Argentina.
Beiersdorf Soc. de Resp. Ltda. . . . .	Rioja 1767, Buenos Aires.
Berger y Cia., Curt . . . . .	25 de Mayo 386, Buenos Aires.
Bocklenberg, Paul . . . . .	Belgrano, Calle Pampa 2975, Buenos Aires.
Boker y Cia. Soc. de Resp. Ltda. . . . .	Moreno 437, Buenos Aires.
Bosch, S. A., Robert . . . . .	Rio Bamba 340-50, Buenos Aires.
Bose, Walter . . . . .	Sarmiento 459, Buenos Aires.
Brandt y Cia., G. (Dr.) . . . . .	Victoria 3101, Buenos Aires.
Bromberg y Cia., S. A. C. . . . .	Moreno 970, Buenos Aires, and all branches in Argentina.
Brunner, F. . . . .	Ave. de Mayo 1035, Buenos Aires.
Buchlein, Gerardo . . . . .	Florida 1065, Buenos Aires.
Buessau, Carlos . . . . .	Alsina 890, Buenos Aires.
Bussio, D. y Cia. . . . .	Calle Defensa 119, Buenos Aires.
Bussio, Oscar P. . . . .	Calle Defensa 119, Buenos Aires.
C. A. D. E. C. A.—Argentina de Cereales y Algodon S. A. Cia.	Moreno 970, Buenos Aires.
"Cadecin" Cia. Argentina de Comercio S. A.	Reconquista 336, Buenos Aires.
"Cadefina" S. A., Cia. Argentina de Fiscalizaciones y Mandatos	Reconquista 336, and Moreno 986, Buenos Aires.
"Cadema" (Cia. Argentina de Maquinas Soc. de Resp. Ltda.)	Belgrano 752, Buenos Aires.
Carbonera Buenos Aires Soc. de Resp. Ltda.	25 de Mayo 11, Buenos Aires.
"Cardimex" Cia. Arg. de Imp. y Exp. . . . .	Bartolome Mitre 311, Buenos Aires.
Cayani, Hugo Paoletti . . . . .	P. O. Box 878, Buenos Aires, and Ave. Teniente General Uriburu 618, Lanus, Provincia de Buenos Aires.
Chingotto, Julio Raul . . . . .	Pavon 730 Avellaneda, Buenos Aires.
Chingotto, Vicente . . . . .	Ave. R. S. Pena 637, Buenos Aires.
Christiani, H. . . . .	Paseo Colon 746, Buenos Aires.
Clarfeld y Cia., Ltda. Federico . . . . .	252-25 de Mayo, Buenos Aires.
"Clearing" Organizacion Sudamericana para el Intercambio de Maquinarias y Materiales Industriales	San Martin 195, Buenos Aires.
Comercial Ascensores Italianos Stigler Ltda., Cia.	25 de Mayo 340, Buenos Aires.
Comero, M. y Cia. . . . .	Reconquista 336, Buenos Aires.
"Comparex"—Cia. Argentina Exportadora de Cereales	Corrientes 300, Buenos Aires.
Condor, Ltda., Sindicato . . . . .	

**ARGENTINA—Continued**

"Continental" Cia. Transatlantica de Caoutchouc S. A.	Lavalle 1681, Buenos Aires.
Cordes, Robert	Aguilar 2306, Buenos Aires.
Coutinho, Caro y Cia.	San Martin 232, Buenos Aires.
Daarnhouwer, J. F.	Defensa 320, Buenos Aires.
Delbene, Hermanos y Cia.	Ave. del Trabajo y General Paz, Buenos Aires.
Delfino, A. M. y Cia. (Owners of Tugs "Almagro" and "San Martin")	Florida 439, Buenos Aires.
Deutsche Lufthansa, A. G.	All branches in Argentina.
Deutsche Uberseeische Bank (Banco Aleman Transatlantico)	Buenos Aires.
Deutz Otto—Cia. Argentina de Motores, Legitimo, S. A.	Pueyrredon 602, Buenos Aires, and all branches in Argentina.
Dillenius y Cia.	Libertad 40, Buenos Aires.
Dornfeld, Guillermo F.	Corrientes 424, Buenos Aires.
Duranona y Cia.	Alsina 1367, Buenos Aires.
Dyckerhoff & Widmann, S. A.	Ave. R. S. Pena 700, Buenos Aires.
El Fenix Sudamericano de Reaseguros	Bartolome Mitre 226, Buenos Aires.
Electra Ltda., Cia. de Representaciones de Responsabilidad Ltda.	5 de Julio 494, Buenos Aires.
Endler, Walter	Bolsa de Comercio Ese 639, Buenos Aires, and at Rosario.
Engels y Cia. Soc. de Resp. Ltda.	Chacabuco 430, Buenos Aires.
Erba, S. A. Agencia Carlos	Paseo Colon 329, Buenos Aires.
Establecimientos Klockner y Cia.	Buenos Aires.
"F. A. P. R. O.", Soc. de Resp. Ltda.	Reconquista 46, Buenos Aires.
Faber, Johann Lapices dos Martillos	Victoria 1951, Buenos Aires.
Fabricas Reunidas de Utiles Sanitarios, S. A. ("INAG")	Buenos Aires.
Fanciullini, Santi	Cangallo 342, Buenos Aires.
Farma Platense Soc. de Resp. Ltda.	Cavia 3333, Buenos Aires.
Ferrostaal S. A.	25 de Mayo 145, Buenos Aires.
Fiat Argentina S. A.	Goday Cruz 3054, Buenos Aires.
Finanzas & Mandatos S. A. Sociedad de	Reconquista 356, Buenos Aires.
Fischer, Guillermo	Independencia 980, Buenos Aires.
Fleischner, Erwin	25 de Mayo y Sarmiento, P. O. Box 1062, Buenos Aires.
Forn, Soc. en Comandita	Buenos Aires.
Fortalit S. A. Industrial y Comercial	Moreno 970, Buenos Aires.
Frers, Pablo	Reconquista 336, Buenos Aires.
Freytag, Felix	Ave. R. S. Pena 651, Buenos Aires.
Friedrich, Alberto	Bolivar 218, Buenos Aires.
Frohwein, Federico A.	Rivadavia 532, Obligado 1720, Casilla 883, Buenos Aires.
Fuhrmann Ltda., S. A. Financiera y Comercial	Herrera 2272, Buenos Aires.



## ARGENTINA—Continued

Furth, Julio (Papelas Astra, S. de R. L.—  
Oficina Tecnica Ergon)

"G. E. C. O.", Cia. Industrial y Comercial  
S. A.

"G. E. O. P. E.", Cia. General de Obras  
Publicas S. A.

Gamm, J. E., y Hijo .. .. .

Garling y Cia. .. .. .

Gavatelli, Renzo .. .. .

Geisenhof, Arturo .. .. .

General de Construcciones S. A., Cia. ..

Giovanelli, Aquiles .. .. .

Gonzalez, R. H., & Co. .. .. .

Grimm, R. .. .. .

Gruen & Bilfinger, Soc. de Resp. Ltda. ..

Gunther y Cia., Alfredo .. .. .

Gutermann, S. A., Sedas .. .. .

Guthmann, J. .. .. .

Hamburg S. A. La Plata Line .. .. .

Hardt y Cia., Engelbert .. .. .

Hartrodt y Cia., Soc. de Resp. Ltda. ..

Hasenclever y Cia. .. .. .

Hausner y Cia. (Peter Berg-Boulin) .. ..

Havero Trading Co., Ltda. .. .. .

Hayd y Cia. .. .. .

Heinlein y Cia. .. .. .

Hellen y Cia. .. .. .

Henschel e Hijos S. A. .. .. .

Herder, F., A. S. .. .. .

Hersch, Maximo .. .. .

Hohner, M., S. A. Comercial e Importadora  
(formerly M. Hohner Ltda. Soc. de Resp.  
Ltda.)

Hohner, Matthew .. .. .

Holste & Co., Juan J. .. .. .

Hormopharma Argentina, S. A. .. .. .

I. L. S. A. Importazione Lane, S. A. .. ..

Importazione Lane (Biella), S. A. .. ..

"Inag" Fabricas Reunidas de Utiles Sani-  
tarios, S. A.

Indunidas S. A., Mercantil de Industrias  
Unidas

Industrial y Mercantil Thyssen, Ltda., Cia.  
Thyssen-Lametal

Instituto Massone—Hijos de Atilio Massone  
S. en C.

84 Peru, Buenos Aires.

Balcarce 615-21, Buenos Aires.

Bdo. de Irigoyen 330, Buenos Aires.

Sarmiento 385, Buenos Aires.

Calle Peru 375, Buenos Aires.

Rio Bamba 905, Buenos Aires.

Lavalle 1530, Buenos Aires.

Ave. R. S. Pena 933, Buenos Aires.

Salta 935, Buenos Aires.

Cangallo 439, Buenos Aires.

Juncal 1980, Buenos Aires.

San Martin 235, Buenos Aires.

Balcarce 627, Casilla 936, Buenos Aires.

3072 Gutierrez, Buenos Aires.

Callao 1984, Buenos Aires.

Florida 439, Buenos Aires.

Corrientes 378, Buenos Aires.

Lavalle 341, Buenos Aires.

Belgrano 673, Buenos Aires.

Buenos Aires.

San Martin 296, Buenos Aires.

Carlos Calvo 708, Buenos Aires.

Caray 2428, Buenos Aires.

Moreno 1259, Buenos Aires.

25 de Mayo 145, Buenos Aires.

Viamonte 750, Buenos Aires.

252-25 de Mayo, Buenos Aires, and all  
branches in Argentina.

Alsina 1156, Buenos Aires.

Alsina 1156, Buenos Aires.

Sarmiento 212, Buenos Aires.

San Martin 492, Buenos Aires.

San Martin 195, Buenos Aires.

Universidad 1025, Buenos Aires.

Callao 1063, Buenos Aires.

Azopardo 858, Buenos Aires.

Belgrano 752, Buenos Aires, and all  
branches in Argentina.

Blandeques 4350, Buenos Aires.

## ARGENTINA—Continued

"Intergrafic" .....	Ave. R. S. Pena 651, Buenos Aires.
International Clearing Service (Maximo Hersch) .....	252-25 de Mayo, Buenos Aires.
Italcable .....	San Martin 318, Buenos Aires.
Italiana Laniera S. A., Cia. ....	San Martin 478, Buenos Aires.
Italmar S. A. de Empresas, Maritimas, Cia. ....	Ave. R. S. Pena 680, Buenos Aires.
Kade, Federico .....	Jaramillo 4141, Buenos Aires.
Kast y Ehinger, Soc. de Resp. Ltda. ....	Metan 4146, Buenos Aires.
Kellerhoff, Carlos .....	Santa fe 1364, Rosario.
Ketelhohn Hermanos .....	Bartolome Mitre 311, Buenos Aires.
Kirschbaum y Cia., S. en C. ....	Independencia 401, Buenos Aires, and all branches in Argentina.
Klockner, Establecimientos S. A. Ind. Arg. ....	Belgrano 931, Buenos Aires.
Konig, Juan .....	Sarmiento 459, Buenos Aires.
"Kores", Soc. de Resp. Ltda. ....	Bolivar 825, Buenos Aires.
Korner, Carlos .....	Ave. R. S. Pena 651, Buenos Aires.
Korth & Co., Juan .....	Calle Venezuela 663, Buenos Aires.
Kreuz y Cia. (Carlos Kreuz) .....	25 de Mayo 158, Buenos Aires.
Kruger, Luis .....	Estancia San Juan, Estacion Tres Sargentos, F. C. C., T. B. A. Railroad.
"Krupp", Sociedad Metalurgica Argentina S. A. ....	Sarmiento 329, Buenos Aires.
Kunstler e Hijos, Carlos .....	Sarmiento 1411, Buenos Aires.
La Ferreteria Alemana .....	Sarmiento 1401, Buenos Aires.
La Germano—Argentina Cia. de Seguros ..	Maipu 262, Buenos Aires.
La Portena, Empresa de Remolcadores (Owners of Tugs "Atleta", "Ciclope", "Coloso", "Gigante", "Hercules", and "Titan"; Tug and Salvage Steamer "Goliath", and Salvage Steamer "Samson") .....	c/o A. M. Delfino y Cia., Florida 439, Buenos Aires.
Laboratorio Quimico Biologico, S. A. ....	Monroe 1378, Buenos Aires.
Lahusen y Cia., Ltd. ....	Paseo Colon 317, Buenos Aires.
Larsen, Henry Gualterio (Trading as H. W. Larsen) .....	Bolivar 218, Buenos Aires.
Leineweber y Cia. ("La Gran China") ..	Sarmiento 740, Buenos Aires.
Leisse y Cia. ....	Chacabuco 390, Buenos Aires.
Lenger, Ferdinand .....	Bartolome Mitre 1265, Cevallos 411, Buenos Aires.
Lentz, G. ....	Quilmes.
Lentz, Wolf .....	Sarmiento 459, Buenos Aires.
Linificio e Canapificio Nazionale S. A. ....	Diagonal Norte 825, and Ave. R. S. Pena 825, Buenos Aires.
Lloyd Norte Aleman .....	25 de Mayo 267, Buenos Aires.
Lohmann, Otto W. ....	Alsina 2478, Buenos Aires.
Lopez, Felix .....	Casilla de Correo 2434, Buenos Aires.

## ARGENTINA—Continued

Mannesmann Soc. Tubos, Ltda., S. A. ..	Belgrano 327, Buenos Aires, and all branches in Argentina.
Marelli Motores, S. A. .. .. .	Callao 353, Buenos Aires, and at Rosario.
Marean S. A. Guido Ajmons, Importaciones Lane D'Oltremare (Biella)	Herrera 2272, Buenos Aires.
Martens y Cia., Soc de Resp. Ltda. .. ..	25 de Mayo 267, Buenos Aires.
Martens, Thilo .. .. .	25 de Mayo 267, Buenos Aires.
Martinez Orte, F. .. .. .	Avda. de Mayo 962, Buenos Aires.
Martini & Rossi (Argentina) Soc de Resp. Ltda.	Ave. R. S. Pena 1110, Buenos Aires.
Massone Hijos de Atilio S. en C. (Instituto Massone)	Blandequés 4350, Buenos Aires.
Mayer & Magnus, Soc. de Resp. Ltda. ..	Ave. L. N. Alem 168, Buenos Aires.
Mehr, Hugo .. .. .	Sarmiento 459, Buenos Aires.
Meldon Export Corporation .. .. .	San Martín 50, Buenos Aires.
Mercedes Benz Automoviles .. .. .	Ave. Alvear 2620, Buenos Aires.
Merck Quimica Argentina S. A. .. .. .	Rosetti 1084, Buenos Aires.
Mertig, Roberto .. .. .	Serrano 1818, and Callao 45-61, Buenos Aires.
Mesquera, Pascual Pino .. .. .	O'Higgins 1577, Buenos Aires.
Metzinger & Schinkel .. .. .	Alsina 1367, Buenos Aires.
Meyer, L. D., y Cia., Ltda. .. .. .	Paseo Colon 301, Buenos Aires.
Mika, Soc. de Resp. Ltda., Casa .. .. .	Directorio 192-194, Buenos Aires.
Minino, Juan .. .. .	Chacab 1553, Buenos Aires.
"Monopol" Soc. de Resp. Ltda. .. .. .	Medanos 1328-30, and Calle Maturin 2666, Buenos Aires.
Motores Diesel Modasag Sendling, Soc. de Resp. Ltda.	Peru 707, Buenos Aires.
Motte y Cia., Ltda., Otto, S. A. Comercial e Importadora	Cordoba 1467, Buenos Aires.
"MP" (Manuel Pereira) .. .. .	Lavalle 350, Temperley, F. C. S.
Mühlenberg, F. .. .. .	Sarmiento 212, Buenos Aires.
Naaki Soc. de Resp. Ltda. .. .. .	Lavalle 428, Buenos Aires.
Nagrassus, F. A. .. .. .	Paseo Colon 542, Buenos Aires.
Nebiolo, S. A. .. .. .	Sarmiento 459, Buenos Aires.
Nielhardt, Siegfried .. .. .	25 de Mayo 145, Buenos Aires.
Nobel y Naumann .. .. .	25 de Mayo 267, Buenos Aires.
Norddeutscher Lloyd S. A. (Lloyd Norte Aleman)	Alsina 531, Buenos Aires.
Noss, Augusto .. .. .	25 de Mayo 11, Buenos Aires.
"Obimare" Soc. de Resp. Ltda. .. .. .	Buenos Aires.
Oficina Tecnica Ergon (Julio Furth) .. ..	Florida 677, Buenos Aires.
Olivetti Argentina, S. A. Comercial e Industrial	Bdo. de Irigoyen 653, Buenos Aires.
Oppenheim y Cia., Dr. Kurt—Agfa Argentina	San Martín 66, Buenos Aires.
Orenstein & Koppel S. A. .. .. .	

## ARGENTINA—Continued

Ortholan Sucesion Juan S. en C. . . . .	Viamonte 1649, Buenos Aires.
Ortkras, German . . . . .	Alvarez Thomas 1350, Buenos Aires.
Oswam, Cia. Argentina de Lamparas Elec- tricas S. A. . . . .	Luca 2251, Buenos Aires, and all branches in Argentina.
Otero Hermanos, Soc. de Resp. Ltda. . . . .	25 de Mayo 347, Buenos Aires.
Pallavicini y Cia., E., S. A. C. . . . .	Moreno 970, Buenos Aires.
Papeles Astra, S. de R. L. (Julio Furth) . . . . .	Buenos Aires, and all branches in Ar- gentina.
Pappier, F. . . . .	Bahia Blanca.
Patow y Cia. . . . .	Venezuela 131, Buenos Aires.
Pawlowski, Juan . . . . .	Bartolome Mitre 1265, Buenos Aires.
Perlander y Cis. . . . .	Avenida R. S., Pena 615, Buenos Aires.
Pesserl, Frank R. . . . .	Sarmiento 557, Buenos Aires.
Phoenix Shipping Co., Argentina Soc. de Resp. Ltda. (Sucrs. Casa Max Gruenhut)	25 de Mayo 158, Buenos Aires.
Pino, Pascual . . . . .	O'Higgins 1577, Buenos Aires.
Poldi Aceros, Soc. de Resp. Ltda. . . . .	Jujuy 1928-42, Buenos Aires.
Pouldji, Miguel Eduardo . . . . .	Calle Chile 1477, Buenos Aires.
Rademacher, W. y Cia. . . . .	25 de Mayo 145, Buenos Aires.
Ramondenc, Eduardo (Hijo) . . . . .	Moreno 1441, Buenos Aires.
Rappard, Gustavo A. . . . .	San Martin 232, Buenos Aires.
Rheinmetall Borsig, Cia. Argentina de Ma- quinas Soc. de Resp. Ltda.	25 de Mayo 375, Buenos Aires.
Rhodium y Cia. . . . .	Ave. de Mayo 560, Buenos Aires.
"Rhodium" S. A. Comercial y Financiera . . . . .	Reconquista 336, Buenos Aires.
"Riberena del Plata" (Cia. Sudamericana de Comercio S. A.)	Ave. de Mayo 869, Buenos Aires, and all branches in Argentina.
Riedel y Lavalle Resp. Ltda. . . . .	Lavalle 2666-8, Buenos Aires.
Roechling-Buderus, Acero S. A. . . . .	Bulnes 2593, Buenos Aires.
Roediger, Rodolfo . . . . .	Peru 707, Buenos Aires.
Roemmers y Cia., Alberto J. . . . .	Antequera 1165, Buenos Aires.
Rubio, Andres . . . . .	Reconquista 46, Buenos Aires.
Rubio, Enrique . . . . .	Reconquista 46, Buenos Aires.
Rubio, Hermanos . . . . .	Reconquista 46, Buenos Aires.
Runze, Artur . . . . .	Calle Chile 1477, Buenos Aires.
"S. A. T. I." S. A. Tabacchi Italiani . . . . .	Alberti 40, Buenos Aires.
S. E. B. A. (Servicio Envios Buenos Aires) . . . . .	Cangallo 541, Buenos Aires.
Savelsbergh y Cia., Jose . . . . .	Buenos Aires.
Schaack, Luis R. . . . .	Victoria 1951, Buenos Aires.
Scharf & Velten . . . . .	Alsina 1871, Buenos Aires.
Schering Quimica S. A. . . . .	Monroe 1378, Buenos Aires.
Schmidt, C. A. D. . . . .	Pino 3502, Belgrano, Buenos Aires.
Schmidt, Neithold . . . . .	Libertad 1358, Buenos Aires.
Schoeller—Bleckmann Aceros, Soc. de Resp. Ltda.	Defensa 324, Buenos Aires.
Schubert, Victor . . . . .	Bdo. de Irigoyen 330, Buenos Aires.

## ARGENTINA—Continued

Schulz, Pablo .....	Ave. R. S. Pena 651, Buenos Aires.
Schulze, Otto .....	Sarmiento 459, Buenos Aires.
Schweizer, E. (Soc. de Resp. Escr. Ltda.) ..	Cangallo 318, Buenos Aires.
Sedalana, S. A. ....	2980 Forest Avenue, Buenos Aires, and all branches in Argentina.
Seifert & Co. ....	25 de Mayo 145, Buenos Aires.
Shaw, Strupp y Cia. ....	Buenos Aires.
Siderurgica Panamerica, Inc., Cia. ....	Paseo Colon 285, Buenos Aires.
Siemens-Bauunion, Cia. Platense de Con- strucciones S. A. ....	Ave. de Mayo 869, Buenos Aires,  Buenos Aires.
Siemens y Halske .....	Ave. de Mayo 869, Buenos Aires, and all branches in Argentina.
Siemens-Schuckert S. A., Cia. Platense de Electricidad .....	Buenos Aires.
Simonius, Vischer & Co., Ltda. ....	
Sindicato Condor, Ltd. (Deutsche Luft- hansa) .....	25 de Mayo 293, and Venez 110, Buenos Aires.
Skoda Platense S. A. Comercial e Indus- trial .....	25 de Mayo 347, Buenos Aires.
Soucek, Adalberto .....	Montes de Oca 1015, Buenos Aires.
Springer, C. W. ....	Zepita 3177, Buenos Aires.
Springer y Moller, S. A. ....	477 Ricon, Buenos Aires.
Starke, E. G. ....	Bdo. de Irigoyen 330, Buenos Aires, and all branches in Argentina.
Staudt y Cia., S. A. C. ....	Reconquista 336, Buenos Aires.
Steenhus, C., y Cia. ....	25 de Mayo 145, Buenos Aires.
Stinnes, Ltda., S. A. Com. e Ind., Hugo ..	25 de Mayo 145, Buenos Aires.
Stinnes, Maritima S. A., Hugo .....	Cangallo 315, Buenos Aires.
Strohschnittter y Cia. ....	Esparza 43, Buenos Aires.
"Styria" Aceros, Soc. de Resp. Ltda. ....	Casilla de Correo 64, Buenos Aires.
Suarez, Mauricio .....	Ave. de Mayo 869, Buenos Aires, and all branches in Argentina.
Sudamericana de Comercio, S. A. Cia.— "Riberena del Plata" .....	Sarmiento 459, Buenos Aires.
Sudamsteel (Sociedad de Responsabilidad Ltda.) .....	
Tanke, C. G. ....	Ave. L. N. Alem 2160, Buenos Aires.
Thomae, Federico Otto Heinrich .....	Belgrano 530, Buenos Aires.
Thorhauer y Cia. ....	M. Rodriguez 1140, Buenos Aires.
"Thyssen-Lametal,"—Cia. Industrial y Mer- cantil Thyssen, Ltda. ....	Belgrano 752, Buenos Aires, and all branches in Argentina.
Tjarks & Co., Hermann, Deutsche la Plata Zeitung .....	Corrientes 672, Buenos Aires.
Transocean News Service .....	Buenos Aires.
Tresoldi y Cia., Mario .....	771 Parana, Buenos Aires.
Trombauer, Alberto .....	Reconquista 336, Buenos Aires.
Tubos Mannesmann, S. A. (Mannesmann, S. A., Tubos) .....	Buenos Aires.
Van der Velde, Otto .....	Sarmiento 459, Buenos Aires.

**ARGENTINA—Continued**

Van der Velde y Cia., Otto .. .. .  
 Van der Velde y Wraage, Soc. de Resp.  
 Ltda.  
 Vsetecka, Miroslav .. .. .  
 Wagner, Soc. de Resp. Ltda. Gunther .. .. .  
 Walser, Wald y Cia. .. .. .  
 Wayas & Freytag, S. A. Empresa Construc-  
 tores  
 Wenzel, Francisco .. .. .  
  
 Werners, Juan Gerardo .. .. .  
 Wernicke, Dr. German .. .. .  
 Witte, Max .. .. .  
 Wraage, Bernardo .. .. .  
 Wuelfel Eisenwerk, Soc. de Resp. Ltda. .. .. .  
 Zbrojovka Ceskolovenska S. A. .. .. .  
 Zeiss, Carl .. .. .

San Martin 235, Buenos Aires.  
 Sarmiento 459, Buenos Aires.

Peru 457, Buenos Aires.  
 Humberto 2031, Buenos Aires.  
 Florida 486, Buenos Aires.  
 Ave. L. N. Alem 168, Buenos Aires.

Kilometro 7, Gerli Avellaneda, Provincia  
 de Buenos Aires.

Conesa 2757, Buenos Aires.  
 Alsina 1156, Buenos Aires.  
 Ave. la Plata 31, Buenos Aires.  
 Sarmiento 459, Buenos Aires.  
 Alsina 971, Buenos Aires.  
 25 de Mayo 11, Buenos Aires.  
 Bdo. de Irigoyen 330, Buenos Aires.

**BOLIVIA**

Arce, Armando ("La Calle") .. .. .  
 Ballivan, B. Tores .. .. .  
 Bedregal, Daniel .. .. .  
 Bernardo, Casa (Bernardo Elsner y Cia.) .. .. .  
 Borgolte, Rud .. .. .  
 Capdevila, Jose .. .. .  
 Cattoretti y Cia., V. .. .. .  
 Cerveceria Boliviana Nacional, S. A. .. .. .  
 Conzelman, Oscar (Conzelman y Cia.) .. .. .  
 Deutsche Lufthansa, A. G. .. .. .  
 Drogueria por Mayor de Ulrich Reye .. .. .  
  
 "El Fenix", Casa (Miranda & Wintruff) .. .. .  
 Elsner y Cia., Bernard .. .. .  
 Elsner & Co., Juan .. .. .  
 Encinas, Gerardo .. .. .  
 Ernst, Rotmann & Co. .. .. .  
 Fenix, Casa El (Miranda & Wintruff) .. .. .  
 Ferrostaal A. G. (Essen) .. .. .  
  
 Gundlach, Cornelius F. (Casa Gundlach) .. .. .  
  
 Gunther, Suers. Inc., Ernesto .. .. .  
 Hardt y Cia., E. (Hardt, E., & Company—  
 Hardt, E. W., & Company)  
 Harjes, H. .. .. .  
 "Imprenta Urania" Messrs. Santines &  
 Villegas.

La Paz, via Arica.

La Paz.

La Paz.

La Paz.

La Paz.

Santa Cruz de la Sierra.

Casilla 1313, 49 Loaiza, La Paz.

La Paz.

Tarija.

All branches in Bolivia.

Calle Yanococha 243-247, Casilla 525,  
 La Paz.

La Paz.

La Paz.

La Paz.

La Paz.

La Paz.

La Paz.

Surcursal de la Paz Yanococha 368, Ed.  
 Terrazas, Casilla 514, La Paz.

Cajon de Correo 15, La Paz, and all  
 branches in Bolivia.

Sorata.

La Paz.

Calle Colon 168, Casilla 526, La Paz.

La Paz.

## BOLIVIA—Continued

"Inti" .....	La Paz.
Kohlberg, Julius .....	Tarija.
Kunstmann y Cia. ....	Talleres Offset, La Paz.
Kyllmann, Bauer y Cia. ....	La Paz, and all branches in Bolivia.
Mansmann, Hans (Masmann, H.) .....	Oruro.
Masmann, H. (Mansmann, Hans) .....	Oruro.
Methfessel, Gerhard .....	Tarija.
Miranda & Wintruff (Casa "El Fenix") .....	La Paz.
Nielsen-Reyes y Cia. ....	La Paz.
Otero, Viuda de Valez .....	La Paz.
Pedregal, Daniel .....	Casilla 432, 402 Colon, La Paz.
Plattner, A. & M. (Sucs. de C. Albrecht) .....	La Paz.
Quidde & Co., George .....	Calle Potosi, La Paz.
Sanso, Francisco Fornas .....	La Paz.
Schilling, Ernest .....	La Paz, and all branches in Bolivia.
Schweitzer y Cia. ....	La Paz.
Tapia, Joaquin .....	La Paz.
Terrazas & Cia. ....	La Paz.
Vivienda Propia, S. A. ....	La Paz.
Vogel y Cia. ....	Potosi, and all branches in Bolivia.
Von Bergen y Cia., J. ....	La Paz.
Zeller, Mozer y Cia. ....	La Paz, and all branches in Bolivia.
Zieriacks, Becker y Cia. ....	La Paz.
Ziesenitz, F. ....	All branches in Bolivia.
Zugel, Paul .....	Tarija.

## BRAZIL

A. E. G. Cia. Sul Americana de Electricidade .....	Ave. Rio Branco 47, Rio de Janeiro, and all branches in Brazil.
Accumuladores Varta do Brasil Ltda. ....	Ave. Graca Aranha 49, Rio de Janeiro.
Acos Marathon do Brasil Ltda. ....	Ave. Visconde de Inhauma 38, Rio de Janeiro, and all branches in Brazil.
Acos Phenix Ltda. ....	Rua Sao Pedro 120, Rio de Janeiro.
Acos Roechling Buderus do Brasil de Electricidade .....	Sao Paulo.
Acos Roechling Buderus do Brasil Ltda. ....	Travessa Bom Jesus 6-8, Rio de Janeiro, and all branches in Brazil.
Acos Styria Ltda. ....	Rua Theophilo Ottoni 66, Rio de Janeiro.
Adriatica de Seguros, Cia. ....	Rua Uruguayana 87, Rio de Janeiro.
Agfa Photo A Chimica Bayer Ltda. ....	Rua dom Gerardo 42, Rio de Janeiro, and all branches in Brazil.
Allianca Cinematographica Ltda. ....	Praca Getulio Vargas 2, Rio de Janeiro, and all branches in Brazil.
Allianca Commercial de Anilinas Ltda. ....	Ave. Almte Barroso 81, Rio de Janeiro, and all branches in Brazil.
Alnorma Soc. Machinas Ltda. ....	Rua Sao Pedro 89, Rio de Janeiro.
Arens & Langen .....	Ave. Capichaba 10, Victoria, Espirito Santo.

## BRAZIL—Continued

Arruda y Cia., Irmao	Edificio Associacao, Commercial, Sala 205, Rio de Janeiro.
Arruda, V. Humberto	Rua Candelaria 86, Rio de Janeiro.
Assicurazioni Generali di Trieste e Venezia	Ave. Rio Branco 128, Rio de Janeiro.
Auto Distribuidora Ltda., Soc. (Automoveis Mercedes Benz & Opel)	Rua Sen Euzebio 180-182, Rio de Janeiro, and Sao Paulo.
Auto-Union Brasil Ltda.	Rua Riachuelo 187-189, Rio de Janeiro.
Banco Allemao Transatlantico (Deutsche Uberseeische Bank)	Rio de Janeiro, and all branches in Brazil.
Banco Germanico da America do Sul (Deutsch-Sudamerikanische Bank A. G.)	Rio de Janeiro, and all branches in Brazil.
Banque Francaise et Italienne pour l'Amerique du Sud S. A.	Rio de Janeiro, and all branches in Brazil.
Bartilotti y Cia.	Rua Santos Dumont 31, Bahia, Sao Paulo.
Bata, Jan	Rua dom Gerardo 42, Rio de Janeiro, and all branches in Brazil.
Bayer Ltda. A. Chimica	Rua do Ouvidor 169, Rio de Janeiro.
Becker, Ernst	Bvd. Castilhos Franca 59, Para and Rua Marechal Deodoro 63, Manaos.
Berringer y Cia.	Rua Sao Pedro 28-1A, Caixa Postal 767, Rio de Janeiro.
Biekarck, C. y Cia.	Sao Caetano, nr. Sao Paulo.
Biermann & Co.	3 de Dezembro 17, Caixa Postal 1831, Sao Paulo.
Biermann, Nicolau	Rua Min Godoy 628, Sao Paulo.
Billington, Reidar	Rua da Bahia 1022, and Ed. Lutetia, Ave. Amazonas, Bello Horizonte, Minas Geraes.
Bluhm, Paulo (Livraria Allema)	15 de Novembro 387, Curityba.
Blume, Otto	Rua Evaristo da Veiga 130, Caixa Postal 619, Rio de Janeiro.
Borghoff y Cia., Willy	Rua do Bom Jesus 230, Recife, Pernambuco, and Rua Sa e Albuquerque 90, Jaragua, Maceio.
Borstelmann y Cia.	Rua General Camara 78, Rio de Janeiro, and all branches in Brazil.
Brasileira de Electricidade, Siemens Schuckert S. A. Cia.	Rosario 136, Rio de Janeiro and Xavier Toledo 46, Sao Paulo.
Brasileira S. A., Agencia	Rua Theophilo Ottoni 74, Caixa Postal 1015, Rio de Janeiro.
Brasunido S. A.	Rua General Camara 67, Rio de Janeiro. Caixa Postal 1548, Rio de Janeiro, and all branches in Brazil.
Brautigam, Jose	Praca 15 de Novembro 20, Rio de Janeiro.
Bremensis, Soc. Technica Ltda.	Travena Tiradentes 32, Caixa Postal 756, Sao Paulo, and Rua General Camara 64, Rio de Janeiro.
Bremer, Paul J. C.	
Bromberg y Cia.	



## BRAZIL—Continued

Buchheister, Alfredo .....	Rua da Quitanda 47, Caixa Postal 1421, Rio de Janeiro.
Buckup, P., y Cia. (Casa Trommel) .....	Ave. Celso Garcia 409, Caixa Postal 2903, Sao Paulo.
Buerkle, Erwin .....	Rua Buenos Aires 78, Rio de Janeiro.
Burgos, Jose Filii .....	Rua Sao Pedro 30, Rio de Janeiro.
Buuck y Cia. Ltda. ....	Rua Senador Feijo 318, Santos.
Cappuccini y Cia. ....	Rua da Alfandega 172, Rio de Janeiro.
Cekace Pharmaceutica Ltda. ....	Rua da Alfandega 144, Caixa Postal 1912, Rio de Janeiro.
Chazen y Cia., H. J. ....	Sao Paulo and all branches in Brazil.
Citra-Mina, Ltda. ....	Praca Maua 7, Caixa Postal 285, Rio de Janeiro.
Cohnitz y Cie. ....	Rio de Janeiro and all branches in Brazil.
Cohnitz, Franz .....	Praca 15 de Novembro 20, and Ave. Francisco Bicalho, Rio de Janeiro.
Commercial Alto Parana, Cia. ....	Rua Libero Badaro 137, Sao Paulo, and all branches in Brazil.
Commissaria Italo-Brasileira Ltda. ....	Rua General Camara 35, Rio de Janeiro.
Constructora Nacional S. A., Cia. ....	Rua Mexico 168, Rio de Janeiro, and all branches in Brazil.
Corneta, Ltda. ....	Rua Turiassu 309, Sao Paulo.
Dasrnhouwer y Cia., Agencia de Bahia .....	Caixa Postal 249, Bahia.
Da Fonseca, Joao Altino .....	Rua da Italia 12, Bahia.
Dannemann Cia. de Charutos .....	Rua Portugal 1, Bahia, and at Rio de Janeiro.
Dedekind, Martin .....	Rua Augusta 598, Sao Paulo.
Deutsche Lufthansa, A. G. ....	All branches in Brazil.
Deutz Otto Legitimo Ltda., Sociedade de Motores .....	Rio de Janeiro.
Domschke y Cia. ....	Rua Portugal 10, Bahia.
Draeger Ltda. Cia. ....	Rua Mayrink Veiga 4, Rio de Janeiro.
Dubi, Joseph H. ....	Ave. Rio Branco 117, Rio de Janeiro.
Dubois, E. y Cia. (Pharmacia Allema) .....	Rua da Alfandega 74, Rio de Janeiro.
Eckert, Carl .....	Rua Maua 1079, Porto Alegre.
Electro-Chimica Fluminense, Cia. ....	Rua 1st de Marco 110, Rio de Janeiro.
Empreza Bahiana de Minaeraes Ltda. ....	Rua Torquato Bahia 3, Caixa Postal 434, Bahia.
Empreza Constructora Brasileira Gruenbilf Ltda. ....	Almoxarife 7A, Corrientes, Sao Paulo, and Porto Alegre.
"Enit", Ente Nazionale Industrie Turistiche Eeka, Ltda., Sociedad .....	Ave. Rio Branco 104, Rio de Janeiro.
Exportadora e Maritima Ltda., Soc. ....	27 Rua Pedro Americo, Sao Paulo. Praca Maua 7, Rio de Janeiro, and Rua Don Pedro 11-16, Santos.
Faber, Johann, Bleistift Fabrik .....	Ouvidor 164, Rio de Janeiro.
Faber Lapis, Ltda., Johann .....	Epitacio Pessoa 201-9, Sao Paulo.
Fabrica Nacional de Tambores Ltda. ....	Rua Clelia 93, Sao Paulo, and Rio de Janeiro.

## BRAZIL—Continued

Fabrica Rio Grandense de Adubos e Produtos Chimicos, S. A.	
Fatio, Jacques (M).....	Pelotas.
Fatio, Norberto .....	Rua Libero Badaro 346, Caixa Postal 2485, Sao Paulo, and Rua Miguel Couto 111, Rio de Janeiro.
Feddersen y Cia. ....	Rua Sao Bento 290, Caixa Postal 3635, Sao Paulo.
Federal de Fundicao, Cia. ....	Rua Marechal Andrea 253, Rio Grande, and Porto Alegre.
Ferrostaal A. G. Essen .....	Rua Nery Pinheiro 70, Rio de Janeiro, Rio de Janeiro.
Fiacao e Tecidos Guaratingueta S. A., Cia....	Rua Benjamin Constant 143 Sao Paulo, and Guaratingueta.
Fiat Brasileira S. A. ....	Praca 15 de Novembro 20, Rio de Janeiro.
Fiduciaria Brasileira, Cia. ....	Rua da Alfandega 48, Rio de Janeiro.
Fink y Cia., Carlos.....	Rua de Bom Jesus 227, Caixa Postal 475, Pernambuco.
Fink, L. J. ....	Ave. Rodriguez Alves 161, Caixa Postal 2866, Rio de Janeiro.
Fischer, Carl .....	Praca Maua 7, Rio de Janeiro, and Rua Don Pedro 11-16, Santos.
Fluegger y Cia., Ernesto (Pfeugger y Cia., Ernesto)	Manaos.
Fornecedora de Machinas Ltda. Soc. ....	Rua Buenos Aires 17, Caixa Postal 1310, Rio de Janeiro.
Fundicao, Cia. Federal de .....	70 Rua Nery Pinheiro, Rio de Janeiro, and all branches in Brazil.
Funtymod Fundicao de Typos Modernos Ltda.	Rua Ribeiro da Lima 282, Sao Paulo.
Gabaglia, Edgard Raja .....	62-2 a Braca Aranha, Rio de Janeiro.
Geco Ltda., Soc. ....	Rua Theophilo Ottoni 35-44, Rio de Janeiro.
"Geobra", Cia. General de Obras e Construcoes S. A.	Praca Maua 7, Rio de Janeiro.
Germania Agencia Importadora Ltda. ....	Praca Antenor Navarro 36-50, Joao Pessoa, and all branches in Brazil.
Gilbert, Horst Tassilio .....	83 Rua Republica do Peru, and 53 Rua da Candelaria, Rio de Janeiro.
Gomes da Silva, Jnr., Vicente .....	Praca Maua 7, Rio de Janeiro.
Goncalves, B. y Cia., Ltda. ....	Rua do Commercio 58, Santos.
Gonzales, Celso R. ....	90 Rua General Camara, Rio de Janeiro.
Gottmann y Cia., Carlos J. ....	Rua Joao Adolpho 2A, Caixa Postal 2376, Sao Paulo.
Graphicor Concentra Hartmann Irmaos S. A.	Praca do Sao Christovao 249, Rio de Janeiro.
Guimaraes y Cia., Ernesto .....	Rua Cidade de Toledo 23, Santos.

## BRAZIL—Continued

Hamburgueza Sul Americana, Cia. . . . .	Andradas 1290, Porto Alegre and all branches in Brazil.
Hamers, Maximilian . . . . .	Travessa Braz Barros 19 Rio de Janeiro and 25 de Marco 1215 Sao Paulo.
Hamers, M., S. A. . . . .	25 de Marco 1215 Sao Paulo.
Hansen y Cia., Alfred . . . . .	Rua da Alfandega 107 Rio de Janeiro.
Hasenclever y Cia. . . . .	Ave. Rio Branco 60-77 Rio de Janeiro, and all branches in Brazil.
Haupt & Co. . . . .	Rua Sao Pedro 50, Rio de Janeiro and at Marco 25 Sao Paulo.
Heidelman & Co. . . . .	Praca Antenor Navarro 35-50 Joao Pessoa, Parahyba
Hendler y Cia., Walter . . . . .	Rua de Livramento 98 Recife, Pernambuco.
Hennig, Adolfo . . . . .	Julio de Castilhos 220 Santa Cruz, Rio Grande do Sul.
Hennig, Arnaldo . . . . .	Julio de Castilhos 220 Santa Cruz, Rio Grande do Sul.
Hennig, Ervino . . . . .	Julio de Castilhos 220 Santa Cruz, Rio Grande do Sul.
Hennig, Irmaos . . . . .	Julio de Castilhos 220 Santa Cruz, Rio Grande do Sul.
Hey, Willi . . . . .	Praca Argollo, Theophilo Ottoni, Minas Geraes.
Hoepcke, Carlos, S. A. . . . .	Florianopolis.
Holzgreffe y Cia. . . . .	Rua Portugal 27, Bahia.
Horn, Karl . . . . .	Pensao Jensen, Ave. 7 de Setembro 276, and Rua Portugal 27, Bahia.
Huland y Cia. Ltda., Oscar . . . . .	Rua Major Facunde 173, Fortaleza, Ceara.
Hunsche y Cia. . . . .	Rua Dr. Flores, 119, Porto Alegre, and all branches in Brazil.
Impressora Paranaense, Max Schrappe . . . . .	Rua Commendador Araujo 731-747, Curityba.
Industria Typographia Italiana . . . . .	Ave. Apparicio Borges 131, Rio de Janeiro.
Industrial e Commercial Schmuziger Ltda., Soc. . . . .	Sao Paulo.
Industrial Mercantil e Agricola . . . . .	Rua Libero Badaro 137, Sao Paulo.
Informadora Rapida Ltda. . . . .	Praca Maua 7, Rio de Janeiro.
Instituto Behring de Therapeutica Experimental Ltda. . . . .	Rua Dom Gerardo 42 and Estrada Cafunda 1290, Rio de Janeiro.
Internacional de Comercio Ltda., Soc. (S. O. I. N. C.) . . . . .	Rua Uruguayana 104, Rio de Janeiro.
"Italcable", Comp. Italiana Dee Cavi Telegrafici Sottomarini S. A. . . . .	Rua Buenos Aires 44, Rio de Janeiro, and all branches in Brazil.
Italfilm Ltda. . . . .	Rua Helvetia 647, Sao Paulo.

## BRAZIL—Continued

Italmar .. .. .	Ave. Rio Branco 2-6, Rio de Janeiro, and all branches in Brazil.
Jenner y Cia., Ernesto .. .. .	Joao Pessoa, and all branches in Brazil, Joao Pessoa.
Jenner, Ernst .. .. .	Ave. Juruca 2, Sao Paulo.
Junker y Ruh Ltda., Fogoes .. .. .	Santa Maria de Itabira.
Kaucher, Walter .. .. .	Rua da Alfandega 144, Rio de Janeiro.
Kern y Cia. Ltda., Carlos .. .. .	Rua Joao Briccola 10 Ave. Atlantica 5, Caixa Postal 3285, Sao Paulo.
Kiefer, Otto .. .. .	Praca Rua Barbosa 188, Porto Alegre.
Kircher, Hillmann y Cia. .. .. .	Rua Lopes Cardoso 16, Bahia.
Kirsten, Carlos (sucrs. of Kirsten & Weber)	Rua Pedro Americo 29, Sao Paulo.
Klee, M. W. .. .. .	Al. Santos 1362, Sao Paulo.
Kores Ltda. .. .. .	Ave. Graca Aranha 40, Rio de Janeiro.
Krause & Keppich .. .. .	Rua da Alfandega 189, Rio de Janeiro.
Krebs, W. Fonseca y Cia. Ltda. .. .. .	Rua da Alfandega 144, Caixa Postal 1912, Rio de Janeiro.
Laboratorio Esculapio Ltda. .. .. .	Rua Mexico 90, Rio de Janeiro, and all branches in Brazil.
L. A. T. I., Linhas Aereas Transcontinentaes Italiana S. A.	Rua Mexico 90, Rio de Janeiro, and all branches in Brazil.
Lange, H., y Cia. Ltda. .. .. .	Rua Luiz Goes 122, Caixa Postal 2027, Sao Paulo.
Leutzgen, Guilherme .. .. .	Candelaria 74, Rio de Janeiro.
Levier, Leo E. .. .. .	Rua de Bahia 1022, and Ed. Lutetia, Ave. Amazonas, Bello Horizonte, Minas Geraes.
Livraria Allema—Paulo Bluhm— .. .. .	Rua Miguel Couto 51, Caixa Postal 947, Rio de Janeiro.
Lohmann y Cia. .. .. .	Travessa Padre Eutychio 59, Para.
Lohmann y Cia., Ernst .. .. .	Ave. Rio Branco, Rio de Janeiro, and all branches in Brazil.
Lohner, Casa, S. A. .. .. .	Rua Theophilo Ottoni 89, Rio de Janeiro.
Luik y Kleiner Ltda. .. .. .	Rua Theophilo Ottoni 89, Rio de Janeiro.
Luik, Paul .. .. .	Rua Pessoa Anta 111-117, Caixa Postal 185, Fortaleza, and at Cratheus, Ceara.
Machado, P. y Cia. .. .. .	Rua da Quitanda 65, Rio de Janeiro, and at Sao Paulo.
Machinas Para Escriptorio Mercedes do Brasil Ltda.	Andradas 1290, Porto Alegre.
Mahlmann, Emil .. .. .	Rua General Camara 90, Rio de Janeiro.
Mannesmann Soc. de Tubos, Ltda. .. .. .	Rua Luiz de Camoes 22, Rio de Janeiro.
Marelli Motores S. A. .. .. .	Rua da Quitanda 96, Sao Paulo.
Margutti, Stefano .. .. .	Ave. Amazonas 308, Bello Horizonte, Minas Geraes.
Marschner, Francisco .. .. .	Rua Sao Bento 405, Caixa Postal 2505, Sao Paulo.
Melching, A. O. H. .. .. .	

## BRAZIL—Continued

Melhoramentos de Sao Paulo, Cia. (Weiszflog Irmaos)	Rua Libero Badaro 443, Sao Paulo and at Rua Goncalves Dias 9, Rio de Janeiro.
Mendes y Cia., Alves	Rio de Janeiro, and all branches in Brazil.
Meng, Hermann	Rua Buenos Aires 85, Rio de Janeiro.
"Merck" do Brasil S. A. Comp. Chimica	Ave. Nilo Pecanha 155, Rio de Janeiro, and all branches in Brazil.
Messner, Dr. Franz	Rua General Camara 19, Rio de Janeiro.
Metzner, Kurt	Rio de Janeiro.
Meyer, Alwin	Rua Mayrink Veiga 4, Rio de Janeiro.
Michahelles e Cia. Ltda. (formerly Petersen Michahelles e Cia., Ltda.)	Rua Mayrink Veiga 8, Caixa Postal 759, Rio de Janeiro and at Sao Paulo, and all branches in Brazil.
Mimosa Photo Stubbe Stuebing y Cia., Ltda.	Rua General Camara 106, Rio de Janeiro.
Moeller, Guilherme	Rua do Carmo 9, Caixa Postal 2039, Sao Paulo, and at Rio de Janeiro.
Motores Deutz, Otto Legitimo Ltda., Soc.	Rua da Alfandega 116, Rio de Janeiro.
Muller, Peter	Rua Floriano Peixoto 6, Pernambuco.
Napp, Scherer y Cia. Ltda.	Caixa Postal 31, Carasinho, Caixa Postal 168, Rio Grande do Sul.
Navebraz, S. A. (Transportes Maritimos)	62-2 a Ave. Graca Aranha, Rio de Janeiro.
Nebiolo, S. A.	Rua Buenos Aires 263, Rio de Janeiro, Sao Paulo, and all branches in Brazil.
Nitsche-Guenther-Busch do Brasil Ltda.	Ave. Rio Branco 122, Rio de Janeiro.
Noetzlin, Hans	Rua Portugal 9, Bahia.
Olivetti do Brasil, S. A.	Rua Florencio de Abreu 37, Sao Paulo and Rua Buenos Aires 17, Rio de Janeiro.
Olympia Machinas de Escrever Ltda.	Rua Theophilo Ottoni 86, Caixa Postal 2754, Rio de Janeiro.
Omnipol Brasileira S. A.	Rua General Camara 139, Caixa Postal 2734, Rio de Janeiro.
Optica, Ltda., Soc.—Carl Zeiss	Rua dos Benedictinos 21, Rio de Janeiro, and all branches in Brazil.
Osborne, Herbert	Ave. Pessoa Anta 73, Fortaleza, Ceara.
Pareto y Cia., Carlo	Rua 1 de Marco 31, Rio de Janeiro.
Paschen y Cia.	Caixa Postal 44, Fortaleza, Ceara.
Petersen, Michahelles y Cia., Ltda.	Rio de Janeiro, and all branches in Brazil.
Pfaff, Casa	Rua da Carioca 46, Rio de Janeiro.
Pfleugger y Cia., Ernesto	Manaos.
Pneumaticos Continental do Brasil Ltda.	Rio de Janeiro.
Productos Bruschetti	Rua Senador Dantas 55, Rio de Janeiro.
Productos Quimicos e Industriales M. Hamers, S. A., Cia. de	Travessa Braz Barros 19, Rio de Janeiro.
Raabe y Cia., Ltda.	Galeria Municipal 109-111, Porto Alegre, and Rio de Janeiro.

## BRAZIL—Continued

Raacke, C. H. . . . .	Ave. Graca Aranha 40, Caixa Postal 261, Rio de Janeiro.
Raimann y Cia. . . . .	Rua Florencio de Abreu 123, Sao Paulo, and all branches in Brazil.
Ranniger y Cia. . . . .	Bvd. Castilhos Franca 73, Para.
Rantex Ltda. . . . .	Rua Libero Badaro 346, Sao Paulo.
Reichlin, N. A. . . . .	Rio de Janeiro.
Representacoes Union Ltda. . . . .	Rua 1 de Marco 118, Caixa Postal 590, Rio de Janeiro.
Ribeiro, J. R., y Cia. Ltda. . . . .	Rio de Janeiro.
Riedel, J. D.—E. de Haen y Cia. Ltda. . . . .	Travessa Santa Rita 24, Rio de Janeiro, and Sao Paulo.
Rodenburg, Herbert . . . . .	Bahia.
Roenn, Wilhelm . . . . .	346 Rua Libero Badaro, Sao Paulo.
Roth, G. y Cia. . . . .	Ave. 17 de Agosto 189, Pernambuco.
Rudert, Cia. Internacional de Segures H. . . . .	Rio de Janeiro.
Sa, Elysio . . . . .	Rua Visconde Cabo Frio 44, Rua Val- paraiso 64, Rio de Janeiro.
Sapaco, S. A. . . . .	Ave. Aqua Branca 524, Sao Paulo, and all branches in Brazil.
Schaeffer y Cia. (Uniao de Ferros) . . . . .	Vol da Patria 294-304, Porto Alegre.
Schering, Sociedade Anonyma . . . . .	Rua Moraes Silva 43, Rio de Janeiro, and Sao Paulo.
Schlemm, E. e Cia. . . . .	15 de Novembro 387, Caixa Postal 550, Curityba.
Schluempmann, Werner . . . . .	Avenida Presidente Getulio Vargas 12, Pernahyba, Piauhy.
Schlupmann y Cia. . . . .	Parnahyba, Piauhy.
Schmid, A. . . . .	Ouvidor 164, Rio de Janeiro.
Schmitt & Alberto . . . . .	Rua Evaristo da Veigo Nos. 142-4, Rio de Janeiro.
Schmuziger, Ltda., Soc. Industrial & Com- mercial	Rua Benjamin Constant 147, Sao Paulo and Rua da Candelaria 78, Rio de Janeiro.
Schreurs, H., y Cia. Ltda. . . . .	Rua Voluntarios de Patria 140, Porto Alegre.
Schupp y Cia., Emilio . . . . .	Rua Miguel Couto, 42-4, Rio de Janeiro.
Schutte y Cia. Ltda., Alfred H. . . . .	Rua Sao Pedro 88, Rio de Janeiro, and all branches in Brazil.
Sekkel, Jacques . . . . .	Ave. Calogeras 6, Apartado 118, Rio de Janeiro.
Semper y Cia. . . . .	Rua Marechal Deodoro 172, Manaos, and all branches in Brazil.
Sidapar (Usina Siderurgica e Laminadors N. S. Aparecida S. A.)	Rua da Quinta 71, Sao Paulo.
Siemens Bauunion do Brasil, S. A. Empresa Constructora	Rio de Janeiro.

## BRAZIL—Continued

Siemens Schuckert, S. A. . . . .	Rio de Janeiro, Sao Paulo, Porto Alegre, Bello Horizonte, Bahia, and Pernambuco.
Siemens Schuckert, S. A., Cia. Brasileira de Electricidade Silva, Amado Amandio . . . . .	Rua 78 General Camara, Rio de Janeiro.
Sinner y Cia. . . . .	Rua Conselheiro Saraiva 41, Rio de Janeiro.
Skoda Brasileira S. A. . . . .	Ave. Venezuela 43, Rio de Janeiro.
S. O. I. N. C.—Soc. Internacional de Comercio Ltda.	Rua 1 de Marco 6, Rio de Janeiro, and all branches in Brazil.
Spreedtke, Johannes Hans Paul . . . . .	Rua Uruguayana 104, Rio de Janeiro.
Stahlunion Ltda. . . . .	Rua Portugal 27, Bahia.
Starky Cia. (Sucrs. to Hans Rieper y Cia.) . . . . .	Rua Candelaria 53, Rio de Janeiro, and Sen Queiroz 76, Sao Paulo.
Steffen y Cia., Ltda., Arnaldo . . . . .	Rua Portugal 24, Bahia.
Steinbach y Cia. . . . .	Rua Portugal 9, Bahia.
Steubing, J. J. (J. G. Stuebing) . . . . .	Miguel Calmon 36, Bahia.
Stoltz y Cia., Herm. . . . .	106 Rua General Camara, Rio de Janeiro.
Sumbeck, Fritz . . . . .	Ave. Rio Branco 66-74, Rio de Janeiro, and all branches in Brazil.
Syndicate Condor Ltda. . . . .	Praca Maua 7, Rio de Janeiro, and Rua Don Pedro 11-16, Santos.
Taussig, Mirko . . . . .	Avenida Rio Branco 128, Rio de Janeiro.
Technica Bremensis, Soc. Ltda. . . . .	Rua General Camara 139, Rio de Janeiro.
Tintas Sprimo, S. A. . . . .	Rio de Janeiro, Curityba, Recife, and Sao Paulo.
Tintas Victoria Ltda. . . . .	Rua Coronel Pedro Alves 100, Caixa Postal 1839, Rio de Janeiro.
Transocean G. m. b. H. . . . .	Rua Conde Leopoldina 644, Rio de Janeiro, and Duque Caxias 555, Sao Paulo.
Transportes Maritimos (Navebraz S. A.) . . . . .	Rosario 136, Rio de Janeiro.
Trepper & Costa . . . . .	Rio de Janeiro.
Truppel, B. y Cia. . . . .	Rua General Camara 19, Rio de Janeiro.
Truppel y Cia. . . . .	Sao Francisco do Sul, Sta. Catharina.
Tubos Mannesmann S. A. . . . .	Caixa Postal 29, Sao Francisco do Sul, Sta. Catharina.
Unido de Ferros . . . . .	Rio de Janeiro.
Usina Siderurgica e Laminadora N. S. Aparecida S. A. "Sidapar" . . . . .	Voluntarios da Patria 294-304, Porto Alegre.
Valente, Agostino Cesare . . . . .	Rua da Quinta 71, Sao Paulo.
Van Mastwyk B., y Cia. Ltda. . . . .	Rua Senador Dantas 55, Rio de Janeiro.
Vaz, Cyro . . . . .	Ave. Rodrigues Alves 145, Rio de Janeiro, and all branches in Brazil.
	Rua da Quitanda 163, Sala 202, Rio de Janeiro.

## BRAZIL—Continued

Viacso Sao Paulo Matto Grosso, Cia ..	..	..	..	..
Vianna, Braga y Cia. ..	..	..	..	..
Vitex Ltda., Laboratorio ..	..	..	..	..
"Waco Ltda., Soc. Commercial ..	..	..	..	..
Wagner, Ltda., Gunther Fabrica ..	..	..	..	..
Waste Export Ltda. (Residuos Algodoeira Ltda.)				
Will, Frederico (Agencia Will: Deutsche Buchhandlung)				
Wille Cia. Ltda., Theodor ..	..	..	..	..
Winkelmann, Walter ..	..	..	..	..
Zapparoli & Serena Ltda. ..	..	..	..	..
Zeiss, Carl (Soc. Optica Ltda.) ..	..	..	..	..
Ziemer y Cia. ..	..	..	..	..
Ziemer, Otto ..	..	..	..	..

## CHILE

A. E. G. Cia. Sudamerikana de Electricidad.				
Alemana de Vapores Kosmos, Cia ..	..	..	..	..
Alert, Anselmo ..	..	..	..	..
Anilinas y Productos Quimicos Soc., Ltda., Cia. Generale de				
Antonini & Garbaccio ..	..	..	..	..
"Emporio Aleman"—Erich Rendel ..	..	..	..	..
Arriagada, Jorge Orellana ..	..	..	..	..
Backenberg, Julio ..	..	..	..	..
Baehr & Mueller Ltda. ..	..	..	..	..
Banco Aleman Transatlantico (Deutsche Ueberseeische Bank)				
Banco Germanico de la America del Sud (Deutsch-Sudamerikanische Bank)				
Banque Francaise et Italienne pour l'Amérique du Sud S. A.				
Bayer-Weskott y Cia. ..	..	..	..	..
Bayer Weskott y Cia., La Quimica ..	..	..	..	..
Benheim, Robert (Dr.) ..	..	..	..	..
Block, Enrique ..	..	..	..	..
Bruhn, Boie ..	..	..	..	..
Bruhn, Johannes ..	..	..	..	..
Calderon, Emilio ..	..	..	..	..

Rua Libero Badaro 137, Sao Paulo.
Rua Conselheiro Dantas 35, Salvador, Bahia.
Rio de Janeiro, and all branches in Brazil.
Caixa Postal 2331, Sao Paulo.
Mello Souza 86, Rio de Janeiro.
Rua Sao Bento 290, Sao Paulo.
Rua de Alfandega 69, Rio de Janeiro.
Ave. Rio Branco 79-81, Rio de Janeiro, and all branches in Brazil.
Rua Alvaro Alvim 33-7, Rio de Janeiro.
Rua do Carmo 37, Caixa Postal 1096, Sao Paulo, and all branches in Brazil.
Rua dos Benedictinos 21, Rio de Janeiro, and all branches in Brazil.
Rua General Camara 78, Rio de Janeiro, and Theophilo Ottoni (Minas Geraes).
Rua H. Barros 197, Rio de Janeiro.

Bandera 581, Santiago.
Valparaiso.
Ave. General Korner 582, Santiago.
Santiago.
Bandera 575, Santiago.
Prat 560, Temuco.
Casilla 1894, Santiago.
Calle Blanco 1303, Casilla 480, Valparaiso.
Santa Domingo 1025, Casilla 1941, Santiago.
Valparaiso, and all branches in Chile.
Santiago and Valparaiso.
Santiago, and all branches in Chile.
Catedral 1312, Santiago.
Santiago.
Bandera 575, Santiago.
Bandera 547, Casilla 457, Santiago.
Gal Alessandri 23, Casilla 957, Santiago.
Nueva York 17, Santiago.
San Ignacio 1295, Santiago.



## CHILE—Continued

"Casa Bata"—Soc. Manufacturera de  
Caucho Tejidos y Cueros Catecu Ltda.

Casaro, Carlos .. .. .  
Casaro y Hijo .. .. .  
Casaro, Julio .. .. .  
Catecu Ltda., Manufacturera de Caucho  
Tejidos y Cueros Soc. ("Casa Bata")  
Catecu S. A. .. .. .  
Cordero, Manuel J. .. .. .  
Coronata y Cia., Juan .. .. .  
Curtex Ltda. .. .. .  
De la Ruelle, Jean Marie .. .. .  
Delpiano & Scheucher .. .. .

Deutsche Lufthansa, A. G. .. .. .  
Diaz Gonzalez, Alicia .. .. .  
Doebbel, Federico .. .. .  
Eckermann, Hans .. .. .  
Elten y Schaale Ltda. .. .. .  
Emck, Gisberto .. .. .  
Engel y Cia. .. .. .

Erdmannsdorffer, B. .. .. .  
Establecimientos Pelikan Soc., Ltda. .. .. .  
Explotadora de Manganese Soc., Ltda. .. .. .

Exportadora del Vinos del Llano de Maito  
Ltda., Soc.  
Fabrica Chilena de Sederias S. A. .. .. .

Falciola, Carl Osborne .. .. .  
Feldrape, E. .. .. .  
Ferrostaal A. G. .. .. .  
Ferrostaal G. m. b. H. .. .. .  
Frammknecht, Juan (Reutter, Juan) .. .. .

Fuhrmann y Jullich .. .. .  
Galemiri, Abraham .. .. .  
Gama, Augustin Garces .. .. .  
Garcia, Felix .. .. .  
Garcia, Nicolas Yus .. .. .  
Gardeweg V. y Hnos., Enrique .. .. .  
Geco Limitada, Compania .. .. .  
General de Anilinas y Productos Quimicos,  
S. A.  
General de Construcciones del Peru S. A.,  
Cia.  
Gerhard y Cia., Ltda. .. .. .

Condell 1250, Valparaiso.

Vladivia 551, Punta Arenas.  
Punta Arenas.

Chiloe 839, Punta Arenas.  
Condell 1250, Valparaiso.

Penaflo.

Catedral 1404-12, Casilla 1716, Santiago.

Casilla 72, Iquique.

Agustinas 1215, Santiago.

Santiago.

Bustamonte 580, Santiago, and Prat 647,  
Valparaiso.

All branches in Chile.

Madrid 944, Santiago.

Bandera 227, Casilla 3671, Santiago.

Santiago.

Errazuriz 845, Casilla 338, Punta Arenas.

Bandara Street 620, office 17, Santiago.

Santo Domingo 808, Casilla 1481, San-  
tiago.

Casilla 3177, Santiago.

Rosas 1490, Santiago.

Nueva York 52, Santiago, and at Co-  
quimbo.

Santiago.

Ave. Libertad esquina 14 Norte, Vina del  
Mar.

Lira 856, Casilla 2874, Santiago.

Hotel Cosmos, Megallanes.

Santiago.

Santiago.

Casilla 1130, Calle Catedral 1361, San-  
tiago.

Blanco 1033, Casilla 1478, Valparaiso.

Bandera 575, Casilla 1303, Santiago.

Santiago.

Santo Domingo 1231, Santiago.

Santiago.

Ave. Portales 1314, Valparaiso.

Santiago.

All branches in Chile.

Bandera 575, Santiago.

Catedral 1404-12, Casilla 1716, Santiago.

## CHILE—Continued

Gleisner y Cia., Ltda., M. . . . .	B. Arana 402, Concepcion, and Ave. B. O'Higgins 1395, Santiago.
Gopfert y Cia., Ltda., Pablo . . . . .	Calle Bandera 575, Casilla 1957, Santiago.
Haeusler, Luis . . . . .	Compania 1288, Santiago.
Hagemann, Walter (Casa Alemana de Automobiles "Mercedes-Benz") . . . . .	Monjitas 739, Santiago.
Hamburg-Amerika Linie . . . . .	Agustinas 1086, Santiago, and at Valparaiso.
Hamdorf y Cia. . . . .	Calle Arturo Prat 692, esquina Ant. Varas, Casilla 27D, Temuco, and all branches in Chile.
Hammerschlag, Ernest . . . . .	Constanza 1248, Santiago.
Hardt y Cia., E. . . . .	Valparaiso.
Helmke, Fritz . . . . .	Nueva York 52, Santiago.
Hengel y Rau . . . . .	Morande 617, Santiago.
Hinze y Bostelmann . . . . .	Bandera 419, Santiago.
Hucke y Fischer Ltda. . . . .	Freire 799, Concepcion.
Hucke Hnos., S. A. C. . . . .	Ave. el Bosque 101, Santiago, and at Valparaiso.
Ibar, Antonio . . . . .	Valparaiso.
Industrial del Ayson, Soc. . . . .	Prat 871, Casilla 1425, Valparaiso.
Italcable . . . . .	Santiago.
"Italmar", S. A. de Empresas Maritimas . . . . .	Valparaiso and Santiago.
Kadelbach, Konrad Walter . . . . .	Nueva York 52, Santiago, and at Coquimbo.
Kelter, Hans Harald . . . . .	Nueva York 52, Santiago.
Kirschke & Co., A. . . . .	Santiago.
Koreska y Cia., W. . . . .	Monjitas 531, Casilla 13, Santiago.
Kosmos Agencia Maritima . . . . .	Agustinas 1086, Santiago, and at Valparaiso.
Krueger y Cia., Ltda. . . . .	Casilla 3003, Santiago.
Kulenkampff, Knoop & Co. . . . .	Plaza de la Constitucion, Santiago, and all branches in Chile.
"La Italia", Soc. de Seguros Generales . . . . .	Cochrane 859, Valparaiso.
La Quimica "Bayer" Weskott y Cia. . . . .	Catedral 1312, Santiago.
"La Reina de las Medias"—Carlos Saffer—Lucassie, P. . . . .	Ahumada 360, Santiago.
Leist, Cristobal . . . . .	Bandera 765, Santiago.
Loch & Co., P. . . . .	Almagro 248, Casilla 4148, Santiago.
Luco, Braumuller y Cia., Ltda. (Luco, Braumuller, Lorca y Cia. Ltda.) . . . . .	Santiago.
Luders y Cia. Ltda. . . . .	All branches in Chile.
Luer, Paye y Cia. . . . .	Santo Domingo 1223, Santiago.
Mannesmann, Soc. Tubos, Ltd. . . . .	San Antonio 172, Casilla 885, Santiago, and all branches in Chile.
Martini y Rossi, S. A. . . . .	Santiago,
	Santiago, and all branches in Chile.

## CHILE—Continued

Mattil, Enrique .....	Temuco.
Mayenberger Hnos., Ltda. ....	Huerfanos 972, Oficina 702, Santiago.
"Mercedes-Benz" Casa Alemana de Auto- mobiles—Walter Hagemann—	Monjitas 739, Santiago.
Merck Quimica Chilena Soc., Ltda. ....	Santiago.
Monguillo, Domingo .....	Iquique.
Monti y Cia. ....	All branches in Chile.
Montt, A. ....	Agustinas 1070, Santiago.
Moreno, Armando .....	S. Luis de Francia 1776, Casilla 4232, Santiago.
Mueschen, Walter B. ....	Nueva York 80, Santiago.
Muggli, Jose .....	Santiago.
Muller y Cia., Ltda., Herbert J. E. ....	Huerfanos 972, Casilla 3757, Santiago.
Munzel, Kurt .....	Santo Domingo 1074, Santiago.
Musso y Cia., Fernando .....	Santa Rosa 3996, Santiago.
Neef & Irritier .....	Ed. Caja Nacional de Ahorros, Casilla 1246, Valparaiso.
Neitzel y Orthmann .....	Casilla 1894, Santiago.
Oberpaur, Cass R. ....	Estado-Huerfanos, Casilla 2007, Santi- ago, and at Valparaiso.
Oestemer, Franz P. ....	Arturo Prat 1120, Santiago.
Orlandini, Aldo .....	Lastra 1436, Santiago.
Orlandini y Cia., Natalio .....	Santiago.
Orlandini, Natalio .....	Providencia 1022, Santiago.
Orlandini y Raggio, Ltda. ....	Providencia 1022, Santiago.
Orrego y Cia., Ltda., Carlos .....	Ave. General O'Higgins 1799, Santiago.
Osterloh, O. ....	Prat 834, Valparaiso, and Bandera 75, Santiago.
Ottens, Rodolfo .....	Santiago.
Pannes, Werner .....	Bandera 575, Santiago.
Paulsen y Cia. ....	Santiago.
Pichaida, Georg .....	Bandera 575, Casilla 1303, Santiago.
Pincus, Bernhard .....	Morande 322, and Lota 2250, Santiago.
Plesch y Cia., Julio .....	Casilla 24-C, Concepcion.
Quirch, Herbert .....	Bandera 620, Casilla 1084, Santiago.
Radios Telefunken .....	Santiago.
Raggio, Juan .....	Providencia 1022, Santiago.
Reichmann, Wilhelm .....	Bandera 172, Casilla 3124, Santiago.
Reimers, A. Hugo .....	Madrid 944, Santiago.
Rendel, Erich "Emporio Aleman" .....	Prat 560, Temuco.
Rensinghoff y Cia., Wilhelm .....	Varas 350, Puerto Mouth.
Renz, German .....	Oficina Blanco 1205, Casilla 1097, Val- paraiso.
Reutter, Juan (Frammknecht, Juan Reut- ter)	Casilla 1130, Calle Catedral 1361, Santi- ago.
Riegel y Cia. ....	Ave. Brasil 1373, Casilla 77V, Valparaiso.
Saffer, Carlos "La Reina de las Medias" ..	Ahumada 360, Santiago.

## CHILE—Continued

Schaub, Juan M. . . . .	Juerfanos 972, Santiago.
Schering (Chile) Ltd. . . . .	Santiago.
Scheucher, Arnold . . . . .	Valparaiso 550, Depto 10, Valparaiso.
Schreiterer, Julio . . . . .	Hotel Cosmos, Punta Arenas.
Schuch, Rodolfo . . . . .	General Boonen Rivera 1905, Santiago.
Schuchard y Cia., Ltda., E. . . . .	Agustinas 1070, Casilla 3809, Santiago.
Schulte, Siegfried . . . . .	Agustinas 1185, Santiago.
Schulz-Hausman, V. . . . .	Valparaiso.
Schumacher, Carl "Demag" . . . . .	Nueva York 52, Casilla 1093, Santiago
Sedylan, Casa . . . . .	Viel 1896, Santiago.
Siemens-Schuckert Ltda. . . . .	Valparaiso, and all branches in Chile.
Siering, Werner . . . . .	Catedral 1312, Santiago.
Smid, Gerhard . . . . .	Santo Domingo 1231, Casilla 2181, San-
	tiago.
Staudt y Cia., Ltda. . . . .	Valparaiso, and all branches in Chile.
Steudel, Rolando . . . . .	Magallanes.
Storandt, Erwin . . . . .	All branches in Chile.
Stubenrauch y Cia. . . . .	Casilla 19D, Punta Arenas.
Suda . . . . .	Calle Treatinos 975, Santiago.
Sudamericana de Electricidad A. E. G. Cia.	Bandera 581, Santiago.
Transportes Maritimos, S. A. Cia. de . . . . .	Valparaiso and at Santiago.
Unitas Chileana, S. A. Comerciale y Finan-	Morande 672, Santiago.
ciera	
Utgenannt, Robert . . . . .	Casilla 4232, Santiago.
Voelker & Kuhnt . . . . .	Ahumada 236, Santiago.
Vorwerk & Co. . . . .	Valparaiso and at Santiago.
Wagner, Chadwick y Cia., Ltda. . . . .	Agustinas 975, Casilla 2607, Santiago,
	and all branches in Chile.
Wagner, German . . . . .	Temuco.
Walter, Konrad Kadelbach . . . . .	Nueva York 52, Santiago, and at Co-
	quimbo.
Worthmann y Cia., Ltda. . . . .	Bandera 172, Casilla 1338, Santiago.
Yunis Garcia, Nicolas (Nicolas Yus Garcia).	Santiago.
Yus Garcia, Nicolas (Yunis Garcia, Nicolas).	Santiago.
Zimmer, A., y Cia. . . . .	Bandera 172, and Agustinas 1126, San-
	tiago.

## COLOMBIA

A. E. G. Electrotechnica (1) . . . . .	Bogota.
Acme Continental S. A., Comercial e In-	Barranquilla.
dustrial	
Adamy Hermanos (Fritz & Kurt) . . . . .	Bogota.
Ahrens, William . . . . .	Cali.
Albingia Versicherungs A. G. (Cia. de	
Seguros Albingia)	
Almacen Fux—Fuchs & Baumann Ltd. . . . .	Barranquilla.
Almacen Musical (Otto Lehmann) . . . . .	Barranquilla.

## COLOMBIA—Continued

Almacen Sanitas S. A. (Guillermo Gerbeth)	Bogota.
Almacenes Helda, Sociedad Limitada	Barranquilla.
Almacenes Sidea (H. H. Vieten)	Medellin.
Anilinas Alemanas	Bogota.
Arbia Finanza Ktieselskab (Cia. Colombiana de Maquinas Pfaff)	
Arnhold, K. E.	Bogota.
Assiourazioni Generali	Bogota.
Balg, W. D.	Barranquilla.
Banco Aleman Antioqueno (1)	Medellin and all branches in Colombia.
Banco Frances e Italiano (1)	Bogota and all branches in Colombia.
Barrios, Jose Maria (Agencias de Ultramar, S. A.; Trilladoras Deco S. A.)	
Barth, Erich	Cali.
Barth, Theodore	Cali.
Barthel y Cia., S. en C., Walter	Barranquilla.
Berendt, Carl (or Karl) Friederich (Schleubach, Berendt y Cia.)	
Beschiroff, Boris D. (Enrique Kausel y Cia.)	
Birkigt, F. (Foto-Almacen Lindner)	
Blass (Industria Quimica Colombiana S. A.)	
Blell, Walter (Cia. Colombiana de Maquinas Pfaff)	
Bock, Alfredo (Karl Luchau)	
Bohmer y Cia., S. A. (Mrs. F. Schmidt; Frederich Schmidt)	Calle 13, Garrera 5a, Cali (also Pasto).
Bohmer, Harold (Bohmer y Cia., S. A.)	
Bohmer, Herman S. (Bohmer y Cia., S. A.)	
Cine "Isaacs" (Bohmer y Cia., S. A.)	
Colombiana Comercial, Casa (Loewenthal y Cia.)	Bogota, and all branches in Colombia.
Consorcio Comercial (Bohmer y Cia., S. A.)	
De la Pena, Fco. J. (Julio) (Acme Continental S. A.)	
De la Rosa, Enrique (Acme Continental S. A.)	
Eikhof, Guillermo (Wilhelm C. H. Eikhof)	Riohacha.
El Gran Expreso (1) (Hapag Lloyd)	Cali.
Empresa Colombiana de Transportes S. A.	Barranquilla.
Empresa Hanseatica (Wiese & Starck)	Barranquilla.
Empresa Molinera de Caldas, S. A.	Pereira.
Empresa Nacional de Productos de Magnesio (Casa Nicar S. A.)	
Faillace Hermanos (Antonio Faillace)	Barranquilla.
Foto Agfa (H. Wolf)	Medellin.

## COLOMBIA—Continued

Foto-Almacen Lindner .. .. .  
 Fuhrop y Cia., Fritz .. .. .  
 Fuhrop, Fritz (Stuart Hosie) .. .. .  
 Gerbeth, Guillermo .. .. .  
 Gerding, Guillermo (Gerding Hermanos,  
 Bogota and Cali)  
 Gerding, Hermanos .. .. .  
 Gerding, Otto (Gerding Hermanos, Bogota  
 and Cali)  
 Goerbert, R. .. .. .  
 Gomez, Grantiniano (S. D. C. Henriquez y  
 Cia.)  
 Gonzalez-Cotes, Luis C. (Gonzalez Cotes &  
 Reignier)  
 Gonzalez, Pablo (Agencias de Ultramar S. A.)  
 Grossart, Erich (Acme Continental S. A.) ..  
 Gutierrez Portocarrero, Daniel (Almacen  
 Sanitas S. A.)  
 Hagelstein, H., Dr. .. .. .  
 Hamburg Amerika Linie (Hapag Lloyd) ..  
 Hapag Lloyd (1) .. .. .  
 Haus, Carlos M. .. .. .  
 Held, Walter (Soc. Ltda. Almacenes Helda)  
 Henjes, Alfred .. .. .  
 Henriquez y Cia., S. D. C. .. .. .  
 Hergett, Gustavo (Lennings & Hergett) ..  
 Hering, Juan (Foto-Almacen Lindner; Al-  
 macen Sanitas S. A.)  
 Herwig, C. W. .. .. .  
 Hodapp, Vicente .. .. .  
 Holzmann, Phillipp (Siemens Bauunion) ..  
 Hoppner, Hans (Agencias de Ultramar S. A.;  
 Trilladoras Deco S. A.)  
 Hosie, Stuart .. .. .  
 Importadora El Faro, Ltda., Cia. .. .. .  
 Induquimica (Industria Quimica Colombiana  
 S. A.)  
 Industria Quimica Colombiana S. A. ..  
 Internacionales, Agencias (H. H. Vieten) ..  
 Ittelberger, Carlos .. .. .  
 Kausel y Cia., Enrique (Boris D. Beschiroff)  
 Klotz, Hans (Plantex, S. A.) .. .. .  
 Koch (Union Industrial)  
 Koenig, Ludwig (Cia. Colombiana de Ma-  
 quinas Pfaff S. A.)  
 Koltz, Helmuth (Trilladoras Deco, S. A.;  
 Achim Von Dewitz; Fritz Fuhrop y Cia.)

Bogota.  
 Apartado 639, Barranquilla.

Bogota.

Bogota and Cali.

Bogota.

Barranquilla.

Barranquilla.

Colombia.

Colombia.

Manizales.

Bogota.

Riohacha.

Bogota.

Barranquilla.

Carrera 6, #14-50, Bogota.

Bogota.

Apto. 917, Medellin.

Medellin.

Medellin.

Barranquilla.

Medellin and Cali.

## COLOMBIA—Continued

Krause, Egon A. . . . .  
 Kreie, H. (Gerding Hermanos) . . . . .  
 Laboratorios Enka Standard . . . . .  
 Lange, Hans (Theodore Barth) . . . . .  
 Laumayer y Cia., A. . . . .  
 Lehmann, Otto (Almacen Musical) . . . . .  
 Leib, Carlos (Casa Alemana) . . . . .  
 Leibbrand, Erwin . . . . .  
 Lemcke, H. (Carlos Reger & Co.) . . . . .  
 Lennings & Hergett (Otto Lennings) . . . . .  
 Liebisch, Herbert (Luth & Liebisch) . . . . .  
 Lignarolo, Giovanni . . . . .  
 Lindemeyer, Hans (Empresa Colombiana de Transportes S. A.) . . . . .  
 Lindemeyer, Heinrich (Empresa Colombiana de Transportes S. A.) . . . . .  
 Lindner, Foto-Almacen (Foto Almacen Lindner) . . . . .  
 Lloyd Colombiano (Hapag Lloyd) . . . . .  
 Loewenthal y Cia. . . . .  
 Loewenthal, Margarita (Loewenthal y Cia.) . . . . .  
 Loewenthal, Robert (Loewenthal y Cia.) . . . . .  
 Lubisch, R. (Schleubach, Berendt y Cia.) . . . . .  
 Luchau, K. . . . .  
 Lulleman, Oswaldo (Schleubach, Berendt y Cia.) . . . . .  
 Lupke, Franz . . . . .  
 Luth & Liebisch . . . . .  
 Luth, Hanz (Luth & Liebisch) . . . . .  
 Madero Paris, Manuel (Almacen Sanitas S. A.) . . . . .  
 Maldonado, Jose Alberto (Almacen Sanitas S. A.) . . . . .  
 Mangels y Cia., Otto . . . . .  
 Mangels, Otto (Otto Mangels y Cia.) . . . . .  
 Marggraff, Joachim (Casa Nicar S. A.) . . . . .  
 Medina, Luis A. (Trilladoras Deco S. A.) . . . . .  
 Merino C., R. (C. Schmeltzer) . . . . .  
 Meyer, Carlos (Karl) (Bernh Wessels) . . . . .  
 Meyer, Heinz . . . . .  
 Moller, Hans (Fritz Fuhrop y Cia.) . . . . .  
 Muller, Herbert (Guillermo Eikhof) . . . . .  
 Nicar, S. A., Casa . . . . .  
 Noach, Erich . . . . .  
 Nunez, (C. Schmeltzer) . . . . .  
 Oesterreich Sucs., Richard . . . . .  
 Olympia, Casa (Wilhelm A. Romberg; Carlos Winz) . . . . .

Bogota.

Medellin.

Cali.

Medellin.

Cali.

Cali.

Bogota.

Buenaventura.

Barranquilla.

Manizales.

Medellin.

Carrera 8, #15-88, Bogota.

Barranquilla.

Manizales.

Bogota.

Cali.

Barranquilla.

## COLOMBIA—Continued

Optica Moderna .....	
Ospina Gaviria, Julio .....	
Oeswald, Rudolf (Agencias de Ultramar S. A.; Trilladoras Deco S. A.) .....	
Otte, Ernest (Heinz Meyer) .....	
Palmer, Kurt .....	
Pardo y Cia. ....	
Pilgrim, Walter .....	
Plantex, S. A. ....	
Pohn, A. (Union Industrial) .....	
Posada Lalinde, Nolasco (Plantex, S. A.) ..	
Posada Londono, Juan C. (Juan de D.) (Plantex, S. A.) .....	
Pruefert, Emil (Soc. Ltda. Almacenes Helda)	
Pruter, Heinz (Puttfarcken y Cia.) ..	
Puttfarcken y Cia., Juan .....	
Quimica Bayer Weakott y Cia. (1) ..	
Quimica Schering Colombianas S. A. ....	
Ramirez Beltran, Manuel J. (Almacen Sanitas, S. A.) .....	
Roger & Co., Carlos .....	
Rehbein Peralta, Max (Acme Continental S. A.) .....	
Reignier, Bernard (Luis C. Gonzalez-Cotes)	
Reitze, Alfred (A. Stapff y Cia.) ..	
Ribbentrop y Cia. (Standard Agencies de Colombia) .....	
Ribbentrop, Erich (Standard Agencies de Colombia) .....	
Ringle, Antonio (Cia. Importadora El Faro Ltda.) .....	
Roesler, Herbert E. ....	
Romberg, Wilhelm A. ....	
Roper, Hans .....	
Rossin, Hans (Fritz Fuhrop y Cia.) ..	
Saenz, Francisco (Plantex, S. A.) ..	
Scharz, Georg (Union Industrial) ..	
Schatz, Joseph (Union Industrial) ..	
Scheuplein, Rudolf .....	
Schlenker, Harold (A. Stapff y Cia.) ..	
Schleubach, Berendt y Cia. (Carl (Karl) Frederich Berendt) .....	
Schleubach, Heinrich Edward (Schleubach, Berendt y Cia.) .....	
Schleubach, John Roddrick (Schleubach, Berendt y Cia.) .....	
Schmeltzer, C. ....	
	Bucaramanga.
	20 de Julio, Real Comercio, Barranquilla.
	Carrera 8, #15-88, Bogota.
	21-46 Carrera 7, Bogota.
	Fusagasaga and Bogota.
	Cali.
	Cali.
	Apt. 301, Bogota.
	Bogota.
	Barranca Bermeja.
	Medellin.
	Bogota.
	Cali.
	Medellin.
	Bogota (also Pereira).
	Barranquilla



## COLOMBIA—Continued

Schmidt, Mrs. F. (Bohmer y Cia. S. A.)	
Schmidt, Frederick (Bohmer y Cia. S. A.)	
Schmidt, Walter	Cali.
Schmitt, T.	Cartagena.
Schnurbusch, William (Acme Continental S. A.)	
Schrimpff, (Rudolf, Phillip, Julius, Wilhelm, Elizabeth) (Casa Nicar, S. A.)	
Schrimpff, de Martens, Sophia (Casa Nicar, S. A.)	
Schroeder, Johannes Ludwig (Enrique Kausel y Cia.)	
Schwartz, Joseph (Union Industrial)	
Seguros Albingia, Cia. de	Bogota.
Senning & Co.	Barranquilla.
Senning, N. (Senning & Co.)	
Serrano Vargas, Pedro (Agencias de Ultramar S. A.)	
Siegler (Zigler or Sigler), Carlos (S. D. C. Henriquez y Cia.)	
Siegler (Zigler or Sigler), John (S. D. C. Henriquez y Cia.)	
Siemens Bauunion Ltd. (1)	Bogota.
Siemens & Halske A. G. (1)	Bogota.
Siemens Reiniger Werke (1)	Bogota.
Siemens-Schuckert, A. G. (R. Goerbert)	Bogota.
Skowronski, Martin	Cali.
Sochlemann (Karl Luchau)	
Sociedad Prodema (Casa Nicar S. A.)	
Sohm, Teodoro (Union Nacional de Quimica Industrial Ltda.)	Medellin.
Sperling S. A., Ed. Victor (Ed. Victor Sperling* Cia. Importadora El Faro Ltda.)	Cartagena and all branches in Colombia.
Spitta, Arnold (Schleubach, Berendt y Cia.)	Bogota.
Springer, Walther	Medellin.
Staats, Luis (Enrique Kausel & Cia.; Laboratorias Enka Standard)	
Standard Agencies de Colombia	Barranquilla.
Stapff y Cis., A. (Adolfo Stapff)	Medellin.
Striepke & Husfeldt	Cartagena.
Sucesores de C. Wirz y Cia. (Senning & Co.)	
Tietbohl, Walter W. A.	Barranquilla.
Tietjen, Albert (Standard Agencies de Colombia)	
Timm, H.	Bogota.

## COLOMBIA—Continued

Tobon, Diego (Union Nacional de Quimica Industrial Ltda.)	
Tobon, Lazaro (Union Nacional de Quimica Industrial Ltda.)	
Transmares S. A. (1) .. .. .	Cali.
Trilladoras Deco, S. A. (Jose Maria Barrios)	Bogota.
Ultramar, S. A., Agencias de (Jose Maria Barrios)	Bogota.
Union Industrial S. A. .. .. .	Barranquilla.
Union Nacional de Quimica Industrial Ltda.	Medellin.
Unqui (Union Nacional de Quimica Industrial Ltda.)	
Vasquez P., Martin (Empresas Colombiana de Transportes S. A.)	
Vellage, Enrique .. .. .	Cali.
Vieten, Hans H. .. .. .	Medellin.
Von Dewitz, Achim .. .. .	Bogota.
Von Dewitz, (Ruth, Curt, Oswald) (Trilladoras Deco S. A.)	
Von Graefe, H. .. .. .	Pereira.
Von Griesheim, Werner (Walter Barthel y Cia. S. en C.)	
Von Loewis, Patrik (Plantex S. A.) .. .. .	
Von Mellenthin y Cia. (Plantex S. A.) .. .. .	
Von Mellenthin (Plantex S. A.) .. .. .	Bogota.
Von Wahlert, Karl August (Cia. Colombiana de Maquinas Pfaff)	
Von Wussow, Ernest Gunther (Hans Roper)	
Wessels, Bernh .. .. .	Bucaramanga.
Wiese, H. .. .. .	Cartagena.
Willich (Union Industrial) .. .. .	
Winz, Carlos .. .. .	Bogota.
Wolf, H. (Foto-Agfa) .. .. .	Medellin.
Wolf, H. .. .. .	Tumaco.

## COSTA RICA

Agencias y Comisiones "Delcohijo", S. A., Casa de (Casa de Agencias y Comisiones, "Delcohijo", S. A.—Rafael Delcore)	Apartado 1042, San Jose.
Agfa .. .. .	San Jose.
Agricola de Turrialba, Cia. .. .. .	San Jose.
Assmann, Theodore	
Automotriz, S. A., Cia. .. .. .	Calle 1 Ave 1/3, Apto 327, San Jose.
Bayer, Karl A. .. .. .	San Jose.
Bayer-Meister-Lucius .. .. .	San Jose.
Behnke, Walter .. .. .	San Jose.
Botica de la Catedral .. .. .	San Jose.

## COSTA RICA—Continued

Campabadal, Roberto .....	San Jose.
Carvalho & Appel "Almacen Union" .....	San Jose.
Casalvolone, Juan Fait .....	Puntarenas.
Casalvolone Rivolta, Luis .....	San Jose and Puntarenas.
Classen & Co. ....	San Jose.
Compania Automat Riz .....	San Jose.
Corvetti, Dr. Jose .....	San Jose.
"Delcohijo", S. A., Casa de Agencias y Comisiones—Rafael Delcore .....	Apartado 1042, San Jose.
Delcore (Delcorre) e Hijo, S. A. (Rafael Delcore) .....	Apartado 1042, San Jose.
Deutsche Lufthansa, A. G. ....	All-branches in Costa Rica.
Dyes, H. O. & Co. ....	San Jose.
Fait, Juan Casalvolone .....	Puntarenas.
Federspiel, Carlos and Company .....	Apartado 846, San Jose.
"Foto Sport" (Stauffer y Cia.) .....	San Jose.
Grosser, Erwin .....	San Jose.
Guier, Minor .....	Apartado 1725, San Jose.
Hapag-Lloyd Steamship Lines .....	San Jose.
Henkel, Juan .....	San Jose.
Hering & Schoenfeld .....	San Jose.
Hubbe Hijos .....	San Jose.
Internacional de Comercio e Industria, S. A., Agencia (Pedro Surroco) .....	San Jose.
Kitzing, Karl .....	San Jose.
Kitzing & Steinvorth .....	San Jose.
Knohr, Herbert .....	San Jose.
Lapeira, Nicolas (Sucesor de Lapeira y Aguilar) .....	Apartado 616, San Jose.
Lehmann & Co. ....	San Jose.
Miller Hermanos .....	San Jose.
Musmani Hermanos .....	San Jose.
National Importing Co. (Rafael Delcore) .....	San Jose and Limon.
Niehaus & Co., Guillermo .....	San Jose.
Ortuno, Manuel .....	Apartado 785, San Jose.
Pan American Agencies Co., S. A. (Rafael Delcore) .....	San Jose.
Quimica Schering S. A. ....	San Jose.
Reimers & Co., Fritz .....	Apartado 928, San Jose.
Sanabria, Hermann .....	San Jose.
Scalera, Michael .....	San Jose.
Schell, Albert .....	San Jose.
Schlager, A. and Hermano .....	San Jose.
Schlager, Guillermo Quesada .....	Calles A. V.—2, Ave. F. G., San Jose.
Siebe, Luis O. ....	

## COSTA RICA—Continued

Sottanis, Guido .....	San Jose.
Sottanis, Giuseppe .....	San Jose.
Stauer & Co., Jose (Foto Sport) .....	Apartado 1294, San Jose.
Steinvorh, Gerhard .....	San Jose.
Steinvorh y Hermano, W. ....	
Surroco, Pedro (Agencia Internacional de Comercio e Industria, S. A.)	San Jose.
von Breymann, Guillermo (Guillermo von Breymann-Figueroa)	San Jose.
von Breymann-Figueroa, Guillermo .....	Apartado 93, San Jose.
Von Heymann & Co., H. ....	San Jose.
Von Schroter, Guido .....	San Jose.
Walter, Pablo .....	Calles A. V.—2, Ave. F. G., Apartado 1081, San Jose.
Wunder, Kurt (Wunder-Nordhausen) .....	San Jose.
Zeuner, Frits .....	San Jose.

## CUBA

Ackermann, Gerardo .....	Ricla 98, Apartado 1343, Habana.
Adrian, Ignacio .....	Consulado 107, Apartado 1094, Habana.
Adrian y Cia., S. L. ....	Consulado 107, Apartado 1094, Habana.
Agencia Comercial Internacional de Rafart y Cia.	Amargura 103, Habana.
Aguirre, Camilo V. ....	Merced 324, Habana.
Amram, Jose V. ....	Muralla 474, Habana.
Auto Service Company .....	Marina 2, Edificio Carreno, Habana.
Banco Popular .....	San Rafael 3, Habana.
Barletta, Amadeo .....	
Biederlack, Eberhard .....	
Biederlack, Hans .....	
Chojnowski, Clemens .....	
Cifesa .....	Muralla 415, Habana.
Clasing, Luis .....	Consulado 156, Habana.
Costa, Juan Marcote .....	Hotel Plaza, Habana.
Deutsche Lufthansa, A. G. ....	All branches in Cuba.
Drogueria Jose R. Pages, S. A. ....	San Lazaro 24, Habana.
Eliakim, J. S. "La Balear" .....	Enna 612, Habana.
Eliakim y Amram .....	Edificio Prieto 300, Habana.
Emmermann & Herrmann, S. en C. ....	Cristo 27, Apartado 2523, Habana.
Eppinger, Albert .....	Avenida de Belgica 568, Habana.
Evertz, Guillermo .....	Avenida de Belgica 568, Habana.
Fabrica Cubana de Tejidos, S. A. ....	Muralla 474, Habana.
Fischer, Philip .....	
Fritsche, Otto Walter .....	
Gabor, Andres G. ....	Aguiar 132, Apartado 2404, Habana.
Geadá Garcia, Jose Ramon .....	
Govantes, Federico .....	Hotel Florida, Habana.
	Avenida de Belgica 481, Habana.

## CUBA—Continued

Govantes, Francisco	--- -- -- --	Avenida de Belgica 481, Habana.
Govantes, Pedro	--- -- -- --	Apartado 1903, Habana.
Hachez, Emil	--- -- -- --	Edificio Abreu 302, Habana.
Hamburg-Amerika, Cia. de Vapores	--- -- -- --	Prado 303, Habana.
Heisinger, A. C.	--- -- -- --	Santiago de Cuba.
Herrmann, Hans G.	--- -- -- --	
Hoppman, Willi	--- -- -- --	Concordia 755, Habana.
Husek, Wm. P.	--- -- -- --	
Kaupp, Arturo	--- -- -- --	Neptuno 204, Habana.
Koch, Fritz Arthur	--- -- -- --	Nuevitas.
Kolbert y Cia.	--- -- -- --	Avenida del Brasil 405, Apartado 2566, Habana.
		71 Teniente Rey, Box 2566, Habana.
Kolbert, German	--- -- -- --	
"La Balear" (Eliakim, J. S.)	--- -- -- --	San Rafael 807, Habana.
Laboratorios Farmaco, S. A.	--- -- -- --	Apartado 25, Rancho Boyeros.
Laboratorios de Inmuno-Seroterapia, S. A.	--- -- -- --	Avenida Wilson No. 552, Habana.
Lissa, Quimica, S. A.	--- -- -- --	Amistad 415, Apartado 1034, Habana.
Loredo Cocina, Emilio	--- -- -- --	Apartado 722, Habana.
Luetlich, Herman	--- -- -- --	Ricla 98, Apartado 2077, Habana.
Luhn, Enrique	--- -- -- --	
Machinery & Chemical Supply Company	--- -- -- --	
Marina, Sacramento	--- -- -- --	
Menasce Faraggi, Giacomo	--- -- -- --	
Menendez, Juan	--- -- -- --	
Montes, Juan	--- -- -- --	
Naviera y Comercial, S. A., Cia.	--- -- -- --	San Ignacio 713, Habana.
		Aguir 411, Edificio La Cubana, Apartado 1986, Habana.
Neumann, Hermann Dietrich	--- -- -- --	
Nuevas Industrias, S. A.	--- -- -- --	Callejon de Aspuru y Chuco Yola, Luyano.
		Mercaderes 160, Apartado 1645, Habana.
Orth, Guillermo	--- -- -- --	Habana.
Pages, Drogueria Jose R.	--- -- -- --	Edificio Banco de Nova Scotia 304-305, Habana.
Pfeiffer, Michael	--- -- -- --	Amistad 415, Apartado 1034, Habana.
		Teniente Rey 113, Apartado 1905, Habana.
Pinks & Loredo	--- -- -- --	
Provedora Maritima, S. A., Cia.	--- -- -- --	
		Linea 552, Vedado, Habana.
Quesada, Dr. Tomas	--- -- -- --	Avenida Wilson No. 552, Habana.
Quimica Lissa, S. A.	--- -- -- --	Internacional de 103, Amargura, Habana.
Quimica Schering, S. A.	--- -- -- --	
Rafart y Cia., Agencia Comercial Internacional de	--- -- -- --	
Rafart, Manuel	--- -- -- --	
Reichert, Rene	--- -- -- --	
Rosbock, Pierre	--- -- -- --	Perseverancia 111, Habana.

**CUBA—Continued**

Rosenstein (or Rosenstein), Isaac .. ..  
 Ross Corporation, Lawrence B. .. ..  
 Schering, Quimica, S. A. (Quimica Schering,  
 S. A.) .. ..  
 Schwilling, Herbert .. ..  
 Segura, Mario .. ..  
 Sinai, Marcos .. ..  
 Sinai, Salvatori .. ..  
 Solino, Noberto .. ..  
 Steindler, Rudolph R. .. ..  
 Suministradora de Maquinarias y Pro-  
 ductos Quimicos, Cia. .. ..  
 Tamas, Francis .. ..  
 Thol, Hans .. ..  
 Uhlinger, Louise .. ..  
 Will, R. A., S. en C. .. ..

Calle 25 entre Marina e Infanta, Habana.  
 Avenida Wilson No. 552, Habana.

Muralla 474, Habana.

Republica del Brazil 112, Habana.

**DOMINICAN REPUBLIC**

Barkhausen, H.—Agencia Antillana .. ..  
 Barletta & Co., C. por A., Antonio .. ..  
 Cobian & Co. .. ..  
 Cobian, Salustiano .. ..  
 Comercial C. por A., Cia. .. ..  
 Cristobal Colon, Cia. por Acciones .. ..  
 Deutsche Lufthansa, A. G. .. ..  
 Explotaciones Industriales, Compania Ano-  
 nima de .. ..  
 Hertel, Carl .. ..  
 Indorff, F. Walter (Sucrs. Charles Pogson) .. ..  
 Inversiones Inmobiliarias, Compania Ano-  
 nima de .. ..  
 Martinez, F. Lefeld .. ..  
 Palamara, Battesimo (Casa Palamara) .. ..  
 Peres & Co. (Brigido Fernandez Perez) .. ..  
 Pogson Sucrs., Charles (F. Walter Indorff) .. ..  
 Santo Domingo Motors Co. C. por A. .. ..  
 Ultramar Comercial C. por A. .. ..  
 Weisgerber, Erwin .. ..  
 Wuerzburg and Son. .. ..

Apartado 664, Ciudad Trujillo.  
 Padre Billini 4, Ciudad Trujillo.  
 Ciudad Trujillo.  
 Ciudad Trujillo.  
 Monte Cristi.  
 Ciudad Trujillo.  
 All branches in Dom. Rep.  
 Calle Isabel la Catolica 48, Ciudad  
 Trujillo.  
 Ciudad Trujillo.  
 Ciudad Trujillo.  
 Ciudad Trujillo.  
 c/o Agencia Antillana (H. Barkhausen),  
 Apartado 664, Ciudad Trujillo.  
 Edificio Copello, Apartado 404, Ciudad  
 Trujillo.  
 Ciudad Trujillo.  
 Jose Dolores Alfonseca 20, Ciudad Tru-  
 jillo.  
 Ciudad Trujillo.  
 610 Baquero Bldg., Ciudad Trujillo.  
 Ciudad Trujillo.

**ECUADOR**

Aguirre & Co. .. ..  
 Alemana de Agencias, Compania (A.  
 Pance)

Calle 10 de Agosto 326, Guayaquil.  
 Guayaquil.

## ECUADOR—Continued

Alvarado R., Luis A.	Calle Panama 800-802, Casilla 847, Guayaquil.
Banco Italiano S. A.	Guayaquil and Manta.
Baquerizo, Clemente G.	Ave. 18 de Setiembre 179 y Estrada Apartado 480, Quito.
Brachetti, Theo.	Casilla 860, Quito and Casilla 53, Guayaquil.
Bruckmann, L. E. & Co.	Guayaquil and Manta.
"Cialda" (Compania Alemana de Agencias, C. A.)	Casilla 787, Guayaquil.
Continental, Sociedad	Casilla 409, Guayaquil.
Deutsche Lufthansa, A. G.	All branches in Ecuador.
Duffer, E.	Esmeraldas.
Ebert, Fritz	Casilla 1256, Guayaquil.
Ecuapetrol Compania Petrolera y Commercial S. A.	Guayaquil, and all branches in Ecuador.
El Mercurio	Cuenca.
Ferrostaal A. G.	Quito and Guayaquil.
Harms, Siegfried	Calle Chile 309, Guayaquil.
Industrial Corozo Ecuador, S. A.	Manta.
Industrias Textiles, S. A., Sociedad	Calle Ascasubi 14, Quito.
Klaschen, C.	Manta.
Kruger, J. H.	Guayaquil.
La Casa Wiking, S. A.	Casilla 556, Quito.
Merchan & Co.	Apartado 37, Cuenca.
Merchan, Nicanor	c/o El Mercurio, Cuenca.
Moller, Gustavo	Casilla 930, Guayaquil.
Pance, A.—Compania Alemana de Agencias—	Guayaquil.
Ponto, B.	Bahia de Caraquez.
Quimica Schering Ecuatoriana S. A.	Calle Chile 309, Guayaquil.
Saalmann y Compania	Casilla 1130, Guayaquil.
Sedta, Soc. Ecuatoriana de Transportes Aereos	Quito.
Stamer & Co.	Guayaquil.
Tagua, S. A. Casa	Manta, and all branches in Ecuador.
Timpe, Teodoro	Riofrio, Casilla 342, Quito.
Ultramares Trading Co., S. A.	Casilla 1328, Guayaquil.
Voz Obrera	Quito.
Wolff, Otto	Guayaquil, and all branches in Ecuador.
<b>GUATEMALA.</b>	
A. E. G. (Electrical Supply Store)	7a A. S. No. 12, Guatemala City.
Allgemeine Elektrizitaets Gesellschaft	Guatemala City.
Almacen El Lobo (B. S. de Widmer)	9a Calle Oriente No. 11, Guatemala City.
Almacen "La Retalteca" (Riego & Company)	6a Calle G., No. 11, Retalhulen.

## GUATEMALA—Continued

Arroyave L., Jose Luis (Farmacia "El Fenix")	Guatemala City.
"Auto Salon" (Otto Zieseness) . . . . .	5a Avenida Sur No. 35, Guatemala City.
Bar, Hans J. . . . .	12 Calle Poniente No. 1-D, Guatemala City.
Biener y Cia., Adolfo . . . . .	6a Avenida Sur No. 3, Guatemala City.
Bohnenberger, Otto . . . . .	Quezaltenango.
Bornholt e Hijos, Claudio . . . . .	8a Avenida Sur No. 5, Guatemala City.
Buhl & Co., Sucs. . . . .	Tumbador, and all branches in Guatemala.
"Cecilia" Ltda., Cia. Administradora . . . . .	Quezaltenango and Guatemala City.
"Colibri" Almacen—Rodolfo Reiffen . . . . .	7a Ave. Sur. 12, Apartado 19, Guatemala City.
"Concepcion" de Guatemala, Cia. de Plantaciones	Concepcion Escuintla.
Daetz, Arnoldo . . . . .	Coban.
Deutsche Lufthansa, A. G. . . . .	All branches in Guatemala.
Dieseldorf y Cia., Sucs. . . . .	10a Calle Poniente No. 3, Guatemala City.
Diestel, Hastedt & Co. . . . .	Guatemala City.
"El Fenix" Farmacia,—Jose Luis Arroyave L.	Coban.
Farmacia Alemana . . . . .	Calle Morazan, Quezaltenango.
Franke y Cia., Conrado (Laeisz y Cia., Sucs.)	6a Avenida Sur., No. 32, Guatemala City.
Garcia y Cia. . . . .	Guatemala City.
Gerlach & Co., Sucs. . . . .	5th Ave. South 6, Apartado 24, Guatemala City.
Gieseler, Carlos . . . . .	Apartado 350, Guatemala City, and all branches in Guatemala.
Hoepker, Henry (Palacio de Cristal) . . . . .	Quezaltenango.
Johansen y Cia. . . . .	Guatemala City.
Kaltwasser y Cia., Hermann . . . . .	8a Avenida Sur, No. 23, Guatemala City
Koper, Lottman & Co. . . . .	8a Avenida Sur, No. 8, Guatemala City.
La Estrella (Carlos Sauerbrey & Co., Sucs.,)	6A, Ave. Sur, y 9A Calle, Apartado 135, Guatemala City.
La Perla S. A. . . . .	Quezaltenango and Retalhuleu.
Laeisz y Cia. (Sucs. Conrado Francke & Co.)	Guatemala City.
Leber, Joseph (Leber & Co.) . . . . .	Mansion San Francisco, 6a Avenida Sur, No. 32, Guatemala City.
Lewald, Willy . . . . .	7-a Avenida Sur y 10a Calle, Oriente, Guatemala City.
Methe, Knedel & Co. (Salchichoneria Germania)	Guatemala City.
Nehlsen, H. . . . .	All branches in Guatemala.
Nottebohm Hermanos . . . . .	Calle Poniente II, y Ave. 5, Guatemala City.
Nottebohm & Co., Kurt . . . . .	



## GUATEMALA—Continued

Padula, Francisco .. .. .	9a Calle Pontiento No. 1E, Guatemala City.
Paetau & Co., Max .. .. .	Ninth Ave. South, 10C, Apartado 49, Guatemala City.
Palacio de Cristal (Henry Hoepker) .. ..	7a Avenida Sur y 9a Calle, Guatemala City.
Plantaciones, Compania de ("Concepcion de Guatemala")	Guatemala City.
Prem, Suc., Juan (Tienda La Famosa) .. ..	4a Avenida Sur. No. 67, Guatemala City.
Reiffen, Rodolfo (Almacen "Colibri") .. ..	7A, Ave. Sur. 12, Apartado 19, Guatemala City.
Riege & Co. (Almacen "La Rotalteca") .. ..	6a Calle G., No. 11, Retalhuleu.
Salchichoneria Germania (Methe, Knedel & Co.)	Guatemala City.
Sauerbrey & Co., Suc., Carlos (La Estrella)	8a Avenida Sur No. 8, Guatemala City.
Suse, Edmund T. .. .. .	Guatemala City.
Thomae & Koegler .. .. .	Guatemala City.
Tienda La Famosa .. .. .	4a Avenida Sur, No. 67, Guatemala City.
Tropical Trading Company .. .. .	Guatemala City.
Vialardi, Francisco (Francisco Viliardi) .. ..	Apartado 371, or Pasje Rubio, Guatemala City.
Voss, Walter .. .. .	Calle Poniente 10A, Apartado 122, Guatemala City.
Weller & Babezynsky .. .. .	9a Calle Oriente No. 2, Guatemala City.
Widmer, B. S., de (Almacen El Lobo) .. ..	9a Calle Oriente No. 11, Guatemala City.
Wulff, Kurt .. .. .	Callejon de Cordova No. 8, Guatemala City.
Zieseness, Otto ("Auto Salon") .. .. .	5a Avenida Sur No. 35, Guatemala City.

## HAITI

Anderson, G. E. .. .. .	Port-au-Prince.
Anderson, Gunther .. .. .	Port-au-Prince.
Bata Shoe Co., Inc. .. .. .	(P. O. Box A-144) Avenue President
Chaussures Bata Haiti, S. A. .. .. .	Trujillo, Port-au-Prince.
Cianciulli, H. & C. .. .. .	Cape Haiti.
Commerciale et Industrielle d'Haiti, Soc. .. ..	Port-au-Prince.
De Matteis, A. & Co. (Succr. Arthur de Matteis)	Port-au-Prince.
Deutsche Lufthansa, A. G. .. .. .	All branches in Haiti.
Dufort, Joseph .. .. .	Port-au-Prince.
Hackenbruck, Hans .. .. .	Port-au-Prince.
Hamburg America S. S. Line .. .. .	Port-au-Prince.
Hirsch & Lemke .. .. .	Port-au-Prince.

## HAITI—Continued

Horn S. S. Line .. .. .	Port-au-Prince.
Luciani & Co., Jean .. .. .	Cape Haiti.
Luders (Lueders), Ernst .. .. .	Port-au-Prince.
Matteis & Co., Luciani .. .. .	Port-au-Prince.
Plesch, Arpad .. .. .	
Reinbold & Co. .. .. .	Port-au-Prince, and all branches in Haiti.
Rode, George .. .. .	
Rosenthal, A. .. .. .	Cape Haiti.
Schmid, Jacob Fredrich .. .. .	
Schutt & Co., Otto .. .. .	Cape Haiti, and all branches in Haiti.
Seidel, K. & Co. .. .. .	Aux Cayes.
Seims, Alexander .. .. .	
Stompf, Johannes .. .. .	Port-au-Prince.
Streitwolf, Gunther .. .. .	
Teuchler, R. .. .. .	Cape Haiti.
Theophile, Max Heinrich .. .. .	
Wang, Alfonso .. .. .	Port-au-Prince.
Wahl, H. G. .. .. .	Port-au-Prince.

## HONDURAS

Bastel and Company, W. .. .. .	Puerto Cortes.
Bayer, Drogueria .. .. .	Tegucigalpa.
Boehm & Faasch .. .. .	
Cornelsen, Sucrs., N. .. .. .	Tegucigalpa.
Deutsche Lufthansa, A. G. .. .. .	All branches in Honduras.
Doborow, Juan .. .. .	Tegucigalpa.
Farmacia Higia .. .. .	Tegucigalpa.
Imprenta Ariston .. .. .	Tegucigalpa.
Kabel and Schwenn .. .. .	Puerto Cortes and all branches in Honduras.
Konke, S. A., Casa .. .. .	Tegucigalpa.
Marrugat, Jose Maria .. .. .	La Ceiba.
Merz, Ernesto .. .. .	Tegucigalpa.
Moeller & Co., Morales (Morales, Moeller & Co.) .. .. .	San Pedro Sula.
Morales, Moeller & Co. (Moeller & Co., Morales) .. .. .	San Pedro Sula.
Paz and Company, J. .. .. .	Puerto Cortes.
Reese y Cia., J. .. .. .	Tegucigalpa.
Rischbieth & Co., Werner .. .. .	Tegucigalpa.
Rossner, S. A., Casa .. .. .	Tegucigalpa.
Seidel, Guillermo .. .. .	La Ceiba.
Siercke, Ernesto .. .. .	Choluteca.
Siercke, Francisco .. .. .	Tegucigalpa and all branches in Honduras.

## MEXICO

A. E. G. Cia Mexicana de Electricidad, S. A.	Ave. 5 de Mayo 10, Mexico City.
Afirmacion	
Agencia Comercial y Maritima (Heynen Eversbusch & Co.)	Pasaje America 213, Mexico City, and all branches in Mexico.
Agencia Internacional de Libreria y Publicaciones.	Ave. Uruguay 10, Mexico City.
Agta Foto (Union Quimica) S. A.	Mexico City.
Albert y Cia., Sucrs. Julio—"La Gran Serderia"	16 de Septiembre 83, and 5 de Febrero 3, Mexico City.
Amtmann, Karl R.	Ave. Uruguay 66 and Insurgentes 320 and 324, Apartado 267, Mexico City.
Anahuac, Agencia Comercial—Hugo Schoener	Apartado 2303, Mexico City.
Apolo (of Monterrey) Las Fabricas de	
Bach y Dorsch, Sucrs.	Ave. Uruguay 42, Mexico City.
Baldi, Dr. Franco	Motolinia 20, Apartado 412, Mexico City.
Banco Germanico de la America del Sud (Deutsch-Sud-amerikanische Bank)	c/o Carlo Erba, S. A., Barcelona 27, Mexico City.
Baumgartner, Juan	Mexico City.
Bayer, S. A. Casa	Ave. Uruguay 10, Mexico City.
Beick y Cia., Felix	San Juan de Letran 24, Mexico City.
Berentsen, Lambertus	Ave. F. I. Madero 39, Mexico City.
Biagi Hermanos	Calle Palma 308, Apartado 1009, Mexico City.
Boker, Casa—Ferretera Mexicana, S. A. Cia.	Avenida Hidalgo 1302, Tampico.
Bolbrugge, Charles	16 de Septiembre 60, Mexico City.
Bona, A. & Co.	
"Botica Central" (Farmacia y Drogueria, Cia., S. A., Internacional de)	1a Venustiano Carranza 27, Ap. Postal 865, Mexico City.
Brandseph, Felix	Apartado 967, Mexico City.
Bremer, Eduardo	Calle Victoria 8-10, Chihuahua.
Burmex, Soc. de Resp. Ltda.	Guanajuato 27, Mexico City.
Cabezut y Cia. Soc. de Resp. Ltda., Alberto, M.	Apartado 4, Ave. Hidalgo Poniente 1745, Monterrey.
Cacho, J. y Cia.	Juarez 56, and Sierra Nevada 415A, Lomas de Chapultepec, Apartado 2872, Mexico City.
"Ciba" (Productos Quimicos-Farmacuticos)	Agencia Aduanal, Madero 405, Oriente, Tampico.
Clever y Lassman	16 de Septiembre y 5 de Febrero, Mexico City.
Comisiones S. A.	Calle Lopez 35, Mexico City.
Cram, Casa	Ave. Uruguay 44, Mexico City.
	Apartado 429, Mexico City.
	Apartado 79, Monterrey, N. L.

## MEXICO—Continued

Dahlhaus y Cia. . . . .	Apartado 862, Mexico City.
Deutsche Lufthansa, A. G. . . . .	All branches in Mexico.
Deutsche Schule (German School) . . . . .	Mexico City.
Distribuidora de Aceros Escudo, S. A. . . . .	Isabel la Catolica 51, Mexico City.
Distribuidora Mexicana de Radios . . . . .	Mexico City.
Dittmer y Cia., Carlos . . . . .	Ave. Rep. del Salvador 47, Apartado 464, Mexico City.
Dorenberg, Petersen y Cia., Suc. S. en C. . . . .	Puebla Pue.
Dorner, Hermann . . . . .	Apartado 1036, Mexico City.
Drateln y Holste, Sucr. . . . .	Venustiano Carranza 45, Desp. 302, Mexico City.
Drogueria Cosmopolita S. A. . . . .	Esquina Ave. Pino Suarez, and Plaza Constitucion, Mexico City.
Drogueria del Refugio S. A. . . . .	5 de Febrero I, Mexico City.
Drogueria Regina S. A. . . . .	5 de Febrero 7 Regina, Mexico City.
"Edificio Boker" (Casa Boker) . . . . .	Mexico City.
Egry, Carlos . . . . .	Calle Florencia 14, Apartado 1025, Mexico City.
Emesco, S. A. (Max Schmidt) . . . . .	Av. Uruguay 28, Mexico City.
Equipos de Oficinas, S. A. . . . .	Mexico City.
Equipos Para Oficinas, S. A. . . . .	Ave. Juarez 56, Mexico City.
Erba, S. A., Carlo . . . . .	Barcelona 27, Mexico City.
Estambros y Lanas, S. A. . . . .	Boleo 57, Apartado 952, Mexico City.
Ewald, Albert . . . . .	Calle Mezones 44, Mexico City.
Excelsior, Compania S. de R. L. . . . .	Calle Durango 117, Mexico City.
Exportadora & Importadora Cia. Soc. de Resp. Ltda. (formerly Cia. Exportadora de Productos Mexicanos)	Calle Dr. Mora 9-22, and Ave. Juarez 56, Mexico City.
"Farmacia Apolo" Dr. J. J. Gonodles Reynoso	Guadalajara.
Farmacia y Drogueria, Cia., S. A. Inter- nacional de (Botica Central)	Chihuahua.
Farmamex Productos Farmaceuticos, S. A.	Isabel la Catolica 15, Mexico City.
Fernandez, Rafad . . . . .	Mexico City.
Ferretera Mexicana, S. A. Cia. (Casa Boker)	16 de Septiembre 60, Mexico City.
Ferreteria Langstroth, S. A. . . . .	Monterrey.
Farrum, S. A. . . . .	Post Office Box 2918, Mexico City.
Fibra Comercial Mexicana S. A. . . . .	Insurgentes 785, Apartado 8810, Mexico City.
Foto Mantel (Rudolph Rudiger Sucra.) . . . . .	Ave. Venustiano Carranza 11, Mexico City, and all branches in Mexico.
Foto Productos, S. A. . . . .	Revillagigedo 25, Mexico City.
Friese, Bruno . . . . .	Ed. Condesa V. 7, Mexico City.
General de Anilinas, S. A. Cia. . . . .	Ave. Uruguay 54, Mexico City.
General de Comercio, S. A., Cia. . . . .	Calle Durango 138, Mexico City.
German School (Deutsche Schule) . . . . .	Mexico City.

## MEXICO—Continued

German Struck, S. A. (German Struck) ..	Calle 58, No. 501, Merida.
Giesemann, Ad. & Co. .. .. .	La Violetta, Correo Argovia, Chiapas.
Goerling, A. A. G. .. .. .	Bolivar 23, Desp. 302, Mexico City.
Grebe, Federico (Joyeria La Perla) .. ..	Esquina Aduana y F. I., Madero, Tampico.
Groth & Kuhlmann .. .. .	Apartado 662, Mexico City.
Haas, Carlos .. .. .	Ed. Siemens, Ave. Juarez 30, Apartado 2008, Mexico City.
Hackmack, Roberto .. .. .	Avenida Hidalgo No. 50, Oaxaca.
Hausmann, Reinhold .. .. .	Ave. Uruguay 73, Apartado 7365, Mexico City.
Hentza, Willi .. .. .	Mexico City.
Hering y Cia., Carlos (Carlos Hering) ..	Guadalajara and Mexico City.
Hermann, Julio .. .. .	16 de Septiembre 52, Apartado 831, Mexico City.
Herzer, Hans (Dr.) .. .. .	V. Carranza 35-7, Mexico City.
Heynen Eversbusch & Co.—Agencia Co- mercial y Maritima .. .. .	Pasaje America 213, Mexico City, and all branches in Mexico.
Hispanidad .. .. .	
Holck S. A., Casa .. .. .	Monterrey, N. L.
Imhausser, (Imhaeuser) Dr. Walter .. ..	Calle Motolinia 33, Despacho 315, Mex- ico City.
Importadora de Maquinaria, Cia. .. ..	San Juan de Letran 24, Apartado 756, Mexico City.
International Supply Company, The .. ..	Av. Juarez 88, Desp. 213, Mexico City.
Itturiaga, Joaquin Fernandez .. .. .	Querataro 48, Mexico City.
Joyeria La Perla (Federico Grebe) .. ..	Esquina Aduana y F. I., Madero Tam- pico.
Kade, Sucra., Alberto .. .. .	Ave. Uruguay 80, Mexico City.
Klaeger, F. G. .. .. .	Morelos Oriente 420, Monterrey.
Knolle, Federico E. .. .. .	Apartado 2004, Mexico City.
Kores, Soc. de Resp. Ltda. .. .. .	Motolinia 9, Mexico City.
Korting-Motores, S. A. .. .. .	Ave. del Ejido 37, Apartado 1882, Mex- ico City.
Krieger, B. y Cia. S. A. .. .. .	Luis Moya 49—Bis, Apartado 2344, Mexico City.
"La Gran Sederia"—Julio Albert y Cia. Sucrs. .. .. .	16 de Septiembre 83 and 5 de Febrero 3, Mexico City.
"La Internacional S. A." .. .. .	Ave. Juarez 105, Mexico City.
La Joya de Mexico .. .. .	522 Calle 58, Merida, Yucatan.
La Masellesa (de Castelli) .. .. .	
"La Paloma" S. A. Ferreteria y Maqui- naria .. .. .	I. La Catolica 59, Apartado 2761, Mexico City.
"La Quimica Industrial Bayer-Meister- Lucius," Weakott y Cia. .. .. .	Mexico City.
La Sirena, S. A. .. .. .	16 de Septiembre 71, Mexico City.
La Suiza (Petero y Compania; Peters y Cia.) .. .. .	Calle 5 de Febrero, 403 Paniente, Mon- terrey.

## MEXICO—Continued

La Union Quimica, S. A. . . . .	Av. Juarez 76, Mexico City.
Laboratorios Codex . . . . .	Corner of Calles Nardo and Fresno, Mexico City.
Laboratorios Madame Clare S. de R. L. . . . .	Calle Havre No. 35, Mexico City.
Lepori, Luigi . . . . .	Via Carranza 69-208, Mexico City.
Mafisa, S. A. . . . .	Ave. Uruguay 76, Mexico City.
Magneto Service . . . . .	Articulo 123, 130-B Mexico City.
Marquet y Cia., Guillermo . . . . .	Articulo 123, No. 9, Mexico City, 326 Ote, Monterrey.
Martinez, Ruperto . . . . .	Via Carranza 69, Mexico City.
Martiniani & Perina, A. en P. . . . .	Mexico City.
May, Casa . . . . .	Mexico City.
Merck Mexico S. A. . . . .	Mexico City.
Messtorff, Heinz (Mestroff, Heinz) . . . . .	Mexico City.
Mexicana Aerofoto, Compania . . . . .	Articulo 123 No. 68, Mexico City.
Mexicana de Productores Quimicos, S. A., Compania (Schering, S. A.) . . . . .	Calle Versalles 43, Mexico City.
Mexicana de Representaciones, Agencia (Horst Kiel) . . . . .	16 de Septiembre 52, Apartado 40, Mexico City.
Meyer & Co., G. H. . . . .	Ave. Uruguay 79-7, Mexico City.
Mich, Birk Sucs., S. en C. . . . .	Apartado Postal 7305, Av. Uruguay 74, Mexico City.
Michel, S. A., Christian . . . . .	Ave. Uruguay 37, Mexico City.
Moeller, Eitel Fritz . . . . .	Apartado 1813, Mexico City.
Moeller, Hans . . . . .	Pablo Ocello 8, Apartado 252, Mexico City.
Morros, Abel . . . . .	Rosales 5, Mexico City.
Muller, Fritz . . . . .	Calle Diaz Miron 303 Ote, Apartado 258, Tampico.
Nacional Drogas Express S. A. . . . .	Abraham Gonzalez 64, Mexico City.
Noeh, Walter . . . . .	Calle Lopez 35, Mexico City.
Oetling (Ostling), Fritz F. . . . .	Isabel la Catolica 40, Desp. 210, Apartado 1933, Mexico City.
Olympia S. A. Maquinas de Escribir . . . . .	
Omega . . . . .	Motolinia 20-504, Mexico City.
Orenstein & Koppel S. A. . . . .	Zaragoza 24, Mexico City.
Ostling (Oetling), Fritz F. . . . .	Calle 5 de Febrero, 403 Peniente, Monterrey.
Pabst, F. W. . . . .	Ave. Uruguay 44-5 Apartado 549, Mexico City.
Peters y Cia. (Petero y Compania; La Suiza) . . . . .	Madero 43, Mexico City.
Pfaff, Maquinas S. A. . . . .	Manzanillo.
Piening, Pablo . . . . .	Apartado 955, Mexico City.
Pirsch, Ernesto . . . . .	Apartado 255, Mexico City.
Plate, Soc. de Resp. Ltda. Casa . . . . .	Calle de Ramon-Guzman 61, Apartado 1074, Mexico City.
Productos Abrasivos, S. A. . . . .	
Productos Medicinales y Farmaceuticos S. A. . . . .	

## MEXICO—Continued

Productos Quimicos-Farmacuticos ("Ciba")	Calle Lopez 35, Mexico City.
Quimica y Mercantil, S. de R. L., Agencia	Apartado 1119, Mexico City.
Quimica Schering Mexicana S. A.	Versalles 43, Mexico City.
Rademacher, O.	Apartado 131, Guadalajara.
Ramirez de Arellano y Cia.	Vera Cruz.
Reynoso, Dr. J. J. Gonodles, "Farmacia Apolo"	Guadalajara.
Richter, Wilhelm	Gente 7, Desp. 405, Mexico City.
Rimex Soc. de Resp. Ltda.	Motolinia 20, Mexico City, and all branches in Mexico.
	Ave. Uruguay 19, Apartado 38, Mexico City.
Roentsch S. A., Pablo	Ave. Venustiano Carranza 11, Mexico City.
Rudiger, Rudolph	Andalucia 165, Mexico City.
Sagner, Gustav	Monterrey.
"Salon Variedades"	
Saro, Pedro	Mexico City.
Schering, S. A. (Compania Mexicana de Productores Quimicos)	
Schiemann, Wilhelm	Mexico City.
Schmidt, Max	Ave. Uruguay 26, Mexico City.
Schoener, Hugo (Agencia Comercial Anahuac)	Apartado 2303, Mexico City.
Schultz, Alfredo Jr.	c/o Casa Schultz Uruguay 51, Mexico City.
Seidel, Artur	Matolinia 25, Apartado 1614, Mexico City.
Siemens (Mexico) S. A.	Ave. Juarez 30, Mexico City.
Sommer, S. A., Gustavo	Isabel la Catolica 51, Mexico City.
Sommer, Herrmann y Cia. Sucrs. S. A.	Palma 33-7, Apartado 299, Mexico City, and all branches in Mexico.
Speisseger & Co., R. F.	16 de Septiembre 52, Mexico City.
Stallforth, Alberto	Parral.
Stein y Cia., Carlos	5 de Febrero 174, Mexico City.
Struck, German (German Struck S. A.)	Calle 58, No. 501, Merida.
Supertex Mexicana S. A.	Uruguay 55, Mexico City.
Tamm y Cia	Uruguay 68, Apartado 1541, Mexico City.
Telefunken S. A.	Mexico City.
Textiles Artificiales S. A.	Mesones 34, Mexico City.
Trapeha S. A.	Revillagigedo 6, Apartado 2298, Mexico City.
Tucan, S. A. Compania	Calle Tonalá 73, Apartado 7078, Mexico City.
Union Quimica S. A.	Mexico City.
Veerkamp S. A. Casa	Mesones 21, Apartado 851, Mexico City.
Veerkamp y Compania, Alfredo	2a Mesones 21, Mexico City.
Von Humboldt, Baron W.	Gante 15-303, Mexico City.

**MEXICO—Continued**

Von Imhof, R. ....	Calle Dr. Mora 9-22, Mexico City.
Von Richter, Hermann ....	Av. Uruguay 37, Mexico City.
Von Rosendal, Bruno ....	I. la Catolica 40, Mexico City.
Von Watzdorff, Baron ....	Mexico City.
Wellstein, Oscar ....	Uruguay 51, Mexico City.
Weskott y Cia.-La Quimica Industrial Bayer-Meister-Lucius (Casa Bayer)	Mexico City.
Willms, Paul Otto ....	Mexico City.
Wulfrath (Wuelfrath), Arturo ....	Calle Durango 138, Mexico City.

**NICARAGUA**

Almacen de 5a 95 cts ....	Managua.
Arceyut y Cia., Ltda., Mercedes ....	Managua.
Bahleke, Julio C.—Central American Trading Co.	Managua.
Bayer, Agencia ....	Managua.
Boehmer, Immo ....	Apartado 114, Managua.
Brachtl, Karl ....	
Brignoti & Co., Piero ....	Managua.
Brockman y Cia., Ltda., F. ....	Managua.
Caligaris, Leopoldino Viuda de (Massa de Angel Caligaris)	Managua.
Central American Trading Co. (J. C. Bahleke)	Managua.
Danckers, Hugo ....	Managua.
Deutsche Lufthansa, A. G. ....	All branches in Nicaragua.
Eitzen, Ulrico and Arnold, Otto ....	Managua.
Eyl, C. H. ....	Managua.
Fiedler, Jorge ("Tienda Alemana") ....	Leon, Managua.
Geerz, Casa ....	Managua.
Geerz Compania Nicaraguense, Ltd. (Geerz Companie Comercial)	Managua.
Geerz Companie Comercial (Geerz, Com- pania Nicaraguense, Ltd.)	Managua.
Geier, Ana ....	Granada.
Gulke & Wettstein ....	Managua.
Haaschke ("La Joya Alemana", Sucrs. de F. Beeger & Co.)	Managua.
Hammer, Ernesto ....	Managua.
Harder, Richard ....	Managua.
Huper, Guillermo ....	Matagalpa.
Kunze, Louis ....	Managua.
La Barata ....	
La Estrella de Nicaragua ....	Managua.
"La Joya Alemana", Sucrs. de F. Beeger & Co. (Haaschke)	Managua.
Lang & Co., Ltd., Eugenio ....	Managua.



## NICARAGUA—Continued

Langschwager & Co., Hans	Apartado 50, Managua.
Libreria Hispano Americana (Victor Recalde y Cia.)	Managua.
Merck, Agencia (E. Merck G. m. b. H. Darmstadt)	Apartado 364, Managua.
Morlock, F.	Managua.
Nicaragua, S. A., Agencias	Managua.
Pentzke, Carlos	Managua.
Peter, Albert William	
Peter, Oscar	
Portocarrero, Julio	Bluefields.
Puschendorf y Hermanos, M.	Managua.
Raven, H. B.	Managua.
Recalde y Cia., Victor (Libreria Hispano Americana)	Managua.
Reese, Hugo	Matagalpa.
Reyes y Martinez Cia., Ltda.	Managua.
Riedel, Willy	Managua.
Siercke, Ernesto	
Solorzano, Carlos	Managua.
Stein, Hans	Managua.
"Tienda Alemana" (Jorge Fiedler)	Leon, Managua.
Ueberseiszig, Maria de	
von Breymann, Guillermo	Managua.

## PANAMA

Alvarado, Francisco	46 Thirteenth Street, Panama City.
Arosemana, Francisco Alvarado	Calle 13-46, Panama City.
Audisio, Carlos	
Bata Shoe Co., Inc.	Panama City.
Centro Americana de Navegacion Ltda., Cia. (owners of s. s. "Lovcen" and "Josephine" ex "Stella Lykes")	Panama City.
Cerjack-Boyna, Eric O.	17 6th Street, Panama City.
Deutsche Lufthansa, A. G.	All branches in Panama.
Dziuk, Augusto	1 Valdes Street, Panama City.
Forte y Ferrari	9.039 Front St., Colon.
Fotographia Laurenza	
Frank & Son	21—Sixth Street, Panama City.
Friese & Co., Carl	Boncas deal Toro.
Grebien & Hauke	6158 Federico Boyd Avenue, Colon.
Hapag-Lloyd	Colon.
Heidelk, Hans	Panama City.
Hellinger, M. Suers.	Panama City.
Jabs, Herbert	4—"1" Street, Panama City.
Kirchner, Walter	Calle Ramon Valdes 1, Apartado 755, Panama City.

**PANAMA—Continued**

Knaack, Werner (United Agencies Co. Ltd., S. A.)	86 Ancon Avenue, Panama City.
Kohpcke & Neumann, Inc. . . . .	54 North Avenue, Panama City.
Lloyd-Triestino (Italian Line) . . . . .	Cristobal, Canal Zone.
Papio, Angelo . . . . .	Panama City.
Schering Kahlbaum A. G. . . . .	c/o Hapag-Lloyd Agency, Colon.
Schmidt, Walter . . . . .	6—8th St., Panama City.
Toepser, George . . . . .	46 North Avenue, Panama City.
Trute Brothers (Bernard Trute, Sucesores de Trute Hermanos)	Panama City.
United Agencies Co. Ltd., S. A. (Werner Knaack)	c/o Cia. Centro Americana de Navegacion Ltda., Panama City.
Zuber, Lale Novak . . . . .	

**PARAGUAY**

Banco Germanico de la America del Sud (Deutsch-Sudamerikanische Bank)	Asuncion.
Deutsche Lufthansa, A. G. . . . .	All branches in Paraguay.
Ferreteria Alemana, S. A. . . . .	Calle Catorce, Asuncion.
Ferreteria Universal, S. A. . . . .	Palma y Ayolas, Asuncion, and all branches in Paraguay.
I. P. A., S. A. . . . .	Calle Palma, Asuncion.
Ipa S. A. de Comercio e Industria . . . . .	349 Palma, Asuncion, and all branches in Paraguay.
Krauch y Cia., S. A. Federico . . . . .	Asuncion, and all branches in Paraguay.
Reider y Cia., F. . . . .	Calle Palma, Asuncion.
Rein, Frederico . . . . .	Ave. Colombia 1838, Asuncion.
Roehrig, Juan Federico . . . . .	Asuncion.
Staudt & Co. . . . .	Asuncion.
Wiske & Co., Juan . . . . .	Asuncion.
Zinnert y Cia., Otto . . . . .	Calle Palma, Asuncion.

**PERU**

Albrecht, Rotmann y Cia., S. A. . . . .	Carabaya 587, Casilla 1778, Lima.
Almacenes Populares (Ano Ander e Hijo) . . . . .	Jiron Camana 590, Lima, and all branches in Peru
Ander e Hijo, Ano (Almacenes Populares) . . . . .	Jiron Camana 590, Lima, and all branches in Peru.
Arana, Eduardo . . . . .	Casilla 1353, Lima.
Arens & Lessel, S. A., Ltda. . . . .	Calle Libertad, Piura, and all branches in Peru.
Arias, Rodrigo . . . . .	c/o Woyke y Cia., Azangaro 273, Lima.
Banco Aleman Transatlantico (Deutsche Uberseeische Bank)	Arequipa and Lima.
Bayer, La Quimica, S. A. . . . .	Ave. Brasil 198, Lima.
Bodechtel, George . . . . .	Jiron Arequipa San Marcelo 325, Apartado 82, Lima.

## PERU—Continued

Botica "El Sol" .....	Lima.
Colibri, S. A. ....	Lima.
Dedering, Carl. ....	Ave. de Los Incas 295, San Isidro, Lima.
Deutsche Lufthansa A. G. Peru .....	Lampa 587, Lima, and all branches in Peru.
Deutsche Uberseische Bank (Banco Aleman Transatlantico) .....	Lima.
Dohme y Cia. ....	Casilla 162, Lima.
El Costurero .....	Ucayali 105, Lima.
Emmel S. A. Ltda., Fernando .....	Arequipa, and at Cuzco.
Emmel Hnos., S. A. ....	Mercaderes 410, Arequipa.
Fabrica de Calzado Peruana S. A. ....	Lima.
Factoria Nacional, S. A. ....	Lima.
Ferrostaal A. G. Essen .....	Ed. "La Auxiliar" 301, Lima.
Frank, W. ....	Casilla 177, Arequipa.
General de Anilinas, S. A. Cia. ....	Ave. Brasil 190, Lima.
General de Construcciones del Peru S. A. Cia. ....	Ed. Gildemeister, Lima.
Gerbolini, Flavio .....	Calle Mercaderes 416, Lima.
Gerbolini, S. A., Negociacion .....	Casilla de Correo 68 (299) Pasco Republican), Lima.
Gubbins & Co. ....	Ayacucho 341, Lima.
Gulda & Hillman, S. A. ....	Calle Estudios 425-431, Casilla 2792, Lima, and at Arequipa.
Hagededt, H. ....	Union 483, Lima.
Hamann, A. C. ....	Casilla 370, Lima.
Harbeck, Karl .....	Lima.
Hardt, E. y Cia. ....	Ayacucho 396, Lima.
Hilbeck, Kuntze y Cia. S. A. ....	Union 429, Lima.
Importadora del Peru, Soc. ....	Ayacucho, Trujillo.
Importadora, S. A. ....	Casilla 2464, Lima.
Klinge, F., y Cia., S. en C. ....	Carabaya 303, and Parque Miraflores, Lima.
Koepff, Wilhelm H. (Koepff y Cia.) .....	Union 429, Lima.
Kohler, Hans .....	Ed. Italia 302, Lima.
Krefet, Ernst .....	Banco del Herrador 587, Lima.
La Nova .....	Union 439, Lima.
"La Papelera Peruana S. A."—Sauter & Lahrius—	Junin 442, Casilla 337, Lima.
La Textilia, S. A. ....	Iquitos 946, Lima.
Leemhuis, Weert (owner of Aux. M. V. "Ollanta") .....	r. Mal Figueredo 792, Callao.
Linder, & Hno. S. A., Konrad .....	Puno 250, Lima.
Moebius, Fritz .....	Carabaya 569, Lima.
Nebiolo Torino, S. A. ....	Camana 364, Lima.
Nottebohm, Claus .....	Carabaya 478, Lima.
Nottebohm Hermanos .....	Lima.

## PERU—Continued

Novoa, Oscar D. . . . .	Puno 441, Lima.
Ostern & Co., S. A. . . . .	Banco del Herrador 587, Lima.
Otten y Cia. S. A. . . . .	Plaza San Martin 130, Lima.
Penzhorn, Adolf . . . . .	Carabaya 478, Lima.
Peruana de Representaciones S. A. Cia. . . . .	Ed. Italia 204, Lima.
Populares, Almacenes (Ander e Hijo, Ano) . . . . .	Jiron Camana 590, Lima, and all branches in Peru.
Radio Distribuidora Telefunken Union, S. A.	Union 790, Lima.
Rebder, Casa . . . . .	Union 483, Lima.
Rittermann, S. A., Hans G. . . . .	Azangaro 235, Lima.
Roedinger, H. y Cia., S. A. . . . .	Ica, and all branches in Peru.
Rohnhoff, Schultz (Rohnhoff; Rhonhof; Rhonhol; Rhenhop; Schultze-Rhonhof)	Lima.
Rotmann, Franz . . . . .	Carabaya 330, Lima.
Sauter & Lahrius ("La Papelera Peruana S. A.")	Junin 442, Casilla 337, Lima.
Saxonia Import Co., S. A. . . . .	Ica 258, Casilla 161, Lima.
Schultze-Rhonhof (Rohnhoff, Schultz) . . . . .	Lima.
Strassberger, E. & Co. . . . .	Malecon Tarapaca, Iquitos.
Strobach, Adolf . . . . .	Colon 337, Miraflores, Lima.
Taboada, Dr. . . . .	Trujillo.
Technica Ibero-Americana S. A. Cia. . . . .	Calle Antonia Miro Quesada 396, Lima.
Tejidos de Lana del Pacifico, Manufactura de	Calle Mercaderes 416, Lima.
Telefunken . . . . .	Union 790, Lima.
Tidow y Cia., S. A., Ltda., Juan . . . . .	Fabrica Pacocha, Camana 350, Lima, and all branches in Peru.
Transatlantic Trading Co. . . . .	1026 Union, Lima.
Union Comercial Peruana—Alemanas S. A. (Deutsch-Peruanische Handels Union A. G.)	Pasaje Olaya 104, Lima.
Vetter, Arthur . . . . .	General Lafuente 574, Lima.
Vier y Galvan S. A. . . . .	Ayacucho 410, Lima.
Von Buch, Hans Chr. . . . .	Apartado 715, Lima.
Vrana, Jaroslav . . . . .	Casilla 2719, Lima.
Wehner, Ernst . . . . .	Lima.
Wenzel, F. . . . .	R. S. Pena 550, Callao.
Woyke y Cia. . . . .	Azangaro 273, Lima, and at Chiclayo.
Ziener, Eric . . . . .	
<b>SALVADOR</b>	
Agfa . . . . .	San Salvador.
Annicciarico, Victor . . . . .	San Salvador.
Bendix, Alberto . . . . .	Ahuachapan.
Bodewig, Joseph . . . . .	3a Ave. Norte 52, San Salvador.
Boef & Co. . . . .	San Salvador.
Boef, Federico . . . . .	San Salvador.

## SALVADOR—Continued

Buchner, Augusto .. .. .	Avenida Espana #7, San Salvador.
Castelli y Cia., Antonio .. .. .	Apartado Postal #248, San Salvador.
Castelli, Fantini & Co .. .. .	Apartado 434, San Salvador.
Crisonino y Cia., Virgilio .. .. .	Calle Delgado #21, San Salvador.
De Geest, Rafael .. .. .	Apartado Postal 585, San Salvador.
Deutsche Lufthansa, A. G. .. .. .	All branches in Salvador.
"Fabrica de Ladrillos" (Ferracuti & Co.) .. .. .	Calle Gerardo Barrios #87, San Salvador.
Fantini, Conrado .. .. .	Apartado 434, San Salvador.
Farmacia Alemana .. .. .	San Salvador.
Fax, Paul .. .. .	San Salvador.
Ferracuti & Company, A. ("Fabrica de Ladrillos") .. .. .	Calle Gerardo Barrios #87, San Salvador.
Giessler, Federico .. .. .	Apartado 72, San Salvador.
Groskorth y Cia. .. .. .	San Salvador.
Hamburg-Amerika Linie .. .. .	San Salvador.
Italia S. A. di Navigazione .. .. .	San Salvador.
Jokisch, Juan .. .. .	Apartado 539, San Salvador.
"La Alpina" (Otto Roeder) .. .. .	Edificio Letona, Calle Delgad, San Salvador.
La Princesa .. .. .	San Salvador.
Moran, Antonio Calderon, Dr. .. .. .	San Salvador.
Norddeutscher Lloyd .. .. .	San Salvador.
Nottebohm Trading Co. .. .. .	San Salvador.
Puschmann, Frederico .. .. .	San Salvador.
Reiss, Anton .. .. .	Apartado 85, San Salvador.
Roeder, Otto ("La Alpina") .. .. .	Edificio Letona, Calle Delgad, San Salvador.
Schmidt & Co., Carlos A. .. .. .	San Salvador.
Szaratte, Otto R. .. .. .	3a Calle Poniente #18, San Salvador.
Wilmes y Cia., H. .. .. .	San Salvador.
Wurst, Herbert .. .. .	San Salvador.

## URUGUAY

Aceros Styria, S. R. C. .. .. .	Piedras 579, Montevideo.
Ahlig, Curt .. .. .	Venezuela 1278, Casilla 545, Montevideo.
Albingia Versicherungs A. G. ("Albingia" S. A.) .. .. .	Sarrandi 444, Montevideo.
Alonso, Cerisola y Cia. .. .. .	Juncal 1438, Montevideo.
Anilinas Alemanas S. A. .. .. .	Sucursal Montevideo, Calle Florida 1450, Montevideo.
Banco Aleman Transatlantico (Deutsche Uberseeische Bank) .. .. .	Montevideo.
Banque Francaise et Italienne pour l'Amerique du Sud S. A. .. .. .	Montevideo.
Barth y Cia. Suers., Eugenio .. .. .	25 de Mayo 731-7, Montevideo.
Bayer, "La Quimica" (Weskott y Cia.) .. .. .	Montevideo.
Bayer y Cia. .. .. .	Piedras 437, Montevideo.

## URUGUAY—Continued

Berges, Cass .. .. .	Bartolome Mitre 1368, Montevideo.
Bernitt y Cia. .. .. .	Misiones 1472, Montevideo.
Bonino & Kahl .. .. .	Montevideo.
Brahmer y Cia. .. .. .	Misiones 1434, Montevideo.
Buch y Basso .. .. .	Mercedes 959, Montevideo.
Buch y Cia. .. .. .	Mercedes 967, Montevideo.
Bucksath, Ing. Carlos .. .. .	Rinco 438, P. I. Ap. 10, Montevideo.
Butor Ltda. .. .. .	Camino Propios 2857, Montevideo.
Cafaro, Jose .. .. .	Cerro Largo 1001, Montevideo.
Cambre, E. G. ....	Casilla de Correo 281, Montevideo.
Campomar & Armonino (Suc. to Campomar H. Armonino y Cia.) .. .. .	1430 Av. Gral. Rondeau, Montevideo.
Cayani, Hugo Paoletti .. .. .	Palacio Salvo, Montevideo.
Clarfeld y Cia., Ltda., Federico .. .. .	Juncal 1461, Montevideo.
Clericetti & Barrella .. .. .	729 Rincon, Montevideo.
Confiteria Oro del Rhin. . . . .	Montevideo.
Costa y Cia., Luis .. .. .	Montevideo.
Dalldorf, Ernesto .. .. .	Montevideo.
Deutsche Lufthansa, A. G. .. .. .	All branches in Uruguay.
Deutsche Uberseeische Bank (Banco Aleman Transatlantico) .. .. .	Montevideo.
Diez Abella, Wellington .. .. .	Yi 1227 and Sgo Vasquez 1134, Monte- video.
Dyckerhoff y Widmann S. A. .. .. .	Paysandu 935, Montevideo.
Endler, Walter .. .. .	25 de Mayo 477, Casilla 347, Montevideo.
Ferrando, Pablo .. .. .	675 Sarandi, Montevideo.
Freyre, Rafael Alonso .. .. .	Montevideo.
Fuentes y Cia. (Fuentes, Manuel T. de) .. .. .	128 Joaquin Requena, Montevideo.
Fuentes, Manuel T. de (Fuentes y Cia.) .. .. .	128 Joaquin Requena, Montevideo.
Fuhrmann, Ltda. .. .. .	Rondeau 2126, Montevideo.
"G. E. O. P. E." Cia. General de Obras Publicas S. A. .. .. .	Palacio Salvo P. 9, Montevideo.
Garagorry, Fernando .. .. .	25 de Mayo 417, Montevideo.
General Machinery Company (Maximo Vasen) .. .. .	Montevideo.
Giacummo, Federico .. .. .	Montevideo.
Gorlero Hermanos .. .. .	Juan Carlos Gomez 1388 Casilla 596, Montevideo.
Heinze, Carlos .. .. .	Juan Paullier 2368, Montevideo.
Hoffmeister y Bremer .. .. .	Laguna Merin 4347, Montevideo.
Horlar, Rodolfo .. .. .	25 de Mayo 555, Montevideo.
Ilsa Importazione Lane S. A. .. .. .	Cerrito 740, Montevideo.
Imprenta Germano-Uruguaaya .. .. .	25 de Mayo 400, and Zabala 1441, Monte- video.
Italcable .. .. .	Rondeau 2024, Montevideo.
Italiana Importazione Lane (Biella), S. A. .. .. .	Rondeau 2298, Montevideo.
Italiana Laniera (Lane) S. A., Cia. .. .. .	

## URUGUAY—Continued

Italmar S. A. ....	Juan Carlos Gomez 1306, Montevideo.
Jonas, H. W. ....	Montevideo.
Jones, C. A. ....	Sarandi 444, Montevideo.
Jung, Antonio ....	General Freire 1308, Montevideo.
Kabo, Katwinkel y Bocksberger, Libreria ..	1375 Juncal, Montevideo.
Kohler, Maximo J. ....	1210 Uruguay, Casilla de Correo, Montevideo.
La Germano-Argentina Cia. de Seguros ..	Mercedes 959, Montevideo.
La Internacional Cia. de Seguros ..	Juan Carlos Gomez 1518, Montevideo.
La Mannheim Cia. de Seguros (Mannheimer Versicherungs A. G.) ..	Juan Carlos Gomez 1518, Montevideo.
Lahusen y Cia. Ltda. ....	Galicia 927, Montevideo.
Magnone, Oscar A. ....	Montevideo.
Mannesmann, Sociedad Tubos (Tubos Mannesmann, Soc.) ..	Casilla de Correo 281, Montevideo.
Marelli Motores S. A. ....	Uruguay 1117-19, Montevideo.
Marsan S. A. Guido Ajmone, Importacione Lane D'Oltremare (Biella) ..	Rondeau 2126, Montevideo.
Metzen, Vincenti y Cia. ....	Misiones 1526, Montevideo.
Migliaro, Salto ....	Montevideo.
Miller y Cia., H. J. ....	Ricon 633, Montevideo, R. O. U.
Mojana, Casa Martin (Turcatti & Belatti) ..	Rondeau 2298, Montevideo.
Moltaldi, Marco ....	Uruguay 1379, Montevideo.
Morales, Jose Garcia ....	Montevideo.
Neri, Roberto ....	13 de Julio 1261, Montevideo.
Ochoa Hermanos ....	25 de Mayo 477, Montevideo.
Omnipol Trading Co., Ltda. ....	Montevideo.
Paredes, Jacinto ....	Montevideo.
Perez, Leon ....	Patria 2387, Montevideo.
Pfahler y Cia., Ernesto P. ....	Calle Solis 1531, Montevideo.
Pies, Eugenio ....	Cerro Largo 851, Montevideo.
Quincke S. A., Ernesto ....	25 de Mayo 694-700, Montevideo.
Rabe y Cia., Otto ....	25 de Agosto 709, Montevideo.
Rhodius y Cia. ....	Piedras 350, Montevideo.
"Riberena del Plata" (Cia. Sudamericana de Comercio S. A.) ..	San Jose 1080, Montevideo.
Rossati y Cia. ....	Uruguay 755, Montevideo.
Serra Hermanos ....	Palacio Salvo P. 9, Montevideo, and all branches in Uruguay.
Siemens Bauunion ..	Montevideo.
Siemens y Cia. ....	Asuncion 1195, Montevideo.
Simonius Vischer & Co. (Vischer & Co., Simonius) ..	25 de Mayo 477, Montevideo.
Skoda, Establecimientos (Skoda S. A., Casa Skoda) ..	Montevideo.
Somba, Ltda. ....	Venezuela 1278, Casilla 545, Montevideo.
Spitz, Walter ....	
Standard Cartonex Ltda. ....	

## URUGUAY—Continued

Staudt y Cia. S. A. C. . . . .  
 Sturzenegger & Co. . . . .  
 Sudamericana de Comercio, S. A. Cia.—  
 Riberena del Plata.—  
 Taboas, Manuel . . . . .  
 Tubos Mannesmann, Sociedad (Mannes-  
 mann, Soc. Tubos)  
 Turcatti & Belatti (Casa Martin Mojana)—  
 Valcada, Juan L. (Valcada y Cia.) . . . .  
 Vallerino, J. J. . . . .  
 Velasco, Oscar . . . . .  
 Weskott y Cia. (Bayer, "La Quimica") . . .  
 Zas Hermanos . . . . .

## VENEZUELA

Anez y Cia., Julio A. . . . .  
 Aue & Co., Ernesto . . . . .  
 Banco Aleman Antioqueno . . . . .  
 "Bayer", la Quimica, Weskott and Co. . . .  
 Beckmann y Cia., Sucrs. . . . .  
 Bornhorst, Carlos . . . . .  
 Breuer, Moller & Co., Sucrs. . . . .  
 Bruhns, Friedrich Paul . . . . .  
  
 Carriari, Sucrs., V. . . . .  
 Deutsche Lufthansa, A. G. . . . .  
 Erba S. A., Carlo (Milan) . . . . .  
 Falkenhagen, Ernesto, Oficina Alemana de  
 Representaciones  
 Gathmann Hnos. . . . .  
 Gehrenbeck, Ernst A. . . . .  
 Gomez Luigi, Dr. Domingo . . . . .  
 Hamburg Amerika Linie . . . . .  
 Hartkopf, Erich Friedrich . . . . .  
  
 "Hauck" S. A. (Sucrs. de Ludwig Hauck &  
 Co.)  
 Hauenschild y Cia. . . . .  
 Hauselmann Inc., Carlos—Oficina Tecnica  
 Industrial  
 Heimerdinger, F. . . . .  
 Hellmund, W. C., & Co. . . . .  
 Hollweg, Arthur . . . . .  
  
 Horn Linie . . . . .  
  
 Hupfer, Joseph . . . . .

Paysandu 935, Montevideo.  
 Cerro Largo 777, Casilla 553, Montevideo.  
 Piedras 350, Montevideo.

25 de Mayo 555, Montevideo.  
 Casilla de Correo 281, Montevideo.

Ricon 633, Montevideo, R. O. U.  
 Waterloo 889, Montevideo.  
 Montevideo.

Montevideo.  
 Rondeau 2121, Montevideo.

Calle Comercio 10, Maracaibo.  
 Pajaritos a Palma 30, Caracas.  
 Caracas and all branches in Venezuela.  
 Mijares a Mercedes 38, Caracas.  
 Maracaibo.  
 Maracaibo.  
 Comercio 17, Maracaibo.  
 Calle Comercio 2, Apartado 412, Mara-  
 caibo.

Caracas.  
 All branches in Venezuela.  
 Caracas.  
 Apartado 602, Caracas.

Bolza a Mercadores 36 and 48, Caracas.  
 Gesto 10 #71-9, Caracas.  
 Candelaria a Miguelacho 16, Caracas.  
 Caracas, and all branches in Venezuela.  
 Padre Sierra a Munoz 9, Apartado 1082,  
 Caracas.  
 Dr. Diaz a Zamuro 57, Caracas.

Reducto a Miracielos 21, Caracas.  
 Apartado 1086, Caracas.

Gradillas 15-1, Caracas.  
 Torre a Veroes 25, Caracas.  
 Sociedad a Traposos 1, Altos, Apartado  
 241, Caracas.  
 Principal a Conde 16, Caracas, and all  
 branches in Venezuela.  
 Madrices a Ibarra 6, Apartado 746,  
 Caracas.



## VENEZUELA—Continued

Instrumentos Cientificos, Cia. Anonima de,  
("Urania")

Janquel, Oscar H. . . . .

Kirschke, A. . . . .

Kirschke y Cia., A. . . . .

Krafft &amp; Co. . . . .

La Diadema (Gathmann Hermanos) . . . . .

La Joya (Gathmann Hermanos) . . . . .

Lang, Maximo . . . . .

Larsen, Hans E. . . . .

Leisse, J. . . . .

Maelzner, Walter . . . . .

Merck, Oficina Cientifica . . . . .

Mett, H. P. . . . .

Neigert, Luitpold ("Ocularium") . . . . .

"Ocularium" (Gathmann Hermanos) . . . . .

"Ocularium"—Luitpold Neigert— . . . . .

Oficina Alemana de Representaciones  
(Ernesto Falkenhagen)Oficina Tecnica Industrial (Carlos Hausel-  
mann Inc.)

Palenzona y Cia. . . . .

Perrone, J., y Cia. . . . .

Pina, Miguel . . . . .

Pruchtnow &amp; Co., Werner . . . . .

Quimica Schering, S. A. . . . .

Sass y Cia., F. . . . .

Schering, S. A., Quimica . . . . .

Schmidli, O. . . . .

Schnell y Cia. . . . .

Schroeder, Federico . . . . .

Schubert, Carlos . . . . .

Selle, Rudolf . . . . .

"Urania", (Cia. Anonima de Instrumentos  
Cientificos)

Weskott &amp; Co., La Quimica "Bayer" . . . . .

Woltz &amp; Co., Hermann . . . . .

Zingg y Cia., Gustavo . . . . .

Zachaeck &amp; Co., Suer., W. . . . .

Caracas.

Palma a Municipal 11, Apartado 1787,  
Caracas.

Maracaibo.

Maracaibo.

Apartados 426 and 1861, Caracas.

Caracas.

Caracas.

Apartado 1486, Caracas.

Calle Comercio 2, Apartado 412, Mara-  
caibo.

Caracas.

Torre a Madrices 17, Caracas.

Apartado 1486, Caracas.

Edificio Espana 18-19 Principal a Conde  
16 Apartado 711, Caracas.

Bolsa a Mercaderes 48, Caracas.

Caracas.

Bolsa a Mercaderes 48, Caracas.

Apartado 602, Caracas.

Apartado 1086, Caracas.

Chorro a Coliseo 32, Caracas.

Munoz a Pedrera 17, Apartado 1201,  
Caracas.

Apartado 374, Caracas.

13 Comercio, Maracaibo.

Plaza de Candelaria, Caracas.

Veroes Jesuitas 20, Caracas.

Caracas.

Apartado 1214, Caracas, and at Valencia.

Palma a Municipal 9, Caracas.

Bolsa a Pedrera 15, Apartado 149,  
Caracas.Gradillas a Sociedad 10, Apartado 1452,  
Caracas.

Bolsa a Pedrera 12, Caracas.

Caracas.

Mijares a Mercedes 38, Caracas.

Caracas.

Caracas.

Altigracia a Mijares No. 8 (Apartado  
945), Caracas.



**AUTHORIZING A PROCLAIMED LIST OF CERTAIN BLOCKED NATIONALS AND CONTROLLING CERTAIN EXPORTS**

**BY THE PRESIDENT OF THE UNITED STATES OF AMERICA**

**A PROCLAMATION**

I, FRANKLIN D. ROOSEVELT, President of the United States of America, acting under and by virtue of the authority vested in me by Section 5 (b) of the Act of October 6, 1917 (40 Stat. 415) as amended and Section 6 of the Act of July 2, 1940 (54 Stat. 714) as amended and by virtue of all other authority vested in me, and by virtue of the existence of a period of unlimited national emergency and finding that this Proclamation is necessary in the interest of national defense, do hereby order and proclaim the following:

Section 1. The Secretary of State, acting in conjunction with the Secretary of the Treasury, the Attorney General, the Secretary of Commerce, the Administrator of Export Control, and the Coordinator of Commercial and Cultural Relations Between the American Republics, shall from time to time cause to be prepared an appropriate list of—

(a) certain persons deemed to be, or to have been acting or purporting to act, directly or indirectly, for the benefit of, or under the direction of, or under the jurisdiction of, or on behalf of, or in collaboration with Germany or Italy or a national thereof; and

(b) certain persons to whom, or on whose behalf, or for whose account, the exportation directly or indirectly of any article or material exported from the United States, is deemed to be detrimental to the interest of national defense.

In similar manner and in the interest of national defense, additions to and deletions from such list shall be made from time to time. Such list and any additions thereto or deletions therefrom shall be filed pursuant to the provisions of the Federal Register Act and such list shall be known as "The Proclaimed List of Certain Blocked Nationals".

Section 2. Any person, so long as his name appears in such list, shall, for the purpose of Section 5 (b) of the Act of October 6, 1917, as amended, and for the purpose of this Proclamation, be deemed to be a national of a foreign country, and shall be treated for all purposes under Executive Order No. 8389, as amended, as though he were a national of Germany or Italy. All the terms and provisions of Executive Order No. 8389, as amended, shall be applicable to any such person so long as his name appears in such list, and to any property in which any such person has or has had an interest, to the same extent that such terms and provisions are applicable to nationals of Germany or Italy, and to property in which nationals of Germany or Italy have or have had an interest.

Section 3. The exportation from the United States directly or indirectly to, or on behalf of, or for the account of any person so long as his name appears on such list of any article or material the exportation of which is prohibited or curtailed by any proclamation heretofore or hereafter issued under the authority of Section 6 of the Act of July 2, 1940, as amended, or of any other military equipment or munitions, or component parts thereof, or machinery, tools, or material, or supplies necessary for the manufacture, servicing, or operation thereof, is hereby prohibited under Section 6 of the Act of July 2, 1940, as amended, except (1) when authorized in each case

by a license as provided for in Proclamation No. 2413 of July 2, 1940, or in Proclamation No. 2465 of March 4, 1941, as the case may be, and (2) when the Administrator of Export Control under my direction has determined that such prohibition of exportation would work an unusual hardship on American interests.

Section 4. The term "person" as used herein means an individual, partnership, association, corporation or other organization.

The term "United States" as used herein means the United States and any place subject to the jurisdiction thereof, including the Philippine Islands, the Canal Zone, and the District of Columbia and any other territory, dependency or possession of the United States.

Section 5. Nothing herein contained shall be deemed in any manner to limit or restrict the provisions of the said Executive Order No. 8389, as amended, or the authority vested thereby in the Secretary of the Treasury and the Attorney General. So far as the said Executive Order No. 8389, as amended, is concerned, "The Proclaimed List of Certain Blocked Nationals", authorized by this Proclamation, is merely a list of certain persons with respect to whom and with respect to whose property interests the public is specifically put on notice that the provisions of such Executive Order are applicable; and the fact that any person is not named in such list shall in no wise be deemed to mean that such person is not a national of a foreign country designated in such order, within the meaning thereof, or to affect in any manner the application of such order to such person or to the property interests of such person.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

DONE at the city of Washington this 17 day of July, in the year of our Lord nineteen hundred and forty-one, and of the Independence of the United States of America the one hundred and sixty-sixth.

FRANKLIN D. ROOSEVELT

By the President:

SUMNER WELLES,  
*Acting Secretary of State.*

○

CONFIDENTIAL



## TREASURY DEPARTMENT

## INTER-OFFICE COMMUNICATION

DATE July 17, 1941

TO Secretary Morgenthau  
 FROM Mr. Cochran

**CONFIDENTIAL**

Registered sterling transactions of the reporting banks were as follows:

Sold to commercial concerns	£86,000
Purchased from commercial concerns	£ 4,000

The Federal Reserve Bank of New York sold £15,000 in registered sterling to the American Express Company.

Open market sterling was quoted at 4.03-3/4, and there were no reported transactions.

The Canadian dollar, which has held steady at 11-3/4% discount for several days, improved to close at a discount of 11-5/8% today.

The Cuban peso discount widened to 1-1/2%, as compared with 1-5/16% yesterday.

In New York, closing quotations for the foreign currencies listed below were as follows:

Argentine peso (free)	.2380
Brazilian milreis (free)	.0505
Uruguayan peso (free)	.4380
Colombian peso	.5800
Mexican peso	.2070
Japanese yen	.2358

In Shanghai, the yuan advanced 3/32¢ to 5-13/32¢. This movement represents the largest single-day gain since July 9, when the yuan was quoted at the current low of 5-3/16¢. Sterling in Shanghai was 1-1/4¢ higher at 3.93-1/2.

There were no sales or purchases of gold effected by us today.

The Treasury issued licenses under both the Gold Reserve Act and Executive Order No. 8389, as amended, permitting the Federal Reserve Bank of New York to effect the following transfer of gold in its vaults:

\$300,745 from the Bank of Portugal's Gold Account G to the ordinary account of the Bank of Portugal. Gold in Account G is the property of the Portuguese Government.

We understand that the Portuguese Bank purchased the above amount of gold from the Government.

-2-

No new gold engagements were reported to us today.

A price of 23-3/8d was again fixed in London for spot and forward silver, equivalent to 42.44¢.

The Treasury's purchase price for foreign silver was unchanged at 35¢. Handy and Harman's settlement price for foreign silver was also unchanged at 34-3/4¢.

We made one purchase of silver amounting to 100,000 ounces under the Silver Purchase Act. This represented inventory silver, purchased for spot delivery.

We also purchased 200,000 ounces of silver from the Bank of Canada. So far this month, we have bought 725,000 ounces from that source, under our regular monthly agreement to purchase up to 1,200,000 ounces.



CONFIDENTIAL

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SHANGHAI

JULY 17, 1941

From: Campbell (Hongkong)

To: Division of Investigation and Patrol

It is felt by reliable Chinese sources that Japan is about to start a new foreign policy the object of which is to present strong measures against the United States especially in view of growing American aid to China. The same sources believe that Germany wishes to aid Japan by partly manning the Japanese fleet with German experts.

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7-17-41

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JUL 21 1941

1941 JUL 17 11 21 AM  
U.S. DEPARTMENT OF JUSTICE  
DIVISION OF INVESTIGATION



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(CONFIDENTIAL)

P A R A P H R A S E

A telegram of July 17, 1941 from the American Consul General at Shanghai reads substantially as follows:

On July 11, according to information received from an authoritative source, Japanese gendarmes seized \$700,000 worth of notes of ten cents denomination of the Central Bank of China which were in the warehouse of Mollers, Ltd. (British), located in the French concession. At the time of the seizure police of the French concession were not present according to information received by the Consul General.

Copy:lg 7/22/41

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P A R A P H R A S E

A telegram (no. 178) of July 17, 1941 from the American Embassy at Peiping reads substantially as follows:

The market for sterling arose, is steady and up, according to information received from the manager of the Peiping branch of the National City Bank. With regard to currency operations of the Yokohama Specie Bank no activities of this kind have been noted in Peiping, which is not a market for foreign exchange.

Copy:bj:7-24-41

## DEPARTMENT OF STATE

Washington

July 17, 1941

In reply refer to  
EA 860E.51/1045

The Secretary of State presents his compliments to the Honorable the Secretary of the Treasury and transmits herewith a copy of despatch no. 4915, dated July 1, 1941, from the American Embassy at Rio de Janeiro concerning the Yugoslav National Bank balance.

## Enclosure:

No. 4915 from Rio de Janeiro,  
July 1, 1941.

sh: copy  
7-18-41

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No. 4915

Rio de Janeiro, July 1, 1941.

SUBJECT: Yugoslav National Bank Balance.

ORIGINAL AND FOUR COPIES BY AIR MAIL - CONFIRMATION COPY BY STEAMER.

The Honorable

The Secretary of State,  
Washington, D. C.

Sir:

Referring to the Department's telegram No. 385 of June 9, 11 p.m. regarding the Yugoslav gold, I have the honor to report that I have spoken on several occasions with the Minister for Foreign Affairs on the subject. Each time he says: "You are asking us to do something that you won't do yourselves." He then points out that the Bank of Brazil is prevented by the same legal restraints as is the Federal Reserve Bank of New York from assuming responsibility for an unauthorized transfer of the Yugoslav National Bank balance. There is no way in which it can divest itself of its legal obligations to its depositors, and the New York Federal Reserve bank itself has also declined to accept responsibility for them in this case.

Respectfully yours,

Jefferson Caffery.

JC/alc  
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the signed original

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H. M. Cochran

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## PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Consulate General, Algiers, Algeria

DATE: July 17, 1941, noon

NO. : 324

Reports have been received from Belgian sources that there has now been sent to France all the gold belonging to Belgium which was formerly held near Dakar. A transporter let us know that several weeks ago trucks were used to haul 75 tons of the gold to Algiers, and it was shipped by plane from here to France.

This telegram was repeated to Vichy and to Casablanca by air mail.

COLE.

EA:LWW

Copy:bj:7-18-41

LET

GRAY

Tangier

Dated July 17, 1941

Rec'd. 9:16 a.m.

Secretary of State,  
Washington.

254, July 17, 10 a.m.

Reference is made to the announcement in the Department's radio bulletin No. 141 of July 12, 1941 concerning the unblocking of Spanish funds.

It is presumed from the above and on the basis of information from local bankers that such unblocking extends to Tangier under the conditions outlined.

Despite the occupation of Tangier by the Spanish authorities this is still a free exchange market and is exempt from Spanish exchange control (see Legation's despatch number 122 of Feb. 27, 1941). It is believed to be highly desirable that this free exchange market should be maintained. In order to obviate the control of transactions in Tangier by the Spanish Institute of Foreign Exchange as presumably envisaged in the Treasury Department's action of July 11th it is recommended that Tangier be exempted administratively from the Spanish general licenses and that dollar operations in the United States on behalf of Tangier residents be subjected to special license.

It would

-2- 254, July 17, 10 a.m., From Tangier.

It would be appreciated if the Legation could be informed as soon as possible of the Treasury Department's decision.

CHILDS

CSB

**PARAPHRASE OF TELEGRAM RECEIVED****FROM: American Embassy, Rio de Janeiro, Brazil.****DATE: July 17, 1941, 1 p.m.****No. 858**

In the last few days, the Japanese dollar account which is with the Bank of Brazil has become very active. The following pertain to important transactions:

1. \$2,000,000 has been deposited by the Japanese.
2. The manager of the Yokohama Specie Bank late yesterday afternoon asked the Bank of Brazil to open at once irrevocable letters of credit for \$800,000 for the exportation of hides to Japan from Latin American countries.

For the first time, the Japanese did not instruct the bank to withhold credits pending the presentation of documents pertaining to shipping. The Japanese seem to be in a state of anxiety, since the Japanese bank manager at Rio de Janeiro made several visits to the Bank of Brazil on the afternoon of July 16 in order to make certain that the opening of the credits had been made.

Irrevocable letters of credit for \$800,000 (in favor of Latin American firms) have also been opened by the Bank of Brazil for the exportation to Japan of a variety of products.

The request of the Yokohama Specie Bank at Rio has been refused by the Director of Exchange. The Bank requested permission to open a dollar credit for the purchase



-2-

purchase of explosives in Spain for shipment via Argentina to Japan.

A strong bid for the friendship of the Director of Exchange is being made by the Japanese.

The Embassy is glad to report that it is being kept currently informed of all Japanese transactions by the Director of Exchange.

GAFFERY

KAIPAK

1941 JUN 13 AM 9 30

TO THE SECRETARY  
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YDEPARTMENT OF STATE  
WASHINGTONIn reply refer to  
EA 840.51 Frozen Credits/2517

July 17, 1941

The Secretary of State presents his compliments to the Honorable the Secretary of the Treasury and transmits herewith copies of telegram no. 1020, dated July 15, 1941, from the American Embassy at Rome, concerning the freezing of American funds in Italy.

## Enclosure:

No. 1020 from Rome,  
July 15, 1941.

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Plain

Rome

Dated July 15, 1941

Rec'd 10:50 p.m.

Secretary of State

Washington

1020, fifteenth.

Further regulations in partial clarification of those reported in Embassy's number 839, June 18 relating to the freezing of American properties in Italy are contained in a decree of eight articles published in the Official Gazette of July 12. In substance these articles provide as follows:

One. The official agency to pass on application for authorization to perform operations in derogation of the "freezing" measures is designated.

Two and three. Funds securities or valuables to be paid or delivered for the credit of Americans as the result of judicial or administrative proceedings will be deposited with a branch of the Bank of Italy. Similarly deposited will be collections made through a bank on instruments of exchange drawn in favor of Americans (the issuers not being relieved from the obligation of honoring them); also dividends interest and other proceeds collected

through a bank and derived from securities owned by Americans. For the above mentioned funds etc. the Bank of Italy is thus constituted the debtor in respect to the said Americans.

Four. Official delegates can be appointed to supervise the management of industrial and commercial companies in which Americans hold prevalent interests with power to inspect records and correspondence.

Five. Firms belonging to Americans may with the intervention of the delegates perform acts of ordinary management and they are exempted from the prohibitions against payments otherwise affecting American citizens.

Six. The definition of persons of American nationality for the purpose of the "freezing" measures includes among others physical persons having the said nationality even if they also have that of another "foreign" state the United States the single states American administrations and public bodies and juridical persons considered as American under American law.

Seven. Patent rights authors rights etc. are included in the classes of property in Italy which Americans cannot dispose of.

Eight. Prescribes immediate entry into effect.

In summary the Italian "freezing" measures to date consist of (one) the decrees reported in Embassy's number

-3-

839 June 18 amended by a decree published July 10 annulling article four thereof which provided certain exemptions for Americans living in Italy; (two) the present decree (three) instructions to Italian banks regarding the issuance of general and special licenses which although not published are understood to be in harmony with the memorandum summarized in Embassy's number 917, July 2, 1 p.m.

PHILLIPS

CSB

Copy:bj:7-19-41

TK

GRAY

Berlin

Dated July 17, 1941

Rec'd 9:50 p.m.

Secretary of State  
Washington

RUSH

2874, July 17, 8 p.m.

CONFIDENTIAL.

The German Foreign Office telephoned at noon today to say that Vice Consul Taylor had informed the German Embassy in Paris that he had on hand \$500,000 in American currency representing official funds and that the consular personnel each had personal funds varying in amount from 10,000 to 30,000 dollars. The Foreign Office official said that these funds with the exception of the \$2500 personal exemption of each employee must be turned over to the German authorities in Paris who would issue a receipt and forward the funds through official channels to the American Embassy in Berlin. It was suggested that I inform our office at Paris in the above sense. This I refused to do and endeavored to telephone to Paris to check the accuracy of this report. I have been unable to

receive

-2- #2874, July 17, 8 p.m., from Berlin.

receive permission to telephone.

In the circumstances and acting on the presumption that our Paris officials will leave Paris for Hendaye not later than the 20th or 21st I have obtained permission to send two officials of the Embassy urgently to Paris to take over from Taylor such funds as may be in his hands and bring them here to me. In consequence I am arranging to send Second Secretary Carlton Hurst and Third Secretary Perry Leckhuff to Paris on the sleeper tomorrow night July 18 with the necessary instructions. I do not like the idea of transporting large sums of money by courier but I see no other alternative and it appears to me better than for Taylor to leave the money with whoever they have entrusted as chief custodian at Paris which would appear to be his only alternative.

It appears amply evident that the German authorities will never allow Taylor and our group to go across the border if they suspect them of being in possession of these surplus funds and would no doubt subject them to examination.

My proposal to solve the matter by sending secretaries to bring the money to the Embassy has

been

-3- #2873, July 17, 8 p.m., from Berlin.

BEEN agreed to by the Foreign Office which is facilitating their trip to Paris and has promised that particular instructions will be given for their safety.

I can hardly believe that the figures mentioned are accurate but I am unable to check them owing to lack of communication and feel that if any considerable sums are involved their safe handling would justify the expense involved.

MORRIS

EMB



Finished

RESTRICTED

G-2/2657-220 No. 443 M.I.D., W.D. 12:00 M., July 17, 1941.

SITUATION REPORT

I. GERMAN-RUSSIAN FIGHT.

Ground: The situation on the Finnish-Russian front is not known.

German troops advancing to the northeast from Pskov and Ostrov have captured Luga and Novgorod. This advance directly threatens Leningrad from the south as well as the Leningrad-Moscow railroad.

German troops advancing northeastward from Vitebsk have reached Velisch, 40 miles from Vitebsk. A German column has taken Smolensk. Russian counterattacks continue in the region centering at Rogachev.

A German force has crossed the Dnieper River to the north of Kiev and then continued its advance in a southeasterly direction. To the south of Kiev another German column passed Vasilkov in an advance to the southeast. Heavy Russian counterattacks are in progress in the region around Berdichev.

The Hungarian army has occupied Bar, a Ukraine city, 40 miles north of Mogilev-Polotsk and 60 miles east of the former Russian-Polish frontier. A German-Roumanian combat group has occupied Chisinau, the capital of Bessarabia.

Air: Strong German strategic bombing, particularly in the triangle Smolensk—Moscow—Bryansk.

II. GERMAN-BRITISH FIGHT.

Air: German. Unimportant activity.

British. Day raid on Rotterdam on the 16th. Normal night operations against Hamburg and other northwest German towns.

III. MEDITERRANEAN FIGHT.

No significant ground or aerial operations.

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CONFIDENTIAL

74

Paraphrase of Code Cablegram  
Received at the War Department  
at 11:39, July 17, 1941.

London, filed 16:03, July 17, 1941.

1. British Air Activity over the Continent.

a. Night of July 15-16. During this night 39 tons of high explosive bombs, including one bomb of 4,000 pounds and 2500 incendiaries were dropped.

b. Day of July 16. A very successful raid was made upon the docks at Rotterdam by 36 bombers. This attack was made from a low altitude and reports made by crews of the last squadron over the target indicate that twenty vessels received direct hits. A total of 332 fighters were dispatched as follows: 81 on interception patrols, 40 on special patrols, 22 on offensive patrols, and 189 in the protection of shipping, none of which were lost.

c. Night of July 16-17. A total of 126 bombers were sent out as follows, 50 per cent of which attacked their primary objectives: 107 to the railway center of Hamburg, 8 to warehouses at Boulogne, 5 on sea mining off the Frisian Islands, and 6 to drop leaflets over Chalons and Paris.

2. German Air Activity over Britain.

a. Day of July 15. 90 fighters on defensive patrols, 15 long range bombers and 10 reconnaissance aircraft were employed.

b. Night of July 15-16. Dispatched were 5 fighters and 20 long range bombers.

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g. Day of July 16. Activity of this day consisted principally of reconnaissance between the Bristol Channel and the Scilly Isles.

d. Night of July 16-17. Operations were on a small scale and consisted of fighter activity over the areas of Yorkshire, Lincolnshire and East Anglia.

3. Aircraft Losses Reported.

a. British losses. Four bombers were unreported from the daylight raid on Rotterdam of July 16th. Four bombers were also unreported and one crashed during the night of July 16-17.

b. Axis losses. These were as follows for the day of July 16th: 1 Do-215 shot down, 1 Me-109 probably destroyed, and 1 Do-17Z damaged.

4. British Air Activity, Other Theaters.

a. North African Theater. During the day of July 15th two formations of Axis aircraft were intercepted by P-40's and Hurricanes off the coast of Libya. In this engagement 2 Me-109's and 6 Ju-88's were destroyed.

5. Axis Air Activity, Other Theaters.

a. Middle Eastern Theater. 20 German aircraft attacked the Suez Canal zone during the night of July 15-16, dropping bombs on Suez and Port Said.

LEE

Distribution:

Secretary of War  
State Department  
Assistant Chief of Staff, G-2  
War Plans Division  
Office of Naval Intelligence  
G. H. Q.  
Chief of the Army Air Forces  
Under Secretary of War  
Secretary of Treasury  
Assistant Chief of Staff, G-3  
Air Corps

# CONFIDENTIAL

76

Paraphrase of Code Sablogram  
Received at the War Department  
at 8:10, July 17, 1941.

London, filed 14:40, July 17, 1941.

The following is a summary of British Military Intelligence information to the morning of July 17:

1. Romania. Bridges over the Arges, Tarnava Mare, and Olten Rivers have been severely damaged with consequent cessation of railway service on parts of the Jibolia-Bucharest railroad and the Curtici-Brasov railroad in the vicinity of Copca Mica. Because of this damage, tank cars containing oil for Italy must proceed on very round-about ways through Rasboeni and Raghin for some time. High water is officially credited with destruction of the bridges, but actually it is widely attributed to sabotage by Romanian citizens. British Military Intelligence looks on this as a hopeful sign. Traffic through the river port of Orsova, on the Danube, has also been interrupted.

2. Russia. Air attacks on Jassy and Constanta are reported to have been very successful but the Russian claims concerning the bombing of Ploesti are held to be over-optimistic.

3. Ship losses. A 5,000-ton tanker was struck by a German bomb in the neighborhood of the Faroe Islands on July 15 and was damaged to a minor extent. An attack by German planes against a British escorted group of ships in the Bristol Channel on July 14 failed to accomplish any damage.

4. The Polish Military Attache, Major Sokorski, made a special visit to inform us that a trustworthy Polish railroad official had

# CONFIDENTIAL

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# CONFIDENTIAL

77

reported to the Polish Government in this country that 10 trains of German wounded have daily gone through Krakow alone for more than a week.

5. Russia. Traffic is again moving through the Suez Canal although it is thought that some mines remain undiscovered.

6. Russia. The German offensive in the direction of Leningrad has attained the line of Gdov--Lake Ilmen. A southern column taking part in the offensive on Kiev has been set in motion from Berdichev. German Armored columns continue to advance but are thought to be in some sectors far ahead of the Infantry. The Axis offensive in the direction of Dnieper is being stubbornly resisted by the Russians. A motorized Italian division (one of the two on the way to the Russian Front) was recently observed passing through Budapest by railroad.

7. Lithuania. On July 15, Axis shelling on the area west of Telskai damaged the water pipe line. In the Border sector, Axis planes machine-gunned a British force on the coast on July 14, and wounded 4. A patrol of three Axis armored cars was repulsed by the British in the neighborhood of Bir Shefferzen on July 15. Ten casualties among civilians resulted from an attack on Siva oasis by Axis planes on July 14.

END

## Distribution

State Department

✓ Secretary of Treasury

Assistant Chief of Staff, G-3

War Plans Division

Office of Naval Intelligence (2)

G-3

Air Corps

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CONFIDENTIAL

The Secretary of the Treasury, by this public notice, invites tenders for \$100,000,000, or thereabouts, of 91-day Treasury bills, to be issued on a discount basis under competitive bidding. The bills of this series will be dated July 23, 1941, and will mature October 22, 1941, when the face amount will be payable without interest. They will be issued in bearer form only, and in denominations of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000, and \$1,000,000 (maturity value).

Tenders will be received at Federal Reserve Banks and Branches up to the closing hour, two o'clock p.m., Eastern Standard time, Monday, July 21, 1941. Tenders will not be received at the Treasury Department, Washington. Each tender must be for an even multiple of \$1,000, and the price offered must be expressed on the basis of 100, with not more than three decimals, e.g., 99.925. Fractions may not be used. It is urged that tenders be made on the printed forms and forwarded in the special envelopes which will be supplied by Federal Reserve Banks or Branches on application therefor.

Tenders will be received without deposit from incorporated banks and trust companies and from responsible and recognized dealers in investment securities. Tenders from others must be accompanied by payment of 10 percent of the face amount of Treasury bills applied for, unless the tenders are accompanied by an express guaranty of payment by an incorporated bank or trust company.

- 2 -

Immediately after the closing hour, tenders will be opened at the Federal Reserve Banks and Branches, following which public announcement will be made by the Secretary of the Treasury of the amount and price range of accepted bids. Those submitting tenders will be advised of the acceptance or rejection thereof. The Secretary of the Treasury expressly reserves the right to accept or reject any or all tenders, in whole or in part, and his action in any such respect shall be final. Payment of accepted tenders at the prices offered must be made or completed at the Federal Reserve Bank in cash or other immediately available funds on July 23, 1941.

The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under Federal tax Acts now or hereafter enacted. The bills shall be subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but shall be exempt from all taxation now or hereafter imposed on the principal or interest thereof by any State, or any of the possessions of the United States, or by any local taxing authority. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest.

- 3 -

Treasury Department Circular No. 418, as amended, and this notice, prescribe the terms of the Treasury bills and govern the condition of their issue. Copies of the circular may be obtained from any Federal Reserve Bank or Branch.

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TREASURY DEPARTMENT  
Washington

FOR IMMEDIATE RELEASE,  
Friday, July 18, 1941.

Press Service  
No. 26-60

Secretary of the Treasury Morgenthau today announced the final subscription and allotment figures with respect to the current offering of 1-1/8 percent notes of Series G of the Commodity Credit Corporation.

Subscriptions and allotments were divided among the several Federal Reserve Districts and the Treasury as follows:

Federal Reserve District	Total Subscriptions Received from Holders of Series D Notes Tendered for Purchase (Allotted in Full)	Total Other Subscriptions Received	Total Other Subscriptions Allotted	Total Subscriptions Allotted
Boston	\$ 7,883,000	\$ 438,500,000	\$ 17,688,000	\$ 25,571,000
New York	120,796,000	2,374,014,000	95,250,000	216,046,000
Philadelphia	5,433,000	282,515,000	11,417,000	16,850,000
Cleveland	10,262,000	347,533,000	14,189,000	24,451,000
Richmond	4,614,000	156,612,000	6,690,000	11,304,000
Atlanta	4,058,000	226,291,000	9,919,000	13,977,000
Chicago	24,527,000	686,296,000	28,086,000	52,613,000
St. Louis	2,228,000	124,770,000	5,916,000	8,143,000
Minneapolis	1,029,000	99,129,000	4,121,000	5,150,000
Kansas City	12,914,000	76,930,000	3,233,000	16,147,000
Dallas	1,891,000	84,783,000	3,941,000	5,832,000
San Francisco	5,328,000	252,358,000	10,135,000	15,463,000
Treasury	90,000	4,805,000	193,000	283,000
<b>TOTAL</b>	<b>\$201,053,000</b>	<b>\$5,156,536,000</b>	<b>\$210,777,000</b>	<b>\$411,830,000</b>

July 18, 1941

8:50 am

After discussing this with Mr. Mack, and in his presence, I dictated this cable. I instructed Mr. Mack not to buy any more commercial items for England unless he can get the assurance of Mr. Arthur Purvis that these items will be distributed in England without a middleman's profit.

July 18, 1941

Dear Sumner:

I would appreciate your sending the attached cable, in confidential code, to Mr. Frank Coe and charging same to the Treasury.

Yours sincerely,

Honorable Sumner Welles,  
Acting Secretary of State.

July 18, 1941

CABLE IN CONFIDENTIAL CODE.

TO: Mr. Frank Coe, American Embassy, London  
FROM: Secretary Morgenthau

Please take up with Hopkins and Harriman the question as to how Lend-Lease commercial items purchased by Procurement Treasury are distributed in England. Is the English middleman permitted to make a profit on these items? Get authority from Ambassador Winant and Hopkins to investigate this question yourself. Please give me an answer as soon as possible.

(Signed) HENRY MORGENTHAU, JR.

July 18, 1941  
9:30 a.m.

## GROUP MEETING

Present: Mr. Foley  
Mr. Sullivan  
Mr. Schwarz  
Mr. Gaston  
Mr. Odegard  
Mr. Graves  
Mr. Kuhn  
Mr. Cochran  
Mr. Thompson  
Mr. Pell  
Mr. Blough  
Mr. Viner  
Mrs. Klotz

H.M.Jr: I am sending this thing now to Hull. I have signed the thing on the Russian business, you see.

Gaston: You have signed it?

H.M.Jr: Yes, I have signed it.

Gaston: Oh, I didn't know you had a hard copy of it. I was having it recopied.

H.M.Jr: We are asking them to take it up, you see.

Gaston: We are asking them to take it up and they said they would do that and consult us for any details.

H.M.Jr: I will sign the other one, then.

Gaston: All right, fine.

H.M.Jr: What are you (Odegard) doing here?

- 2 -

- Odegard: I got back last night.
- H.M.Jr: You weren't supposed to get back until Monday. How is your cold?
- Odegard: It is much better.
- H.M.Jr: If you and Kuhn stay afterward, I will tell you about my meeting last night. Harold, I had Cliff Mack come to the house this morning at eight fifteen. I read in the papers that we were doing - handling the aluminum after it has been gathered, you see. I asked Cliff whether he talked to you about it. He said he had not.
- Graves: That is right.
- H.M.Jr: So I said to him, in the future would he please before he takes on any new business, clear it with me, because in this case I don't think I would have had him do it, you see. But as long as he has committed himself to it, I am not going to rescind it. But here is the thing. As I understand it, and I haven't read the LaGuardia letter carefully, but they now are going to gather the aluminum and we send it to the smelters and then this aluminum is of such a nature that it cannot be used for airplanes. That is Number one. Number two, the money now is going into the General Fund of the Treasury and I wondered if you had been consulted.
- Bell: No.
- H.M.Jr: You see, this thing isn't right. They do these things. Now, you read the thing and everybody thinks, one - in fact, the publicity says the money will be used for general purposes. Have you got that clipping there, Chick, from the Times on the aluminum? It is in the New York Times this morning.

- 3 -

Schwarz: I don't believe I included it. It was just a statement of fact.

H.M.Jr: Well, it is not a statement of fact.

Schwarz: It was a statement of purported fact.

H.M.Jr: Well, go get it, Chick. Now, I just don't think that - I mean, Mack is doing a job. He went off a little bit half-cooked. Let me take a minute and read this thing out loud, you see. From LaGuardia; I wrote him yesterday morning. I said, "I want to understand it." Of course, when I wrote it to him I didn't know that we had agreed, so to speak, to handle the thing for him, because nobody told me.

"Dear Henry:

Replying to your letter concerning the collection of aluminum, I am happy to say that a real business-like plan has been formulated and now that your Department is looking after the business end of it, I really have no more worries." (Laughter) "The plan is briefly as follows:"

Bell: You asked for it.

Klotz: That isn't there.

H.M.Jr: Yes, it is.

Foley: A couple of days ago he said they weren't going to get my pots and pans.

H.M.Jr: Yes, isn't it marvelous? Not only getting my pots and pans, but I am collaborating.

Bell: You are getting the other fellows' for them.

- 4 -

H.M.Jr: I think it is wonderful. (Laughter) It ain't going to happen again, believe me. If it does, some heads will fall.

Viner: You didn't know how patriotic you were.

H.M.Jr: There is a double reason now why we don't have to give them. We are looking after the business.

"The aluminum will be collected under the supervision of the Office of Civilian Defense and under the supervision of state, county, and municipal defense councils, and all sorts of fraternal, veterans', religious, industrial, commercial, and labor organizations. The drive starts Monday, July 21, and ends July 28. In the big centers I am seeking to have the drive completed in three days.

"The collectors will bring the aluminum to local fire houses, police stations, and from there it will be picked up by city trucks, county agents of the Department of Agriculture, or other county officials, and brought to designated points, the points already having been designated by the OPM. There are about two hundred odd points of final delivery in the United States.

"Once the aluminum is delivered to these final points, the collection responsibility ends. From there on the smelters will be invited to look over the collection and to bid. The smelters must assume the responsibility of sorting and discarding the non-aluminum material, which also has a salvage value. The bids, I understand, will be presented to the Procurement Division of your Department and the money will be paid to your Department. The final disposition of the money has not yet been settled."

Well, according to Cliff Mack, it is going into



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General Funds, so that is point number one.

"From the very beginning, I have pointed out that money cannot be just given away, if it at any time got into the hands of any Department of the Federal government. I think we will have sufficient time after the collection and after we know the total amount, to decide whether or not we should ask Congress for authority to dispose of it in any specific manner or to just let it go into the Treasury. We must not overlook the possibilities and value as to morale to have the people of the country understand their aluminum contribution was a direct benefit to their government.

"I will not bore you now with describing the original plan which I disapproved and which caused my vigorous protest. Some time, when we have less worries, I will tell you about it.

"In the course of the day I will send you the printed instructions that are going out throughout the country. I enclose herewith the instructions to the Governors which went from this office."

Now, is the publicity there?

Schwarz:

Yes.

H.M.Jr:

Thank you. Now, in the publicity it says here, "Smelters have promised to pay the maximum prescribed by the Defense Agencies and will also bear all expenses for shipping, sorting, cleaning, and assaying.

If they do, they will deduct it from the price.

"The fund will be held for public purposes."

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Now, if you don't mind - I know you both are busy, but I would like this thing nailed today. Number one, where does this money go. I don't want to wait until after the campaign, you see. Number two, just what does Procurement do, and you had better have a lawyer sit in with you. Who looks after Procurement?

Foley: Tom Manning.

H.M.Jr: Well, would you mind?

Bell: I will do it.

H.M.Jr: Because it bothers me.

Bell: Isn't this a voluntary matter?

H.M.Jr: Yes.

Bell: LaGuardia isn't doing this as head of this Home Defense, is he?

H.M.Jr: Yes.

Bell: Is that part of the Home Defense?

H.M.Jr: Yes. I would like to have Bell and Graves and Tom Manning just go into this before sunset. Please nail it down. I don't care, they can say it has started or it is too late, but if we are in it, it has got to be clean, and I don't want to wait - you know.

Bell: I wondered if people would donate their aluminum if they thought they were donating it to the Government to be sold.

Sullivan: Where does the aluminum go?

H.M.Jr: I said that to Mack. I said, "Now look, Cliff, what happens to the aluminum?"

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He said, "It can't be used for planes, it is not that kind of aluminum, but you can make a bucket seat out of it for a tank or some other thing, but it doesn't" - I think it says somewhere, but I am not sure, that OPM will prescribe where it goes to, but here you are going to have these big piles of this junk. These fellows are going to collect it and just where does Treasury Procurement come in? What are we going to do, and if we are in it, certainly before Monday and this thing starts, I want this thing nailed down - between now and sunset, Harold, you had better take time enough this morning.

Graves: Yes, I will.

Bell: I think it is if it is a Governmental function, if we are doing it as part of the Government and we sell this aluminum and get the money, I think it has got to go in General Funds. I don't think they can use it otherwise.

Foley: LaGuardia recognizes that in his letter and then says, "I assume you will put it some place and hold it there until we find out how much we have got and then we can decide whether we will go down to Congress and ask for special authority to use it for a special purpose."

H.M.Jr: I have got a letter and that gives me a chance to answer it and say, "Unless you do so-and-so and so-and-so, Procurement will not handle it," you see.

Bell: Yes..

H.M.Jr: Having written to him and asked him, not knowing we were in it, but now that we are in it, I insist that the thing be done in a proper way.

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- Bell: It can only be done one way if it is being done as a Governmental activity. If we are just doing LaGuardia a favor as an outside organization, that might be different.
- H.M.Jr: He is doing it and it is written to me on his letterhead.
- Foley: It is Governmental, Dan.
- Bell: Then it can only be done one way.
- Foley: We would have to have legislation.
- H.M.Jr: With LaGuardia there is only one way. Once we make up our minds the way we want it, you have got to hit him over the head. That is the only way he understands.
- Sullivan: Under this system why aren't you just as patriotic if you send a couple of bucks to the General Fund as if you give up your aluminum pots and pans?
- Viner: That isn't so. All aluminum now is going to first priorities. No new aluminum is being allowed to go for civilian use. All the aluminum that is collected is going directly or indirectly into the defense program.
- H.M.Jr: What are you going to do to replace your pots and pans?
- Viner: You get non-aluminum pots and pans, enamel ware.
- H.M.Jr: Well, the base of any pot or pan, with the exception of glass, you can't use glass exclusively, is going to be iron.
- Viner: But iron isn't as scarce as aluminum.
- H.M.Jr: Why, read the report of Monday from Pittsburgh. Their plants are shut down now in Pittsburgh for lack of steel ingots.

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- Viner: Yes, but there is no aluminum now available for civilian purposes any more, none.
- Blough: Isn't the real answer that you don't give your pots and pans unless they are extras?
- Foley: That is right, and I think it has a very good morale value because --
- Viner: Good morale reasons.
- Foley: Every little housewife that can't buy a savings stamp or savings bonds feels that she is making some contribution if she sends her pot over to the fire house.
- Blough: I think it is a patriotic thing because you use a great deal more labor and transportation and material to get a little bit of aluminum. I think it is a very bad idea.
- Viner: I am not so sure about that.
- H.M.Jr: I think you should start taking the aluminum out of the Department of Justice.
- Sullivan: They will make a killing when this is over, selling replacements for these pots and pans.
- H.M.Jr: You bet. Well, anyway, I don't have to pass on it, whether it is good morale or bad morale, but I am in it unknowingly and I want it to be Kosher.
- Graves: It seems to me if this is to be done -
- H.M.Jr: As far as we are concerned. (Laughter)
- Graves: It seems to me if this is being done as a Governmental activity that the Procurement

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Division is the proper and logical agency to take this as surplus and waste material and dispose of it, and it seems to me also that the money has got to go in Miscellaneous Receipts.

Bell: That is right.

(Discussion off the record).

H.M.Jr: Make it right, will you?

Bell: Yes.

H.M.Jr: Now, mind you, Mack is doing a swell job and is going ahead. His instructions are to do business. Now, he has done business, but I have told him in the future before he does new business to talk to you and me.

Graves: What I just said was this, that by law it is a function of the Procurement Division to receive and dispose of surplus and waste Government property.

Bell: That is right.

Graves: And therefore it seems to me that Mr. Mack was quite right in making the assumption that if this is - if the title of this is in the Government, and I assume it must be in the Government, it is his job. It isn't a matter of whether he had any election.

H.M.Jr: I am familiar with the junk and Procurement and what they do in the collecting and disposition of the junk. I saw the picture of the stuffed horse that they disposed of and the antelope, and so forth, and the article in Life magazine, but - well, if this is - following that procedure, then the money --

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- Graves: Goes to Miscellaneous Receipts, just as Mr. Mack said.
- H.M.Jr: And I want it announced tonight yet, publicly, that this money is so and so and it goes into the Miscellaneous Receipts, so we are not part of a hoax, and I want it known that if it is going in, it is going into Miscellaneous Receipts and I want to say it tonight before the people give the stuff, so that I am not a party to a hoax. That is my point, you see, Herbert. Don't you agree?
- Gaston: Oh, yes.
- Foley: Well, Dan, you could hold it without covering it into the General Fund.
- Bell: A reasonable time.
- Foley: Until you see how much you get. And then you could go down to Congress, if you have got enough, and you had a good purpose for which the money could be made available, and get the necessary authority.
- Bell: I think the better way would be to cover it into Miscellaneous Receipts and then keep the accounting of it and say, "This much has been covered in and we can use money out of the General Fund to that extent," for whatever purpose you want.
- Graves: If you get an appropriation.
- Bell: Yes, that is what I mean.
- H.M.Jr: And then again, if I may have the last word once - I am not looking at you, Bell, everybody. I wanted to announce before we go into this thing what disposition is going to be made of the money.
- Bell: As far as we now have the authority?

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H.M.Jr: Yes. Norman?

Thompson: In view of the reduced appropriations for relief this year, we are going to have a very substantial reduction in force in the Accounting and Disbursement offices in the field. We estimate there will be about nine hundred seventy-five people that will be dropped. Then we are going to have to --

H.M.Jr: Nine hundred --

Thompson: Nine hundred seventy-five. We are going to have to regionalize the Disbursing and Accounting offices.

H.M.Jr: Can you do the work?

Thompson: Yes, we can do the work. The program is a forth-five per cent reduction, I think.

H.M.Mr: Have you notified other departments that these people are available?

Thompson: They will all be eligible for replacement.

H.M.Jr: And help them get jobs?

Thompson: Yes.

H.M.Jr: Make a real effort, will you?

Thompson: We have been very successful, as you know, in the past in doing it.

H.M.Jr: I know. Will you make a real effort?

Thompson: Yes.

Gaston: I think the Office of Emergency Management - it would be important that they know these people are available.



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Thompson: Of course it is scattered all over the United States in the field and there is less opportunity in the field than there is in Washington, but we will do the utmost.

H.M.Jr: Do everything.

Bell: We have lost a lot of people to the defense agencies out of this Emergency Accounting and Disbursement.

H.M.Jr: What else?

Thompson: That is taken care of.

H.M.Jr: And it is agreeable?

Thompson: Yes.

H.M.Jr: Does he gain on that basis?

Thompson: Well, he won't lose. I don't know if he will gain, but he won't lose, either. It will be about even on what the basis has been up to date.

H.M.Jr: All right.

Bell: I have a copy of that press release from OPM and it is all right. It doesn't conflict in any way. They talk about obligations and contracts, and nothing about expenditures. That is a misquote.

H.M.Jr: O.K.

Bell: You want to take five minutes after this meeting to talk about the Russian letter that you got from Welles?

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H.M.Jr:

I suppose we will have to. All right, there goes - well, I can see you people (Odegard and Kuhn) after the movies. We are having a meeting with the English at ten-thirty, and right after that around eleven o'clock we are showing a movie downstairs, and I will let everybody know, if they want to come and see it. The English have brought over an amazing movie called the "Oerlikon Gun," but it shows night fighting and things that have never been shown before, bombardment of Bengasi and so forth. The English Navy have released things which they have never shown to anybody before. It will be about at eleven o'clock. I will have them call everybody, if you would like to come down.

Bell:

How long will it take.

H.M.Jr:

It takes forty minutes.

Schwarz:

It is an anti-aircraft gun, is it not?

H.M.Jr:

Yes, but it is more than that. They say it is one of the best pictures that ever came out of England.

Gaston:

Do we have the plans? Are we able to make that gun?

H.M.Jr:

I don't know. We are making the Bofors, but I don't think we are making that.

Did you want to invite your English friends that are coming?

Viner:

They have seen it.

H.M.Jr:

Only a few of them have.

Viner:

They had a special showing.

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H.M.Jr: Only a few of them have seen it. But this English admiral is coming over. The purpose of having it right after the ten-thirty meeting is so those of the English who haven't seen it, can. They are bringing over some people from the British Purchasing Mission.

Bell: I see. They are going into my office after the meeting.

H.M.Jr: Only a few of them have seen it. Purvis said he wants to see it again. It is the best thing he has ever seen. We will do this afterward.

Bell: I have got some letters to sign, and I can do that at the same time.

H.M.Jr: I am running way behind. I have talked too much.

Graves: George Haas is not here today and asked me to give you these figures on the Bonds.

H.M.Jr: Oh, she is creeping up on us, ain't she?

Graves: That is exactly half the month on the basis of business days.

H.M.Jr: Well, a couple of days ago we were eleven percent behind, and now we are only seven and four tenths percent behind.

Graves: Well, as I have said over and over again about these statements, there is a little warning to be made about that. Our June sales, with which the comparison is being made, slumped off badly after the first ten days, so that that percentage again is caused really by a slump in June rather than necessarily by a gain in July.

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H.M.Jr: Well, don't spoil the taste. This is for the benefit of Odegard and Kuhn and nobody else need listen.

On the E Bond the post offices are running twenty-three percent ahead in spite of what Graves says and the banks forty-five percent ahead. Total, we are thirty-six percent ahead.

Graves: Over last month?

H.M.Jr: Yes.

And on the F we are thirty-one percent behind, and on the G, twenty-four. Net behind, seven and four tenths. Monday we were eleven percent behind. With apologies to Mr. Graves that we are doing so well. I am sorry, Harold, that they look so good. (Laughter)

Anything else?

Graves: Nothing more.

Schwarz: We have the stories on civilian goods consumption.

H.M.Jr: All right. And give this to my psychoanalyst friends back there.

Blough: All four of them?

H.M.Jr: Yes. That was given to me by one Archibald MacLeish.

Two men in Chicago are going ahead with that. They don't want any help or interference, and they are going to make a button of it and distribute it by chain letters.

Odegard: Who did it, do you know?

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- H.M.Jr: No, but Archie can tell you. He has the name.  
Ferdinand?
- Kuhn: Nothing.
- Viner: What do the colors mean, blue, white, and orange? (Laughter)
- H.M.Jr: The orange is for the Irish.  
Am I going to be able to take home with me that script? When am I going to learn my script for Tuesday night?
- Kuhn: I have a corrected copy for you, corrected yesterday. Before you go to the farm, you can have it, if you would like to take it along.
- H.M.Jr: Will you put it in the hands of Mrs. Klotz personally?
- Kuhn: Yes, sir. I also have a little report for you by Mr. Barth that you asked about.
- Viner: Is that that radio talk?
- H.M.Jr: Yes.
- Viner: Have the final version of it read by one of your economists.
- Kuhn: Dr. Viner has already--
- Viner: But I don't know what they did to it afterward.
- Kuhn: They put the corrections in, that is all.
- Viner: I would like to see how they corrected it, if

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I have time.

H.M.Jr: I asked them to show it to you.

Viner: I mean at even any successive stages. The last thing that you know, you have got to say, "Have somebody see it in its last stage." I may not be here then.

H.M.Jr: You will be here today until five o'clock.

Viner: Four o'clock.

H.M.Jr: All right.

Bell: Is it on inflation?

H.M.Jr: It is this round table talk, you know.

Bell: Oh, yes.

H.M.Jr: Up until four o'clock, let Viner see it.

Viner: Surely.

H.M.Jr: I am leaving at four, too.

Viner: My point is that if there are any further changes it needs to be watched, because it is not unimportant, this stuff that is being discussed, and--

H.M.Jr: When are you coming back?

Viner: Well, a week from Monday, if that is all right.

H.M.Jr: If there are any changes, do you mind if - as long as you have watched it, we put it on the teletype and bring it to your house to show it to you?

Viner: That is all right, if there is time. But you

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have got people here. Let Blough have a look at it. It isn't heavy stuff, but a bad mistake can be made. It would be embarrassing to you later.

H.M.Jr: All right.

Blough: If you want to say anything about the joint returns, I hope it will be a little more general than what we gave you yesterday, and you might have a little chance to read this over the week-end.

H.M.Jr: O.K. I will read it over the week-end. What else, Roy?

Blough: That is all.

H.M.Jr: Peter?

Odegard: I have the Helen Dallas pamphlet. I will give it to you after the meeting.

H.M.Jr: All right.

Odegard: I spent two hours yesterday with Mr. Biow in New York.

H.M.Jr: If I could see you and Peter after the picture.

Odegard: All right.

H.M.Jr: I mean you and Ferdinand.

Did you have a good meeting with Biow?

Odegard: Yes, very good. Mr. Taylor was there.

H.M.Jr: Jake?

Viner: Nothing.

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- Cochran: I just had a message from Acheson on China which I think Dan will take up with you.
- Sullivan: After the Ways and Means meeting yesterday morning, Congressman McKeough called me and said he didn't think we had a Chinaman's chance. He didn't know whether he could put over his compromise or not. He certainly couldn't unless we were with him, and he wondered whether we were interested. His compromise is that a corporation shall file under both methods, and then pay the tax, which is the average of the two.
- H.M.Jr: Who asked you this?
- Sullivan: McKeough. I have gone over it with Blough and Tarleau, and we are unanimous that there is no point in trying to get a compromise we don't think we can get. We had better go ahead and, if necessary, take our licking on this, and then see what we can do over in the Senate.
- H.M.Jr: That is all right with me.
- Sullivan: By the same token, we think we should call to your attention the fact that if we talk about this new wrinkle in joint returns, we may lose the whole business.
- H.M.Jr: Why?
- Sullivan: Because I wouldn't be a bit surprised if Beaman said that this thing is so complicated and so on and so forth, and it would look like a retreat before they take a final vote on the other thing.
- Now, if you want something on joint returns, I think you have more chance to get the whole hog than to get part of it.



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H.M.Jr: Well, let me stew on it over the week-end.

Sullivan: Yes, sir.

Now, the Committee is going to meet tomorrow morning and they took no action at all on excess profits yesterday. The reports I got were that they first of all wanted to just throw it out, and I think what they are going to do is, as they come along to it, and going through the bill, line by line, they will just vote on it just like they voted on candy and chewing gum and everything else. It looks to me as though they are going to give it rather aloof treatment. I would like to see you sometime today.

H.M.Jr: Gee whiz! O.K.

Sullivan: For about a minute and a quarter.

H.M.Jr: Shall I go?

Sullivan: Yes.

H.M.Jr: You had better clear right after this meeting. I don't know whether I can do it again.

Sullivan: All right.

Foley: The Bureau of Internal Revenue has ready to send out the ninety-day letters to two holders of the Triborough Bridge Authority, two bond holders. The reason we want to do it, Mr. Secretary, is because we sent out notices to seven of the bond holders of the New York Port Authority and six of them paid their tax and only one contested, and I am a little afraid that there may be a jurisdictional point there that we won't uncover until after we get to trial, and it will be set back a full year.

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H.M.Jr: It is a legal matter. Do you want to do it?

Foley: I want to do it.

H.M.Jr: Is John with you?

Sullivan: Yes.

H.M.Jr: Who is the one person who is holding up the thing.

Foley: Shamberg of the New York Port Authority.

H.M.Jr: Are you both together?

Foley: Yes.

H.M.Jr: Both want to do it?

Sullivan: Yes.

H.M.Jr: I am suspicious.

Foley: It is in the public interest.

Sullivan: He is coming around. (Laughter)

H.M.Jr: All right.

Foley: We have got a little press release we want to clear with Chick and show that it is all part of the original strategy.

H.M.Jr: What else?

Foley: I have got a bad report for you on changing the laws so that you could buy the bonds.

H.M.Jr: Oh!

Foley: McCormack thinks it would be a mistake, and I am inclined to agree with him. He thinks

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that you open yourself up to criticism. That is part of the organic law established in the Treasury. It has been there since 1787 and--

Bell: '89.

Foley: You can fix the interest rates and determine the price and all that.

Gaston: I think that is very sound.

Foley: I agree with him, and I think we ought to drop it.

H.M.Jr: O.K.

Foley: I have got a little memorandum for you.

Bell: You tried. It is like the fellow that went in on Friday and asked for whale. They didn't have it.

Foley: So he had ham.

Bell: He said, "God knows I asked for fish." (Laughter)

Klotz: That is wonderful.

Foley: You wanted a little note on the tax convention for your British meeting.

H.M.Jr: Yes. Right along that line, I had Monsignor Ready and Mr. Foley for lunch, and I thought I would give them the choicest thing I could, which was sword fish. It was Tuesday. Mr. Foley said, "Isn't that adding insult to injury on Tuesday?"

Foley: Kind of rubbing it in.

Klotz: Well, he said something, too.

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- H.M.Jr: Yes.
- Foley: You gave me a little memorandum yesterday about some frozen funds of some Jewish organization that some man from New York left with you.
- H.M.Jr: The man was Rentschler.
- Foley: That had been taken care of the day before in New York. It is all right. Do you want a letter on it or something?
- H.M.Jr: Mrs. Klotz will call him and say it has been taken care of.
- Foley: All right.
- H.M.Jr: You might give her back that memo I gave you.
- Foley: I will. I haven't got it with me. I will send it in to her.
- Bell: I think his complaint on that was not so much that he didn't think it would go through, but the Chase apparently had been able to get a similar organization for the same country through in two days and it took his about two weeks, and these people came around and said, "Well, what is the matter, haven't you got just as good a stand-in as the Chase," and that was a little embarrassing.
- Foley: I don't know about a two-weeks' delay, but when I checked up the boys told me they had taken care of it the day before and the notice had gone to the Federal in New York to free the funds.
- Bell: I told him probably it was in different hands and that was the reason.

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- Foley: We have picked up, Mr. Secretary, three good young women lawyers.
- H.M.Jr: Wonderful. Are they good.
- Foley: They are very good. One is a graduate of Barnard, Columbia Law School. She was second in her class and on the Law Review. She is only twenty-one now. She is quite an outstanding person.
- Viner: Twenty-one?
- Foley: Yes. Twenty-one now. She has been through law school. She has been through college. She has been out a year doing research work for one of the Columbia law professors.
- Viner: You go in for prodigies, do you?
- Sullivan: You wait until White is away to talk about it.
- H.M.Jr: Don't you think we ought to have "come-up-and-see-me Viner" look them over.
- Foley: Yes. I don't know whether they will stand up that way or not. We don't look at - at it from that direction.
- Viner: Why don't you require them to bring photographs.
- Foley: This was done on paper. It was done on the record.
- H.M.Jr: Viner's name from now on is "come-up-and-see-me Viner."
- Foley: And we also have a good negro lawyer.
- H.M.Jr: Grand.

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Klotz: That is interesting.

H.M.Jr: Male or female?

Foley: Male. A good fellow. Judge Hastie wrote me about him. He was on the faculty out here at Howard. He has also got a job with the Board of Equalization in California, and Hastie said he was too good to go back there. We sent for him and looked him over, and the boys are satisfied, and we would like to have him.

H.M.Jr: Swell.

Foley: We will have to get a negro stenographer for him, but that will be easy. We will put him over in the Bureau, and I think we are--

H.M.Jr: I am delighted.

Foley: One of the other girls comes from the University of Michigan. She was on the Law Review out there. The other one comes from Boston University, and she was on the Law Review there. I think we have got about twenty-five now.

H.M.Jr: Wonderful. Quite a harem. (Laughter)

Foley: Sure.

Klotz: I am sorry I cramp your style.

Viner: They tell me they call themselves Foley's follies.

Foley: I don't think you would say that if you got them all together. (Laughter)

H.M.Jr: All right.

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Bell: He never will get married now.

Gaston: W. R. Davis has agreed to open his books both in Mexico and London to Intelligence Unit men. So when the State Department fixes it, two of our men are going to Mexico City. That was because of some things they found in the First National Bank of Boston.

H.M.Jr: Anything else?

Gaston: No.

H.M.Jr: Well, now, I will see Sullivan first and then Bell.

7-18-41

My dear Fierelle:

I am in receipt of your letter of July 17, 1941, in reference to the collection and disposal of scrap aluminum.

I understand that the Procurement Division is handling the disposition of this material as an agent of the Office of Civilian Defense, and we are glad to cooperate in this matter.

In this connection I am enclosing herewith a copy of a memorandum sent to all State Procurement Officers by the Director of Procurement which you will note outlines a plan which, with minor variations, is in accord with the plan suggested by you in your letter.

In regard to the disposition of the proceeds of the sale of such aluminum, your understanding is correct that such proceeds must be deposited in the General Fund of the Treasury and can only be made available for expenditure by direct authority of the Congress.

Sincerely yours,

Secretary of the Treasury

Honorable Fierelle H. LaGuardia,  
U. S. Director of Civilian Defense,  
Washington, D. C.

DWB:ce



OFFICE OF CIVILIAN DEFENSE

WASHINGTON, D. C.

July 17, 1941

Honorable Henry Morganthau  
Secretary of the Treasury  
Washington, D.C.

Dear Henry:

In reply to your letter concerning the collection of aluminum, I am happy to say that a real businesslike plan has been formulated and now that your Department is looking after the business end of it, I really have no more worries. The plan briefly is as follows:

The aluminum will be collected under the supervision of the Office of Civilian Defense and under the supervision of state, county, and municipal defense councils, and all sorts of fraternal, veterans', religious, industrial, commercial, and labor organizations. The drive starts Monday, July 21, and ends July 28. In the big centers I am seeking to have the drive completed in three days.

The collectors will bring the aluminum to local fire houses, police stations, and from there it will be picked up by city trucks, county agents of the Department of Agriculture, or other county officials, and brought to designated points, the points already having been designated by the OPM. There are about two hundred odd points of final delivery in the United States.

Once the aluminum is delivered to these final points, the collection responsibility ends. From there on the smelters will be invited to look over the collection and to bid. The smelters must assume the responsibility of sorting and discarding the non-aluminum material, which also has a salvage value. The bids, I understand, will be presented to the Procurement Division of your Department and the money will be paid to your Department. The final disposition of the money has not yet been settled.

From the very beginning, I have pointed out that money cannot be just given away, if it at any time got into the hands of any Department of the Federal government. I think we will have sufficient time after the collection and after we know the total amount, to decide whether or not we should ask Congress for authority to dispose of it in any specific manner or to just let it go into the Treasury. We must not overlook the possibilities and value as to morale to have the people of the country understand their aluminum contribution was a direct benefit to their government.

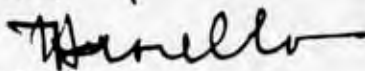
Honorable Henry Morganthau  
July 17, 1941

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I will not bore you now with describing the original plan which I disapproved and which caused my vigorous protest. Some time, when we have less worries, I will tell you about it.

In the course of the day I will send you the printed instructions that are going out throughout the country. I enclose herewith the instructions to the Governors which went from this Office.

Sincerely yours,



F. H. LaGuardia  
U. S. Director of Civilian Defense

Enclosures.

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July 16, 1941

GOVERNOR .....

RETEL JULY 11 ON ALUMINUM SCRAP CAMPAIGN. THE FOLLOWING  
CONCENTRATION POINTS IN YOUR STATE HAVE BEEN DESIGNATED.  
WILL YOU PLEASE GIVE THIS THE WIDEST PUBLICITY NOTIFYING  
THE MAYORS OF YOUR CITIES AND STATE AND LOCAL COMMITTEES.  
COMPLETE LISTS FOR THE COUNTRY WILL BE RELEASED FROM WASH-  
INGTON. IT IS IMPORTANT TO KEEP THE CONCENTRATION POINTS TO  
A MINIMUM BUT ADDITIONAL POINTS MAY BE ADDED IF URGENTLY  
NEEDED AND REQUESTED BY YOU. PLEASE DECIDE TO WHICH CON-  
CENTRATION POINT EACH OF YOUR LOCAL COMMITTEES IS TO SHIP  
THE ALUMINUMWARE AND ADVISE THEM AND YOUR STATE PROCUREMENT  
OFFICER OF THE UNITED STATES TREASURY DEPARTMENT AND US AT  
DIVISION OF INFORMATION, ROOM 5525, NEW SOCIAL SECURITY  
BUILDING, WASHINGTON, D.C. THE CONCENTRATION POINTS IN YOUR  
STATE ARE: .....

F. H. LA GUARDIA  
U. S. DIRECTOR OF CIVILIAN DEFENSE

WILLIAM S. KNUDSEN  
DIRECTOR GENERAL, OFFICE OF PRODUCTION MANAGEMENT

Similar telegram sent to the Governor of each state,  
listing concentration points.

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WIRE TO GOVERNORS OF 48 STATES

JUNE 28, 1941

WILL YOU KINDLY INVITE STATE EXTENSION DIRECTORS OF AGRICULTURAL  
COLLEGES TO PARTICIPATE IN PLANNING ALUMINUM CAMPAIGN IN RURAL  
AREAS? THANKS FOR YOUR COOPERATION.

F. H. LAGUARDIA  
U. S. DIRECTOR OF CIVILIAN DEFENSE

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NIGHT LETTER  
TO GOVERNORS OF 48 STATES

JUNE 26, 1941

MY DEAR GOVERNOR: BEGINNING ON JULY TWENTY ONE AND LASTING FOR SEVERAL DAYS THIS OFFICE AT THE REQUEST OF THE OPM WILL CONDUCT A NATION WIDE COLLECTION OF SCRAP ALUMINUM WHEREBY EVERY HOME AND BUSINESS IN THE NATION MAY CONTRIBUTE SUCH SCRAP FOR NATIONAL DEFENSE PURPOSES STOP I AM ANXIOUS THAT YOU TAKE CHARGE OF THE CAMPAIGN IN YOUR STATE SINCE IT IS ONLY THROUGH THE COOPERATION OF THE STATES AND THE VARIOUS POLITICAL SUB-DIVISIONS THAT THE CAMPAIGN MAY BE COMPLETELY SUCCESSFUL STOP WILL YOU AT THIS TIME SET PRELIMINARY MACHINERY IN MOTION FOR THE COLLECTION IN YOUR STATE AND DETAILED SUGGESTIONS WILL BE FORWARDED BY MAIL THIS WEEK STOP I NEED NOT TELL YOU THIS IS NO EASY JOB BUT I AM ASSURED OF THE COMPLETE COOPERATION OF THE VETERANS ORGANIZATIONS GIRL SCOUTS BOY SCOUTS WOMENS' CLUBS CIVIC CLUBS BUSINESS AND COMMERCIAL ORGANIZATIONS AND ALL SIMILAR GROUPS AND UNDOUBTEDLY YOU WILL WANT TO UTILIZE THE HELP AND ASSISTANCE OF THESE ORGANIZATIONS STOP ALSO THE THREE THOUSAND COUNTY FARM AGENTS THROUGH THE DEPARTMENT OF AGRICULTURE ARE WILLING TO ASSUME ANY RESPONSIBILITY THAT MAY BE ASSIGNED TO THEM FOR THE RURAL AREAS STOP A GREAT DEAL OF PRELIMINARY PLANNING IS NECESSARY IN INFORMING THE PUBLIC ARRANGING FOR COLLECTION TRUCKS ETC STOP OUR JOB IS TO COLLECT THE ALUMINUM AND THE OPM WILL LATER DESIGNATE VARIOUS PLACES WHERE THE SCRAP IS TO BE DELIVERED SORTED AND TRANSPORTED TO SMELTERS STOP I AM COMMUNICATING WITH EACH GOVERNOR REQUESTING HIS HELP AND AM ALSO COMMUNICATING DIRECT WITH SOME OF THE LARGER CITIES OF THE COUNTRY REQUESTING THAT THE MUNICIPAL AUTHORITIES OF THESE MAJOR CENTERS BE RESPONSIBLE FOR THE CAMPAIGN IN THESE CITIES

AND ASSIST IN ITS WORK STOP KNOW YOU WILL DO ALL YOU CAN TO MAKE THIS EFFORT  
HELPFUL TO THE DEFENSE PROGRAM AND I WOULD APPRECIATE ADVICE BY WIRE AS TO YOUR  
WILLINGNESS TO ACCEPT THIS RESPONSIBILITY FAITHFULLY YOURS

F. H. LAGUARDIA  
U. S. DIRECTOR CIVILIAN DEFENSE

July 13, 1941

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## MEMORANDUM

TO ALL STATE PROCUREMENT OFFICERS

Pursuant to a request of the Office of Production Management and the Office of Civilian Defense, the Procurement Division, Treasury Department, has agreed to take charge of the disposition of the scrap aluminum now being collected throughout the United States under the Office of Civilian Defense. Briefly outlined, the procedure will be as follows:

1. Scrap aluminum will be collected by all towns and cities. Concentration points, listed on the attached sheets, have been established in each State by the Office of Production Management with the advice of both the Procurement Division, Treasury Department, and the Office of Civilian Defense. All scrap aluminum will be delivered by the towns and cities to the designated concentration points within each State.
2. All Procurement Officers are cautioned that they must keep close contact with the respective State Chairman having charge of the scrap aluminum in order that reports of accumulation may be made to the Procurement Officers for immediate transmittal to the Procurement Division.
3. The Office of Production Management will advise the Pre-

- 2 -

Procurement Division in writing the amount of scrap aluminum to be shipped to a particular smelter. The name and location of the smelter will be forwarded with necessary instructions to the Procurement Officers involved. The Procurement Officer will then advise the smelter (buyer) of the approximate amount of scrap aluminum available in his territory for pick-up by the smelter (buyer). The smelter (buyer) will purchase the scrap aluminum f.o.b. concentration point and defray all expenses incident to the shipping, sorting, grading, weighing, assaying, etc.

4. Upon arrival of the scrap at the smelter (buyer) it will be assayed and weighed by approved or licensed Assayers and Public Weighers selected by the Procurement Officer. Payment is to be made by the smelter (buyer) at the maximum prices set by the Office of Price Administration and Civilian Supply on the particular material. For example, so much for scrap aluminum, zinc, copper, scrap iron, etc., on the basis of the certified weights and assays of the scrap furnished by the assayer.

5. The certified weights and assays will be forwarded to the State Procurement Officer by whom shipment was made, and upon receipt thereof a Short Form Contract, following the form attached, should be forwarded to the smelter (buyer) for execution, showing the amount of scrap aluminum and other metals with the price set forth opposite each item, with advice that check in payment thereof should be made to the Treasurer of the United States. Payments received should be deposited in the Treasury of the United States directly through



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G. F. Allen, Chief, Disbursing Office, to the credit of Miscellaneous Receipts (Symbol No. 5161, Sale of Donated Scrap Aluminum).

Copies of all documents pertaining to the transaction should be immediately forwarded to Mr. A. J. Walsh, Chief, Emergency Relief Branch, Procurement Division, U. S. Treasury Department, 7th and D Streets, S.W., Washington, D. C.

Aluminum scrap accumulated as directed in Memorandum No. 202 to all Procurement Officers, dated May 2, 1941, and that which will be accumulated hereafter, should be delivered to the nearest concentration point by the accumulating agency.

(Signed) Clifton E. Mack

CLIFTON E. MACK  
Director of Procurement

## TREASURY DEPARTMENT

Washington

FOR IMMEDIATE RELEASE  
Friday, July 16, 1941.

Press Service  
No.

At the request of Mayor LaGuardia, U. S. Director of Civilian Defense, the Treasury Department through the Procurement Division, has agreed to take charge of the disposition of the donated scrap aluminum now being collected throughout the United States under the Office of Civilian Defense.

This scrap aluminum now being collected will be sold to smelters who are engaged in defense contracts. The aluminum will be used for national defense purposes and the proceeds of the sales will be deposited in the General Fund of the Treasury of the United States, subject to disposition of the Congress.

DVB:MRB

## TREASURY DEPARTMENT

## INTER OFFICE COMMUNICATION

DATE July 18, 1941.

TO Secretary Morgenthau  
FROM Mr. Foley

I have your memorandum of July 17 relative to an amendment to the law prohibiting you from purchasing Government securities.

On July 10 Larry Bernard went to see Majority Leader McCormack about this matter. He told McCormack that we wanted to get his reaction to the amendment before we did anything about it because you didn't want to go ahead if there was going to be opposition to it. McCormack told Bernard that his reaction to the proposal was distinctly unfavorable. He said that the statute which prohibits you from buying bonds was really a part of our organic law since it was enacted in 1789 and that he was sure a great many people would be against any change simply for that reason.

Mr. McCormack also said that, due to the fact that under the law you had rather wide discretionary authority over interest rates and other terms and conditions of Government securities, he was sure that some of the members of the House unfriendly to the Administration would seize

- 2 -

upon that argument as the basis for objection to the amendment. He said that he fully appreciated why you wanted to participate in the financing of our defense effort, just as every other patriotic citizen wanted to, but that on the whole he felt that you would be subjecting yourself to a considerable amount of criticism if you took action on the proposal.

I believe Congressman McCormack's judgment on these matters is good. While you might be able to get the amendment through, in view of the possible opposition indicated by McCormack, I suggest that you not try it.

FW 76

Highlights of the Meeting with the British  
in Secretary's Office on July 18, 10:30 a.m.

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1. The Secretary is to investigate personally the prospect of the Army taking over the British airplane contracts. Mr. Lovett of War, is on the opinion that the Army should not commit what unallocated airplane funds it has.
2. The Secretary said he did not think he could countenance the use of American taxpayers' money to buy goods for England which would be distributed at a profit to the English people. Keynes argued that excess profits were taxed at 100 percent, and that the British Government had to use its normal distributive channels.
3. Mr. Thompson said the British had nothing to report on the administratively difficult purchases. They were waiting on the Treasury people.
4. The Secretary read a statement prepared by McConnell on the tax convention. Cox said nothing with respect to the transfer of titles.
5. Sir Frederick Phillips reviewed the problem of Deferment of Payment due France. The Secretary said our lawyers - specifically Kades - would work on it and get together with Childs.
6. The Secretary said there was no problem with respect to the price of lead; that of course he wants as good a price as the U.K. Government received. Cox questioned whether it wouldn't be politically wise for the British to give this lead and any similarly held commodities to the United States Government as a quid-pro-quo for the Lend-Lease material they are receiving.
7. The Canadian aluminum is now up before the Joint Aircraft Committee. Cox is to bring this subject up again.
8. Cox reported no further progress in his discussions with the Army with respect to their bearing the cost of Civilian Technical Corps. He is to bring it up again.
9. Cox talked with General Byrnes about the possibility of Army taking over the construction job in Iceland, or placing it under Lend-Lease. He said it was probable that the U.S. would bear the cost of this. He would bring it up later.
10. Kistler said that with respect to cocoa, the outlook for the purchase of cocoa was not unfavorable. With respect to sisal, our study was going forward.
11. Cox reported that the decision had been reached at the last meeting not to include in the new Lend-Lease appropriation an item to cover taking over pre-March 11 British contracts. Cox did say, on questioning by Keynes, that if nothing is said at this appropriation hearing with respect to the British meeting their pre-March 11 commitments, there would be no moral or legal obstacle to using the new appropriation to taking over pre-March 11 contracts.

July 18, 1941  
10:30 a.m.

RE AID TO BRITAIN

Present: Mr. Cox  
Mr. Purvis  
Sir Frederick Phillips  
Mr. Cochran  
Mr. Viner  
Mr. Keynes  
Mr. Childs  
Mr. Archer  
Mr. Chance  
Mr. Kades  
Mr. Foley  
Miss Kistler  
Mr. Bell  
Mr. Mack  
Mr. Young  
Mr. Brown  
Mr. Bewley  
Mr. Thompson

H.M.Jr: I am sorry Dr. White is sick, and Miss Kistler here represents his office. We weren't able to have a meeting because he was sick, so I don't know - we will do the best we can and everybody has been very cooperative. Where is our friend Oscar Cox?

Foley: Right there.

Cox: Howdy.

H.M.Jr: Hello. It is like have plum pudding without any plums.

Cox: I am not so sure of that. (Laughter)

July 18, 1941  
10:30 a.m.

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Present: Mr. Cox  
Mr. Purvis  
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Mr. Cochran  
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Mr. Keynes  
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Mr. Archer  
Mr. Chance  
Mr. Kades  
Mr. Foley  
Miss Kistler  
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Cox: Howdy.

H.M.Jr: Hello. It is like have plum pudding without any plums.

Cox: I am not so sure of that. (Laughter)

- 2 -

Moyle: Without the brandy.

Cox: That is closer.

H.M.Jr: Is that better?

Cox: Yes.

Purvis: Without the flame.

H.M.Jr: The first thing we have here is developments with respect to Army taking over certain large British contracts.

Cox: Hamilton Robinson of the BPC and Col. Greenbaum are working on the take-out of those contracts. They will all be Ordinance and the larger contracts placed after March 11, and the notion is to leave out the smaller ones placed before March - after March 11, because the administrative work is greater than the dollars that will be relieved. Now, on the aircraft contracts, Lovett says that they can't make a decision now on the pre-March 11 contracts because they don't know whether they are going to have enough money. His idea is that they may have to use their extra money to step up production of aircraft if they can get the raw materials, to pay time and a half and what-not of any slack to take over those contracts. Now, the only thing I think we can do now is to get after them again in a couple of weeks and see whether the situation has changed by reason of the fact that it has become more definite. You see, that is the thing you spoke to McCloy about.

H.M.Jr: I wrote him a letter congratulating him.

Cox: He called up and said he was very pleased, but he thought it was premature since Lovett had his feet on the ground.



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- H.M.Jr: Do you think we ought to see Lovett?
- Cox: Yes.
- H.M.Jr: Will you get after me?
- Cox: Yes.
- H.M.Jr: O.K. I will undertake to see Lovett.
- Cox: All right.
- H.M.Jr: Have the English got anything on that?
- Phillips: Yes, sir. As regards to the first point raised by Mr. Cox, the elimination of some small contracts signed after March 11, we are substantially in agreement. The theoretical total of all those things is about sixty-six million dollars, and if we get forty-five to fifty, which would allow eliminating quite a large number of small ones, that is as much as we expect. The other matter Mr. Cox mentioned is three hundred million dollars or thereabouts. It is a vital part of the program.
- Cox: That is the aircraft.
- H.M.Jr: Yes. Well, I realize that, but the excuse that the Army gives that they need it to pay overtime is one that I want to examine with Mr. Lovett myself..
- Keynes: Is it too late to increase their appropriations?
- H.M.Jr: Oh, I hope nothing is too late or too little. I don't know.
- Keynes: That might be a way out.
- Cox: Yes. Well, they have just gotten new appropriations about four or five weeks ago.

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Purvis: They are through, are they?

Cox: No, they are not through.

H.M.Jr: They are never through.

Cox: That is the last one.

Purvis: But that appropriation is approved by Congress.

Cox: Yes.

H.M.Jr: We Treasury people know the Army and Navy are never through.

Phillips: I quite realize the difficulties, but perhaps I might say these contracts do run out. We are still paying out on them, you see. If they are left over long enough there is nothing to take over.

H.M.Jr: I will try my best to see Lovett Tuesday, you see. Why don't we see if we can get him over here for lunch with McCloy?

Cox: There is one other item on that thing, and that is, we have asked the Maritime Commission to earmark enough funds to take over the shipping contracts if the decision is reached on that. They have a new appropriation bill which is pending now and they said they wouldn't commit all their funds. Their normal procedure is to commit a substantial part of the money they have before they get an appropriation. I mean, they do it informally. They are keeping out enough so that we can discuss taking over these shipping contracts.

H.M.Jr: Anything on that that you want to say?

Purvis: No, I don't think so. General Burns did mention to me yesterday that he foresaw some problem in connection with the new Lend-Lease appropriation possibilities in taking

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care, in providing for the taking over of contracts and I referred him to you (Cox). It just seemed to me that he wasn't --

Cox: That is Number eleven on this agenda.

Purvis: Oh, I beg your pardon.

H.M.Jr: All right on Number one?

Cox: Yes.

H.M.Jr: Number two, transfer of Lend-Lease goods by United Kingdom to (a) other governments, (b) commercial distributors and processors - Mr. Keynes.

Keynes: I think this is really rather premature. I wanted to have discussions with Mr. Philip Young and one or two others before we really bring it to you. I think it is worth mentioning the subject matter. We are going on the assumption, we all of us are, that in the case of food and commercial goods we shall use the normal methods of distribution. Under the Act, we are not allowed to transfer goods that way except when the President has authorized us to. Some formula, some convenient formula, has to be devised covering these cases. For the present, while we have understandings, we have no actual authority. I thought it rather important to press on with getting an agreed formula and I think we ought to talk about that a little more before it is brought to you.

H.M.Jr: Well, Mr. Clifford Mack and I decided this morning that before we want to go ahead through Treasury Procurement and buy any more commercial articles, where the middle-man in England is going to make a profit on it, we feel that - we want to know whether he does or doesn't.

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- Keynes: Well, he doesn't make any more than his normal profit. That is to say, if we buy bacon, that is distributed through the trade, and his profit is fixed by law at no more than his normal pre-war margin, and that is very strictly adhered to.
- H.M.Jr: I think Mr. Mack and I want to go into that because the question is, do we want to take the taxpayers' money and then distribute this thing and - why should they make any profit on it? I can't understand why they should. We are not making any profit on the purchasing.
- Keynes: It depends on what you mean by profits. You see, it is their ordinary overhead, their ordinary contribution to overhead.
- H.M.Jr: Well, I think if someone will talk to Mr. Mack, he and I have come to an understanding on it and I think that it is something that we want to go into very thoroughly here.
- Cox: I agree.
- H.M.Jr: And there are certain orders we have got. In fact, I have asked Mr. Coe, the Treasury representative in England, to go into that thing for me, I mean what profit is being made on - we are getting orders, for instance, for specific tractors which could only be used for, we think, private purposes, and if we are going to buy tractors or parts and these things for distributors in private businesses in England, I think our position is not a very tenable one.
- Cox: Well, it is a complicated situation and it varies from case to case.
- H.M.Jr: Well, it is one thing, Oscar, for us to buy a tractor which is going to the British Army and Navy, but if it is going to go through and if people are going to make the normal

- 7 -

profit on it, how are we going to explain it?

Cox: Well, when I say the problem is complicated, it seems to me there is a difference between the distribution of food and the distribution of tractors. Now, we first - we raised that same question at the very outset when they wanted a Section four general consent, which we were very reluctant to grant, because we thought we ought to look at each case and see what it was. On the food thing, just as one illustration, you could either use all the food that comes from Lend-Lease purchased by Agriculture or other stuff purchased by Treasury for distribution through the Army and Navy Quartermaster Corps, for example, straight Government distribution. Now, that presents certain administrative problems because of the way they handle their Army and Navy food supply. Also, it means that if you do that, you would release the other stuff which would be distributed from the Ministry of Food through the normal trade channels.

H.M.Jr: Well --

Cox: I mean, it is a problem.

H.M.Jr: I have only asked Coe to look into that which is bought by the Treasury Procurement, and Mack and I feel that if the stuff that we are buying is being bought for, say, the "x" distributor of tractors and he is going to make his normal profit and we are buying that stuff and he goes ahead and makes whatever his profits are and it is the supplier man who wants to distribute the tractors with parts - I don't know that I want anything to do with it. The same case in point, this question of lead. We are asked to take over a contract which

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which the English have at three and a quarter cents for lead with Canada, and when they want us to take over the contract they want us to take it over at three seventy-five.

Keynes: No, no, that isn't correct.

H.M.Jr: Well, you have got Mack here.

Keynes: We are asking the question, which of these principles you want adopted.

H.M.Jr: Yes, but it is the price thing that Mack is interested in. Did I state it right?

Mack: Yes. The contract which the British --

Keynes: This is the next one on the agenda.

H.M.Jr: Well, I just question it. It is a thing that is bothering me. If we should decide to take over the contract, that Canada is willing to sell lead to England at three and a quarter, I certainly want as good a price.

Keynes: That is item six on the agenda.

Purvis: You are taking that item now, aren't you?

H.M.Jr: I am taking it now.

Keynes: There is one other point on two which I would like to ask about. This question on the commercial distributors, there, as you say, it is difficult. We have got to think of a formula. Cox says it differs a great deal with different articles. It also means that we should have a definition of profit. Now, in England we have these laws of the margins and we have a law of a hundred per cent excess profits tax, and using our ordinary distributive machinery is the efficient convenient thing to do when

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we want to keep our problems down and I think we ought to try and find a formula to reach that.

H.M.Jr: Well, you have got two things. One, you have got to satisfy us and if we are not satisfied, we don't have to do your buying. You can buy it some other way. But I have got my own standard of ethics here in the Treasury, and have also got to raise the money and I have got to go out and defend these extra taxes. Now, if we can't be satisfied on the one hand, and on the other hand, you don't want to change your methods of distribution, then you just don't have to do it through Treasury Procurement, that is all. Because the way the thing looks to me, I just don't see how I, on the one hand can ask for three and a half billion dollars extra taxes and then the thing gets out that this goes through your normal channels of trade, and they make their normal profits on it, on merchandise bought and paid for with American taxpayers' money. It just doesn't make sense to me.

Purvis: It is purely a problem of of actual machinery from your view, is that it?

Keynes: Yes. I think in the case of tractors it is very possible - it differs in every sort of case. We are at present Lend-Leasing all sorts of articles for distribution through the ordinary trade channels, and you can't isolate them.

H.M.Jr: Well, you may have to. You may have to change. Because I am sure if I feel this way, and I explain it to the President, he will feel the same way. We have our problem. I mean, we have got to raise this money through taxes.

Purvis: Yes, I appreciate that.

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- H.M.Jr: Think about it.
- Purvis: If you will weigh the upset that it might mean for the war effort and look at it sympathetically, that is all that we can ask. The point seems a very proper and natural one from your view.
- H.M.Jr: Have I ever not looked at it from that standpoint?
- Purvis: No, that is true.
- H.M.Jr: But also look at it from the standpoint of an American taxpayer and a tax bill that hasn't passed yet, and subsequent tax bills to pay for subsequent Lend-Lease bills.
- Purvis: Yes, quite. We had better explore that a little more, I think.
- H.M.Jr: Aren't you with me?
- Cox: Yes.
- H.M.Jr: I think, of all things, the food, particularly. Three. Developments with respect to the administratively difficult purchases - Messrs. Thompson, Archer, and Brown.
- Thompson: There was to be a meeting with Dr. White on that, sir, but Dr. White's illness prevented it taking place, so that on our side, we have nothing further to report except a report which Mr. Keynes submitted last time saying that the hard coal has been reduced further, so that instead of being about two hundred million dollars, it is now about one hundred million dollars.
- H.M.Jr: But you would like to let it go until Mr. White comes back?



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Thompson: Yes.

H.M.Jr: Miss Kistler is available for conference, from Dr. White's office.

Thompson: May I speak to her then?

H.M.Jr: Would you, please?

Thompson: Yes.

H.M.Jr: Four. State and local tax legislation. That is this memo here. Shall I just tell them about it?

Cox: Yes.

H.M.Jr: Well, it is just one page and I will give it - who is interested? Is this news to them?

Cox: Yes.

H.M.Jr: I will give it to Childs. I have written a letter to Secretary Hull asking him to get in touch with the Embassy with a view to working out a special tax convention between Great Britain and ourselves. I think such a convention is the only practical solution to the problem of State taxation of British property and procurement of supplies. The convention should be short and simple and should grant reciprocal immunity from taxation of British activities in this country and our activities in Britain in connection with prosecuting the war. I understand from ten to thirty million dollars is involved and this is going to be a constantly recurring matter. In addition to the States, our own Internal Revenue Bureau is concerned by a complex tax problem which can only be solved by some kind of tax convention. We decided in cabinet meeting it would not be good public policy

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for the Attorney General to give an opinion or for the Federal Government to participate actively in litigation against any State. How does that look to you?

Childs: That looks perfectly excellent, sir. I think we are entirely in accord with the whole proposition. Sir Frederick, you have no further comment, have you?

Phillips: No, sir.

H.M.Jr: Foley thought it was a good out.

Foley: Well, Kades.

H.M.Jr: Foley, Kades, and Cox. All right?

Foley: It ought not to take very long to draft that. I don't know whether it will require Senate approval or not. I think we may be able to do it by executive agreement between the two countries without Senate confirmation. We will have to work it out.

H.M.Jr: Five. Deferment of payments due France, Sir Frederick Phillips.

Phillips: Well, sir, you remember when we took over the French contracts in May of last year the arrangement was as the goods were delivered we would pay up any sums - repay to the French any sums that those contracts had cost them. May of this year, we decided the time had come in all the circumstances to stop making any more payments to France, and we have therefore held up payments and we are still holding them up. The total involved is about seventy-nine million dollars. Well, now, the reason we put it to you is just this: The French have grumbled a great deal but they have taken no action

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yet. Supposing they took action. They would try to frighten the contractors into stopping delivering goods to us and our request is, supposing the contractors do get frightened and stop delivering goods to us, will you in that event claim the goods under priorities and let us have them under Lend-Lease?

Cox:

Well, the priorities thing is handled by the Army and Navy either with Lend-Lease money or with their own money, and it is fairly difficult to get a decision out of them in advance of a case in terms of potential lawsuits. There is one other practical means of protecting yourself in the first place. I don't think that most American courts would sustain either an attachment or an injunction on the actual physical goods, by reason of your failure to pay agreed payments to the French. Secondly, subject to your - the Treasury's determination of policy, as I understand it, you have to get a license to pay to France, don't you?

Childs:

We have a general license now, which comes under the freezing order.

Cox:

Don't you have a special license?

Childs:

A special general license.

Keynes:

Couldn't that be withdrawn?

Cox:

If you withdraw that as to the French payments, you would get some protection, but that is a question of policy.

H.M.Jr:

Do I have to get in on that?

Cox:

Well, it is Treasury policy.

H.M.Jr:

I have got a simpler way. Why not sell this to General DeGaulle and he will take it over.

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Childs: Has he any money?

Purvis: No.

H.M.Jr: France has lots of money.

Purvis: Yes, but not the Free French.

H.M.Jr: Not yet. (Laughter). What do you think?

Foley: This is a big problem.

H.M.Jr: Well, is Kades up to it?

Foley: Sure he is up to it. He has got broad shoulders.

H.M.Jr: Supposing you lawyers get together.

Foley: All right.

Cox: All right.

Bell: I wonder if there is enough money involved to go through that.

Foley: What, Dan?

Bell: I wonder if there is enough money involved.

Keynes: Oh, yes.

Bell: Seventy-some million dollars.

Phillips: Seventy-nine million dollars.

Keynes: Do you want to give seventy-nine million dollars to Vichy?

H.M.Jr: Well, they have asked it so we will let our lawyers have a look at it.

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- Bell: It is a hard nut to crack.
- H.M.Jr: We hoped you wouldn't bring it up, but you have, so we will handle it. I am sure Mr. Childs will be glad to help you.
- Childs: Yes, sir. I would be only too glad to.
- H.M.Jr: "Request for guidance on lead prices." Mr. Cliff Mack.
- Mack: I received a memorandum yesterday afternoon from Mr. White's office outlining the proposed British plan for selling lead. This had to do with purchases made by the British Government from a smelter in Canada. Just now, before coming over here, I have checked up on our requisitions. We have had certain requisitions for lead for the Chinese under Lend Lease. We have no requisitions for lead for the British under Lend-Lease.
- H.M.Jr: How much did the lead cost?
- Mack: I don't have the information right here. As I understand it, there are no contemplated requirements for lead for the British under Lend-Lease. We are all taken care of on the Chinese requirements, so that in effect we are not in the market for lead. However, the Metals Reserve have just completed - just from this same smelter in Canada for immediate allocation to the industries in this country, so that that is the source here that may have a need for lead.
- Keynes: Mr. Secretary, as Mr. Mack says, your Metal Reserves Corporation has been buying fairly large amounts in different parts of the world. They bought about sixty thousand tons from smelters in Canada out of stock at three point seventy-five.

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Now, the British Government owns exactly similar stocks; and, of course, if they were bought, it would help out dollars. So we were proposing to offer that lead to your Reserve Corporation, and our commercial people are naturally proposing to offer it at the same price that the Metals Corporation had been paying from the company itself. Then it was brought to my attention that that would be greater than the price which we are, ourselves, paying. Therefore, it didn't seem to us that it would be proper to do that without bringing the whole thing to you for advice, as to whether in such a case as this we should offer our lead at the same price as the commercial people are offering it in the same manner or whether it should be ruled by our contract price, which is a contract we entered into in the first week of the war, I think. Not because we wanted the lead, but because we wanted the zinc, and we could only get the zinc produced if we gave the company an over-all contract for the whole thing. The price which we paid is something over three cents, which is very materially below three point seventy-five. It was guidance on that general principle, which may arise in other cases, where we have got a stock which we bought in past circumstances, something different from the present price.

When we offer such stocks to the Metal Reserve, should we offer them at the current price or at the running contract price which we made at some previous time?

H.M.Jr:

That is very easy. I don't have to ask anybody's advice on that. I think it would leave a good after-taste if you gave it to us at your contract price and a very bad after-taste if we had to pay more. I don't

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have to ask anybody's advice on that.

Cox: I would like to raise one other question for consideration. What is the total dollar value of this?

Keynes: Oh, it is not very big, but it is over a million dollars.

Cox: Well, the reason I ask that is there is one other possibility which you would want to consider the political wisdom of and that is instead of selling it to the Metal Reserves and turning it in as part of the quid pro quo under the Lend-Lease Act, because you would get a benefit to the extent of a million dollars ultimately by doing that.

Mr. Jr.: That is another angle.

Keynes: Of course we have no information on that.

Purvis: That gets into a thing that we have thought is going to be dealt with rather broadly.

Cox: I think it will be dealt with in broad terms, but it seems to me from the political standpoint, where you have a situation of that kind, where you have got a surplus of lead by reason of your zinc needs and you are selling it to the American Government because the Metal Reserves is part of the American Government, at the same time you are getting all this Lend-Lease aid, I should think in terms of the dollar amount involved it would be politically wiser to just turn it over to Lend-Lease as part of the quid pro quo pending the final agreement.

Purvis: I see your point, but may I ask Mr. Keynes this question? Isn't it a fact that in approaching

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this kind of problem just now, the starting point has all the time been, will this help in overcoming a dollar situation?

Keynes: That is the point.

Purvis: And that is why this comes up. Otherwise we might be taking automatically either A or B of these last two views expressed. The question was: can these transactions be used to get the financial situation straightened until we are over this hump?

Keynes: If the three hundred million dollars - that is absolutely right. If the three hundred million dollars you are talking about - if that comes off, you see, then all these sort of minor things will be treated on a different basis, and we aren't in a position to make that transition as long as the main issue is uncertain.

Cox: No, but what I wanted to say was that you ought to consider this fact. The Secretary has pointed out what may happen in terms of getting a tax bill. Now, you have got a fairly unique situation here where the British Government itself is, in fact, selling something to the American Government and getting dollars in exchange, which is different than getting dollar relief by some of the other methods.

Keynes: It is not fairly weak. This particular example is not very important in terms of money, but there are many others which are enormously important.

Cox: Such as?

Keynes: Such as wool.



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- Cox: This million dollars isn't going to be the difference between making--
- Keynes: But this is a very important principle. I mean, it isn't a thing we can settle here. This is a thing which goes to the Prime Minister.
- H.M.Jr: Well, as to the price thing, I don't have to ask anybody.
- Keynes: The price is a thing we can settle now.
- Purvis: That is right, that stage of it anyway.
- H.M.Jr: You are with me on the price, aren't you, Arthur?
- Purvis: Well, I can fully understand your view on that, absolutely. Unless - I mean, in fact, the only excuse for proceeding any other way, as I would see it, would be if you would determine by hook or crook to use this as a means of easing the dollar position.
- H.M.Jr: That would be suicide.
- Purvis: I think that is the answer.
- Keynes: Yes, that is the answer.
- H.M.Jr: Now, "Canadian-U. S. aluminum situation." Mr. Cox has submitted a memorandum.
- Am I going too fast?
- Phillips: No, sir.
- Cox: That is up before the Joint Aircraft Committee. This is, as you know, British representatives as well as the Americans. There is a plant up in Canada that has some little alloy stuff

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and it is a question - they will first bog down presumably on a legal point - as to whether they could buy it free of customs duty. We don't see any difficulty there. The practical problem is still before the Joint Aircraft Committee, to have the Army buy it and turn it over to a manufacturer who is making Navy planes. There is an interchange statute which would permit that. The normal procedure is for the Navy not to buy the aluminum but to have the aircraft manufacturer buy it direct, but if he does that, he has to pay duty.

- H.M.Jr: Well, where do we go from here, Oscar?
- Cox: Well, Sir Henry Self said that he would push the Joint Aircraft Committee and let me know what the progress was, and if they needed an additional push we would try to give it.
- H.M.Jr: Bring it up at the next meeting?
- Cox: Yes.
- H.M.Jr: Is that all right with you?
- Phillips: Yes. Is this causing you great difficulty, Mr. Cox? I might make the Canadians put up some Canadian dollars.
- Cox: It is not causing us great difficulty, but I think we ought to follow it through because it will be - there will be a material saving there.
- H.M.Jr: All right, Oscar.
- Cox: Yes.
- H.M.Jr: Are we all right on this?

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Purvis: Yes, I think so.

H.M.Jr: "8. Proposal for Army to take care of cost of Civilian Technical Corps - Mr. Cox."

Cox: No further progress on that.

H.M.Jr: All right, we will bring it up again.  
"9. Base-costs in Iceland - Mr. Cox."

Cox: I am trying to talk to Burns about that from the standpoint of either getting the Army to take over the construction job on Lend-Lease. I think we will probably work that out on either one of those two bases.

Bell: Does that involve dollar expenditures?

Cox: Yes, in part.

Bell: So it will be, if we take it over, direct dollar relief?

Cox: Yes.

H.M.Jr: Anything more on that? Bring it up again?

Cox: Yes.

H.M.Jr: "Report on cocoa and sisal - Miss Kistler."

Kistler: With respect to cocoa, the Interdepartmental Committee on cocoa met and the - our office has been in touch with the Maritime Commission and OPACS and the outlook is not unfavorable. With respect to sisal, our studies are going forward.

Keynes: No sisal?

Kistler: We are studying it and it is going on.

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H.M.Jr: Can you help any?

Phillips: No, sir.

H.M.Jr: Getting along beautifully. It is wonderful what we can do when we have a moving picture waiting for us.

"11. Question of including in the new Lend-Lease appropriation an item to cover taking over pre-March 11th British contracts - Mr. Cox."

Cox: Well, as you know, there was a four hundred fifty million dollar item for that purpose, and Mr. Hopkins said that he didn't know anything about the British financial situation and that Mr. Morgenthau - if he was willing to go up to Congress and defend that item, it would stay in. It was put up to you, and it was decided to leave it out.

H.M.Jr: Yes.

Cox: And that is the end of it thus far on this.

H.M.Jr: How did it get on here?

Cox: I don't know.

H.M.Jr: Did the English want it?

Kistler: Mr. Brown submitted it.

H.M.Jr: He is your fellow, isn't he?

Cox: My fellow, yes.

H.M.Jr: He needs a little coaching. (Laughter)

Keynes: Mr. Cox, is it right that in order to do what

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we want, that four hundred fifty million is not legally necessary?

Cox: That is right unless somebody on the next appropriation makes the same statement that Mr. Smith made on the first one. If the statement is not made, you have no moral or legal objection to taking the funds, but if it is, then you have a question to consider. Some question may be asked. But it is possible to give another answer.

Purvis: Yes. (Laughter)

Bell: He certainly will be asked as to whether or not that promise will be carried out.

Cox: I suspect so.

Keynes: But putting in this item merely calls attention to it, and therefore it is unwise, isn't it?

Cox: That is right.

H.M.Jr: Well, I guess there is nothing more on that.

Purvis: No.

H.M.Jr: Have you gentlemen got something you would like to bring up which is not on the agenda?

Cox: I have one thing which is immediate.

H.M.Jr: Yes.

Cox: In the present request for appropriation, a new appropriation, there are items in for the dominions and colonies. General Burns was just going over those before we came over, and they seem to be very large, and he thought the easiest thing to defend before Congress on

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things like spot-purchase items for the dominions and so forth were those which were essential for the war effort.

Now, that raises two questions, one, as to what amount ought to be put in on that formula in the budget, and the second is how you execute that formula, and it seems to me the second one is the easiest. You look at each case and see whether it is a steel plate for kiddie cars or for transportation systems or guns.

Purvis: As you go along.

Cox: After you get the money, but you have got a question of getting the money and being able to say reasonably, honestly that, as a matter of prediction, this is what we estimate will be required for the necessary war effort, or the necessary contribution to the war effort made by the dominions and colonies.

Purvis: Mr. Cox, you might have talked with him yesterday. I asked him this question. Is it your intention to call - to separate this thing out geographically in the Empire, or will you deal with it by commodities? That is one point. The second point is that point you put in, what is essential to war effort and what formula we can devise which would give you the background necessary to answer Congress when questions are asked.

Cox: Well, now, can you get a re-estimate of that in terms of the foreshortening of supply in any event? There are a lot of things you are not going to be able to get, no matter how much money is involved.

Purvis: There are two points. Number one is we understand that the basis which is going to be used

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for building up the new Lend-Lease appropriation may be changed appreciably from what it was when we were asked to make the estimate of our requirement.

Cox: That is right.

Purvis: And it will be perhaps covered by some delivery period which will in itself automatically reduce that. Then, entirely apart from that, I understand that when that statement was made up, when I was out of town, we were lacking, I think this is true, Mr. Keynes, certain information and had to guess rather heavily in the case of a couple of dominions and actually the indications since are that those sums will be less because we have received them since. We had cables out, but they didn't come in in time. So that there are two reasons why it might be less.

Keynes: I was going into that today. My personal opinion is it is much too high.

Cox: That was our opinion.

Now, we are up against a time factor here in getting the budget up as soon as possible.

Keynes: I think we could do it today.

Cox: All right.

Purvis: We talked about this yesterday afternoon.

Cox: I think you also ought to seriously consider the foreshortening of supplies, because there are a lot of things which are for normal commercial purposes for which, whether there is Lend-Lease or not, even if you have the money, you can't get it.

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- Purvis: I agree the principle we are very anxious to preserve, and I would like to mention it while you are here and while the Secretary is here, is this: Entirely apart from the fact that we must look to you for any change in the basis on which you want us to present our figures and which I am discussing with Burns from time to time as he discusses it with the individual departments involved, and which particularly affects items such as steel and these raw materials, that is one of the phases of the thing. The other thing is that if you make any - if you have to make or decide to make any arbitrary cut in the total figure, will you remember that last time the cut was made pro rata on a percentage basis through every bracket. That has caused a very keen shortage in those brackets where programing ahead is much more essential than it is in others and we do hope to have the opportunity, and General Burns, I think, appreciates that, of going over with you when any sum is decided upon.
- Cox: Well, I raised it particularly here because I think the Treasury may have a responsibility in testifying on the appropriations because Mr. Mack has to - on what basis these funds for Treasury purchasing are being appropriated, and it seems to me the soundest formula you can justify is that we will purchase Lend-Lease for them, things which contribute directly to the war effort and that, secondly, his judgment on the facts, based on all the reasonable evidence he can obtain, is that the figure is not water.
- Purvis: That is right. Well that, we have better information than we had at the time we had to make this estimate up. There is another point I would like to mention however, to which



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I think we attribute great importance. That is, if there be a change in the dollar amounts due to an actual change in basis, I do hope that when it gets to Congress it will be - the basis will be on the table so that those genuine demands can later come along, because --

Cox: I hope so.

Purvis: I think that is - because this time we are a little caught.

Keynes: Mr. Cox, I think your advice would be helpful in what Mr. Purvis is saying. In the present document, the dominion requirements are put in. Isn't it much better to put them in as commodities? Let's say that there is oil and machinery --

Cox: I think we ought to have it both ways.

Purvis: Oh, for your own purpose, yes.

Cox: But in terms of the budget, I think it might be better to put it in by commodities.

Keynes: We thought you should have it both ways and should then arrange it so that it is only the commodities which appear in final documents, and when that was sent up, we didn't have the information. I think now we have.

Cox: Good.

Young: How soon can we have it, Mr. Keynes?

Keynes: I think we can finish it today or tomorrow morning. Don't you think so, Archer?

Archer: I should think so.

Mack: The information we now have on dominions

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and colonies doesn't show a breakdown of commodities.

Archer: Only for Australia and New Zealand.

Purvis: That was got out on very short notice.

H.M.Jr: Anything else?

Cox: Nothing.

H.M.Jr: Have you anything else?

Purvis: Nothing.

H.M.Jr: Just this one thing. I sort of hesitated to read it. For Mr. Mack's sake, I want to clear his reputation, if that is necessary.

Purvis: Quite unnecessary.

H.M.Jr: Well, this is a letter from Mr. Mack to Sir Arthur Salter of July 15.

"Your letter of July 12, 1941 with reference to phosphate shipments from Florida ports under various requisitions, has been referred to me by the Secretary of the Treasury.

"I appreciate your assurance that full information will be furnished this Division concerning the expected ship arrivals, due consideration being given to all circumstances.

"The last paragraph of your letter states that a vessel arrived at Tampa on June 30th to load pebble phosphate, but that it was necessary to take a cargo of triple super phosphate as no pebble phosphate was available. Our records show that we did not have a clearance from the British Purchasing Com-

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mission to make awards on pebble phosphate until July 3rd.

"Would it be convenient for you to meet with me in order that further possible misunderstandings may be avoided? I assure you that the Procurement Division will do all possible to assist you in your shipping problems which I appreciate are most difficult."

Then this is an answer from Salter on the seventeenth. He said:

"I very much regret the misunderstanding which has arisen over the case of the "Test-bank." It was not until I had made careful inquiry that I wrote to the Secretary of the Treasury, but I was not informed of the delay on the British Government side to which you now draw my attention.

"It now appears that the hold up on this vessel was due to lack of coordination on our side, which will be put right for the future."

Purvis: Sir Arthur in the future has agreed with me to clear it with the British Purchasing Commission first. I think there is an error on our side in that regard. We are all conscious of it.

H.M.Jr: Well, as I say, as long as Mr. Mack was criticized, I just wanted to let him know that--

Mack: I am meeting with Sir Arthur Salter next Tuesday afternoon, Mr. Purvis, and we are going to try to work out any further safeguards that might be necessary.

Purvis: Thank you very much. In his anxiety, you see, to use to advantage the ships that you have been good enough to let us have, he rushed

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over here perhaps instead of having a full discussion first with the BPC.

Mack: There are eighteen ships on the way down to Florida during this month, and we are arranging to take care of all those.

Purvis: Good. Thank you.

H.M.Jr: Well, the only trouble is, I don't know whether anybody - who can clear that? Bell, could you take a few minutes after this?

Bell: I understood that you were coming into my room. Are you going to wait until after the movies?

Purvis: You haven't seen the movie, have you?

Bell: No, I am afraid I can't be there. After it is over, you can come back to my room if you want to.

Purvis: He has seen the movie so he can go right in.

H.M.Jr: Who else is necessary?

Bell: Cochran and Mr. Brown and, I think, a number of the British are necessary, are they not?

Childs: I am afraid so.

Cox: Can I leave Brown?

H.M.Jr: Yes, you want to see the movie?

Cox: No, I can't see the movie.

H.M.Jr: Do you (Kistler) mind going into Mr. Bell's room?

Kistler: No.

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H.M.Jr: Who will go to the movie? I am going.

Purvis: I am going also.

Kistler: What is the movie?

Purvis: It is very good.

H.M.Jr: They have scenes of firing that the British Navy has never shown before. Want to see it?

Cox: I would like to, but I have a meeting now.

Bell: Mr. Secretary, I hope they will all go, because I have got a conference on that LaGuardia thing at eleven-fifteen.

H.M.Jr: Well, when can you see them then?

Bell: Right after the movie.

NOTESOn Proposed Tax Convention With Great Britain.

I have written a letter to Secretary Hull asking him to get in touch with the Embassy with a view to working out a special tax convention between Great Britain and ourselves.

I think such a convention is the only practical solution to the problem of state taxation of British property and procurement of supplies.

The convention would be short and simple and would grant reciprocal immunity from taxation of British activities in this country and our activities in Britain in connection with prosecuting the war.

I understand that from 10 to 30 million dollars is involved, and this is going to be a constantly recurring matter.

In addition to the States, our own Bureau of Internal Revenue is concerned by complex tax problems which can only be solved by some kind of tax convention.

It was decided at a Cabinet meeting that it would not be good public policy for the Attorney General to give an opinion to be used in British negotiations with the State taxing authorities, or for the Federal Government to participate actively in litigation against any State.

July 16, 1941

My dear Mr. Secretary:

As you know, several States of the Union and their political subdivisions are seeking to impose upon the Government of the United Kingdom, their agencies and instrumentalities, taxes of various types, including personal property as well as sales, use and other excise taxes. In addition, there are pending before the Bureau of Internal Revenue several cases involving the applicability of stamp taxes to transactions under which the burden of the tax will probably be shifted to the Government of the United Kingdom or an agency or instrumentality thereof.

There seems to be no statute either Federal or State, which provides an immunity for the Government of the United Kingdom from the taxes which create the instant problem. Nor is there any tax convention or any provision in any treaty with the British Government granting such an immunity.

I am, of course, aware that there is said to be an established principle of international comity which exempts the property of a foreign sovereign from the taxing jurisdiction of a State, at least so far as such property is used for public purposes. French Republic v. Board of Sup'rs. of Jefferson County, et al., (Ky. 1923) 252 S. W. 124; 28 Am. J. Int. Law (Supp. 1932) 193, 335; but see, Republic of France et al v. City of New York, (N.Y. Sup. Ct. 1925) N.Y. Tax Serv. (1925-26) at p. 8086.

The question is, however, unsettled. Moreover, the State of California has already collected a tax assessed in the name of the British Air Ministry upon personal property owned by the Government of the United Kingdom entrusted to the Lockheed Aircraft Corporation for installation in military aircraft manufactured for that Government.

- 2 -

In view of the fact that the dollar exchange of the Government of the United Kingdom will be depleted to the extent that taxes are paid by that Government, or on its behalf, it is suggested that the Government of the United Kingdom be requested to consider the execution of a special tax convention with the Government of the United States.

In order to avoid protracted negotiations, such a convention could be limited to provide in effect for reciprocal immunity of the two Governments from taxes levied upon their property or their transactions related to the prosecution of the present war and national defense.

A tax convention of this character would be wholly consistent with the Constitution and international law. Like any other treaty, it would be binding upon the States. Ware v. Hylton, (1793) 3 Dall. (U.S.) 199. Even if embodied in an executive agreement, the same rule would result "from the very fact that complete power over international affairs is in the national government and is not and cannot be subject to any curtailment or interference on the part of the several states." United States v. Belmont, (1937) 301 U.S. 324, 331.

Such a tax convention should not be retroactive so as to affect assessments already made or taxes hitherto collected by any State or political subdivision. Prevost v. Grensaur, (1858) 19 How. (U.S.) 1. Even though prospective in operation, the convention would express a national public policy which might be deemed declaratory of a rule previously required by international comity.

Unless there are paramount considerations of foreign policy which lead to some other conclusion, I am inclined to believe that any long-range solution of this constantly recurring problem of intergovernmental taxation warrants our taking steps to consummate, at least with the Government of the United Kingdom, a special tax convention immediately.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

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File to Mr. Thompson

The Honorable

The Secretary of State.

CLK:t

Dr. M. <sup>3:10</sup>  
7/16/41



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A tax convention of this character would be wholly consistent with the Constitution and international law. Like any other treaty, it would be binding upon the States. Ware v. Hylton, (1796) 3 Dall. (U.S.) 199. Even if embodied in an executive agreement, the same rule would result "from the very fact that complete power over international affairs is in the national government and is not and cannot be subject to any curtailment or interference on the part of the several states." United States v. Belmont, (1937) 301 U. S. 324, 331.

Such a tax convention should not be retroactive so as to affect assessments already made or taxes hitherto collected by any State or political subdivision. Prevost v. Graneaux, (1856) 19 How. (U.S.) 1. Even though prospective in operation, the convention would express a national public policy which might be deemed declaratory of a rule previously required by international comity.

Unless there are paramount considerations of foreign policy which lead to some other conclusion, I am inclined to believe that any long-range solution of this constantly recurring problem of intergovernmental taxation warrants our taking steps to consummate, at least with the Government of the United Kingdom, a special tax convention immediately.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

File to Mr. Thom

Secretary of the Treasury.

The Honorable

The Secretary of State. CLK LJB HDW KHF Jr. JLS T

CLK:t  
7-12-41

JPW ELK GTH RB

Initialed carbon returned to Revenue  
A-289342-4

## AGENDA FOR 10:30 MEETING

1. Developments with respect to Army taking over certain large British contracts - Mr. Cox.
2. Transfer of Lend-Lease goods by United Kingdom to (a) other governments, (b) commercial distributors and processors - Mr. Keynes.
3. Developments with respect to the administratively difficult purchases - Messrs. Thompson, Archer, and Brown.
4. State and local tax levies - tax conventions, Mr. Morgenthau and Mr. Childs; transfer of title, Mr. Cox.
5. Deferment of Payments due France - Sir Frederick Phillips.
6. Request for guidance on lead prices - Mr. Mack.
7. Canadian - U.S. aluminum situation - Mr. Cox to submit memorandum.
8. Proposal for Army to take care of cost of Civilian Technical Corps - Mr. Cox.
9. Base-costs in Iceland - Mr. Cox.
10. Report on cocoa and sisal - Miss Kistler.
11. Question of including in the new Lend-Lease appropriation an item to cover taking over pre-March 11th British contracts - Mr. Cox.

July 18, 1941.

## TREASURY DEPARTMENT

164

## INTER OFFICE COMMUNICATION

DATE

July 15, 1941

TO Secretary Morgenthau

FROM Mr. Foley

U. S. - U. K. Tax Convention

Attached is a letter for your signature addressed to the Secretary of State requesting him to communicate with the British Embassy with a view to instituting negotiations for the formulation of a special tax convention between the United States and Great Britain which would grant reciprocal immunity from taxation of activities connected with waging war and providing for defense.

Last week Sir Frederick Phillips and Mr. Keynes requested the Treasury Committee to give some thought to the question of State taxation of British defense activities which, it was estimated, would cost the British from 10 to 30 million dollars.

Apparently the States have proceeded to levy ad valorem property taxes as well as sales, use and other excises, notwithstanding representations made by the State Department to the Governors that this action violates international comity.

As a result of the request of Sir Frederick, a conference was held in the office of Assistant Attorney General Sam Clark on Thursday, July 10, at which an opinion of the Attorney General was requested by counsel to the British Air Commission for use in proceedings pending before the Los Angeles County Board of Supervisors in the California courts.

It is my understanding from Sam Clark that the matter was brought up at the Cabinet meeting on Friday and that it was decided that the Attorney General should not issue an opinion and that the Federal Government should not participate in litigation between the British and the States.

The question of intergovernmental immunity is constantly causing irritation. Many complex tax problems are raised by the absence of any tax convention. The Bureau of Internal Revenue would welcome such a convention. And it seems the only solution for the present problem.

The attached letter has been cleared by Assistant Secretary Sullivan as well as Assistant Attorney General Clark, and also by Messrs. White and Blough and Commissioner Helvering.

S.M.F.

M.F.



TREASURY DEPARTMENT  
PROCUREMENT DIVISION  
WASHINGTON

OFFICE OF THE DIRECTOR

July 18, 1941

MEMORANDUM TO THE SECRETARY:

Weekly Report - Lease-Lend Purchases  
(7/11 - 7/18/41)

Purchases to 7/11/41.....	\$ 48,354,709.66
Purchases 7/11 to 7/18/41.....	4,066,452.25
<hr/>	
Total to 7/18/41.....	\$ 52,421,161.91

<u>Requisitions Pending</u>	<u>Estimated Cost</u>
Cleared by O.P.M.....	\$ 197,660,584.09
Awaiting Clearance by O.P.M.....	18,753,387.50
<hr/>	
Total Pending Requisitions.....	\$ 216,413,971.59

Budget estimates for British and Chinese needs under the lend-lease program are now being reviewed preliminary to presentation to the Bureau of the Budget.

The Procurement Division has been designated to handle the disposition of aluminum at the request of the Office of Civilian Defense under OPM allocation orders to smelters engaged upon defense work.

A list of proposed commercial requirements for Argentina under lend-lease is now being reviewed by the Procurement Division. In the event we are called upon to make these purchases you will be advised.

*Clifton E. Mack*  
Clifton E. Mack  
Director of Procurement

Attachments-4

<u>CONTRACT NUMBER</u>	<u>CONTRACTOR'S NAME</u>	<u>REQUISITIONER</u>	<u>COMMODITY</u>	<u>QUANTITY</u>	<u>TOTAL VALUE</u>
DA-TPS-291	Sinclair Refining Co.	China	Lubricating Oil	15,000 gals	\$ 6,525.00
DA-TPS-83	Caterpillar Tractor Co.	U. K.	Road Machines & Spare Parts		58,825.78
DA-TPS-245	Chain Belt Co.	"	Pumpcretes, etc.	2	14,617.80
DA-TPS-345	The American Fork & Hoe Co.	"	Hammers, Sledge	1,500	2,830.00
DA-TPS-427	Weilig Bros. Co.	"	Cloth, Wire Screen	225,000 Sq.Ft.	12,150.00
DA-TPS-286	Chas. G. Stott & Co. Inc.	"	Penholders	17 dozen	8.50
DA-TPS-428	N.Y. Wire Cloth Co.	"	Cloth, Wire Screen	2,700,000 Sq.Ft.	52,650.00
DA-TPS-430	Bowers Battery Mfg. Co. Inc.	"	Spark Plugs	28,704	3,444.48
DA-TPS-305	Joseph Dixon Crucible Co.	"	Erasers, Rubber	834 Doz.	208.50
DA-TPS-301	Roger Wolfe Kahn	"	1 Lockheed Airplane	1	70,000.00
DA-TPS-332	Union Producing Co.	"	Lockheed Airplane	1	70,000.00
DA-TPS-293	Joseph Dixon Crucible Co.	"	Pencils	450 Gross	1,406.50
DA-TPS-364	Briggs & Stratton Corp.	"	Penholders	5,000	
			Engines for Pumps	500	25,250.00
DA-TPS-211	Killefer Mfg. Co.	"	Spare Parts for Scrapers		375.98
DA-TPS-434	National Twist Drill & Tool Co.	"	Drills, Twist	10 Sets	456.80
DA-TPS-435	Ingersoll-Rand Co.	"	Drills, Reversible, Air	20 Ea.	3,528.00
DA-TPS-415	The Galion Iron Wks & Mfg. Co.	"	Road Rollers	35	136,463.40

<u>CONTRACT NUMBER</u>	<u>CONTRACTOR'S NAME</u>	<u>REQUISITIONER</u>	<u>COMMODITY</u>	<u>QUANTITY</u>	<u>TOTAL VALUE</u>
DA-TPS-490	Thermoid Co.	U.K.	Packing, Asbestos	600#	\$ 132.00
DA-TPS-418	Bower Roller Bearing Co.	"	Bearings, Roller	7,000 Sets	33,915.00
DA-TPS-491	The Garlock Packing Co.	"	Pading, Asbestos	2,800#	2,160.00
DA-TPS-411	General Aniline & Film Corp.	"	Film, Process Sheets	15,000 Doz.	21,466.70
DA-TPS-395	Ingersoll-Rand Co.	"	Machine, Grinding	10	1,790.00
DA-TPS-365	Caterpillar Tractor Co.	"	Tractors	22	181,601.20
DA-TPS-397	Walker Brothers	"	Calipers		14,896.00
DA-TPS-180	American Airlines, Inc.	"	Airplanes & Spare Engines	2	99,500.00
DA-TPS-297	Transcontinental & Western Air, Inc.	"	Airplane	1	42,000.00
DA-TPS-436	N.Y. Wire Cloth Co.	"	Cloth Wire Screen	900,000 Sq.Ft.	49,500.00
DA-TPS-442	The Spiegel Bros. Corp.	"	Rules	14,300	12,870.00
DA-TPS-410	The Duff-Norton Mfg. Co.	"	Jacks, Gear	60	1,674.00
DA-TPS-409	Skillsaw, Inc.	"	Drills	20	552.00
DA-TPS-375	E.D. Etyare & Co.	"	Distributors & Spare Parts	14	53,747.54
DA-TPS-414	Standard Steel Works	"	Tar Kettles & Spare Parts	90	42,750.00
DA-TPS-800	Ritter Dental Mfg. Co., Inc.	"	Dental Units	30	11,481.90
DA-TPS-294	Eugene Dietzgen Co.	"	Paper, Cross Section	5,000 Sheets	29.00

JULY 18, 1950

<u>CONTRACT NUMBER</u>	<u>CONTRACTOR'S NAME</u>	<u>REQUISITIONER</u>	<u>COMMODITY</u>	<u>QUANTITY</u>	<u>TOTAL VALUE</u>
DA-TPS-366	E.R. Squibb & Sons	U.K.	Insulin Crystals	200,000 M Units	\$ 144,000.00
DA-TPS-383	The Wyodak Chemical Co.	"	Bentonite	2,240 S.T.	21,504.00
DA-TPS-459	The B. F. Goodrich Co.	"	Fire Hose	150,000 Ft.	58,100.00
DA-TPS-433	The Fyr-Fyter Co.	"	Extinguishers, Fire Refills	150 600	1,590.00
DA-TPS-461	Boston Woven Hose & Rubber Co.	"	Fire Hose	130,000 Ft.	51,857.00
DA-TPS-474	The F.E. Myers & Bro. Co.	"	Sprayers	600 Ea.	6,348.00
DA-TPS-429	D.W. Onan & Sons	"	Plants, Battery Charging	79 Ea.	12,640.00
DA-TPS-268	Thomas C. Wilson, Inc.	"	Boiler Tube Cleaning Brushes		4,683.33
DA-TPS-523	D.B. Smith & Co., Inc.	"	Guns, Dust	450 Ea.	3,487.50
DA-TPS-385	Parke, Davis & Co.	"	Antidysenteric Serum	5,000 Vials	10,100.00
DA-TPS-482	Remington-Rand, Inc.	"	Typewriters & Spare Parts	200 Ea.	18,157.60
DA-TPS-460	Hewitt Rubber Corp.	"	Fire Hose	470,000 Ft.	296,250.00
DA-TPS-481	Royal Typewriter Co., Inc.	"	Typewriters & Spare Parts	50	2,051.64
DA-TPS-384	Lederle Laboratories, Inc.	"	Antidysenteric Serum	15,000 Vials	37,700.00
DA-TPS-522	D.B. Smith & Co., Inc.	"	Ducrey Vaccine	10,000 "	2,340.00
DA-TPS-496	Plymouth Cordage Co.	"	Sprayers, Pneumatic	600 Ea.	4,205.36
DA-TPS-399	Diamond Iron Wks. Inc.	"	Rope, Sisal		4,205.36
		"	Rock Crushers	280	726,530.42



<u>CONTRACT NUMBER</u>	<u>CONTRACTOR'S NAME</u>	<u>REQUISITIONER</u>	<u>COMMODITY</u>	<u>QUANTITY</u>	<u>TOTAL VALUE</u>
DA-TPS-530	The Upson Co.	U.K.	Wallboard		\$ 28,630.00
DA-TPS-531	The Plastergon Wall Board Co.	"	Wallboard		145,895.40
DA-TPS-394	Eastman Kodak Co.	"	Paper, Photographic	500 Rolls	1,815.00
DA-TPS-500	Eagle Mfg. Co.	"	Oilers	5,950	1,175.12
DA-TPS-432	W.D. Allen Mfg. Co.	"	Fire Extinguishers	150	1,198.50
			Refills	600 Ea.	
DA-TPS-386	Sharp & Dohme, Inc.	"	Tetanus Anti-toxin	100,000 Vials	14,000.00
DA-TPS-387	The National Drug Co.	"	Tetanus Anti-toxin	20,000 Vials	12,800.00
DA-TPS-287	Allis-Chalmers Mfg. Co.	"	Spare Parts for 10 Tractors		3,389.18
DA-TPS-439	Standard Container, Inc.	"	Sprayers, Liquid	15,000	2,850.00
DA-TPS-354	H.S. Atkinson & H.K. Hauck	"	Saws, Circular	130	2,553.60
DA-TPS-483	Woodstock Typewriter Co.	"	Typewriters & Spare Parts	500	35,243.75
DA-TPS-400	Diamond Iron Wks., Inc.	"	Crushers & Spare Parts	5	16,466.13
DA-TPS-501	Timken Roller Bearing Co.	"	Bearings, Roller	80	3,752.00
DA-TPS-376	White Mfg. Co.	"	Stone Heaters & Spare Parts	30	59,965.44
					\$ 2,755,085.05
			Steel Purchases.....		1,311,367.20
					\$ 4,066,452.25
Total Purchases 7/11 to 7/18/41.....					\$ 4,066,452.25

July 18, 1941  
12:25 a.m.

Sumner  
Welles:

Hello.

HMJr:

Sumner?

W:

Hello, Henry. Good morning.

HMJr:

How are you?

W:

I called you this morning just to let you know that I hadn't forgotten my talk with you the other day.

HMJr:

Yeah.

W:

But until this morning I had no information with regard Tokyo that was of any value.....

HMJr:

Oh yes.

W:

.....it's all speculation.

HMJr:

Yes.

W:

I - I've given the President what our judgment here is, that is, this is primarily a stop-gap cabinet to tide over the situation until they decide what fundamental policies they want to adopt in the light of conditions.

HMJr:

I see.

W:

The only, to my mind, good feature about it is that the new Foreign Minister is one of the most intimate and close associates of the Japanese Ambassador here.

HMJr:

Of the Japanese?

W:

Of the Japanese Ambassador here in Washington.

HMJr:

Is that good?

- 2 -

W: Yes.

HMJr: I see.

W: He is an Admiral Toyoda, who was the right hand man of Admiral Nomura for some time.

HMJr: Yeah.

W: And, in our opinion, that is definitely encouraging for the moment.

HMJr: Yeah.

W: There's also a greater element of important business in the cabinet than in the previous cabinet.

HMJr: I see.

W: But to sum up, I don't think it means anything.

HMJr: You don't think it means anything?

W: No. Except as a stop-gap.

HMJr: Yeah.

W: I think they'll move in Indo-China in the next few days.....

HMJr: Yeah.

W: .....and then decide what they're going to do later.

HMJr: Thanks. Well, ever so much obliged.

W: Not a bit, Henry.

HMJr: Thank you.

W: Good-bye.

July 18, 1941  
4:20 p.m.

Oscar  
Cox: Yes, Mr. Secretary.

HMJr: What do you want?

C: On that Oerlikon Gun picture.....

HMJr: Yes.

C: .....if you can get the fellows in Ordnance to.....

HMJr: Get what?

C: If you can get the fellows in Ordnance who are on that job, I think the picture might help them out.

HMJr: If I can do what?

C: Get the fellows in Ordnance to see that picture.

HMJr: Yes.

C: You know we've got a lot of Lend-Lease orders in for Oerlikon Guns, and it's been moving a little bit slowly. I think if you could get that picture shown at the Oerlikon Gun Factory and also to the Ordnance fellows who are working on it, you might get a lot more of them over there.

HMJr: Well now, Oscar, if you'd mind reminding - write me a little note so I can have it Monday.

C: All right, I'll do that.

HMJr: And what we might do is.....

C: If you get Jim Forrestal to get some of his people over, and get some of the people from private plants to see it.

- 2 -

HMJr: Yeah, we - hello?  
C: Yes.  
HMJr: I'll work out some way if you'll write me  
a little note.  
C: All right, fine.  
HMJr: Everything all right yet with Pleven?  
C: Yes. Yeah.  
HMJr: Good.  
C: Thank you.  
HMJr: Good-night.  
C: Good-bye.

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE FOR EMERGENCY MANAGEMENT  
OFFICE MEMORANDUM

174

*Forrestal*  
7/23/41

To: Secretary Morgenthau  
From: Oscar Cox  
Subject: Oerlikon Gun Picture

Date: July 18, 1941

As I mentioned over the telephone this afternoon, I think it might be a good idea to have the motion picture which we saw at the Treasury this morning shown to some of the people in Naval Ordnance and to some of the employees in private factories who are working on the Oerlikon gun.

You may want to suggest this to Jim Forrestal, who can probably arrange to have the people on his staff who are working on the matter, as well as the workers in the private plants, see the picture.

*OC*

*Tell him to fake  
it up with Purvis.*

OEM-32

July 18, 1941

Last night I had for dinner Mr. Arthur Purvis, Mr. and Mrs. Howard Deitz, and Mr. Archie MacLeish, Librarian of Congress.

We talked about what kind of movies should be produced in the future in this country. We had a long discussion and I think we made real progress, and Mr. Deitz is going to see the heads of the five principal moving picture producing companies and see if he can't interest them in making some pictures which will show the people what the conditions are in Germany and what we may expect in this country if Germany should be successful in consummating a peace this summer.

They did not leave until eleven-thirty.

July 18, 1941

My dear Mr. Diets:

At the Secretary's request,  
I am sending you herewith copies  
of two memoranda which he wanted  
you to have.

Yours sincerely,

H. S. Klotz  
Private Secretary

(Signed) H. S. Klotz

Mr. Howard Diets,  
1540 Broadway,  
New York, N. Y.

Enclosures: Copy of memo to Secretary from William D. Geer  
dated July 15, 1941  
Copy of memorandum to Mr. Kuhn from Mr. Odegard  
dated July 14, 1941.



July 18, 1941

Dear Mr. Edwards:

Thank you for sending me still more evidence of the wonderful way in which bankers are helping with defense savings.

I know that a great deal of this response is due to your own efforts, and I should like to tell you again that I am grateful to you for all that you are doing.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Mr. B. M. Edwards,  
The South Carolina  
National Bank,  
Columbia, South Carolina

File to Mr. Thompson

FK/hkb

7/18/41

July 18, 1941

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The South Carolina  
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Columbia, South Carolina

File to Mr. Thompson

FK/hkb

7/18/41



TREASURY DEPARTMENT  
WASHINGTON

Columbia, S. C.  
July 15, 1941

H onorable Henry Morgenthau, Jr.  
Secretary of the Treasury  
Treasury Building  
Washington, D. C.

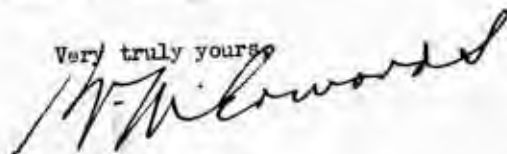
Dear Mr. Morgenthau:

Bankers throughout the entire country continue to cooperate very nicely in the Defense Bond Program, and I thought you would be interested to read the article from the American Banker of July 14 concerning an advertisement carried by the Utah State National Bank. Just below this article you will also see, "Atlantic National Bank Institutes Employees Defense Savings Plan" and another article - "Orlando Bank Staff 100% in Defense Bonds."

I saw another article a day or two ago to the effect that every bank employee in the city of Charlotte, N. C. had purchased either savings bonds or savings stamps.

After you have read these articles, please send them on over to the Washington Building, as they will probably want to use them in our "Weekly Letter".

Very truly yours,



B. M. Edwards  
Assistant to the Secretary

BME:mtb  
encls.

Copies to:  
Mr. Harold N. Graves  
Mr. R. W. Sparks  
Washington, D. C.

# American Banker

Only Daily Banking Newspaper

NEW YORK, MONDAY, JULY 14, 1941

Price Five Cents

## Utah State National Leads Way In Its City

SALT LAKE CITY, UTAH, July 12.—Every employee of the Utah State National Bank, here, having subscribed to Defense Savings Bonds, the bank advertised the fact in three-column space in the press, and also issued a public statement on the advantages of buying the bonds. The statement, after outlining the facts of economic life in simple language, concluded as follows:

1 "When you buy a Defense Bond you are doing more than perhaps you realize to help your country, your children and yourself.

2 "In the first place, you are temporarily reducing your capacity to purchase commodities and to that extent you are equalizing demand with supply and therefore preventing price increases.

3 "Next, you are building up a reserve in purchasing power which will become available to you when, defense demands being met, industry once more returns to the production of consumer goods, a reserve which will then serve to ease your way through the period of adjustment which must follow so radical an upset in our economic life.

4 "Third, you are reducing by just the number of dollars you invest the number of dollars which must be borrowed by Government through banks with the inevitable inflation in bank credit which we experienced during the first world war and the repercussions of which are still in evidence.

5 "Finally you are making more certain and easy the repayment of all monies

**"If You Want a Thing Well Done, —Do It Yourself"**



EVERY EMPLOYEE of Utah State National Bank has subscribed to United States Defense Bonds. Without exception the employees of this bank are now directly and personally contributing to the defense of our Country. This makes them a part of the only and greatest of the national resources to purchase such bonds.

They know that by purchasing government bonds they are helping the Government to finance the war effort.

They believe that you are the one to save and that this is the way to save.

Utah State National Bank is proud to be able to announce this fact and commendation on the part of its employees.

**Utah State National Bank**

NOW IS THE TIME—THIS IS THE WAY—to save. Its own staff having set an example for Salt Lake City, the Utah State National ran this ad three columns wide in the local papers.

borrowed by Government, lightening the load your children will have to bear and doing your part to insure that such repayment will be in dollars having real purchasing power.

"The employees of Utah State National Bank have pointed the course to which both patriotic duty and personal interest calls us."

### Atlantic National Bank Institutes Employees' Defense Savings Plan

JACKSONVILLE, Fla., July 12.—The Atlantic National Bank of Jacksonville and its employees have adopted the salary deduction plan for regular purchase of Defense Savings Bonds. S. B. Hilgard, cashier, in announcing the action, said that he hoped it would give impetus to adoption of similar plans by local businesses and industries and help the defense savings program in general. The bank's employees are under no compulsion to sign up to buy the bonds, but those who do not feel that they can make the contribution necessary to buy a bond are urged to buy the Defense Savings Stamps.

### Orlando Bank's Staff 100% In Defense Bonds

ORLANDO, Fla., July 12.—Employees of the First National Bank of Orlando have subscribed 100% to the bank's salary deduction plan of purchasing Defense Savings Bonds and Stamps. Linton E. Allen, president of the bank, is State chairman of the defense savings committee.

# THE SOUTH CAROLINA NATIONAL BANK

COLUMBIA, S.C.

## A LIQUID INVESTMENT FOR BUSINESS RESERVES

Almost every business in the country makes a charge annually or more frequently against their operating expenses and sets aside a proper sum to a reserve for depreciation, and in some cases also a reserve for depletion. Such sums set aside should never be taken out of the business in the way of liquidating dividends or otherwise, but should be conserved and, we might say, "salted down" until the time comes that these reserves need to be, in whole or in part, plowed back into the business by improving the plant facilities or rehabilitation or renewals, or in the case of depletion, for the acquisition of additional raw materials. These reserves should not only be a "bookkeeping entry", but the actual cash represented should be conserved and set aside for the purposes above mentioned.

The best asset available today for the purpose of conserving these reserves is United States Defense Savings Bonds. Any monies invested in these securities will be stored away with absolute safety and will always be available to be taken down in any amount needed or required and plowed back into the business. In the meantime, monies so invested will be earning good interest.



July 18, 1941

Dear Henry:

Thank you for your note of July 15.

I am glad to know that you had no criticism of our defense bond people. You know how strongly I feel about economy in non-defense spending, so you can be sure that your note was encouraging to me.

Yours sincerely,

(Signed) Henry

Mr. Henry Bruere,  
President, The Bowery  
Savings Bank,  
New York, N. Y.

File to Mr. Thomson

FK/hkb

7/18/41

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Mr. Henry Bruere,  
President, The Bowery  
Savings Bank,  
New York, N. Y.

File to Mr. Thompson

FK/hkb

7/18/41



## THE BOWERY SAVINGS BANK

110 EAST 42<sup>ND</sup> STREET  
NEW YORKHENRY BRUÈRE  
PRESIDENT

July 15, 1941

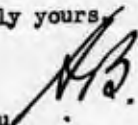
Dear Henry:

My note was not clear. The scribble related to the appeal to the public to be thrifty. I had no criticism of the defense bond organization. My idea was to have the government emphasize as a part of its policy a governmental thrift program. Such a program would, I said, have a great stimulus to individual thrift. The Great Example!

Don't you agree? I gathered from what you said sometime ago that you did.

My note was intended to be encouraging to you!

Faithfully yours,



Honorable Henry Morgenthau  
Secretary of the Treasury  
Washington  
D. C.

July 9, 1941

Dear Henry:

I have your handwritten note.

How would you go about keeping in touch with the field staff of the Defense Savings organization? If you can tell me any more economical manner than the letter across the face of which you wrote, I would be glad to know.

Yours sincerely,

(Signed) Henry

Mr. Henry Bruere,  
President, Bowery Savings Bank,  
New York, N. Y.



# FIELD ORGANIZATION News Letter

DEFENSE SAVINGS STAFF

TREASURY DEPARTMENT WASHINGTON, D. C.

JUNE 28, 1942 NUMBER 6



*Brace*  
*Can't*  
*set on*  
*things*  
*by*  
*superstition*  
*low*  
*experience*  
*budget*  
*about*  
*fact*  
*with*

TO THE FIELD STAFF:

Reports from State organizations which rapidly are taking complete form with committees created in many counties, cities, and towns give us interesting and impressive information, such as:

Leaders--civic, business, labor, agricultural, youth, religious, educational--wholeheartedly endorse the Defense Savings Program. They accept with enthusiasm and determination our call to service.

Every section of our citizenry realizes the seriousness of the National Emergency--that the Defense Savings Program is vital--that our Government represents our own individual freedom--that our American way of life must and will be defended regardless of cost.

Thousands are enrolling daily in our crusade for widespread ownership of Defense Savings Securities. Many new owners of shares in our nation are educating others in the fundamental principles of Defense Savings--the soundness of the securities, the necessity for a philosophy of thrift, and the dangers of a philosophy of extravagance during the time of great defense expenditures--the value of building a personal future reserve during prosperous times.

Mass meetings and rallies for Defense Savings education are being scheduled by leaders of our State and Local Committees. Our State Administrator advises that he has requests for and will schedule 200 Defense Savings addresses before 4th of July picnics. A State Chairman advises of forty Defense Savings rallies that are scheduled for the month of July in all parts of his State.

Thus the message of Defense Savings goes forward to countless millions. Every worker for our cause may rejoice in the wholehearted response to Defense Savings.

Sincerely yours,  
GALE F. JOHNSTON

Field Director, Defense Savings Staff

*To Hon. Percy Foreman*  
*40 Bay St.*

*Secretary*  
*Treasurer*

July 18, 1941

Dear Mr. Berlin:

I think it is wonderful of you to have given me the manuscript of "Any Bonds Today". It really should belong to the composer and author, but now that you have sent it to me I shall keep it as one of my most treasured possessions.

I am truly grateful to you, not only for the song and the beautiful cover, but also for the thought which prompted you to give it to me.

With best regards,

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Mr. Irving Berlin,  
799 Seventh Avenue,  
New York, N. Y.

*Carbon*  
~~sent to Mr. Thompson~~

FK/hkb

7/18/41

July 18, 1941

Dear Mr. Berlin:

I think it is wonderful of you to have given me the manuscript of "Any Bonds Today". It really should belong to the composer and author, but now that you have sent it to me I shall keep it as one of my most treasured possessions.

I am truly grateful to you, not only for the song and the beautiful cover, but also for the thought which prompted you to give it to me.

With best regards,

Sincerely yours,

(Signed) W. H. Hergenthan, Jr.

Mr. Irving Berlin,  
730 Seventh Avenue,  
New York, N. Y.

File to Mr. Thompson

FK/hkb

7/18/41

IRVING BERLIN

July 14, 1941

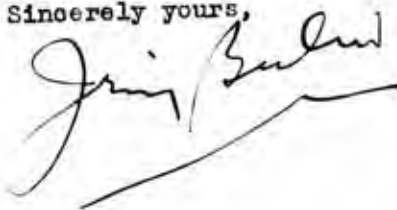
Mr. Henry Morgenthau, Jr.  
Secretary Of The Treasury,  
Treasury Department,  
Washington, D. C.

My dear Mr. Morgenthau:

As the copyright owner and publisher of  
"Any Bonds Today", I thought you would  
like to have the original piano copy  
manuscript.

With my best wishes, I am

Sincerely yours,

A handwritten signature in cursive script, reading "Irving Berlin", with a long horizontal flourish underneath.

I  
B  
:  
M  
G

## TREASURY DEPARTMENT

## INTER OFFICE COMMUNICATION

DATE July 18, 1941

TO Secretary Morgenthau  
FROM Mr. Kuhn

Mr. Berlin will get one of our certificates  
next week when he appears in the Treasury Hour.

*J.K.*

C O P Y

July 17, 1941

To: Mr. Kuhn  
From: The Secretary

Has Mr. Irving Berlin gotten one of those certificates that I signed for the various broadcasting people? If he hasn't, I think it would be a nice thing to give him one.





TREASURY DEPARTMENT  
WASHINGTON

July 18, 1941

Memorandum for THE SECRETARY:

The following report is made of requests received for "Any Bonds Today?", from the experimental mailing of 10,000 cards:

	<u>No. Requests</u>	<u>No. Copies</u>
July 1 - 16	669	4294
July 17	<u>79</u>	<u>303</u>
Total	748	4597

GRAVES

## TREASURY DEPARTMENT

WASHINGTON

July 18, 1941

Memorandum for THE SECRETARY:

The following report is made of Stamp sales at  
"Treasury House":

July 1-16	\$7,409.70
July 17	<u>347.75</u>
	\$7,757.45

GRAVES

DEFENSE SAVINGS STAFF

ADVANCE NOTICE RADIO PROGRAM

FRIDAY - JULY 18, 1941

Time: 8:00 - 8:30 P.M.

Program: Waltz Time

Station: WRC and National Broadcasting Red Network

Time: 8:00 - 8:30 P.M.

Program: Great Plays

Station: WJSV and Columbia Broadcasting System

Time: 8:30 - 8:55 P.M.

Program: Your Happy Birthday

Station: WMAL and National Broadcasting Blue Network

Time: 8:30 - 9:00 P.M.

Program: Your Uncle Walter's Doghouse

Station: WRC and National Broadcasting Red Network

THESE PROGRAMS PROMOTE THE SALE OF DEFENSE BONDS AND STAMPS.

MEMORANDUM

July 18, 1941

To: PRICE ADMINISTRATION COMMITTEE  
From: R. K. Thompson, Secretary

Appended hereto are the following:

1. Minutes of the meeting of July 15.
2. Civilian allocation program for materials and equipment used in maintenance and repair work for durable consumers' goods
3. Civilian allocation program for materials used in the manufacture of hospital apparatus and equipment, and in the manufacture of surgical implements and supplies
4. Civilian allocation program for materials used in eye-glass frames and parts thereof

CONFIDENTIAL

SUMMARY OF STENOGRAPHIC TRANSCRIPT OF MEETING OF  
PRICE ADMINISTRATION COMMITTEE  
July 15, 1941  
11:00 a.m.

Chairman pro tem: Mr. Hamm

Present: Miss Elliott, Messrs. March, Stevens, Pike, O'Connell,  
Stettinius, Ezekiel, Barnes, Whitcomb, Galbraith, Plummer,  
Thompson

Mr. Hamm reported that Mr. Henderson had received a call from the White House just prior to this meeting and for that reason would not be able to meet with the Committee.

1. Cotton textiles

Mr. Hamm stated that the point of contention in the cotton textiles Order is the provision cutting across existing contracts, even though that particular clause has been inserted in every price schedule except the steel schedule. He added that this provision had been discussed with the industry, that there had been no unanimity of opinion and that it appeared if no stand were taken on existing contracts there would be a great deal of confusion in the industry resulting in the cancellation of some contracts. He pointed out also that the absence of this provision may have resulted in some speculation on the part of the supplier. In this connection Mr. Hamm reported that a meeting is being held today with representatives of the textile industry and stated that any suggestions or recommendations of the Committee would be passed on to them.

During the course of the discussion Mr. O'Connell stated that the Procurement Division of the Treasury Department had invited tenders, based on the Office of Price Administration and Civilian Supply price schedule, for the purchase of about 10,000,000 yards of textiles for Lease-Lend purposes and that no bids were received. He said they were going to follow the suggestion of contacting individual suppliers and trying to negotiate contracts with them inasmuch as it is not known for certain whether the results obtained from such tenders are refusals to deal with the Treasury on the price schedule basis or whether the individual mills are booked up far in advance. A discussion ensued of the actions which could be taken to enforce the price schedule but no definite conclusions were reached in this connection. Mr. Hamm added that he felt where it is learned that the failure to bid on Treasury defense orders is because of the price ceiling, consideration should be given to the use of existing powers to enforce compliance.

### 2. Contemplated ceiling on plywood

Mr. Hamm reported that a price schedule on plywood was in course of preparation, with some technical problems still involved. He said that the plywood industry is composed of approximately 25 producers, then 100 distributors and then 20,000 retailers, and that before promulgating the ceiling we would like to consult with the industry on it and the question is how far we should go in arranging consultations. Dr. Galbraith added that the 25 producers had been asked to come to Washington, or to designate a representative, for a meeting on Monday, July 21, but as to the particular question of how to get any degree of consultation with the several thousand distributors and retailers no answer had been worked out. Suggestions were offered by members of the Committee as a result of Mr. Hamm's query but nothing definite was decided upon.

During the discussion Mr. Ezekiel inquired whether it was the intention to fix the retail price as well as the manufacturers' price and after being informed that such was the intention, raised the question whether this was felt to be a necessary step. Mr. Hamm replied that he believed the situation called for control of retail prices if only because there is really an acute shortage of plywood and the demand is so active and insistent that there would certainly be a temptation on the part of retailers to run away with the market if not subject to control.

### 3. Price legislation.

Mr. Pike made inquiry as to the proposed price legislation and Mr. Hamm stated that contrary to his discussions with newspaper reporters and newspaper stories, there is real support for price fixing on the part of at least of large sections of the agricultural community and of the labor group that will be expressed when the issue is before the public and not just in terms of newspaper rumors.

### 4. Furniture situation

Miss Elliott asked if there had been any change in the furniture situation since the last meeting of the Committee and Mr. Galbraith reported that the industry, with the exception of about 10 percent, promised to restore the price schedules as of June 1 which represented about a 5 percent advance over the earlier spring prices, and to stabilize at that level. He added that OFACS had been in touch with all those firms which had not agreed to restore prices and that the question now turns on whether they are 5 percent above the market or at what we call the "stabilized" level. He also added that it is difficult in a non-standardized commodity like furniture, which has a great possibility of design changes, to determine what the price increases are.

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The Committee adjourned at 12:15 p.m. to meet on Tuesday, July 22, at 11:00 a.m. in Room 501, at 2501 Q St., N. W.

OFFICE FOR EMERGENCY MANAGEMENT  
Office of Price Administration and Civilian Supply

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For Immediate Release  
Saturday, July 12, 1941

PM 714

Moving to assure adequate supplies of repair and maintenance parts for such privately-owned consumers goods as automobiles, trucks, trailers and household equipment, the Civilian Supply Allocation Division of the Office of Price Administration and Civilian Supply today promulgated an allocation program giving such materials and equipment a preference over other civilian needs.

The program, which is to be administered by the Office of Production Management, is expected to reduce to a minimum the inconvenience to the public caused by diversion of raw materials to defense needs with resultant curtailment of consumer durable goods production. By maintaining supplies of repair and maintenance parts such goods now in existence can be kept in operation.

The program points out that increasing requirements of the defense program will in the near future make it difficult to expand or even keep constant the supply of new consumer durable goods. Goods covered by the program include: Passenger automobiles, trucks and tractors, household refrigerators, stoves, ranges, and water heaters, sanitary plumbing fixtures, and furnaces, including oil burners and automatic stokers.

Following is the text of the program:

Civilian Allocation Program for Materials and Equipment  
Used in Maintenance and Repair Work for Durable Consumers' Goods\*

The increasing requirements of the defense effort will in the near future make it difficult to expand or even keep constant the supply of new durable consumers' goods. In order to reduce resultant inconveniences to a minimum, it is essential that existing durable consumers' goods be maintained in the best condition possible. To that end, it is necessary to provide priority status for the materials and equipment required to keep in satisfactory operating condition the

\*Published in the Federal Register, July 15, 1941, Volume 6, Title 32, Chapter XI, Part 1322, Sections 1 to 4 inclusive.

existing supply of such goods as are necessary to sustain essential civilian services.

Accordingly, pursuant to and under the authority vested in me by Executive Order No. 8734, particularly Section 2 (a) thereof, the following program for allocation of materials and equipment for maintenance and repair of consumers' durable goods is announced:

1. Allocation of Materials and Equipment for Maintenance and Repair of Durable Consumers' Goods

Materials and equipment necessary for the maintenance and repair of consumers' durable goods in the following classifications shall be allocated to such use prior to the satisfaction of other competing civilian demands:

- Passenger automobiles
- Trucks and tractors
- Household refrigerators
- Stoves, ranges and water heaters
- Plumbing fixtures
- Furnaces, including oil burners and automatic stokers

2. Avoidance of Excessive Inventories. Allocations made under this program shall not be used to accumulate excessive inventories, or to divert parts still serviceable.

3. Definitions. As used herein, the term "maintenance" means the upkeep of durable consumers' goods, and the term "repair" means the restoration of the goods to a sound state after wear and tear, damage, destruction of parts, or the like. These terms include replacement of parts which have been worn out, damaged or destroyed, but do not include replacement when the new part or parts represent a change-over in model, the introduction of superior type equipment to replace usable equipment of an older or inferior type or design, or a substitution more extensive than that which is necessary to replace the part or parts that are worn out, damaged or destroyed.

4. Enforcement. The foregoing program is to be administered and enforced by the Office of Production Management.

Issued this 11th day of July, 1941.

Certified to be a true copy of the original

Leon Henderson  
Administrator

John E. Hamm  
Deputy Administrator



## OFFICE FOR EMERGENCY MANAGEMENT

## Office of Price Administration and Civilian Supply

For AM release  
July 17, 1941

PM 733

The highest civilian preference rating for supplies of essential raw materials was assured manufacturers of hospital apparatus and equipment, surgical implements and supplies, and eye-glass frames and parts in two allocation programs promulgated today by the Civilian Supply Allocation Division, Office of Price Administration and Civilian Supply.

Sustained production of hospital equipment and surgical supplies is of the greatest importance to continued industrial efficiency and maintenance of civilian morale. It has become difficult for producers to obtain the needed raw materials, a situation which the program is designed to correct.

Only comparatively small quantities of certain critical materials are involved in the program for the eye-glass frame manufacturers. Without these materials, however, there is danger that continued production of eye-glass frames and parts may become impossible.

Both programs will be administered by the Office of Production Management.

Text of the programs follows:

PM 733

Civilian Allocation Program for Materials Used in  
the Manufacture of Hospital Apparatus and Equipment,  
and in the Manufacture of Surgical Implements and Supplies\*

It has become difficult for producers to obtain materials needed for the manufacture of hospital apparatus and equipment, and for the manufacture of surgical implements and supplies. It is of the greatest importance that there be a sustained output of these products, all of which are essential to the maintenance of industrial efficiency and civilian morale.

Accordingly, pursuant to and under the authority vested in me by Executive Order No. 8734, particularly Section 2(a) thereof, the following program is announced:

1 Allocation of Materials. In ordering materials for the manufacture of hospital apparatus and equipment, and for the manufacture of surgical implements and supplies, the manufacturer of such articles shall be given the highest civilian preference rating.

2 Avoidance of Excessive Inventories. Preferences granted under this program shall not be used to accumulate excessive inventories.

3 Enforcement. The foregoing program is to be administered and enforced by the Office of Production Management.

Issued this 15th day of July, 1941.

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Leon Henderson  
Administrator

Certified to be a true copy of the original

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John E. Hamm  
Deputy Administrator

\*Published in the Federal Register, July 16, 1941, Volume-6, Title 32, Chapter XI, Part 1323, Sections 1 to 3 inclusive.

Civilian Allocation Program for Materials  
Used in Eye-Glass Frames and Parts Thereof\*

The eye-glass frame industry is in need of comparatively small quantities of certain critical materials. Without those materials, the continued functioning of an industry essential to industrial efficiency and civilian morale may become impossible.

Accordingly, pursuant to and under the authority vested in me by Executive Order No. 8734, particularly Section 2(a) thereof, the following program is announced:

1 Allocation of Materials. In ordering materials for the manufacture of eye-glass frames and parts thereof, the manufacturer of such articles shall be given the highest civilian preference rating.

2 Avoidance of Excessive Inventories. Preferences granted under this program shall not be used to accumulate excessive inventories.

3 Enforcement. The foregoing program is to be administered and enforced by the Office of Production Management.

Issued this 15th day of July, 1941.

---

Leon Henderson  
Administrator

Certified to be a true copy of the original

---

John Hamm  
Deputy Administrator

\*Published in the Federal Register, July 16, 1941, Volume 6, Title 32, Chapter XI, Part 1324, Sections 1 to 3 inclusive.



U.S.S. AUGUSTA

July 18, 1941

The Honorable,  
Henry Morgenthau, junior,  
Secretary of the Treasury,  
Washington, D. C.

Personal

My dear Mr. Secretary:

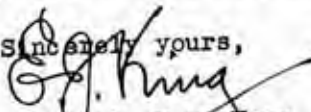
I have your letter of July 16th and, as well, the silver cup which you wish to present, through me, to the AUGUSTA.

I am sure I speak for all hands - ship and staff - as well as for myself when I express hearty thanks and appreciation for your kind thoughtfulness.

The silver cup is not needed to reflect our pleasant memories of your brief cruise to Bermuda with us, but it will be an inspiration to all hands in the AUGUSTA to strive to merit what you have in mind when you wish it to be awarded to "who in the opinion of his Commanding Officer has contributed most to the battle efficiency of the U.S.S. AUGUSTA".

With hearty thanks again, with all good wishes, and with the hope that you may soon cruise with us again, I am

Sincerely yours,

  
Admiral, U.S. Navy.

July 18, 1941.

MEMORANDUM FOR THE SECRETARY'S FILES:

A meeting relative to the administration of Executive Order No. 8389, as amended, was held in Mr. Foley's office at 3:00 p.m., July 18, 1941, attended from time to time by the following:

Messrs. Foley, Cochran, B. Bernstein, E. M. Bernstein, Dr. Viner, Mr. Towson and Mr. Aikin for the Treasury, Messrs. Acheson and Luthringer for State, Messrs. Rosenwald and Jurenev for Justice.

Mr. Foley referred to a memorandum prepared by the Department of Justice proposing that F.B.I. be responsible for the investigative work relating to Foreign Funds Control. He said that the Treasury Department would accept no such proposal for the centralization of investigatory activities in the F.B.I., since the Treasury already has its own units to do this work, and since the responsibility to administer the Order rests with the Treasury. The Treasury wanted also to be in a position to turn over to F.B.I. all matters relating to subversive activities and otherwise falling within the present jurisdiction of F.B.I.

Mr. Bernstein read a letter from the British Embassy regarding this Government's policy with respect to suits brought by British creditors who had claims on Germans with dollar balances here. It was decided that the British should be informed we would not favor such suits.

Mr. Bernstein stated that, at a meeting with Export Control, certain legal technicalities relating to the Proclaimed List of Certain Blocked Nationals had been discussed. He had suggested as a solution that when merchandise is to be exported the shipper must indicate who the ultimate consignee is. If the latter's name appears on the Proclaimed List, shipment could only be made pursuant to a specific license from Treasury and Export. This technique can be enforced through Customs. Export Control apparently is taking the position that it does not have legal power to prohibit export of certain items.

- 2 -

Mr. Jurenev asked whether arrangements might be made to require census reports from certain nationals presently relieved from the report requirement because of General License No. 42. After considerable discussion it was the consensus of opinion that no decision could be reached on this point until after a study of the problem had been made by Mr. Rosenwald to see what its dimensions were.

It was agreed that representatives of Sterling Products be asked to come to Washington next week for a conference with the Inter-Departmental Committee, after Mr. Rosenwald had stated that the views of his Department coincided with those of the Treasury.

Mr. Bernstein read a request from the Lithuanian Minister to transfer to Switzerland \$6,000 for the support of Lithuanian officials presently residing in that country. The funds, according to the Minister, had been collected in the United States through voluntary contributions. It was decided that the State Department should investigate the status of these Lithuanians through the American Embassy in Switzerland.

For Miss Gurnea

TREASURY DEPARTMENT

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INTER-OFFICE COMMUNICATION

DATE July 18, 1941

TO Secretary Morgenthau  
FROM Mr. Cochran

CONFIDENTIAL

Registered sterling transactions of the reporting banks were as follows:

Sold to commercial concerns	£70,000
Purchased from commercial concerns	£11,000

In the open market, sterling opened and closed at 4.03-3/4. The only reported transactions consisted of £7,000 in purchases from commercial concerns.

In New York, closing quotations for the foreign currencies listed below were as follows:

Canadian dollar	11-9/16% discount
Argentine peso (free)	.2380
Brasilian milreis (free)	.0505
Uruguayan peso (free)	.4380
Colombian peso	.5800
Mexican peso	.2070
Cuban peso	1-1/2% discount
Japanese yen	.2358

In Shanghai, the yuan reacted 1/16¢ to 5-11/32¢. Sterling rose 1¢ to 3.94-1/2.

There were no gold transactions consummated by us today.

No new gold engagements were reported.

One of the New York banks stated that gold in Bombay was priced today at the equivalent of \$34.05 as compared with \$34.19 about two weeks ago. Last month, the gold export parity for shipments to this country was estimated to be in the neighborhood of \$34.04.

In London, spot silver was unchanged at 23-3/8d. The forward silver quotation advanced 1/16d to 23-7/16d. The U.S. equivalents were 42.44¢ and 42.55¢ respectively.

The Treasury's purchase price for foreign silver was unchanged at 35¢. Handy and Harman's settlement price for foreign silver was also unchanged at 34-3/4¢.

- 2 -

We made one purchase of silver amounting to 110,000 ounces under the Silver Purchase Act. This consisted of inventory silver, which was purchased for spot delivery.

A handwritten signature in cursive script, appearing to read "L. M. W.", is centered on the page.

**CONFIDENTIAL**



July 18, 1941.

My dear Mr. President:

In accordance with your letter of July 14, 1941, the Treasury Department will extend the full use of its services and informational facilities to Colonel Danovan as Coordinator of Information.

Faithfully yours,

(Signed) H. Morgenthau, SW2

The President,  
The White House.

WTF:ams

File to Mr. Thompson

July 18, 1941

My dear Mr. President:

In accordance with your letter of July 14, 1941, the Treasury Department will extend the full use of its services and informational facilities to Colonel Donovan as Coordinator of Information.

Faithfully yours,

The President,

The White House.

File to Mr. Thompson.

To Heads of Bureaus, Offices, and Divisions,  
and Chiefs of Divisions, Secretary's Office,  
Treasury Department.

The President has advised the Secretary by letter of July 14, 1941, as follows:

"In order to provide a central point in the Government for the analysis of information and data which bears upon national security, I have appointed Colonel William J. Donovan as Coordinator of Information. In this position Colonel Donovan will assist me and the various departments and agencies of the Government in assembling and correlating information which may be useful in the formulation of basic plans for the defense of the Nation.

"I should like to emphasize that Colonel Donovan's work is not intended to supersede or duplicate or involve any direction of the activities of established agencies already obtaining and interpreting defense information. As Coordinator, Colonel Donovan is authorized to obtain such defense information from the various departments and agencies and from other sources as may be necessary in the performance of his duties. He will digest this data, place it in relationship to other information which may be available, and in turn present the results to me and to the agencies concerned for such coordinated action as may be desirable.

"The accomplishment of the objectives I have set for Colonel Donovan will require the cooperation and assistance of all departments and agencies concerned with the defense effort. I am, therefore, requesting that you and your associates in the Department of the Treasury extend the full use of your services and informational facilities to Colonel Donovan as he undertakes this important assignment."

The Secretary desires that there be full compliance with the wishes of the President in this matter.

Administrative Assistant  
to the Secretary.

WJ:mas

THE WHITE HOUSE  
WASHINGTON

July 14, 1941

My Dear Mr. Secretary:

In order to provide a central point in the Government for the analysis of information and data which bears upon national security, I have appointed Colonel William J. Donovan as Coordinator of Information. In this position Colonel Donovan will assist me and the various departments and agencies of the Government in assembling and correlating information which may be useful in the formulation of basic plans for the defense of the Nation.

I should like to emphasize that Colonel Donovan's work is not intended to supersede or duplicate or involve any direction of the activities of established agencies already obtaining and interpreting defense information. As Coordinator, Colonel Donovan is authorized to obtain such defense information from the various departments and agencies and from other sources as may be necessary in the performance of his duties. He will digest this data, place it in relationship to other information which may be available, and in turn present the results to me and to the agencies concerned for such coordinated action as may be desirable.

The accomplishment of the objectives I have set for Colonel Donovan will require the cooperation and assistance of all departments and agencies concerned with the defense effort. I am, therefore, requesting that you and your associates in the Department of the Treasury extend the full use of your services and informational facilities to Colonel Donovan as he undertakes this important assignment.

Very sincerely yours,



The Honorable,  
The Secretary of the Treasury,  
Washington, D. C.

July 18, 1941

Dear Mr. President:

There is attached hereto for your approval my recommendation with respect to the Tax Anticipation Notes. It is planned to offer these notes beginning August 1st, and I hope that we may have your help in launching this program, the same as in connection with the program on United States Savings Bonds.

It is hoped that you and I can talk over the radio the evening of August 1. I would appreciate it very much if you could do this for us.

Faithfully yours,

(Signed) H. Morgenthau, Jr.

The President,

The White House.

By Messenger

7/18/41  
4:10 p.m.

File to Mr. Thompson

DWB:ce

July 18, 1941

Dear Mr. President:

To make it easier for taxpayers to meet the increased taxes required by the National defense program, and as an inducement to them to save for the income taxes due next year from current income, I propose, subject to your approval, under authority of the Second Liberty Bond Act, as amended, to offer for sale two series of Treasury notes, to be designated Tax Series A-1943 and Tax Series B-1943. The notes of both series will be dated August 1, 1941, and will mature in two years. They will be receivable by Collectors of Internal Revenue from the owners named on the notes, at par and accrued interest to the month in which presented in payment of Federal income taxes.

I propose to issue the notes of Tax Series A-1943 in denominations of \$25, \$50 and \$100 and to limit the amount of this series which can be presented in payment of income taxes by any one taxpayer in any twelve consecutive months to \$1,200. The return on notes of this series, when so presented, will be about 1.92 percent a year, but will be expressed at 4 cents a month on the \$25 denomination, 8 cents a month on the \$50 denomination and 16 cents a month on the \$100 denomination.

The notes of Tax Series B-1943 will be issued in denominations of \$100, \$500, \$1,000, \$10,000 and \$100,000, with the amount which can be presented in payment of taxes limited only by the amount of taxes due. Notes of this series will provide a return, when so presented, of slightly less than 1/2 of 1 percent a year, but, as in the case of the Series A notes, the rate will be stated as 4 cents a month for the \$100 denomination, 20 cents for the \$500 denomination, and so on.

The authorizing act provides that notes may be issued only with the approval of the President. Accordingly, I trust that the proposed issues will meet with your approval.

Faithfully yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

The President,

The White House.

LK:WFP  
7/18/41 APPROVED:H. 1042  
7/18/41

## TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE July 18, 1941

TO Mr. Sullivan  
FROM Mr. Blough

If the Treasury Department takes a position on compulsory joint returns at this time, it is suggested that the following statement replace the one submitted yesterday to the Secretary, at his request.

"The Treasury Department favors a provision requiring the filing of joint returns by husbands and wives living together. It is recognized that an undue burden may in some cases be imposed thereby on families where both husband and wife work to support the family. Relief can be given in such cases through eliminating "earned income" from the joint return requirement or through special deductions or otherwise."

The reason for suggesting this broader and vaguer position is that the position of compulsory joint returns before the Ways and Means Committee is delicate at the present time. If the Treasury makes the specific suggestion that "earned income" be relieved from the compulsory joint return requirement, the drafting complexities and difficulties of the joint return provision will be enormously increased. A not unlikely result would be for Mr. Beaman to inform the Committee that the bill would be unduly delayed by drafting difficulties, in which case joint returns might be thrown out of the bill entirely.

*RB*

## TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE July 18, 1941

TO Ferdinand Kuhn, Jr.  
FROM Herbert Merillat

PRESS OPINION ON TAXES:  
JOINT RETURNS UNDER FIRE

The press campaign against mandatory joint income tax returns has gained momentum. The opposition was slow in developing, but in the past two weeks it has become increasingly strong. Editorial writers on this subject have not only been vehement, but their opposition has taken them on flights of rhetoric unusual in tax discussions.

Organizations and public figures who have issued public statements criticizing the plan include: Wendell Willkie ("a proposal out of the dark ages"); Bishop Manning (the proposal is an encouragement to "divorce, celibacy, a mercenary attitude toward intended marriage and, in general, a lower birth rate"); John W. Hanes ("a cowardly attack on a disenfranchised group"), the New York State Bar Association, California State Chamber of Commerce, Merchants' Association of New York, the National Women's Party, and the Women's Press Club of New York.

The pro-Administration weeklies -- the Nation and the New Republic -- are split on the issue. The Nation regards the joint



( return requirement as the only constructive action taken by the Ways and Means Committee, while the New Republic assails it as "an unjust penalty on those women who have achieved financial independence, as well as those married couples who live separately."

Newspaper columnists who have criticized the proposal include Arthur Krock, David Lawrence and Frank Kent.

Most prognosticators seem to think the joint return provision has a fair chance of success in Congress. Kiplinger predicts its enactment after a tough battle led by community-property state Representatives. The Wall Street Journal thinks it must be defeated in the House if it is to be defeated at all.

#### ( Excess Profits Taxes

Reports of the President's support of the Treasury's EPT plan received wide publicity in the press, but no editorial reaction is available. The newspaper stories on the subject generally predicted failure for any campaign to secure Committee endorsement of the plan. By their very silence, the editorial writers seem to show their confidence that the Treasury's proposals will not go through. There would almost surely be a flood of warnings from the conservative press if there were the slightest chance that such a plan would succeed.

#### Tax Anticipation Notes

( Editorial comment has continued favorable on the Treasury's tax-anticipation plan. Throughout the country it has been welcomed

as advantageous to both Government and taxpayer. A very few papers have been critical, saying (1) it is unwise for the government to anticipate its tax revenues, (2) the interest rate is not sufficient to induce purchase of the notes by smaller taxpayers, or (3) the advantages are all on the Government's side, and the plan doesn't give farsighted taxpayers any advantages they didn't already have. Such sour notes, however, are rare, and the general tone is definitely approving.

#### Non-defense Spending

The press has hailed the formation of the Citizens Emergency Committee on Non-defense Expenditures, headed by President Wriston of Brown University. Its creation provided the spark for another broadside at failure of the Federal Government to effect substantial reductions in non-defense spending. Editorial writers wish the new Committee success, and hope it will find an effective political technique of accomplishing its announced purpose.

#### Excises

The various proposed excises which will affect car-owners have been a favorite target of editorial writers. There is little press support for a 15% or 20% tax on automobile sales, especially in view of the \$5 use tax and other taxes affecting the cost of operating and maintaining a car.

Papers have stressed the wide application of the new proposed excises. "No one will escape" is a common comment in news stories and editorials.

## TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE July 18, 1941.

TO Secretary Morgenthau  
FROM Alan Barth

## GENERAL MARSHALL'S TESTIMONY

In a semi-annual report submitted to the Secretary of War on July 3, the Army's Chief of Staff, General George C. Marshall, recommended repeal of those provisions of the Selective Training and Service Act of 1941 which: (1) restricted service of National Guardsmen, Reserve Officers and trainees to the Western Hemisphere or United States possessions; (2) limited the service of these men to one year.

These recommendations were embodied in three resolutions and presented to the Senate, somewhat reluctantly, by Senator Reynolds on July 10. General Marshall, appearing before the Senate Military Affairs Committee in secret session, testified in defense of his proposals. The Administration having determined to press only his second recommendation, the General devoted his remarks mainly to discussing the need for extension of the one-year period of service.

- 2 -

The portion of the General's testimony authorized for publication began with a denial that his proposals contemplated an American Expeditionary Force to Europe or to any particular area. They pertained, he said, "solely to the high necessity of having the Army ready for immediate service."

"Under existing limitations of law," according to the Chief of Staff, "almost two-thirds of our enlisted men and three-fourths of our officer personnel will have to be released after completing twelve months of service." Only a skeleton of three-year men would remain. The serviceability of all units, some of which are composed of as high as 80 per cent selectees, would be destroyed. Such circumstances "might well involve a national tragedy."

General Marshall illustrated the administrative difficulties besetting the War Department by reference to the garrison at Hawaii. National Guardsmen there must be relieved August 15. No other National Guard unit being available for this particular purpose, a Regular Army unit must be sent to Hawaii August 1. But 40 per cent of the trainees in this latter unit will have to be released eight

- 3 -

weeks after their arrival in Hawaii. Such troop movements would aggravate the already acute shortage of shipping. A similar situation exists in Alaska.

The General distinguished between an A.E.F. and a "task force", emphasizing the importance of having self-contained "task forces" composed of all requisite units ready for any necessary mission. For this purpose, "we must not be compelled to release a particular group at a particular time."

Answering assertions that extension of service would violate an implied pledge to the trainees, the Chief of Staff quoted a paragraph from the Service Act providing "that whenever the Congress has declared that the national interest is imperiled, such twelve-month period may be extended by the President to such time as may be necessary in the interests of national defense." Due to the changed international situation, he went on, "The War Department and I, personally, now believe it urgently necessary in the public interest for Congress to declare the existence of a national emergency."

Not all selectees and Reserve Officers would be retained under the War Department's plans. Men over 27

- 4 -

would be released, as well as men on whom undue hardship would be imposed. The Army does not wish to add a new batch of 900,000 selectees to the whole of the existing roster. Voluntary enlistments for a three-year period are being encouraged, but would not solve the problem.

"The nation which threatens our security," General Marshall pointed out, "has had its men in strict training as boys, later in labor battalions, then in its armies, and then in a succession of campaigns. They are all veterans. We have been doing our best to develop an Army only since last Fall."

Reference was made to the occupation of Iceland which, in General Marshall's belief, should have been undertaken by the Army rather than by the Marine Corps. But legal limitations forbade this. The General concluded his testimony by saying, "The time has arrived when we must have a military force that may be employed in any manner that the safety of this country may demand."

In subsequent testimony, General Marshall made it clear that he desires, not passage of the resolutions introduced by Senator Reynolds, but declaration of a national emergency by Congress. "It would be much better to do the

- 5 -

job the way Congress provided at the outset .... The issue here is simply: 'Do you want to continue with policies you have set up, or do you want to depart from them?'" The General added that unless Congress acted we shall "cease to be defended -- we'll simply be running excursions."

## TREASURY DEPARTMENT

## INTER OFFICE COMMUNICATION

DATE July 18, 1941

TO Ferdinand Kuhn, Jr.  
FROM Alan Barth

EAST AND WESTThreats

Editorial interest has swung suddenly to the Far East. Ominous rumblings from Tokyo, the change in the Japanese Cabinet and the new conditions created by the Nazi-Soviet war have led to general expectation of some sort of showdown in the Pacific.

The attitude of the American press toward the Japanese appears to be a compound of distaste, irritation and scorn. The recent fourth anniversary of the commencement of the Chinese-Japanese conflict provided the occasion for a great eruption of editorial comment on oriental affairs. Almost all of it paid tribute to Chinese courage, leadership and democratic aspirations, depicting the invader as cruel and barbarian. American editors find it difficult to see civilization shattered by the bombing of Chungking in quite the same degree as by the bombing of London. Nevertheless, if they fail somewhat in sympathy for the yellow men of China, they make up for it abundantly in antipathy for the yellow men of Japan.



And most American commentators have now come to understand clearly the kinship between the eastern and western wars. Japan, they recognize, possesses a certain nuisance value to the Axis. Its function in Axis strategy is to immobilize the bulk of the United States Navy in the Pacific. It is upon this fact that their irritation is founded.

Japan's venture into China is commonly portrayed by a cartoon which shows a Nipponese soldier advancing into swampland and sinking deeper into mire with each step forward. The prevailing editorial judgment is that four years of warfare have exhausted the Japanese, undermined their economy and revealed them as a second-rate power. Editorial contempt for Japan is not without a touch of chauvinism. A great many commentators cherish the conviction that the American Pacific fleet could polish off Japanese sea power between daybreak and breakfast -- with the Atlantic fleet tied behind its back, at that.

The Nazi-Soviet war is generally regarded as weakening, rather than strengthening, Japan's position. It came, according to most of the editorial writers, as a distinct shock to Matsuoka who had been bamboozled by the Germans into signing a non-aggression pact with Stalin. The Japanese, it is held, have no appetite for seeing Siberia controlled by the Nazis. If they now undertake an

offensive against the Russians from the east, the belief in this country is that it will be essentially an anti-Axis move -- an attempt to check the spread of Nazism to the orient.

But the prevalent editorial opinion is that the Japanese do not dare to assail the Soviet eastern armies, that their saner leaders have no relish for serving Germany by provoking British and American naval action in the Pacific, and that the current Cabinet crisis has arisen over uncertainty as to which horn of the dilemma is preferable. The most commonly expressed prediction is that the Japanese will choose to move southward only against French Indo-China and Thailand, waiting for a more favorable turn of events before risking a direct challenge to Russian or American strength.

On the basis of this diagnosis, the press is, for the most part, opposed to any appeasement of Japan. Liberal publications have long stridently condemned American shipments of oil and steel to the Japanese; they advocate the most rigorous economic pressure. Most conservative commentators point less vehemently to the paradox of aiding China while supplying her enemy with war materiel; some of them suggest, but do not define, concessions which would permit the Japanese to save face in exchange for a more friendly attitude toward the United States.

Those newspapers which oppose effective American intervention in the Atlantic have seized upon the fresh indications

of Japanese belligerency as an argument for keeping the bulk of the American navy in the Pacific. The majority view, however, is that this would be merely playing the Axis game and that American air power combined with a portion of our Pacific sea power will suffice to keep the Japanese within bounds.

### Peril

Modification of the amendments to the Selective Training and Service Act originally proposed by General Marshall has disarmed much of the criticism directed against them. It was the request for permission to use draftees on foreign soil that occasioned the early outburst of alarm. With the deferment of that request and with the General's assurance that he was planning no expeditionary force, the majority of the press turned to his support.

Interventionist papers point out, indeed, that the Administration has now forced a decidedly awkward choice upon the isolationists. Since the latter have argued that the United States ought to rely exclusively on its own strength, they cannot, with any consistency, oppose a measure designed to bolster the army, particularly when the Chief of Staff has declared the bolstering to be essential to national security.

Critics of the Administration revert, consequently, to their antique contention -- that an emergency does not exist. They

ask querulously what danger threatens the country sufficiently to warrant so drastic a step as keeping men in uniform for more than a year.

Most commentators, however, recognize clearly enough the reality and the imminence of the danger. And, now that they have had a chance to read through the clauses of the Service Law, they recognize also that no breach of contract is involved in requiring drafted men to remain in service if the Congress declares "that the national interest is imperiled." They think it high time for the Congress to acknowledge the facts of contemporary life.

**CONFIDENTIAL**

JUL 18 1941

The Honorable

The Secretary of State.

My dear Mr. Secretary:

During the past year Greenland has assumed ever increasing importance in connection with national defense. Practically all missions in connection with Greenland require the services of vessels of special construction which enables them to operate in waters where there is extremely heavy ice. There are very few American vessels suited for operation in these waters, and there are no American vessels whose construction is such that they can operate on the East Coast of Greenland except under most favorable weather and ice conditions.

Anticipating the need for specially designed ice breakers, the Coast Guard has before Congress at this time a request for the construction of three large ice breakers similar to those owned by Russia and some of the Scandinavian countries. After the funds become available, it will, of necessity, be some time before the vessels are completed and ready for operation.

In order to meet the immediate needs of this country in connection with national defense, it is recommended that negotiations be entered into with the Russian Government for the purchase of one or more of their large modern ice breakers.

There is attached hereto a list of Russian ice breakers showing their general characteristics. The vessels are listed in order of their desirability of acquisition by the United States.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Inclosure.

Typed 20 June, 1941.

LTC/EBF

28 June, 1941

MEMORANDUM

Subject: Russian Ice Breakers, characteristics.

	ERASIN	STEPAN MAKAROV	KRISJANIS VALDEMARS	LEIN
Home port	Kronstadt	Archangel	Riga	Kronstadt
Date Built	1917	1917	1925	1917
Dis. Tons	10,620	4,600	2,800	6000
Length	323'	248'	196'	281'
Breadth	70'10"	57'	54'	63'10"
Draft	30'	22'	22'	20'6"
HP aft screw	3-3333	2-4700	1-3800	2-6000
HP fwd screw	None	1-1900	1-1400	1-3000
HP total	10,000	6,600	5,200	9,000
Type mach.	Reciprocating	Reciprocating	Reciprocating	Reciprocating
Fuel	—	Coal	Coal	Coal
Fuel cap.	3,750 tons	840 normal	405 tons	1500 ton
Crew	190	Not known	54	113
Cruising radius	8,700 miles	4,900 miles	1,625 miles	3,800 miles
Speed	15	15	15.2	16

Also the latest vessel JOSEPH STALIN, built about 1939, home port or other characteristics not known except tonnage about 11,000.

The present geographical locations of these vessels should be taken into consideration to insure delivery if purchase is made.

ASSISTANT SECRETARY OF STATE  
WASHINGTON

July 17, 1941.

Dear Henry:

I have your letter of July 1 asking for an "off the record" opinion on the advisability of submitting your proposed letter to the Secretary of State, recommending that negotiations be entered into with the Russian Government for the purchase by our Government of one or more of their ice breakers.

I have considered your suggested letter very carefully and it seems to me that it would be a wise move and I know of no reason why you should not send the letter to Secretary Hull. I, of course, have no idea whether it will be possible to induce the Soviet Government to sell any of these vessels but I certainly see no harm in trying.

Sincerely yours,

*Frank B. Rowan*

The Honorable  
Henry Morgenthau, Jr.,  
Secretary of the Treasury.

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July 1, 1941

Dear Dean:

Before I submit the enclosed formal letter, I would like very much to have an "off the record" expression of opinion from you. Do you think this is a wise move?

I would appreciate your looking through the correspondence that I am sending you and letting me know what you think of the suggested letter.

Yours sincerely,

*Henry*

Honorable Dean Acheson,  
Assistant Secretary of State,  
Washington, D. C.

By Messenger



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YDEPARTMENT OF STATE  
WASHINGTONIn reply refer to  
FE 893.51/7246

July 18, 1941

My dear Mr. Secretary:

I take pleasure in enclosing herewith for your information a copy of a note of July 3, 1941 from the Chinese Ambassador in which he makes certification as to certain points in connection with the Agreement dated June 30, 1941 between the Chinese Government, the Central Bank of China, and the Secretary of the Treasury of the United States.

Sincerely yours,

(Signed) Sumner Welles  
Acting Secretary

Enclosure:

From Chinese Ambassador,  
July 3.

The Honorable

Henry Morgenthau, Jr.,  
Secretary of the Treasury.

Copy:lg 7/21/41

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YCHINESE EMBASSY  
WASHINGTON

July 3, 1941

Sir:

Upon instructions from my Government I have the honor to certify as follows with respect to the Agreement dated June 30, 1941, between my Government, the Central Bank of China, and the Secretary of the Treasury of the United States:

(1) That Dr. T. V. Soong, Member of the Chinese National Government, is duly authorized to sign the Agreement on behalf of the Republic of China;

(2) That Dr. Kan Lee, Commercial Counselor of the Chinese Embassy in Washington, is duly authorized by the Board of Directors of the Central Bank of China and by the National Government of the Republic of China to sign the Agreement on behalf of the Central Bank of China;

(3) That the Central Bank of China is a governmental institution of the National Government of the Republic of China, which owns the entire capital stock of the Central Bank of China;

(4) That the Central Bank of China has full power and authority under its charter and by-laws and under the laws of the National Government of the Republic of China to enter into the Agreement; and

(5) That the Agreement, and the Agreement dated as of April 1, 1941 which is extended thereby, represent valid and binding obligations of the Central Bank of China and the National Government of the Republic of China in accordance with their terms.

I shall

Honorable Cordell Hull,

Secretary of State

- 2 -

I shall be grateful if you will be so good as to transmit the above information to the Secretary of the Treasury.

Accept, Sir, the renewed assurances of my highest consideration.

HU SHIH

Copy:lg 7/21/41

(CONFIDENTIAL)

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P A R A P H R A S E

A telegram of July 18, 1941 from the American  
Consul General at Tientsin reads substantially as follows:

There is no reason, according to well-informed persons,  
to think that pounds or U.S. dollars have been sold by  
Japanese banks at Tientsin except through operation of  
the link system. Although Japanese firms in Tientsin are  
liquidating some moving funds, this is not going on to  
any great extent. Recently, according to confidential  
information, one large Japanese trading firm transferred  
to New York from the Argentine \$200,000 (US) which it is  
expected will be sent for liquidation to an American bank  
at Tientsin.

Copy:bj:7-24-41

BRITISH EMBASSY,  
WASHINGTON, D.C.

PERSONAL AND  
SECRET

July 18th, 1941

Dear Mr. Secretary,

I enclose herein for your personal and secret information a copy of the latest report received from London on the military situation.

Believe me,

Dear Mr. Secretary,

Very sincerely yours,

*Wendell Butler*

The Honourable,

Henry Morgenthau, Jr.,

United States Treasury,

Washington, D.C.

TELEGRAM RECEIVED FROM LONDON  
DATED JULY 18th, 1941

NAVAL

Suez canal is open.

2. 15th. British tanker of 3,500 tons slightly damaged by aircraft off Faroes. One small British ship sunk by aircraft off Holyhead.

3. Convoy in British Channel p.m. 14th was unsuccessfully attacked by aircraft shot down by fighters.

4. ROYAL AIR FORCE.

A.M. 16th Coastal aircraft dropped six bombs on stern of escorted merchant vessel about 3,500 tons South of Ushant.

5. Night of 14th/15th, raids Bremen and Hanover most effective. At Bremen 72 tons H.E. 10,000 incendiaries appeared to set whole town on fire. At Hanover 69 aircraft dropped 104 tons of H.E. 7,000 incendiaries. Target areas left well burning, one stick of bombs fell directly on rubber factory.

6. 15th/16th. 38 aircraft attacked Duisberg. Three aircraft missing.

7. Unfavourable weather curtailed air operations 15th and night of 15th/16th.

8. MILITARY. RUSSIA.

Main German armoured thrusts still making progress. In some places infantry formations are probably well behind armoured formations. In Bessarabia Russians strongly resisting German attempt to reach the Dniester.

RESTRICTED

MILITARY INTELLIGENCE DIVISION  
WAR DEPARTMENT  
Washington, July 18, 1941

TENTATIVE LESSONS BULLETIN  
NO. 134  
G-2/2657-235

NOTICE

The information contained in this series of bulletins will be restricted to items from official sources which are reasonably confirmed. The lessons necessarily are tentative and in no sense mature studies.

This document is being given an approved distribution, and no additional copies are available in the Military Intelligence Division. For provisions governing its reproduction, see Letter TAG 350.05 (9-19-40) M-B-M.

GERMAN COMBAT INTELLIGENCESOURCE

This bulletin is based upon the report of an American official observer in Berlin. The report, dated May 31, 1941, was prepared in response to a request from the War Department, Washington, D. C.

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1. INTRODUCTION
2. STRATEGIC AND TACTICAL PRINCIPLES
3. RECONNAISSANCE METHODS
4. SIGNAL COMMUNICATIONS
5. STATION OF LEADERS
6. INTELLIGENCE TRAINING
7. CONCLUSIONS OF AMERICAN OFFICIAL OBSERVER

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RESTRICTEDGERMAN COMBAT INTELLIGENCE\*1. INTRODUCTION

In the German Army, the subject of combat intelligence, and all information pertaining to the methods used in connection with it, are now secret or confidential and are not available for public use. It has been necessary, therefore, to make a circuitous approach to the subject and to deduce the principles and methods of German combat intelligence from indirect research.

The purpose of this type of intelligence is to furnish the information necessary for later tactical decisions. With strategical and tactical principles and methods as a basis, the system of German combat intelligence can be traced.

The procedure followed in these notes, then, will be to outline German strategical and tactical doctrines and procedure, present additional evidence more recently obtained, and from them deduce the principles of German combat intelligence.

The following definition of combat intelligence has been used as a guide:

Combat intelligence is the military intelligence produced in the field after the outbreak of hostilities. Usually, it is confined to the location, strength, composition, dispositions, movements, armament, equipment, supply, tactics, training, discipline, morale, and condition of the hostile forces opposing a combat unit, and the terrain over which a combat unit is operating, or is to operate. This intelligence forms a basis for future operations.

2. STRATEGIC AND TACTICAL PRINCIPLES

From the German standpoint, the purpose of the application of military force is annihilation, the destruction of the military power of the enemy. Every military move in the modern German Army is directed toward that end.

The essence of German military strategy and tactics is the attack. Only by aggressive offensive action can the enemy be destroyed. This requires that the commander take the initiative against the enemy and hold it until the destruction has been completed.

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\*Definite intelligence personnel does not appear to be assigned to lower units such as infantry battalions. Personnel of all lower units is trained to gather military intelligence. G-2

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Upon making contact, the method employed is to strike quickly before the enemy can strike or establish himself in a flexible defensive position.

Even when the total enemy forces outnumber the total German forces, the German commander's inclination is to attack. To do this successfully he resorts to surprise, which is achieved mainly by secrecy, deception, and speed of execution.

That may seem unsound, but with a highly mobile combat force, great combat superiority is attained at the selected point of application and the enemy force is paralyzed and divided into smaller units so quickly that it is no longer capable of coordinated action and is, therefore, an easy prey for piecemeal destruction.

An historical illustration is the operations of the German 30th Division - part of von Blaskowitz's Eighth Army - in the Polish Campaign in October, 1939. With the division over-extended on a wide front and facing a numerically superior enemy, the German division commander ordered his regimental combat teams to attack the encircled Polish forces and secure bridgeheads on the north bank of the Bzura River. He believed that an offensive action would be the best way of holding the Polish forces until reinforcements arrived and until the complete encirclement to cut off Polish forces from Warsaw could be achieved. The results proved that he was correct.

The very keynote of the German armed forces, the Army, Navy and Air Force, is teamwork and cooperation - everything else is sacrificed to that end. This demands coordination of command. Composite forces from all branches of the services and the various arms are formed together into a combat team - a task force which differs in each case according to estimated needs - to accomplish a specified mission. This unity of command results in greater efficiency in the application of effort to achieve the desired end - a real necessity in view of the increased value of the time element and the great mobility of modern agencies of combat.

### 3. RECONNAISSANCE METHODS

Since the essence of German strategy and tactics is expressed by the word, attack, German combat intelligence must be so organized that it will give the commander the information he requires for an offensive action. And as the German strategic and tactical attitude is aggressive, its system of combat intelligence must likewise be aggressive, so that the desired information may be had as quickly as possible and the enemy may be denied the time and opportunity needed to obtain the intelligence it requires.

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In carrying out offensive operations, the German commander must seize the initiative. He must consider the enemy's capabilities in the usual manner, and then he must consider what the enemy can do that will interfere with his plan.

The following is a quotation from paragraph 135 of the *Truppenfuehrung*, a pocket-size handbook which is the German Officer's guide in the conduct of Army operations:

"All reconnaissance agencies must be uniformly employed. Only in this manner can they work together efficiently and deliver a complete picture of the enemy."

Paragraph 137 from the same text is also pertinent:

"Missions given reconnaissance agency commanders must be sharply defined and must state those points whose establishment or identification is to be made, and the sequence of their importance."

These quotations indicate definitely that reconnaissance agencies operate under centralized control on definite missions.

The basic reconnaissance battalion is attached to the foot infantry division. It consists of a battalion headquarters with signal platoon attached, a mounted troop, a bicycle company, a heavy weapons company, and motorized trains. Its strength is approximately 13 officers and 390 men, and its use is primarily for tactical reconnaissance missions.

The motorized reconnaissance battalion is usually attached to corps and armies for strategical reconnaissance missions, or to armored or motorized infantry divisions for tactical reconnaissance missions. It consists of a battalion headquarters with a signal platoon attached, two armored car companies, a motorcycle company, a heavy weapons company, and the motorized trains. Its strength is approximately 30 officers and 750 men.

General Field Marshal von *Hitzleben* is recognized as one of the foremost authorities on military tactics in the German Army. From his book, *Kurzer Abriss der Taktik*, revised in 1940-1941, the following section has been translated:

"Reconnaissance and counter-reconnaissance, march formation, march order, and march direction depend primarily on the results of reconnaissance. Whoever fails to reconnoiter, or does it badly, is blind; he exposes himself to surprises and subjects himself to the will of the enemy."

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"Reconnaissance is supposed to ascertain, as soon and as thoroughly as possible, the concentration, the movement of motorized and railway transport, the advance and the retreat direction, the enemy's strength, and the construction of permanent and field fortifications, so that the probable intentions of the enemy can be deduced from the transmitted information. In order to keep clear the enemy picture - the probable organization of the enemy's main effort - reconnaissance of the enemy concentration itself and of the distribution of the hostile air force is always necessary.

"Depending on the selection of objectives and the final object of the operation, a differentiation should be made between:

- a. Strategic reconnaissance;
- b. Tactical reconnaissance;
- c. Battle reconnaissance.

"Strategic reconnaissance generally extends over large areas and especially in great depths. Its purpose is to ascertain the concentration of the enemy forces, their approximate formation, and the general direction of their movements. The great mobility of strategic reconnaissance agencies enables them to cover great distances rapidly. Their field of activity often lies very far from their own forces.

"Reconnaissance battalions are used for this type of reconnaissance; they are attached to the high commands.

"Motorized units - armored divisions or units which have been combined temporarily for certain battle purposes, and highly mobile battalions - are often used to support agencies of strategic ground reconnaissance. Of course, these units must always keep in mind that their chief mission, generally, is to attack against the flank and rear of the enemy. Their reconnaissance battalions make tactical reconnaissance only under commanders of their own units. They will often be able, however, to acquire, and they must acquire, strategic reconnaissance results with divisions which are sent far out in advance of the mass of the infantry divisions - the foot troops.

"The motorized reconnaissance battalions are furnished with armored reconnaissance car companies, and their armored cars and light tanks are really the principal means used in reconnaissance. These battalions also include motorcycle companies. Furthermore, they are equipped with antitank weapons and with the heavy weapons of the infantry, which enable them to operate independently with their own organic weapons for limited periods. In order to aid the advance of the reconnaissance and, in case of necessity, to force it, it will often be necessary to engage the enemy in combat and

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break down its resistance in the reconnaissance zone.

"The units and means required for crossing rivers, erecting obstacles, and executing demolitions are attached according to estimated needs.

"Tactical reconnaissance operates within a narrower zone, behind strategical reconnaissance, and its direction of employment and even its mission are often dependent on the results of the latter. It is supposed to obtain information of a much more detailed character than that of the strategical reconnaissance. It must not only ascertain the advance from the enemy concentration area, but it must also be able to discover the formation, distribution, strength, and flanks of the enemy forces with which it comes in contact within its zone, or reconnaissance area. Corps reconnaissance battalions are employed as an agency of reconnaissance in certain reconnaissance zones. Their reconnaissance is carried out in photographic and visual reconnaissance form. One reconnaissance means alone is never sufficient; this is especially true in tactical reconnaissance, which requires a great deal of detail. In certain zones, therefore, mounted, motorized, and partly motorized battalions cooperate from the ground with air reconnaissance means.

"Generally, tactical reconnaissance is carried out in two large waves. The first wave is conducted by the motorized reconnaissance battalion which operates in a reconnaissance zone with a breadth of 50 kilometers. The depth of the area which is to be reconnoitered depends on the situation, the driving radius, and the fuel supply. The driving range of an armored reconnaissance car is 250 kilometers.

"The mounted reconnaissance battalions, or those equipped with bicycles, follow the motorized reconnaissance units, and often receive direction, reconnaissance missions, and objectives from the results obtained by the motorized units.

"The mounted units are the eyes of the infantry divisions. Since they travel at a speed less than that of the motorized units, narrower zones, varying from 10 to 20 kilometers in width, are allotted to them. These zones are also not very deep, the distance separating these mounted units from the infantry division will seldom be more than a normal day's march - 30 kilometers at the most. Sometimes though, extensive battlefields, gaps between divisions, and lack of quick mobile units readily available on the front make it necessary for the reconnaissance battalions to be allotted broader and deeper reconnaissance zones.

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"The commander of a reconnaissance battalion receives a reconnaissance mission from the Army, corps, or division commander. The order, which is based on the mission, contains everything that the battalion commander must know to carry out his reconnaissance; especially what information is to be obtained. It also includes the following details:

At what time the battalion is to start; the reconnaissance zones, and who is to reconnoiter beyond the limits of these zones; the reconnaissance objective; the general line that the scouting troops should reach; the manner in which the messages should be transmitted; and lastly, where and in which direction their own main forces should advance.

In conformance with this order, the commander of the reconnaissance battalion employs his reconnaissance agencies according to his best judgment.

"The reconnaissance patrols or details in general consist of the following:

- a. In motorized reconnaissance battalions the armored car patrols comprise several armored cars and sometimes motorcycle units;
- b. In mounted and bicycle reconnaissance battalions the reconnaissance patrols rarely include more than one leader and eight riders, or cyclists, respectively.

"The number of reconnaissance patrols which are to be sent out depends on the situation and on the mission. The use of too many may result in a shortage of agencies for later employment; the use of too few may result in gaps in the reconnaissance net, through which the enemy can slip unobserved.

"Reconnaissance details which observe the enemy and get important information, but fail to send it to their reconnaissance battalion - or transmit it too late - are worthless. Accordingly the distance at which the reconnaissance details are to remain from their battalion - the battalion is usually in the middle of the reconnaissance zone - should be decided upon, and orders should be given to ensure that this distance is kept. The motorized reconnaissance patrols must not be more than an hour's distance, or 20-30 kilometers from the battalion, and the mounted reconnaissance squads not more than 10-15 kilometers.

"The reconnaissance battalion is the message center. All messages are closely examined there and transmitted further along.

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by wireless. The battalion supports the scouting units operating farther forward. In case the reconnaissance patrols are held up by enemy resistance or obstacles, or fail to penetrate hostile positions and there is no possibility of their getting around the flanks, then the commander of the reconnaissance battalion must decide whether or not to force a way through by attacking - the battalion can help the reconnaissance details to advance.

"Every reconnaissance detachment - whether it is the battalion or a small patrol - should see as much as possible without being seen itself. If the detachment is recognized, disturbed by the enemy, and finally forced back, especially in enemy territory, then the reconnaissance mission is usually defeated.

"Reconnaissance battalions are primarily for reconnaissance, not combat. However, when enemy reconnaissance agencies, either through clumsiness or carelessness, show themselves and stand in the way of our own reconnaissance mission, they must be promptly and ruthlessly attacked. Dauntless and superior courage in reconnaissance service is often the first and best foundation for deception.

"Radio is the normal signal communication of reconnaissance battalion patrols. Only in cases when this means cannot be applied are messages delivered to the reconnaissance battalion by armored cars, motorcyclists, or mounted messengers, depending on the enemy situation, the terrain, and the behavior and attitude of the local inhabitants.

"A message which does not arrive at its intended destination, or arrives too late, is worthless. Every commander is obliged, therefore, to forward all messages, or bearers of messages, in the quickest possible way, or give the messenger further instructions.

"The reconnaissance patrols, details, and detachments should report every first contact with the enemy, every unhindered crossing over important sections of the terrain, and finally, the discovery of the main hostile forces. They should remain in contact with the enemy by cunning and tenaciousness, and should observe always the direction of march. This type of observation is often more valuable than observation by penetrating or by riding in between the hostile march columns; in the latter case, there is a great danger of being caught between the columns and destroyed.

"As the opposing forces draw nearer to each other, the operations area for reconnaissance battalions becomes gradually smaller. If these battalions remain within this area, they come constantly in closer contact with enemy forces which are usually superior.

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Contact means combat. For this reason, the reconnaissance battalions are drawn back at such moments and sent behind the main forces. Tactical reconnaissance is continued, however, on open flanks against the enemy's wings. In such cases they must clear their own front so that they can move in or around the enemy's flank without being checked or hindered by him.

"If the reconnaissance should be interrupted in the constricted area between two approaching main bodies, then immediate contact would be lost and there would be no operating patrols in between. The commander of the main body would then be blinded just at the very time when everything depended on accurate knowledge of all details connected with the enemy behavior. Tactical reconnaissance, therefore, may not clear its area or cease its activity before the next type of reconnaissance, battle reconnaissance, has taken its place. The name of this reconnaissance expresses clearly its mission. It uses the information gained by tactical reconnaissance as a basis and, by means of battle reconnaissance agencies, it ascertains what measures the enemy has taken for the coming battle. The commander must know where and in what direction the hostile infantry is developed and deployed, how strong it is, where its flanks are located, and where its reserves are stationed. He must also ascertain where heavy weapons of hostile infantry have been brought into position, and he must discover as soon as possible where the hostile artillery positions are, how strong that artillery is, where observation posts are located, and whether the enemy forces include tanks.

"It is a special mission of the battle reconnaissance air observation to discover what measures the enemy has taken behind its front and on its flanks. Because of the detailed information demanded of planes on battle reconnaissance missions, they must fly at low altitudes - not higher than 6,000 feet.

"Battle reconnaissance agencies on the ground examine the hostile front while it is still being formed, penetrate into gaps which are not yet filled, and remain constantly in contact with the enemy during and after the combat.

"Such a great number of duties cannot be accomplished by a few reconnaissance patrols and naturally not by one arm of the service alone. All arms, therefore, take part in battle reconnaissance missions. The infantry, especially with its mounted platoons, can establish battle reconnaissance very early and can keep it mobile.

"Every unit which approaches the enemy is obliged to take up reconnaissance without command, within the limits which have been

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laid down for the battle. A unit which is advancing on the flank should maintain reconnaissance on the open flank. At the same time, battle reconnaissance measures provide a certain degree of close range security and furnish detailed information pertaining to the terrain.

"The scouts of the attacking infantry constitute the last echelon of the battle reconnaissance. This reconnaissance is continued without interruption during the fire combat of the infantry companies through the eyes of every commander and man; during the fire combat of the heavy weapons of the infantry and the artillery, it is carried out at the observation posts.

"It is a great advantage to the commander to conceal his own measures - the concentration, the march, and finally the deployment and development before the battle - from the eyes of the enemy as long as possible. For this reason, no commander should hesitate to ward off hostile planes, or motorized or mounted reconnaissance details when they approach. This defense - partly passive, partly active - should form an impenetrable screen as possible around and over their own troops, concealing them against hostile forces in the air as well as on the ground. Offensive concealment is more effective than defensive concealment, and the best means of concealment is intensive, aggressive, uninterrupted reconnaissance.

"The successful attack of an advancing reconnaissance patrol against a hostile reconnaissance detail in the reconnaissance zone serves this purpose. The attack of friendly pursuit aviation against hostile reconnaissance aircraft, and the defense by all of the friendly aviation troops equipped with antiaircraft defense means, also assist in denying information to the enemy and creating deception. These measures are supplemented by passive protection, careful camouflage, decentralization of troops, night marches, etc."

The following is a translation of a section of Das Buch Vom Heer, which was written early in 1941 and was based on the operations of the German Army during the year 1940. The book was issued by the Oberkommando der Wehrmacht.

"In spite of the increasing role that the motor plays in these times, a large part of the reconnaissance mission still remains in the hands of mounted troops in accordance with old principles. These principles were well tested in World War I, and under them reconnaissance battalions or detachments are reinforced by mounted and motorized units, and reconnaissance patrols are not pushed too far forward. Though the strategic reconnaissance mission has

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gradually passed over to the fliers, and it has gradually become more important for mounted activities to be coordinated with the advanced motorized reconnaissance elements, still the tactical and battle reconnaissance remains primarily, if not exclusively, in the hands of mounted units. Because of the progress in motorization, however, many cavalry tasks have now passed to the motorized units. In tactical reconnaissance, motorized reconnaissance battalions often take over the role of the mounted reconnaissance battalions.

"Before mentioning the employment of different reconnaissance methods, it seems practical to determine what the armored and mounted means have in common, and to emphasize what it is that gives the mounted reconnaissance system preference over the motorized reconnaissance, and vice versa.

"Reconnaissance is designed to provide a picture of the enemy as quickly, as completely, and as dependably as possible. Its results form the most important basis for the measures to be taken by the command and assist greatly in utilizing to the fullest the effectiveness of the weapons. Reconnaissance from the air and on the ground is carried out as strategic and tactical reconnaissance. Information is also gained by special means, such as information reconnaissance or *Nachrichtenaufklaerung*, examination of prisoners, collection of information from captured papers, searching of post offices and stations, statements of inhabitants, etc.. This type of reconnaissance is carried out by different groups; the various methods complement one another.

"Strategic reconnaissance, which serves as a basis for strategic decisions, is conducted primarily by the aviation forces. It consists, in the first place, of the observation of hostile strategic concentrations and the movements of the different parts of the hostile army. However, this reconnaissance cannot determine definitely whether an area is occupied or not; the enemy's camouflage, darkness and fog, large mountain and forest zones, and extensive inhabited places may render it difficult, or even impossible. There is no certainty that the observation will be uninterrupted or that contact with the enemy can always be maintained. Accordingly, in spite of the advantages of aerial reconnaissance, which is almost unaffected by enemy defense and which has a vast range, there must be suitable ground reconnaissance as a complement to aerial reconnaissance.

"Tactical reconnaissance forms the basis for the command and employment of troops. It includes the more accurate determination of the enemy's concentration, of his advance, and of the organization, distribution, and extent of his forces in breadth and depth.

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The nearer the enemy, the more detailed the tactical reconnaissance should become. Close range reconnaissance, which provides the basis on which the battle is conducted, must begin not later than the moment fighting contact is made with the enemy. All arms of the service participate in performing battle reconnaissance missions.

"As a rule, ground reconnaissance alone is not able to get a deep insight into the enemy's condition; often aerial reconnaissance gives the direction in which ground reconnaissance is to be employed. On the other hand, only ground reconnaissance can determine definitely whether or not certain terrain is free from the enemy. It alone can gain information concerning the distribution of hostile troops; can keep in touch with the enemy and get information from prisoners, from objects found on the dead, and from other sources; can learn details about the enemy's behavior, his strength and composition, sometimes even his fighting ability; can recognize in time the impassibility of the terrain because of mines, etc.. Ground reconnaissance can also supply information when the weather impedes aerial reconnaissance or makes it impossible.

"On the ground, tactical reconnaissance is carried out by motorized reconnaissance battalions, partly motorized battalions of army cavalry, and the mixed reconnaissance battalions of the infantry divisions.

"Motorized reconnaissance detachments are able to procure reconnaissance results quickly and at great distances, but they will not always be able to determine details. Their reconnaissance activity is generally carried out by day, although the start can be made at night. They are able to travel most quickly over roads, and their efficiency is dependent upon the driving qualities of the reconnaissance vehicles, the fuel supply, road conditions, the terrain, the weather, the time of day, and especially the possibility of utilizing means of communication, their own and those existing in the country in which they are operating.

"Mounted reconnaissance detachments, and those of the infantry divisions, may be maneuvered easily; they are able to send their detachments in all directions on horseback and on bicycles; they are less dependent on weather conditions, terrain and supplies than motorized reconnaissance detachments. Their marching speed and march endurance are limited, but they are able to observe the enemy from concealed points commanding good views, and to form a close knit reconnaissance net which is of special value when details are important.

"The reconnaissance battalion forms a reconnaissance center, a place at which is collected information which serves as material

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for reconnaissance detachments or patrols. It moves by bounds, the length of which is influenced by the nearness of the enemy and by the nature and conformation of the terrain. In general, reconnaissance battalions should avoid combat, except in cases where it is necessary to force their own reconnaissance and to hinder hostile reconnaissance. Superiority in the reconnaissance zone facilitates their own reconnaissance and hinders that of the enemy and conceals the movement of their own troops. This superiority is gained by an aggressive attitude against the hostile reconnaissance. This attitude of the reconnaissance forces, down to the individual reconnaissance detachment during its reconnaissance activity, is necessary in dealing with hostile reconnaissance forces because it makes it possible to hinder enemy reconnaissance activity and to carry out their own, and because it is indispensable against hostile protection, which hinders the continuation of their own reconnaissance. Up to now, the aggressive spirit of the mounted and motorized reconnaissance units has given the German reconnaissance forces superiority over any enemy. Education and training in the modern army has maintained this spirit. Provided it does not interfere with the accomplishment of their reconnaissance missions, or provided the reconnaissance mission is completed, reconnaissance detachments will take advantage of favorable opportunities to raid or to harm the enemy. By utilizing its mobility, the reconnaissance battalion can also be successful in dealing with a superior enemy. This mobility often enables the battalion to carry out limited objective attacks against the flank and rear of the enemy, surprise attacks, frequent repetition of attacks at different points, a quick concentration of forces for the destruction of single or isolated weak units of the enemy, and the employment of single units as a mobile reserve or as a counter-attack agency in defense operations.

"The reconnaissance battalions - usually attached to divisions - belong primarily to the cavalry. Such a reconnaissance battalion is composed of:

- The staff with the signal platoon;
- A cyclist troop;
- A cavalry troop;
- A heavy weapons squadron, consisting of  
a heavy infantry weapons platoon of  
two 75-mm. howitzers;
- An antitank platoon;
- An armored car unit;
- A combat train;
- An ammunition and equipment section;
- A ration section;
- A baggage train.

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"In areas and on terrain where the use of horses is limited or impossible because of cultivation of the fields or artificial works, reconnaissance battalions can be formed of cyclist units, organized according to the same principles as those used in the formation of the mixed reconnaissance battalion already outlined.

"The distance covered by the reconnaissance battalion depends first of all on the enemy's position and on the terrain. In cases where there is no resistance and where favorable terrain conditions prevail, a distance of 42 miles can be covered by mounted and cyclist reconnaissance units, 125 miles by motorized reconnaissance units, and 31 to 37 miles by the reconnaissance battalions, while the bicycle units are able to go up to 62.5 miles.

"Mounted reconnaissance units can travel alongside the roads, or without any roads; they can cross rivers and lakes by swimming their horses. Tall, dense forests, mountainous terrain, deep water courses with soft footing and soft banks, broad streams, weak bridges, heavy sand and clay soil, deep hollows and steep inclines are no obstacles for the mounted reconnaissance units. Thereas, despite the great progress made in cross country mobility, the maneuverability of the motorized reconnaissance units is still limited.

"Another advantage of the mounted reconnaissance squads is that they make no noise as they proceed. They can advance silently in the dark without light; they can search the terrain in spread-out formation; they are not affected by the condition of the ground, by the weather; they are usually less dependent on reinforcements and supplies. But their marching speed and performance are limited. When the roads and weather are good, cyclist reconnaissance units have a speed and performance superior to those of mounted reconnaissance units; when the roads are field paths and the weather is bad, the distance which bicyclists are able to cover decreases; on open terrain their speed is less than that of a pedestrian. In the dark and fog they are more suitable than other reconnaissance squads, provided there is a suitable system of roads, since they move with less noise.

The motorized reconnaissance units can move very quickly and can cover great distances. If they encounter nonarmored reconnaissance units they are superior to them because of their armor; they surpass other reconnaissance detachments in transmission of information because they are equipped with a radio vehicle. They are fitted mainly for use on roads, and for the covering of great distances. They can carry out a mission quickly, and they are soon again available to the commander for new employment.

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"The transmission of information to the reconnaissance battalion by mounted reconnaissance patrols can be facilitated by providing the most important reconnaissance units with knapsack radio details mounted on horseback. As every wireless transmitter in operation betrays the presence of a radio station to the enemy and gives the enemy an opportunity to intercept or to hear the transmission, hostile wireless reconnaissance must be prevented from recognizing the presence and the movement of the reconnaissance battalion by limiting the wireless service to messages which are absolutely necessary. If it is necessary to cover areas quickly, areas in which there is a good system of roads and in which no enemy is suspected, or if the terrain beside the road is impassable for cavalry, then the employment of a wave of cyclist reconnaissance units may be considered. As a rule, however, mounted reconnaissance patrols are employed as soon as possible, they can maneuver everywhere. In this manner the fighting strength of the cyclist squadron is preserved.

"Generally, reconnaissance patrols can operate only by day; their night activity is limited to the establishment and preservation of contact with the enemy and to the ascertainment of his foremost defense works.

"For crossing rivers, the reconnaissance battalion has at its disposal large and small inflatable boats which are stored in the pioneer material wagon of the ammunition and equipment section.

"The motorized reconnaissance battalions also belong to the cavalry. Such a reconnaissance battalion consists of:

- The staff with the signal platoon;
- One or two armored car reconnaissance companies;
- One motorcycle company;
- One heavy weapons company, consisting of  
a heavy infantry weapons platoon;
- An antitank platoon;
- A pioneer platoon;
- A combat train;
- Ration section;
- A light column;
- A baggage train.

"The distance which can be covered by the motorized reconnaissance detachment depends primarily on the location of the enemy and on the nature of the terrain. If there is no resistance, and if terrain conditions are favorable and the full supply is guaranteed, armored car reconnaissance units and motorized reconnaissance battalions can cover considerable distances.

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"Heavy armored reconnaissance cars form the backbone of modern ground reconnaissance. In most armies, vehicles which usually travel on roads are used for these tasks. By mounting three or more axles and by using multi-axle drives, these vehicles are better able to move across country. During the last few years great technical progress has been made in constructing cross-country vehicles, the maximum speed of which is now very high and the range of action very great. This enables them to perform distant reconnaissance missions relatively quickly. Since they are completely armored, they are used with reconnaissance battalions which have distant and important missions. Through their weapons and equipment they are able to overcome difficult situations, especially those involving surprise. Light armored reconnaissance vehicles are suitable for reconnaissance and observation in secondary directions; for short distances they may be used for watching the enemy, for liaison, for security, and for air protection. The armament of armored cars comprises machine guns and often two 37-mm. cannon with armor-piercing projectiles. Because of the demand for speed, the armor is limited to a certain weight. The heavy armored reconnaissance vehicles are equipped for reverse steering. The rear driver is also the radio operator. The weapons are operated by the car driver in the light armored reconnaissance vehicles and by a special gunner in the heavy armored ones. The driver in the light vehicle is a specially selected soldier who is, at the same time, the tactical commander of the vehicle. He coordinates the work of the armored car crew.

"Armored reconnaissance cars equipped with armor-piercing weapons are always employed when there is a possibility that the accomplishment of the mission may involve contact with hostile tanks. These cars are suitable for fire support and for counter-attacks in case the enemy is weak. After disengagement, they often remain in contact with the enemy to the end. All members of the crews are equipped with pistols and some also have machine pistols - submachine guns. The machine guns in these cars are removable; in case the crews are forced to leave the car, they may take the machine gun with them if the mission and the situation demand it. The crew leaves the car, however, only under exceptional circumstances. Such cases may occur not only if the car is destroyed or damaged by hostile action, but also if the nature of the terrain, or mined areas, prevent the car from moving on, or if the detail in the car has been sent on a security mission and wants to change its position to a covered position outside of the car.

"The motorcycle units within the reconnaissance battalion are a part of the balanced team in the motorized reconnaissance battalion; together with the heavy weapons company they form the support for the armored reconnaissance cars. Motorcycle units are

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employed in breaking down barriers. In specific cases, pioneers reinforce reconnaissance units in removing obstacles and in demolition operations. The motorcycle units, and the pioneers attached to them, under the fire protection of the armored reconnaissance cars, must examine closely the enemy obstacles and remove them, either partly or completely. Should the removal be impossible, or should it require too much time, then a detour around the barrier has to be found - again under the protection of the cars - and a route established.

"A distinction should be made between motorcycle patrols and those patrols known as heavy armored reconnaissance patrols with heavy armored reconnaissance cars, light armored reconnaissance patrols with light armored reconnaissance cars, mixed armored reconnaissance patrols with heavy and light reconnaissance cars, and reinforced armored reconnaissance patrols with armored reconnaissance squads. To these latter four are attached motorcycle details, pioneers, or parts of the basic unit from which the patrol is detailed.

"Only a few weak reconnaissance patrols are sent great distances to establish contact with the enemy. The mission of this first wave of reconnaissance units is to trace and to determine the position of the enemy in a certain area, or to get in touch with the enemy by means of messages sent by observation aviation. In order to determine the exact whereabouts of a located enemy, and to find out his organization, disposition, and attitude, the reconnaissance must be concentrated. If the enemy is potentially dangerous, a caterpillar-like system of advance is utilized in such a way that the commander of the reconnaissance unit can maintain maximum initiative; in case of a sudden encounter, reinforcement in increasing strength can be applied. In the caterpillar-like advance, the foremost vehicles are kept under surveillance by the ones in the next echelon, from points commanding the view.\* This procedure is used especially when an elevation is approached, or a forest, or the edge of a village which the enemy is thought to occupy; or when the position of the enemy and the nature of the terrain suggests the presence of barrages; or when the unit is driving through villages.

"The speed and armor of the armored reconnaissance cars enables them to inflict sudden attacks on the enemy with their full fire effect. The surprise attack best suits their peculiar character. Where conditions permit, the firing is carried out when the vehicle is not moving; the effect is increased when the enemy is taken in the flank or from the rear. Fire attacks quickly

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\*load curves or points, where the road goes over an elevation.

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following each other from prepared alternative positions; camouflaged formations utilizing the terrain and the visual conditions; in certain cases the use of dismounted arms; all serve to deceive the enemy as to the strength and the type of unit employed.

"The ability to fire while moving enables the armored reconnaissance car to take advantage of favorable opportunities. The effect of the firing is increased by the strong psychological effect which the quickly advancing and heavy firing vehicles produce on the enemy. This is especially true when the cars attack simultaneously in large numbers and from different directions, using by-paths and passable open terrain so that all arms may be utilized at the same time.

"The motorized reconnaissance battalion carries out its aggressive mission by attacks, especially by surprise attacks. Often, mixed combat groups are formed under one command. The surprise factor is decisive; by a clever utilization of the terrain and of the speed, the cars and motorcyclists can approach very near to the enemy. The assembly of troops and preparation for action is carried out under cover, and the distribution of fire is organized and arranged quickly and without confusion. Obstacles are neutralized by the sudden employment of the entire combined fighting forces. For this task, the motorcyclists and the heavy weapons company are especially well adapted. The cooperation of the cars is utilized frequently. In attacks, these armored reconnaissance cars, in conjunction with motorized infantry units and motorcyclists, may take over the protection of the attacking units, either alone or with other heavy arms. During the course of the attack, they accompany the advancing units; they attack hostile islands of resistance, whose fire hinders the operation of their motorized infantry; in making counterattacks they again give forward momentum to an attack that has come to a stop, and they force the wavering enemy to yield.

"The command and control function within the reconnaissance units is carried out by the aid of flag signals; the showing or moving of the different colored flags indicate to the crews commands which have been previously agreed upon. The communication of the units with each other and with the commander of the motorized reconnaissance battalion is carried out by wireless. If it is important that radio silence be kept, information may be transmitted by allotted messenger vehicles, and under certain circumstances, by a postal or courier service. The signal platoon establishes the communication between the battalion staff and the individual elements of the motorized reconnaissance battalion.

"Besides explosives, fuses and tools, and equipment for

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removing road barriers, the pioneer platoon carries with it all kinds of means for water crossings. Trained pioneers accomplish such crossings by building inflated boat ferries and by constructing footbridges from prepared or improvised material. The platoon also carries with it bridging materials, with the help of which even the armored reconnaissance cars can cross water courses of considerable breadth. The construction may be done in a short time; water obstacles are no hindrance to the reconnaissance battalion.

"The battalion supply is prepared in time and in advance; the battalion is supplied with military material of every kind and with fuel necessary for its employment. The combat train and the light column enable the battalion to get along without replacements of its organic supply for two or three days, depending on the daily performance. These battalions maintain communication with observation aviation by pyrotechnic means, by drop messages, and by radio."

#### 4. SIGNAL COMMUNICATIONS

The importance of signal communications in modern war, where speed and mobility have played such a significant role, has increased greatly. Signal communications are the means whereby the results of reconnaissance can be transmitted in time for the commander to make his decision and issue orders for the most efficient and effective employment of his force.

There are no details available on the amount of signal equipment in the various echelons, or on its characteristics. However, the equipment is known to be ample and of superior quality. A prominent German, who is a technical man with considerable combat experience, has stated that the German infantry regiment had more and better communication facilities than the French corps in 1940.

Radio is widely used. Once the enemy front has been penetrated, or his flanks have been encircled, and he lacks the mobile means to check the German armored elements, then there is unrestricted employment of radio; as a rule this happens after the first few days of an operation. The fact that radio is being used to an increasing extent does not mean that other agencies of signal communication have been neglected.

It is believed that there is much more direct communication between observation aviation and ground intelligence agencies than was originally intended. This cooperation has facilitated the rapid advance of ground agencies.

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The German Army emphasizes the principle that leaders of all units must be well forward so they can receive reports of their reconnaissance agencies as quickly as possible, see the terrain for themselves, and get the feel of the situation. This doctrine has been illustrated many times in battle accounts and combat exercises. When combat is imminent and the commander is getting the last information needed for his decision, he will usually be with his reconnaissance units and with representatives from the subordinate commands which are following the advance. As soon as the decision is made, the order is issued, usually orally, and the combat elements continue toward the front to carry out the commander's will without any interruption in their movement.

6. INTELLIGENCE TRAINING

To a great extent, the German Army is an army of specialists. The use of civilian administrators and technical experts to replace line officers, the formation of units for specific functions, the use of retired officers in designated non-combat capacities such as mobilization and corps area administration, are but examples of this tendency.

So it is with combat intelligence. Special units have been formed and trained for the specific purpose of obtaining military information. For larger units, the cavalry arm has taken over this important function. Special aviation units are permanently detailed to this type of work. As far as possible, teams are kept together in order not to destroy the harmony which has already been established.

Even in lower units, combat intelligence training is coordinated and supervised by higher units. In April, 1940, a division intelligence officer was seen conducting a class of patrol leaders - non-commissioned officers - from the various subordinate units. The training was being conducted in a sand box. The instructor outlined the situation, assigned a reconnaissance mission, and called on a patrol leader for a solution. As the problem advanced, the situation was altered as it would be in combat, and other patrol leaders were called on for their ideas of the solution. At the end of each problem, the instructor held a critique; this time he injected a few remarks after the critique and criticized a patrol leader in one case for not transmitting information about the terrain.

The important point about this incident is that the intelligence agencies of the division, down to the individual patrol leaders, are trained by the division to seek the information desired. In this way, only essential information is transmitted, and that in the shortest possible time. The significance of the combat intelligence function is thereby impressed on the individuals in every single agency of the command.

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RESTRICTED7. CONCLUSIONS OF AMERICAN OFFICIAL OBSERVER

After a careful review of all of the information on combat intelligence agencies and methods in the German Army, the following conclusions have been reached:

- a. In general, the German system of combat intelligence is identical to the American system taught at the Command and General Staff School in 1938-39. It should be emphasized, however, that the German system has been proven sound in combat, while the American system, at that time, was in the theoretical stage.
- b. Combat intelligence activities are centralized to the maximum degree. This is done to provide unity of control, economy in the use of means, dissemination of important information, simplicity and rapidity in communications, coordination of training, and the elimination of confusion in presenting to the Commander a clear picture of the enemy situation in the shortest possible time.
- c. German combat intelligence functions are divided into three categories:
  - (1) Strategic Reconnaissance;
  - (2) Tactical Reconnaissance;
  - (3) Battle Reconnaissance.
- d. Combat intelligence agencies are given general training, which includes certain basic principles; among these is the principle of reporting immediately the first enemy contact. These agencies are always given a specific mission, to accomplish definite objectives. If a mission is divided into several parts, priorities are assigned.
- e. These combat intelligence missions are usually aggressive in nature. Combat against enemy reconnaissance agencies is encouraged as a counter-reconnaissance measure. This is consistent with German military doctrine.
- f. German reconnaissance agencies are highly mobile. The distance which separates them from their main bodies during operations depends, in general, upon their mobility and composition. These agencies, which are equipped with weapons of great fire power, are usually within supporting distance of the next higher reconnaissance echelon.

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- e. Leaders of combat units are habitually stationed well forward where they can get intelligence as quickly as possible, make their terrain reconnaissance, and issue timely orders to their subordinates advancing from the rear without interrupting their movement.
- h. Sufficient, and technically superior, signal communication means are utilized in the German Army to receive information, to disseminate it promptly, and to issue commands. Radio is used widely, but great reliance is placed on other means because of dependability and the necessity for maintaining secrecy, especially before the start of an operation.
- i. German control of the air in all their major operations to date has permitted the Germans to use observation aviation extensively, has facilitated their employment of ground reconnaissance agencies, and has interfered with or denied hostile intelligence operations. German aviation not only gains control of the air, but immediately bombs the locations of enemy radio transmitters and all overhead wire lines.
- j. Except for the use of dogs, the Germans employ no means which are unknown or are not utilized in the United States Army.
- k. Germans place greater emphasis on the use of observation aviation than on the standard and usually accepted means of obtaining combat intelligence. They have better coordination between their air and ground elements; they specialize more in their combat intelligence training; they have better and more signal communication facilities; their ground agencies - particularly armored cars - have greater fire power and road and cross-country mobility; they have accelerated their entire combat intelligence system in conformance with their tactical and strategical principles.

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G-2/2657-220 No. 444 M.I.D., W.D. 12:00 H., July 18, 1941.

SITUATION REPORTI. GERMAN-RUSSIAN FIGHT.

Ground: No new information on Finnish front. German General von Falkenhorst commands in North Finland.

German advance northeast from Pskov-Ostrov to Luga-Novgorod threatens Moscow-Leningrad railroad.

Germans have taken Kingisepp, Russian frontier station at Estonian border. Vigorous fighting continues in the Smolensk sector, Germans claiming Smolensk. Russian determined counterattack at Rogachev continues.

Germans are north and south of Kiev, the southern element along or near the Dnieper 50 miles southeast of city.

German-Rumanian advance reported to the lower Dnieper, threatening Odessa.

Air: No change in the general situation.

II. GERMAN-BRITISH FIGHT.

Air: German. A strong night attack on Hull, involving an estimated 100 planes.

British. Normal day sweep and night attack. Night attack centered on Cologne and the Rhineland.

III. MEDITERRANEAN FIGHT.

Ground: No important developments.

Air: Harassing raids; on Palermo, Benghazi and Derna by the British, on Tobruk and in the Western Desert by Axis planes.

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Paraphrase of Code Cables  
Received at the War Department  
at 10:30, July 18, 1941.

London, filed 16:40, July 18, 1941.

1. British Air Activity over the Continent.

a. Night of July 16-17. During this night 25 tons of high explosive bombs and 3000 incendiaries were dropped upon Hamburg. On scattered targets were dropped 21 tons of high explosive bombs and 2000 incendiaries.

b. Day of July 17. A total of 472 fighters were dispatched as follows: 221 in the protection of shipping, 124 on interception patrols, 89 on offensive patrols, and 38 on special patrols. Bad weather the dispatch of bombers.

c. Night of July 17-18. Against the railway center at Cologne 75 bombers were dispatched, of which only 65 per cent attacked the primary objective. 5 bombers were also dispatched to Rotterdam.

2. German Air Activity over Britain.

a. Day of July 16. 160 fighters maintained defensive patrols. Against England 10 reconnaissance and 15 long range bombers were employed.

b. Night of July 16-17. The strength consisted of 10 fighters, 25 long range bombers and 5 reconnaissance aircraft. Incendiary leaves were dropped over Northamptonshire, but no damage to crops resulted.

c. Day of July 17. Operations on this day consisted of defensive operations in the area of Calais.

d. Night of July 17-18. Serious damage resulted from a moderate scale attack upon Hull.

CONFIDENTIAL

INFORMATION COPY

**3. Aircraft Losses Reported.**

a. British losses. Two of the bombers dispatched to Cologne on the night of July 17-18 crashed. During the day of July 17 one Hurricane and six Spitfires and their seven pilots were lost.

b. Axis losses. On July 17 the German losses were as follows: 8 Me-109's and 1 Me-262 shot down, and 1 Me-109 and 1 Me-109F probably destroyed.

According to British reconnaissance reports the major vessel ~~XXXXXXXX~~ (S-2 note: not the battleship of the same name), which was painted entirely white, arrived at St. Nazaire on July 15th.

III

**Distribution:**

Secretary of War  
State Department  
Assistant Chief of Staff, G-2  
War Plans Division  
Office of Naval Intelligence  
S. H. G.  
Chief of the Army Air Forces  
Secretary of Treasury  
Assistant Chief of Staff, G-3  
Air Corps

30-2 Graves - 14

TREASURY DEPARTMENT

263 ✓

INTER OFFICE COMMUNICATION

DATE July 19, 1941

TO Mrs. Klotz  
FROM Mr. Graves

The Secretary telephoned me this morning from New York.

He asked me to consider sending a letter to each of the merchandising chains which have promised cooperation on the sale of Defense Savings Stamps, asking them for a monthly report showing the name and location of each store offering stamps for sale and the amount of monthly sales.

He said that if we were able to get such monthly reports they would serve as a valuable guide in gaging the results of our activities by states and cities.

He said also that apparently we had not submitted to him letters addressed to Food and Drug Chains and he asked when these would be forthcoming.

He also said that he would like a conference with Mr. Buckley, our Mail Order man, on Monday.



DONOVAN, LEISURE, NEWTON & LUMBARD  
ATTORNEYS & COUNSELORS AT LAW  
2 WALL STREET

WILLIAM J. DONOVAN  
GEORGE S. LEISURE  
CARL ELBRIDGE NEWTON  
J. EDWARD LUMBARD, JR.  
RALSTONE R. IRVINE  
THOMAS J. Mc FADDEN  
OTTO C. DOERING, JR.  
DAVID TEITELBAUM  
FRANCIS A. BRICK, JR.  
GRANVILLE WHITTLESEY, JR.  
CARBERY O'SHEA

CABLE ADDRESS: DONLARD, NEW YORK

BOWEN BUILDING  
WASHINGTON, D. C.

HENRY HERRICK BOND  
COUNSEL

NEW YORK, July 19, 1941.

Hon. Henry Morgenthau, Jr.  
The Secretary of the Treasury  
Fifteenth Street and Pennsylvania Ave.  
Washington, D. C.

My dear Henry:

I am most appreciative of your kindness in writing me. You have already evidenced your helpfulness and I am going to rely upon it. We are getting the show set up and as soon as it is in any kind of shape I wish you would let me sit down with you.

Sincerely,

*William J. Donovan*

July 14, 1941.

My dear Colonel Donovan:

The announcement of your appointment as coordinator of information did not come as a surprise, but it was none the less gratifying. I know that your assignment is a difficult and exacting one, but I also know that its heavy responsibilities will be ably administered. If at any time my office can be of service to you in carrying out your duties, I shall be most happy to have you call upon me.

With cordial regards and best wishes,

Sincerely,

(Signed) <sup>H</sup>~~Henry~~ Morgenthau, Jr.

Colonel William J. Donovan,  
Ewen Building,  
610 Fifteenth Street, N.W.,  
Washington, D. C.

GMF/dbs

## Donovan Made Coordinator<sup>266</sup> Of U. S. Intelligence Services

Col. William J. Donovan, wartime commander of the "Fighting Sixty-ninth," received his World War II assignment yesterday—to coordinate this country's counter-espionage services.

President Roosevelt appointed the "Wild Bill" Donovan of Westport fame to be coordinator of information. Senate confirmation is not necessary.

The President said that Donovan would collect and assemble data on "national security" from the various Government agencies, and analyze and collate this material for the use of the President and other top officials.

Making it clear that Donovan would be a liaison man, but not in actual command of intelligence work, the President said:

"Mr. Donovan's task will be to coordinate and correlate defense information, but his work is not intended to supersede or duplicate, or to involve any direction of or interference with, the activities of the General Staff, the regular intelligence services, the Federal Bureau of Investigation, or of other existing departments and agencies."

Donovan's latest preparation for this assignment was a 20,000-mile

whirlwind tour of battle areas in Europe, Africa and Asia Minor, on a confidential mission for Navy Secretary Knox.

The Buffalo soldier-lawyer's new task, it is said, is likely to become of key importance in helping the White House in its publicly announced policy of "beating Hitler to the draw."

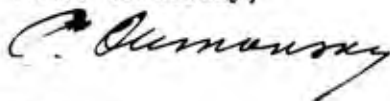
July 19, 1941

Dear Mr. Secretary:

Thank you for your kind note. Any time I have additional information for the President, I shall be only too glad to convey it to you, and to keep you informed in the best way I can about the progress of this titanic struggle.

At this moment I just want to tell you that we feel as confident in victory as ever and that I am most eagerly awaiting when and to what an extent those things in the Russian-American relations will materialize which I had the honor to discuss with you last week.

Yours sincerely,



The Secretary  
of the Treasury  
Washington, D.C.

July 19, 1941.

The Honorable  
The Secretary of the Navy.

Sir: Attention: Mr. Forrestal.

In response to your letter of July 5, I am enclosing a letter addressed to the Secretary of the Navy, which, with the approval of the President, will effectuate the transfer of the REDWING to the Navy Department.

I am advised by the Office of the General Counsel of the Treasury that title to all Government property is in the United States and does not vest in any particular Department, and that such Departments have only custody and control of the property.

In view of the provisions of section 1 of the Act of January 28, 1915, 38 Stat. 800 (U.S.C. title 14, section 1), it would seem that approval of the President of this specific transfer would remove all possible doubt of its validity.

Very truly yours,

(Signed) Herbert E. Gaston

Herbert E. Gaston,  
Acting Secretary of the Treasury.

Sent by Special Messenger 1:30 PM., July 19, 1941.  
File and Initialed copy of letter sent to Adm. Wessche's office 7/19/41.

July 19, 1941.

The Honorable  
The Secretary of the Navy.

Sir:

Receipt is acknowledged of your letter of July 5, requesting the transfer to the Navy Department of the United States Coast Guard ship REDWING.

Subject to the approval of the President, the United States Coast Guard ship REDWING is hereby transferred to the Navy Department to operate as a part of the Navy and subject to the control thereof.

Very truly yours,

(Signed) Herbert E. Gaston

Herbert E. Gaston,  
Acting Secretary of the Treasury.

Approved

1941:

HEG:mjb  
7-19-41

THE SECRETARY OF THE NAVY  
WASHINGTON

JUL 5 1911

Sirs

Arrangements have been made between the Chief of Naval Operations and the Commandant of the Coast Guard for the transfer of the U. S. Coast Guard ship REDWING to the Navy for conversion to a salvage vessel for operation as such by a civilian salvage company under contract with the Navy. The REDWING is now en route from the West Coast to New York where the transfer will be effected on or about July 20.

Under the terms of the agreement for this transfer it is understood that the Coast Guard would retain title to the REDWING but that such title should not interfere in any way with such alterations to the structure of the vessel or with such disposition or use of the vessel as the Navy may desire.

There appears to be some question as to how far the Navy can go in using Naval funds to convert and to operate a ship the title of which remains with the Coast Guard. In the case of the REDWING the situation is more complicated because of the unusual nature of the contract under which this title is to be managed by a civilian company.

It is therefore requested for arrangements to be made, if possible, to transfer the title of this vessel to the U. S. Navy for the period in which it is to be used for salvage purposes. Such a transfer of title will greatly simplify the legal difficulties now involved.

Respectfully,

/s/ JAMES PORRESTAL,  
Acting Secretary of the Navy.

The Honorable,  
The Secretary of the Treasury

C-O-P-Y



TREASURY DEPARTMENT  
WASHINGTON

July 19, 1941

Memorandum for THE SECRETARY:

The following report is made of Stamp sales at "Treasury House":

July 1-17	\$7,757.45
July 18	<u>2,120.30</u>
	\$9,877.75

*[Signature]*  
SEAVES



## TREASURY DEPARTMENT

WASHINGTON

July 19, 1941

Memorandum for THE SECRETARY:

The following report is made of requests received for "Any Bonds Today?" from the experimental mailing of 10,000 cards:

	<u>No. Requests</u>	<u>No. Copies</u>
July 1 - 17	748	4597
July 18	<u>92</u>	<u>480</u>
Total	840	5077

  
GRAVES

DEFENSE SAVINGS STAFFADVANCE NOTICE RADIO PROGRAM

SATURDAY - JULY 19

Time: 6:30 - 7:00 P.M.

Program: Wayne King

Station: WJSV and Columbia Broadcasting System

Time: 7:30 - 8:00 P.M.

Program: Truth or Consequences  
Bonds and Stamps will be awarded as  
prizes instead of the usual cash award.

Station: WRC and National Broadcasting Red Network

Time: 8:00 - 9:00 P.M.

Program: National Barn Dance

Station: WRC and National Broadcasting Red Network

THESE PROGRAMS PROMOTE THE SALE OF DEFENSE BONDS AND STAMPS.



# FIELD ORGANIZATION *News Letter*<sup>274</sup>

DEFENSE SAVINGS STAFF

TREASURY DEPARTMENT, WASHINGTON, D. C.



July 19, 1941. Number 9

## TO THE FIELD STAFF:

From all sections of the Nation, we have received notice of the consideration and establishment of payroll allotment plans. With enthusiastic endorsements from workers and employers alike, these plans are constituting the most popular method of merchandising Defense Savings securities.

Announcements of payroll allotment plans have been made by leaders in many lines of business. Those corporations with the greatest number of workers -- steel, railroads, motors, oil, utilities, communications, insurance, others -- have blazed a trail across the continent which will present several million American workers with the opportunity for consistent, convenient thrift that will not only aid the Government, but will benefit the workers as well.

More than five hundred prominent firms have notified us of installations of voluntary salary allotment plans. We have been advised that more than one thousand additional plans are in process of preparation, and that more than ten thousand groups are considering this method of cooperating with fellow workers and their Government.

We realize, of course, that the full impact of these plans on the number of bonds sold will not be reached for several months. However, we do know that every plan established means progress towards the goal of enlisting the largest possible number of Americans in consistent investment in Defense securities.

Sincerely yours,

GALE F. JOHNSTON

Field Director, Defense Savings Staff

### NEW HONORARY CHAIRMEN

The following Governors have been asked and have accepted Secretary Morgenthau's invitation to serve as Honorary Chairmen of Defense Savings Committees in their states:

#### GEORGIA

The Honorable Eugene Talmadge  
Governor of Georgia

#### INDIANA

The Honorable Henry F. Schricker  
Governor of Indiana

#### IDAHO

The Honorable Chase A. Clark  
Governor of Idaho

#### NEW MEXICO

The Honorable John E. Miles  
Governor of New Mexico

### HEADS OF NEW YORK STATE COMMITTEE APPOINTED

To the growing number of distinguished men and women serving the Defense Savings Program on state and local committees, the Defense Savings Staff is honored to add the names of Colonel Richard C. Patterson, who has recently accepted Secretary Morgenthau's invitation to serve as chairman, and Mrs. Lytle Hull, who has accepted Secretary Morgenthau's invitation to serve as vice-chairman of the Defense Savings Committee for the State of New York.

### NEW JERSEY COMMITTEE ORGANIZED

The organization meeting of the Defense Savings Committee for the State of New Jersey was held July 14 in Kearny, N. J., where Chairman Albert W. Hawkes was host to the members of his committee. Keynote of the meeting was struck by Chairman Hawkes when he said:

"Every American citizen recognizes that if we are to have defense we must find ways and means for paying the bill. Every fair-minded American citizen appreciates that the duty of paying this bill rests upon each of us directly in proportion to our ability to pay taxes, buy bonds and stamps, and thereby support the program. The safety of the government demands unified action on the part of all the people."

Chairman Hawkes is the president of Congoleum-Nairn, Inc., and president of the Chamber of Commerce of the United States.

The meeting was attended by Gale F. Johnston, Field Director of the Defense Savings Staff, and featured a broadcast on Defense Savings over Newark's powerful radio station WOR. During the broadcast Chairman Hawkes officially launched the New Jersey Defense Savings Bond campaign by selling a bond to Msgr. James F. Kelley, president of Seton Hall College.

John E. Manning, State Defense Savings Administrator for New Jersey, presided at the meeting. Members of the New Jersey State Committee will be introduced in an early issue of the NEWS LETTER.

M O N T A N A  
"Treasure State" Launches Campaign

THE ORGANIZATION MEETING of the Defense Savings Committee for the State of Montana convened in Helena on July 8. Members of the State Committee are:

HONORARY CHAIRMAN:  
 Governor Sam C. Ford

CHAIRMAN: A. A. Hoere, Cashier,  
 Federal Reserve Bank, Helena

STATE ADMINISTRATOR: William H. Bartley, Collector of Customs

SUB-COMMITTEE CHAIRMEN:

E. C. Burris  
 State Commissioner of Labor

Herbert Kibler  
 Department Adjutant  
 American Legion of Montana

Alex Cunningham  
 Vice President  
 Western Life Insurance Company  
 Helena

Albert H. Kruse  
 State Commissioner of Agriculture

James H. Rowe, President  
 Montanans, Inc.  
 Butte

Mrs. John E. Erickson  
 Regent, Orofino Chapter  
 Daughters of the American  
 Revolution, Helena

Paul Etchepare, Secretary  
 Montana Wool Growers Association

Jos. E. Swindlehurst  
 Empire Building & Loan Association  
 Livingston

Miss Elizabeth Ireland  
 State Superintendent of  
 Public Instruction

O. S. Warden, Publisher  
 Great Falls Tribune

Governor Ford wholeheartedly endorsed the idea of voluntary salary allotment plans and announced that he would ask the heads of all departments of the state government to present it to their employees at the earliest possible date.

Chairman Hoere paid high tribute to the fine cooperation which banks and bankers throughout Montana are giving to the Defense Savings Program.

Fred J. Martin, associate editor of the Montana Farmer, has secured a leave of absence to serve as Administrator Bartley's deputy.

\* \* \* \* \*

"Little Merchants" of the Leader, afternoon paper in Great Falls, are distributing information and literature about Defense Savings. They are also working for the Defense Savings Stamps which have been posted as prizes in the paper's new subscription contest.

State conventions of Montana Postmasters and the American Legion meeting during July featured talks on the Defense Savings Program.

SOUTH CAROLINA  
Columbia Committee Holds First Meeting

An enthusiastic meeting marked the organization of the Columbia City and Richland County Defense Savings Committees. Speakers included:

Governor Burnet R. Maybank, ("There is no better way to show an interest in the nation at this critical time than to buy Defense Savings Bonds.")

Mayor L. B. Owens, ("The sale of Defense Savings Bonds is of great importance to the nation; Columbia will respond.")

James H. Hammond, Chairman of the State Defense Savings Committee, Judge H. D. Reed of the Farm Credit Administration, and William P. Bowers, State Defense Savings Administrator.

Details of the program were thoroughly explained, as were various ways in which business establishments could foster the sale of Defense Savings Bonds and Stamps among their employees and customers.

\* \* \* \*

Not content with endorsing Defense Savings Bonds 100%, the Columbia Civitan Club appointed a committee to make sure that every member had bought a bond.

- - -

Every one of the employees of Eckerd's Drug Store in Columbia has pledged himself or herself to purchase a Defense Savings Bond. A full-page newspaper advertisement, with photographs of each of the employees, recently called the attention of all Columbia citizens to this "100%" participation in the Defense Savings Program.

A weekly radio program over WCOS, sponsored by Eckerd's, promotes Defense Savings Bonds. The South Carolina State Committee furnishes the speakers for this program.

- - -

35 of the principal business houses of Columbia have agreed to contribute space in their regular newspaper advertisements for the display of reminder notices to "Buy Defense Bonds." On the Fourth of July, the Columbia Record issued a "Liberty Edition," in which practically every advertisement urged the purchase of Defense Savings Bonds and Stamps.

- - -

A photograph of Col. Joseph D. Patch, commanding officer, 34th Infantry, 8th Division, at Fort Jackson, S. C., congratulating 15-year-old Jason Gardner on the purchase of his second \$100 Defense Savings Bond, was featured in the Columbia Record. Young Gardner delivers the Record to the 34th Infantry.

WASHINGTON  
Seattle Committee Begins Activities

The King County Defense Savings Committee held its initial meeting on July 2.

Herbert Gaston, Assistant Secretary of the Treasury, who was present from Washington, addressed the meeting and praised the loyalty of men and women who have volunteered to aid the program. He stressed:

- 1) Voluntary payroll allotment;
- 2) Sale of Defense Savings Stamps in retail establishments; and
- 3) Bank draft or assignment purchase plans.

Dietrich Schmitz, Chairman of the Committee, announced that the following divisions had been established and the chairman (in some instances co-chairmen) of each named:

Wholesale firms	Department stores
Small business firms	Labor organizations
Utilities	Agriculture
Seattle schools	Transportation services
Lumber industry	Banks
Aircraft	Shipbuilding
Savings and loans	Public employees
Parent-teacher associations	County schools
Institutions of higher learning	Speakers

Darwin Meisnest, general manager of the Washington Athletic Club, was named vice chairman in charge of informational services; Lawrence M. Arnold, chairman of the board, Seattle-First National Bank, was named vice chairman in charge of stimulating large investments; and Charles F. Frankland was named committee secretary.

\* \* \* \* \*

Payroll allotment plans have already been announced by three leading Seattle concerns:

Boeing Aircraft Company  
 Seattle-Tacoma Shipbuilding Corporation  
 Todd Seattle Dry Docks, Inc.

2000 cards reading "Defense Savings Stamps For Sale Here" have been distributed by the Washington Defense Savings Committee. These cards were printed for the Committee by the Metropolitan Press Printing Company.

Busses are displaying cards advertising Defense Savings Bonds prepared by the Seattle Trust Company.

Investment of \$325,000 in Defense Savings Bonds by various funds of the State of Washington has been announced by the State Finance Committee.

Seattle American Legion Auxiliary staffed Defense Savings Stamp booths in 20 Tradewell Stores recently.

Highlights From Other StatesGEORGIA

Every eligible institution in the state will be a qualified issuing agent for Series E bonds by July 28, if Mrs. Nita Belle Lee Bland of Mitter, Georgia, has her way. Mrs. Bland is chairman of the Defense Savings Committee of the Georgia Bankers Association, and at a recent conference the officers of this Association resolved to make a concerted effort to enroll all banks as issuing agencies.

Governor Eugene Talmadge has proclaimed the week of July 28 Defense Bond Week in Georgia, and this date gives bankers a definite time goal in their campaign to line up financial institutions as selling agents.

\* \* \*

MINNESOTA

The first baby born on the Fourth of July in Minneapolis received Defense Savings Stamps given by the Minneapolis General Electric Company. This was given wide publicity in local newspapers.

Parades in connection with the Minneapolis Aquatennial, summer festival which opened July 12, will feature Defense Savings floats.

Women's Committees for Defense Savings are being organized in every county in Minnesota by the Minnesota Federation of Women's Clubs. Mrs. L. R. Upham, President of the State Federation, has assumed personal charge of this program.

The three largest cities in the state--Minneapolis, St. Paul, and Duluth--are the first to have Defense Savings Committees. Robert F. Park, President of the Northern States Power Company, will head up the Hennepin County Committee in the Twin City area, while Joseph Jordan, Public Relations executive of the Oliver Iron Mining Company, will organize Duluth and the Iron Range country.

All local unions in Minnesota have been urged by George W. Lawson, secretary of the Minnesota State Federation of Labor, to invest their funds in Defense Savings Bonds and to buy these Bonds regularly.

\* \* \*

TENNESSEE

The Davidson County Defense Savings Committee has been organized and chairman of local groups appointed by County Chairman Will T. Cheek of Nashville.



## BREWERY WORKERS HAPPY WITH FIRST DEFENSE BONDS



ANS photo

Truck drivers of the Schmidt Brewery, Detroit, Mich., just after receiving \$3,750 worth of Defense Savings Bonds from George Schmidt (extreme right), president of the company. The men bought the bonds through a firm's pay roll allotment plan. Here the first bond deliveries are being made just three weeks after adoption of the plan.

## TEAPOT AIDS DEFENSE

*Guess how many cups of tea this antique English teapot will hold and win a U. S. Defense Savings Bond!*

This guessing contest is being conducted by the Michigan Defense Savings Committee and the Salada Tea Company. Contestants try to guess the number of cups of tea the teapot will hold and submit their estimates with a letter setting forth in 50 words their ideas on—

**"How Purchase of U. S. Defense Bonds Preserves Democracy?"**

Judges in the contest are Frank N. Isbey, chairman, Michigan Defense Savings Committee; Kenneth Burns, cashier, Bank of Detroit; H. L. Wilson, General Motors Corporation; Thomas Deane, Deane & Co.; and Giles Kavanaugh, Collector of Internal Revenue and Michigan Defense Savings Administrator.



ANS photo

### BANK DRAFT PLANS POPULAR

IN WACO, Walter G. Lacy, Jr., general chairman of the McLennan County (Texas) Committee, has announced that all member banks of the Waco Clearing House Association have installed depositor draft plans for the regular purchase of Defense Savings Bonds. An announcement of the plan and information about Defense Savings Bonds will be mailed to all bank customers with their monthly statements at the end of July.

OTHER BANKS which have reported favorable reception by their customers of draft plans for the regular purchase of Defense Savings Bonds include:

South Carolina National Bank (with 15 branches), Riverside Trust Company of Hartford, Connecticut; First National Bank of Columbia, S. C., Citizens and Southern Bank of South Carolina (with 3 branches); and Riggs National Bank of Washington, D. C.

### CONNECTICUT BANKERS PITCH IN

The Connecticut Bankers Association has adopted a resolution asking all of its members

"to impress upon the public the vital necessity of the success of the program as a sound plan of public finance."

Ostrom Enders, President of the Association and Vice President of the Hartford National Bank and Trust Company, transmitted the resolution with a letter calling upon all banks to give "vigorous leadership," through advertising and publicity, to salary allotment and other regular purchase plans.

### OTHER BANK NEWS

An attractive bond envelope has been printed by the First National Bank of Pittsburgh, Pa. It carries a picture of the Minute Man and the slogan "On Guard - America" on one side, and on the reverse, space for the name and address of the bonds' owner.

\* \* \*

The financial statement of the Bowery Savings Bank of New York City reproduces that bank's very effective advertisement for Defense Savings Bonds and Stamps.

\* \* \*

Facsimile signatures of every one of the 551 officers and employees of the Seattle National Bank of Commerce appeared recently in the Seattle Post-Intelligencer. In this way, the Bank--which maintains 19 banking offices in 17 cities throughout the State of Washington--called attention to the fact that it was supporting the Defense Savings Program "100%."

RAILROADS INSTALLING DEFENSE SAVINGS  
PAYROLL ALLOTMENT PLANS

MORE THAN 100 OF THE LARGEST RAILROADS in the United States—including the

PENNSYLVANIA RAILROAD

NEW YORK CENTRAL SYSTEM

BALTIMORE AND OHIO RAILROAD COMPANY

ATCHISON, TOPEKA & SANTA FE RAILWAY

ROCK ISLAND LINES

CHICAGO & NORTH WESTERN SYSTEM

have already installed or have indicated that they would soon install, Defense Payroll Allotment Plans for the convenience and benefit of their employees.

THE ENDORSEMENT of the Defense Savings Payroll Allotment Plan by these leading railroad companies, as well as by the Association of American Railroads and the railway brotherhoods, leads to the conclusion that, by the first of August, it will be possible for practically every one of the 1,300,000 railway workers in the United States to participate in the Defense Savings Program through the convenient and effective salary allotment system.

RAILROAD OFFICERS AND EMPLOYEES ALIKE have expressed their appreciation of these plans.

Two employees of the Atlantic Coast Line Railroad write:

"Kindly accept my thanks for the opportunity you offered me to purchase United States Treasury Defense Savings Bonds."

"Please accept my congratulations on this splendid plan. . . . I will try to enlist a few of our other employees."

William Jeffers, President of the Union Pacific Railroad, says:

"I am happy to report that . . . in our General Offices—with over 2,200 employees—88% are now participating, and we hope to increase this materially within the next few days."

J. L. Lancaster, President of the Texas and Pacific Railroad Company, writes:

"We . . . feel that the effort and expense incurred by the Company will be repaid in benefits accruing to employees and others joining with them in acquiring a material interest in the Government."

At the Fort Worth shops of the Texas and Pacific - with over 2,500 employees - it is reported that 85% are now purchasing Defense Savings Bonds through their payroll allotment plan.

GOVERNMENT EMPLOYEES HAVE SYSTEMATIC PURCHASE PLAN

Federal employees throughout the United States are enthusiastically responding to the opportunity being given to them to participate in the Defense Savings Program. Both in Washington and in the field, heads of bureaus, offices and divisions are being named to bring the campaign to their attention and to encourage them to purchase Defense Savings securities.

A regular purchase program was started in the Treasury Department a few weeks ago. Already, more than 85% of the 19,982 Treasury employees in Washington have pledged to invest \$95,944 in bonds and stamps each month. Of the 44,341 Treasury employees in the field service, reports have been received for 9,176, showing that 6,133, or 67%, have pledged to make monthly purchases totalling \$30,265. Under the Treasury's plan, employees pledge themselves to purchase on each payday, stated amounts of Defense Savings Bonds or Stamps. Then, "group agents" are designated to act for the employees in the actual purchase of bonds and stamps.

100% participation is the boast of some of the operating units of the Treasury--25 of the field offices of the Procurement Division, for example. 95% of the 4,632 employees of the Bureau of Internal Revenue in the District of Columbia are participating, and are pledged to invest \$25,286 in Defense securities each month. Complete reports for the field service of Internal Revenue are not available at this time, but from present indications, it is expected that the field offices will show a percentage in excess of the 95 per cent of the central office.

In all of the other Government departments and independent agencies, purchase plans very similar to the one set up in the Treasury are being installed in the central offices located in Washington and extended to the field offices throughout the United States as rapidly as possible.

A portfolio containing samples of all of the instructions, forms, and mimeographed material utilized in establishing the Treasury plan, was forwarded to each of these other Government agencies with a letter from the Secretary of the Treasury, explaining the purposes of the Defense Savings Program, describing the Voluntary Purchase Plan set up in the Treasury Department, and expressing the feeling that "some such plan should be adopted generally throughout the Federal service."

\* \* \* \* \*

Full details of the Federal Employees Purchase Plan, with sample copies of all necessary forms and instruction data, will gladly be made available upon request. This plan is recommended if an agency cannot legally adopt the regular Salary Allotment Plan. The plan may be of particular interest to State and local governments, - although some local governments have installed salary allotment plans and, in states where local governments can install the allotment plan, such plan is recommended.

## LISTENERS GUIDE

- - -  
 Some of the Programs  
 Which Will Boost  
 DEFENSE SAVINGS BONDS and STAMPS  
 During the Coming Week  
 - - -

(EST)

P. M. MONDAY, JULY 21  
 1:15 Joyce Jordan, CBS  
 3:00 Backstage Wife, NBC-Red  
 9:00 Famous Jury Trials, NBC-Blue

P. M. TUESDAY, JULY 22  
 6:30 Second Husband, CBS  
 7:00 Johnny Presents, NBC-Red  
 7:30 Question Bee, NBC-Blue  
 7:30 \*For America We Sing, NBC-Blue\*  
 8:30 Hap Hazard, NBC-Red  
 9:15 \*Round Table Discussion, CBS\*

P. M. WEDNESDAY, JULY 23  
 6:00 Easy Aces, NBC-Blue  
 7:00 Quiz Kids, NBC-Blue  
 8:00 \*Millions For Defense, CBS\*

A. M. THURSDAY, JULY 24  
 10:45 Aunt Jenny, CBS  
 P. M.  
 12:30 Front Page Farrell, MBS  
 1:00 Young Dr. Malone, CBS  
 6:00 Fred Waring, NBC-Red  
 9:15 Professor Quiz, CBS

P. M. FRIDAY, JULY 25  
 2:30 John's Other Wife, NBC-Blue  
 7:00 Claudia & David, CBS  
 8:00 Great Plays, CBS  
 8:30 Your Happy Birthday, NBC-Blue  
 9:00 Wings of Destiny, NBC-Red

P. M. SATURDAY, JULY 26  
 6:30 Wayne King, CBS  
 7:30 Truth or Consequences, NBC-Red  
 8:00 National Barn Dance, NBC-Red

P. M. SUNDAY, JULY 27  
 1:15 \*America Preferred, MBS\*  
 4:15 Olivio Santoro, NBC-Blue  
 5:30 Melody Ranch, CBS  
 7:00 What's My Name, NBC-Red  
 7:30 Crime Doctor, CBS  
 9:00 Take It Or Leave It, CBS

## PROGRAM NOTES

\*A NEW 30-MINUTE PROGRAM contributed by the National Broadcasting Company to the Treasury Department, featuring the 44-piece NBC symphony orchestra and chorus under the baton of Frank Black. This program will be on the air for the next 52 weeks. This week's guest stars are Dorothy Maynor and Frank Munn.

\*PARTICIPANTS: Henry Morgenthau, Jr., Secretary of the Treasury; Albert Hawkes, President, United States Chamber of Commerce and Chairman of the Defense Savings Committee for the State of New Jersey; James A. Phillips, Chairman, Railway Labor Executives Association; Walter D. Fuller, President, National Association of Manufacturers; William Green, President, American Federation of Labor; and Phillip Murray, Congress of Industrial Organizations.

\*THE "TREASURY HOUR," time contributed by The Texas Company. This week's tentative schedule of guest stars: Alexander Woolcott, Ilka Chase, Deena Taylor, Helen Jepson, Albert Spalding, Irving Berlin, Raymond Massey, and Abbott & Costello. Also Al Goodman's Band and Choir.

\*FOREIGN BORN authors, concert and operatic stars, and other prominent personalities appear on this 10-week series contributed by the Mutual Broadcasting System to Defense Savings. Pierre Van Paassen, author, acts as narrator. Guest speakers this week will be Judge Ferdinand Pecora and Vilhjalmur Stefansson; guest artist, Joss Iturbi.

FROM TWO NEW PUBLICATIONS ON THE DEFENSE SAVING PROGRAM

"Financing expenditures in large part by borrowing directly from the people will result in certain definite advantages, which may be summed up as follows:

- "1. Every individual will have a chance to do his part in the Defense Program, to feel a sense of personal participation in our united effort.
- "2. Every individual will have available a ready means for systematic saving to meet future needs.
- "3. Well-distributed holdings of Defense Savings Bonds will serve as a safeguard to the entire country in the period of adjustment which must eventually follow the reduction of defense activities and the return to a normal peace-time economy. . .
- "4. By lending to the Government all that can be spared from current incomes, people will not only provide funds urgently needed for Defense expenditures, but will also minimize a tendency toward rising prices by curtailing their buying in competition with the Defense Program. . ."

—"Defense Savings Bonds and Stamps. . . What they are and the part they play in the Defense Program." Publication of the Defense Savings Staff. Now available to Committee Members.

\* \* \* \* \*

"The purpose of the Defense Savings Program is actively to enlist the citizens of America in affirmative aid to the great national effort for the freedom for which the country stands. . .

". . . Billions of dollars are being spent on planes, tanks, guns, equipment of all sorts for effective defense. This leads to a vigorous employment of our natural and human resources and a substantial increase in the money income of the people. It is greatly to be desired that a substantial part of this current income be saved by those who receive it, not only for immediate values but as a cushion to the shock which may come when peace returns.

"The best means of doing this is for each citizen - man, woman or child - to become a partner of Uncle Sam by investing in a people's bond or a savings stamp. By so doing, each such citizen in the United States owns a share in America. By participating in this way, the people of America really take part in the great national effort for the freedoms that count."

—"Salary Allotment Plan Applied to The Defense Savings Program." Publication of the Defense Savings Staff. Now available.

*These Miniature reproductions of the official Minute Man poster are suitable for use on business stationery and envelopes, bank statements, utility bills, in bulletins, house organs and news letters, and in all kinds of advertising circulars.*



Small size 2-color



Small size 1-color



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Your printer has these electros or the printer can secure them by writing to the Government Printing Office, Washington, D. C.

LODGE MEMBERS ACT TO BACK DEFENSE

Elks:

The purchase of \$150,000 worth of Defense Savings Bonds was pledged by the 77th National Convention of the Benevolent and Protective Order of Elks meeting in Philadelphia on July 15. The Grand Lodge of the Order of Elks, the National Publications Commission of the Elks, and the Elks National Foundation Trustees will each purchase Defense Bonds "to the limit."

By this action the attention of all the half million Elks in more than 1400 lodges throughout the United States was called to the Defense Savings Program.

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The Elks Lodge in Nashville, Tennessee, has bought \$10,000 worth of Defense Savings Bonds and is in the market for an additional \$10,000, according to D. D. Canfield, chairman of the Board of Trustees.

Eagles:

The Fraternal Order of Eagles has invested "to the limit" in Defense Savings Bonds, according to a recent announcement of Konrad Mann, organization leader in Kansas City, Missouri.

Masons:

The Grand Lodge of Masons of Tennessee has purchased \$50,000 worth of Defense Savings Bonds, according to an announcement of Thomas Earl Doss, Grand Secretary of the Lodge.

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Detroiters of Syrian descent, members of the Syrian Masonic Lodge, recently purchased a block of \$1,000 worth of Defense Savings Bonds. The Detroit newspapers carried a picture of Anthony Coosaia, Master of the Lodge, handing the Lodge's check to State Chairman Frank N. Isbey. Witnessing the transaction was Grand Master of Michigan Masons, Dewey H. Hesse.

Moose:

The Seattle Lodge of the Loyal Order of Moose has purchased \$5,000 worth of Defense Savings Bonds and announced that its ultimate goal is "the limit."

Sons of Italy:

Pennsylvania Grand Lodge of the Order of Sons of Italy, after unanimously voting for "all out participation in national defense," instructed its officers to invest "to the limit" in Defense Savings Bonds.

\* \* \* \* \*

La Notizia, only Italian daily newspaper in New England, is consistently devoting space to the advertising of Defense Savings Bonds and is giving the Program strong editorial support.



DEFENSE COOPERATION  
A Convention Resolution

"THE UNITED STATES GOVERNMENT is facing a crisis today such as it has never been compelled to face in the past. The question of whether Democracy shall stand or a totalitarian regime shall prevail, is a matter that will have to be decided on the battlefield. In order that this battle may be won, it must have the full cooperation of capital, labor and all institutions depending upon the government of these United States. If any of these organizations fail to do or contribute their full measure of loyalty, the cause of Democracy may fail. If the whole-hearted support of all of the organizations that are enjoying the privilege of Democracy is given, then there are no 'isms' on the face of the earth that will have the power to destroy the Democracy for which the English speaking people stand....

"THEREFORE, BE IT RESOLVED, . . . that we pledge to the Government our full cooperation in this gigantic world war that is now being fought for the sake of Democracy; that we pledge our full cooperation in the financing of any and all defense programs that may be offered; in the sale and distribution of bonds issued by the United States Government; and further pledge our full cooperation in every way possible to carry to a full and complete victory for the Democracies."

—Arkansas Bankers Association

BANKERS' DUTY

"Our duty as bankers is not alone to do and do well specific jobs in defense financing that come within our sphere, but to use what influence we may have to inform the people of this country of the steps that must be taken, of the sacrifices that must be borne, if we are to put forth our maximum strength in this world crisis and if we are to come through this period with our economy in balance, ready for the great tasks that face us after the war."

—Economic Policy Commission, Am. Bankers Assn.

BANKERS TALK ON DEFENSE BONDS

Many bankers are making public addresses, and participating in radio programs dealing with the Defense Savings Program. To assist them in preparing their remarks for these occasions, the American Bankers Association and the National Association of Mutual Savings Banks have prepared a number of talks, including some designed to appeal primarily to special groups: women, high school students, service clubs, farmers, radio audiences, etc.

SPECIAL SAVINGS ACCOUNTS TO BUY DEFENSE BONDS

The Franklin Savings Bank of New York City has devised a special red, white and blue jacket for passbooks which are used to record Defense Savings Bond accounts.

## QUOTABLE QUOTES--

A MESSAGE TO GENERAL MOTORS FOLKS

"General Motors is making arrangements so that you can buy these Series E Defense Bonds on an instalment basis. You can arrange to pay for them by authorizing amounts deducted from your wages and salary each pay day. . . .

"Business is currently at a high level, and now is the time to pay your debts and accumulate something for that rainy day which sooner or later comes to most of us.

"Your investment in Defense Bonds will mean that if such a time comes you will have an asset, guaranteed by the Government itself not to depreciate below what you have paid for it, instead of having to pay a debt.

"Being out of debt, and having an asset that can always be readily turned into cash without loss, will mean a freedom from worry and a feeling of security that is well worth the effort to save at this time."

—C. E. Wilson, President,  
General Motors Corporation

\* \* \* \*

" . . . Throughout the nation we have revalued our privileges and responsibilities in the glaring light of a world on fire. . . .

"First in order, the Government has need of money to carry out its plans for protection of the American people. . . . Our defense plans are of utmost importance.

"We have the will to uphold the Government. . . . Every Defense Savings Stamp or Defense Savings Bond which passes into public hands supplies proof that we stand united as a people, to preserve our American way of life.

" . . . Today, as never before, the American pay envelope constitutes a bulwark of national defense. . . for what nobler purpose could we save than the defense of those liberties which we all hold so dear?

" . . . Certainly there could be no better form of investment in the future than the consistent purchase of Defense Savings Bonds. . . ."

—Andrew Mills, Jr., President,  
National Association of Mutual  
Savings Banks

CONFIDENTIAL

## UNITED STATES SAVINGS BONDS

Sales in July Compared with June, 1941  
On Basis of Issue PriceFirst Fifteen Business Days  
(June 1-15, July 1-15)

(Amounts in thousands of dollars)

Item	Sales		Increase or Decrease (-) in July Compared with June	
	July	June	Amount	Percent
	Series E - Post Offices	\$ 31,621	\$ 24,441	\$ 7,180
Series E - Banks	<u>56,779</u>	<u>36,442</u>	<u>20,337</u>	<u>55.8</u>
Series E - Total	88,400	60,883	27,517	45.2
Series F - Banks	14,774	19,761	- 4,987	- 25.2
Series G - Banks	<u>98,392</u>	<u>124,523</u>	- 26,131	- 21.0
Total	<u>\$201,566</u>	<u>\$205,167</u>	- \$ 3,601	- 1.8%

Office of the Secretary of the Treasury,  
Division of Research and Statistics.

July 19, 1941.

Source: All figures are deposits with the Treasurer of the United States  
on account of proceeds of sales of United States Savings Bonds.Note: Figures have been rounded to nearest thousand and will not  
necessarily add to totals.

Daily Sales - July 1941  
On Basis of Issue Price

(In thousands of dollars)

Date	All Bond Sales				Post Office Bond Sales Series E	Bank Bond Sales			
	Total	Series E	Series F	Series G		Total	Series E	Series F	Series G
July 1941									
1	\$ 9,505	\$ 2,387	\$ 957	\$ 6,160	\$ 595	\$ 8,910	\$ 1,793	\$ 957	\$ 6,160
2	11,612	4,066	845	6,701	1,735	9,877	2,331	845	6,701
3	15,045	4,903	843	9,299	2,077	12,969	2,827	843	9,299
5	22,900	9,589	2,437	10,875	3,191	19,709	6,397	2,437	10,875
7	11,028	6,315	472	4,242	3,908	7,120	2,407	472	4,242
8	11,226	4,867	1,197	5,162	1,346	9,881	3,522	1,197	5,162
9	16,570	6,277	880	9,413	2,229	14,341	4,048	880	9,413
10	11,430	6,018	605	4,808	2,459	8,972	3,559	605	4,808
11	16,311	8,504	1,197	6,610	2,405	13,905	6,098	1,197	6,610
12	12,689	4,482	860	7,347	1,672	11,017	2,810	860	7,347
14	13,435	7,754	1,046	4,636	3,060	10,375	4,693	1,046	4,636
15	10,083	4,754	602	4,728	1,458	8,625	3,296	602	4,728
16	11,994	5,541	808	5,645	1,645	10,349	3,896	808	5,645
17	15,332	6,213	1,189	7,930	1,799	13,533	4,414	1,189	7,930
18	12,404	6,730	836	4,837	2,042	10,362	4,689	836	4,837
Total	\$201,566	\$ 88,400	\$ 14,774	\$ 98,392	\$ 31,621	\$169,945	\$ 56,779	\$ 14,774	\$ 98,392

Office of the Secretary of the Treasury, Division of Research and Statistics.

July 19, 1941.

Source: All figures are deposits with the Treasurer of the United States on account of proceeds of sales of United States Savings Bonds.

Note: Figures have been rounded to nearest thousand and will not necessarily add to totals.

For Miss Channing

TREASURY DEPARTMENT

292

INTER-OFFICE COMMUNICATION

DATE July 19, 1941.

TO Secretary Morgenthau

FROM Mr. Cochran

CONFIDENTIAL

Registered sterling transactions of the reporting banks were as follows:

Sold to commercial concerns	£35,000
Purchased from commercial concerns	£ 6,000

Open market sterling was steady at 4.03-3/4, and there were no reported transactions.

In New York, closing quotations for the foreign currencies listed below were as follows:

Canadian dollar	11-1/2% discount
Argentine peso (free)	.2380
Brazilian milreis (free)	.0505
Uruguayan peso (free)	.4380
Colombian peso	.5800
Mexican peso	.2070
Cuban peso	1-5/16% discount
Japanese yen	.2358

In Shanghai, the yuan moved off 1/32¢ to 5-5/16¢. Sterling was 1/4¢ lower at 3.94-1/4.

There were no gold transactions consummated by us today.

No new gold engagements were reported.


July 19, 1941

CONFIDENTIAL

Dear Mr. House:

I have pleasure in acknowledging the receipt, on behalf of Secretary Morgenthau, of your letter of July 17, 1941, enclosing your compilation for the week ended July 9, 1941, showing dollar disbursements out of the British Empire and French accounts at the Federal Reserve Bank of New York, and the means by which these expenditures were financed.

Faithfully yours,



H. Merle Cochran  
Technical Assistant to the Secretary.

Robert G. House, Esquire,  
Vice President,  
Federal Reserve Bank of New York,  
New York, New York.

EMC:lap-7/19/41

## FEDERAL RESERVE BANK OF NEW YORK

July 17, 1941

CONFIDENTIALDear Mr. Secretary:            Attention: Mr. H. Merle Cochran

I am enclosing our compilation for the week ended July 9, 1941, showing dollar disbursements out of the British Empire and French accounts at this bank and the means by which these expenditures were financed.

Faithfully yours,

(Signed) Robert G. House

Robert G. House,  
Vice PresidentHonorable Henry Morgenthau, Jr.,  
Secretary of the Treasury,  
Washington, D. C.

Enclosure

COPY:LAP-7/19/41

ANALYSIS OF BRITISH AND FRENCH ACCOUNTS  
(In Millions of Dollars)

Week ended July 9, 1941

Statistical

PERIOD	BANK OF ENGLAND (BRITISH GOVERNMENT)								BANK OF FRANCE							
	DEBITS			CREDITS					Net Incr. (+) or Decr. (-) in Balance	DEBITS			CREDITS			Net Incr. (+) or Decr. (-) in Balance
	Total Debits	Gov't Expenditures (a)	Other Debits	Total Credits	Proceeds of Sales of Gold	Securities Official (b)	Other Credits (c)	Total Debits		Gov't Expenditures (d)	Other Debits	Total Credits	Proceeds of Sales of Gold	Other Credits		
1st year of war (2/29/39-8/28/40)*	1,793.2	605.6	1,187.6	1,828.2	1,356.1	52.0	420.1	+ 35.0	866.3 (e)	415.6 (e)	449.7	1,085.3 (e)	900.2	195.1 (e)	+229.0	
1940																
Aug. 29 - Oct. 2	316.8	244.3	72.5	306.9	221.5	8.0	51.4	- 7.9	8.6	4.4	4.2	1.3	-	1.3	- 7.3	
Oct. 3 - 30	196.7	167.8	28.9	138.5	160.5	6.0	38.0	+ 1.2	0.5	0.3	0.2	0.5	-	0.5	-	
Oct. 31 - Nov. 27	241.0	201.1	39.9	259.5	210.0	18.0	31.5	+ 18.5	0.8	0.1	0.7	0.7	-	0.7	- 0.1	
Nov. 28 - Dec. 31	234.6	205.8	27.8	198.0	111.4	26.0	60.5	- 36.6	8.1	-	2.1	0.6	-	0.6	- 1.5	
Year worked through Dec. 31	2,782.3	1,425.6	1,356.7	2,793.1	2,109.5	108.0	575.6	+ 10.8	878.3	421.4	456.9	1,098.4	900.2	198.2	+220.1	
1941																
Jan. 2 - 29	197.4	162.7	34.7	259.9	176.2	52.0	31.7	+ 62.5	1.7	-	1.7	0.5	-	0.5	- 1.2	
Jan. 30 - Feb. 26	164.6	137.8	26.8	101.4	26.6	86.0	48.8	- 63.2	0.2	-	0.2	0.2	-	0.2	-	
Feb. 27 - Apr. 2	229.7	157.6	32.1	237.9	103.7	72.0	62.2	+ 8.2	0.7	-	0.7	1.6	-	1.6	+ 0.9	
Apr. 3 - Apr. 30	126.0	101.9	24.1	218.9	125.6	15.0	78.3	+ 92.9	0.9	-	0.9	0.9	-	0.9	-	
May 1 - May 28	122.6	90.6	32.0	91.0	6.3	32.0	52.7	- 31.6	0.4	-	0.4	0.8	-	0.8	+ 0.4	
May 29 - July 2	140.5	113.8	26.7	105.1	1.9	11.0	92.2	- 35.4	21.5	-	21.5	0.9	-	0.9	- 20.6	
July 3 - July 30																
July 31 - Aug. 27																
Second year of war (8/29/40-8/27/41)																
Aug. 28 - Oct. 1																
Oct. 2 - Oct. 29																
Oct. 30 - Dec. 3																
Dec. 4 - 31																
WEEK ENDED:																
June 18	27.8	23.7	4.1	37.1	-	1.0	34.1	+ 9.3	20.4	-	20.4	0.3	-	0.3	- 20.1	
" 25	24.3	15.8	8.5	12.5	1.8	2.0	8.7	- 11.8	0.7	-	0.7	0.1	-	0.1	- 0.6	
July 2	29.9	27.5	2.4	9.9	0.1	-	9.8	- 20.0	-	-	-	0.2	-	0.2	+ 0.2	
" 9	24.5	15.7	8.8	12.5	-	1.0	11.5 (f)	- 12.0	-	-	-	-	-	-	-	

Transfers from British Purchasing Commission to Bank of Canada for French Account

(See footnotes on reverse side)

Week ended July 9, 1941 \$ - million  
Cumulation from July 5 '40 \$ 162.7 million

Average Weekly Expenditures Since Outbreak of War  
France (through June 19) 1940 \$19.6 million  
England (through June 19) 1940 27.6 million  
England (since June 19) 1940 47.6 million

\* For monthly breakdown see tabulations prior to April 23, 1941.



- (a) Includes payments for account of British Purchasing Commission, British Air Ministry, British Supply Board, Ministry of Supply Timber Control, and Ministry of Shipping.
- (b) Estimated figures based on transfers from the New York Agency of the Bank of Montreal, which apparently represent the proceeds of official British sales of American securities, including those effected through direct negotiation. In addition to the official selling, substantial liquidation of securities for private British account occurred, particularly during the early months of the war, although the receipt of the proceeds at this Bank cannot be identified with any accuracy. According to data supplied by the British Treasury and released by Secretary Morgenthau, total official and private British liquidation of our securities through December, 1940 amounted to \$334 million.
- (c) Includes about \$85 million received during October, 1939 from the accounts of British authorized banks with New York banks, presumably reflecting the requisitioning of private dollar balances. Other large transfers from such accounts since October, 1939 apparently represent the acquisition of proceeds of exports from the sterling area and other currently accruing dollar receipts.
- (d) Includes payments for account of French Air Commission and French Purchasing Commission.
- (e) Adjusted to eliminate the effect of \$80 million paid out on June 26, 1940 and returned the following day.
- (f) Includes \$4,401,000 refunded to British Purchasing Commission by an arms manufacturer in the United States and \$2,010,000 representing the proceeds of wool exports.

RECEIVED  
TELETYPE UNIT

1941 JUL 19 AM 9 06

TELETYPE UNIT  
TO THE SECRETARY

PERIOD	BANK OF CANADA									COMMONWEALTH BANK OF AUSTRALIA						
	DEBITS			CREDITS						DEBITS			CREDITS			
	Total Debits	Transfers to Official British A/C	Other Debits	Total Credits	Proceeds of Gold Sales	Transfers from Official British A/C		Other Credits	Net Incr. (+) or Decr. (-) in Balance	Total Debits	Transfers to Official British A/C	Other Debits	Total Credits	Proceeds of Gold Sales	Other Credits	Net Incr. (+) or Decr. (-) in Balance
First year of war (8/29/39-8/28/40)*	323.0	16.6	306.4	504.7	412.7	20.9	38.7	32.4	+181.7	31.2	3.9	27.3	36.1	30.0	6.1	+ 4.9
1940																
Aug. 29 - Oct. 8	44.3	-	44.3	43.9	16.4	-	27.3	0.2	- 0.4	8.7	2.5	6.2	8.0	6.7	1.3	- 0.7
Oct. 3 - 30	26.7	-	26.7	28.6	14.0	-	14.3	0.3	+ 1.9	10.1	7.5	2.6	7.9	6.5	1.4	- 2.2
Oct. 31 - Nov. 27	35.2	-	35.2	69.5	49.2	-	16.7	5.7	+ 34.4	3.1	0.6	2.5	3.6	2.1	1.5	+ 0.5
Nov. 28 - Dec. 31	48.0	-	48.0	60.6	42.5	-	13.7	4.4	+ 12.6	4.8	-	4.8	6.8	4.8	2.0	+ 2.0
War ended through Dec. 31	477.2	16.6	460.6	707.4	534.8	20.9	110.7	41.0	+230.2	57.9	14.5	43.4	62.4	50.1	12.3	+ 4.5
1941																
Jan. 2 - 29	33.7	-	33.7	33.9	16.9	-	15.0	2.0	+ 0.2	4.8	-	4.8	6.8	5.1	1.7	+ 2.0
Jan. 30 - Feb. 26	31.1	-	31.1	24.3	14.3	-	6.8	3.2	- 6.8	5.0	1.7	3.3	3.2	0.6	2.6	- 1.8
Feb. 27 - Apr. 2	60.9	-	60.9	46.0	23.1	-	19.1	3.8	- 14.9	5.8	0.8	5.0	13.7	12.5	1.2	+ 7.9
Apr. 3 - Apr. 30	34.9	-	34.9	35.9	12.5	-	10.5	12.9	+ 1.0	2.8	-	2.8	5.9	4.6	2.3	+ 3.1
May 1 - May 28	39.2	-	39.2	25.6	15.8	-	0.5	9.3	- 13.7	5.4	-	5.4	4.9	4.1	0.8	- 0.5
May 29 - July 2	43.2	-	43.2	48.2	16.3	-	-	31.9	+ 5.0	10.1	-	10.1	5.8	4.5	1.3	- 4.3
July 3 - July 30																
July 31 - Aug. 27																
Second year of war (8/29/40-8/27/41)																
Aug. 28 - Oct. 1																
Oct. 2 - Oct. 29																
Oct. 30 - Dec. 3																
Dec. 4 - 31																
WEEK ENDED:																
June 18	11.8	-	11.8	26.0	3.5	-	-	22.5	+ 14.2	3.4	-	3.4	0.2	-	0.2	- 3.2
" 25	4.1	-	4.1	5.4	2.9	-	-	2.5	+ 1.3	0.9	-	0.9	4.4	4.3	0.1	+ 3.5
July 2	10.3	-	10.3	2.9	2.5	-	-	0.4	- 7.4	2.2	-	2.2	0.2	0.2	0.2	- 1.8
" 9	1.9	-	1.9	5.8	3.9	-	-	1.9	+ 3.9	1.2	-	1.2	0.1	-	0.1	- 1.1

Weekly Average of Total Debits Since Outbreak of War

Through July 9, 1941 \$ 7.4 million

\* For monthly breakdown see tabulations prior to April 23, 1941.

EXPORTS OF PETROLEUM PRODUCTS, SCRAP IRON AND SCRAP STEEL  
FROM THE UNITED STATES TO JAPAN, RUSSIA, SPAIN, AND GREAT BRITAIN  
AS SHOWN BY DEPARTURE PERMITS GRANTED

Week ended July 19, 1941

	JAPAN	RUSSIA	SPAIN	GREAT BRITAIN
<b>PETROLEUM PRODUCTS</b>				
Fuel and Gas Oil (including Diesel Oil)	90,000 Bbls.	--	--	513,000 Bbls.
Crude -				
Blended or California High Octane Crude*	316,000 Bbls.	--	--	--
All Other Crude	--	--	--	--
Gasoline -				
Gasoline A**	--	--	--	288,000 Bbls.
Gasoline B*	11,700 Bbls.	--	65,000 Bbls.	148,508 Bbls.
All Other Gasoline	--	--	--	--
Lubricating Oil -				
Aviation Lubricating Oil***	982 Bbls.	--	--	--
All Other Lubricating Oil	75 Bbls.	--	--	63,311 Bbls.
Tetraethyl Lead***	--	--	--	--
"Boosters", such as Iso-Octane, Iso-Hexane, or Iso-Pentane	--	--	--	--
<b>SCRAP IRON AND SCRAP STEEL</b>				
Number 1 Heavy Melting Scrap	--	--	--	2,100 Tons
All Other Scrap	--	--	--	1,600 Tons

Office of the Secretary of the Treasury, Division of Research and Statistics. July 21, 1941.

Source: Office of Merchant Ship Control, Treasury Department.

\* Any material from which by commercial distillation there can be separated more than 3 percent of aviation motor fuel, hydrocarbon or hydrocarbon mixture - President's regulations of July 26, 1940.

\*\* Aviation Gasoline.

\*\*\* As defined in the President's regulations of July 26, 1940.

C  
O  
P  
YDEPARTMENT OF STATE  
WASHINGTONIn reply refer to  
EA 840.51 Frozen Credits/2373

July 19, 1941.

The Secretary of State presents his compliments to the Honorable the Secretary of the Treasury, and encloses six copies of telegram of July 2, 1941, from the American Embassy, Rome, Italy, No. 917, reporting on a memorandum received from the Italian Foreign Office concerning withdrawals and payments which may be made by American citizens.

## Enclosure:

no. 917 of July 2  
from Rome.

COPY

TELEGRAM RECEIVED

FROM: ROME

DATED: July 2, 1941.

Secretary of State,

Washington.

917, July 2, 1 p.m.

On June 29, Wadsworth was called to the Foreign Office where a memorandum in the following sense was given him:

Under supplementary regulations to be published shortly American citizens including diplomatic and career consular personnel are allowed to make withdrawals and payments: (one) under general license: (a) up to 10,000 lire monthly for maintenance, travel in Italy and personal expenses; (b) up to 20,000 lire in a lump sum for expenses in Italy arising from authorized reparation; (two) under special license: (c) up to 2,000 lire monthly for compensations, pensions or amounts due to each dependant of American nationality to an aggregate maximum of 50,000 monthly; (d) up to 5,000 lire monthly for rents, leases, et cetera; (e) up to any amount for payment of taxes in Italy for situations not mentioned above or involving greater sums the interested parties may make application through a bank for special licenses.

Regarding payment orders which may be issued by American banks against reimbursement in dollars not transferable but only utilisable within the United States it is pointed out that the negotiation of such dollars and payment of the equivalent in lire to beneficiaries in Italy must depend upon the effective possibility of utilizing such dollars or, if this does not exist, of selling them on third markets and upon the exchange terms obtainable for them.

Wadsworth asked for information on two related matters by inquiring: (one) whether the new regulations contemplated the early unblocking of the Embassy's official funds deposited in the Rome branch of the American Express Company; and (two) whether it might reasonably be expected that the Italian authorities would at an early date again permit American citizens to leave Italy.

To both these questions the answer was a conditional affirmative. Italian action depended in the first case on what treatment we should accord Italian funds in the United States and in the second on what action we might take by way of general or special exception to modify our prohibition on the departure of Italians from the United States. I should appreciate receiving the Department's early telegraphic instructions on these two points.

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As pertinent to the latter, I may mention the following instances of American citizens who desire to return immediately to the United States:

Honorable Charles Wilson, former Minister to Yugoslavia and since resident of Rome;

Mrs. Olive Perkins' sister and member of household of Embassy Attache Perkins;

Mrs. Lewis Homerings 52 years old widow of former American diplomat at Cairo who wishes on doctor's advice to travel with a Catholic nursing sister of British nationality;

Percy Winn, Rome correspondent of International News Service, who with his assistant received instructions to return to the United States just prior to issuance of Italian order prohibiting departure of Americans;

Mrs. Mary Collins long time resident of Florence and distant relative of Vice-Consul Washbourne's wife who has been able to obtain but not to use a place on each airplane sailing of the last week from Rome to Lisbon;

Angelo Campagna just graduated from Bologna medical faculty who, though accepted June 24 as a passenger on Rome-Barcelona airplane, was forced to leave it at Sassari Sardinia where he is now stranded;

Two other American ladies residents of Rome who are assured of airplane passage to Lisbon as soon as order prohibiting departure of Americans is lifted;

Two young American Catholic priests who were forced to surrender through railway reservations to Lisbon last week.

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## AMERICAN CONSULATE

No. 8

Basel, Switzerland, July 19, 1941.

STRICTLY CONFIDENTIAL

Subject: I. G. Chemie, Basel, interested in Norak Hydro, Oslo, Strategic War Material Production

The Honorable

The Secretary of State,

Washington.

Sir:

I have the honor to report that my attention having been drawn on June 27, 1941, to the war production schedules of the Norak Hydro Company of Oslo and a proposed increase on June 30, 1941, in the share capital of that company, in which both the I. G. Farben, Frankfurt a/M. and the I. G. Chemie, Basel, were known to be heavily interested, I immediately caused discreet inquiries to be made at the offices of that company regarding their possible further participation in an enterprise contemplating a considerable increase in the production of such strategic raw materials as aluminum and nitrogen products known to be essential to the German war effort.

I may say my initiative in this matter was prompted by the hope that my remarks might discourage I. G. Chemie's participation in the proposed capital increase of the Norak Hydro Company, especially in light of the Basel company's large holdings in General Aniline and Film Corporation, New York (\$9,257,987 according to the 11th annual report 1939 of that company) and present-day concern of such enterprises in a smooth transfer of earnings and dividends from their American investments. As will be seen elsewhere in this report, the Basel Holding Company is in fact no longer disposed to exercise such rights, especially if the Washington Government is not agreeable to their participation.

According to Dr. Hans Sturzenegger, banker and a member of the board of I. G. Chemie, Basel, his company holds some 72,431 common shares in the Oslo enterprise, or about 12-1/2% of the total outstanding shares of that corporation. He said they have owned these shares for the past ten years, which are at present quoted on the Oslo Bourse at about 350 Kronen against a par value of 180 Kronen. He admitted that it was the purpose of the Norak Hydro Company to increase their capital structure by issue of some 289,722 new common shares at par of Kronen 180. In other words, the company's capital was to be raised from Kronen 104,300,100 to a total of Kronen 156,450,060. Of the 289,722 new shares to be issued, 124,725 or 43.05 percent had been set aside by the Board of the Norak Hydro, said Mr. Sturzenegger. This action, declared the latter, would be taken in conformity with Section 15 of the statutes of the Norak Hydro.



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(It has since been ascertained from other reliable sources that these 124,725 shares have been taken over by a German Norwegian group under the leadership of the I. G. Farben, Frankfurt), thus leaving only 154,967 new common shares available for subscription to present shareholders in the ratio of 4 new shares at par for each 15 old shares. Consequently, on the basis of the I. G. Chemie, Basel, holdings, namely 72,431 old common shares, that company will have the right to buy 19,315 new shares which will require a total outlay of approximately Norwegian Kronen 3,439,000, or approximately 3,400,000 Swiss francs, if exercised.

Mr. Sturzenegger went on to say, in this connection, that his company had been aware from the beginning that the investment of considerable fresh Swiss capital (francs) could not be considered by a Swiss corporation, as such an investment would amount to their opening a block Kronen account. In these circumstances, they had, he said intended exercising their option without the investment of fresh moneys, and in fact, a group of three Norwegian banks had already expressed readiness to place at his company's disposal a credit in the required amount to guarantee his company's subscription to the 19,315 shares, which sum would be amortized by future yields from I. G. Chemie's Norsk Hydro investment.

"If exercised, our optional rights would result in a total investment of 72,431 old plus 19,143 new common shares, or 90,536 shares of common at Kronen 180 par, or approximately 11.5 percent as against 12.5 percent of the total capital of Norsk Hydro. However, in the event of our not using our optional rights", said he, "our investment would be reduced to approximately 8.3% of that company's capital.

"As shareholders of long standing of the Norsk Hydro Company", said Dr. Sturzenegger, "we are naturally much interested in keeping up our position as shareholders in the Norwegian concern. For us to fail to exercise the right to subscribe to the new capital, would not only mean a weakening of our minority position in that company," he declared, "but also involve our company in considerable loss in as much as our old holdings in the Norsk Hydro would suffer a considerable devaluation, explaining that the old shares are quoted at 360 Kronen at present, while the new shares may be had at par. This loss could not be made good by any eventual transfer of his company's optional rights", he added, "in as much as the price obtained in the event of their sale in Norway could not be transferred to Switzerland on account of present-day currency restrictions in force in that country."

Mr. Sturzenegger more than once repeated that failure on the part of the I. G. Chemie to participate in the capital increase of the Oslo enterprise would probably involve his company in a two-fold loss, namely, their original investment would become watered and there remained, he said, "the uncertainty of their obtaining a satisfactory price for their rights and that any amount obtained would be frozen, if sold in Norway."

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My visitor, in conclusion, made it plain, however, that his company would not hesitate to abstain from participation in the new share capital of the Norsk Hydro interests if the Washington Government was not agreeable to such participation. Their option expires end of August 1941, said Mr. Sturzenegger, who requested some indication as to Washington's attitude in the matter. I, of course, abstained from any comment, restricting myself to common-place remarks regarding our Government's general interest in international finance, particularly during the present war emergency.

As will be seen from the above, German participation in the Norsk Hydro Company has apparently been greatly increased as the recent acquisition of 43 percent of the newly issued common shares would indicate. Two Germans of the I. G. Farben, Frankfurt, have lately been added to the Board of the Norwegian company, it appears. It is not excluded, therefore that Norsk Hydro is now under German control.

It remains for me to report that the I. G. Chemie, Basel, which is one of the leading Holding concerns in this classic land of holding companies and interlocking directorates, does not appear to be represented on the Board of this Norsk Hydro Elektrisk Kvarlstofaktieselskab, Oslo, and that the latter at a general meeting at Oslo on June 30, 1941 voted an increase of capital as planned and for the purposes indicated in this despatch.

I would be glad if the Department should wish to furnish me with helpful comment for future guidance and action here in matters of this kind. Moreover, if brief preliminary reports by telegraph are desired in these cases, it will please so instruct this office.

Respectfully yours,

WALTER H. SHOLES

American Consul General.

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YPARAPHRASE OF TELEGRAM RECEIVED

FROM: AMERICAN EMBASSY, BERLIN  
TO: Secretary of State, Washington  
DATED: July 19, 1941  
NO. : 2892

CONFIDENTIAL - NOT FOR PUBLICATION

(Section One) Further reference to my telegram of July 19, no. 2892, in recent weeks the German stock market has continued its steady upward trend, with the only break a relatively sharp decline on Thursday, in spite of frequent warnings and various specific measures taken by the authorities to prevent the inflation of stock prices. The decline referred to was caused by a pointed appeal on the part of the director of the Reich group industry against using for stock purchases surplus industrial funds. That statement similar to former ones made by the Reichsbank and Funk, pointed out that stock prices had been forced far above the level of profit ability by the chronic liquid character of the German money market because of the natural risks even in the completely controlled economy of private enterprise and the severe tasks still in store for German industry. Even more drastic measures were hinted at in the statement provided the stock traders did not practice self discipline. The recent decree which taxed dividends apparently failed to induce firms to increase their nominal capital by converting reserves. Instead a number of firms have apparently reduced dividends and thrown into the stock market their excess profits.

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BRITISH EMBASSY,  
WASHINGTON.

19th July, 1941.

PERSONAL AND  
SECRET

Dear Mr. Secretary,

I enclose herein for your  
personal and secret information a copy  
of the latest report received from  
London on the military situation.

Believe me,

Dear Mr. Secretary,

Very sincerely yours,

*Harold Butler*

The Honourable  
Henry Morgenthau, Jr.,  
United States Treasury,  
Washington, D.C.

COPY OF TELEGRAM RECEIVED FROM  
LONDON DATED JULY 17th, 1941.

1. Naval. Fifteen aircraft raided Suez Canal area night of July 15th/16th but the Canal is open.
2. During air raid Gibraltar night of July 11th/12th parachute mines were dropped; the mole has been declared dangerous to shipping.
3. British ship 5,000 tons caught fire and sank south of Table Bay on July 13th whilst on passage from Beira. Master suspects sabotage.
4. British submarine off Gulf of Hammamet attacked northbound convoy of five merchant-ships escorted by six torpedo-boats, scored two hits both probably on largest ship, estimated 7,000 tons. Though slightly damaged she sustained heavy counter attack when 116 depth charges were dropped.
5. Royal Air Force. July 16th day; coastal aircraft set on fire 3,500 ton ship off St. Nazaire where reconnaissance aircraft showed ten U-boats in harbour. Three aircraft attacked 6,000 ton tanker with escort of five vessels off Boulogne. They machine-gunned her and scored one hit under the bridge with torpedo.
6. A.M. of July 16th. 36 bomber aircraft raided Rotterdam. Estimated 17 ships ranging from 2,000 to 17,000 tons hit and claimed destroyed. Five ships hit and damaged. Damage also done to docks. Four aircraft missing.
7. Night of July 16th/17th. 156 aircraft despatched to Hamburg railway centre, docks in North Frise - four aircraft missing.
8. Night of July 14th/15th/ Eight Wellingtons made very effective raid Messina.
9. July 15th. Three Blenheims attacked convoy off

Tripoli. Merchant ship estimated at 3,000 tons destroyed by two heavy bombs amidships and another ship of similar tonnage damaged forward by direct hit.

10. Off Libya our fighters patrolling over convoy shot down six Junker 87, two Messerschmidts 109. Two Hurricanes lost.

11. Libya. Barnt. July 14th. Enemy aircraft attacked Siwa causing ten civilian casualties.

12. Military. Accumulating evidence from prisoners of war, captured documents, etc. indicate that Axis forces suffered even more serious blow during operations last month than at first estimated. Not only were casualties among personnel heavy but losses of tanks and particularly mechanical transport have seriously impaired offensive power of German forces in Cyrenaica.

13. Russia. German advance continuing, though in certain areas Russians are resisting strongly.

14. General. Balkans. Service by rail to supply motor spirit from Constanza to Salonika is being arranged. Estimated 5,000 tons per week will be loaded directly into Italian tankers.

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BRITISH EMBASSY,  
WASHINGTON, D.C.

July 19th, 1941.

Personal and Secret.

Dear Mr. Secretary,

\_\_\_\_\_ I enclose herein for your  
personal and secret information a copy  
of the latest report received from  
London on the military situation.

Believe me,

Dear Mr. Secretary,

Very sincerely yours,

*Frank Batten*

The Honourable

Henry Morgenthau, Jr.,

United States Treasury,

Washington, D. C.

Telegram from London dated July 18th.

1. Naval. In addition to Italian tanker Strombo British submarine now reports the sinking between June 30th and July 12th of another tanker, one merchant man, two schooners, and five caiques full of soldiers in Southern Aegean sea.
2. Royal Air Force. Night of July 16th/17th. Royal Air Force scored direct hit on after part of merchant ship about 3500 tons off Bergen, after hold seen on fire. Merchant ship estimated at 5,000 tons in Saint Nazaire roadway, hit or near miss.
3. Daylight July 17th, offensive sweeps and escorted bomber raids made over Northern France. We lost seven fighters, 9 enemy aircraft destroyed, 2 probable.
4. Night of July 17th/July 18th. 80 aircraft sent mainly to Cologne railway centres. All returned. Coastal command aircraft attacked shipping off Saint Nazaire; direct hit reported on 4,000 ton vessel. One aircraft missing.
5. In Mediterranean night of July 15th/16th and following night, 16 Welleleys bombed Benghazi harbour and three swordfish torpedoed tanker estimated at 6,000 tons outside Tripoli (L) harbour.
6. Military. Libya. Tobruk. July 16th, fighting patrol penetrated successfully 6,000 yards into enemy positions, attacking two strong points, inflicting twenty-five casualties. Own casualties very slight.
7. Abyssinia. Attempt by small body of our troops to obtain foot-hold on the summit of Tienleher pass failed in the face of fierce resistance in strength.
8. Russia. Reports indicate that German advance continues in all sectors, particularly in the area east of Lake Peipus and beyond the Dneiper line between Rogachev and Vitebsk. German casualties thought heavy and difficulties being



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encountered on way to the long lines of communication and wear on tanks.

9. Vichy French Air Force. Reported that squadron of six torpedo bomber float-planes has arrived at Dakar from North Africa. At the time of Syrian Armistice Vichy commenced further reinforcements of Dakar area.

RESTRICTED

G-2/2657-220

No. 445 M.I.D., W.D.

12:00 M., July 19, 1941

SITUATION REPORT

I. GERMAN-RUSSIAN FIGHT.

Ground: A Finnish combat group operating north of Lake Ladoga has reached Piteranta, near the old Finnish-Russian frontier. A Russian force of unknown size is surrounded in Sortavala.

The situation in the Leningrad area is not known. Nevel, a town 50 miles northeast of Vitebsk, was captured by a German armored division on July 14th. Smolensk is officially reported by Berlin to have been taken on July 16th. Russian units hold Rogachev.

The situation in the Kiev area is obscure.

Berlin officially claims that Axis troops have forced a crossing of the Dniester River at several points.

Air: No change.

II. GERMAN-BRITISH FIGHT.

Air: Limited activity on both sides.

III. MEDITERRANEAN FIGHT.

Ground: Nothing of importance.

Air: Harassing raids only.

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Paraphrase of Code Cablegram  
Received at the War Department  
at 10:59, July 19, 1941

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London, filed 14:00, July 19, 1941.

1. British Air Activity over the Continent.

a. Night of July 17-18. Upon various target areas were dropped 58 tons of high explosive bombs and 6000 incendiaries.

b. Day of July 18. A total of 590 fighters were employed as follows: 117 on interception patrols, 76 on special patrols, 155 on offensive patrols and 242 in the protection of shipping. A direct hit was reported on a 6000 ton vessel off Gravelines during an attack by 3 Blenheims. 5 Stirlings had to abandon the missions upon which they had been dispatched due to lack of cloud cover.

c. Night of July 18-19. Because of unfavorable weather conditions all operations had to be cancelled.

2. German Air Activity over Britain.

a. Day of July 17. 540 fighters maintained defensive patrols, while 5 long range bombers and 10 reconnaissance aircraft were dispatched against England.

b. Night of July 17-18. 5 reconnaissance aircraft, 80 long range fighters, 10 fighters and 15 mine-laying aircraft were employed. No German aircraft were destroyed by British night fighters during this night. In attacking Hull, German aircraft followed the coast from their French bases to the Hook of Holland and then crossed the North Sea to Hull.

c. Day of July 18. Operations were on a very small scale.

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4. Night of July 18-19. There was slight activity against shipping in the areas of the outer Thames Estuary and Middlesborough.

3. Aircraft Losses Reported.

a. British losses. All three of the Blenheims dispatched on July 18th crashed in the sea, as did one Stirling. One Spitfire was shot down and the pilot lost and two Spitfires were damaged.

b. Axis losses. During the day of July 18th these losses were as follows: 2 Heill's and 1 Me-109 shot down, and 2 Me-109's damaged.

LHE

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