

FOREIGN  
ECONOMIC  
ADMIN

FOREIGN  
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FOREIGN  
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ADMIN

Colonel:

Atebrin is the trade name of a synthetic drug used in the treatment of malaria.

SO.

Atebrin is the only drug which can be produced in large quantities as a substitute in the treatment of malaria.

Ed.T.

↙  
Col. (H. H. Taylor) -  
What is your view  
D.

*Atabrine 10-250*

OFFICE OF STRATEGIC SERVICES

INTEROFFICE MEMO

TO: Colonel Donovan  
FROM: W. O'Meara *W*  
SUBJECT: Atabrin

DATE: March 29, 1943

85

The attached memorandum is, in my opinion, worthy of immediate attention.

Both the PW and the military operations in the Mediterranean area may be seriously jeopardized this summer due to the shortage of possibly atabrin.

The immediate focal point is Greece. It will be necessary for the Joint Chiefs of Staff or the Joint Staff Planners to act within the next few days if the situation is to be alleviated.

Annex "B" contains, as you will note, some rather startling information. Hamilton, who is a M.D., says he has checked his sources thoroughly, but perhaps some further independent investigations should be made before action is taken.

SECRET

*Atebrin 12, 1943*

OFFICE OF STRATEGIC SERVICES

INTEROFFICE MEMO

TO: Colonel Donovan  
FROM: W. O'Meara *WOM*  
SUBJECT: Atebrin

DATE: March 29, 1943

55

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SECRET

**SUBJECT: Proposed Action with respect to Atebrin**

**I. OBJECTIVE:**

A. To supply Greeks with atebria at once in order: (1) to keep health at the present level, which is at the minimum necessary for effective guerilla and subversive resistance against Axis occupation, (2) to reduce the extent of infection among our forces in the event of an invasion.

B. To increase production of atebria in order (1) to continue such shipments, (2) to meet like contingencies such as may arise in the event of an invasion of Sicily, Sardinia, Albania, and certain portions of Italy and the Balkans, (3) to provide for possible increases in military requirements, (4) to provide a margin of production facilities in the event that existing facilities are damaged by sabotage or other means, and are thereby rendered incapable of supplying current military requirements.

**II. SITUATION:**

A. With respect to Greece:

1. Unless shipments of atebria are begun by April 10, and continued, at least 200,000 Greeks will die this summer and 2,500,000 will be infected with malaria and seriously incapacitated. The result will be a serious reduction of Greek resistance and a markedly increased hazard to Allied agents and military forces in the event of invasion.

2. An allotment of atebria to the International Red Cross for Greece was refused because of the allocation of the entire supply to military needs.

3. Release of 480 lbs. of atebria per month (2% of current U.S. production) can be effected only on order of the Joint Chiefs of Staff or the Joint Staff Planners to the War Production Board. Production of atebria can be readily increased to meet this requirement.

The I.G. Farbenindustrie patents are controlled in the United States by Winthrop Chemical Company, Inc., of New York. Forty-nine per cent of the stock of the latter organization is German-owned, and is now held by the Alien Property Custodian in Washington. License to produce atabrin has been issued by Winthrop to only one other pharmaceutical manufacturer, Merck and Company, Inc. Production is limited to these two organizations, their subsidiaries, and several dye manufacturers who supply some of the chemical ingredients. Critical steps in the manufacture are confined largely to the Winthrop laboratory in New York and the Merck laboratory in Elkton, Virginia.

2. Production of atabrin could be increased to meet present and future military and civilian demands by releasing the German patents to other pharmaceutical manufacturers. Several manufacturers have equipment which could almost immediately be adapted to the production of atabrin. Priorities would be needed for a small amount of manufacturing equipment.

### III. RECOMMENDED ACTION:

- A. That this situation be brought to the attention of the Joint Chiefs of Staff with a suggestion that they approve an allocation of 2% of the monthly U.S. atabrin production, beginning March 1, 1943, to Greece, and that the first consignments be made available for shipment on International Red Cross ships by April 10, 1943.
- B. That, if deemed desirable, the Joint Chiefs of Staff, through the War Production Board, request the Alien Property Custodian to release German atabrin patents to all American pharmaceutical manufacturers.

### Enclosures:

Appendix A: The Situation in Greece

Appendix B: Source and Supply of Atabrin

Appendix C: Medical Aspects of Malaria

Appendix D: Reports of Civilian Infection

Appendix E: Comments with Respect to Quinine and Atabrin

Malaria has been endemic in Greece for many years. Prior to the war, the disease was held within moderate limits through quinine medication and control of mosquito breeding. With the exhaustion of the quinine supply and the breakdown of public health mosquito controls, malaria has increased with great rapidity. At this season of the year the mosquitoes which disseminate the disease from person to person are multiplying rapidly. If atabrin medication is not made available immediately, two to three million persons will become victims of the disease this summer. The mortality of untreated malaria patients ranges from 5% to 20%, depending on the health of the population and the virulence of the malaria organism. Since Greek health and nutrition is extremely poor, and since virulent strains of mosquitoes are present in Greece, 200,000 deaths is the least number to be expected this summer. The two to three million victims who do not die will not be in condition to produce or resist.

The International Red Cross is transporting 18,500 tons of food and medical supplies to Greece every month. Several ships are scheduled to leave St. John, Canada, between April 10 and April 25. The British have authorized shipment of atabrin, and the Axis occupation troops have offered no objection to the distribution of food and medical supplies.

The drug atebria was developed in Germany by the I.G. Farbenindustrie. Their subsidiary, Winthrop Chemical Company, Inc. was the sole U.S. source of supply.

After the declaration of war on Germany, the Alien Property Custodian assumed responsibility for the 49% of Winthrop stock which was German owned, and this company undertook to expand its manufacturing facilities. These facilities were increased, in part, by sub-letting portions of the process to its own subsidiaries or to companies related in ownership to Winthrop. Certain dye manufacturers, who would presumably have no interest in the manufacture of pharmaceuticals after the war, were given parts of the manufacturing. After several months of negotiation, Merck and Company were permitted to undertake a part of the production, and their plant at Elkton, Virginia is just now getting into production. No other large pharmaceutical manufacturer has been permitted to use the German patents, although most of them have facilities which could readily be converted to the manufacture of atebria. The Abbott Laboratories and Parke Davis and Company have expressed willingness to produce atebria.

At the present time, essential steps in the production of atebria are largely concentrated in the New York plant of Winthrop, and the Elkton, Virginia plant of Merck. Were these two plants to be destroyed by sabotage or bombing, 90% of United Nations atebria would be cut off, and military operations in malaria-infected areas would not be feasible. These areas include practically all of the world with the exception of the northern states of the U.S., England, France, and Germany.

In 1942, 83,480 pounds of atebria were manufactured. With available and planned Winthrop-Merck facilities, it is estimated that the total U.S. production in 1943 will be 290,000 pounds.

Minimal military, U.S. civilian and Lend-Lease requirements are 117,270 pounds, 12,500 pounds and 184,705 pounds, respectively. (Total 314,475) The Lend-Lease supplies are earmarked specifically for United Nations military use. There is no provision for civilians anywhere in the world, including South America, except for the small U.S. requirement.

ANNEX "C" TO MEMORANDUM ON ATTERRINMEDICAL ASPECTS OF MALARIA

Malaria is an infectious disease which is caused by several species of parasites, the Plasmodia. They live within the red blood corpuscles of man, finally destroying them. The disease has a cyclical character, with peaks of fever and other symptoms occurring every 2-4 days, and corresponding to the destruction of large numbers of red blood cells. The parasite reproduces itself in the blood stream, and the disease continued indefinitely.

Transmission is by mosquitoes belonging to the genus Anopheles. The mosquito acquires the malaria organism by biting an infected human. Within the mosquito's body the organism undergoes a part of its life cycle, and is then transmitted when the mosquito bites another, uninfected, man.

Control of Malaria is effected through elimination of mosquitoes, and/or reduction in the number of infected persons who may be bitten by mosquitoes.

The prevention of malaria in man, by any drug, is still unsatisfactory. Once infected, cure may be effected by administration of quinine or atabrin. Additional drugs are used for certain cases.

ANNEX "D" TO MEMORANDUM ON ATABRIN

MILITARY ASPECTS OF CIVILIAN INFECTION

The probability that a soldier will become infected is proportional to (a) the number of mosquitoes which are able to bite him, and (b) the number of human malaria cases in the theater of operations from which the mosquitoes may obtain malaria organisms.

Mosquito control is a tremendous sanitary job which can only be attacked superficially in time of war. The screening of soldiers in the field from mosquitoes would not be feasible in many types of military operation. Prophylactic administration of small amounts of quinine or atabrin to all personnel in the field affords some protection, but it is no guarantee against infection.

The other available control measure is to reduce the number of civilian cases which transmit infection to the mosquitoes. In Greece, for example, if 50% of the population were infected with malaria, every soldier who was exposed to mosquitoes would risk infection. However, if the civilian incidence were 5%, the proportion of malaria-carrying mosquitoes would be reduced proportionately.

ANNEX "F" TO MEMORANDUM ON MALARIA

POSITION OF THE AXIS WITH RESPECT TO QUININE AND ATEBRIN

The entire world supply of quinine is controlled by Japan. Japanese soldiers carry both quinine and atabrin.

Germany developed atabrin, and almost all of the world's supply prior to the war was manufactured by the I. G. Farbenindustrie. There is no reason to expect a shortage in Germany.

OFFICE OF STRATEGIC SERVICES

INTEROFFICE MEMO

TO: Colonel William J. Donovan  
FROM: Walter O'Meara (WJ)  
SUBJECT: Attached memorandum from Dr. Hamilton

DATE: March 18, 1943

I thought you would be interested in seeing this memorandum from Dr. Hamilton of the Psychological Warfare Staff.

It seems to me that his contribution, though incidental, is pretty important. Note that the Red Cross has acted upon his recommendations.

Attach.

OFFICE OF STRATEGIC SERVICES

INTEROFFICE MEMO

773  
Greece  
Food  
Malaria  
100-871  
March 12, 1946

TO: Walter O'Meara  
FROM: J. A. Hamilton J.H.  
SUBJECT: Food and Malaria in Greece

DATE: March 12, 1946

Two weeks ago, in the course of investigating health conditions in Greece for Mr. Griffin, we uncovered the following:

1. Because of a serious protein shortage in Greece, the International Red Cross representatives in Athens had asked for a substitution of 3,000 tons of fish for 3,000 tons of wheat in their monthly 15,000 ton shipment from Canada. Unfortunately, the fish were not available, and it seemed likely that the Greeks would receive no protein.
2. The International Red Cross was scheduled to receive two tons of bulk atabrine and one ton of quinine. In view of the demands for quinine made by our own armed forces, it seemed unlikely that this drug would be available.

In consideration of the above, the following recommendations were incorporated in a memorandum to Mr. Foy Kohler of the Near East Division of the State Department:

1. Proteins could be supplied in the form of Soy Bean flour. Approximately 2,500 tons of this, mixed with 12,500 tons of wheat would make a bread which would come close to supplying the protein requested in the unobtainable fish.
2. Atabrine, in the form requested, would produce violent nausea, vomiting etc. in most of the malaria cases treated. However, if the atabrine were in the form of tablets coated with a substance which passes intact through the stomach and releases the atabrine in the intestine, 95-98% of all malaria patients could be treated successfully. Unlimited quantities of such tablets are available. Upward revision of the allotment from 2 to 4 tons was recommended.

- 2 -

In the absence of available quinine for patients who are not cured by atabrine, a new preparation, Cotoquina, made from the bark of certain South American trees, was recommended.

Mr. Kohler has just informed me that the above recommendations have been favorably received and are now being acted upon.

**SECRET**

**OFFICE OF STRATEGIC SERVICES**

**INTEROFFICE MEMO**

**TO:** Colonel William J. Donovan

**DATE:** March 15, 1946

**FROM:** Walter O'Meara *WOM*

**SUBJECT:**

The attached plan for "Distribution of Concentrated Vitamins to Subversive Groups in Occupied Countries" has been developed by Dr. Hamilton of the Psychological Warfare Staff. It has been very thoroughly checked with the foremost vitamin experts.

I don't know just how the plan might be implemented, but I think its potentialities are such as to warrant its transmittal to the proper agency.

I am sending you a package of pills which complements Hamilton's memorandum. One-third of this package apparently would provide vitamins for one man for one year!

Attach.

**Distribution of Concentrated Vitamins to Subversive Groups in Occupied Countries**

**I. OBJECTIVE:**

To increase the Physical Stamina and ag passiveness of subversive groups in occupied countries.

**II. SITUATION:**

The following symptoms of vitamin deficiency which are widely prevalent in occupied countries are a serious threat to operational efficiency and will-to-resist: Fatigue, night-convulsions, indigestion, diarrhea, muscle pain and cramps, palpitation, rapid tooth decay, swollen and bleeding gums, and slow wound healing. The following diseases, also widely prevalent, would make a subversive agent thoroughly unfit for action: Beri-beri, Pellagra, Scurvy. The above symptoms would be tolerated and the fully-developed deficiency diseases would be cured or prevented, by administration of a highly concentrated mixture of vitamins.

Ordinary vitamin preparations are 7-15 times as heavy as the essential elements which they contain. It is possible to manufacture a tablet slightly smaller than those contained in the accompanying package, (Annex II), which would supply the vitamin requirements of one man for one week. The proposed tablet will contain: 5,000 units of Vitamin A; 1,000 units of Vitamin D; 4 mg. of Thiamin chloride; 5 mg. of Riboflavin; 80 mg. of Nicotinic Acid Amide; and 150 mg. of Ascorbic acid.

Five and one-third pounds of these tablets would supply the requirements of 1,000 men for one month. The cost is estimated at 2¢ per tablet with an order of 500,000 (\$10,000).

The vitamins recommended are non-toxic unless used in large quantities and are taken at one time. They would not contribute to retention of subversive groups by improving their appearance or body weight. They would effect a marked increase in general health, energy, operational efficiency and will-to-resist.

**III. RECOMMENDED ACTION:**

1. That production of these tablets begin at once with a minimum order of 500,000.
2. That tablets be made available to agents as they are sent into the field.
3. That tablets be dropped from airplanes with other supplies furnished by parachute to agents or subversive groups.
4. That tablets be made available to the public for similar uses.

ANNEX I

ADDITIONAL DATA REGARDING PROPOSAL FOR DISTRIBUTION OF VITAMINS TO  
SUBVERSIVE GROUPS OF OCCUPIED COUNTRIES

I. Preparations Available at the Present Time

Vitamins currently available in the U.S. or England are in the form of:

- (a) pills, capsules or tablets whose weight and bulk are 7-15 times that of the actual vitamin ingredients,
- (b) pure crystalline vitamins which are chemically unstable and which present insuperable problems of distribution.

II. Expert Opinion Regarding Feasibility

Two of the leading medical experts on vitamins in the country were consulted. Dr. Norman Jolliffe is Chief of the Medical-Psychiatric Division, Bellevue Hospital, New York, and a member of the Food and Nutrition Board of the National Research Council. Dr. W. H. Sebrell is Chief of the Division of Chemotherapy of the U.S.P.H.S. These men, through the Food and Nutrition Board of the N.R.C. were responsible for the U.S. Army vitamin formula, and Dr. Jolliffe designed the British Army supplementary vitamin formula.

The formula recommended for OSS was specially designed by Dr. Jolliffe to meet the requirements of a highly concentrated tablet for distribution to subversive agents and groups. Dr. Jolliffe and Dr. Sebrell independently recommended that W. H. McHargue, Manager, Vitamin Products Division of Squibb and Son be consulted regarding the technical development of the tablet.

Mr. McHargue and the chemical and engineering staffs of Squibb and Son were consulted. The principal technical problem involved in the production of the tablet is maintenance of the chemical stability of the vitamins. Squibb has recently marketed a highly-concentrated Vitamin B tablet which utilized a new excipient and a large number of anti-oxidation coatings. They are prepared to use these new developments for the proposed tablet. Further, they state that maximum stability should be achieved by conducting all steps in the preparation of the tablets under an atmosphere of carbon dioxide.

III. Expert Opinion Regarding Need

The heads of the regional desks of the Planning Staff, Commander Hink, Mr. Minifie, Mr. Scofield, and Mr. Griffin are agreed regarding the need for vitamins among subversive groups in their respective areas. Major Boverie has checked with London and learned that such preparations are not available in England. It is his personal opinion that great material and psychological benefit would be derived from the distribution of the proposed tablets, particularly in the Balkans.

SAMPLE PACKAGE FOR DISTRIBUTION OF VITAMINS TO  
SUBVERSIVE GROUPS OF OCCUPIED COUNTRIES

The accompanying package contains 170 tablets. The proposed tablets would be slightly smaller, and it is estimated that this package would hold 180.

The normal maintenance dose would be one pill per week. This package, therefore, would suffice for 18 men for 10 weeks. Instructions could provide for heavier dosage for the treatment of fully-developed deficiency diseases.

File "Food + Nutrition"

X Nutrition  
X Miles Capt. M. S.  
X Chinese  
**SECRET**

May 1, 1949

**FROM:** General Donovan  
**TO:** Lt. Cmdr. Halliwell

I have gone over your memorandum concerning the subject of vitamins, etc.

Relative to the "needs" -

- (1) We will get the man nutrition instructor.
- (2) Certainly we should help on getting out pamphlets either through R & A with the assistance of the instructor, or someone from the outside.

We could also prepare a nutrition course for group leaders which would follow from (1) "Present Intention".

As to (4), I believe that this is a good idea.

(5) I think we should get ready on this at once.

As I told you, I think we should engage M. S. Miles and work out a little team to help. Will you work out the details on this and let me know.

W.J.D.

**SECRET**

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

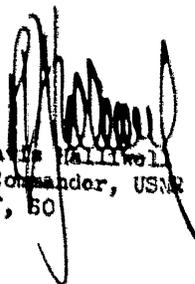
April 23, 1943

MEMORANDUM

To: General William J. Donovan  
From: Lt. Commander R. Davis Halliwell

You will recall that at lunch with Mary you introduced the subject of vitamins, and this stirred up quite a memorandum from him, which, I believe, is reasonably explanatory.

The writer does not have a clear conception of what you have other people working on that might be relevant to this subject, but obviously if their plans have progressed far enough, it might be well for us to arrange for assistants to Mrs. Miles along the lines outlined in Mary's memorandum, copy of which is attached.

  
R. Davis Halliwell  
Lt. Commander, USNR  
Chief, SO

Attachment

RDH:ET

SECRET

Wednesday AM, 9:30, April 21st, 1963

Dear Dave,

A note-- Enn. West is on his way up and I'd like Min to take this back. It appears that the plane won't leave till Fri or Sat AM.

Billy (Mrs. Miles) and I talked all the way up about my food problem. If I want to put U. S. men in the field alongside Sino Troops, we want to emulate us, we must not give our troops any marked advantages over the Sino troops. They must both be physically at approximately the same relative level, that is, they must be super-tops. U. S. men are apt to be better nourished over a long term, than are the Sino boys--especially those who have just finished 5 3/4 years of this mess. Billy knows the food conditions fairly well from first hand, and I have brought her up to date. She is Chairman of the Nutrition Committee of the American Red Cross (District Chapter; I think she should be in the National Chapter), and has nutrition at her fingertips. Besides, that is her business. I have previously asked her if she can assist me in planning to pep up my Chinese troops by feeding.

She feels that with the food they have in China properly prepared and properly watched by my people as to cooking, purchasing, and amounts of various types consumed, the soldiers will be better off than now. I know they need supervision in their nutrition there. China has some good nutrition people--but they are all embroiled in politics, which I can't touch. SO, I am going to start my own classes.

Present Intention:

1. To start training the group leaders of my guerilla bands about food.
2. Assist the leaders to make the ordinary soldier under him conscious of the food he needs.
3. Assist making up the food deficiencies--by concentrated minerals and vitamins where necessary.

Need:

1. A Man nutrition instructor. He should have some medical training--but should be primarily interested in food propoganda and not in research and in medically curing the malnourished (or something). We already have some doctors out there who are interested in the long term research problems, but we aren't interested in that right now.

Note: A man to do this job is hard to find-- I know, and will take time.

2. Immediately, I need assistance from Billy to prepare a small pamphlet or booklet on the proper things for the purpose of instructing the group leaders on what to teach the soldiers. This in Chinese of course.
3. Almost as soon I need a course for some of us laymen to give to the group leaders--sort of an ARC Nutrition course. This in English.
4. Then a flock of folders for the soldiers to LOOK AT (not read necessarily);

-2-

to check off their vitamin and mineral input.

5. A flock of CONCENTRATED vitamin A, B, C, G, Calcium, etc. pills started out to take care of 30,000 men and repair them or pep them up for an advance 6 months from now.

Mrs. Miles can and will prepare the booklets, but will need help:

Clerical: (1 stenographer, part time)

Cartoon like sketches.

Some printing Design work.

Will you see that someone is made available to give her a hand?

She needed time and I told her to get a maid, (comes hell or high water), disregarding cost, to take her mind off her housework.

Thank for the letter West sent— I appreciate the contents of both.

So long and thanx.

MARY

THE JOINT CHIEFS OF STAFF  
OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

*Final 1942*  
*expedited*  
*Committee*  
*P. C.*

MEMORANDUM

*ASW*

FROM: C. W. Barnes (K.E.W.)                      December 9, 1942  
TO: Colonel William J. Donovan  
RE: Directive to the Office of Strategic Services  
from U. S. Joint Chiefs of Staff

Food is a weapon in "total" war. As one of the most potent weapons in psychological warfare, I suggest that the proposed organization of the Psychological Warfare arm take into consideration Executive Order 9280 (7 P. R. 10179) assigning the Secretary of Agriculture "...full responsibility for and control over the Nation's food program." Certainly the Office of Strategic Services should be represented on the Committee required in 7(a) of the Executive Order in order to tie in the food program with the other elements of psychological warfare.

*To Ned Buxton -*

*Tell me*

*your idea on this*

*D*

*Handwritten:*  
+ [unclear]  
x [unclear]  
x [unclear]  
x [unclear]  
x [unclear]

August 29, 1942

Mr. Eugene V. Rostow,  
Department of State,  
Washington, D. C.

My dear Mr. Rostow:

Thank you very much for your letter of August 27. We would certainly wish to consider it seriously. Before having it put up to the Joint Chiefs of Staff Committee on Psychological Warfare, I think it would be well for our office to examine it with you. Accordingly, I am asking Commander Vanderbilt to communicate with you.

Sincerely,

William J. Donovan  
Director

9 June 1946

16 770

1000  
X 207, 20000  
X 20000  
X 20000

**MEMORANDUM**

**TO:** Dr. Langer, R&A  
Mr. Sheperdson, SI  
General Magruder  
Lt. Col. Pfaff, X-2  
Mr. Mowinkel

**FROM:** Secretariat

Attached for your information is a letter to General Donovan from the Bureau of Supplies, Foreign Economic Administration. Will you kindly have the letter brought to the attention of the personnel under your jurisdiction who may have occasion to deal with <sup>WMA</sup> in connection with the materials described in the letter.

A. W. Sulloway  
Chief, Secretariat

AWS:egp

OSS Form 1084b

*AWJ* DATE 6/4/45

TO: Lt. PETERS

Please advise all those in OSS having anything to do with FEA on intelligence matters, concerning exports and export licensing, that Mr. Doty has been appointed their liaison officer.

C.S.C.

*Mr. M  
SI  
Mammal*

*AWJ  
for action - 240*



FROM: \_\_\_\_\_

(32816)

EXT. -

**FOREIGN ECONOMIC ADMINISTRATION**  
WASHINGTON 25, D. C.  
**BUREAU OF SUPPLIES**

General William J. Donovan, Director  
Office of Strategic Services  
25th & E Street, N. W.  
Washington 25, D. C.

JUN 9 1946

Dear General Donovan:

Mr. Edmund S. Doty, Senior Liaison Officer from the Bureau of Supplies, Foreign Economic Administration, to the Division of Economic Security Controls of the State Department, Commercial Intelligence Division of Department of Commerce, Customs Bureau of Treasury Department, and Federal Bureau of Investigation is hereby appointed as Liaison Officer to the Office of Strategic Services, and should be contacted on all work relating to intelligence matters concerning exports and export licensing.

Mr. Doty can be reached by telephone on FEA 2185 or State Department 2379, and is located in Room 1068 Commerce Building. All communications relating to intelligence work being carried on by the Bureau of Supplies, Foreign Economic Administration, should be directed through Mr. Doty.

Sincerely yours,

*A. H. Macfarlane*

A. H. Macfarlane, Chief  
Operations Division  
Requirements & Supply Branch

**BUREAU OF SUPPLIES**

**General William J. Donovan, Director  
Office of Strategic Services  
25th & E Street, N. W.  
Washington 25, D. C.**

**TO: 2 1948**

**Dear General Donovan:**

**Mr. Edmund S. Doty, Senior Liaison Officer from the Bureau of Supplies, Foreign Economic Administration, to the Division of Economic Security Controls of the State Department, Commercial Intelligence Division of Department of Commerce, Customs Bureau of Treasury Department, and Federal Bureau of Investigation is hereby appointed as Liaison Officer to the Office of Strategic Services, and should be contacted on all work relating to intelligence matters concerning exports and export licensing.**

**Mr. Doty can be reached by telephone on FEA 2185 or State Department 2779, and is located in Room 1068 Commerce Building. All communications relating to intelligence work being carried on by the Bureau of Supplies, Foreign Economic Administration, should be directed through Mr. Doty.**

**Sincerely yours,**

**A. H. Macfarlane, Chief  
Operations Division  
Requirements & Supply Branch**

**022**

**7/11 2 12 1948  
DIRECTOR'S OFFICE**

**FOREIGN ECONOMIC ADMINISTRATION**

**BUREAU OF SUPPLIES  
WASHINGTON 25, D. C.**

*STW*

*15892  
S. S. U.  
Robson, Frank*

October 3, 1944

General William J. Donovan, Director  
Office of Strategic Services  
25th & E Street, N. W.  
Washington 25, D. C.

Dear General Donovan:

Mr. Frank Nolan, Senior Liaison Officer from the Bureau of Supplies, Foreign Economic Administration, to the World Trade Intelligence Division of the State Department, Commercial Intelligence Division of Department of Commerce, Customs Bureau of Treasury Department, and Federal Bureau of Investigation is hereby appointed as Liaison Officer to the Office of Strategic Services, and should be contacted on all work relating to intelligence matters concerning exports and export licensing.

Mr. Nolan can be reached by telephone on FEA 2185 or State Department 2379, and is located in Room 1058 Commerce Building. All communications relating to intelligence work being carried on by the Bureau of Supplies, Foreign Economic Administration, should be directed through Mr. Nolan.

Sincerely yours,

A. H. Macfarlane, Chief  
Operations Division  
Requirements & Supply Branch

002

NOV 10 1944

STW

28 July 1944.

14 cc  
LEA  
X T...  
Y...  
C...

Memorandum for Dr. W. Langer

I have gone over the report of Dr. Fahs and Mr. Martin on the Japanese material.

It occurs to me that we might learn something about the changes in the structure of the functioning of Japanese industry since 1941 through sources in Argentina and perhaps Chile and Peru.

Might it not be well to see if J. Walter Thompson's people could obtain that information for us?

William J. Donovan  
Director

SECRET

SECRET

FFA  
X INQUIRY  
X ECON. INT.  
July 21, 1946  
X [unclear]

TO : Dr. W. Langer for Brig. Gen. Wm. J. Donovan

FROM : C. B. Fahg and Edwin M. Martin

SUBJECT: Data on Far Eastern Industry Available from American Business Firms

It is generally agreed that the FEA and its predecessor agencies have taken the lead in securing comprehensive data on Far Eastern industry from American business concerns.

They have secured information by three principal methods:

1. Interviews with persons who have lived, traveled or worked in the Far East.
2. Broadside requests for submittal of documents on Far Eastern industry addressed both to individuals and companies.
3. Detailed examination of company files to secure answers to specific questions.

For the first approach they contracted for the services of the field staff of the Bureau of Foreign and Domestic Commerce; the second has been partly a by-product of the first and partly has been conducted by the American Business Firms Unit of the FEA Economic Intelligence Section; and for the third they contracted for the services of the Economic Warfare Unit of the Dept. of Justice until about a year ago when the contract was transferred by mutual agreement to the SEC.

It seems to be agreed that OWI, MID and OSS have had relatively few direct contacts except for the searches made by all three for pictures and maps; and except for contacts made, after clearing with FEA, to secure detailed answers to specific questions.

The only other major activity in this field is the N. Y. unit of the Dept. of Justice which has produced a voluminous series of reports on U. S. exports of machinery to Japan based on the records seized by the Alien Property Custodian in the U. S. offices of the Japanese trading companies. All the reports of the N. Y. unit of Justice are in the files of OSS.

The most significant product of the FEA program is an Intelligence Source File with about 12,000 listings of persons and U. S. companies, cross-indexed by the area and industry on which they have information and including some background on the individual's activities and a full record of the material he has furnished and the contacts which FEA and its contracting agencies have made with him. Names are being added regularly to this file but I believe there are few well informed persons or companies that are not now listed. This FEA program has been supplemented by the work of the Survey of Foreign Experts whose records have been added to FEA's Intelligence Source File.

The documentary material and the interview records of FEA are of secondary value. Many of the published documents have been returned after being examined by the interested professional personnel at FEA and much of the remainder is not so organized as to permit quick access to the material on a given subject. The interviews tend to be superficial as is inevitable when a person with no special knowledge of the significant gaps asks someone to "tell all they know about Japanese industry." Important details will always be overlooked in such a process.

For these reasons FEA and the other intelligence agencies have made it a practice to re-interview persons indicated by the Intelligence Source File to have knowledge on a subject whenever very specific and detailed data are required. It has also been found useful to go back to the appropriate companies for a file search in each such case.

The OSS has had free access to all the materials collected by FEA and its contractors. They have been used to supplement our own files whenever specific projects were undertaken on which the fullest possible detail was required. The major items of information contained in these records have been made generally available through FEA reports or have been used for the preparation of joint OSS - FEA studies.

There is still some uncertainty on the important question of the extent to which we have had at our command the resources of British Empire companies on Japanese industry. Some special sources have been tapped such as the fire insurance companies, but apart from maps, factory plans, and pictures the British company data has apparently not been combed vigorously for Far Eastern material. Neither American or British fire insurance material on Japanese industrial installations has been exhausted due to the fact that collection of this material is a very tedious process, particularly in Britain, and has been handled by a very small staff in X-2.

My conclusions are that:

1. We know who knows what about the Far East
2. We have access to the material that has been collected.
3. We should continue to rely on special interviews and company visits to get detailed answers to the specific questions which turn out to be really important to operations, permitting FEA and its cooperating agencies with their relatively much larger staffs to continue the broadside search for new sources and contacts.
4. We must seek to get a more thorough exploitation of British resources in this area.
5. We will learn nothing by this means about either changes in the structure or about the functioning of Japanese industry since 1941. This is by far our most pressing need.



11)

**FOREIGN ECONOMIC ADMINISTRATION**

OFFICE OF THE ADMINISTRATOR  
WASHINGTON 25, D. C.

FEB 20 1945

Brigadier General William J. Donovan  
Director, Office of Strategic Services  
Washington, D. C.

Dear General Donovan:

I refer to an exchange of correspondence between you and me, dated June 27 and July 1, 1944, concerning the interest that the Foreign Economic Administration has in facts relating to German plans to frustrate anticipated Allied economic controls over Germany. As you know, Mr. Samuel Klaus, then serving as a consultant to the Foreign Economic Administration in this matter, was enabled to obtain the close and friendly cooperation of members of your staff here and abroad in his European survey trip. I take this opportunity to express to you my deep appreciation of these courtesies.

On September 29, 1944, the President sent me a letter setting out the major policies to be pursued by my Administration hereafter. The seventh of these was:

"7. Control of the War-Making Power of Germany. You have been making studies from the economic standpoint of what should be done after the surrender of Germany to control its power and capacity to make war in the future. This work must be accelerated, and under the guidance of the Department of State you should furnish assistance in work and when requested to do so in personnel by making available specialists to work with the military authorities, the Foreign Service, and such other American agencies and officials as participate with the United Nations in seeing to it that Germany does not become a menace again to succeeding generations."

Acting under the broad powers of this Administration and under the President's letter of September 29, 1944, an Enemy Branch has been set up by me in this Administration, whose Acting Director is Mr. Henry H. Fowler. This Branch is concerned with the control of Germany's war-making powers, both within and outside of Germany. The

2--Brigadier General William J. Donovan

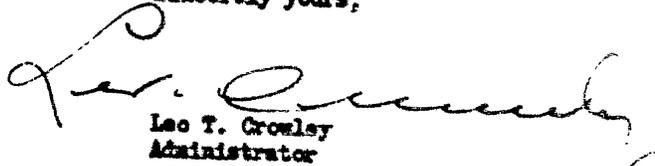
work of the Enemy Branch is one of the major functions of this Administration.

It is, in our view, of the utmost importance that accurate intelligence in an adequate and continuing supply be obtained from within Germany at the earliest possible stages, as well as from neutral countries, on all German plans and activities along economic lines looking toward the frustration of our victory.

I understand that your Office has been designated by the Joint Chiefs of Staff to obtain some of the very types of intelligence which we need. I am convinced that your field organization can be of great assistance to this Administration in the proper execution of the direction of the President and the functions of this Administration with respect to the control of Germany's war-making powers. I am wondering, therefore, whether you will undertake the task of supplying to my Administration the intelligence which it needs along the lines I have indicated.

I would appreciate it if you would receive Mr. Henry H. Fowler so that he may explain our needs to you in further detail and explore with you the question of your cooperation with us.

Sincerely yours,

  
Leo T. Crowley  
Administrator

FOREIGN ECONOMIC ADMINISTRATION  
OFFICE OF THE ADMINISTRATOR  
WASHINGTON 25, D. C.

FEB 20 1945

Brigadier General William J. Donovan  
Director, Office of Strategic Services  
Washington, D. C.

Dear General Donovan:

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Acting under the broad powers of this Administration and under the President's letter of September 29, 1944, an Army Branch has been set up by me in this Administration, whose Acting Director is Dr. Henry S. Fowler. This Branch is concerned with the control of Germany's war-making power, both within and outside of Germany. The

2-Brigadier General William J. Donovan

work of the Army Branch is one of the major functions of this Administration.

It is, in our view, of the utmost importance that accurate intelligence in an adequate and continuing supply be obtained from within Germany at the earliest possible stages, as well as from neutral countries, on all German plans and activities along economic lines leading toward the frustration of our victory.

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Sincerely yours,

Leo T. Crowley  
Administrator

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C/78 13



1 July 1944

Mr. Lee T. Crowley  
Administrator  
Foreign Economic Administration  
Washington 25, D. C.

My dear Mr. Crowley:

In General Donovan's absence I am replying to your letter of 27 June addressed to him. As you undoubtedly know, members of the staff of this organization have for a long time cooperated closely with members of the staff of the Foreign Economic Administration. I am confident that, with respect to the new set of problems confronting your agency, it will be possible for the same cooperation to be effected.

May I suggest that you ask Mr. Ben W. Lewis, Adviser on Economic Organization in the Office of Economic Programs, to get in touch with Mr. Edward S. Mason and Mr. Emile Despres of this agency. Mr. Mason and Mr. Despres are the senior members of the economic staff in our Research and Analysis Branch, and I am sure that you will find them competent to discuss these problems intelligently.

Sincerely yours,

G. Edward Buxton  
Acting Director

**CONFIDENTIAL**

**OFFICE OF STRATEGIC SERVICES**

**INTEROFFICE MEMO**

SECRETARIAT

13 6/28

OFFICE OF JUNE 1942

**TO: Major J. J. Monigan**  
**FROM: William L. Langer**  
**SUBJECT: Letter 27 June from FEA**

OSS

As requested in your memorandum of 26 June, I have drafted and attach hereto a proposed reply to above noted letter for Colonel Buxton's signature. The original letter from Mr. Crowley of FEA is returned herewith.

*William L. Langer*  
William L. Langer  
Chief, Research and  
Analysis Branch

**FOREIGN ECONOMIC ADMINISTRATION**  
OFFICE OF THE ADMINISTRATOR  
WASHINGTON 25, D. C.

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*JUN 21 1944*

**Brig. Gen. William J. Donovan**  
Director  
Office of Strategic Services  
Washington, D. C.

My dear General Donovan:

The Foreign Economic Administration is engaged in a fact survey of transfers of Axis enterprises and other assets to neutral countries made to remove such property from anticipated Allied controls following the Armistice. The factual data yielded by this survey should be of value both in the performance of the various economic functions of this Administration during the war, and also in the discharge of our responsibilities in the post-hostilities period. The representations made by this Government to neutral states against the rendering of aid to the enemy during this war and the announced position of this Government with reference to the provision by neutral states of sanctuary for war criminals would require us to be at least as firm in our insistence that such claims as we may have against Axis property and such steps as we may take effectually to reduce the economic and military potential of the enemy are not to be thwarted through any device by which the enemy may seek safe haven in other countries.

Mr. Don W. Lewis, Adviser on Economic Organization in the Office of Economic Programs, is most actively concerned with this survey for the Administration. The Foreign Economic Administration has been assured the cooperation of the Treasury Department. Since this survey cannot be successful without the benefit of current information from within enemy and enemy-occupied countries and will require preliminary discussion with the United States Government personnel concerned with those countries, here as well as abroad, we should like greatly to have the cooperation of your Office. The survey, if successful, should yield data useful to this Government in all of its programs for dealing with the enemy. It would be appreciated, therefore, if you would designate someone with whom we can discuss this problem further.

*ST 8 15*

Sincerely yours,

**Leo T. Crowley**  
Administrator

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24 June 1944

Mr. Leo T. Crowley, Administrator,  
Office of the Administrator,  
Foreign Economic Administration,  
Washington 25, D. C.

Dear Mr. Crowley:

Thank you for your letter of 22 June 1944 addressed to General Donovan, concerning the appointment of Miss E. M. Frew.

I have informed the personnel of this agency that all intelligence transmitted to the Foreign Economic Administration will be directed to Miss Frew.

Very truly yours,

G. Edward Duxton,  
Acting Director.

*J. G. A.* *14.6.44*  
*...*

**FOREIGN ECONOMIC ADMINISTRATION**  
**OFFICE OF THE ADMINISTRATOR**  
**WASHINGTON 25, D. C.**

**JUN 22 1944**

Brig. Gen. William J. Donovan, Director  
Office of Strategic Services  
25th and E Streets, N. W.  
Washington 25, D. C.

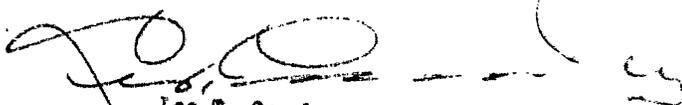
Dear General Donovan:

For some time Miss E. M. Frew has been serving in a temporary capacity as Foreign Economic Administration liaison with the Office of Strategic Services. Contrary to the situation existing at the time of her selection, we are now in a position to consider a permanent liaison arrangement. Accordingly, I should like to designate Miss Frew officially for that position.

All our requests for intelligence from OSS will be furnished through her office, and we should be much obliged to you if you would issue instructions that all intelligence transmitted by OSS to our Administration is to be sent through her office.

We are glad to have this opportunity to offer you our thanks for the many courtesies extended to Miss Frew and to renew the expression of our deep appreciation of the many services rendered to FEA by your organization.

Sincerely yours,



Leo T. Crowley  
Administrator

JUN 27 1944

Brig. Gen. William J. Donovan, Director  
Office of Strategic Services  
16th and B Streets, N. W.  
Washington 25, D. C.

Dear General Donovan:

For some time Miss M. H. Frew has been serving in a temporary capacity as Foreign Economic Administration liaison with the Office of Strategic Services. Contrary to the situation existing at the time of her selection, we are now in a position to consider a permanent liaison arrangement. Accordingly, I should like to designate Miss Frew officially for that position.

All our requests for intelligence from OSS will be funneled through her office, and we should be much obliged to you if you would issue instructions that all intelligence transmitted by OSS to our Administration is to be sent through her office.

We are glad to have this opportunity to offer you our thanks for the many courtesies extended to Miss Frew and to renew the expression of our deep appreciation of the many services rendered to FEA by your organization.

Sincerely yours,

(Signed: Leo T. Crowley)

Leo T. Crowley  
Administrator



*L. J. B. May 1944*  
*1000 Appraisal Dept. Bureau*

24 May 1944

War Agencies Employees Protective Association  
c/o Office of Foreign Economic Administration  
315 Bond Street, N.W.  
Washington, D. C.

Attn: Mr. HARRY E. DEBBE,  
Secretary-Treasurer

Gentlemen:

The Office of Strategic Services desires to become a member agency of the War Agencies Employees Protective Association in order that the group life insurance underwritten by the Equitable Life Assurance Society of the United States may be available to all of its eligible employees.

It is requested that the master contract be amended to include the Office of Strategic Services as a member agency.

Sincerely yours,

G. Edward Buxton  
Acting Director

cc: Col. Buxton  
Col. Doering - Maj. Lee  
Col. Rehn  
Mr. Howland

ASMPTR:NECKMAN

FOREIGN ECONOMIC ADMINISTRATION  
CLEARING OFFICE FOR FOREIGN ACCOUNTS AND REPORTS  
WASHINGTON 25, D. C.

JUL 9 1944

Brig. General William J. Donovan  
Director, Office of Strategic Services  
Executive Office of the President  
Washington, D. C.

Dear General Donovan:

This is to acknowledge your letter of June 16, 1944, in which you gave the Clearing Office information which we have requested by letter. In view of a special type of foreign activity conducted by your agency, it will be necessary for an official of the Clearing Office to discuss the reporting forms and procedures which we issue in order that you may determine which phases may be reported currently and which phases will have to be maintained in the same manner within your agency for security purpose until close of hostilities.

As suggested by your letter, we will make future contacts with your Mr. Mayo on Clearing Office procedures.

Very truly yours,



Roger Hyatt  
Director

copy sent to Mayo

**FOREIGN ECONOMIC ADMINISTRATION**  
**CLEARING OFFICE FOR FOREIGN ACCOUNTS AND REPORTS**  
**WASHINGTON 25, D. C.**

JUL 2 - 1944

**Brig. General William J. Donovan**  
**Director, Office of Strategic Services**  
**Executive Office of the President**  
**Washington, D. C.**

**Dear General Donovan:**

This is to acknowledge your letter of June 16, 1944, in which you gave the Clearing Office information which we have requested by letter. In view of a special type of foreign activity conducted by your agency, it will be necessary for an official of the Clearing Office to discuss the reporting forms and procedures which we issue in order that you may determine which phases may be reported currently and which phases will have to be maintained in the same manner within your agency for security purpose until close of hostilities.

As suggested by your letter, we will make future contacts with your Mr. Mayo on Clearing Office procedures.

Very truly yours,



**Roger Hyatt**  
**Director**

copy sent to Mayo

19 June 1944

Mr. Roger Hyatt, Director,  
Clearing Office for Foreign  
Accounts and Reports,  
Foreign Economic Administration,  
Washington, D. C.

Dear Mr. Hyatt:

Reference is made to your recent letter requesting certain information regarding the appointment of a liaison officer to the "Clearing Office of Foreign Accounts and Reports", a brief description of the foreign activity conducted by this agency and the reporting forms and procedures summarizing this foreign activity.

I shall treat these in the order mentioned:

(a) As liaison officer to the Clearing Office, I have designated Winthrop M. Mayo, Chief, Procurement and Supply Branch, Office of Strategic Services, 25th and K Streets, N. W., Room 200, North Building, Executive 6100, Extension 788.

(b) The foreign activity conducted by this agency is restricted to the operation of such special services as may be directed by the United States Joint Chiefs of Staff pursuant to Military Order of the President, June 13, 1942.

(c) As this agency is not a lend lease procuring agency and has no lend lease funds, whatever lend lease complexion our transactions may assume arises by agreement between the War Department and the Office of Strategic Services. Under this agreement, the Office of Strategic Services is designated and acts as a procuring agent for the War Department on non-standard equipment. All reporting is reflected and included in the lend lease accounting procedures of the War Department. At the present time, this agency is preparing forms for rendering reports to the War Department covering transfers of equipment in the field, which transfers will encompass both lend lease and reciprocal assistance. When these

- 2 -

forms are available, we shall be glad to forward samples if you feel that they will be helpful in developing over-all reporting.

I trust that the foregoing may be of some informational value to you in accomplishing the objectives set forth in the President's letter of April 7, 1944.

Very truly yours,

William J. Donovan,  
Director

AWS:mr

OSI FORM 8501A

Date: 8 June 1964

To: Lt. Chamberlain

Quinn:

Could you check to see how  
we stand on this one?

*DCJ*  
D. C.A.

Office of the Secretariat

(9139)

FOREIGN ECONOMIC ADMINISTRATION  
WASHINGTON 25, D. C.

CLEARING OFFICE FOR FOREIGN ACCOUNTS AND REPORTS

Brig. Gen. William J. Donovan  
Director  
Office of Strategic Services  
Washington, D. C.

MAR 16 1944

Dear General Donovan:

During the latter part of 1943, a preliminary survey was made covering the foreign activities of various agencies by an Interdepartmental Committee which culminated in the Committee's Report, "Recording and Reporting of Lend-Lease Transactions and Government Expenditures Abroad," submitted to the Senate Appropriations Committee on March 11, 1944, by the Director of the Bureau of the Budget.

The Interdepartmental Committee recommended:

- "(1) That early action be taken in designating an agency as a clearing house for all records and reports concerning international transactions, and
- (2) That each agency involved in international transactions designate a liaison office for contact with the clearing house."

With respect to the first recommendation, the President directed a letter to the Administrator of the Foreign Economic Administration on April 7, 1944, requesting him to establish, in collaboration with other agencies involved, such a clearing house in the Foreign Economic Administration. The clearing house has been established and is to be known as the "Clearing Office for Foreign Accounts and Reports." In order that the Clearing Office may perform the functions set forth in the President's letter it is essential that all agencies having transactions in foreign countries designate a liaison officer to the Clearing Office, as recommended by the Interdepartmental Committee. May we ask you to name such liaison officer? It would be appreciated if, when advising us of the person assigned, his official title, address, room and telephone number be given. It would be helpful if you could make the designation suggested as soon as may be possible. It would be appreciated if you would also include a brief but concise paragraph describing the type of foreign activity conducted by your agency.

- 2 -

In order to carry out the President's instructions, it will be necessary for the Clearing Office to make certain surveys of reporting forms and procedures covering foreign activities. Your agency can assist materially by making available through the designated liaison officer the following items prior to June 1.

- (a) Classifications used in developing accounting and reporting information covering foreign and Lead-Lease transactions, if any, specifically, country, commodity, character or purpose, and objective classifications and codes.
- (b) Copy of each report for the period July 1, 1943 to March 31, 1944 received from or covering financial transactions of each foreign office or activity showing current and cumulative figures, if possible.
- (c) Copy of each agency financial report, for the same period covering Lead-Lease or other foreign activity showing current and cumulative figures, if possible.
- (d) Copy of each agency statistical report for the same period covering Lead-Lease or other foreign activity showing current and cumulative figures, if possible.
- (e) Copies of any procedures or other exhibits which would be helpful or useful to the Clearing Office in developing over-all reporting.

For your information, there is attached a copy of the President's letter of April 7. Your cooperation in facilitating the work of the Clearing Office will be appreciated. For your convenience the afore-mentioned material should be sent to Room 1011, Gas Light Building, 11th and H Streets, N. W. For information, please call FEA--Extension 2746.

Very truly yours,



Roger Hyatt  
Director

Attachment

Date 10 March 1944  
 To: ~~General Banerji~~  
 Attached is excerpt of cable  
 #1000 to American Embassy,  
 London, in accordance with  
 your request.  
  
 A. W. S.  
  
 Office of the Secretariat  
 HED 1000, LU  
  
 (9139)

PEA 14,867  
RESTRICTED

X OSS  
X Webster  
X British  
X State Dept  
3/11/44

EXCERPT OF CABLE #1589 TO AMERICAN EMBASSY, LONDON DATED 3/11/44

OSS has sent the following cable to its people. This repeat is for your information.

1. Conversations have here resulted in the following agreement of principles concurred in by Reed and Riefler to guide the effectuation in detail in London of FEA - OSS relations with each other, with CA planners, and with British.
2. Reed Mission is responsible for overall FEA policy and administration, including supply and requirements operations on Liberated Areas.
3. Economic Warfare Division under Riefler will remain London and of FEA Special Areas with corresponding responsibilities. It will continue sole channel to MEW for all American groups as at present, and will undertake to service Reed Office and OSS.
4. OSS will organize economic political geographic staff at Brook Street modeled on R&A Washington to handle CA work in full and free collaboration with FEA staff as now done here.
5. R & A will undertake to service the FEA staff vis a vis PWE in same manner as EWD will do vis a vis MEW. Hillaring will be asked to suggest to McSherry that he organize (carole) under CA chairmanship an American inter-agency committee like CAD Editorial Committee to provide for coordinated work as here. Army, Embassy (political), FEA and OSS (R&A) will be suggested initial representation.
6. FEA is sending Allan Rosenberg on quick mission to initiate LA London staff, to review situation, and to arrange with Despres and others as many details of collaboration as possible.

STETTINIUS (acting)

RESTRICTED



~~CONF~~

SECRET

21 February 1944

**MEMORANDUM**

**TO:** James M. Landis

**FROM:** S. B. L. Penrose, Jr.  
Executive Officer, SI, OSSC

**SUBJECT:** General Plan for OSS-FEA Cooperation in W.E.

**I. Objectives**

1. To secure through American channels important economic and political intelligence from selected strategic areas such as borders, ports of entry and exit, lines of communication and other sections of particular economic significance.
2. To provide secure transmission of the information acquired to those agencies which can make use of it in the determination of American policy.

**II. Conditions****A. General**

1. This plan of collaboration will be approved and implemented only by the Director of FEA in Cairo and such personal representative as he may appoint. It should not be revealed to FEA Washington or become generally known in FEA Cairo.
  - a. Generally speaking, training in security procedures is not sufficiently thorough in most governmental agencies to protect the identities and operations of undercover intelligence agents.
2. OSS will recruit and train in intelligence methods the agents who will be used to attain the objectives listed above.
3. FEA in Cairo will "employ" these specially selected men and train them in the duties of FEA field representatives.
4. FEA will dispatch the agents to designated stations where they will operate openly as FEA observers.
5. OSS will establish secure means of communication between field agents and OSS Cairo.
6. OSS Cairo will process intelligence received from the field and transmit it without delay to FEA Cairo.

SECRET

- 2 -

SECRET

7. FEA Cairo will establish machinery in its own office to guarantee the security of field agents and any classified material they may produce.

#### B. Specific

1. OSS will pay all expenses in connection with the operations, including salaries, transportation, and field allowances for travel, per diem, communications and "strategic services."
2. While in Cairo the agents will work entirely in FEA offices with a minimum of contact with OSS.
  - a. Ordinary employees of FEA, as well as interested outsiders, must not be allowed to learn of their colleagues' connection with OSS.
3. OSS will be informed when the agents leave for their field posts, and will assist, if necessary, in securing transportation.

### III. Methods

#### A. Observation Posts

1. FEA observers will be sent to points from which, in the joint opinion of FEA and OSS, strategic intelligence is wanted. The following list is not comprehensive but represents certain obviously desirable locations.
  - a. Aleppo, Syria. This is an important transfer point for railroad traffic between Turkey, Iraq, Syria and points south. It is also a base from which illicit transborder traffic may be put under observation.
  - b. Damascus, Syria. The capital and most important city of Syria. Center of commerce, jumping off place for trans-desert traffic.
  - c. Deir es Zor, Syria. A highway junction, the major crossing point of the Euphrates on a main artery of traffic to north Iraq; it is also the key to the rich Jezira agricultural district. It is a base for observing the prevalent heavy smuggling of goods between Iraq and Syria.
  - d. Mosul, Iraq. A control point for activities in the Turco-Iraqi-Persian border triangle, giving access to the Sinjar area, Kurdistan and the oil district.

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- 3 -

SECRET

- e. Baghdad, Iraq. The capital and practical center of all Iraqi government activities.
- f. Basra, Iraq. Major Persian Gulf port, control point for shipping in the entire area, including the Persian and Saudi Arabian ports as well as the "independent" emirates of Kuwait and Bahrain.
- g. Jidda, Arabia. Main west coast port of entry to Saudi Arabia, channel of communication with Saudi government, CASOC and other commercial interests.
- h. Jerusalem, Palestine. Center of Palestine government activities, etc., etc. Transborder developments between Transjordan and Palestine and Egypt can be covered from this base.
- i. No mention has been made of operations in Turkey or Iran, both of which are important and should be considered. Each presents a somewhat specialized case. OSS would be pleased to extend its coverage in both countries through FEA collaboration.

#### B. Nature of Operations

- 1. Operations at the selected posts will be in accord with instructions from both FEA and OSS.
  - a. For purposes of cover and in accord with the needs of FEA, certain open directives and requests for non-secret information will be provided by FEA to the agent.
    - 1. A fair proportion of the agent's time must be regularly and seriously devoted to fulfilling these directives.
  - b. Requests for classified\* intelligence from FEA and OSS will be sent to the agent through OSS channels.
  - c. All FEA and OSS directives, open or secret, will be cleared through the FEA-OSS liaison officer who will be in direct contact with the OSS desk in charge of the agents' operations.
    - 1. This will obviate the possibility of conflicting orders reaching the agent simultaneously from the two offices.

\*The term "classified" is used throughout as meaning "secret, confidential or restricted."

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- 4 -

**SECRET**

2. Under FEA cover the agents will establish networks of informants and subources who can provide intelligence of an economic and political nature.
3. Agents will be a part of the OSS field organization already established in the area to which they are assigned. The existing organization will give them all possible help and will provide additional information from its own sources.
  - a. Every effort will be made to preserve the FEA cover, and all OSS field men will be instructed accordingly.

#### C. Communications

1. Unclassified written reports will be transmitted via the diplomatic pouch direct to FEA Cairo.
2. Classified written reports will be handed or sent securely to the nearest chief representative of OSS who will forward them via diplomatic or army pouch to OSS Cairo, where they will be processed and disseminated to FEA and any other properly interested agencies.
3. Urgent classified material will be ciphered in the agent's personal system, handed to the nearest OSS chief representative and transmitted by cable or wireless to OSS Cairo. There it will be deciphered and dissemination will be made as in 2 above.
  - a. It is desirable that communications independent of diplomatic channels be developed for reasons of security. If clearance for setting up such a system can be obtained, OSS is prepared to establish its own secret radio network which would provide direct communication in cipher to Cairo. OSS would provide transmitters and operators, but the latter would have to accompany the FEA-OSS agent as assistant or clerk under FEA cover.
  - b. Such a system would obviate routing messages through consulates and legations or through OSS chief representatives in touch with them. A consequent improvement in speed of transmission and in security would result.

#### IV. Recommendations

- A. The above plan should be worked over at the earliest possible date in order to fit it to the requirements of FEA and OSS.
- B. The resultant plan should be given speedy approval in order to

**SECRET**

- 5 -

SECRET

eliminate undue loss of time in recruiting, training and transporting the field agents.

1. It may be estimated that three months will be required to produce the trained agent in Cairo after recruiting in the U.S. Some trained agents are already available and can be turned over to FEA as soon as they can be brought to Cairo.
2. Approval in principal is sufficient to permit OSS to start the preliminary machinery. The working out of final details can proceed more slowly.

SECRET

Dear Jimmie:

I was very much pleased on receiving your letter from London, and now upon thinking the situation over more calmly, I certainly agree with the point you made concerning the wisdom behind our both having a three month's cooling-off period.

The possibilities of your original idea of arranging a marriage between Landis' office and the Cairo OSS office have blossomed out to the point where it is now obvious that a rather spectacular contribution is in sight. Everyone out here, including the original skeptics, are now enthusiastic, and there is every assurance that the plan will succeed. Everyone has jumped on the bandwagon and wants to be in on the benefits. Arrangements have now reached the stage where the next move is up to OSS. As soon as we provide persons for the various spots that have been agreed upon things can start.

Landis has naturally been anxious about the risks of having OSS people under FEA cover all over his system. Although he is satisfied with the present plan any conflict or even lack of solidity in the OSS ranks would immediately shy him off. He realizes that ~~he is~~ he is taking all of the risk so far the benefits to him have barely started.

Landis came back from Washington with greatly increased powers. Confidentially, he is the representative, in the Middle East and the Balkans, of the President as well as Cordell Hull and Leo Crowley. He still has the status of Minister and is executive head of the U.S. Commercial Corporation (a kind of Middle East R.F.C.). He is now, by all odds, the most powerful American in this section of the world; and some of the British tell me that when he is wearing all his hats at the same time he has, in their opinion, more power than the British Minister of State (Lord Moyne).

to agree to the proposed cooperative system between FEA and OSS, a copy of which I am also enclosing. Stephen Penrose is carrying the ball for Toulmin in cooperation with Turner Smith and Frank Wiener (the head of the reporting board), while Mr. Thomas Wilson on the Balkan side and Kermit Roosevelt on the Middle East side are carrying the ball for FEA under my general supervision. The details were nailed down Friday night (March 10) at a dinner party which Mr. Landis and I gave for the interested parties.

Major Keep, at my suggestion, has made a security survey of Landis' office and we are setting up, in accordance with his recommendations, a security system strong enough to justify the almost complete exchange of mutually valuable information.

My own administrative duties have become exceedingly heavy due to the fact that Mr. Landis has turned over to me as his executive assistant the job of reorganizing and managing the office---a job which has become increasingly time-consuming since his return about a month ago. We have gone about as far as one can in allocating the many functions of the office among the present small staff, and we have finally come to the point where no further material progress will be made until we can obtain substantial additions in personnel. I am enclosing for your information a copy of our organization chart.

Both the State Department and FEA have been most negligent in sending us requested personnel and unfortunately many of those who have been sent are of rather low-grade.

Landis has asked me to return to Washington at the end of this month for the purpose of recruiting about 200 people and taking care of the necessary details incident to dispatching them to Cairo. He would certainly be most grateful for anything you could do to help in such a recruiting program. Many of the

memoranda which are in course of preparation, copies of which I will send to you. The present plan is to have me return to Washington at the end of this month, take whatever time is necessary for the above-mentioned job, and then return to Cairo as soon as it is completed and fit the persons chosen into the organization.

Your statement that you might soon be coming out to Cairo is a most welcome one. Turner Smith is doing a good job. You will be very much interested in certain information which I feel it would be impolitic to put on paper.

Your kind remark about my promotion was much appreciated. A promotion will not only mean much to me personally but it can be of substantial aid to me in my work. I am so badly outranked that it has been necessary for me to wear civilian clothes even in circumstances when an Army uniform would have been of great assistance. For example, last week I went down to Jidda in Saudi Arabia to deliver 7 million dollars' worth of silver to the Arabian Government. Despite the fact that in Arabia it is much easier to carry on negotiations while in uniform, I was forced to wear civilian clothes in order not to be outranked by my juniors in the Mission.

You are going to be astonished when I show you the costume that King Ibn Saud sent me after the presentation. It is a yellow camel's hair robe with gold trimmings. Included with it is the gold headdress worn by the members of the King's family and a beautiful Cashmere shawl. The shawl is worn over the head and is held in place by the gold headdress. I wore it the other

amusement. Ever since they have regarded Minister Landis as one of my minor assistants. Please refer to me in the future as "Mustafa Neore Pasha" ;

Governor Lahan is arriving within a few days so it looks as though for the next week we will be all tied up in knots without much office-work accomplished. We are hoping to iron out the present rather touchy jurisdictional situation that exists between UNRRA and our Balkan Supply Center.

This coming Sunday, King Farouk, has asked General Giles (the new Theater Commander) and me to go duck shooting with him. He has a wonderful marsh down near Lake Karun, and if we are at all lucky we should get a lot of ducks. The Egyptian ducks are now on their northern migration to Germany and Commander Atif, the King's Aid-de-Camp, and I decided last night that we were going to try to shoot enough ducks to cause a major food shortage in Germany.

*Jimmy, Bob just got his flying orders so I must get this up to you in the present rough state.*

*Dan*

Enclosures 2 or 3 ??

GSS FORM 2001a

Date Feb. 1944.

To: Col. Euxton.

A copy of the attached is being sent to Dr. Langer, to whom the original inquiry from Mr. Crowley was referred for the drafting of a reply.



*A. Barre*  
A. Barre.

Office of the Secretariat

(913)

FOREIGN ECONOMIC ADMINISTRATION  
OFFICE OF THE ADMINISTRATOR  
WASHINGTON 25, D. C.

FEB 3 1944

Mr. G. Edward Duxton  
Acting Director  
Office of Strategic Services  
Washington, D. C.

Dear Mr. Duxton:

Thank you for your letter of 21 January 1944, with reference to the list of American business men residing abroad, which is being set up by the Foreign Economic Administration.

The information in your letter has been passed on to Mr. Atwood of our Intelligence Section, who will secure the material desired from the files of the Survey in New York.

Sincerely yours,



Lee T. Crowley,  
Administrator

RECEIVED  
FEB 3 1944

21 January 1944.

Mr. Leo T. Crowley, Administrator,  
Foreign Economic Administration,  
Washington, 25, D. C.

My dear Mr. Crowley:

As a result of your letter of 4 January 1944, I have discussed with Dr. William L. Langer, the Chief of the Research and Analysis Branch of our organization, the question of what material we have which would assist your Intelligence Section in compiling a list of American businessmen residing abroad. Dr. Langer informs me that our only information on that subject is in the files of the Survey of Foreign Experts in New York, a joint enterprise in which FEA and OSS are collaborating.

I think, therefore, that Mr. Howard, Chief of your Intelligence Section, will probably be able to secure the desired information from the files of the Survey. If this does not prove to be the case, however, please let us know of any other assistance which we can render.

Very sincerely yours,

G. Edward Buxton,  
Acting Director.

JAN 4 1948

Brig. Gen. William J. Donovan  
Director  
Office of Strategic Services  
25th and K Streets, N. W.  
Washington, D. C.

Dear General Donovan:

Our Intelligence Section is engaged in compiling a list of American businessmen residing abroad, and I am informed that your Office has collected considerable material of this sort.

I would greatly appreciate it if this material could be made available to Mr. Franklin B. Atwood, Chief, Intelligence Section of the Foreign Economic Administration. Would it be possible for you to designate someone on your staff with whom Mr. Atwood could work and consult?

Sincerely yours,

Leo G. Groves  
Administrator

RECEIVED  
JAN 10 1948  
OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

RECEIVED  
JAN 10 1948  
INTELLIGENCE SECTION  
FOREIGN ECONOMIC ADMINISTRATION  
WASHINGTON, D. C.

*Foreign Economic Administration*  
**FOREIGN ECONOMIC ADMINISTRATION**  
OFFICE OF THE ADMINISTRATOR  
WASHINGTON 25, D. C.

JAN 4 1944

Brig. Gen. William J. Donovan  
Director  
Office of Strategic Services  
25th and E Streets, N. W.  
Washington, D. C.

Dear General Donovan:

Our Intelligence Section is engaged in compiling a list of American businessmen residing abroad, and I am informed that your Office has collected considerable material of this sort.

I would greatly appreciate it if this material could be made available to Mr. Franklin B. Atwood, Chief, Intelligence Section of the Foreign Economic Administration. Would it be possible for you to designate someone on your staff with whom Mr. Atwood could work and consult?

Sincerely yours,

*Leo T. Crowley*  
Leo T. Crowley  
Administrator

*Copy sent Dr. Langer  
1/7/44*

October 23, 1962

Mr. Cass Canfield,  
Chief, Blockade and Supply Branch,  
Board of Economic Warfare,  
Washington, D.C.

Dear Mr. Canfield:

✓ Thank you for your note.

I am sorry you cannot be at the meeting, but I will  
be very glad to have Mr. Fath with us.

Sincerely,

William J. Donovan  
Director

13 F W 8725  
\* Canfield, Cass

BOARD OF ECONOMIC WARFARE  
ECONOMIC DEFENSE BOARD  
WASHINGTON, D. C.

October 27, 1942

Colonel William J. Donovan, Director  
Office of Strategic Services  
1901 Constitution Ave., N.W.  
Washington, D. C.

Dear Colonel Donovan:

I much regret that it won't be possible for me to attend the committee meeting on Thursday at 11. I hope that it will be all right with you for Mr. Creakmore Path, Head Attorney, Division of Economic Warfare Analysis, Office of the General Counsel, to attend in my stead. I have advised Mr. Path fully about the discussion that took place last week.

Sincerely yours,



Cass Canfield, Chief  
Blockade and Supply Branch

*For General [unclear] 3-29-44*

Office of Strategic Services  
Research and Analysis Branch

*BEW  
\* [unclear]  
\* [unclear]  
\* J. C. S.*

The attached memorandum represents a revision of a memorandum discussed by a joint meeting of OSS and BEW personnel held on or about April 14. Those present were; Messrs. Stone, Hamilton, Ways, Hewlett, Vail, Gates, and Cleveland of BEW; Mason, Despres, Morse, Liebert, Wilson, and Remer of OSS. Dr. Langer was unable to attend.

The memorandum as submitted by the OSS representatives was fully and carefully discussed at the meeting and the present copy represents Mr. Liebert's version checked with Messrs. Morse and Despres, who also took careful notes. It is believed that it represents a true copy of the language agreed upon at the meeting.

The original intention was to circulate the memorandum to the staffs of BEW and OSS but at the request of BEW this was not done. For this reason no copy of the revised version was submitted to BEW, but it is believed that it represents their views as expressed at the meeting. It is possible that they have their own internal version which differs in minor respects from that of the attached.

*Charles Morse*  
Chandler Morse

8 June 1943

1. For the more efficient conduct of their economic intelligence services, it has been agreed that the work of the Enemy Branch of the Office of Economic Warfare Analysis, BEW, and the economic work of the Research and Analysis Branch, OSS, shall henceforward be guided by a Coordinating Committee consisting of Messrs. Hamilton and Wags of BEW, and Mason and Despres of OSS.

2. The procedures and arrangements for effecting this coordination shall be developed by the Committee, in consultation with other appropriate officials of the two agencies, as need and opportunity arise. As a first step, however, an attempt will be made to integrate fully the Axis-European economic work of the two agencies. The staffs of the European Axis Section of the Economic Potential Division, BEW, and the Economic Capabilities Subdivision, of the Europe-Africa Division, OSS, are being combined for operational (but not housekeeping) purposes. As soon as possible the combined staffs and the Committee will be housed together. For housekeeping and related administrative purposes the individual employees of the two agencies will continue to be responsible to their administrative superiors in their respective agencies.

3. The Committee shall be concerned primarily with supplying the needs of the JIC and the ABC, and with guiding BEW-OSS relations with the Intelligence Section, Economic Warfare Division, U.S. Embassy, London. It shall also be responsible for seeing

that the staff under its supervision supply economic intelligence as needed to other parts of BW and OS, and, on occasion, to outside agencies.

4. In carrying out its responsibilities with respect to the JIC, ABC, and Economic Warfare Division, London, the Committee will call not only on the staff under its supervision, but also upon other parts of BW and OS. This arrangement, however, will not supersede or impair the systems for project control and clearance now existing in the respective agencies.

5. The need to supply economic intelligence for a variety of purposes other than those mentioned in paragraph 4, and the responsibility of the Committee in this matter, are fully recognized. Among the purposes or functions for which economic intelligence service must be provided are the following:

Psychological Warfare  
Military Government  
(and JIC Operational  
Intelligence)

Reoccupation  
Preclusive buying and  
other work for Offices  
of Imports and Exports

Office of War Information  
Military Intelligence Service  
Officers of Naval Intelligence  
Office of Foreign Relief and Rehabilitation Operations

If necessary, the Committee will create special staffs in order to assure the fulfillment of the above needs. The above list of functions is not meant to be complete and may, of course, change from time to time.

6. The attached chart presents a tentative form of organization designed to show the lines of responsibility and the degree and kind of cooperation

rather than a fixed administrative framework. It must be remembered that the joint operation grew out of necessities clearly recognized by those most directly responsible. The assurance of the operation's success depends, therefore, much more upon the spirit in which the parties concerned will undertake the problems yet to arise than upon an attempt to foresee and meet them all in advance.

**OFFICE OF STRATEGIC SERVICES**

**BOARD OF ECONOMIC WARFARE**

Research and  
Analysis Branch  
Dr. Langer  
Board of Analysts

Office of Economic  
Warfare Analysts  
Mr. Stone

Coordinating Committee  
Hanson  
Despres  
Henderson  
Ways

Projects  
Committee

Project  
Control  
System

James

Robinson

Kennor

Farrb

Morse

Hays

Boothell

Glendon

*For David. Donovan*

**CONFIDENTIAL**

**MEMORANDUM TO: William F. Stear  
Max Ways  
Foster Hamilton  
George Fettes  
William L. Langer  
Edward S. Snow**

**June 6, 1948**

**FROM: Chandler Hurco**

**SUBJECT: Proposed Reorganization for Associated European Economic Staff.**

Attached hereto is a presumptive final draft of the proposed release concerning the reorganization of the Associated Economic Staff. It has been arranged that when approval has been given by the persons mentioned above, the release will be mimeographed by HWR under the direction of George Fettes and will be distributed on a date to be agreed upon between Max Ways and me. It is hoped that the release can take place by June 9 at the latest.

**Attachment**

CONFIDENTIAL  
JULY 5, 1948

**PROPOSED ORGANIZATION FOR ASSOCIATED  
EUROPEAN ECONOMIC STAFF**

The Economic Capabilities Division (Europe-Africa) of OSS and the European Axis Section of the Economic Potential Division of the BEW will be associated to perform work for the JIC and other intelligence agencies served jointly by BEW and OSS. At the same time, the Associated Staff will continue to serve BEW and OSS separately in those fields (e.g., preclusive buying, psychological warfare) in which each agency has specific responsibility.

Initially, the Associated European Economic Staff will be arranged as follows:

1. Messrs. Mason and Despres of OSS and Hamilton and Hays of BEW will act together as a Coordinating Committee, consulting together on all matters of organization or policy and exercising general supervision over all operations.
2. Mr. Chandler Morse of OSS will serve as executive chief of the Associated Staff.
3. Grades, ratings, and Civil Service status of personnel are not affected by the proposed arrangement, and will continue to be handled within BEW and OSS respectively.

Administrative services with respect to all OSS staff members will be handled by the present administrative staff of Mr. Morse's office, viz.:

Herman Liebert  
Violet Sedman  
Ruth Leavitt  
Frances Yeasell  
May Ferrari, secretary to Mr. Morse

Administrative services with respect to all BEW staff members will be handled as at present in the Economic Potential Division and the Enemy Branch of BEW.

4. The systems of project control and clearance now existing in OSS and BEW will not be superseded or impaired under the proposed arrangement.

5. Special Reports Staff

This staff will be assembled to prepare reports requiring integration of the work of the various sections of the Associated Staff, where the major requirement is synthesis rather than research for the particular report. It will eventually consist

- 2 -

CONFIDENTIAL

of a small number of full time personnel, together with additional members on part time assignments. It will work under the direction of Mr. Morse and the Comptrolling Committee. The chiefs of the two groups described below will work closely with the Special Reports Staff.

#### 6. ECONOMIC STRUCTURE GROUP

George Pettee, BW, Chief  
Isabelle Craig, secretary to Mr. Pettee

Magnitude and timing of effects on war potential of changes in economic organization, institutions, and resources of separate national regions.

##### A. Economic Controls Section

Financial and industrial controls through institutions, techniques, and policies, and their relation to the management of the war economy.

George Pettee, Acting Chief	BW
Harold Barnett	OSS
Peter Bernstein	OSS
Otto Brodnitz	BW
Claire Dublin (cartels)	OSS
Walter Levy (cartels)	OSS
Kurt Mattusch	BW
Philip Newman	BW
Kempson Poole	BW
Rita Rigney	BW
Mrs. A. Russell Shipley	BW
Ernest Stiefel	BW

##### B. Regional Section

Actual and possible contribution of the separate national regions of Europe to the Axis war effort; degree and means of exploitation, total economic potential.

George Pettee, Acting Chief      BW

##### Danube-Balkan Unit

Lawrence Bungardson, Head	BW
Elisabeth Clark	BW
Jacob Horak	BW
Kurt Lachmann	BW

- 3 -

CONFIDENTIALEastern European Unit

Normann Habicht, Head	NEW
James Dwyer	NEW
Konon De Chetnick	NEW
Hilda Friedman	NEW
William Kosnikoff	NEW

French, Belgian, Dutch Unit

Virginia Cook	NEW
Serge Rips	NEW
Ruth Smallwood	NEW

Italian Unit

Henry Miller, Head	NEW
Ruth Fairfield	NEW
Peter Treves	NEW

Scandinavian Unit

Carl Ratslaff, Head	NEW
Erik Kjellstrom	NEW
Karin Petersen (Mrs.)	NEW
Sarah Rosenblatt	NEW

## 7. ECONOMIC PROCESSES GROUP

Edgar Hoover, OSS, Chief  
Edith Bean, secretary to Mr. Hoover

Compilation and analyses of actual and potential military strength as determined by raw materials supply, manpower, industrial facilities, logistic capabilities, and standards of civilian consumption.

A. Civil Supplies and Requirements Section

Utilization, requirements, and adequacy of supplies of finished consumer goods and services, and effect on war potential.

Wilfred Malenbaum, Chief	OSS
Paul Alexander	OSS
Ruth Amende	OSS
Janet Beal (Mrs.)	OSS
Margaret Burnes	OSS
Gladys Frisch (Mrs.)	OSS
Elizabeth Gardner (Mrs.)	OSS
David Grovo	OSS
Jean Hungerford	OSS
Pvt. John Kaplan (Army)	OSS
Julius Waller (Consultant)	OSS NEW
Berton Shraly	OSS
Cerpl. Henry Spiegel (Army)	OSS

- 4 -

CONFIDENTIAL

**B. Industrial Materials Section**

Stocks, raw supply, utilization and substitutability of basic industrial raw materials.

Leon Goldenberg, Chief	NSW
Pvt. Howard Craven (Army)	OSS
Kellie Marlich	NSW
Marjorie Eriksen	NSW
Mary Catherine Green (Mrs.)	OSS
Edward Hall	NSW
Max Mandelland	NSW
Edith Fyibren (Mrs.)	NSW
Hans Weytinsky	NSW

**C. Agricultural Production Section**

Hans Jassy, Chief	NSW
Helen Kovacs (Mrs.)	NSW
William Gilmore	NSW
Virginia Hudkins	NSW
Luba Richter (Mrs.)	NSW

**D. Manpower Section**

Population, labor force, civilian and military utilization and efficiency of manpower; casualties, strength and general distribution of the armed forces.

Donald Wheeler, Chief	OSS
Selma Braunstein	OSS
David Gass	OSS
Josephine Hubbard	OSS
Helen Jassi (Mrs.)	OSS
Hans Landsberg	OSS
Eyvind Laurson	OSS
Margaret Puchner	OSS
Edith Strickland	OSS
Sam Van Rynning (Navy)	OSS

**E. Material and Logistics Section**

Production, stocks, characteristics, use and wastage of munitions and transport equipment; logistics.

(No acting chief in absence of Charles Kindleberger, OSS)

CONFIDENTIALAir Unit

Philip Condo, Head	OSS
Marion Chamberlain (Mrs.)	OSS
Maryette Goss	OSS
Roid Dennis	OSS

Ground and Naval Operations Unit

Frank Kaufman, Head	OSS
Warren Ross	OSS
Conilla Binder	OSS
Shirley Pine	OSS
Della Florence	OSS
Lucille Temple	OSS

Logistics Unit

Alfred Sherrard, Head	OSS
Isaiah Frank	OSS
Barbara Bauer	OSS
Mary Painter	OSS

F. Integration Section

Magnitude and timing of effect on war potential of changes in production, utilization, distribution, and stocks of raw and processed materials; syntheses of gross output and relation to occupational distribution of the labor force.

(No acting chief in absence of Sidney Alexander, OSS)

Unit for Summary of Strategic Information and estimates of gross national product

Everett Hagen, Head	OSS
Moses Abramovits	OSS
Lloyd Hotaler (Special Adviser)	OSS

(Mrs.) Elisabeth Gilbey (in charge of remainder of section)	OSS
Bernie Luddy	OSS
Caroline Gross	OSS
Slaire Bohlin (oil)	OSS
Jeanette Gillerman	OSS
Charles Hitch	OSS
Walter Levy (oil)	OSS
Ruth Pothick	OSS
Dorothy Seaman	OSS

CONFIDENTIAL

- 6 -

G. Operations Liaison Section

Russell Bury, Chief  
Herbert Goodman  
Mary Reynolds

OSB  
OSB  
OSB

*g. j.*

B.E.W 2297A  
x J.S. Rep. 12441  
x Marshall Branch  
x Economic Division  
x J.P.S.

May 28, 1943

MEMORANDUM FOR: GENERAL WILLIAM J. DONOVAN  
FROM: G. EDWARD BUXTON

Langer's memorandum attached states his opinion that Perkins' letter of May 17th requires no answer, being in answer to your letter of March 23rd.

On the other hand, the interval between the two letters is very considerable and I would support Langer's suggestion that a brief note of acknowledgment in reference to your continuing efforts to find suitable space for the combined staff.

Bill Vanderbilt tells me this morning that he does not yet know where he will find space for the 500 people involved in this joint work - 450 of whom are said to be BEW and about 50 OSS.

*6/10*

*See. Chandler Morse tells me that his answer GEB FS is expected -*

GEB

enc

*NSH.*

OFFICE OF STRATEGIC SERVICES

INTEROFFICE MEMO

TO: Col. Buxton

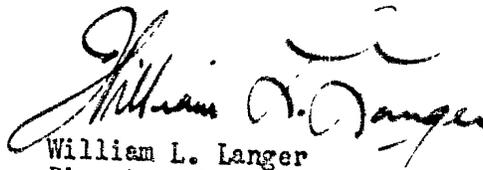
DATE: May 25, 1948

FROM: William L. Langer

SUBJECT:

I am returning to you herewith the correspondence with Milo Perkins about the projected cooperation between our Economic Capabilities Division and the Enemy Branch of B.E.W. This letter merely repeats the items on which agreement has been reached in negotiation with the Director of the Enemy Branch of B.E.W.

I do not see that this letter requires any answer but if you want to write a note of acknowledgment it might be well to add that we are continuing our ardent efforts to find suitable space for the combined staff and that we are still hopeful of being able to make adequate provision.



William L. Langer  
Director, Branch of  
Research and Analysis

Attachment

to: Colonel Buxton

Would you read this  
letter from Milo Perkins and  
discuss it with Bill Langer.  
Does it need any answer?

3/21

Dr Langer -

Re our conversation  
today.

Director's

WJD



(3300)

BOARD OF ECONOMIC WARFARE  
~~ECONOMICS RESEARCH AND ANALYSIS BRANCH~~  
WASHINGTON, D. C.

OFFICE OF THE EXECUTIVE DIRECTOR

MAY 17 1943

Brigadier General William K. Donovan  
Director, Office of Strategic Services  
Washington, D. C.

Dear General Donovan:

Since your letter of March 20, <sup>2-3</sup> negotiations have been continued looking toward the close cooperation of the Economics Staff of the Research and Analysis Branch of O.S.S. and the Enemy Branch of B.E.W.

It is my understanding that the tentative agreement provides:

1. That joint work of the two cooperating groups shall be directed by a Coordinating Committee consisting of two representatives each of O.S.S. and B.E.W.
2. That nothing in the arrangement will preclude the assignment of personnel contributed by each agency to work relating to the operating functions of either O.S.S. or B.E.W. In fact, it is believed that such independent work can be increased in value and improved in quality by the arrangement contemplated.
3. That an immediate effort be made to house together the Enemy Branch of B.E.W. and the Economics Staff of the European-African Division of O.S.S.
4. That appropriate delineation of functions be made within the cooperating staffs in order to obtain the most effective use of all the personnel involved.
5. That cooperation on areas other than Europe in work done by both the Enemy Branch of B.E.W. and the Economics Staff of the R. and A. Branch of O.S.S. be continued and encouraged by the Coordinating Committee, through which will be funneled work done for the Joint Intelligence Committee, the Bombardment Advisory Committee and other jointly served agencies.

Brigadier General William K. Donovan - 2

6. That the systems of project control and clearance now existing in O.S.S. and E.E.W. will not be superseded or impaired by this arrangement.

I have been happy to learn that, in the recent negotiations on this proposal, no unforeseen obstacles were encountered and that those who will be most directly responsible for the joint operation are increasingly confident of its success. The plan as outlined above has my full approval. Within this framework, details can be worked for putting the plan into effect as soon as a solution of the problem of office space is found.

Sincerely yours,

*Milo Perkins*

Executive Director



MAY 17 1948

Brigadier General William H. Donovan  
Director, Office of Strategic Services  
Washington, D. C.

Dear General Donovan:

Since your letter of March 20, <sup>23</sup> negotiations have been continued looking toward the close cooperation of the Economic Staff of the Research and Analysis Branch of O.S.S. and the Army Branch of R.E.W.

It is my understanding that the tentative agreement provides:

1. That joint work of the two cooperating groups shall be directed by a Coordinating Committee consisting of two representatives : one of O.S.S. and R.E.W.
2. That nothing in the arrangement will preclude the assignment of personnel contributed by each agency to work relating to the operating functions of either O.S.S. or R.E.W. In fact, it is believed that such independent work can be increased in value and improved in quality by the arrangement contemplated.
3. That an immediate effort be made to house together the Army Branch of R.E.W. and the Economic Staff of the European-African Division of O.S.S.
4. That appropriate delineation of functions be made within the cooperating staffs in order to obtain the most effective use of all the personnel involved.
5. That cooperation on areas other than Europe be work done by both the Army Branch of R.E.W. and the Economic Staff of the R. and A. Branch of O.S.S. be continued and encouraged by the Coordinating Committee, through which will be funneled work done for the Joint Intelligence Committee, the Board of Advisors and other jointly served agencies.

Brigadier General William H. Donovan - 2

6. That the systems of project control and clearance now existing in O.S.S. and S.E.W. will not be superseded or impaired by this arrangement.

I have been happy to learn that, in the recent negotiations on this proposal, no unforeseen obstacles were encountered and that those who will be most directly responsible for the joint operation are increasingly confident of its success. The plan as outlined above has my full approval. Within this framework, details can be worked for putting the plan into effect as soon as a solution of the problem of office space is found.

Sincerely yours,

*Milo Perkins*

Executive Director



MEM  
R 2071A  
X 200  
BOARD OF ECONOMIC WARFARE  
OFFICE OF EXECUTIVE DIRECTOR  
WASHINGTON, D. C.

APR 3 1943

Colonel William J. Donovan  
Director  
Office of Strategic Services  
25th and E Streets, N. W.  
Washington, D. C.

Dear Colonel Donovan:

Thank you for your letter of March 23, informing me that the tentative plan for close cooperation of the economic staffs of our two agencies has your full approval and support.

I have been over the joint project with Mr. Stone and Mr. Hamilton, and I agree with you that the discussion of details of the arrangement can well be left to representatives of the units concerned. When the plans are completed, we will both have an opportunity to review them.

Sincerely yours,

*W. L. Harriss*

Executive Director

APR 11 1948

Colonel William J. Donovan  
Director  
Office of Strategic Services  
25th and E Streets, N. W.  
Washington, D. C.

Dear Colonel Donovan:

Thank you for your letter of March 23, informing us that the tentative plan for close cooperation of the economic staffs of our two agencies has your full approval and support.

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Sincerely yours,

*Milo Perkins*  
Executive Director



BEW 82074  
ROSS Agreement  
Economic Division  
Kenny Bland,  
RJC

OFFICE OF STRATEGIC SERVICES

INTEROFFICE MEMO

TO: Colonel William J. Donovan  
FROM: Edward S. Mason *esm*  
SUBJECT:

DATE: March 21, 1961

I am attaching a letter to Milo Perkins, with a copy for General Deane.

Attachments

COPY

March 23, 1943

Mr. Milo Perkins, Executive Director  
Board of Economic Warfare  
Washington, D. C.

Dear Mr. Perkins:

This is to inform you that the tentative plan for the close cooperation of the economics staff of the Research and Analysis Branch of this Office with the Enemy Branch of the Board of Economic Warfare, -- which plans I believe have been discussed with you and the Vice President, -- have my full approval and support. It is my understanding that a considerable part of the economic work of both agencies is for the same clientele and that over the last few months working arrangements have developed which are of mutual benefit. I am glad to see these arrangements eventuate in a joint project. I am informed by the Joint Chiefs of Staff that while they are unwilling to see one of their agencies absorb a part of a civilian agency or to see such an agency absorb a part of the JCS organization, they definitely favor any cooperative arrangement which will facilitate a more effective use of existing resources.

In order to secure maximum benefit from the proposed arrangement, it seems to me necessary that the personnel involved should be housed together in such quarters as will best contribute to the work of both agencies, and that the organization of your Enemy Branch and of the OSS economics staff be so altered as to permit the integration of the resources and work of both units. I am, however, content to leave these matters to the negotiation of representatives of the units concerned.

It is my understanding that there is nothing in this arrangement which would preclude the assignment of personnel

-2-

contributed by each agency to work relating to the operating functions either of the Office of Strategic Services or of the Board of Economic Warfare. In fact, it is my hope and expectation that the combined economics staff will not only work on projects which are joint but will facilitate those operations of our respective agencies which are independent.

If it seems to you advisable, I shall be glad to discuss at any time any question which may have arisen in your mind concerning the proposed arrangement.

Sincerely yours,

William J. Donovan  
Director

COPY

OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

TO: Dr. Wm. L. Langer                      October 20, 1942  
Dr. Donald McKay  
Mr. Emile Despres

FROM: John D. Wilson

SUBJECT: Meeting with BEW Representatives at the Budget Bureau

This afternoon, Dr. Remer and I met in the office of Mr. Gladieux with Fowler Hamilton and Jack Tibby of BEW. Mr. Gladieux, who is head of the Budget Bureau Section on Emergency Organizations, was present at the meeting as was also Mr. Linebaugh.

Mr. Gladieux opened the meeting by stating that he wished to participate today in the discussion of the activities of the two organizations. I explained why Mr. Despres and Mr. McKay could not be present and suggested who would probably constitute our future membership on the Committee.

Hamilton, evidently wishing to take the initiative before this Budget official, said that he would like to review the activities of BEW insofar as they impinged on activities of OSS. Hamilton stated that BEW work was for three markets: (1) the J.I.C. (2) Air Targets work for A-2 and (3) work that was done internally for the Board. In this statement, Hamilton, of course, misled the Budget Bureau because he didn't mention anything carried out by the other analytical Branches of BEW. This latter work would include that done by the Technical Branch (a large part of which consists of intelligence on oil and other such subjects); the Blockade and Supply Branch, which does reports of transport, supply position in respect to various commodities, and the like for all neutral areas; the United Nations Branch, which does research on all aspects of the economic position of the United Nations; and the Reoccupation and Reconstruction Branch, which is now turning out studies that are very similar in many ways to our Strategic Surveys. (These Branches are all part of the Office of Economic Warfare Analysis, which corresponds to the R & A Branch of OSS) I thought it best not to correct Hamilton and, as far as the discussion for the rest of the afternoon was concerned, the

- 2 -

three markets mentioned by Hamilton as those of BEW remained unchanged.

Hamilton explained that, in respect to J.I.C. work, duplication no longer existed. Rather, it had been supplanted by cooperation. He stated that BEW, by itself, had done certain reports for the J.I.C., OSS had done certain reports alone, and on certain others, the two organizations had cooperated. He mentioned the cooperation on the Russian Food Report and left the implication that BEW's contribution to this had been a considerable one and that the two organizations had worked out a mutually satisfactory paper through intimate cooperation.

In regard to Air Targets, Hamilton explained that he thought the agreement drawn up between OSS and BEW last July was in force. I challenged this statement, stating that, as the so-called agreement was worded, we had never regarded it as laying out specific fields of reference but rather as a recognition by each organization of a number of problems that required cooperation by the organizations if they were to be satisfactorily handled. I indicated that we were doing considerable work which had some bearing on the selection of Enemy Objectives and that we had a group jointly cooperating with BEW in London on work for the Eighth Air Force. Thus, if by the terms of the so-called agreement, it was implied that we were not doing work on Enemy Objectives and that we did not intend to do such work, the implication was wrong.

Mr. Gladioux then stated that, insofar as the Budget Bureau could see, the technique of A-2 in getting work done for Targets was to ask a large number of organizations in Washington to undertake work on a specific objective. A-2 then would take the various studies and do their own, on the basis of the information they obtained. Hamilton agreed that this had been the procedure.

Gladioux asked whether or not we felt that this was a satisfactory procedure. Hamilton said no, and I agreed. I pointed out, off the record, that A-2 was not equipped with personnel of the type required for the analytical work necessary on Air Targets. Hamilton then pointed out that the work on Targets being done in Washington had been of an extremely unsatisfactory caliber

- 3 -

to date. He suggested that what was required was an agreement between A-2, BEW, and OSS to the effect that the latter two organizations cooperate closely in doing the work on Air Targets for A-2. This was contrary to the line that Hamilton had taken at the previous meetings, namely that the Air Targets work was the function of BEW. Dr. Remer and I both agreed that such cooperation was necessary and possible.

Gladioux said that the Budget Bureau also felt that something had to be done to clear up the jurisdiction on Target work and to see that the work was accomplished satisfactorily. To this end, the Budget Bureau proposed a meeting for Friday at which representatives of A-2, G-2, ONI, BEW, and OSS were to be in attendance to discuss the relationship of the civilian organizations to the military organizations in respect to Objectives work. Although he did not say so specifically, Gladioux several times hinted that the discussion would be couched in somewhat wider terms than the Objectives work and might embrace the whole problem of the intelligence work of civilian agencies in relation to the intelligence work of military organizations. The meeting on Friday was to be a preliminary one with a future meeting to be held between Colonel Donovan, General Strong, Admiral Train, and Milo Perkins at which some attempt might be made to limit the fields of reference in respect to the participation in intelligence of civilian organizations.

I suggested that, at the preliminary meeting, our representatives should be Dr. Langer and Mr. Despres. A tentative date for the meeting was set for Friday at three o'clock.

#### BEW OPERATIONS REPORT

I again inquired about the Operations Report of BEW. The decision handed down by Stone's office was that no copy of the Operations Report should leave BEW. The OSS liaison man at BEW should be allowed to see the Operations Report in Mr. Stone's office once a week. A list of the studies to be undertaken is to be submitted each week by BEW at the meetings of the OSS-BEW Committee. This list evidently will include only the studies undertaken by the Enemy Branch. I again raised the objection that studies undertaken by other Branches also should be submitted.

- 4 -

REPRESENTATION IN CHUNGKING

Hamilton discussed with Dr. Remer the recent cable from Fairbanks in Chungking. Action on the matter was left to be worked out between Dr. Remer and Shoemaker of BEW.

*J.D.W.*  
J.D.W.

**COORDINATOR OF INFORMATION**  
OFFICE OF STRATEGIC SERVICES  
WASHINGTON, D. C.

*W. H. W. T. 7/25/42*  
*K. E. ...*  
*Relations*  
*...*

July 25, 1942

MEMORANDUM

TO : Colonel William J. Donovan  
FROM : Edward S. Mason

I am attaching a memorandum of our conversation with the BEW representatives which I hope you will be able to read before your meeting with Mr. Hall of the Budget Bureau Monday morning. Hall is aware of these meetings -- one of which he attended -- and may well refer to them. Bill Langer has a copy and I have discussed it with him. I think it is possible that Hall may want Langer or me to initial a copy before personnel are added to the Economics Division.

*E. S. M.*

ECONOMIC WORK FOR THE ARMED SERVICES

A dinner meeting was held Wednesday evening, July 15, at Brookings Institution. Following were present:

From G-2:

Edward S. Mason  
John D. Wilson  
Emile Despres  
Chandler Morse

From H.A.M.:

William T. Stone  
Winfield Sifter  
John Fischer  
Harlan Cleveland

The meeting was called in an effort to discuss at the working level what economic jobs need to be done for the armed services, and through what form of organization these jobs can be done most effectively. The immediate issue involved is the degree of overlap between G-2 and H.A.M. in the field of economic intelligence and analysis, especially in the work for the Joint Chiefs of Staff.

The jobs to be done fall quite readily into three types:

1. Procurement of raw intelligence.
2. Preparation of basic reports covering specific industries to be used largely, but not exclusively, in the selection of specific economic objectives for bombing and other military or naval action. This involves piecing together scraps of information from research and intelligence sources into a detailed analysis of the structure and inter-relationships of specific industries - including the flow of raw materials, components, fuel, power, and finished products - with a view to discovering the bottlenecks whose destruction would result in the most damage to the enemy's economy.
3. Economic analysis on the strategy level -- including estimates of enemy economic strength in various localities, overall comparisons of economic potential, as between the Axis and the United Nations, etc.

The "market", or clientele, for the raw intelligence (No. 1) is generally the groups working on Nos. 2 and 3. The markets for the work on economic objectives done in No. 2 are groups No. 3, and the intelligence services of the armed forces -- G-2, A-2, and ONI. The market for the strategic estimates done under No. 3 is the Joint Chiefs of Staff, via the Joint Intelligence Committee.

There are several areas of economic work in which G-2 and H.A.M. do not overlap at all. These are:

1. In the field of intelligence:
  - (a) espionage and undercover work (G-2)

-2-

(b) Intelligence from non-military sources (American business firms, consular and radio intercepts, returned travelers, etc.) (IEW)

(c) military sources (e.g., analyses of captured equipment, intelligence from air reconnaissance), which neither OSS nor IEW are at present able to tap to any great extent.

2. In the research and analysis field:

(a) Strategic surveys (very detailed work on topography, transport, climate, population, land use, products, etc.) (OSS)

(b) Supply problems (detailed work for the Quartermaster Corps) (IEW)

In the field of industrial objectives, IEW has done more work than OSS. The latter has taken on work in this field only when specifically requested to do so by the Army.

The real overlap comes in the third category of work - the analysis of broad questions of economic strategy, generally for the J.C.S. In this field the OSS (Economics Division) has gone farther than the IEW, and has a better staff, better equipped to do the analytical work required. The basic problem, therefore, is how the overlap in this field can be eliminated.

There was general agreement that, ideally, Nos. 1, 2, and 3 should be combined under one roof. The question is whether it is possible to amalgamate economic intelligence and analysis staffs of the two organizations and still maintain the advantages that each organization has, now or in prospect. These advantages are:

OSS advantages:

- (1) a good economic analysis staff
- (2) A close administrative relationship with the Joint Chiefs of Staff, which gives OSS:
  - (a) A good market for its analytical work; and
  - (b) The prospect of being able to get information from air reconnaissance and other military sources (better prospects than IEW in this regard, because IEW is wholly civilian.)

Key advantages:

- (1) An intelligence procurement staff already well set up.
- (2) A skeleton staff on economic objectives.
- (3) The recognized position of "opposite number" to the British Ministry of Economic Warfare, which is useful both as:
  - (a) A source of information, especially on Europe.
  - (b) A market for finished work.
- (4) Independent status and operating functions in many related economic fields: blockade, import control, etc.

In the effort to eliminate overlap and combine these advantages, there are two alternative lines of action:

1. Division of function. The two organizations could remain as they are, with an effort to separate their functions and thus avoid overlap. For example, we could agree that IEM was to stick to intelligence procurement and industrial objectives, and that the Economics Division of OSS was to confine itself to analytical work for the JIC. But, administratively, this would be a very difficult thing to do. The analytical work for the JIC depends on the raw intelligence, and must be supported by the pillars of facts built up painstakingly by the people working on economic objectives. If the analysts in Echelon No. 3 do not have a close relationship to the people in Echelons 1 and 2, their work won't represent the best work of the U. S. Government on the problems of economic strategy. The No. 3 analysts must be able to direct the work of the other two echelons, and that would be very difficult if they were not all in the same agency.

2. Amalgamation. All three echelons could be combined in one agency. If, for example, the Economics Division of OSS were transferred to IEM, this might perhaps mean that the Economics Division would lose its "market" (the Joint Chiefs of Staff) and the possibility of getting economic information from military sources. The transfer would not necessarily mean this, but it might. Whether it did mean it or not would probably depend on the importance of the organizational relationship of the Economics Division to the Joint Chiefs of Staff in comparison with other factors.

If, on the other hand, the Enemy Branch of IEM were to be absorbed by the Economics Division of OSS, difficulties would arise in connection with supplying economic intelligence to the other branches of IEM. The question of amalgamation thus requires careful study before concrete proposals can

be made. Immediate action along this line is impossible for still another reason. Dr. Mason said the Joint Chiefs of Staff have given Colonel Donovan a written and verbal commitment that the OSS organization would be kept intact for at least three months -- during which the relations of O.S.S. to the Joint Chiefs of Staff would be examined in detail.

Meanwhile, it was agreed that we should continue to explore the problem, with a view to a proposed solution which could be submitted to our respective chiefs and the Joint Chiefs of Staff when the three-month period has elapsed. Also during this interim period, as soon as OW has effected its reorganization and created an Inspec Branch, we can move ahead toward better cooperation and the avoidance of as much duplication as possible, especially along the following lines:

1. Constant clearance on significant pieces of work, in an effort to divide up the analysis field.
2. Establishing a formal or informal joint board of directors, consisting of people on the working level (e.g., Deppert, Morse, DeWilde, Shoemaker), which could bring to bear on the important problems the best thinking of both organizations. Joint reports could be prepared for the JIC, and other means of cooperation could be explored.
3. Making BEW intelligence resources freely available to OSS.
4. Setting aside some space in Temporary "U" where OSS could work and consult, and making similar arrangements for BEW at OSS.
5. Working out a joint arrangement for the London office. This possibility was discussed: to have one OSS man with a desk in the BEW offices in London, with no other OSS people in London from the research and analysis side (S.I. will of course have a staff in London). The London organization was to be discussed further at another dinner meeting, Monday evening, July 20.

The meeting referred to in (5) above was held as scheduled with same representation for OSS as before. For BEW Riefler was unable to attend; Messrs. Fowler Hamilton and Chester Vail were added to the group. Mr. William Hall of the Budget Bureau was also present. The discussion of the first meeting was further elaborated in detail, but no new conclusions were reached.

July 28, 1942

Lt. Colonel Leon E. Morris  
Office of Strategic Services  
1600 Broadway  
New York, N. Y.

Re: Board of Economic Warfare

Dear Colonel Morris:

Confirming our telephone conversation, this office has been approached by Mr. Chester Vail, head of the Intelligence Procurement Division of the Board of Economic Warfare, with respect to the organization and general status of the Pictorial Records Section of O.S.S. B.E.W. is considering whether or not it should organize a similar section of its own. Mr. Vail is under Mr. Fowler Hamilton, who is in charge of the Enemy Branch of B.E.W.'s Economic Analysis Division, which in turn is headed by Mr. William Stone.

I have suggested that Mr. Vail personally visit you in New York and look into your facilities before arriving at a decision as to the setting up of a similar branch in the B.E.W.

I will keep you advised of any further developments.

Very truly yours,

  
O. C. Doering, Jr.  
Captain, AUS  
General Counsel

CC to: Colonel Denevan  
Mr. John D. Wilson

*Called Joint  
- Air Force  
- Robinson*

**COORDINATOR OF INFORMATION**

**INTEROFFICE MEMO**

**FROM:** James P. Baxter, 3d

**DATE:** July 9, 1948

**TO:** Colonel Donovan

**SUBJECT:** Conference with BEW

At a conference in my office July 7 between Messrs. Medley, Cleveland, Anderson, and McCune of BEW, Hirschberg of the Bureau of the Budget, and Hartshorne, Robinson, Earl and myself of OSS, I offered to make available to BEW a total of eleven cartographers and draftsman plus one stenographer, some of whom are to function in the OSS Building and some at BEW, provided the arrangement was approved by you and the Joint Chiefs of Staff and that it affords us the requisite personnel. If we need more men than that, we shall have to ask the Budget for additional personnel.

Hirschberg expressed his approval of this arrangement and the BEW people are very well satisfied. They raised the question of a similar loan of talent from Visual Information on which I stalled.

*Jin*

COORDINATOR OF INFORMATION

INTEROFFICE MEMO

*File →*

**FROM:** James P. Baxter, 3d      **DATE:** May 13, 1942  
**TO:** Colonel William J. Donovan  
**SUBJECT:** Relation of the work of the BEW and the Economics Division of the OCI.

Dear Colonel:

As Ed Mason has handled a lot of the recent negotiations between us and the BEW, I asked him to talk with Despres and draft the little memorandum for which you asked me by telephone yesterday afternoon. I enclose it herewith and think that he has given an excellent summary, which I hope will be what you wanted.

I hate to leave for Williamstown just at this time when we are waiting for the executive order, but hope you will ring me up there in case any definite news comes to you.

Sincerely,

*J. P. Baxter*

Enclosure

*[Circular stamp: RECEIVED MAY 13 1942]*

## COORDINATOR OF INFORMATION

WASHINGTON, D. C.

May 13, 1942

### MEMORANDUM

TO Dr. James P. Baxter, 3d

FROM Edward S. Mason

SUBJECT Relation of the Work of the Board of Economic Warfare and the Economics Division of the Office of the Coordinator

At the present time there appears to be almost no duplication between the work of our Economics Division and the work of the Board of Economic Warfare. The primary focus of our attention is on what may be called "military economics"; i.e., economic problems involved in military operations. Over the last three or four months most of the personnel of the Economics Division has been engaged in three large studies:

1. The German Supply Problem on the Russian Front.
2. The German Economics in the Use of Scarce Materials, such as those involved in re-design of military equipment, re-working of slag piles, etc.
3. The Disposition of German Manpower between military and Industrial use.

All of these subjects fall within the range of "military economics".

The Board of Economic Warfare, on the other hand, has been almost entirely concerned with the analysis of information relating to the Board's principal operating function; i.e., control of exports and adequate provision of import materials.

In a conversation between Mr. Despres and Mr. Silvermaster, Chief of the Board's European-African Division, Mr. Silvermaster indicated that eventually he hoped to undertake a range of studies in the field in which our Economics Division is now engaged. It was agreed, however, that when this time comes consultation and cooperation between the two agencies will be close in order that duplication of effort may be held to a minimum.

**COORDINATOR OF INFORMATION**  
**INTEROFFICE MEMO**

**FROM:** WILLIAM A. KIMBEL  
**TO:** COLONEL DONOVAN  
**SUBJECT:**

**DATE:** MAY 1 1944

THE ATTACHED COPY OF AN ARTICLE BY ARTHUR  
KLUCK APPEARING IN YESTERDAY'S NEW YORK TIMES FURTHER  
DEVELOPS THE NEW DUTIES OF BEN AND ITS RELATION TO  
STATE AND MAY BE OF INTEREST TO YOU IF IT ESCAPED  
YOUR NOTICE IN THE PAPER.

*WAK*  
W. A. K.

Attachment

cc: Dr. Baxter

COPY

IN THE NATION

Short Biography of a Master  
Salesman

By Arthur Kreck

Washington, April 29--Ever since the State Department and the Federal Loan Agencies realized what Executive Order 9124 did to them, if the President allows the Board of Economic Warfare to administer it in anything like full degree, they have conceded that Milo Randolph Perkins has become a dominant government figure. He is the executive director of the BEW, and the text of the order authorizes him to supersede the State Department in economic foreign policy and to direct the import purchasing policy and methods of the RFC.

True, the order which the President signed also gives this authority to the Vice President, as chairman of the BEW. But the victims of the bombshell express no doubt that Mr. Wallace will continue to let Mr. Perkins wield the delegated powers, and it is Mr. Perkins who occupies the most prominent place in their minds and inspires them to new flights of vocabulary. Also, agreement is general in the government that it was the executive director of the BEW who talked the President and Mr. Wallace into "baking the wall off the State Department building" and giving to the BEW the right, not only to tell Jesse Jones what war materials to buy, but exactly how and at what price to buy them.

For this exploit Mr. Perkins has been awarded one of the highest marks in salesmanship that any Administration official has ever received, including such aggressive New Dealers as Mr. Hopkins and Mr. Henderson, and--in other days--Dr. Moley and Mr. Jorgensen. In fact, even those who realize that Mr. Perkins sold to the President and Mr. Wallace a bad bill of goods, especially in so far as the State Department is concerned, are almost as much interested in his capacity to vend as in the commodity he has vended.

Perhaps it was because Mr. Perkins realized what a job he had done that not one of the victims was allowed to see the text until it had been signed by the President. If the effects of its impact on some of these may be taken as a guide, that was a wise precaution. Had the President submitted the order in advance to some of the victims they would probably be arguing yet.

It is indelicate to peep behind the scenes at earnest and distinguished public servants in mental pain. But those who have done so say they cannot soon forget the anguish of Under-Secretary of State Welles when he realized that the BEW had been put in charge

- 2 -

of a fundamental foreign policy which is the historic function of the State Department to formulate and conduct. And they also say that there were moments when it seemed that one of the handsomest and most cultivated entities of government--Assistant Secretary of State Adheson--would never stop vibrating.

When the Secretary of State got back from his rest cure, and found his staff stunned by the sudden solar-plexus punch from a great and good friend, he took the situation more calmly. It appeared to think, it is said, that when the President was given to understand what the BEW could do with the text of Executive Order 9128, and what the victims believe Mr. Perkins intends to do with it, Mr. Roosevelt would restrict the authority by verbal commands or perhaps issue a superseding amended one.

The Secretary of Commerce, Mr. Jones, was also reported to have taken the text more calmly. He, too, has seen a long procession of executive orders lose their strength with too literal use. Furthermore, he is a philosopher about the New Dealers and his experiences with the President lead him to believe, it is said, that Mr. Roosevelt always makes these things right when facts or developments persuade him they are wrong.

Nevertheless, as the order stands in the books of authority, the BEW, managed and largely dominated by Mr. Perkins, restricts the foreign-policy field of the State Department to a lesser scope than ever before in peace or in war. The supervision and broad direction of economic policy is one of the two foundation-stones of diplomacy--political policy is the other--and in this particular war the economic base is probably the more important. It remains to be seen whether the President will permit the order to be fully executed, but the power to do so is in it.

Mr. Perkins, hero or villain of this tale, is only 42, and for a good many years he did nothing more exciting than to sell, and then manufacture, burlap bagging in Houston, Texas. However, even in this pedestrian occupation he is said to have revealed those salesmanship qualities which have now been so brilliantly established. An article he wrote in 1933 or 1934 attracted the attention of Mr. Wallace, then Secretary of Agriculture, and the inspired bagmaker was called to public service. He has risen steadily in the New Deal, of which he is one of the most eloquent evangelists, until he achieved the dazzling, though dangerous, feat of putting Mr. Hull and Mr. Jones in the bag.

It is said that Mr. Perkins believes to the hilt in the President's announced ambition to institute the four freedoms "everywhere in the world," including wages and living conditions on the American pattern. This may account for some of his persuasiveness at the White House.

**COORDINATOR OF INFORMATION**

**INTEROFFICE MEMO**

**FROM:** WILLIAM A. KIMBEL

**DATE:** APRIL 29 1962

**TO:** COLONEL DONOVAN

**SUBJECT:**

ATTACHED IS A COPY OF AN ARTICLE WHICH APPEARED  
IN THE NEW YORK TIMES BY ARTHUR KROCK ON THE EFFECT OF THE  
PRESIDENTIAL ORDER ESTABLISHING THE ACTIVITIES OF THE BOARD  
OF ECONOMIC WARFARE AND ITS RELATIONSHIP TO THE DEPARTMENT  
OF STATE. THIS MAY BE OF INTEREST TO YOU.

*WAK*

W. A. K.

to: ..Solent..KROVAN.....

7/15/47

For your files.

From the desk of  
DR. JAMES P. BAXTER

COPY

## IN THE NATION

What the BEW Order Did to  
the State Department

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By Arthur Krook

Washington, April 27--The effect of Executive Order 11820, putting the Board of Economic Warfare (the BEW) in charge of all import procurement except weapons and munitions of war, has been generally analyzed as superseding the RFC's previous authority in that sector of the war program. But, after detailed inspection and checking with government officials, the deeper effect of this extraordinary document is revealed as supplanting the State Department in the formulation of fundamental foreign policy.

Unable to come to any other conclusion, searchers of the text have been engaged in a series of conferences to determine these things: (1) whether the President really intended, in the words of one analyst, to "take the wall off the State Department building"; (2) if he did not, whether some administrative arrangement can be made between the BEW and the department in which the latter can retain its historic function and one of the chief reasons for its existence; and (3) if he did not, and such an arrangement cannot be worked out, how the text of the order can be amended.

When the executive order was published, under date of April 13, it was seen clearly to lodge stockpiling and materials acquisition policy in the BEW, headed by the Vice President and Director Milo B. Perkins, and take it away from Jesse B. Jones and his RFC. Up to the time of its issuance Mr. Jones, through various public corporations, had made the decisions and done the purchasing, although he carried out the requests of the State, War and Navy Departments, and was also advised by the BEW. Since, in his own report, Mr. Jones had described RFC as an executor, not a maker, of policy, and since he was burdened with too many responsibilities, anyhow, the fixing of this procurement policy in the BEW was accepted as a sound move.

But that was before it was generally realized that the economic foreign policy of the State Department, as related to the war program, had also been transferred by the text of the order to the BEW. A State Department thus abridged would become a minor government agency with respect to one of its most important functions for which its personnel has long been trained. Also, its economic policy organization which has been built up for the last two years could be made almost supernumerary under the order if the BEW chose to use the powers implicit in the text. The subsequent conferences, summoned in an effort to clear up this curious situation, are the result of this realization.

- 2 -

In this order the BEW is "authorized and directed to determine the policies, plans, procedures and methods of the several Federal departments, establishments and agencies with respect to the procurement and production of such materials and commodities, including the financing thereof; and issue such directives or initiate such proposals in respect thereto as it may deem necessary." This left in some doubt whether the BEW would dictate financing as well as policy to the Jones agencies. But it left in no doubt that the BEW was established over the State Department in war imports procurement policy, plans and procedures.

A little farther on in the text the BEW is authorized and directed to "represent the United States Government in dealing with the economic warfare agencies of the United Nations for the purpose of relating the government's economic warfare program and facilities to those of such nations." This has been one of the State Department's most important duties through the division which has been set up and to which several distinguished citizens have been recruited.

The BEW is further authorized and directed, "for the purpose of carrying out its responsibilities," to "arrange (the text says "may," not "must") through the Department of State to send abroad such technical, engineering and economic representatives responsible to the board as the board may deem necessary." This has been widely, and naturally, construed as turning over Colonel Louis Johnson's India mission and several others sent out by the State Department to the BEW. The section appears also to conflict with a previous executive order requiring State Department sanction of all such missions and their personnel.

Finally, the order prescribes that the powers of the BEW may be exercised by Chairman Wallace, Director Perkins or any BEW official the chairman may designate. Since Mr. Perkins gives his full time to his directorship, and has the full support and confidence of the Vice President, this part of the directive appears to make him the master of economic foreign policy instead of Secretary Hull.

One explanation being offered here is that those who prepared the order and explained it to the President either did not comprehend or failed to point out its effect on the State Department as well as on the RFC. This correspondent has far as not found any one in either of the latter executive branches who saw the order before it was issued.

Conflicts in, and unintended transfers of, prime authority have often occurred in this Administration. But never before has an executive order left open the construction that a unit as important as the State Department was superseded in the exercise of a fundamental function.

## COORDINATOR OF INFORMATION

## INTEROFFICE MEMO

FROM: Thomas G. Early *TE*  
 TO: Colonel William J. Donovan  
 SUBJECT: Board of Economic Warfare

DATE: 4/14/42

On Saturday morning, April 11, Mr. Benjamin Holstein, General Counsel's Office, Board of Economic Warfare, called to know if there were any Executive Orders of the President concerning the Coordinator of Information other than the one of July 11, 1941. I advised him there were none but that there have been, from time to time, directives from the President to the Coordinator. He asked if he could see them. I told him that if he could tell me just what he had in mind I would try to be of every assistance. Thereupon he advised me that he was making an attempt to clear up an apparent overlapping between the informational and structural problems of the Coordinator of Information and the Board of Economic Warfare. He said that Dr. Anderson of the BEW had been in touch with someone in our Economics group. (In checking this up, I found that he had been talking with Mr. Emile Despres.)

Dr. Baxter and Dr. Langer were both absent from the city so I talked with Dr. Mason who informed me that there was nothing to be done at this time as Drs. Mason, Baxter and Langer were going to meet on Tuesday, April 14, with some representatives of the BEW. After the 9 a.m. meeting

-2-

on April 13, I took up this matter with Dr. Baxter who confirmed the meeting with members of the REW on April 14, and said he thought it would be a good idea to have Mr. Holstein present at that time.

Handwritten notes at the top right of the page.

March 14, 1961

Mr. Duane Wilson  
Board of Economic Warfare  
2501 Que Street, S.W.  
Washington, D. C.

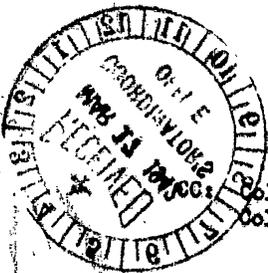
Dear Duane:

After discussing the circumstances with  
Colonel Donovan, I confirm my telephone conversation  
advising you that Colonel Burton of the Office of  
the Coordinator of Information will be glad to co-  
operate with you in obtaining such information as  
would be helpful to the interests of the B.E.W.

Colonel Burton may be reached at the  
Coordinator of Information, 270 Madison Avenue,  
New York - telephone, LIxington 4-0060.

Sincerely yours,

William A. Kintel  
Liaison Officer



Colonel Donovan ✓  
Colonel Burton

March 11, 1942

Memorandum for Mr. Murphy

From: Colonel Buxton

Mr. Kimbel tells me that Board of Economic Warfare wishes to get certain information from my files in New York. I feel sure the Colonel will approve, but I would like you to speak to him about it and drop me a note that I am to work with this Board in any way possible which is helpful to them. When you get this decision from the Colonel will you also tell Mr. Kimbel so he can notify BEW.

COORDINATOR OF INFORMATION

INTEROFFICE MEMO

FROM: WILLIAM A. KIMBEL

DATE MARCH 19 1947

TO: COLONEL DONOVAN

SUBJECT:

I ATTACH HEREWITH COPY OF A LETTER AND ENCLOSURE  
I HAVE RECEIVED TODAY FROM MR. DUANE WILSON OF THE BOARD OF  
ECONOMIC WARFARE.

*WAK*  
W. A. K.

Attachments

CC: Dr. Baxter  
Dr. Langer  
Dr. Lewis

C  
O  
P  
Y

BOARD OF ECONOMIC WARFARE  
ECONOMIC DEFENSE BOARD  
WASHINGTON, D.C.

In reply refer to:  
BA -3-DBW

CONFIDENTIAL

Mr. William A. Kimbel  
Liaison Officer  
Coordinator of Information  
25 & E Streets, N.W.  
Washington, D. C.

Subject: COL Documents

Dear Mr. Kimbel:

Attached is a copy of the letter written to the Ministry of Economic Warfare regarding secret and confidential documents which that agency has furnished the Office of the Coordinator of Information.

Similar letters were also sent to the War, Navy, and State Departments.

Sincerely yours,

(signed) DUANE B. WILSON  
Principal Intelligence Officer

C  
O  
P  
Y

March 11 1942

Mr. Ralph H. Batty  
Second Secretary  
British Embassy  
3100 Massachusetts Avenue  
Washington, D. C.

Subject: COI Documents

Dear Mr. Batty:

Prior to the transition of the Economic Defense Board to the Board of Economic Warfare, the Coordinator of Information received from the Ministry of Economic Warfare a number of secret and confidential documents containing economic information.

Due to the fact that the Economic Defense Board was not particularly interested in these documents prior to December 7, your agency was not requested to furnish copies. However, these documents are of considerable interest to our analysts here in the Board of Economic Warfare. The Coordinator of Information has taken the position, and rightly so, that until the Board has permission from your agency, these documents will not be made available for study to our personnel. I would like to stress that all persons who see these documents will be of officer rank, they will be properly accredited, and that the documents will not leave the Office of the Coordinator of Information. Our people merely desire to study them in the room provided for that purpose by the COI.

We would, therefore, appreciate the Ministry of Economic Warfare authorizing the Coordinator of Information to permit our people to study these documents.

Sincerely yours,

(signed) DUANE WILSON

Principal Intelligence Officer

MEMORANDUM

MARCH 6, 1942

TO: COLONEL DONOVAN

FROM: WILLIAM A. KIMBEL

SUBJECT: REPORT ON MEETING HELD MARCH 5, 1942, WITH  
MR. DUANE WILSON AND MR. A. G. DARMSTADER,  
REPRESENTING THE BOARD OF ECONOMIC WARFARE.

AS A PRELIMINARY TO THIS MEETING, IT IS IM-  
PORTANT TO NOTE THAT IN RECENT WEEKS THERE HAVE BEEN CON-  
STANT AND INCREASING DEMANDS BY BEN FOR ACCESS TO THE  
INFORMATION AND MATERIAL IN THE GENERAL INFORMATION DIVISION  
LIBRARY OF COI. I ATTACH HEREWITH COPY OF LETTER ADDRESSED  
TO DUANE WILSON ON THIS SUBJECT AFTER CONSULTATION WITH  
MR. LEWIS AND DR. LANGER AT THE TIME OF THEIR INITIAL  
REQUEST FOR ACCESS TO THE LIBRARY.

MY PART IN THIS MEETING WAS PURELY AS LIAISON  
OFFICER FOR THE COI, HAVING AS MY PURPOSE TO LEARN THEIR  
WISHES SO THAT I COULD TRANSMIT THEM TO HIGHER AUTHORITY  
FOR CONSIDERATION.

THE BEN REPRESENTATIVES EXPRESSED THE OPINION  
THAT IN VIEW OF THE FACT WE WERE FUNCTIONING IN PARALLEL  
ACTIVITIES HAVING AS OUR MUTUAL PURPOSE THE ESTABLISHMENT  
OF INFORMATION OF VALUE TO THE DETRIMENT OF OUR ENEMIES,  
IT WOULD BE DESIRABLE FOR US TO TO HAVE AS COMPLETE

-2-

COLLABORATION IN OUR EFFORTS AS POSSIBLE TO PREVENT OVERLAPPING AND DUPLICATION.

THEY STATED THAT THEIR ACTIVITIES AND RESEARCH WERE RESTRICTED ENTIRELY TO THE FIELD OF ECONOMICS. AS AN ILLUSTRATION OF THE TYPE OF RESEARCH BEING UNDERTAKEN BY THEM, THEY CITED "GERMAN WAR POSITION AS AFFECTED BY OCCUPIED COUNTRIES AS SUPPLEMENTING GERMAN DOMESTIC PRODUCTION". THIS STUDY WAS CONSTANTLY BEING ADJUSTED TO MEET CURRENT CIRCUMSTANCES AND CHANGES. THEY, ALSO, ARE ACTIVE IN RESEARCH LEADING TO HARASSMENT OF THE ENEMY BY APPLICATION OF ECONOMIC PRESSURE, SUCH AS PRECLUSIVE BUYING OF MATERIALS WHICH MIGHT OTHERWISE BE AVAILABLE TO GERMANY IN NEUTRAL COUNTRIES SUCH AS TURKEY.

THEY CLAIM TO HAVE ACCESS TO THE SAME SOURCES OF INFORMATION WHICH ARE NOW OPEN TO US, SUCH AS THE DEPARTMENT OF STATE, G-2, ONI, MID, BRITISH MINISTRY OF ECONOMIC WARFARE, ETC.

THE FOREGOING STATEMENT IS SUBJECT TO INVESTIGATION AS I LEARN FROM OTHER SOURCES THAT THE STATE DEPARTMENT DOES NOT GIVE THEM THE CONFIDENTIAL INFORMATION WHICH WE RECEIVE.

ON THE BASIS OF THE FOREGOING, IT WAS THEIR CONSENTION THAT WE SHOULD COOPERATE WITH THEM IN TURNING OVER TO THEM ALL INFORMATION NOW IN OUR LIBRARY SO AS TO AVOID

-3-

THE DUPLICATION OF EFFORT WHICH WOULD RESULT FROM THEIR HAVING TO GO TO THESE SAME SOURCES. IT IS IMPORTANT TO NOTE THAT THEY CONTENDED THAT SUCH DUPLICATION OF EFFORT WOULD INVOLVE GREATLY INCREASED PERSONNEL AND RESULTANT LARGE AND UNNECESSARY EXPENDITURE OF FUNDS.

THEY WERE PARTICULARLY ANXIOUS TO HAVE A FREE INTERCHANGE OF INFORMATION AND DISCUSSION BETWEEN OUR RESPECTIVE ECONOMIC SECTIONS WITH COLLABORATION ON SUCH SUBJECTS AS ARE OF MUTUAL INTEREST AND IN RESEARCH AND PREPARATION OF REPORTS. THEY CLAIM TO HAVE SUCH INTERCHANGE OF FUNCTION WITH THE DEPARTMENT OF COMMERCE, JUSTICE, TARIFF COMMISSION, ETC., ETC.

THEY WERE INTERESTED IN ESTABLISHING RELATIONS WITH COLONEL BUXTON'S SECTION IN THE BELIEF THAT HE HAS OBTAINED MATERIAL OF CONSIDERABLE VALUE ON ECONOMIC CONDITIONS IN VARIOUS AREAS. SUCH COLLABORATION COULD BE ON THE BASIS OF THEIR ASSIGNING SOME REPRESENTATIVE TO WORK WITH COLONEL BUXTON OR ON THE BASIS OF THEIR TURNING OVER TO COLONEL BUXTON A LIST OF THOSE SUBJECTS AND QUESTIONS IN WHICH THEY WOULD HAVE A PARTICULAR INTEREST. AS AN INDICATION OF THIS TYPE OF QUESTION AND INFORMATION,

THEY LEFT WITH ME A BOOK SO PREPARED AND ARRANGED AS  
TO FACILITATE SUCH INTERROGATIONS.

AMONG OTHER SUBJECTS, THEY ARE NOW PREPARING  
REPORTS ON "THE ECONOMIC VULNERABILITY OF JAPAN" AND  
"FRENCH INDUSTRIAL CONTRIBUTION TO GERMAN WAR EFFORTS"

THE MEETING TERMINATED WITH THE UNDERSTANDING  
THAT I COULD NOT GIVE THEM ANY INDICATION OF PROCEDURE,  
BUT THAT I WOULD SUBMIT THEIR WISHES TO HIGHER AUTHORITY  
FOR EARLY CONSIDERATION AND REPLY.

IT IS MY OBSERVATION THAT THE STATE DEPARTMENT  
HAS A VERY DEFINITE INTEREST IN THIS SUBJECT AND WHAT-  
EVER OUR EVENTUAL DECISION, OUR RELATIONS WITH THE STATE  
DEPARTMENT WOULD BE AFFECTED.

AS OF INTEREST IN THE FOREGOING, BEW HAS JUST  
REQUESTED THAT WE SEND THEM DAILY OUR ACCESSION SHEETS FROM CID.

W.A.K.

CC: Dr. Baxter  
Dr. Langer  
Dr. Lewis

Attachment

February 20 1962

Mr. Duane Wilson  
Board of Economic Warfare  
2501 Que Street, N.W.  
Washington, D. C.

Dear Duane:

I have your letter of February 18th. As I believe you know from your experience in this office, our Central Information Division is functioning under a security contract which placed very definite restrictions on our authority to disseminate information. In many instances we have established agreements and understandings with the sources of our information under which we are compelled to restrict distribution to a very limited group. In other words, the decision does not rest with us.

For this reason, I am compelled to reluctantly reply that we cannot give an all-inclusive consent to your request, but that if you will make specific request for certain documents under the designation of their titles, we shall be glad to give consideration to each case, and if our restricted authority permits, we will endeavor to be of assistance to you wherever possible.

Sincerely yours,

William A. Kinbel  
Liaison Officer

*Ed. of the Review*  
*1/20/49*

February 21, 1949

Mr. Milo Perkins  
Executive Director  
Board of Economic Warfare  
2501 Q Street, N.W.  
Washington, D. C.

My dear Mr. Perkins:

I am obliged to you for your letter of February 18th, pointing out to us that within the Board of Economic Warfare there has been established a Committee for the Review of Confidential, Secret and Restricted Documents, and that incoming material is to pass through this Committee.

Mr. Lewis, Chief of our Central Information Division, which handles the distribution of materials issuing from this office, has been instructed to address such items in the future to your Committee for the Review of Confidential, Secret and Restricted Documents.

Sincerely yours,

William J. Donovan

WJL/MB  
cc/Mr. Lewis

William L. Langer

February 21, 1948

Mr. Louis

We have been advised by Mr. Milo Perkins, Executive Director of the Board of Economic Warfare, that there has been established within that agency a Committee for the Review of Confidential, Secret and Restricted Documents, and arrangements have been made to have all incoming material pass through this Committee.

Mr. Perkins requests that when transmitting material to the Board of Economic Warfare the envelope be addressed to the attention of the Committee for the Review of Confidential, Secret and Restricted Documents in Room B-12 of 2501 Que Street, N.W.

William L. Langer  
Director of Research

MB  
cc/Col. Donovan ✓

DATE 2/14/42

Dr. Langer

Will you see what answer  
should be made to this.

WJD

DIR.

COORDINATOR OF INFORMATION

*Received from [unclear] 4/12/42*

**BOARD OF ECONOMIC WARFARE**  
WASHINGTON, D. C.

Office of the Chairman

FEB 12 1942

Col. William J. Donovan  
Coordinator of Information  
Executive Office of the President  
25th and E Streets, N.W.,  
Washington, D.C.

Dear Col. Donovan:

There has been established within the Board of Economic Warfare a Committee for the Review of Confidential, Secret and Restricted Documents, and arrangements have been made for incoming material to the Board to pass through this Committee.

*Give to  
Learns →*

It would facilitate handling, we believe, if you will instruct various members of your organization when transmitting material, to address the envelope to the attention of the Committee for the Review of Confidential, Secret and Restricted Documents in Room B-12 of 2501 Que Street, N.W.

Sincerely yours,

*W. Milo Perkins*

Executive Director



BOARD OF ECONOMIC WARFARE  
formerly  
ECONOMIC DEFENSE BOARD  
WASHINGTON, D. C.

February 14, 1942

Col. William J. Donovan  
Coordinator of Information  
Washington, D. C.

Dear Colonel Donovan:

Thank you for your letter of January 23, in which you informed us that you are sending copies of the summaries of reports prepared by the New York branch of your office to the branch of the Office of Export Control located in that city. These summaries are being referred to our Washington office after perusal in New York. If they disclose anything which we would like to have developed further, we shall be pleased to let you know.

Very truly yours,

  
R. B. LORD  
Lt. Col., C. E. USA,  
Chief of Operations

Mr. William Donovan  
January 23, 1942

Mr. Milo Perkins  
Director, Economic Warfare Board  
2501 Q Street, N. W.  
Washington, D.C.

Dear Mr. Perkins:

From our London Office we have received the attached approximate survey of the enemy's war production capacity, made by the British Ministry of Economic Warfare.

I have asked Dr. Mason, one of my associates, to discuss with your people discrepancies that may be found between the information contained in your files and the information in this survey.

Sincerely,

William J. Donovan

Attachment

*Summary of [unclear]*  
*(See also [unclear])*

January 23, 1942

Mr. Milo Perkins  
Economic Warfare Board  
2801 Q Street  
Washington, D. C.

Dear Mr. Perkins:

We are now sending your New York office, and will continue to do so unless you direct otherwise, copies of the summaries of reports prepared each week by our branch in that city.

If your examination of these summaries discloses anything you would like to have developed further, please let us know.

Sincerely,

William J. Donovan

Donovan:Foy

January 5, 1942

Colonel F. R. Kerr  
Chief, Office of Export Control  
Economic Defense Board  
Washington, D.C.

Dear Colonel Kerr:

I am pleased to acknowledge the receipt of your letter of December 23, 1941, in regard to certain applications for licenses to export radio equipment to French Equatorial Africa and the Belgian Congo.

Nathan David of this office has been in touch with a representative of the Free Belgian Government and with Mr. Dame of your staff and I am advised that the matter of pending Belgian application has now been adjusted to the satisfaction of all parties.

I am informed, however, that there is presently outstanding in the hands of the free Belgian Government a license for the export of a fifty kilowatt short wave broadcast transmitter. This license and the pending French application, which involves substantially identical equipment, raise very serious problems intimately related to our work.

High-powered radio transmitting equipment of all kinds is urgently needed by this country to carry forward successfully our program of dissemination of American news and information. Surveys made by this office indicate that short of many

- 2 -

months this need cannot possibly be filled satisfactorily from present stocks and by existing manufacturing capacity. While it is clear that, as in other fields, the efforts of the United Nations in the field of news dissemination must be cooperative, with each country and group given all assistance by the others to use its resources, facilities and location to the fullest extent in the common cause, it will be generally agreed that the greatest progress in the immediate future can be made by building up this country's radio facilities. For some weeks now we have been working out specific and detailed plans to that end.

Under these circumstances, it is strongly recommended that the pending application of the Free French Government not be granted, and it is urged that steps be taken to recall the outstanding license now held by the Free Polish Government to export a fifty kilowatt transmitter.

Sincerely,

William J. Donovan

ND

January 6, 1942

Colonel F. R. Kerr  
Chief, Office of Export Control  
Economic Defense Board  
Washington, D.C.

Dear Colonel Kerr:

I am pleased to acknowledge the receipt of your letter of December 23, 1941, in regard to certain applications for licenses to export radio equipment to French Equatorial Africa and the Belgian Congo.

Nathan David of this office has been in touch with a representative of the Free Belgian Government and with Mr. Dase of your staff and I am advised that the matter of pending Belgian application has now been adjusted to the satisfaction of all parties.

I am informed, however, that there is presently outstanding in the hands of the free Belgian Government a license for the export of a fifty kilowatt short wave broadcast transmitter. This license and the pending French application, which involves substantially identical equipment, raise very serious problems intimately related to our work.

High-powered radio transmitting equipment of all kinds is urgently needed by this country to carry forward successfully our program of dissemination of American news and information. Surveys made by this office indicate that short of many

months this need cannot possibly be filled satisfactorily from present stocks and by existing manufacturing capacity. While it is clear that, as in other fields, the efforts of the United Nations in the field of news dissemination must be cooperative, with each country and group given all assistance by the others to use its resources, facilities and location to the fullest extent in the common cause, it will be generally agreed that the greatest progress in the immediate future can be made by building up this country's own facilities. For some weeks now we have been working out specific and detailed plans to that end.

Under these circumstances, it is strongly recommended that the pending application of the Free French Government not be granted, and it is urged that steps be taken to recall the outstanding licenses now held by the Free Belgian Government to export a fifty kilowatt transmitter.

Sincerely,

William J. Donovan

ND

January 8, 1948

Colonel F. R. Kerr  
Chief, Office of Export Control  
Economic Defense Board  
Washington, D.C.

Dear Colonel Kerr:

I am pleased to acknowledge the receipt of your letter of December 23, 1947, in regard to certain applications for licenses to export radio equipment to French Equatorial Africa and the Belgian Congo.

Nathan David of this office has been in touch with a representative of the Free Belgian Government and with Mr. Dams of your staff and I am advised that the matter of pending Belgian application has now been adjusted to the satisfaction of all parties.

I am informed, however, that there is presently outstanding in the hands of the free Belgian Government a license for the export of a fifty kilowatt short wave broadcast transmitter. This license and the pending French application, which involves substantially identical equipment, raise very serious problems intimately related to our work.

High-powered radio transmitting equipment of all kinds is urgently needed by this country to carry forward successfully our program of dissemination of American news and information. Surveys made by this office indicate that short of many

- 2 -

months this need cannot possibly be filled satisfactorily from present stocks and by existing manufacturing capacity. While it is clear that, as in other fields, the efforts of the United Nations in the field of news dissemination must be cooperative, with each country and group given all assistance by the others to use its resources, facilities and location to the fullest extent in the common cause, I think it will be generally agreed that the greatest progress in the immediate future can be made by building up this country's radio facilities. For some weeks now we have been working out specific and detailed plans to that end.

Under these circumstances, it is strongly recommended that the pending application of the Free French Government not be granted, and it is urged that steps be taken to recall the outstanding license now held by the Free Belgian Government to export a fifty kilowatt transmitter.

Sincerely,

William J. Donovan

ND

**ECONOMIC DEFENSE BOARD**  
WASHINGTON, D. C.

December 29, 1941

Colonel William Donovan,  
Coordinator of Information,  
25th and E Streets, N. W.,  
Washington, D. C.

Attention: Mr. Nathan David

Dear Colonel:

Applications have been filed with this office for licenses to export to French Equatorial Africa and Belgian Congo, respectively, equipment for the establishment of radio stations. The two proposed radio installations will apparently require equipment valued at \$300,000 and \$100,000, respectively. These two applications already have been approved by this office, but the issuance of the licenses has been held up at the request of Mr. Nathan David of your office, to permit a study to be made as to the advisability of the establishment of the two stations.

It is desired to take final action upon these applications for licenses within the next few days, and it would be appreciated if you will submit your recommendation as soon as possible.

Thanking you for your cooperation in this matter, I am,

Very truly yours,

*F. R. Kerr*  
F. R. KERR,  
Colonel, Infantry,  
Chief, Office of Export Control.

*Sam. C. ...*  
*x Kerr.*

ECONOMIC DEFENSE BOARD  
WASHINGTON, D. C.

December 23, 1941

Colonel William Sweeney,  
Coordinator of Information,  
29th and E Streets, N. W.,  
Washington, D. C.

Attention: Mr. Nathan David

Dear Colonel:

Applications have been filed with this office for licenses to export to French Equatorial Africa and Belgian Congo, respectively, equipment for the establishment of radio stations. The two proposed radio installations will apparently require equipment valued at \$300,000 and \$133,000, respectively. These two applications already have been approved by this office, but the issuance of the licenses has been held up at the request of Mr. Nathan David of your office, to permit a study to be made as to the advisability of the establishment of the two stations.

It is desired to take final action upon these applications for licenses within the next few days, and it would be appreciated if you will submit your recommendation as soon as possible.

Thanking you for your cooperation in this matter, I am,

Very truly yours,

F. R. ENNS,  
Colonel, Infantry,  
Chief, Office of Export Control.