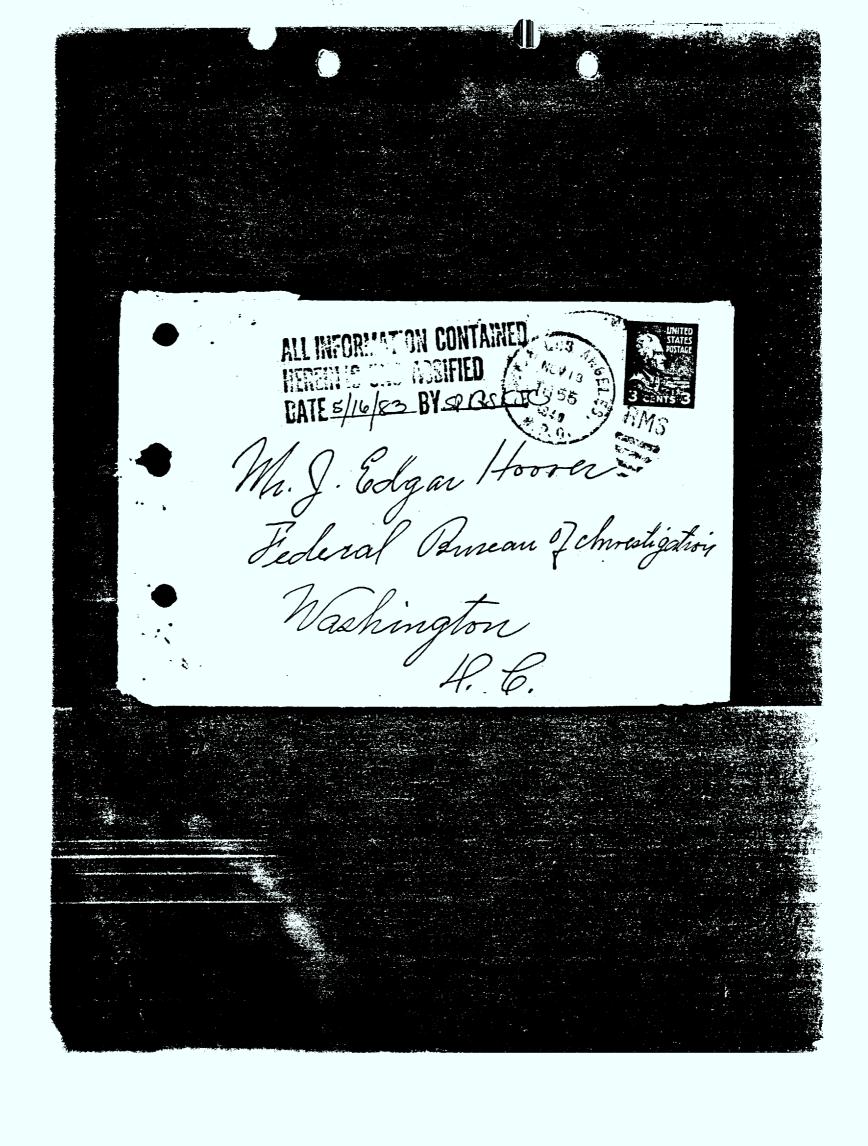
FEDERAL BUREAU OF INVESTIGATION FREEDOM OF INFORMATION/PRIVACY ACTS SECTION COVER SHEET

SUBJECT: HENRY A WALLACE PART 1 OF 2



ALL INFORMATION CONTAINED

LITTLE SUNCLA IFIED

DATE FIRE BY OPIGLATO



ENCLOSURE

62-71788-X

MINCLUDING TH

Wallace's

Post-War

World:

2-4

- o Jobs for All
- World Council lo Preserve Peace

Vice President Henry A. Wallace last night proposed establishment of a post-war World Council to insure peace and called on the American people to lead the world. toward a "new democracy"—one in which the common man and returning soldier will be assured of jobs and security.

In an address that may rank with his nowhistoric "Free World" speech of May 8, he said the task of this generation is "so to organize human affairs that no Adolf Hitler, no power-hungry war-mongers, whatever their nationality, ever again can plunge the whole world into war and bloodshed.

His address was broadcast nationally from Washington in commemoration of the 86th anniversary of the birth of Woodrow Wilson. and the second second second

Woven through the speech were these themes:

¶ The United States and her Allies must begin now to plan a vigorous and workable world compact to disarm aggressors and insure world peace through economic cooperation. This will necessitate a World Council to settle disputes which otherwise would lead to needless war and bloodshed.

Any such federated world organization, designed to preserve liberty, equality, security, and unity for all, must confine itself to broad principles which affect the entire world, leaving each country or each region the freedom to deal with purely domestic or regional problems. For example, European countries, while concerned with Pan American problems, should not have to be preoccupied with them; conversely, Pan America should not have to be preoccupied with problems of Europe.

The United States campt afford to delay the preparation of a broad, post-war specific program to the property of all.

It should be a sign of barbarism.

Then he continued, will come the task of building a new and enduring peace, and in this task economic resonstruction will play an all-import. It will find contain a storage of the said. These will take form he influenced and victorial take form the jectorial take form the jectori ¶ Any such federated world organization,

go into war work will have a new job when the peace is signed.

Regarding the new League of Nations, with the United States this time an active member, Wallace said that in the period following World War I there were many who said Wilson had failed. But now, he added, "We know it was the world that failed and that the suffering and war of the



was married by the day to the state of the second	Pages
Picture Magazine	- 49
National News - A	- 10-11
News From Abroad	- 12-16
New York News	- 17-18
The Scuttles	- 18
	19, 20, 22
Redio	+ 20-21
Barnaby	
Food a la a a la la la la	



Vice-President Henry A. Wallace, who commemorated the anniversary of Woodrow Wilson's birth with a radio speech elaborating the thesis that this is the century of the common man.

last few years is the ponalty it is paying for its failure.

He mid his believed the United States, aware of its "solationist folly," is now ready to work with other United Nations in developing a formula which will give the greatest possible liberty without producing anarchy and at the same time will not give so many rights to each member nation as to

employment pankruptcy, and in some cases violent revolution.

violent revolution.

Because jobs-fer-all is a prerequisite for a sound economy, he said, the United States must make certain that another period of

unemployment does not follow the present conflict.

This problem, be said, is well recog-nized by the average man on the street, who sums it up in a nutshell like this: If everybody can be given a job in war work now, why can't everybody have a job in peacetime production later on?

The essentials of this job are clear, Wal-

lace said: We must have definite plans for the conversion of key industries to peace time work: A continuity in the flow of incomes between consumers and industry, and

a national system of job placement.

With this end in view, he continued the suggestion has been made that Congress should formally recognize the mainte-nance of full employment as a declarer





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jeopardize the security of all.

As conquered territory is regained from the Germans and the Japanese, he said, the Allies must take humanitarian measures of relief and rchabilitation, remembering all the while that "revenge for the sake of re-

venge would be a sign of barbarism.

Then, he continued, will come the task of

Then, he continued, will come the task of building a new and enduring peace, and in this task economic reconstruction will play an all-imports in economic steams will take one that, without and temporary scarcides, one that, without and temporary scarcides, urpluses, crashing prices, unemployment bankruptcy, and in some cases violent revolution. violent revolution."

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again, all over the world.

Adolf Hitler's desperate bid for a Nazi world order has reached and passed its highest point, and is on its way to its jultimate downfall. The equally sinister threat of world domination by the Japanese is doomed eventually to fall.

When the Hitler regime finally collapses and the Japanese war lords are smashed, an entirely new generation—the generation which President Roosevelt once said has a rendezvous with destiny"-is so to organize human affairs that no Adolf Hitler, no power-hungry war mongers, whatever their nationality, can ever again plunge the whole world into war and bloodshed.

Analogous to Early

Days of Our Republic

The situation in the world today is p allel in some ways to that in the United States just before the adoption of the Constitution, when it was realized that the Articles of Confederation had failed and that some stronger union was needed.

Today, measured by travel time, the to go by horse-drawn vehicle from Moult of the guiding principles of this world-wide Vernon to New York. Now Army bombe are flown from the United States to China and India in less than three days.

It is in this suddenly shrunken world that the United Nations, like our 13 American states in 1787, soon will be faced with a fundamental choice. We know now that the League of Nations, like our own union under the Articles of Confederation, was not strong enough. The League never had American support, and at critical moments it lacked the support of some of its own members.

The League finally disintegrated under the successive blows of world-wide economic depression and a second world war. Soon the nations of the world have to face this question:-Shall the world's affairs be so organized as to prevent a repetition of these twin disasters—the bitter woe of depression and the holocaust of war? A many

Discussion Now Is Appropriate

It is especially appropriate to discuss this subject on this particular date, because it is the birthday of Woodrow Wilson, who right of workers to unemployment insurance preserve the world's peace through united police force to unhold civil law. world action. At that time, there were many

11 and of the world-wide new democracy which is the goal of the United Nations

this present struggle. Wilson, like Jefferson and Lincoln before him, was interested first and always in the welfare of the common man. And so the ideals of Wilson and the fight he made for them are an inspiration to us today as we take up the torch he laid down.

We Must Prepare For the Peace Now

Resolved as we are to fight on to final victory in this world-wide people's war, we are justified in looking ahead to the peace that inevitably will come. Indeed, & would be the height of folly not to prepare for peace just as, in the years prior to Dec. 7, 1941, it would have been the height of 500 not to prepare for war.

As territory previously overrun by the Germans and the Japs is reoccupied by the forces of the United Nations, measures of relief and rehabilitation will have to be undertaken. Later, out of the experience of these temporary measures of relief, there will emerge the possibilities and the prac-ticalities of more permanent reconstruction. We can not now blueprint all the details.

Two of these principles must be liber and unity, or, in other words, home rule and centralized authority, which for more than 150 years have been foundation stones of our American democracy and our American Union.

We Were Unprepared 28

When Woodrow Wilson proposed

League of Nations, & became apparent that these same principles of liberty and unity of home rule and centralized authority needed to be applied among the nations & a repetition of the first world war was to be prevented. Unfortunately, the people of the United States were not ready. They believed in the doctrine of liberty in intern tional affairs, but they were not willing to give up certain of their international rights and to shoulder certain international duties, even though other nations were seady to take such stepk:

They were in the position of a strong, well-armed pioneer citizen who thought he could defend himself against robbers withas national policies the right of farmers to gave up his health, and eventually his life, out going to the expense and bother of parity of income with other groups and the in the first attempt, a generation ago, to joining with his neighbors in setting up a They stood for



Wallace Calls for Post-War Council World Peace and Security for



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Committed After World War

The text of the Vice President's speech who said that Wilson had failed. Now on America's part in world reconstruc-

For the people of the United States, the war is entering its grimmest phase. At home, we are beginning at last to learn what war privations mean. Abroad, our boys in even greater numbers are coming to grips with the enemy. Yet, even white wariare rages on, and we of the United Nations are redoubling our great drive for victory, there is dawning the hope of that day of peace, however distant, when the lights will go on again, all over the world.

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the support of some of its own members.

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know that it was the world that failed, and the suffering and war of the last few years is the penalty it is paying for its failure.
When we think of Woodrow Wison

know him not only for his effort to build a permanent peace, but for the progressive leadership he gave our country in the y before that first World War. The New Freedom" for which Wilson fought was the forerunner of the Roosevelt New Deal a 1933 and of the world-wide new democracy which is the goal of the United Nations this present struggle.

Wilson, like Jefferson and Lincoln below him, was interested first and always in the welfare of the common man. And so ideals of Wilson and the fight he made to them are an inspiration to us today as w take up the torch he laid down.

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We Were Unprepared After World War I

When Woodrow Wilson prop League of Nations, it beca these same principles of liberty and as of home rale and centralized author needed to be applied among the

D PROVES EDI



HENRY A. WALLACE, New Deal candid Wirt, wrote a book whose philosophy of date for Vice-President and former Secretary planned economy meant overthrow tary of Agriculture, who, according to Dr. The American Government.

MISS ALICE BARI partment of the I group" accused by

Wallace's Writings Called Subversive

On April 10, 1934, an Investigating Comm of the House of Representatives held session Washington to hear Dr. William A. Wirt, G



TOR'S REVELAT



allenalist in the De

DR. WILLIAM A WIRT, former and dinner given by Miss Alice Barrows in perintendent of schools at Gary, Ind., now 1933 of giving voice to subversive senti-deceased, who accused a group at the ments.

capital loans. Then we can push Uncle Sam into the post. But strong men must tall where he must make these capital loans. And, of pourse, country is engulfed in flat a Uncle Sam becomes our financier, he must also follow.

Thus they, the Stain T somey with pontrol and management. soney with pontrol and management.
The most sat prising statement made is

the Brain Trusters, would soon be able to

equeationalist in the Interior Department, in suburban Virginis, near Washington, on the night of Friday, Sept. 1, 1933. At that time, Henry A. Wallace, Secretary of Agriculture, was "just a Cabinet officer." Certainly no one, unless it happened to be some of the Wallace inner circle, thought of him as a possible Vice-President of the United States, first in line of succession should the President die, resign or otherwise be eliminated.

dinner might have been lost in the superintendent of Public Schools dinner might have been lost in the superintendent of Funne Schwons limbo of forgotten words had not at Gary, Indiana — a liberal in matters of education — who died darch 11, 1938, nearly four years after his sworn testimony had been made a public record by the Congressional committee, sworn to the truth of what ha wrote.

Today on the eye of what many

Much of what was said at that was Dr. William A. Wirt, form

The guest who did the writing regard as the most important mational election in the history of the United States, that dinner and what was said there, bounce back to furnish deep-food for thought for an electorate heading to the polls on Nov. 5.

In addition to Dr. Wirt, those who attended that dinner—according to his sworn testimony-

Alice Barrows, the hoste David Cushman Coyle, then a member of the Technical Review Board of the Public Works Admin-



LAWRENCE TODD (standing), representative of Tass Agency (official news agency for Soviet Russia), being quizzed by Rep. Harold McGugin regarding a copy of the Daily Worker, at the Congressional probe of Dr. Wirt's charges

sional Commi. e some weeks precious. Wirt reac into the record portions of that statement, and swore the material in it first came to his attention at c dinner in Virginia, on Friday, Sept. 1, 1933. The statement covered a definite plan which Wirt said was concocted by men and women INSIDE THE GOVERNMENT to radically change our Government. Balient points of Wirt's statement, us he read it under oath, are given below:

"I was told that they"—(the sponsors of The Plan) "believed by thwarting our then evident recovery they would be able to prolong the country's destitution until they had demonstrated to the American people that the Government must operate industry and commerce.

"I was told that of course commercial banks could not make long term loans and that they would be able to destroy by propagands the other institutions that had been making

the Home Economics Department North Carolins—one of the New of the Department of Agriculture; Dcal Congressmen of 1934—fror Mary Taylor, economist in the making a preliminary statement t. AAA division of the Department the Committee to explain his post

of Agriculture.

The dinner, according to Wirt, had gone into general discussion which lasted several hours. In substance, he charged, the women that Department of Agriculture of Agricul from the Department of Agricul- another column of this newspaper ture and Todd, from the Soviet And, subsequent to that reading

Kneeland referred to Dr. Rexford Ingwell and Secretary Wallace as and Secretary Wall the leaders of thought for their this answers. Toup. Specifically, he named lodd, Miss Kneeland and Miss Taylor as individually making the statement of the President being in the "middle of a swift street and being only the Kerensky of this Revolution.

Specifically, he quoted from books written by Tugwell and Wallace as carrying the philosophy cf a government everthrow and establishment of "planned sconomy" along radical lines, 527

wirt's charges were first in-cluded in mimeographed form in which they were sent to James Rand; to General Robert E. Wood. of Chicago; in former Governor James P. Goodrich, of Indiana, and others—a list of perhaps one bundred in all, including many seading newspapers.

Rand, in turn, with Wirt's permission, had included portions of the Wirt statement in Rand's testiniony before the intersection of Pureign Commerce Committee of March 22, 1934, It was the Rand testimony which led w House resolution 317, creating the investigating committee before

which Wirt appeared.

Records of the Investigating Committee hearings show that Dr. Wirt had a stormy hearing. In the first place Former Senator James A. Reed, of Missouri, his counsel, was permitted to sit at the hearing "only as a friend" of

of Tass Agency (official news and Dr. Wirt. Wirt was not permit press agency for Soviet Russia); ted, under a committee vote put b Hildegarde Kneeland, then from Chairman Alfred L. Bulwinkle. o

Russia news agency, spoke of he was questioned, at some ten "their group." their group.

Specifically, he charged, Miss the Committee One of his answer. —as to who had named Tugwel and Secretary Wallace brough



SECRETARY WALL Tugwell (right) at the fin Under Secretary of Agricul Dr. Wirt, also wrold subvers

We selved that he babe mr. wi alle of a swift stream and the current is so strong that he cannot turn back or escape from it. We believe use can heep Mr. Reosevett there until we are ready to supplant him with a Stalin. We all think Mr. Roosevelt is only the Kerensky of this revolution."

When I saked why the President would not see through

this scheme they replied;

"We are on the inside. We control the avenues of influence. We can make the President believe that he to

making decisions for himself.

They said: A leader must appear to be a strong man of action. He must make decisions many times and make them quickly, whether good or bad. Soon he will begin to feel a superhuman flow of power from the flow of decisions themselves good or bad. Eventually he can easily displaced because of his bad decisions. With Mr. Roosevelt's background we do not expect him to see this revolution through. (portion of ma deleted): Such indi-

viduals can be induced to kindle the fires of revolution.

pir propagancia could falls .. They were sure masses against the old world brief and the as the crooks that represent that order

"I saked them what they would do w ent could no longer dole out relief in the grand manne that time, it was answered, the off repeated exhortation to dustry and commerce to make jobs out of confidence, to p duce goods and pay wages out of psychology, together wi their other propagands, would have won the people to idea that the only way out was for Government itself to spe ate industry and commerce. They were certain they did not want to support agri

culture for a long time. They were certain the farmers could he won by doles to support the government operation of a dustry and commerce. Farmers would be delighted to get the hands for once in the history of the country in the publi trough. The farmers would be one with the masses united for redistribution of the wealth of the other fellow. All they would need to do with the opposition would be to easily Well, what is your plan?

"Miss Enceland. The answer At another point, Dr. Wirt purely coincidental that food disment agencies, not the leadership and recognizes the Tuywell had said:

Tour plan will require the layrent trip of the voters to the polls. Walface are in the Department of Agriculture of Market and Henry A. Walface are seried precedent and doubtless it presented the viewpoint we believed in She said that in the spinion of Dr. Tuywell this so-called recovery—(in 1913 and 1814).

Wirt faced the committee for coordinate of the mass picketing, sit-down arranged was an illusion and speculative. Word days. The others named as WPA increases prior to the 1936. covery—(in 1923 and 1834)— Wirt faced the committee for was an illusion and speculative two days. The others named as

and that if he had the power he having attended the dinner were would have closed the commodity later called and denied the spewould have closed the commodity later called and denied the speared stock exchanges."

Asked if Miss Kneeland had 26, 1934, saw the charges officially identified any one clase is, the dropped, but with a minority regroup. Wirt said:

"Ne one other than Henry at Lehlbach, of New Jersey, and Mc-Wallace, Secretary of Agricultury Congressions, John Republicand his assistant, De. Tugwell."

Congressions John J. O'Comor, Mew York Demograt, world to drun

New York Demograt, voted to drop is the schools, from 1840 on at the charges at that time, but in Mars Forum groups and similar 1839, in his book "Confession, It organizations," and the setup of Good for the Soul," O'Connor wrote that he had made a wistake in casting the vote which pre-

ring that they were made in an uncanny degree in some of hely counts. Certainly newsapers and magazines have been teckled and subjected to attacks n the truth of advertising which Congressman Bruce Barton has frequently referred to as of an organized nature, and from Communistic sources."

Becurrent New Deal attacks on business, drives on "trusts" and the pillorying of business leaders before governmental bureaus and committees bear out part of his

witt's version that "the group" sained to use the "psychology of he empty stomach." It's in with he Wallace economy of slaughtering little pigs, plowing under produce yields, at the very time when the radicals were capitalising the slogan, "Starvation in the midst of pleaty." It is, of course,

all-time high there was supercontained and the last and the group hoped to maintain out tool of the schools and colleges until the water Tanker Tanke until the New Dealers in the schools and colleges took them over," might explain the growth is the schools, from 1934 on, of the organizations, and the setup of "academic freedom" enthusiasts among organizations of teachers rested further airing of Wirt's It might explain the previlence of the Rugs text-books in many schools and the student and faculty drives against ROTC units and other wholly American groups among the students.

The Wirt charge as to the "group's" belief in propaganda might account for the unprecedented amount of pamphlets leaflets, and other material nov

WPA increases prior to the 1936 tions, including attacks on political and for many contracts and open riots, which reached and anending attacks on political and open riots, which reached a spending attacks on political and open riots, which reached a political anending attacks on political anending attacks on political anending attacks on political anending attacks. all-time high in this country tween the date of that disse



MISS HILDEGARDE KNEELAND - membe Home Economics Dept. of the Agriculture Dept. in 193 accused by Dr. Wirt of saying at the Barrows dinner the "Roosevelt was only the Kerensky of this revolution that is, against the present form of the U.S. Governmen

congratulating Dr. Bexford ime the latter was appointed ulture. Tugwell, according to rsive articles.



JKM:PC Call: 10:15 AM Typed: 10:25 AM

Federal Bureau of Investiga	tion
United States Department of I	ustice
Washington A M	

February 15, 1943

MEMORANDUM FOR MR. D. M. LADD

SAC Hottel of the Washington Field Office called at this time and advised that he had just received a call from Mr. Hall of the Public Works Administration who has charge of guards in government buildings. He stated that a guard in the Social Security Building noticed in Room 110, which is a Mens washroom, a notice on the wall which was something like "Notice to Vice-President Wallace. Keep your nose cut of South American affairs or we will place a bomb and don't appear in this building and so forth." Hottel stated he has been advised that Vice-President Wallace is due at this building tomorrow for a conference and apparently Mr. Nelson has been advised of this because they have this room locked up. Hottel inquired if he should conduct this investigation or is it up to the Secret Service. I told Hottel that this is a matter for the Secret Service and the local police to handle.

ALL INFORMATION CONTAINED HEREIN IS UNGLASSIFIED DATES/16/83 BYSPIGSTOC

Respectfully,

J. K. Mumford

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Nederal Bureau of Investigation United States Department of Justice Washington, D. C.

February 16, 1943

MEMORANDUM FOR MR. TOLSON

Mr. Harbo_ Mr. Quinn Tamm_ Fred Eullen of the UP called to advise that the building guard at the Social Security Building was Tele. Room Mr. Nesse_ doubled today, the elevator shafts were closed, everybody Miss Beahm seemed to be jittery. Vice-President Wallace and Nelson Miss Gandy attended a meeting of the WPB. The story gradually leaked out when individuals who were presumed to be Secret Service Agents were seen coming out of the WPB meeting with Wallace.

Nelson finally told some of the reporters off the record that somebody had written a message with soap on one of the mirrors in one of the Men's Rooms to the effect that a bomb will be planted there today to take care of Wallace so he can't mess around South America.

Nelson also stated, according to Mullen, that the FBI had been called about this threat against Wallace's life. Mr. Ladd knows nothing about this nor does Mr. Hottel.

I told Mullen that we had no comment to make and that for his information we definitely were not over there.

> ALL INFORMATION CONTAINED TRAN IS UNCLASSIFIED CATES/16/83 BY SA GERGE 228323

Respectfully,

287

Mr. Tolson Mr. E. A. Than

Ladd

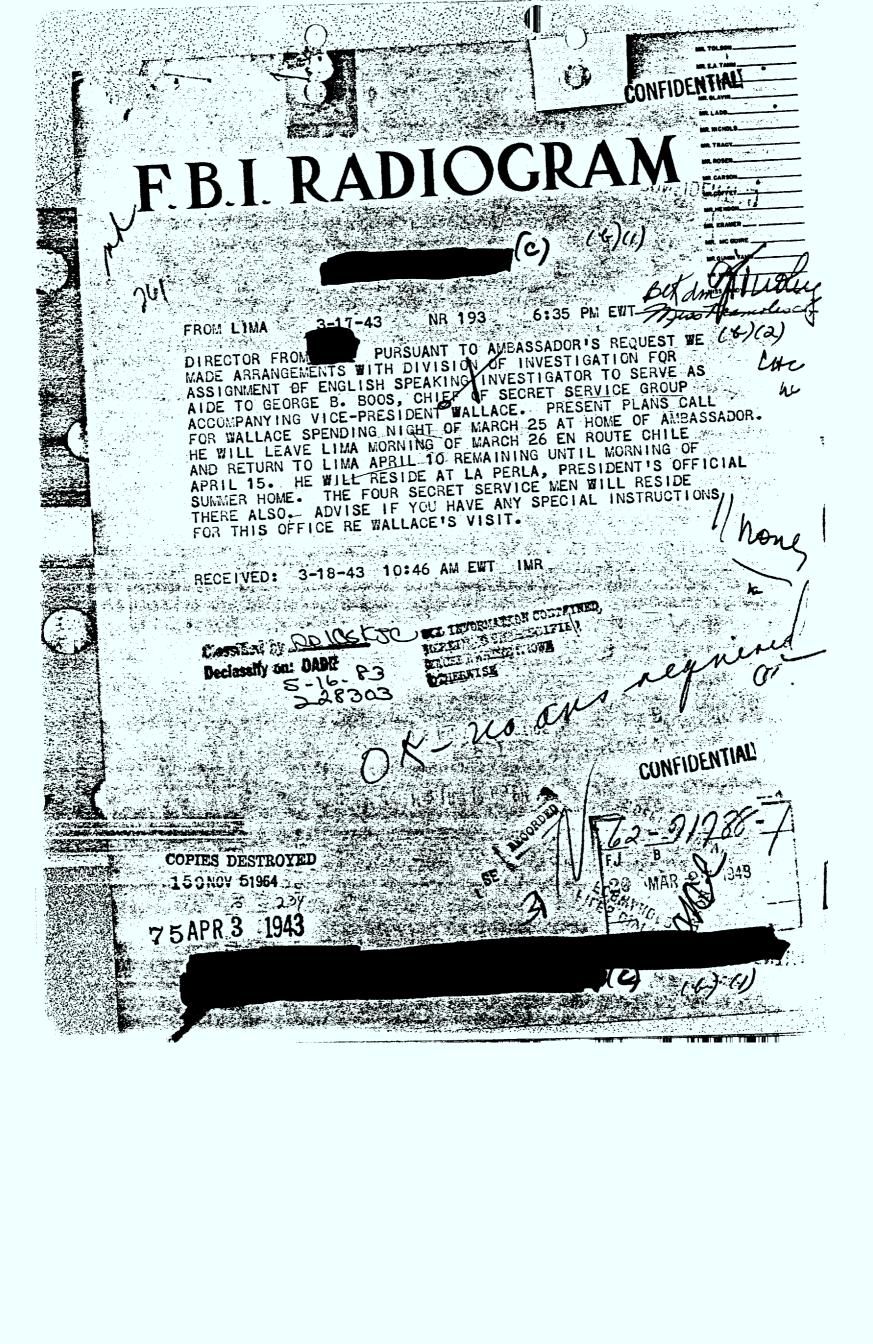
Mr. Rosen

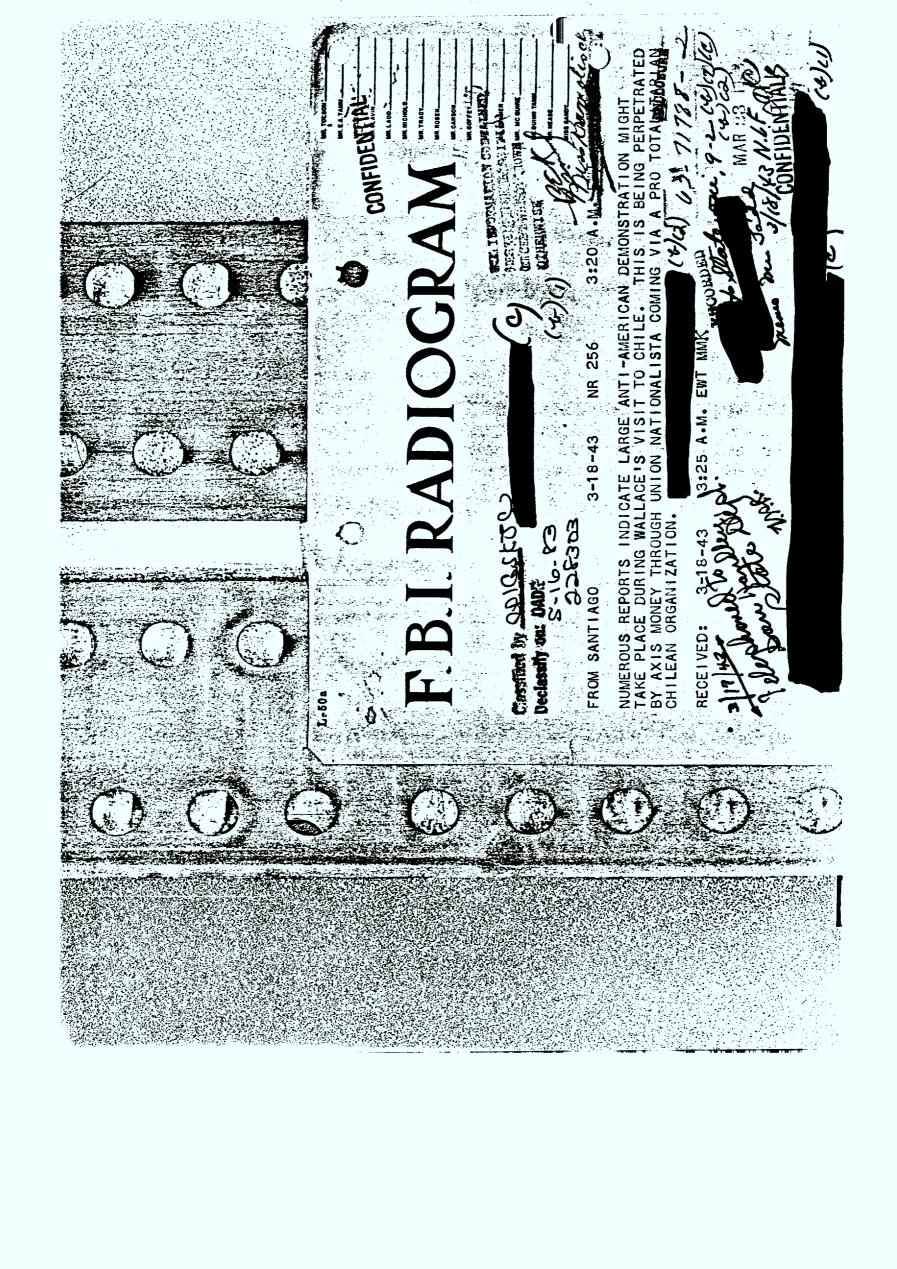
Mr. Kramer

Mr. McGuire_

RECORDED & INDEXED

FORVICTORY







NLF:im

Nederal Bureau of Investigation United States Department of Justice Washington, D. C.

March 18, 1943

MEMORANDUM FOR MR. LADD

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BA	CK	GRO	INUC);

As you know, Vice President Wallace is now making a trip through Central and South America.

FACTS:

The Bureau's representative in Santiago, Chile has advised that numerous reports have been received indicating that a large anti-American demonstration might be staged in Chile during Vice President Wallace's visit to that country.

It is further reported that this demonstration will be financed by Axis money through the Union Nacionalista of Chile.

This information was telephonically furnished to Mr. Dan Hanley of the State Department who advised that the matter appeared to be purely an internal one in Chile but that Ambassador Bowers would undoubtedly keep the Chilean Government advised of the situation.

ACTION:

The Bureau's representative in Santiago, Chile, has been instructed to endeavor to obtain definite information regarding the alleged plans for an anti-American demonstration in Chile and to keep the Bureau fully advised.

Respectfully. 228303

Mr. Glavin Mr. Ladd

Mr. Nichols

Mr. Rosen Mr. Tracy ___

Mr. Carson ____

Mr. Coffey ____ Mr. Harbo Mr. Hendon Mr. Kramer

Mr. McGuire ___ Mr. Piper ___ Mr. Quinn Tamm Tele. Room Mr. Nease

Miss Beahm ____

Miss Gandy ___

NLF: im
Radiogram dated 3/18/43 from Santiago
Transcribed 3/18/43

PERSONAL AND CONTEDENTIAL BY SPECIAL MESSENGER-

MEGORDED

- -

Honorable Adolf A. Berle, Jr. Assistant Secretary of State

ALL INFORMATION CONTAINED

TATE 6/16/13 BY 5013CTO 2 28303

From: J. Edgar Hoover - Director, Federal Bureau of Investigation

Subject:

ANTI-AMERICAN DEMONSTRATION IN CHILE

This will confirm the information furnished telephonically to Mr. Dan Hanley of your Department this morning with respect to the reported anti-American demonstration allegedly planned to take place in Chile during Vice President Wallace's visit to that country.

It has also been stated that this demonstration is being financed through the Union Nacionalista.

Any information which is subsequently received concerning these alleged plans will be forwarded to you.

cc - Director of Naval Intelligence Navy Department Washington, D. C.

Major General George V. Strong Assistant Chief of Staff G-2, War Department Washington, D. C. ECEIVED-METERIOR AS A 12 MIN A

CUNIMUNICATIONS; SECTION

MAR 2 1943 P.M.

GEDERAL EDREAD OF INVESTIGATION

U. S. DEPARTMENT OF JUSTICE

APPROPRIATE AGENCIES
AND FIELD OFFICES

ADVISE GING STIP(S) OF declarefy atternated DATE 9-23-77 NC

51 APR 19 1943

FEDERAL BUREAU OF INVESTIGATION UNITED STATES DEPARTMENT OF JUSTICE

Warch 18, 1943

VIA BUREAU RADIO

RECORDED To: COMMUNICATIONS SECTION.

Transmit the following message to:

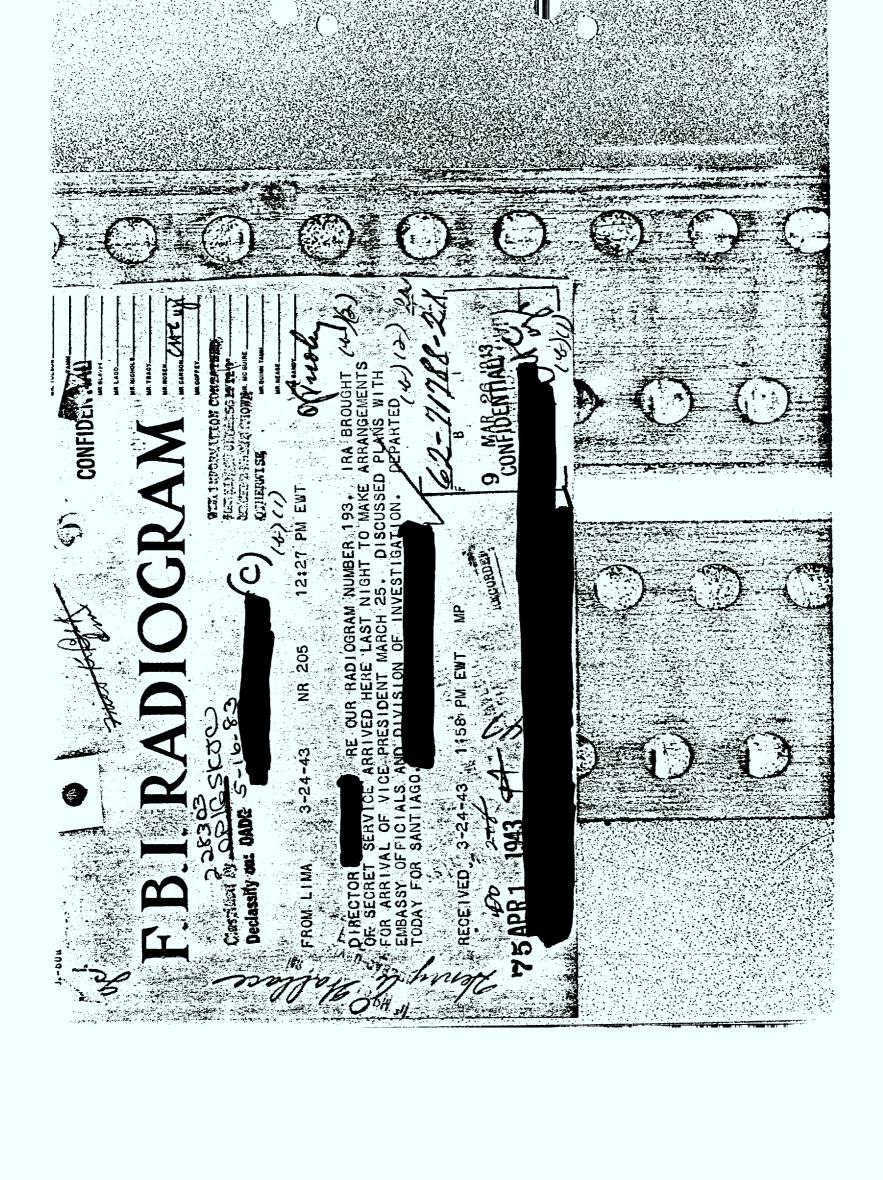
SANTIAGO, CHILE

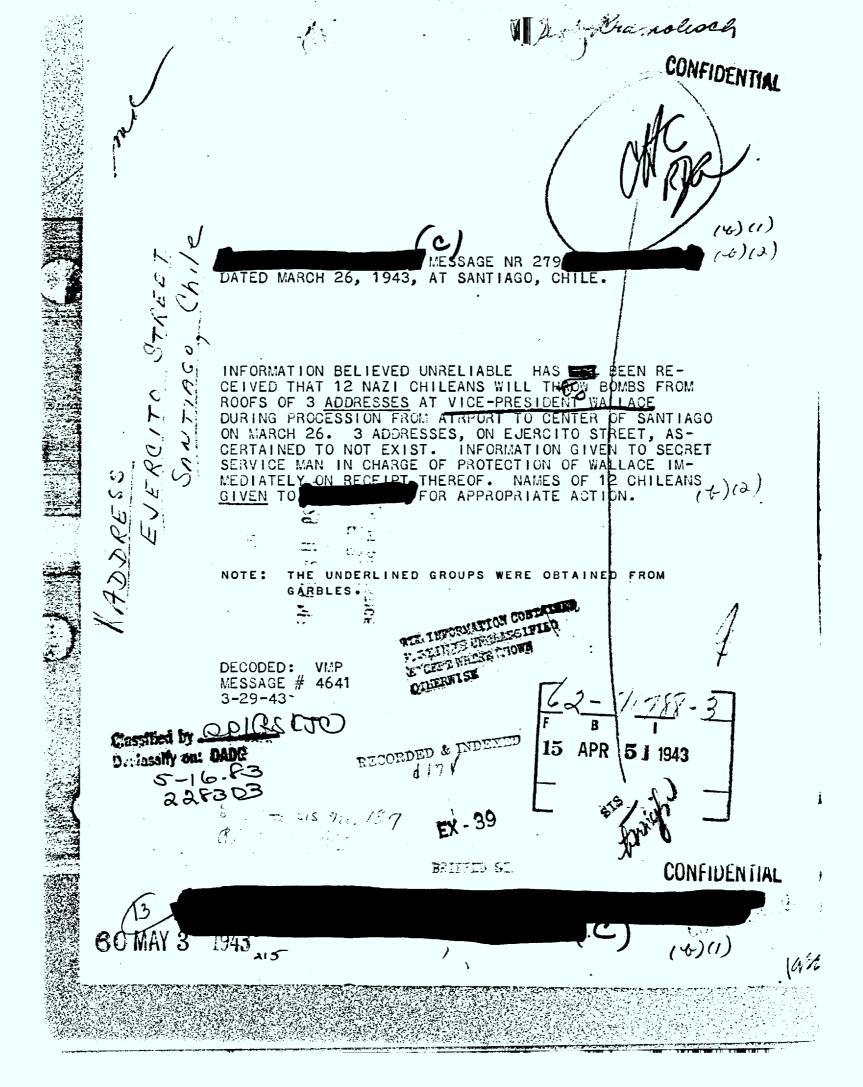
SPECIAL CIPHER PAD:

RE YOUR RADIOGRAM OF MARCH 18, 1943, CONCERNING ANTI-AMERICAN DEMONSTRATION. ENDEAVOR TO OBTAIN DEFINITE INFORMATION ON PLANS AND KEEP BUREAU FULLY ADVISED.

NOTE: After approval, please send to Lab for transmittal

Encoded by NEJ Time // Time // Time Mr. Nichols Quinn Tamm,

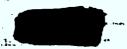




March 24, 1943

To: COMMUNICATIONS SECTION.

Transmit the following message to:



(4)(2)

RADIOGRAM-VIA BUREAU RADIO

RE: VISIT VICE PRESIDENT HALLACE TO SANTIAGO, INFORMATION RECEIVED

JAPANESE MAKING MONEY AVAILABLE TO UNION MACIONALISTA FOR ANTI-AMERICAN

DEMONSTRATION. EMDEAVOR TO OBTAIN DEPINITE INFORMATION REGARDING PLANS.

ALL INFORMATION CONTAINED

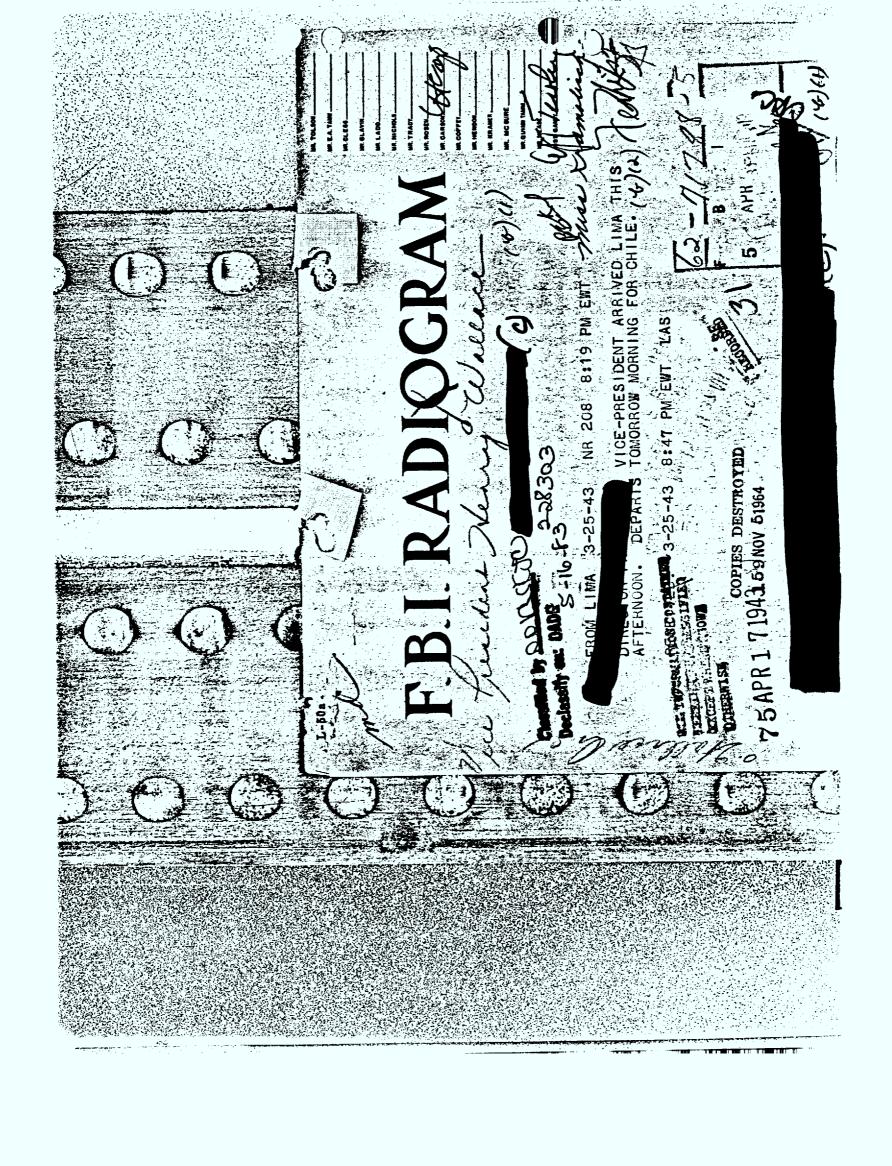
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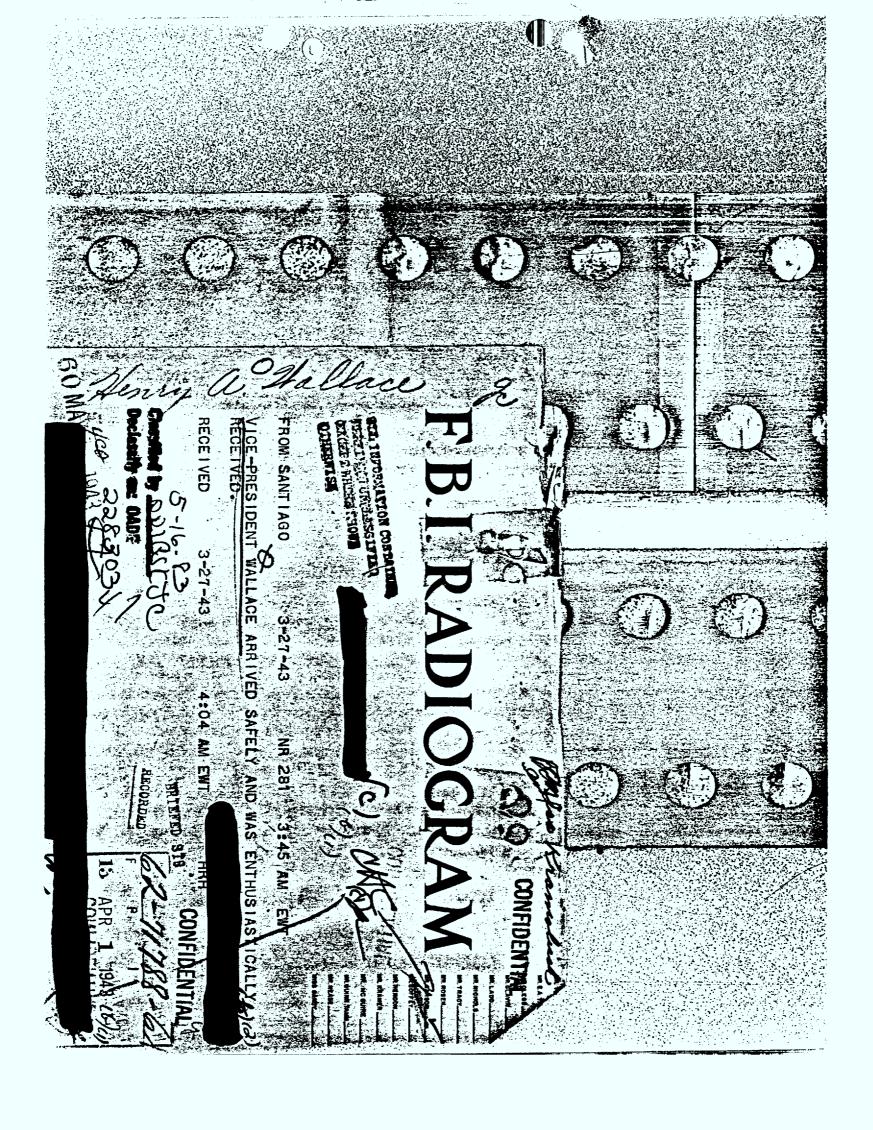
228303

Rules 743

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Mr. E. A. Tamm__ JOHN EDGAR HOOVER DIRECTOR Mr. Clegg_ Mr. Glavin_ Federal Bureau of Investigation Mr. Ladd_ Mr. Nichols_ United States Department of Iustice Mr. Rosen_ Washington, A. C. Mr. Tracy_ Mr. Carson_ March 26, 1943 Mr. Coffey_ Mr. Hendon_ Mr. Kramer_ Mr. McGuire MEMORANDUM FOR MR. CARSO Mr. Harbo_ Mr. Quinn Tamm_ LABOR LEADER VICENTE LOMBARDO Tele. Room DS ECUADORAN LABOR TO RENDER HENRY WALLACE DESERVED HOMAGE "TELEGRAFO," MARCH 17, 1943 An article gives the news that the labor leader cabled the Ecuadoran labor organizations asking that they pay fitting homage to Vice President Wallace during his visit to Ecuador on April 15, 1943. The article expresses the hope that this cable will do away with the difficulties created by the recent failure of the Fifth Labor Congress. (6)(2) Respectfully submitted 228303 RECORDED & **FOR DEFENSE**



Santiago, Chile, April 3, 1945.

Director, Federal Bureau of Investigation, Washington, D. C.

Dear Sir:

16/83 BY

VISIT OF VICE PRESIDENT WALLACE. CHILE: ADMINISTRATION,

For your general information I deem it advisable to give you a short resume of Vice President Wallace's visit in Chile and the part played by this office during his stay.

On March 15, 1943, I was called to the office of the Ambassador and advised that Mr. George F. Boos of the United States Secret Service would be in charge of the protection of Vice President Wallace during his visit in Chile. He was to be accompanied by Agents John Campion, Frank Davis, and Herbert Straley and Ira Brought. I was requested to assist these agents as much as possible in their work by acting as interpretor, providing means of transportation, etc.

On March 23 this office received a memorandum from Mr. Clarence Brooks, First Secretary of the Embassy, transmitting a list of approximately 100 employees who would serve in the house to be occupied by the Vice President. This memorandum requested that these names be checked against our files and any recommendations as to the dismissal of any of these individuals be made. This list was checked and two individuals were found to have records with our office. Accordingly they were not permitted to serve in the Vice President's house.

On March 24 this office received a memorandum from Mr. Lester Ziffren of the Coordinator's Office, setting out the individuals who would be utilized by that office in the preparation of radio broadcasts, telephone installations, etc. This list was checked against the files of our office and it was ascertained that three individuals should not be permitted to participate in this program.

BRIEFED SI During the week prior to the Vice President's numerous reports were received by this office from to the effect that anti-American demonstrations would possib during his stay. You were advised of the HODE Warch







FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

3_	Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.
X	Deleted under exemption(s) (b)(a) (b)(7)(d) with no segregable material available for release to you.
	Information pertained only to a third party with no reference to you or the subject of your request.
	Information pertained only to a third party. Your name is listed in the title only.
	Document(s) originating with the following government agency(ies), was/were forwarded to them for direct response to you.
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	For your information:
X	The following number is to be used for reference regarding these pages: 62-71788, Serial 7

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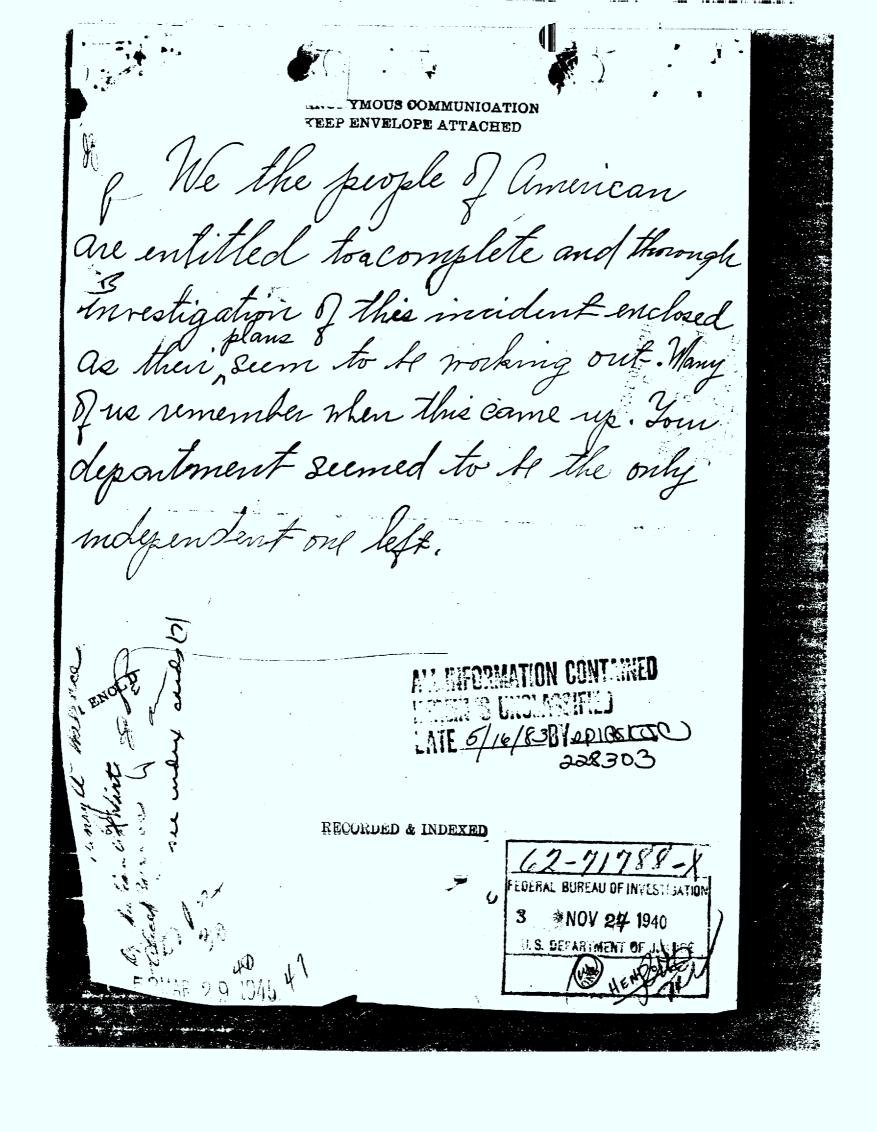
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ENCLOSURE

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PROGRAM

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5.50 a.m.

Leave Line by plane for Chile. From the frontier to Santiago the Panagra plane will be escorted successively by military planes of the Arica, Iquique, Antofagasta, et setera Sarrisons.

11.55 a.m.

Arrive Arisa. Received by Counselor of the Embassy of the United States in Chile, in representation of the American Ambassador, who will present him to the Under Secretary for Foreign Affairs, Enrique GAJARDO Villagroel, and the Vice President's Aides-de-Camp ad-hoe, Brigadier-General Nelson FUENZALIDA O'Ryan, and Comandante de Grupe (Colonel) Oscar HERREROS Walker, At Arisa mirport the military forces of the Carrison will render military honors; 21 guns,

12.50 p.m.

Continue by air to Santingo accompanied by the Counselor of the Embassy of the United States, the Under Secretary for Foreign Affairs and military Aides-de-Camp.

5.35 p.m.

Arrive Los Cerrilos sirport, Santiago. As the plane lands the Mational Anthem of the United States will be played. He will be received by the Chief of Protocol, Luis REMARD Valenzuela, who will escort him to the Reception Hall of the airport to the presence of His Excellency the President of the Republic, accompanied by his Cabinet, XX and Uniefs of Missions XXX accredited to Chile. At this time the Vice President will also be presented to his civil and naval Aides-de-Camp adhoc, Anibal JARA Letelier and Rear Admiral Emilie DAROCH Sote, Tespectively. After greeting His Excellency the President, the Mational Anthem of Chile will be played.

Military honors will be rendered by the Group of Anti-Aircraft Defense.

Departure in epen automobiles of the Government for his ad-hoc quarters at Avenida O'Higgins 1642 by the fellowing route: Melipilla Highway, Avenida Subersasseux, Avenida Beaucheff, Avenda de la República, and Avenida Beaucheff, Avenda de la República, and Avenida Bernarde O'Higgins. The first automobile will be occupied by His Excellency the President of the United States. The second automobile will be escupied by the Minister for Foreign Affairs, Jonquín FERMADEZ Fernández, and Mr. Duggan. At the door of his ad-hoc residence he will be received by the President of the Military Club, Brigadier-General Oscar FUENTES Pantoja. Derk street elothes. Audience for newspapernen, possibly Insting 20 minutes. Popular demonstration along the route.

8.30 p.m.

x See biographical sketches.

xx President Bios' Cabinet:

Interior Foreign Affairs Finance Idnostica Justice Mational Defense Public Health Isonomy & Conmerce

Real MORALES Beltrami Badical Reul MORALES Beltrami Josquin FERMANIEZ Fernandes Mon-party Gaillerno DEL PEDREGAL Benjamin CLARO Velasco Oscar GAJARDO Villarroel Alfredo DUHALDE Venques Roads & Public Works Ricardo BASCURAN Stonner Fernando MOLLER Borden Lands & Colonization Osvaldo FURNZALIDA Correc Mariano BUSTOS Lagos Jeronino MENUEZ Arancibia Bodolfo JARANILLO Bruce

Non-party Radical Liberal Radical Mon-party Redical Radical Demograt Redical Mon-perty

xxx Missions, in residence, accredited to Chile (in order of precedence).

Holy See United States Brezil Peru Great Britain Argenting Spain Bolivia Colombia Keundor Mexico Uruguay Belgium Guatemala : Portugal Switzerland

Poland Franco Pareguay Venezuela Penson Tugoslavia Cuba China Dominican Rep. Korwey Cenada Metherlands Denmark Heiti Sweden

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Monsignor Maurilio Silvani Ambassador Hon. Claude G. Bowers Hon. Samuel de Souza-Leso Gracie Hon. Antonio García Salazar Hon. Sir Charles Orde Hon. Carlos Guiraldes Hon, Marques de Luca de Tena Hon. Alberto Ostria Ostierres Hon. Agustin Wisto Caballero Hon. Agustin Mieto Variante
Hon. Honero Viteri Lafronte
Hon. Luis I. Rodrigues Hon. Hugo V. de Pena Hon. Marine Garard Hon. Virgilio Rodriguez Beteta Minister Hon. Alexandre K. Ferres de Andrede

Hon. Coarad C. Jeany Mon. Ladislas Mazurkiewies Hoa. Conde Paul D'Hybouville Hon. José Dahlquist Hon. Carlos Aristimano Goll Hon. Octavio Vallarine Hon. Djuro Kolombatovie Hon. Enrique Pizzi de Perras Hon. P. O. Chang Hon. Tulio M. Cestere Hon. Arild Huitfeld Hon. Werwick Chipmen Hon. H. O. von Oven Christian Plastner-Woller Hon. Colonel Gustave Larque Hon. Poke Wennerberg

Charl d'Affaires

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10.00 a.m.

Protocol visit to His Excellency the President of the Republic with military escort. The troops of the Santingo Carrison will form from his residence to the Palace of the Monoda, the old colonial mint now the President's efficial residence and housing various ministries including that of Fereign Affairs.

The Minister for Foreign Affairs, Josquin Farmanimz Fernández, accompanied by Under Secretary QAJARDO, the Director of the Diplomatic Department, Fernando GARCIA Oldini^X and Chief of Protocol REMARD will call for him and will leave him at his residence in open automobiles of the Government, by the following route: Avenida O'Higgins, Morandé, Moneda, Teatinos and Avenida O'Higgins, Dress; dark suits, First automobile, Vice President Walk ce and Foreign Minister Fernández, Second automobile, Mr. Duggan and Under Secretary Gajarde.

11.50 a.m.

Reception for the Chiefs of Bissions in his residence.

(List of Missions in residence is annexed)

(to program for Friday, March 26.

1.00 p.m.

Small luncheon (16 persons) offered by His Excellency the President of the Republic at his new suburban residence "La Reina" located on a mountain side overlooking Santiago and the central valley.

8.00 p.m.

Plenary session of the mational legislature in the Saclon de Honor of the National Congress, attended by the diplomatic corps. The President of the Senate, Florencio DURAN Bernales, will give the welcoming address, which will be replied to by Vice President Walkes.

7.50 p.m.

Interviews with the active heads of social security er-

to

7.50 - Pedro FREMAN, Executive Vice President of the

8.15 p.m.

Caja de Empleados Particulares. V.45 - Moises POBLETE Troncoso, Director General of the Caja de Seguro Obligatoria.

8.00 - Abraham Alcanno, Director General of the Caja de Habitación Popular.

8.30 p.m.

Meeting with American Colony and its leaders at the American Embassy.

9,15 p.m.

9.30 p.m. Small dinner at the American Embassy for United States officials in Santiagol

x See biographical sketches.

SUNDAY, MARCH 20.

9 a.z.

Visit to the dairy "Le Reina" of the Caja de Segure Obrero (Workmen's Insurance Fund). This dairy is loeated close to Santiago; there are about 75 head of eattle--Holstein Frisians--including bulls imported from the United States. Probably the mest modern fairy in Central Chile. The wisiting party will be ascompanied by Counselor of Embassy Heath and Agrisultural Attache Wilson. This event may be transferred to Saturday afternoon, Horch 27, while returning from President's luncheon.

1.30 p.m.

Luncheon at the Club Hipico, offered by the Directorate of the Club Hipico, " and special races in honor of Vice President Hallace during which the Vice President will walk through the crowds with President Rios.

Homage by the UNION PARA LA VICTORIA at the National Stadium. Agricultural exposition. This will be an exhibition of Chilean farm products presented in a little park within the Stadium grounds. The public will not be permitted to view the stands until after the act of homege. Speakers at the homege: Minister for Foreign Affairs Josquin Fernández Fernández, Presi- zz dent of the Union para la Victoria Marcial MORA Mirania, and the Vice President of the United States.

9.50 p.m.

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AND THE PROPERTY OF THE PROPER

Banquet by His Excellency the Prosident of the Republic at the Palace of the Moneda, attended by Cabinet Minise ters, Chiefs of Foreign Diplomatic Missions and high public officials. Dress: tuxedo (men enly).

Directorate of Club Hipico:

Enrique PREEZ Rieses, Vashington BANNER Pedro GARCIA DE LA HUERTA Roberto LARRAIN Manchelle Luis Gutierrex Allende Jorge PRINTO Letelier Persondo SANTA CRUZ Wilson Geoffrey Bushell

XX See biographical sketches.

President

Director

MORNAY, MARCH 29

9.00 a.m.	Interviews with leeders in the fields of labor, agri-
to	culture, commerce, industry, social welfare and poli- tics (Tentative schedule).
12,30 p.m.	9.00 a.m Graciela Mandujano; liberal, progressive
	solal worker.
	Value and a secondaried by Bernarde
	Leighton and Hannel Garreton; members of the Falange Party o mposed of young Catho-

9,50 a.m. - Father Weigel, American Jesuit priest; Dean of School of Theology, Catholic University.

9.45 a.m. - Oustavo Ross Santa María, economist, fimancier, presidential candidate in 1938.

10,00 am. - Horseie Walker, Conservative; Senator, former president of the Conservative Party.

10.15 a.m.- Bernardo Ibaliez, President of the Chilean to Confederation of Labor accompanied by re-10,45 a.m. presentatives of this erganization.

10.45 a.m. Eugenio Pereira, Francisco Walker Linares and Domingo Santa Gruz; representing the Chilean North American Cultural Institute,

11.00 a.m.- Dr. Cristobal Seens; former Foreign Minister; used to be one of the ten largest wheat growers in the world.

11.15 s.m. - Irun Salas; progressive educator, head of the Lices Experimental Namuel Salas.

11.20 a.m. - Dr. Jeronimo Mendez A., Minister of Public Mealth and Dr. Eugenio Suares, Chief of the Department of Sanitation.

11.45 s.m.- Dr. Leonardo Guman, T Vice President of the Unión para la Victoria.

12.00 meon- Open.

12.15 p.m.- Open.

1.00 p.m. Luncheon affered by the Armed Forces of Chile at the Vnion Club.

5.00 p.m. Visits to the farms (fundos) in and around Pirque, 25 kilometers from Sentingo, terminating with a reception effered by the Sociedad Macional de Agricultura'x at its Hacienda "Las Majadas" in Piruqe. This Hacienda is a very typical old time Chilota Caracteristics structures. Presentation at Las Majadas of a gold medal

6.00 D.R.

V

by the Sociedad Macional de Agricultura. The Vice President will be accompanied on thece visits by the American Ambassador and Agricultural Attaché Vilson.

8.00 p.m.

Leave Alameda Station (Santiago) in special train for Consepción. Overnight trip. On the trip south the Vice President will be accompanied by the American Ambasesdor, Secretary Lyon and Agricultural Attaché. The visiting party will also probably include the Hinister of Reonomy and Comerce, Rodolfo JARAWILLO Bruce and Minister of Agriculture, Fernando MOLL'R Borden,

- See biographical sketches.
- EX Officers and directors of the Sociedad Macional de Agricultura.

Maximo Valdes Fontecilla, President. Maxwel Escobar Koreira, Vice President. D. Luis Berros Borgollo, Honorary Director. René Silve Espejo, Secretary.

Directors:
Carlos Allende W.
Daniel Armanot T.
Manuel A. Artaza. Jorge Baraona. Carlos Cavallero, Alfredo Cerda J. Luis Corres Vergara. Jorge Covarrubias Seacher. Miguel Covarrubias V. Juan h'stigny. Francisco Domingues E. Josquin Ichenique L. Javier Errésuris M. Victor García, Carlos Haverbeck. Salvador Isquierdo. Fodolfo Jaramillo, Horasio Johnson. Horasio Johnson.
José Manuel Lerrain E.
Jaine Lerrain.
Jorge Lazeno Valden.
Miguel Letelier E.
Alberto Llona R.
Manuel Herine E.
Fernando Moller B.
Edmundo Moller B. Eduardo Moore M. Micolds Moreno F. Renda Moguere P. Max Musser, Victor Opese C. Recerede Osma U. Carlos Resas Larraine Manuel Rozas A. Guillermo Ruiz Tagle, Cristobel Sáenz. Leoncio Toro. José Francisco Vrrejola. J. Florencio Valdes. J. Miguel Valdes Freire. Nicolás Valdiviem. Alberto Viel Latelier.

TUESDAY, MARCE 80

9.00 a.m. Special train reaches Chiquayante Station. The Vice
President will be received by the Intendente (Governor)
of the Province, Armando ALARCON del Canto and other
local authorities. A visit will be made to the textile
factories of W. R. Grace & Co.

10.30 a.m. Special train arrives at Talcahuano, the principal Chilean Mayal Base and site of the largest dry-dook on the West Coast of South America. Chile's largest naval vessel, the Almirante La Torre, will be anchored in the port.

11.50 a.m. To Concepción by train. This city, the third most important in the Republic, was severely damaged by the earth, wake of 1939 and is being rebuilt. A visit will be made to the University of Concepción.

12.00 moon Leave by train for Lota, the mation's principal soal producing area.

1.00 p.m. Imnehon at the eld Cousiño Mansion in Lota Park followed by a virit to the Lota and Schwager coal mines which extend several miles under the sec.

4.00 p.m. Popular demonstration at the Lote Stadium.

6.30 p.m. Interviews will be arranged with agriculturists, representatives of social welfare institutions and labor leaders of the region.

8.00 y.m. Special train leaves Lots for Pelequés.

WEDNESDAY, MARCH 31

10.00 a.m.

Special train reaches "La Rosa" farm at Pelequen, the property of Recaredo OSSA Undurraga and the OSSA family. This "fundo" produces diversified crops; Chilean hamp, fruits, oilseed, vegetables, poultry, etc. Employs approximately 300 workers. More than 1,000 hectares of land are worked under irrigation.

1.00 p.m.

Luncheon at the "Fundo".

4:00 p.m.

Return to Santiago by special train.

9130 p.m.

Dinner tendered by Vice President Wallace at the Embassy of the United States for His Excellency, the President of the Republic, followed by a lange reception.

COMPANY HAS POST OF A SECURITY OF SECURITY

8.00 a.m.

Departs on special train for Valparaise with His Encollecty the President of the Republic. The Counselor of Embassy for Economic Affairs Butrick and the American Maval Attaché Bockwell will accompany the visiting party. visiting party.

9.50 a.m.

Stop ever at Llai-Llai to visit the fruit packing plant and property of the Cia, Frutera Sud-Americana, This concern peeks and ships a large part of the fruit ontering the export trade.

11.00 a.m.

Arrive at Valpereise where the Vice President will be tendered a brief reception by the Intendente (Covernor) of Valperaise Coston HAMEL B.

1.00 p.m.

Luncheon at Parque del Salitre del Olivar, Villa del Mar, by the Corporación de ventes de Salitre y Yode.

3.50 p.m.

Visit to the Universided Techica "FEDERICO SANTA MARIA", Valpereim, the country's leading technical school. This institution has a number of European instructors.

4.50 p.m.

Return to Santiago by automobile via Casablanea and

Curacavi.

Reception by the Directorate at the Union Club, Same tiago.

n, Mercelle

Asset of the first hard and the state of

Officers and directors of the COMPORACION DE VENTAS DE SALITRE Y

Quillorne del Pedregal Jorge Videl Pedre Alvares Suares Florencie Gercia Ternando Mardones R. Luis Alexos Barres Rolando Merino Pedro Alveres Suares David Blair Osvaldo F. de Gastro Mornee E. Graham Alfredo Lagarrigue Just Latorre Isquisrde Jorgo Vidal Medley G. B. Thelpley Regizald F. Doublet Alejandro Bekegoyen Fred Law

President

1st. Executive Vice President 2nd. Executive Vice President

Concrel Manager Asst. Concrel Name; or

. Director Director

Director Director Director Director Birector

Director Director Director

Substitute Director Substitute director Substitute Diseator

Substitute Director

R. Paul Hiller

Officers and Directors of the COMPORACION DE VENTAS DE SALITHE Y TODO (Cont'd.):

Enrique Valenzuela Josquin Trarrassval Luis Serrano Arrieta

CAMPAGE STREET, STREET

Substitute Director Substitute Director Substitute Director

EX Officers and directors of the UNION CLUB, Santingo. .

Guillermo Edwards Matte
Guillermo de Aguero Herbose
Domingo Amunategui Lecaros
Tota Washenna Ovalle
Director
Director
Director
Director Luis Mackenna Ovalle
Rector Marchant Blanlos Rector Marchant Blanlot Herma Prieto Subercaseeux Juan Undurraga Formanden
Formin Vergara Figueroa Ricardo Yrarrasaval Rojas

Director Director
Director Director

Leave Los Cerrillos Airport for Antofagasta by Panagra plane. Counselor of Embassy Heath and an attaché of the Mission will accompany the party on the trip to northern Chile. Minister of Finance del Pedregal may also accompany the Vice President on his visit to the nitrate fields and copper properties.

11.20 a.m.

Arrive at Antofagasta where the Vice President will be received by the Intendente (Governor) of the Province, Arturo RAMIREZ Basza, and other provincial authorities. The party will depart immediately by automobile for the nitrate desert and nitrate plants. The second of th

1.00 p.m.

Luncheon at the Maria Elena Mitrate Oficina followed by visits there and to the Pedro de Valdivia Mitrate Oficina, the world's largest plant producing natural nitrate.

9.00 p.m.

Dinner at the Pedro de Valdivia Nitrate Ofi-cina where the Vice President will spend the night.

SATURDAY, APRIL 3

7.00 a.m. Leave by automobile for Chuquicamata.

8.30 a.m. Arrive at Chuquicamata for visit to the property of the Chile Exploration Company operating open pit mines. This property has the largest copper ore reserves of any concern now producing copper.

1.00 p.m. Luncheon at the Chile Exploration Company, Chuquicamata.

9.00 p.m. Dinner at the Chile Exploration Company, Chuquicamata.

10.30 p.m. Leave Chuquicamata for Calama to take train for return to Antofagasta.

11.00 p.m. Leave Calama for Antofagasta by special night train. Overnight trip.

SUNDAY, APRIL 4

8.00 a.m. Arrive at Antofagasta, rainless port for nitrate and copper. Visit to the City.

10.00 a.m. Farewell reception at the Intendency of Antofagasta. Military honors will be rendered at the airport by the troops of the garrison.

11.35 R.m. Leave on Panagra plans for Arica enroute to Arequipa. Feru. The Under Sacretary for

Leave on Panagra plane for Arica enroute to Arequipa, Peru. The Under Secretary for Foreign Affairs, the Counselor of the Embassy of the United States in representation of the American Ambassador and Chilean aides-de-camp ad hoc will accompany the Vice President to Arica. As the plane rises, the United States National Anthem will be played. Salute of 21 guns.

1.40 p.m. Arrive at frontier (Arica). Plane departs immediately thereafter for Arequips, Peru.

OFFICE OF THE LEGAL ATTACHE LEGATION OF THE UNITED STATES SAN JOSE, COSTA RICA April 5, 1943.

INFORMATION CONTAINED Hon. John Edgar Hoover, Federal Bureau of Investigation, United States Department of Justice, Washington, D. C.

Dear Sir:

Director,

There is transmitted herewith a translation of a letter written by MANUEL MORA, Leader of the Communist Party, to HENRY A. WALLACE, Vice President of the United States, which appeared in the "Trabajo", local Communist newspaper.

The above translation was obtained by

(4)(2)

Very truly yours,

JAW:rpg

BRIEFED SIS RECORDER INDEXED FEDERAL BUREAU OF INVESTIGATION A - APR 15 1943

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

San José, Cesta Rica, April 5, 1943.

FOR THE STATE OF T

Memorancial Tor the little

Od 303

There is set out below the contents of a latter written by MAMUEL

HORA, Leader of the Communist Party and Candidate to the Presidential power,

to MEMILY A. WALLACE, Vice President of the United States.

"Doer Mr. Wallace;

The Communists of Costa Rica are taking part, with much enthusiasm, in the homage that the people of this country are offering you.

In these mements of international confusion we have great faith in

We know very well that your philosophical ideas, as well as many of your points of view in economic matters, are opposite to our convictions, but we know also that you are honest and capable of listening to the voice of conveience and able to understand the basic demands of a period of great changes in the history of humanity and that is the reason for which we believe in you, although you are far from being a Communist.

Mr. WillACE, will you ever become the President of the U.S.A? Will it be in your destiny to succeed President ROOSEVELT?

If the organized labor of Latin America had voice and were able to vete in the presidential election in the U.S.A. it is probable that they would vete for you.

It is well known, that the Communist Party is anti-imperialistic, and for that reason we are against the monstrous organization of the North American trusts who in their insatiable anxiety to accumulate profits fill our people with misery and do away with all liberty. Mr. WALLACE, is it not true that you are opposed to this cursed machinery of oppression and death?

Are we not right in thinking and stating that HENRY A. WALLAND at the head of a progressive movement that has its roots in the hearth the American people; and is not in favor of the imperialistic movement to has its roots in the valids of Wall Street?

perialism is a phenomena which can be furthered or held back throughts will of one man, be he a genius or the President of the U.S. A. We undertand very well that imperialism is the outcome of mass production in theorem countries made possible by complete organization, but on the other and have not lost sight of the fact that the world is being transformed and that

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ENCLOSURE

the war which has involved all the continents will not leave things as they were. Regarding this matter, we remember your ewn words advocating a reorganization of the world with the view to correct, as far as possible, the defects of the present system.

The destiny of the U.S. A. will have to be decided either by the popular forces of democracy or by the retrograde forces of imperialism.

You and Mr. ROOSEVELT stand by the former ferces and will be the leaders of the just fight that we are longing for-

We are very glad to knew that you are coming here with the determination to inquire into some of our problems. We trust that your desires may be carried out and that the representatives of power that surround you do not succeed in absouring your vision.

You are going to be with us only few days and in these few days it will not be possible for you to see all that you should be shown; but perhaps you will be able to get an approximate idea of some of the problems internationally associated with the relation of Latin America and the U. S. A.

Have you received any complaints, Mr. WALLACE, of the dreadful manner in which the United Fruit Co. deals with our people?

Are you aware of the fact that this company has created, emong the masses of the workers, an atmosphere of distrust towards your country?

This distrust is combatted daily by the erganisations of the Communist Party which does not concur in attributing to the people of the U.S.A. the crimes committed by an unfair company; but nevertheless, very often, in the minds of the ignorant laborers, the crimes committed by the former leave a deeper impression than our doctrinal arguments.

The Zones of the United Fruit Company in Costa Rica are breeding places of ill feeling toward your sountry due to the treatment given by the outstanding men of the company.

In these Sones we have heard many times this saying, "Why should we wish for the triumph of the U. S. A. in this war, if we are explaited and trodien deed by truster"

Frequently this is to be heard, "The primes sommitted by Hitler parmet be worse than those under which we live and die in the hands of the United Fruit Company."

Some of the working men have a feeling of secret joy when the armies of the U. S. A. suffer a reverse. Probably that joy is eaused by a resentment

because of the manner in wich they have been treated.

It will be well that you should realise the attitude of these masses. To conceal it from you would be to betray the sause and the ideals of democracy.

At one time in the bosom of an anti-totalitarian organization here, we discussed with great alarm this problem which we have just per before year and we made to ourselves the following question: "Should the army of the U.S. A. be beaten in the Pacific and should an invasion of our sountry by the Germans be imminent; would the masses, victims of the trusts, respond the call of the continental defense?"

The answer unfortunately was not satisfactory. Since then we reselved to Souble our anti-totalitarian empaign in the territory of the United Fruit Company, but to he avail becomes of the fear inculeated in the laborary by them.

And now that we are discussing those matters let us digress a bit and advise you as to what happened in Panama. There the situation for the Costa Ricans was appolling. The rough feromen engaged by the Company have succeeded in sowing the seeds of hats for the trusts among the masses of Latin American workers. There they have two tategories of mens Those who belong to the silver roll and those who belong to the gold relle

To the gold rell the Horth Americans and to the silver rell the Letin

For the former the Gamel Zone is a kind of Paradise. For the latter is more like hell. There the Latin Americans are dogs. They are kicked, and hamiliated. They are made is feel the radial superiority of the North Americans.

The matter is entirely different with regard to the Costa Ricans, but that does not make matters better. The Costa Ricans who observed the treatment of Latin Americans in that zone, frequently asked us, why do North Americans resent Hitler's theory of racial supremary while maintaining an equally inscient attitude themselves.

Mr. Wallies it must not escape your observations that in the very some of the Canal, the United Fruit Company and the unintelligent Spreams are en-

the U.S. A. is fighting for the trimph of democracy and against
the absurd theory of racial supremay, You and Er. ROOSEVELT are the outthe absurd in the eyes of the nations in this dreadful war. Do not let
the vested interests mullify your titanic struggle for the success of your
the vested interests mullify your titanic struggle for the agents of Hitlerideals. Remember that tetalitarianism is due not only to the agents of Hitler-

Remember too that besides the trusts there is another source of tetalitarianism. The Syrants was pull in Latin Assertes and the are backed by the U. S. A.

There are many despots recognized by everybody the carry the mane of democrate with the approbation of the diplomatic representatives of the government of the Status. Perhaps you may reply to us that your country does not intervene in the internal politics of the Latin American countries.

You may be right but you cannot deny that the people of any country where liberty is an empty word and crime is the formula which solves social problems will never understand the meaning of democracy especially when the tyrants and the high class thieves whom they knew are those who flaumi the standards of liberty.

We are swere of the fast that yes are going to the United Fruit Company. We hope that you profit by this visit, but we fear that you may not be able to do it. Several years ago a kind hearted Costa Rican President took pity on the laborers and went to pay them a visit, but the United Fruit Company succeeded in putting up a show "Ad hoc" in order to give the President an entirely different viewpoint concerning the reality that he should have faced.

not have full control of the people who live there. The Government of Costa not have full control of the people who live there. The Government of Costa nice pays the authorities a very low salary to which the Company adds an almost equal amount in order to make use of their services in the interest of the Company.

Thenever it pleases the company, it throws out a Costa Rican farmer and confiscates his land or takes a group of laborers and sends them to the interior just as Hitler would do when he thinks that a man is undesirable, but does not deserve deaths:

The Government of Costa Rica could hardly fight a company like the United because in doing so it would find itself opposing the American Legation.

Er. WALLACE, you have no idea of the way in which human beings of the white year live in the dominion of the United Fruit Company. We assure you that this company deals better with the mules then with our laborare.

If you had been accompanied by a working man in your visit to the Ease of the United Fruit Company, perhaps you would have been able to see some of the things which otherwise will be completely someonied from you. In Costa Rica, Mr. WallACE, all the business enterprises of the country have been compelled by law to raise the salaries of the laborers and yet the Snited Fruit Company and the Electric Light Company have refused to shey and have even made fun of the governments.

A short time age a strike broke out on the Paelfic side, the strikers demanding better living conditions. The United Fruit blamed the Communists for it and the President of the Republic, Dr. CAIDEON SUARDIA, whose everybody respects and loves because of his sympathy of the poor, went to the Rahama Zone and interviewed the leaders in order to settle the matter. He begged them to stop the movement and premised them to appeal to the Company so that the leaders would take into consideration the demands of the laborers.

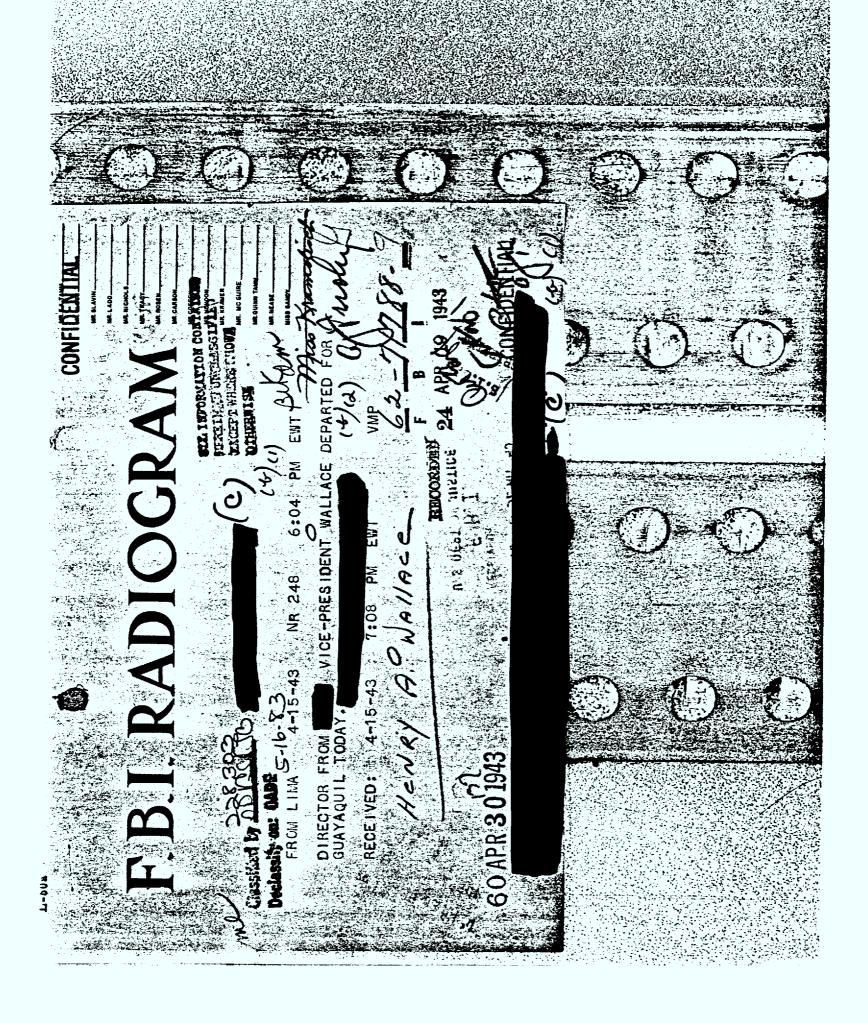
Shortly after the company dismissed all the leaders and demanded that they leave the Eone immediately. They were then placed on a black list and the simple minded once of the group were terrorized and intimidated. Movever, the President of the country did obtain from the Manager of the Company a promise to better the living conditions of the laborard; but time has past and the promise has not yet been fulfilled.

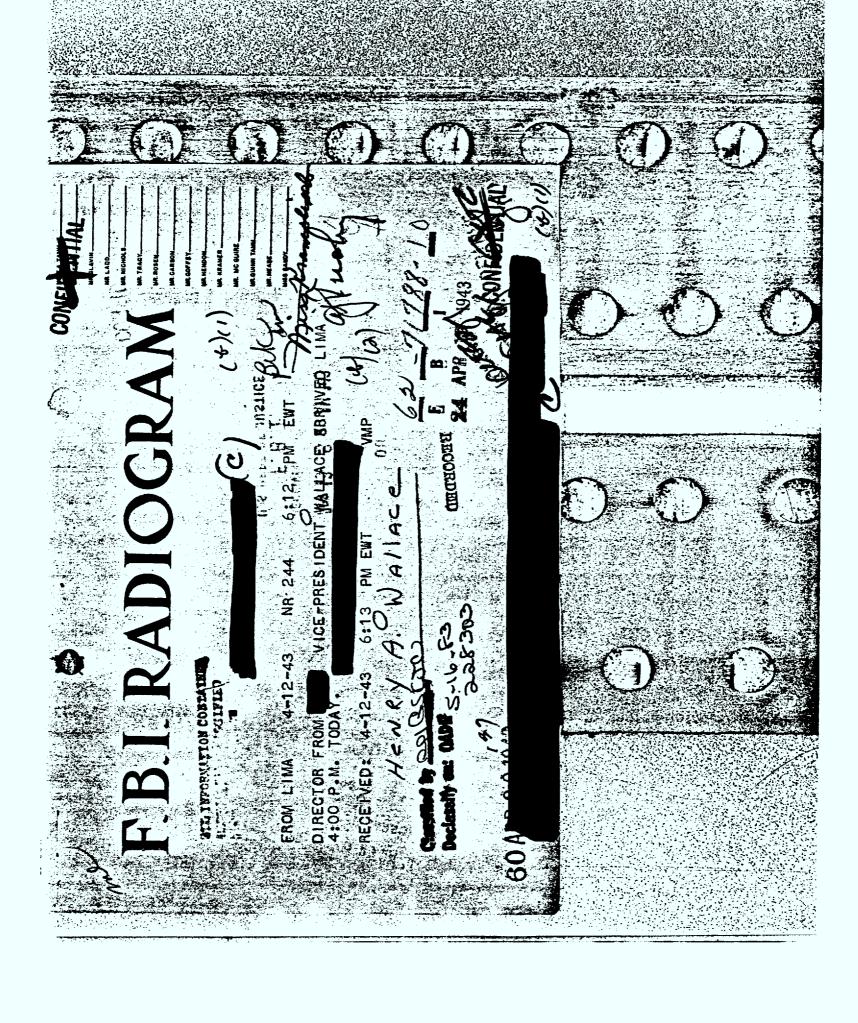
Knowing that you are a man of great integrity, who sincerely wishes for a better understanding between Costa Rica and the U. S. A., we are bringing these facts to your attention in the hope that you will use your influence in behalf of these people whese only hope of salvation is through the democratic way of life.

Truly yours,

Margial Mora

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PLACE: DATE: REPORTED BY: (4)(2) 4/5/43 CONF. INFT TITLE: CHARACTER: O. Visit of Vice President Henry Wallace Ecuador SYNOPSIS: The opposition to Arroyc take three views with reference to the trip of Wallace: The Conservatives want to take part in it and try to make Wallace feel like only the Government is interested in bis visit. The parties to the left like Wallace and think that it is a good time to show him that Arroyo does not represent the will of the Ecuadoran people. The other group, who are enemies of the U.S.A., spread rumors that he is coming to further enslave Ecuador and would like to create an embarassing situation for Wallace if possible. Arroyo has given orders that no one should have a private interview with Wallace who is not a friend of the Government. Made Available to: (ឝ) Embassy (Consulate) FEDERAL BUREAU OF INVESTIGATION (A) M. A. A - APR 21 1943 () Other DEPARTMENT OF JUSTICE

QUITO ECUADOR APRIL 1,1943

POLITICAL MATTERS IN ECUADOR

tells me that the opposition to the government of Arroyo takes three different views with reference to the visit to Ecuador of Vice-President of the United States, Henry Wallace.

The Conservatives and persons to the extreme right have agreed to take no part what ever in the reception of wallace and try to give Wallace the view that the Ecuadorean people are hostile to him and that only the Government itself is making an effort to entertain him, saying that the government is the one that is receiving money and orders from the United States.

The members of the opposition to the left are admirers of Wallace and want to take advantage of his visit to demonstrate to him that the Government of Arroyo is not the government of the Ecuadorean people, and that it is only a dictatorship under Arroyo.

Another group which is fortunately small are strictly enemies of the USA and are spreading rumors that he is coming to Ecuador for the purpose of further enslaving Ecuador to the Economic whim of the States. They would like to create a situation or do something that would be embarassing to Wallace.

his plans for having a typical ()(a)
Ecuadorean party for wallace have fallen completely thru
because he could not guarentee Arroyo that those invited
would not criticize the government of Arroyo. Further, Arroyo
has given instructions that none of the leaders of the
opposition who want tak private interviews with Wallace
should be allowed to do so, and intends to surround him with
close friends of the government in an endeavor to prevent
any criticism of same.

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Guayaguil, Ecuador. April 9, 1943.

Res Political Activity
Visit or Vice-President WALLACE
to Ecuador.

Reference is made to report dated 4-8-43, entitled Political Activity, etc., Character, Ecuador Political. That report dealt principally with the efforts of the labor groups in Guayaquil to obtain a recognized part in the reception in Guayaquil for Vice-President WALLACE while he is in this city, the refusal, and the potential possibilities arising out of the refusal which might be embarrassing to the United States.

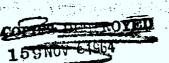
Through a source of information which is believed to be reliable and which access to the leaders of the labor groups in the city, a request was made to ascertain would be the principal subjects broached to WALLACE should they be able to obtain an interview with him.

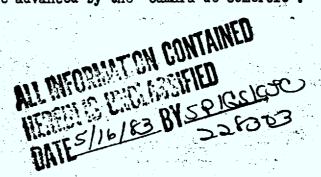
It has been ascertained that the group which is most powerful and headed by Pedro SAAD, Union Sindical Guayas, desire to talk with WALLACE about the Protocolo de Rio Janeiro - the settlement of the Ecuadorian-Peruvian Border Dispute in January, 1942, which many here are displeased with.

The minerxaminext most powerful group which is known as the Confederación Obrera, have not consulted with the Union Sindical Guayas, but it is believed that it is also interested in the same subject.

The Consul General was particularly interested in whether or not the "balsa wood" subject, with regard to prices and the manner in which it has been handled, would be one of their principal points of discussion. My informant has advised me that at this time there have not been any indications that the labor groups would consider this matter as one of their primary points of discussion.

Should the balsa wood question come into the interviews with WALLACE, it would most likely be advanced by the "Camara de Comercio".





PROPOSED ACTION

At Guayaquil, Ecuador.

Continue to follow closely the attitude of the labor groups and any action they might take during the visit of Vice-President WALLACE.

Follow up leads set out in report dated 4-8-43

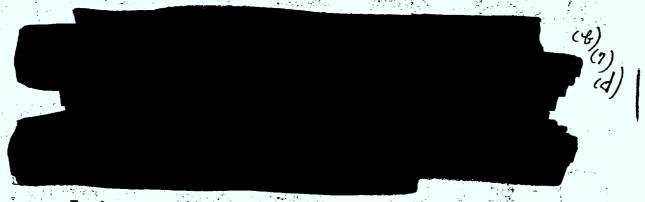
PLACE: DATE: REPORTED BY: Quito TITLE: Political Activity Ecuador Political Visit of Vice-President WALLACE to Ecuador. SYNOPSIS: (4)(7)(c) As a result of activities in connection with the CONGRESO OBREROS recently held in Quito, Pedro SAAD, on his return to Guayaquil was arrested. He is director of the largest and strongest syndicate of labor unions in Guayaquil. Numbrous talegrams from labor unions have been directed to ARROYO requesting his release. Release has not been granted.
Labor groups seeking to obtain spot on WALLACE reception program have been refused.
Possibility of incident arising out of this which COMMENTS: might be embarrassing. STATUS: B. T. TO LETS DE TENTESO (REFERENCE: Report dated INCHEX 3-20-43 India entitled CONGRESO OBREROS, etc., Character Ecuador Political # R. 3 Made Available to: (X) Embassy Consultation (X) M. A. COPIES DESTROYED to Quito to Washington FEDERAL BURÉAU OF INVESTIGATION (X) N. A. 15: NOV 13 1364 1 to Guayaquil K-APR 28 1943 () Other_ S. DEPARTMENT OF JUSTICE

Guayaquil, Ecuador.

Re: Political Activity
Visit of Vice-President WALLACE
DATE 5/16/13 BYSP/GSKIT to Ecuador.

Reference is made to report dated 3-20-43 entitled CONGRESO OBREROS, etc. Character, Ecuador Political - R which concerned a workers congress in Quito and the political ramifications.

On the return of Pedro/SAAD, Guayaquil labor leader, communist, and member of the local Anti-Nazifascist Committee, he was arrested on orders from Quito and has been in jail since. The date of the arrest was the first part of the week beginning March 21.



It is understood that some of the labor units under the influence of SAAD have been attempting to secure an interview with WALLACE when he is in Guayaquil, and a to give demonstration in the "Huancavilca Areaa" with some of the labor leaders making speeches in conjunction with representatives of the University and of Guayaquil and the Artists and Writers Soceity. This demonstration was of course to be in honor of WALLACE.

The principal labor group interested in this program was the "Union Sindical Guayas" of which SAAD is the Director. This group is a confederation of approximately 60 Guayaquil labor unions. Its nearest competitor in the labor field is the Confderescion Obrera which is composed of about 10 labor unions. The proportion of 6 to 1 in strength is approximately correct in both numbers and influence.

The labor groups mentioned above were under the impression that they had secured from the Guayaquil Program

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Committee for the Reception of Wallace a permit to give this demonstration in honor of WALLACE, he in turn was to attend the demonstration.

April 27 the labor groups were refrience definitely refused a spot on the program although a day or two previously they had received information indicating they would be unsuccessful in securing permission for the demonstration.

The Governor of the Province of Guayas, Enrique BAQUERIZO Moreno, in stating his refusial tried to pass the blame to the Reception Committe which has as some of its more influential members Juan X MARCOS, Augusto DILLON, and Eduardo LOPEZ. MARCOS is throroughly hated by the labor unions and he will probably receive more of the blame than any of the other members of the committee.

However, the real reason for the refusal is believed to be that ARROYO does not want it to take place and the unions know it.

The present purpose of this report is to set forth and call to the attention of the Bureau the possibilities of incidents arising out of the local situation which might prove embarrassing embarrassing to the Vice-President and to the United States while he is in Guayaquil.

INVIXATION THE TOP OF the refusal, it is reported that the labor leaders are very disappointed and have reaction is one of withdrawing all their support from making the arrival of WALLACE a successful demonstration on the part of the Ecuadorism Government.

PROPOSED ACTION

At Guayaquil, Ecuador.

Stay in touch with elements close to the labor unions in order to keep advised of their atituzde toward the visit of WALLACE.

Ascertain if any overt action is anticipated by the labor group as a demonstration of against the action preventing them from participating in the reception of WALLACE.

Follow all incidents which might cause f a flare up between labor and the Ecuadorian Government during the visit of WALLACE.

At Quito, Ecuador.

Ascertain if the labor groups in Quito plan any joint action as a demonstration of solidarity with the Guayaquil unions in an attempt to forde ARROYO's shand.

Follow as closely as fat possible ARROYO's planned course of action with regard to the Guayaquil labor groups.

PLACE: DATE: REPORTED BY: La Paz, Bolivia 4/16/43 No.370: No. 39 TITLE: CHARACTER: VISIT OF VICE PRESIDENT WALLACE TO BOLIVIA BOLIVIA, POLITICAL SYNOPSIS: Vice President Wallace arrived in La Paz on April 5, 1943, and remained in Bolivia until April 9. Schedule followed during his visit. Greeting received from people in La Paz was enthusiastic. Vice President made aware on number of occasions of Bolivia's demand for a seaport. Speeches made by Mr. Wallace in Spanish and press interviews considered successful and well received. Report Mr. LAZO of the Board of Economic Warfare informed Bolivian officials that war materials needed in United States would not be approved for delivery to Bolivia. Responsibility for Bolivian declaration of State of War avoided by Mr. Wallace. In general, Vice President's visit to Bolivia is considered to have been an outstanding success in furthering the Good Neighbor policy. COMMENTS: ... None () Embassy (Consulate) , S. & O.4 5 Bureau 3 La Paz N. A.COPIES DESTROYED) Other 159NOV 13196 DEPARTMENT OF JUSTICE

La Paz, Bolivia April 16, 1943

Re: VISIT OF VICE PRESIDENT WALLACE
TO BOLIVIA
Bolivia, Political

Vice President Wallace and his party, including LAWRENCE DUGGAN, Political Adviser to the State Department, and HECTOR LAZO, Assistant Director of the Board of Economic Warfare, arrived at the La Paz airport from Arequipa on April 5, at 12:45 p. m. Under a special decree signed by the President of Bolivia on March 30, 1943, the Vice President had been declared an honored guest of the Republic and all public and private activities were ordered suspended on the day of his arrival. The official program of visit for Mr. Wallace was changed a number of times prior to his arrival and also during his visit. The schedule actually followed, with the exception of a few minor changes, is the following:

- April 5 Arrive La Paz 12:45 p.m.
 Informal luncheon at Embassy, 2:30 p.m.
 Formal call on President of Bolivia, 3:30 p.m.
 Reception in Legislative Palace, 4:30 p.m.
 Reception in City Hall, 5:00 p.m.
 Tennis game, 5:30 p.m.
 Return to Embassy, 6:30 p.m.
 Dinner at Presidential Palace, 10:00 p.m.
- April 6 Reception of visitors

 Visit to American Clinic

 Visit to Military College, 10:00 a.m.

 Buffet luncheon at Embassy, 12:30 p.m.

 Informal call on President, 2:30 p.m.

 Visit to Villa Victoria and American

 Institute, 4 to 5 p.m.

 Leave for Cochabamba by train, 6:00 p.m.
- April 7 Arrive Cochabamba, 8:00 a.m.
 Visit city by motor, 8 to 9 a.m.
 Leave for Angostura Dam and agricultural lands
 around Cochabamba. Lunch en route, 9:00 a.m.
 Return to Cochabamba, 5:30 p.m.
 Reception at City Hall, 6:00 p.m.
 Leave Cochabamba by train, 8:15 p.m.

April 8 - Arrive Oruro, 7:00 a.m. Arrive La Paz by airplane,

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Leave for Wingas and W. R. Grace mine by automobile, 8:30 a.m.
Arrive Canadian Mission on Lake Titicac, 7:30 p.m.

April 9 - Leave Canadian Mission, 9:00 a.m.
Arrive Huarisata (Indian School) 9:45 a.m.
Leave Huarisata, 10:45 p.m.
Arrive Straits of Tiquina, 1:00 p.m.
Leave Copacabana, 3:15 p.m.
Arrive Chuquito, 6:15 p.m.
Arrive Puno, 8:00 p.m.

It had been planned originally that Mr. Wallace would visit the Hochschild mining properties at Colquiri and Potosi, and it is subject to speculation as to whether these visits were called off in order to avoid offending the Patiño interests, owners of Siglo XX, the largest mine in Bolivia, which is the scene of a call by virtually every visiting personage. Therefore, it is possible that the trip to the W. R. Grace mine in the Yungas was a compromise move permitting the Vice President to see something of the Bolivian lowland country and also visit a mine.

At the La Paz airport a large crowd of people met the Vice President upon his arrival, and he was greeted by members of the Cabinet, the President of the Senate, the American Ambassador, and numerous other officials. After reviewing a guard of honor at the airport the Vice President descended to the city and the Embassy residence in an open car followed by automobiles bearing the various officials. The procession wound through the principal streets of La Paz where Mr. Wallace received a tumultuous greeting. It should be noted that in a despatch sent by the Embassy to the State Department the greeting accorded Mr. Wallace in the drive from the Alto to the Embassy residence was described as "apathetic" and attributed to a general feeling of opposition on the part of the people to the present Bolivian Government as well as to the innate lethargy of the Bolivians. This information is credited by the Embassy to the leaders of the PIR. On the other hand, the writer learned from Secret Service Agents who have accompanied Vice President Wallace throughout his whole trip that far from being apathetic, the greeting accorded Mr. Wallace was adjudged to be the most enthusiastic he had received up to that time. On two occasions the crowds broke through the police lines and stopped the Vice President's car to shower him with flowers.

It is also reported by the Embassy that at two points along

the line of march the procession passed under banners demanding a seaport for Bolivia. The appearance of these banners may be attributed to agitation by "La Noche" and "Ultima Hora," two La Paz newspapers which have for some time been featuring articles demanding an outlet to the sea for Bolivia. "Ultima Hora" of April 6, 1943, published a petition presented by "Bloque Illimani," a nationalist youth organization, to the Vice President, wherein it was requested that the United States create a flag of the democracies. Obviously the petition was a subterfuge for the presentation of a more important request which stated that, "the legitimate geographic right which will give to Bolivia its own exit to the sea" should be publicized to the world and to all America.

In his speeches replying to official words of welcome from the President of the Senate and the Mayor of La Paz, Mr. Wallace dwelled on the importance of winning the peace after this war and the gaining of better living conditions for the common people. He stated that "in the midst of the present struggle America must orient the peace of the future to the true liberty of the people, to the happiness of human beings. We can and must win the bloody battles on distant fields...but we must do even more - we must win the peace, which can only be accomplished if we fulfill our duty toward the people who are supporting this titanic struggle. It is primarily in the houses of representatives of the people of the democracies that the policy of the future world is to be established. Mr. Wallace's statement to the Mayor that upon being named a citizen of La Paz he felt obliged to accept the responsibility of being a good fellow-citizen was acclaimed wildly by the crowd.

After his formal visit to the President of Bolivia and the Congress, Mr. Wallace went to the Tennis Club where he played two sets of tennis. It is reported that this act more than any other endeared him to the Bolivians who greatly admired his physical stamina and ability to shake off any effects of the altitude.

On the afternoon of April 6 Vice President Wallace held a press conference which was attended by the editors of all the La Paz newspapers and representatives of virtually all the other newspapers in the country. "La Razon" reports that in answer to a question regarding post-war tin prices Mr. Wallace stated that in his opinion the prices of minerals, values of principal products, and working conditions could be worked out through cooperation with Great Britain and the United States. Mr. Wallace emphasized that this was a personal opinion. On the question of a seaport for Bolivia, which was directly brought to his attention at this time, the Vice President neatly side-stepped, saying that

he had no opinion on political problems. Mr. Wallace was asked by the editor of the Leftist "La Calle" his views on the incorporation of the native population into Bolivian nationality, and he replied that he had not had an opportunity to study the problem. The Vice President remarks d that he was greatly impressed with all that he had seen in Bolivia and that he had noted a common point of view among all political groups regarding the improvement of agriculture, security of markets for principal products, and mineral production.

It is reported in "La Razon" of April 7, 1943, that in his interview with the President of Bolivia Mr. Wallace discussed certain fundamental problems relating to the economy of the country. Other questions concerning commercial exchange and the increase in the extractive production of the country were also discussed. It is reported that the President requested that all possible attention be given to orders for materials which Bolivia has placed with the United States. It is worth noting in this connection that Mr. Lazo of the Board of Economic Warfare is reported to have made quite clear to the Bolivian Cabinet and members of the General Staff that his organization would not expedite delivery of any war materials to Bolivia which might deprive the United States forces of similar materials needed to carry on the war. Since it is generally believed that one of the principal motivations for Bolivia's declaration of a State of War against the Axis was to secure a generous supply of combat materials from the United States, it is questionable whether such a course of action would have been pursued had the Bolivian officials been forewarned of Mr. Lazo's sentiments. On the other hand, it is certain that the Bolivian President in his forthcoming visit to the United States will exert every effort to secure delivery of the war materials Bolivia wants.

With regard to Bolivia's declaration of a State of War against the Axis, nicely timed to coincide with the Vice President's arrival, it is reported that at Mr. Wallace's insistence this action was de-emphasized in order to avoid any interpretation that he (Mr. Wallace) was responsible for the action taken. It is reported that a distinct public opposition has developed against the declaration of the State of War, and there have been assertions that the United States and the Vice President are responsible for the unwanted condition.

The Embassy despatch adequately summarizes the results of Mr. Wallace's visit when it states that, "the Vice President's visit to Bolivia has been completely successful and a distinct

contribution to the furtherance of the Good Neighbor policy. Mr. Wallace made an extremely favorable personal impression on the Bolivians with his simplicity, his obvious sincerity, and his general 'simpatia.' His command of the Spanish language and his ability to conduct interviews without the use of an interpreter were very pleasant surprises to most Bolivians, and his energy and activity in the altitude were subjects for continuing complementary remarks. His public statements were of such a nature that not even the most reactionary of the Bolivians and foreigners could openly dissent and, at the same time, they were such that the Leftist leaders were completely won over. The leaders of both the MNR (Movimiento Nacionalisto Revolucionario) and the PIR, for example, expressed in no uncertain terms to officers of the Embassy their admiration of Mr. Wallace and his political beliefs. At the same time the leaders of the conservative parties were charmed by Mr. Wallace himself and quite willing to applaud some of his statements with which they probably did not entirely agree."

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LIMA FILE NO. 10-12.

Lima, Peru. April 21, 1943.

Re: VISIT OF VICE-PRESIDENT
HENRY A. WALLACE TO PERU.
PERU - POLITICAL.

DETAILS:

On March 25, 1943, Vice-President WALLACE arrived in Lima, Peru, at the Limatambo Airport, local aviation field of Panagra, Inc., such arrival being at approximately 4:30 p.m.

Mr. WALLACE was greeted by Mr. HENRY NORVEB, the American Ambassador, and the Minister of Aviation, the press, and an aide-de-camp. President PRADO was not at the airport. There were present approximately 2,000 people, Peruvians and Americans, all high officials of the Peruvian Army and Navy, along with the officials of the U. S. Air and Marine Missions in their dress uniforms. Also on hand to greet Mr. WALLACE was the Chief of Protocol. Mr. WALLACE received a twenty-one gun salute fired by the Peruvian Army, and a full troop of mounted full-dress cavalry was present.

From the Limatambo Airport, the Vice-President was driven to the residence of the American Ambassador at Schell 210, in Miraflores. Immediately upon his arrival at Mr. NORWEB's home, Mr. WALLACE held a press conference during which his comments were very general, concerning his small view of South America prior to that time. He commented that he thought Lima was a beautiful city and that he was proud of the reception given him at the airport. He further commented on his twenty-one gun salute, and he stated that if one request were granted it would be

Immediately following this press conference, the Vice-President paid an informal call on President PRADO at the Palace Gobierno. This was in the nature of a social call purely and had no diplomatic weight.

At 8:30 o'clock in the evening, a small dinner was offered by Ambassador NORWEB at his home.

It should be noted that on this occasion Mr. WALLACE was supposedly traveling incognite and was considered in transit, looking forward to his official visit to Peru on April 12th, 1943. However, he received official recognition at Lima and also at Arequipa.

At 6:30 o'clock the following morning, Mr. WALLACE boarded a Panagra plane at Limatambo Airport to continue his journey to Chile.

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It is interesting to note that Mr. WALLACE left both curiosityseekers and interested newspapermen waiting at the home of the Ambassador when he decided to arise at 4:00 a.m. and walk the three miles to the Limatambo Airport.

Mr. WALLACE proceeded to Chile and then returned to Lima and Arequipa, arriving in Arequipa, Peru, at approximately 2:10 p.m. on Sunday, April 4th, 1943. He traveled by Panagra, and at the Arequipa Airport he was greeted by the Prefect of the Department of Arequipa, Mr. FERRO; the Mayor of Arequipa, Mr. MOSCOSO; and other leading officials.

Driving from the airport to the Plaza de Armas, the Vice-President was warmly greeted, being showered with thousands of flowers as he drove to the City Hall across the Plaza de Armas. Thousands of people welcomed him at the Plaza, many of the people composing large representations of various schools.

At the City Hall, he was welcomed in a short ceremony. Vice-President WALLACE thanked the people for welcoming him. He pointed out in brief that Arequipa, because of its importance in agriculture, plays a large part in victory for the democracies, or words similar in effect.

From the City Hall, Mr. WALLACE went to the Hotel Arequipa for a few moments, then rode through the city to the outskirts, Tingo. On the way back to the city proper he stopped and examined some of the corn crop of the land. He then walked across the street from the corn crop to another land producing this vegetable but apparently of another kind and quality.

On the way into the city from Tingo, Mr. WALLACE visited the milk plant "Leche Gloria" and also viewed a stock show which was held on the lawns of the "Leche Gloria". He was to have been the guest of Club Arequipa; however, in view of the death of MANUEL UGARTECHE, such plans were canceled.

Mr. WALLACE then went to the hotel, rested a short while, informally received a few members of the Rotary Club, and, at approximately 8:30 p.m., visited the home of the Vice Consul, where the American Colony, consisting of approximately thirty members, welcomed him in an informal way. After spending about thirty minutes there, he went to the Prefect's home, at about 9:00 p.m., where he had dinner with a comparatively small party. He left at approximately 11:30 p.m. for the hotel.

It can be stated that he was warmly received by all people, the majority of whom are, of course, poor people. Several admiring remarks were passed to the effect that he was well liked because of his simplicity and because he is a "regular guy" representing the true American. As one individual stated, "He is so well liked by all the people here because he is regular, representing the real American and not the 'Fifth Avenue' American."

On the morning of April 6th, 1943, following his breakfast, Mr. WALLACE played a few games of ping-pong. He then started out for a walk to the market with the Prefect of Arequipa, body guards, and many others, of course. On the way past Quinta Bates, he stopped for a few minutes and chatted with "Tia Bates", whom, incidentally, he had visited on the previous afternoon for a few minutes.

On the way to the market, the plans were changed, and Mr. WALLACE commenced to walk toward the airport, this being about 9:00 a.m. Along the way the people greeted him warmly. He stopped to visit the "Obreros Quarters" on the banks of the River Chili, which is on the way to the airport. On the way up from the river bank, the prefect, now very tired, mentioned that there were other quarters just being built for so-called "employees", and the Vice-President remarked that he would like to see them. He commenced to walk to them, only to be interrupted by the prefect, who suggested that they ride in their cars. The whole party then rode to the new quarters mentioned and thereafter to the airport. Mr. WALLACE left Arequipa, via Panagra, at approximately 10:00 a.m., for La Paz, Bolivia.

It can be stated that Vice-President WALLACE made a fine impression on the people of Arequipa, Peru.

APRISTA PARTY

Prior to the return of Mr. WALLACE to Peru, this office received information that the Aprista Party, headed by VICTOR VAYA DE LA FORRE, was planning to stage a mass demonstration in protest against the Peruvian Government during Mr. WALLACE's visit.



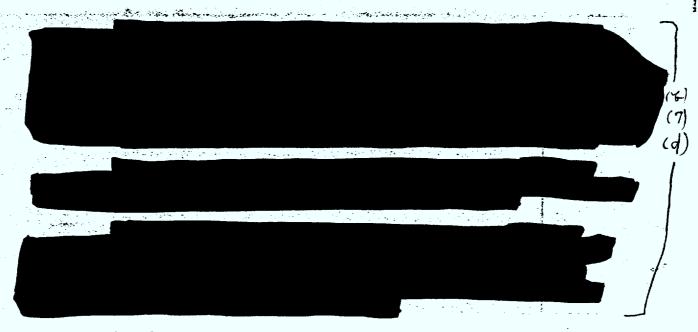
A considerable portion of the March 20th, 1943, issue of "La Tribuna" was devoted to criticism of the Peruvian Government. Pursuing a long-standing policy, the newspaper asserted that only Aprism could save Peru; that the present government is a dictatorship; that the only thing it asks is the right to the four liberties of the Atlantic Charter.

Reference was made to the next election for President of Peru. The statement was made that if President PRADO were elected there would be trouble from the Aprista Party. However, the Party stated it did not believe that President PRADO would be re-elected because President ROOSEVELT has said he will not tolerate defrauders in elections anywhere in the world.



In another copy of La Tribuna, there was an article concerning the trip of Vice-President WALLACE through Peru. In this editorial, Mr. WALLACE was greeted and praised for being one of the most authoritative leaders of the cause of human liberty. It stated that Mr. WALLACE believes in the creation of an international police after the war for the purpose of insuring an enforcement of the four liberties. In conclusion, the Vice-President is cordially welcomed and asked to discover and judge for himself the sorrowful social and political situation in Peru.

This edition of La Tribuna also contained an article dealing with Japanese fifth-column activities, which has no bearing in this report.



A number of small handbills were distributed by the members of the Aprista Party immediately before and during the visit of Mr. WALLACE to Peru. Translations of them are as follows:

"Dear Mr. Wallace: In Chile and Bolivia you have seen people with liberty of expression and in which the parties of the left and the right constitute the Democracy. But in Peru, where there are no constitutional rights, you find an oppressed people, camps of concentration, hunger and terror. JUSTICE AND LIBERTY:"

"Henry A. Wallace: You are welcome! The Peruvian people, which struggles against Internal Tyranny and against Nazi-Fascism, greets the Vice-President of the United States and asks him to make known to the people of the United States that the War for the Democracy cannot be gained in alliance with the enemies of Democracy. WE ASK LIBERTY!"

"The Peruvian Aprista People struggle so that the four Rooseveltian Liberties may be realized some time in our country which is oppressed by an Oligarchical Totalitarianism. The People of Peru struggle so that there may be here Constitutional Liberties, Social Justice, Culture and Bread. FOR THIS WE ARE WITH WALLACE! WE WANT RIGHTS!"

"The Vice-President Wallace has said: 'The true Democracy supposes Parties of the Right and Left with full liberties.' And here in Peru the Ruling Totalitarian Oligarchy permits only Speculators. There is no opposition. There are no rights. Prado and his ring are infallible."

"The Totalitarian Oligarchy which denies to the Peruvians Liberties and Bread calls the Aprista People 'Bandits', Marxists, Sectarians, and Gangsters. But so the Reactionaries and Nazi-Fascists called President Roosevelt and Vice-President Wallace and the North American Democrats. WE ARE ALWAYS JOINED TOGETHER WHEN WE STRUGGLE FOR LIBERTY AND JUSTICE."

"A people which has been denied its rights, reacts as a lioness who has been deprived of her cubs. These are words of Vice-President Wallace. Similarly react and struggle the oppressed Aprista People of Peru! WE WANT LIBERTIES!"

Party, obliged to act clandestinely by the ruling Totalitarian terror, invites all Apristas to express their sympathy to Vice-President Wallace as champion of the rights of man and of the citizen and as a defender of the Democratic liberties of the workers. The Party, threatened by the Minister of Government so that it will not perform Manifestations, makes a call to the people that on this occasion it make an affirmation of its faith in Democracy and protest once more against the Nazi-Fascist methods of the government. - As a symbol of Homage to the visit of the Vice-President, all the Political Aprista Prisoners of the Camps of Concentration WILL MAKE A HUNGER STRIKE WHILE MR. WALLACE IS IN PERU.

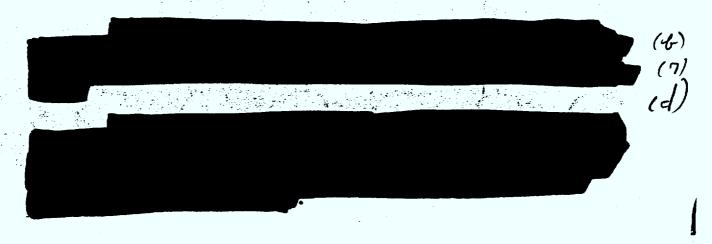
"Fe, Union, Discipline and Action.

"seasap.

"Lima, April, 1943.

By order of the National Committee of Action.

The Secretary National of Organization and Propaganda."



A rumor was circulated to a rather large extent among social and diplomatic circles that Mr. WALLACE had made the statement that his main purpose in coming to Peru was in order to know and talk with VICTOR HAYA DE LA TORRE. The Peruvians consider such a statement to be an insult to their country and the present government. It has not been possible to ascertain the source of this rumor, but it may have been started by Axis nationals desirous of injuring inter-American relations. On the other hand, it might have originated with members of the Aprista Party.

It was also rumored at this time that Mr. WALLACE is a very good friend of HAYA DE LA TORRE and has been corresponding with him for some time. There appears to be no basis for this latter rumor. However, the Apra periodical La Tribuna published an item several months ago in which it was stated that when MANUEL SEOANE, second in command of the Apra Party, visited the United States, he had a long conversation with Mr. WALLACE and it was intimated that a very close friendship exists between Mr. WALLACE, the Aprista Party, and HAYA DE LA TORRE.

There is set out below a report submitted to this office by (4)(2)



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On the afternoon that Vice-President HENRY A. WALLACE arrived in Lima, April 12th, he was greeted by an unprecedented throng of people in all parts of the city. The greatest gathering was in the Plaza de Armas where Mr. WALLACE and President Prado spoke from the balcony of the Government Palace.

During the demonstration in the Plaza de Armas, it was observed that very few people used the Aprista salute of waving a white handkerchief. Also, the members of the Party had been instructed to raise their right arms as a salute to the visitor. No one was observed by the writerto give this salute. Consequently, it would appear that the organized demonstration of Aprista strength failed. However, it should be noted that when President Prado endeavored to speak in the Plaza de Armas, he was constantly interrupted by whistling and shouting. This condition forced him to cut his speech very short. On the other hand, Mr. WALLACE was listened to with great respect, and when he finished he received tremendous applause.

The disturbance caused during President Prado's speech can not be attributed to the Aprista Party nor can it be taken as an indication of the strength of the Party. This shouting came from the masses of the people, who have been considerably agitated lately by the high prices and the scarcity of food. Due to the low standard of living in Peru, the majority of the people live on meat, rice, and potatoes. In recent months, the prices of these articles have greatly increased, and also they have become harder to obtain. For three or four days every week there is no meat in the markets. There is very little rice available, and, in order to secure it, it becomes necessary in some cities to form in line at four o'clock in the morning. Potatoes are also hard to obtain, and every day in the markets there are scenes of people fighting their way to make their necessary purchases.

The above conditions have become worse in recent weeks, and this is the reason for the popular manifestation against the Government. The literature of the Aprista Party stresses the injustice of having many political prisoners being held without trial, etc. However, this does not appear to be the real reason for the anti-Prado attitude of so many people. They believe that the Aprista Party would also have many political prisoners if it came into power. The same is true with almost any political party that is found in Peru. However, the Aprista Party also takes advantage of the food situation in order to attack the government, and this is the subject matter of some of its propaganda.

In connection with the demonstration in the Plaza de Armas, the writer has been advised that many members of the Aprista Party were arrested as they attempted to enter the Plaza carrying anti-Government banners. It has been impossible to verify this information or to ascertain the number of such arrests.

Enclosed with this report by were leaflets distributed by the Apra Party during Mr. WALLACE's visit to Peru, translated as follows:

"Left Arm on High. Up with the White Aprista Handkerchief. So the people of the South received Mr. WALLACE in most grand demonstrations of the invincible power of Aprism. So Lima, Callao, and Resorts. With the classic salute of Democracy, Liberty, of the Rights of Man and of the Citizen."

The white handkerchief in the left arm on high is the symbol of the popular faith in the great Peruvian Aprista Party, glorious, indivisible, and strong with the strength which the people and the youth give it. With the arrival of Mr. WALLACE from one boundary of Peru to the other the White Aprista Handkerchief is waved.

OFFICIAL VISIT

On Monday, April 12th, 1943, at approximately 4:00 p.m., Mr. WALLACE arrived at Santa Cruz airport, Lima, Peru, escorted by airplanes of the Peruvian air force. An official and popular welcome to the Vice-President took place at that time on the occasion of his initiating the official portion of his visit to Peru.

The Vice-President was greeted at the airport by President Prado and the diplomatic corps and high Peruvian officials. At this time Vice-President WALLACE was afforded a twenty-one gun salute. He posed for the photographers and then entered the official automobile for a five mile parade to the Palace de Gobierno.

At points on the route to the Palace, school and civic choruses sang the national anthems of Peru and of the United States. At the Plaza de Armas and Plaza San Martin, school children arranged themselves to form large victory "V's" and to form the flags of the two countries. The Vice-President rode in a colonial type open carriage, accompanied by President Prado. They were escorted by the colorful Inca Guard, made up of pure Inca Indians, wearing uniforms of the colonial era.

obtained a photograph of the Vice-President's carriage in the parade, and a print of same is an enclosure with this report.

At the Plaza San Martin, in the heart of Lima, the parade drew to a stop immediately in front of two large bleachers, same being packed with school children arranged to form two large white "V's". Above one set of bleachers was a large picture of President Roosevelt, while above the other was a picture of President Prado. At this time the official military band played the U. S. National Anthem, while the school children sang the words in English. It should be noted that at this time all persons stood in silence and at strict attention. The members of the official entourage left their cars to stand at attention.

Upon arrival at the Plaza de Armas, on which the Presidential Palace faces, the Vice-President left his carriage and proceeded on foot to the front of the Palace, where he gave a short response to President Prado's welcome. This ceremony was no more than five minutes in length. It should be noted that upon the arrival of the official party to the Palace there were present in the Plaza approximately fifty thousand people. It was noted that there was much hissing and booing during the speech of President Prado. Also, a large percentage of the crowd demonstrated their Aprista sympathies by waving of white handkerchiefs in the Aprista salute. From this it was apparent that the Plaza de Armas and Presidential Palace had been designated by the Aprista Party as the congregating point for Party members. However, upon the response of Vice-President WALLACE to the welcome by President Prado, no signs of antagonism or political difference were made. Mr. WALLACE was received with hearty accord by all present.

On the side of the Plaza de Armas opposite the Presidential Palace, school children were arranged in two huge bleachers so that their colored costumes formed the flags of Peru and the United States. At this time the national anthems of the two countries were played again, and the Star Spangled Banner was sung in English.

Upon his arrival at the Palace, Vice-President WALLACE granted a press conference at which were present approximately forty newspaper and press correspondents from Peru and the United States. At this conference there were present representatives of United Press, Associated Press, Trans-Radio Press Service, New York Times, Baltimore Sun, and El Comercio, La Prensa, La Noche, and other outstanding Peruvian newspapers and periodicals.

This conference was very general. Questions asked were mostly personal, and it was apparent that the newspaper correspondents were attempting to cultivate Mr. WALLACE's goodwill by staying away from political and diplomatic questions. There were, however, two questions placed to him of this type. One reminded him of a statement he had made at a Panamanian press conference to the effect that the U. S. Government was thankful for the Communist intervention into the war. The question placed was as to whether or not the United States placed Communism on a basis with Pan-Americanism. To this Mr. WALLACE answered: "At the present time Pan-Americanism is not sufficient. Communism is necessary to effect a world peace. The second question placed to Mr. WALLACE was as to what would be brought to the man on the street by the present Pan-Americanism program, to which Mr. WALLACE responded that he did not understand what was meant by the "man on the street" but that attempt would be made to help everyone, both in the United States and in South America. He stated that any commercial crisis which might arise during or after the war could not be judged or foreseen at this time.

This conference was only twenty to thirty minutes in length.

Mr. WALLACE afforded all photographers opportunity to take pictures, and submitting, as an enclosure with this report, the negative and a print of a photograph of this conference.

At 7:00 o'clock, Mr. WALLACE had a fifteen minute reception for the chiefs of the diplomatic missions accredited to Peru. Only about fifty persons were present, and it was very informal, Mr. WALLACE making no statements of a political or diplomatic nature.

At 7:15 p.m., Mr. WALLACE received the Archbishop of Lima. This reception was private in nature for the Archbishop and his associates, and no press releases or publicity were given to it.

At 7:30 p.m., the Mayor of Lima, Sr. LUIS GALLO PORRAS, visited the Vice-President, together with representatives of his Municipal Commission, and presented a parchment scroll naming Mr. WALLACE "An Illustrious Guest of the City". At this time the Mayor also extended a formal invitation to the Vice-President to attend a dinner that same evening at the Lima Tennis Club. Mr. WALLACE graciously accepted this invitation as well as the scroll naming him an honorary citizen of Lima.

At 8:30 p.m., a formal dinner was offered by the Mayor of Lima at the Exposition Tennis Club, where entertainment and music was presented in order to give the Vice-President an opportunity to hear typical Peruvian music and to witness typical Peruvian dancing. This dinner was in the nature of a pachamanca (Peruvian barbecue). Approximately twelve hundred persons were present at this dinner, and Mr. WALLACE was received heartily by all. He retired to the Palace early in the evening. The entertainment at the tennis club was designated as "Noche Peruana" and was presented by outstanding theatrical and scenic artists of Lima. The evening's souvenir program is an enclosure with this report.

On Tuesday, April 13th, Mr. WALLACE paid a visit to the La Molina agricultural station at 9:00 a.m. This station is approximately four miles from Lima.

Upon returning from the agricultural exhibit, Mr. WALLACE, at 10:00 a.m., visited the botanical gardens connected with the Faculty of Medicine of San Marcos University, which are considered to be the most excellent of their kind and have recently received attention by high medical and botanical officials from the United States. At the gardens, Mr. WALLACE, with due ceremony, planted an Oropel tree from eastern Peru.

At 10:15 p.m. on Tuesday, Dr. MONGE, Dean of the Medical Factulry of San Marcos University, presented to Mr. WALLACE a copy of a declaration of independence signed by Peruvian physicians on July 29, 1821.

At 10:30 p.m., Mr. WALLACE was given opportunity to inspect the Peruvian workmen's hospital, which is indirectly connected with the medical buildings of San Marcos University. It is noted that San Marcos University is the closet university in the Western Hemisphere.

At 11:30 p.m., Mr. WALLACE visited the Barrio Obrero and Restaurantes Populares (workmen's dwellings and restaurants maintained by the Peruvian Government, which provide wholesome meals at minimum nominal prices).

At 12:30 p.m., the Vice-President played two sets of tennis at the Exposition Tennis Club, at which time he played with the Peruvian champion opposite Lt. Commander WILLIAM E/EMBRY and the Peruvian runner-up. Mr. WALLACE expressed his deep appreciation of being afforded this opportunity to play tennis, advising that one of the things he had personally missed the most was his daily tennis.

At 1:30 p.m., another pachamanca (Peruvian barbecue) was given, this one by the Minister of Agriculture at the Hacienda Maranga. President PRADO was present at this luncheon, along with high diplomatic and military officials of the Peruvian Government.

Following the luncheon, the Vice-President visited the La Magdalena Anthropological Museum to see a special exposition illustrative of the methods of Inca agriculture, same having been arranged by the museum's director, Dr. TELLO. At the museum the Vice-President was received by the Minister of Education.

At 5:00 p.m., the Vice-President held a reception for official and unofficial delegations at the Palace de Gobierno. The guests were delegates from the various Embassies located in Peru, and Mr. WALLACE also received a commission of ladies of the National Council of Women and a Commission of the Peruvian Medical Association.

At 6:00 p.m., Mr. WALLACE set aside an hour and a half for private visits.

At 8:30 p.m., the Vice-President was afforded a formal banquet at the Palace de Gobierno as the official guest of President PRADO. On this occasion President PRADO delivered a formal address, welcoming the Vice-President to Peru, commenting on the rapid increase of Pan-Americanism feeling, and commenting on his own enjoyable visit to the United States some eight months past, stating that he was looking forward to visiting the United States again after the war. President PRADO expressed regret that President Roosevelt was unable to visit Peru, and he concluded by placing his confidence in the Allied cause in the present struggle.

Mr. WALLACE was prepared to reply with a speech of similar character. He was very general in his comments, mostly concerning his appreciation and thanks, the speech lasting approximately five minutes. Approximately three hundred high military, naval, and government officials of Peru were present at this banquet, and the national anthems of both countries were played. After the dinner, a formal reception was held in the Palace chambers, and the dinner guests were joined by officials of all countries represented in Peru. It was estimated that this reception was attended by approximately 2,500 people, stated to be the largest group ever to attend such a function in the Presidential Palace. Print and the negative of a photograph taken at this banquet are enclosed with Bureau copies of this report.

On Wednesday, April 14th, Pan-American Day, the first official appearance of Mr. WALLACE was at a flag-raising ceremony at the Rotary Club standard (La Cabaña), where Mr. WALLACE raised the American and Peruvian flags an an annual ceremony of the Rotary Club on Pan-American Day.

At 11:00 o'clock, a military review was held in honor of the Vice-President in the Campo de Marte in Lima, the "West Point" of Peru.

At 1:30 p.m., the Minister of War, General César A. de la Fuente, offered a luncheon in the Círculo Militar, Plaza San Martin, which luncheon was attended by President Prado. High-ranking military, naval, and aviation officials were present, along with diplomatic officials of the U.S. Embassy and the Presidential Palace. There was a total of approximately two hundred guests at this luncheon.

At 2:30 p.m., Mr. WALLACE made a recording in English of his speech to be delivered in Spanish at the Peruvian North American Cultural Institute's celebration of Pan-American Day. This recording was made at the studios of Radio Nacional.

At 3:00 p.m. the Vice-President visited the site of the proposed health center and cancer institute.

At 4:00 o'clock, Mr. WALLACE visited the Ministry of Public Health and Labor, where Peruvian organized labor groups paid their respects and compliments.

At 5:00 p.m. the Vice-President was received by the Rector and professors of San Marcos University at a reception. A short greeting was addressed to the Vice-President by the Rector, and Mr. WALLACE replied in a few words.

At 6:00 p.m. on April 14th, the Senate of Peru officially received Mr. WALLACE at the Palacio Legislativo. The Vice-President responded with very short comment, mostly confined to his enjoying his visit.

At 7:00 p.m., Mr. WALLACE addressed, in Spanish, a meeting of the Peruvian-North American Cultural Institute at the Teatro Municipal, it being the purpose of the meeting to commemorate Pan-American Day. There were short speeches by Dr. CARLOS MONGE, President of the Institute, and Dr. ALFREDO SOLF Y MURO, Minister of Foreign Affairs. President Prado attended this meeting, seated in his official Presidential box in the theater. At this time Mr. WALLACE delivered one of his two official speeches in Peru.

At 8:30 p.m., the Vice-President attended a formal farewell dinner at the home of the U. S. Ambassador, Calle Schell 210, Miraflores. There were present approximately forty outstanding Peruvian and American officials. President Prado was a guest.

On Thursday, April 15th, at 6:30 a.m., the Vice-President boarded a Panagra plane at Limatambo airport and proceeded on his journey, next stop being Guayaquil, Ecuador.

An unofficial interlude of Mr. WALLACE's visit to Lima was an early morning visit, unaccompanied, to several of Lima's large markets where, hatless and with rumpled hair, the Vice-President conducted a one-man inquiry as to how the common people in Lima live. The Lima newspapers and periodicals expressed this as being one of the ways throughout his West Coast tour that Mr. WALLACE has managed to carry away with him a clear-cut view of a cross section of the natural life in the countries he has visited.

In connection with this unofficial interlude of Mr. WALLACE's visit to Lima, the following report was submitted by

The widely circulated story that Vice-President WALLACE slipped out of the Palace unobserved early in the morning to watch the food lines is confirmed. The taxi driver who brought him back, according to

As soon as Mr. WALLACE left Peru, the administration ordered all retail dealers to sell all rice available and also published lists of where rice, theoretically, could be bought. In spite of this, little rice has been available.

The administration has now announced that it will take over the entire 1943 rice crop at fixed prices, the southern provinces excepted. A working class reaction to this was: "Prices will go up if the Banco Popular (controlled by Prado) obtains a monopoly." In other words, if this opinion is typical, the administration seems to be headed for trouble, and any move it makes is suspected.

There is a good deal of justification for this, because the friends and family of President Prado have been permitted to establish food monopolies, especially in meat, fish, and rice, until they have become scarcer and more expensive probably than in the United States. The price of fish is obviously unjustified in view of the great supply available.

Further information was received from that on the night of April 14th, 1943, the Berlin radio announced the fact that Vice-President (2) WALLACE had made an unescorted tour of Lima in the early morning of that date.

(4) (7)

The American Society of Peru, the British Commonwealth Society, the Phoenix Club, and numerous other organizations in Lima expressed to the U. S. Embassy their desire to assist in the entertainment of Mr. WALLACE during his visit to Lima. Owing to the brevity of his visit, however, it was not possible to take advantage of these offers.

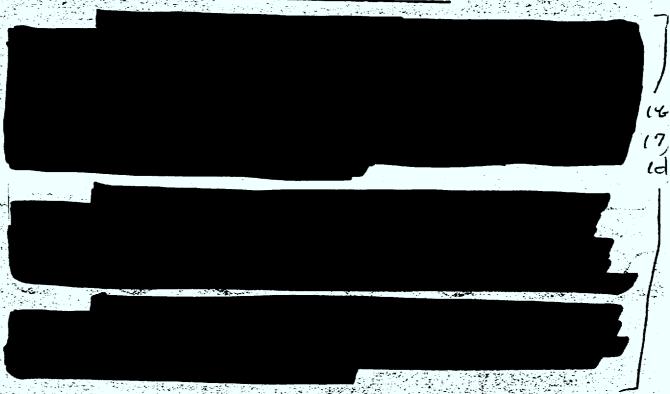
COMMENTS

During the stay of Vice-President WALLACE in Peru, he was almost constantly surrounded by a crowd of enthusiastic people. These were not only the diplomatic and military persons of Peru but likewise the common man on the street, of the working class. It is the feeling of this office that Vice-President WALLACE was received enthusiastically without exception.

It seemed to be the consensus of people and newspapers that, even though it was impossible for Peru to follow Bolivia's action in declaring war against the Axis, they did not in any way wish the United States to feel that they were not likewise sympathetic, and they apparently set about to show Vice-President WALLACE as enthusiastic a reception as they possibly could.

With the exception of the small Aprista demonstration upon the arrival of President Prado and Mr. WALLACE at the Palace, there were no unpleasant events publicized during his entire visit. At that time it seemed to be the feeling of the people that such demonstration was in protest against President Prado and in no way reflecting upon the W. S. Government.

POLITICAL REPERCUSSIONS



Under date of April 14th, 1943, Pan-American Day, the Peruvian Government issued the following official announcement:

"On September 22, 1942, the Cuban Senate voted to request the Executive Power of that nation to initiate negotiations with the Latin American Governments and the Dominion of Canada so that each one of them would issue a public declaration of the approval with which their peoples have been observing the efforts of His Excellency, Mr. Franklin D. Roosevelt, and his collaborators in the Government of the United States, in the service of the good neighborliness of the countries of the Western Hemisphere, based on mutual respect and the firm determination to achieve for all of them a more prosperous and satisfactory existence in the present and the future.

The Government of Peru considers that this is a propitious occasion on Pan-American Day, coinciding with the visit of His Excellency, HENRY A. WALLACE, Vice-President of the United States, on which to reiterate publicly its adhesion to the motion of the Cuban Parliament in homage to the illustrious figure of the North American Executive, who has known how to convert into actuality the noble aspirations of America and with unfaltering steadfastness, to direct his country along the path of victory.

offers the Peruvian Government the opportunity to reiterate its irrevocable decision to maintain the Americanist ideals which have inspired the Good Neighbor policy, conceived and executed by President Roosevelt, and of also making public its deep sympathy with Cuba, so closely united with this country by a friendship born in the first moment when the noble West Indian people proclaimed their independence, and in which epic struggle there participated with heroic perseverance illustrious sons of Peru.

There is set out below a report by reflecting certain repercussions of the visit to Peru of Vice-President WALLACE:

Opinions have crystalized concerning Vice-President WALLACE's visit to Peru, which can briefly be summarized as "unfortunate".

DATE OF THE STREET

On the other hand, there are many people, not necessarily Apristas, who resent President Prado - on account of food monopolies, police graft, general hypocrisy, etc. - and who are privately glad to see his rather smug assumption of complete U. S. backing knocked cockeyed by Ur. WALLACE.

All Peruvians, however, got a laugh out of Mr. WALLACE's speech in Ecuador in which he said that Ecuador reminded him of his home state Iowa many years ago, because of the condition of the roads. Any slur at Ecuador is popular here at present, but the tactlessness of this remark is cited as typical of Mr. WALLACE.

Mr. WALLACE's speech at the Teatro Municipal in Lima has been the subject of much criticism and has aroused a great deal of antagonism. That he praised democratic institutions in the individual countries he had visited but failed to name Peru has jokingly been attributed to the loss of a page from his manuscript. The Ambassador has denied this

Peruvians were also upset by their own faulty arrangements and lack of protocol. As reported, the Under Secretary of Foreigh Affairs and the Minister of Protocol both resigned. After two days, however, President Prado declined to accept the resignations. The only casualty now seems to be Señor LUIS GALIO PORRAS, pro-Axis Mayor of Lima, who closed the Tennis Club to its members in order to give a party for Mr. WALLACE. Outraged members of the Tennis Club have forced GALLO PORRAS to resign as president of the club.

ENCLOSURES:

TO THE BUREAU:

Photograph of Vice-President WALLACE in carriage during opening parade on Monday, April 12th, 1943.

Photograph (and negative) of press conference conducted by Mr.

WALLACE at the Palace immediately after the opening parade, April 12th.

Souvenir program of "Noche Peruano" in honor of Vice-President WALLACE at the Exposition Tennis Club, April 12th.

Photograph (and negative) of Vice-President WALLACE at the banquet in the Palace on Tuesday, April 13th.

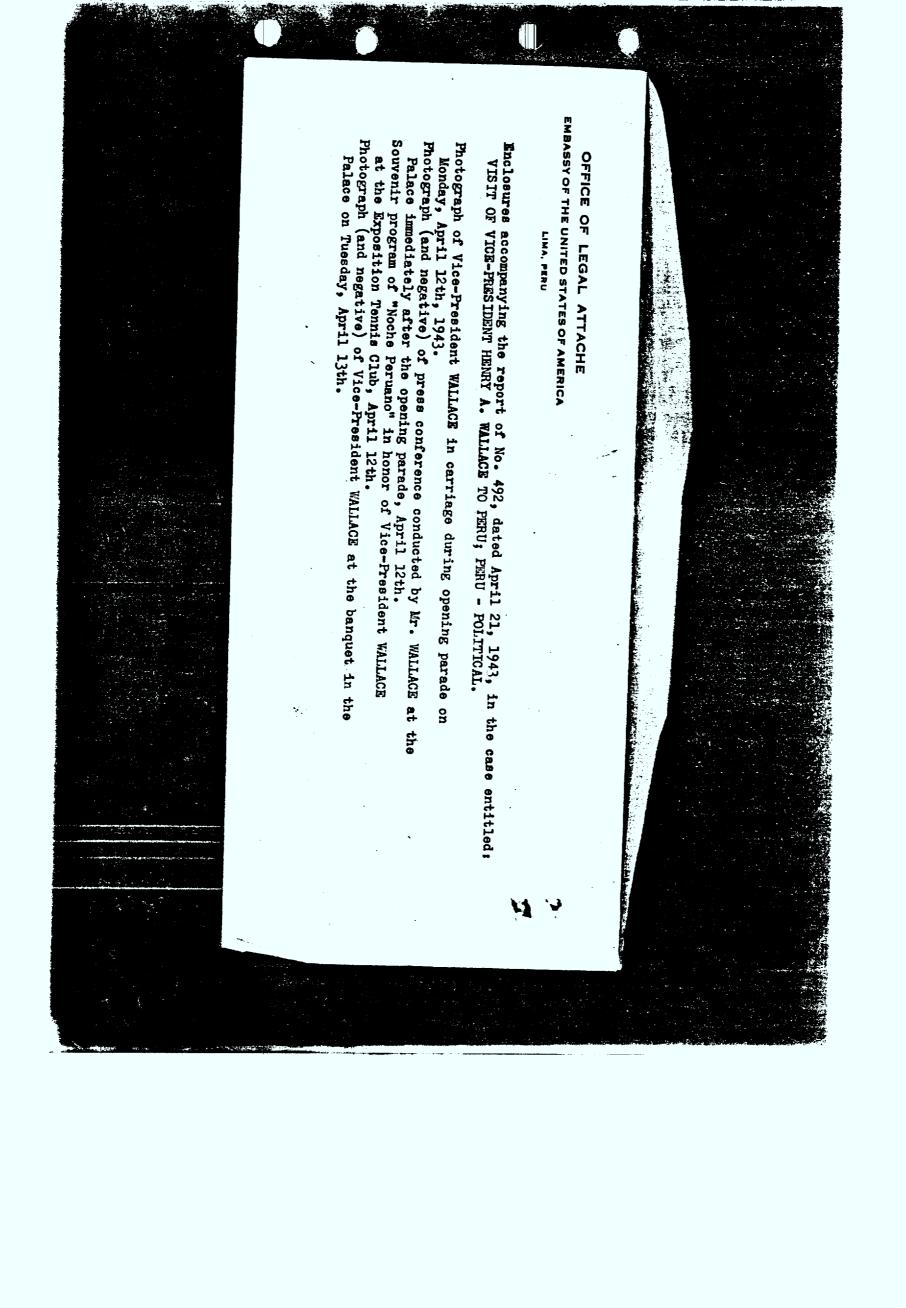
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El Concejo Provincial de Lima, con la colaboración de la Asociación de Artistas Aficionados, ofrece una

Noche Peruana

en honor del señor Henry A. Wallace, Vice-Presidente de los Estados Unidos de Norteamérica.

Noche Peruana

Dos épocas en una misma plarvela

En nuestras ciudades, la Plaza tiene una importancia trascendental. Porque ella es el espejo, el alma, la médula, de su vida, apacible o revoltosa. En la Plaza se juntan las gentes, para presenciar el paso de una imágen, para comentar los aconfecimientos más importantes, para festejar los triunfos y aún para chismorrear de la politiquería de casa.

Pasan los años, cambian las mentalidades, transformanse los pueblos y los nobles perfiles de la Plaza siguen siendo los mismos.

Con su torre, su balcón y su fuente. Con su aire y su color. Con su emoción y su copla. La plaza permanece inalterable mientras los hechos trazan distintos caminos.

Las plásticas escenas que vais a ver transcurren en una ignorada Plaza limeña. Y hay poesía, aroma y música de la Patria porque en la Plaza está emplazada la Historia......

El Concejo Provincial de Lima agradece el gentil concurso prestado por la Asociación de Artistas Aficionados, la Orquesta Sinfónica Nacional, el Orfeón Claret y la Casa Siam, para la realización de la "Noche Peruana". La escena ocurre en un ignorado atardecer. Doña Isabela, dama de la aristocracia limeña, que vivió en una casona de la Ciudad de los Reyes, desea alcanzar una gracia de Nuestra Señora de las Cabezas. Para ello acude a la casa solariega de los Marqueses de...... por donde ha de pasar y detenerse la venerada imágen, que anualmente recorre las estrechas callejuelas de la villa virreynal.....

Como se ha oído decir que ella ha ofrecido seguirla descalza, en el caso de serle concedida la gracia, la plazuela bulle de tapadas y de comentarios....

PERSONAJES

Doña Isabela.

El Marquesa.

La Marquesa.

Hija de los Marqueses.

Tapadas.

Mistureras.

Jinetes.

Lacayos.
Una imágen en andas.
Curas.
Sacristanes.
Indios.
Pallas.
Tipos populares costeños.

Estampa Republicana



Coreografia KAY MAC KINNON

Música LUIS PACHECO DE CESPEDES,
(Paseo de Aguas, del Ballet
Peruano "Niña Lisura", estrenado por la A. A. A.

Dirección escénica JOSE M. LINARES RIVAS
Dirección General ASOCIACION DE ARTISTAS AFICIONADOS.

Los decorados se deben a la gentileza del Arquitecto Sr. Emilio Hart Terré. Ejecutados por Tolsa. curre la escena en un claro dia inmortal. Un clarin entona el grito de la Independencia. Y tras una celosia asoma la figura de San Martin.

Hay entusiasmo y jolgorio en las gentes. Corren por la plazoleta de un lado al otro. Los lejanos jinetes del norte, del centro y del sur, que oyeron el clarin llegan a la plaza y traen la gracia de sus corceles con las crines enjaezadas.... Y vienen también los galleros y las vivanderas, las chicheras y el pueblo todo que arma una juerga entusiasta. Y hay peleas de gallos.... Y en el aire, como una flor de espuma, se dibuja el pañuelo que está bordando la marinera.

PERSONAJES

San Martin.

Vivanderas. Chicheras.

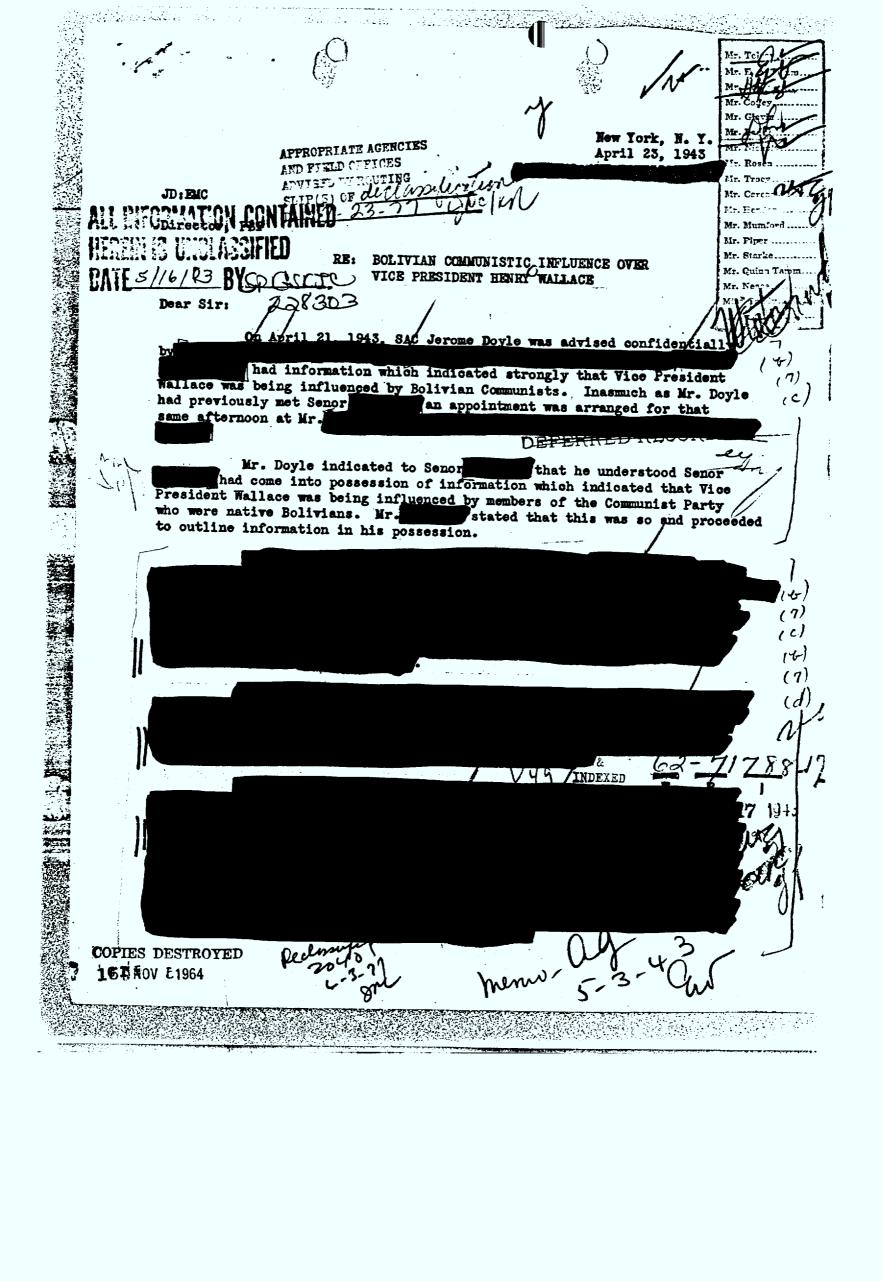
Edecanes.

Chicheras. Mozas de pueblo.

Galleros.

Jinetes.

Soldados.



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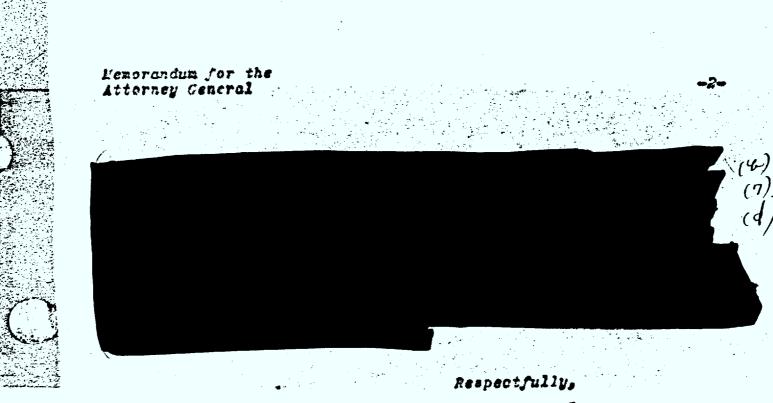
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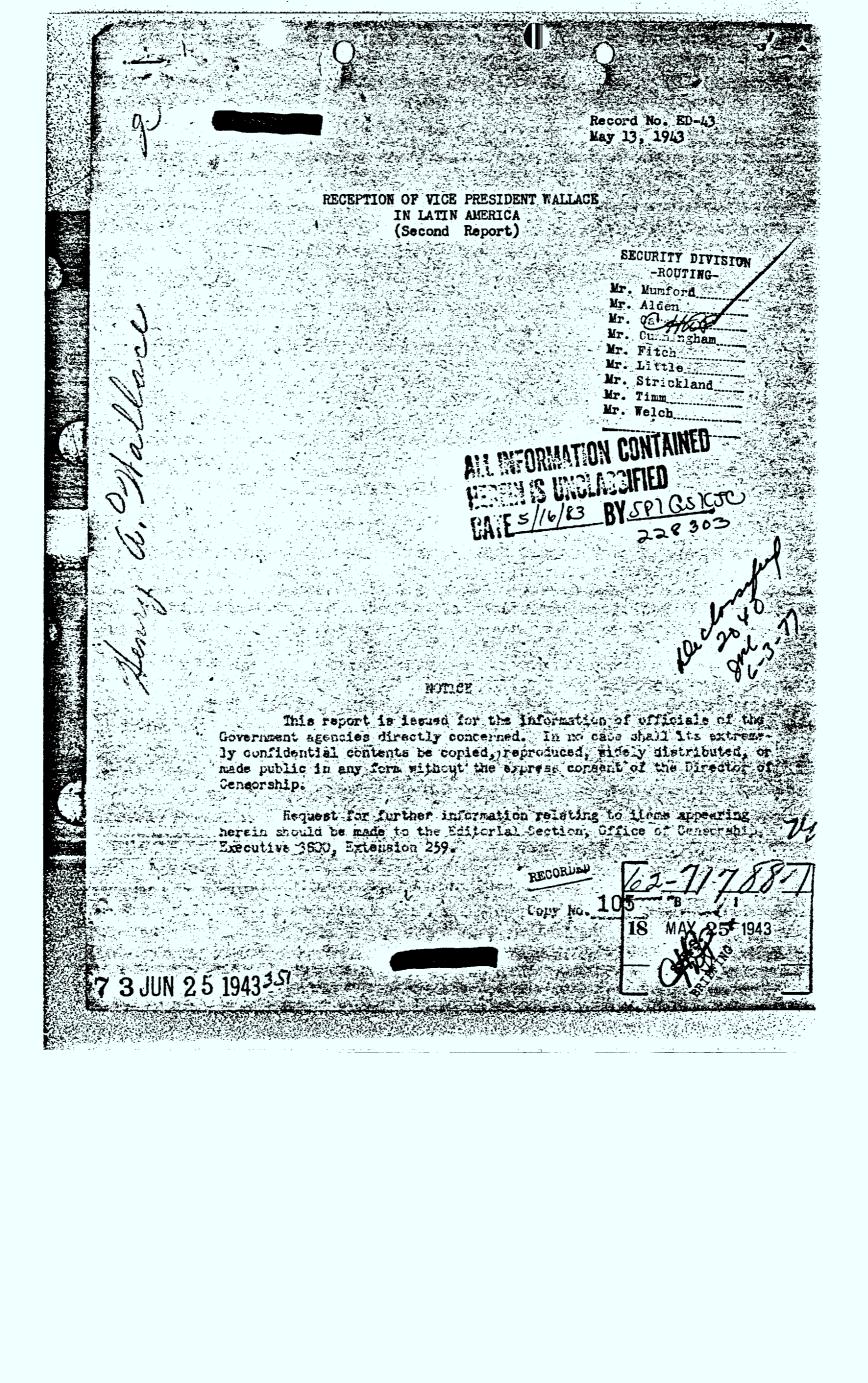
Mr. Nease



J. Edgar Hoover

John Edgar Hoover Director

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RECEPTION OF VICE PRESIDENT WALLACE
IN LATIN AMERICA
(Second Report)

This is the second compilation of comments from Latin American countries dealing with the recent visit to that area of Vice President Henry A. Wallace.

A total of 113 letters were reviewed, quotations from 60 of these being used in the report. As in the previous report, most of the comments are favorable. There are some adverse reports, notably from Peru, where several writers refer to the food shortages and demonstrations against the local government. A few others charge that the Vice President's theories are communistic.

The quotations selected for inclusion in the report were so chosen as to present a cross section of the varying shades of opinion in each country in the same ratios as these appear in the total correspondence from that country.

Argenting

PATES/16/13 BYSPIGSEGE

Displeased Mr. Wallace Did Not Visit Argentina

American resident of Buenos Aires to New York City: "Also the local press has been giving another big bunch of space to the travels of Mr. Wallace and his addresses to the people of the various countries he is visiting. Of course the local folks have their noses somewhat out of joint because Mr. Wallace passed them up..." (4/7/43)

Bolivia

Great-Knthusiasm

Bolivian in La Paz to Honduras: "Mr. Wallace has been received with great enthusiasm. I can say that my democratic country is giving a good example to the Republics of South America." (4/6/43)

Took Country by Storm

American official in La Pas to Texas: "...Vice President Tallace's trip ...he is now in Bolivia and has practically taken the country by storm... I think the one thing that has endeared him most to the Bolivians was the two sets of tennie he played on the afternoon of the day he arrived in La Paz-at 12,000 feet altitude. Even most healthy people usually feel the altitude the first couple of days but Vallace has taken it completely in his stride. (4/8/43)

Shower of Flowers

Resident of Cochabamba, writing in English, to Texas: "Wallace does all his speaking here in Spanish, and although it is at best a gringoish sort of Spanish, yet the people really appreciate his effort, which is lamentably greater than that of notable American diplomats of the pre-Hull era. One slightly amusing bestowal of tokens of appreciation occurred on the main plaza. The cars were moving along at a snail's pace when suddenly from the balconies above descended whole showers of roses and bunches of flowers. The Vice President's tiredness vanished in a very sudden duck. And quite understandable; for pro-Axis sentiment is stronger among the army people of Bolivia than almost anywhere." (4/10/43)

Cool Reception

Bolivian woman in La Paz to woman of Spanish name in Earyland:
"The fact is that Eallace's reception has been rather cool as the
newspapers stated. The cause of this was the enormous fifth column which operates here. Certain groups which are always antagonistic towards the United States claim that Bolivia is being abused...
and finally that this gentleman is a Communist, which is the most
odious thing here. However, officialdom did very well, all it could
do in such a short time. We really have very bad luck. Bolivia has
been the first country to back up the United States at all times,
breaking off relations with the axis, etc. On the other hand, Chile
which waited to see who was going to win, in order to break with the
Axis...receives greater preferences even in Eallace's visit."
(4/20/43)

Chile

Feel Honored by Visit

Chilcan in Santingo to Fennsylvania: "In a few more days we will have the honor of receiving, as host, the illustricus Vice Fresident of the U.S., ir. hallace, to whom all of Chile is prapared to give a warm welcome. Out government and all the people of Chile, are entious to shake the hand of such an amiable person, and upon doing it, we wish to say that the band he takes, will continue to be united to that country by the indiesoluble tie of sincers friendship that the Chilean knows how to offer." (3/20/13)

Schools Become North American-Kinded

Called Great Apostle

American woman in Santiago to Tennessee: "Chile is delighted with Mr. Wallace because he speaks Spanish and finds him very simpatico. That is their strongest term and means more than our word 'charming.' More than 100,000 people were in the National Stadium Sunday to hear him and the different colonies gave wonderful programs before he spoke. The most effective one was a big V made of lovely girls bearing the big flags of the United Nations on one side and the defeated nations with their flags lowered on the other side making the V. They then stood at attention while he spoke. He named all the great leaders and then said: 'God protect them and bless them.' That multitude(was) perfectly quiet and our best paper, 'El Lercurio' commented on that prayer today and said he was more a great apostle than statesman. Lallace says Chile has given him his most cordial reception." (3/28/43)

Wishes Wallace Could Remain to Govern

Chilean in San Jose to Iowa: "The magazine was dedicated to Sr. Wallace. Here they say 'Vayase.' Nevertheless, there is a wild enthusiasm for him. The man seems very simple and frank. He didn't want a special train or dances or anything unusual... I hat a fine thing it would be if he were to remain here now to govern." (3/31/43)

No Adverse Criticism in Papers

American in Santiago to Texas: "One of the unofficial members of the Government told me that it was very unusual that Wallace received no adverse criticism in any of the papers here where they tend toward that." (4/3/43)

Crowd Subdued

American in Antologasto to Tennessee: "At the Plaze last Sunday we were disappointed not to hear him speak from the balcony; of the Intendencia...he only appeared and said a couple words to the waiting crowds. And it was a crowd! But they were sort of subdued—aside from some hand-clapping there was no fervor in the crowd—so different from what he found in other places he visited."

(4/10/43)

Request Reprint of Speech

American in Santiago to Ohio: "Went to the Embassy to great V.r. Wallace last week. He made a great impression and people are asking everywhere for his Okio "esleyan talk which they have print ec in Spanish... He made a great mark for North America and always said the right thing." (4/10/43)

Huge Crowd at Stadium

Woman resident of Santiago, writing in German, to Switzer and:
"We had a distinguished visitor from the States—Vice President
hallace. He was given a reception at the Stadium where 80,000

people gathered. Ernst was also there but I sent to the Sport Club because I did not care to enter into this mob. I listened to the speeches on the radio and heard the applause. (4/11/43)

Predicts Good Results from Visit

Englishman in Santiago to Michigan: "We are looking forward to seeing your Vice President, Mr. Wallace, in the near future and I feel a lot of good can only come from the visit of this gentleman to Chile." (3/17/43)

Wallace Second in Popularity to Roosevelt

American in Santiago to New York City: "Right now, there are two big headline news in Chile. First, is the coming visit of Vice President Wallace ... As regards the visit of Wallace, this is certainly a great event in South America, especially Chilean, relations with Uncle Sam, chiefly because Kallace is second only to Roosevelt in popularity in the South American countries. First ly, the fact that he speaks Spanish, which is practically unique among U.S. leaders, and secondly because he is a great authority on agriculture, and has always worked for the benefit of the farmer in U.S., (taking into consideration that all these countries are essentially agricultural), and thirdly because he has in recent years taken great interest in South American matters, have all added up to the fact that he is extremely well like, not only by South American politicians, but by the people themselves.... At any rate, ever since Wallace decided to come to Chile, every move he has made, and every word he has said has appeared in front headlines, and the president and his cabinet are running all around the town preparing the festivities which await Wallace."

New Chilean Peso Called Kallace Issue

Resident of Santiago, writing in English, to Wissouri: ". Sending you a new Chilean Paso-they are calling it the callace issue. They say Callace is getting all our copper and me get this." (4/20/43)

Communist Lelcome Enthusiastic

American businessman in Chuquicawata to Contena: "Supposs you heard...how we were honored (?) with...Henry ballace....

Speeches were given, banners flaunted...The Communists had their banner with the sickle and hammer and also ballace spelled out invery large letters. He certainly grinned when he saw that."

(4/22/43)

Beggars Locked Up

Num in Santiago school, writing in English, to num in Pennsylvania: "When Kr. Wallace visited Santiago, all the beggars were taken and locked up for the duration of his visit. They did not want him to see that condition." (4/26/43)

Colombia

Poor Reception

Englishwoman in Vedellin to parents in England: "...Today "allace, Vice President of the United States, arrived in Medellin for a few hours. He has been to every country in South America except the Argentine. He had a very poor reception here as the people were all too busy with their religion. He could not have chosen a worse day in all the year to come. Anyway I don't think he would have had a much better reception if he had come on another day as the people here do not like the Americans..." (4/23/43)

Only One Discordant Note

Wife of American official in Bogota to California: "Wallace has just paid us a visit...He seems to have made a very good impression... The only discordant note I heard was the painting on our apartment house building and on the auxilliary Embassy quarters across the street (the route down which he came with the President of Colombia on his way from the airport) of notices to the effect: 'Down with Tallace,' 'Down with the Yankees,' 'We have no more Panamas...' However, that sort of thing is to be expected from a disgruntled minority or from German elements trying to stir up trouble.' (4/23/43)

Radicals Blaued for Adverse Signs

American businessman in Puerto Kilches to Texas: "Vice Fresident Wallace arrived here wednesday and left today. There was
quite a celebration here in his honor. Also some radical groups
managed to make themselves known by painting a lot of uncomplimentary signs in prominent places around town. The signs said in
Spanish: "Fallace, we have no other Panama. Down with the Yankees!"
..." (4/23/43)

Call Tallace "Don Enrique"

Resident of Cali, writing in English, to New York City: "Policy of simpatis or liking each other is the name Latin Argricans are giving to the kind of diplomacy Vice President Henry A. Wallace used on his tour of seven of their countries, just completed. Everywhere it was the same atmosphere. People seamed to like them. It was spontaneous and the Vice President seemed to like them. It was spontaneous and there wasn't a single incident to mar the wave of good feeling... The natives call Wallace Don Enrique. Don being both respectful and intimate. He was put on public display and paraded through clamoring crowds in several cities. He was showered with gifts but refused to accept anything of value." (1/21/13)

Varied Public Demonstrations

Colombian in Bogota to Republic of Panama: "During Fice fredent Valace's visit many public demonstrations were given. The 'Nazi Criollos' participated, showing many showbills allusive Panama. One of these bills read 'No Other Panama for Sale, But as here still these individuals are tolerated, nothing was done to them.

Kins Friendliness of People

Colombian in Barranquilla to woman in Dominican Republic:
"Vice President Wallace visited Colombia lately and was greatly entertained. He is a very nice man, extremely broad-minded; he talked to everybody, played tennis, visited personally all those whom he had met in the States. All this he does for the Unity of the Americas and by doing it he wins the friendliness of the people." (4/26/43)

Received with Affection

Colombian in Bogota to New York: "I wish to inform you Hector that last week the illustrious Vice President of the United States, ir. Kallace, visited us. He was given much attention, entertained a great deal and received with a lot of affection and left a very favorable impression on the Colombian people." (4/27/43)

Costa Rica

Workers to Give Bir delcome

Noman of Spanish name in San Jose, secretary of group of anti-totalitarian refugees, to son in Minnesota: Writer states that Mr. Hallace will arrive Thursday the 18th and that the masses of workers are going to give him a big welcome. There will be free trains that day and 10,000 students will form a guard of honor from the airport to the Wash Amarilla. Writer adds that Mr. Wallace wishes to speak directly to the peasants and laboring class in order to find out the real condition of the country. (SA 145842 3/11/43)

Everyone Waking Read for Visit

American in San Jose to Maryland: "Everyone here is making read; for the viett of Vice President Wallace who is to arrive here late this week. The Josta Ricans are almost passionately loyal to Uncle Sam and you see our flag as often as theirs. They are much more U.S. than any other people that I have seen down here." (3/16/43)

Tallace "Just Divine"

American woman in San Jose to Alabama: "Today was a big day in San Jose. Vice President allace arrived. Free trains brought people from all the other provinces to San Jose and there was much flag-waving and flower-throwing and confetti entanglements and shouting and singing and all the people thought that 'allace is 'pero divino' (just divine) and the cause of inter-merican solidarity marches forward I suppose. "- (3/18/13).

Fine Ppeaches in Good Spanish

Doctor of Spanish name in San Jose, writing in English, to contor of Spanish name in Louisland: "English is so commonly heard in streets and public places as it is Spanish. For some reason that I don't know, a very low percentage of Americans try to learn Spanish: There have been many American ministers who have lived in this coun-

try several years, and go back to the States without knowing a pit of Spanish. We are used to that. — That's why we are pleasingly surprised to hear Kr. Henry A Mallace waking fine speeches in 'good Spanish,' when he came to Costa Rica two weeks ago, to set the headstone for the buildings of the 'Instituto Inter-Americano de Ciencias Agricolas,' a huge enterprise for the benefit of all American countries. It was a big event, and we were proud to have him here." (3/31/43)

Cuba

Arcuses Interest of Labor Circles

American in Lathembre to Nevada: "Mir. hellace's trip to South America has created considerable interest in labor circles in Cuba. We were asked by one of our labor delegates yesterday if it was true that ar. Wallace planned to stop at Lathachre enroute from South America to hashington." (4/28/43)

Scuador

Referred to as Santa Claus

American in Quito to Illinois: "Your good friend V.P. Tallace is coming here in a few days and all the local people are practicising their best manners and the old song 'Santa Claus is coming to town' can be neard throughout the land." (4/2/43)

Complaints Readied for Mallace on Arrival

Ecuadorean in Guayaquil to Ecuadorean official in New York City: "They are waiting for hallace here, in order to complain; because even though all facilities have been given to the Americans to establish their military bases in Galapagos and Salinas; and thousands of tons of rubber, balsa wood, etc., have been sent them, the newspaper enterprises are going to close because of the lack of paper, automobiles are going to stop running because of the lack of tires, etc." (4/14/43)

Splendid Reception in Midst of Deplorable Conditions

Ecuadorean doctor in Ambato to Ecuadorean official in New York City: "... It seems that the reception is going to be splendid in the midst of our deplorable economic situation. But, nevertheless, it cannot be otherwise for an intelligent and observing person like Mr. Wallace, so that he may understand that before anything else, there is good will and understanding on the part of our country, and he will find an atmosphere of sincerity in all the manifestations. I hope that our sincerity is evident and that his visit may be the motive for him to do for this great country what he has done with the others, who have taken the continental solidarity less to heart, to try to obtain for us the means by which our cooperation may be effective, taking care of the economic situation and supplying us with the means of acquiring

the materials for our industries in decadence and the money to exploit our raw materials of which the United States too has need. There is agreement here for the most efficient cooperation, but this cannot be realized if he does not help us in some effective way.....It looks like the visit of Vice President Wallace has made the politicians put aside somewhat their political activities in homage and proof of respect to so distinguished an American citizen." (4/14/13)

Decree Ordered Vorkers to Parade

Man of Spanish name in Cuito, writing in English, to
New York City: "I like and admire kallace; but, the people responsible for running the show, both South americans and Americans have not been very intelligent about it. For example:
the day keep arrived D went to the San Diego quarry to get
the remaining stones for the pergola columns and the Indian
concessionaires informed him that the government had ordered
them to parade and to forbid, under penalty of a heavy fine,
any of their employees from working; D then tried to buy
bread and finally found one bakery open, the owner of which,
a friend of his, confided to him that he had two men working
'en cachette,' paying them double wages, and risking the penalty for working and not parading. Everything was paralyzed by
government edict. Our enemies could have done little better
to sow the seed of resentment." (4/18/43)

Affectionate Demonstrations Suppressed

Ecuadorean in Guayaquil to soldier of Spanish name in U.S. Army, California: "Ecuador is henored with the visit of Er. ballace, Vice President of that great nation, Bowever, the people of Ecu dor feel depressed and assemed by the restrict ions imposed by the government; that has placed them within an iron circle, prohibiting the presence of other elements that are not unconditional and even imposing silence upon the press, so that he may not come to realize the absolute totalitarianiam that reigns over the nation, the innumerable citizens that are new imprisoned or persecuted because of their democratic and republican ideas, and that he may not take notice of the contradiction that exists between their phrases and the tyramical confinement with thich it has chained the nation. They have deprived us of all demonstrations of affection, of edherence, of personal sympathy toward one of the most renowned and disting uished citizens of the United States, and of effective an-American soliderity." (W18/43)

Peru

Mish to Equal Chile's Reception

Peruvian woman in Lima to Peruvian official in New York
City: "There are many preparations being made to receive wallace. We can't be left behind because in Chils they have received and treated him with great pomp. He seems to be a man of
talent, judging by his speeches that I have read. I believe be
is a possible successor to Roosevelt. In Lima he will remain

6 days and will visit Cuzco and Chimbote. The American engineers are doing great work there, establishing the metall-ugical plant which will bring much welfare to this country. (3/3/43)

Wonderful Reception

Resident of Peru, writing in English, to England: "Here we have just had the visit of Lr. Henry Lallace, the Vice President of the States. I didn't meet him but he seems a very attractive man, and what went so well down here was that he spoke Spanish. We had a wonderful reception, and I think his visit has done a lot of good, but of course when Chile broke with the axis, they thought they were going to get some special treatment from the States and instead of that they have been told that the States can't ship any more goods than they are doing now, possibly none at all." (4/3/43)

Tremendously Popular

Resident of Lima to Cuba: "While I am writing, &r. Wallace is just arriving on the big square in front of the hotel—a tremendous enthusiasm, he is tremendously popular, his goodwill tour is a success." (4/4/43)

Believe Wallace Will Be Next U.S. President

Peruvian in Lima to man of Spanish name in California:
"We are preparing for the reception of the vice president of
that country, a person who has captured everyone's sympathy
by his pleasant manner and democratic behavior. I believe
that "allace will be the next president of that country and
with his election to that position, the U.S. will gain much.
The newspapers say that in Chile they have received him enthusinstically..." (4/7/43)

Welcome Signs on Walls

Roman in Peru, writing in English, to Massachusetts:
"The walls on vacant lots on the way to the city have been painted with big signs which say 'Peruvians greet kr. Mallace in the Plaza de Armas on ... He has been a very good-will fellow because he spoke to the people in their own language and told them the very things they wanted to hear. No one who has not lived in So. Am. could believe how easy it would be for the U.S. to have this entire continent sating out of Uncle Sam's hand—provided that the northerners learn how to deal with the southerners." (4/8/43)

Apristas Unable to Participate

Letter in English from firm in Lima to New York: "One of the most amusing things about this Eallace business is that liays de la Torre and the Apristas are out to show Lallace that this is not a democratic country with freedom of speech, since they are unable to join in any manifestation in his honor for fear of being jailed as soon as they come out of hiding. Some people say that they're coming out anyway, and others say that they have written a manifesto to callace explaining why they can't come and call on him." (4/9/43)

German Store Displays Flags and Posters

American woman in Lima to husband in California: "..."All the stores are bedecked with flags and posters velcoming Vice I resident Wallace. One of the largest stores in town is Casa Welch which is definitely German owned. This store had more flags than all the rest and had one huge poster in their window: Wallace, El Mensajero de Democracia! Casa Welch is certainly not patronized by us! (Just heard rumor Peru will ieclare war in a few days.)" (MI 250001 4/9/43)

"Cupboard Love"

English firm in Lima to London: "... we are at present suffering from an outburst of enthusiasm for the americans due to the visit of Wallace but I am very much inclined to believe that all those demonstrations smack of 'cupboard love.'" (4/10/43)

Deceptive Impression Planned

Peruvian woman in Lima to New Jersey: "Tomorrow Mallace arrives and Manolo (President of Peru) is preparing a great reception... It seems that Manolo is scared to death in spite of everything, for he has been jailing all the Apristas for a week in San Lorenzo, and everyone who has a faint aroma of Aprista is one to him. He wants the Panagra plane to land at Fawcett Field so the V.P. will have a better impression on entering the city, so he has had all the fine trees on the golf course cut down (to the fury of all mambers) so there won't be any danger on landing All these exhibitions and expenses are cut of place in these times in which we are living..." (4/11/43)

Criticism of Social Activition

Peruvian woman in Lima to Florida: "Mallace gets here tomorrow, and because of that there is great enthusiass in Lima to
receive him. Everything is full of flags and great parties are
being prepared for nim. You know what inventors they are here
and they're acting as if it were Cod who is coming. I think they're
even going to make it a holiday. In the meantime they don't bother about the food situation. We're having a hard time finding
things. There isn't any rice, potatoes, and meat only once a
week, and very expensive. Eggs are 40 cents each one and hard
to get... I don't understand what's going an when we produce all
of that here." (4/11/43)

Visit Precipitated Closing of German and Japanese Shope

Koman in Peru, writing in Spanish, to parents in Republic of Fanama: "During the course of these days the situation of the German and Japanese has been very troublescee (for them of course). It appears that German and Japanese establishments will be allowed to stay open until the 31st of this month; those who have not liquidated their business by this date must close and turn over all merchandise to the Government who will take charge of the liquidation. The arrival of Vice President Esliace precipitated this train of events." (BA 31151 4/12/43)

Reception Marred by Political Demonstration

Peruvian in Lima to Massachusetts: "The reception was magnificent. There were people from the Faucett field to the armament square as never seen before. Vallace has been very much applauded but Prado was whistled every minute by the people asking him for meat, rice, and potatoes. They did not let him speak two words... Later the people tried to enter through the Giron and were confronted by the police who took out their revolvers... Tere and uique were frightened in spite of the fact that not one shot was fired." (4/13/43)

Received Coldly

Peruvian in Lima to army officer with Spanish name in Nashington, D.C.: "Yesterday Vallace arrived in Lima, and a celebration resulted. The reception was somewhat cold, and in the Plaza de armas there were whistling, shouts of 'hunger,' etc., and white handkerchiefs. The 'Apristas' sounded, as usual, a bad note. I don't know when the government will put an end to these people who are bad citizens, and who take advantage of any opportunity to represent us as savages." (4/13/43)

Tallace Captivates Spontaneous Affection

Feruvian in Arequipa to Peruvian neval officer in Florida: "We have had on the way to Bolivia and on returning from Cuzco Mr. Wallace, Vice President of the United States, who has been paid tribute with great demonstrations of affection, he has been able to captivate the apontaneous and sincere affection of the people of every class of society, his presence and his words exciting ferfor for the solidarity of the Americas and for democracy. Mr. Wallace has been the best emissary." (4/14/43)

Made Hit with Laboring Class

TO TEXT LANGUAGE COLD THE

Letter in English from cultural institution in Lina to Arizona: "The Great White Father (Henry W. Wallece) has come and gone... His visit was a great success both from the American and Peruvian point of view. I rather think that the Peruvian Government was happy to see him go for he is considered as being too much for the working class. Of course such a viewpoint here is not all popular in the higher circles.... Wallace has made a great hit with the Peruvian laboring class for he does all his talking right down their alley. As the result of this, the Covernment here has been a little uneasy, for any encouragement to the working class is not counted as the right thing." (4/15/43)

Displayed Authorities

Translation of letter from lime to Canal Zone: "Vallace's visit to lime was interesting. He displeased the authorities by his socially-mindedness, interest in mines, Indians, etc. One morning he went out early alone, ment to the Contral Market, but breakfast in a little store. Then he came back, the Peruvians

were cross et him. On the day of his Arrival the diag de array was provided. But decide should and whistled and oried for rice and ford so that he are fould understand during. Easy of our exception were there, and all told the age every. Increased, shouldness, our min filled.... (L/15/L)

Rice on Parket after West

city of foods while for some them and public distants of was made estifert during the visit of Mr. Vallace, he was enthushastically received by all planes and his aprech from the paides well applicated, but when Prado started to speak many people in the place torised their backs and whistled. The reaction was insadiate for the day after cilede's departure the government ordered all bodges to corry rice and well it for the cents a kilo, forced out from storage mounded stock, and ordered sent appar haciendes to put part of their land into rice cultivation." (4/16/43)

Ministerial Crisis Result of Visit

Paruries to relative, a Peruries official, in Plorida: "ir lating a visit has ended. Great honors of every kind have been rendered him, but in a speech at the Palace he used a happy phrase: "It is the duty of the ruler, above all, to see to the welfare of the people." Since rice is 5/1.50 a kilo, eags 0.40 and or on, this little thrace fell burningly on the official ranks and a ministerial crisis is already being planted, for the Executive did not know that the people were starving." (t/17/43)

Recention Not Cood Enough

Lan in hims, writing in Spanish, to soldier in U.S. Army, ionisians: "I have had the pleasure of seeing Mr. Wallace who is a very intelligent man and who has great powers for captivating.—It seems incredible that the people of Lima have not received him effusively as I had predicted; you know that because of a fortuitous scarcity of foodstuffs, not through any fault of the Government, but of the climate and the scarcity of transports, there was a certain discontent and as the fifth column is ever watchful, they spread the foolish idea that the scarcity of foods was due to the fact that the American boats were carrying them away, and there you have the key to everything. The people are always as idiotic as a flock of sheep." (4/19/43)

elt "Damned with Faint Fraise"

American in Lima to California: "... Kallace gave a short speech at the Teatro Eunicipal in which the Peruvians felt that he damned with with faint praise." (4/19/43)

borking Class Gave Larm Welcome

French resident of Lime to New York City: "I saw Mr. Mallace upon arriving in Max and here they gave him a warm welcome, as everywhere and especially in the working class; for example, in Chile there were Communist flags and here also, but they were removed afterwards." (4/23/43)

Yor Sympathies of People

Peruvian in time to New York City: "... The had the visit of Vice President Wallace, who, from the first moment, went the sympathies of the people, for he does seem to be a true friend of the people and his speeches show it; but our friend Dr. Hector have certainly pave us some cold showers as regards exports and he told us very clearly that we should tighten our belts and hold tight on the rope to suffer this state of affairs until after the war." (4/23/43)

Liked by People

American in lime to lowa: "Wallace is gone--liked by the people, with whom he mixed a bit and not disliked by the women (Catholic, anti-Communist) and not liked by the ruling classes the see their monopoly endingered by liberals." (4/26/43)

Blow to Inter-American Relations

Feruvian in Lima to New York City: "I am writing this letter with great sadness because I see that all the work which we have done to improve good relations between our two countries has received a severe blow. The visit of Vice-President Tallace, instead of improving our relations, has made them worse. The Vice President has been reserved and discourteous in spite of the magnificent way we received him, and he has wounded everyone.

"You and I have been with the leftist leader in an interview and you know the good relations which exist between us; therefore, I have no personal motive which will keep me from telling the truth. The political party APRA is widespread in Peru, but it does not represent the feelings of all Peruvians. There are very important groups outside of that party. It is not true either that the Government is a tyranny. It is a government respectful of individual rights. The laws of repression are used only against those who go outside of the bounds of those laws. It seems that the Vice President was impressed by the members of that party who exaggerated the situation here and the attitude of the Vice President was one of frank censoring and meddling in our domestic affairs.

"It has turned out that after receiving him so splendidly everyone has cooled off and there is much censuring and resentment at his attitude. I lament this situation and I want you to know it so that things may be understood clearly there. The people believe that he has come here to meddle in our affairs and do us harm instead of good.

"Wr. Roosevelt's policies ellectively brought incut much expositly for the United States in seru, but an attitude in such bod teste as that of the Vice Fresident ruine all the work that has been done. Make this fact known there because for the future policies of the hemisphere it is not well to have a erson so a little fit as he." (4/26/43).

Criticizes Speeches

cizes Speeches - Feruvian in Lima to New York City: "In reference to Callace's visit, there is nothing worth mentioning, only the lamentable disorganization that was noticed in all the ceremonies and entertainments. With regard to the visitor all he did was to talk about 'Democracy,' the 'racial equality,' etc... subjects which he would be doing right in supporting in his own country! Division of lands! - 'half breeds,' etc: It is right to be the friend of the people, to want to improve their conditions, but it is not right to deceive them with utopian ideas, and even less to want to be, not socialistic, but communistic. (4/26/43)

6 1 JUN 5 1/1943

REPORTED BY: DATE: PLACE: 787 May 5, 1943 Qui to, Ecuador CHARACTER: TITLE:: ECUADOR -POLITICAL- M VISIT OF HENRY A.WALLACE SYNOPSIS: On request of U.S. Embassy precautionary measures for the safety of Mr. WALLACE were taken and are set out in detail. WALLACE was in and near Quito from 1:45 PM April 15 to 7;45 AM April 19, and in Guayaquil from 9 AM April 19 to 1:20 PM next day, departing for Cali, Colombia. Program and miscellaneous activities in Quito, Guayaquil and environs set out. Prevailing feeling of populace at all places observed to be favorable towards WALLACE personnaly as well as to the United States. Very little adverse comment or manifestations were observed or reported. Activities of the vice president included formal and informal receptions, dinners and conferences, a visit to Otavalo, the experimental station at Pichilingue, farms enroute to Otavalo and in the Chillo Valley, as well as visits to balsa and rice mill in Guayaquil. During his movements a moderate amount of enthusiasm was observed among the people, and very little disorder was manifest. The vice president showed interest in all stratas during his visit and through this apparently gained considerable good will. INFORMATION CONTAINED COMMENTS: 228303 STATUS: Report of 345 dated 4/5/43 entitled "Visit of vice president Henry Wallace" Report of 176 dated 4/8/43 entitled "Political Activity visit of Vice President Wallace to Ecuador. REFERENCE: Copies: Made Available to: Bureau Embassy (Consulate) FLD:RA - TESTIGATION Quito M • A • MAY == 1943A. .. N. A. Other U. S. DEPARTMENT OF JESTICE

FILE

TIMES ON ORIGINAL

VISIT OF HENRY A. WALLACE ECUADOR- POLITICAL-M

DETAILS at Quito, Ecuador

On request of ALFRED T. NESTER, Charge d' Affaires a. 1. in memorandum dated March 16, 1983 arrangements were made through the and Augusto Guerrero Jefe de Seguridad for Pichincha province for either or both of these parties to eccompany the Secret Service Agents and be at their disposal during the entire (2) so journ of MR WALLANE in Ecuador. At this time arrangements were made through QA for suitable automobiles to be constantly at the disposal of the party, with competent drivers.

A memorandum dated April 1 submitted by

OR March 29, 1943 reporting agent, on request of Embassy officials inspected the premises and environs of the MERCADO HOUSE which had been selected as the temporary residence of WALLACE. At this time agent made recommendations ofor the posting of guards at all approaches to the house, as well as at the entrances to the building. For this purpose Agents from the Seguridad Office, armed Carabineros, white and a Guard of Honor at the front entrance composed of Cadets from the Carabineros Officer's Training Schoolwere posted, the morning of the scheduled arrival, alter having been instructed in their duties.

On this occasion a sketch of the house and environs was made, and the exact locations of the guards was marked by andasterisk. A copy of this sketch was furnished and one is being sent in attached to this report. The occupants of the surrounding houses were questioned their names obtained and checked against the indices. Only one of the neighbors appears in our files RAYMOND MERIGUET, and he is described as a leader in the local Free French movement, and secretary of the Ecuadoran Popular Antitotalitarian Movement, not being regarded as dangerous.

ON April 14, 1943 the advance Secret Service Agent arrived in Quito at 7:00 PM by military plane. He was met who furnished him every assisstance.

During the morning of the arrivalmof Mr WALLACE this secret service agent was accomwho gave him every possible assistance. The program followed in Quito follows:

April 15

1:45 PM Arrive Quito. Short efficial welcome at airport and depart immediately for residence.

5:30 PM Preisident Arroyo will receive vice president. At this time the President of the Congress, Ministers of State, and Commander of the armed forces will also be present.

4:00 PM Vice President will place wreath on the monument in the Plaza do la Independencia.

4:45 PM Vice Presient will receive Diplomatic Corps.

5:30 DE Reception by the municipality when Mr. Wallace will be made guest of honor of the city.

8:30 PM State dinner followed by formal receptional INFORMATION CONTAINED

April 16

8:00 AN Visit to American School, Quita,

8:30 AM Leave Quito by motor to drive through the Chillo Valley, making several stops at farms enroute where vice president may see agriculture on foot and talk with whom he may desire.

12:00 Noon Arrive Chillogallo for lunch of mative dishes, followed by Indian dances and livestock show. Representative groups of farmers, busi-Ress men, bankers, etc. will also be present.

2:50 Pk.Lesve Chillogalle for Quite.

5:00 to \$:00 Pk Visit two factories

5:00 to \$:00 Pk Visit two factories where there will be an opportunity to talk with workers. One factory to be a quinine processing plant. 4:30 PM Depart for Cayambe enroute to Otavalo spending the night at the hacienda of MEPTALI BONIFAZ.

and the amountage of the first that the first said the said

5:00 AH Depart for Otavalo and return for lunck at BONIFAZ hacienda enroute

5:00 PM Press conference in Quite.

5:30 PM to 8:30 PM Cocktail party offered by Minister of Mational Defence at Aviation School.

9:15 PH Intimate dinner at the home of President ARROYO.

Later of the control of the same of the sa 8:50 AM Leave Quito for Quevedo by military plane. Thence proceed by boat to Experiment Station at Pichilingue. Lunch at station and leave in time to reach Quito in early afternoon. Balance of afternoon devoted to receiving various groups.

6:30 to 7:00 PM Bolivarian Society will present medal at vice president's residence.

10:00 PH American Embassy reception.

7:45 AM Depart for Gasyaquil via Panagra.

Prior to the arrival of Mr WALLACE servants at the CARLOS MERCADO house, and their mames were searched against our indices with negative results. Their names are retained in the files of instant case.

On April 9, 1943 this office prepared three lists of Axis Nationals en request of the Charge d'Affaires. Those appearing on list number one were suggested for internment, those on list number two were suggested for confinement to their homes. Those on list number three were suggested as requiring surveillance. This list was submitted to President DEL RIO by the Embassy and it was observed that through the Minister of Government the defe de Seguridad in Quito as well as the Jefe in Gusyaquil were ordered to effect the desired action as set forth in the memorandum. With reference to the execution of the order it may be said that mit was fair. The names on the three lists are being submitted for the Bureau's information:





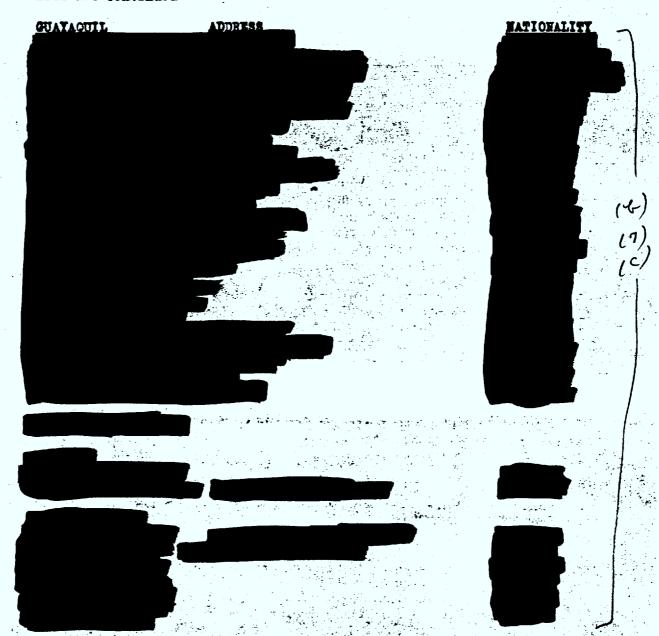


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LIST TWO continued



The second secon

The enforcement of the order of the Minister of Government was ebserved to have been excellent. In the majority of cases involving aliens recommended for confinement to their homes it was noted that they were also required to leave the Provinces of Pichincha, Guayas and Imbabura. The surveillances of the individuals listed in list number three, as well as could be determened, was done fairly well by the agents of the Office of Seguridad. During the course of the Vice President's visit in Quito

the Secret Service agents were accompanied most of the time by who also accompanied the party to Otavalo on their request. Informant was almost constantly with the party. On the party's trip to Quevedo arrangements were made for AUGUSTO GUERRERO, Jefe de Saguridad for Pichincha (2), to accompany the party, due to the fact that went to Guayaquil on that day to assist the advance Secret Service agent in making arrangements for the safety of the vice president. IN this connection rendered every possible assistance. During the carrying out of the Quayaquil program and on most occasions were constantly with the vice president, however, staying in the background as much as possible. Adequate police protection was furnished on most occasions by CARLOS M. ROSALES A. Intendente de Policia and CARBO PAREDES, Jefe de Seguridad for Guayas Province. EMILIO STANER, listed on list number one. remained in Guayaquil through intercession of the Governor FOR THE Local fire department, with which STAMER is connected in a technical capacity. No other exceptions to the Minister of Government's order is known. In Guayaquil, the vice president's activities included press conferences. a visit to a rice mill and balsa mill, and a visit to the Hacienda San Miguel, some ferty kilometers from Gusyaquil en the Quito-Gusyaquil Ry. In addition Hr. VALLACE attended a fermal reception given by the Gove rnor a session of the Municipal council, and miscellaneous other meetings of various groups and organizations. He arrived in Guayaquil on April 19

at 9:00 Am and departed for Cali, Colombia at 1:20 PM April 20, 1943.

There is enclosed a photostatic copy of a sketch of the house and environs of the temporary residence of Mr WALLACE in Quito.

STARRA

Los Angeles 13, California February 15, 1944



Director, FBI.

Dear Sire

RECEPTION AT LOS ANGELES FOR VICE PRESIDENT HENRY A. WALLACE

Before the arrival of Vice President HENRY A. WALLACE in Section 1984. The second considerable discussion as to the political complexion of the reception committee. It is a cussion as to the political complexion of the reception that the reception committee would be in the hands of that the reception committee would be in the hands of the reception committee would be in the hands of the reception committee would be in the hands of the reception committee. was announced that the reception committee would be in the hands of representatives of a group which called itself the "United Citizens Committee." It is believed that the Bureau will be interested in the proceedings that took place during the recent visit of MR. WALLACE to Los Angeles; therefore, the following is being submitted: attended (4) 2

the meeting at the Shrine Auditorium on the evening of February 4, 1944. Informant related the features of the evening in some detail and identified many of the persons who took some active part. It was believed that the Bureau would be interested so informant was requested to write a memorandum covering the meeting. The substance of said memorandum is being set forth herein. WR. WALLACE stated in his speech at the Shrine Auditorium at Los Angeles that his visit to Los Angeles was under the auspices of the three labor unions, the CIO, A.F. of L. and Railroad Brotherhoods, and made no mention of a "United Citizens Committee."

Informant stated that the influence of the Communist Party in this affair was evident on all sides. The general makeup of the audience was of that type which are seen at all Communist gatherings, and the applause groups were definitely of that type. Many well-known Communists were in the audience and all Communist publications were most

enthusiastic about the meeting, both before and after the meeting.

2000年1月1日 · 中央公司 11日 · 中央公司 11日

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Director, FBI Re: Reception at Los Angeles for Vice President Henry A. Wallace

2/15/44

Informant reported that EDWARD G. ROBINSON, motion picture actor, was master of ceremonies; that he read a prepared introduction stating that the meeting was a win-the-war gathering in honor of the Vice President; that the meeting was basically a unity meeting; that the Vice President was a symbol of such unity in that he was the "champion of the

common man; that for the purpose of winning the war all divisions on a

political basis should be eliminated and that all forms of partisan politics should be buried for the duration of the war. His opening remarks took about fifteen minutes. Informant reported that ROBINSON is a well-known follower of the Communist Party line and has taken part as sponsor and supporter of many Communist front organizations in Hollywood, such as the Hollywood Anti-Mazi League, Hollywood Theatre Alliance, Russian War Relief, Motion Picture Democratic Committee, Hollywood Democratic Committee and others. Informant stated that MR. ROBINSON consistently lends himself as a front for Communists in the Hollywood section. He further stated that the following known

Communists with outstanding records in that movement were on the reception committee and sat on the stage at the meeting: PHILIP M. CONNEILY

HERBERT BIBERHAN

OSCAR FUSS

LIONEL STANDER DR. LEO BIGELMAN -HERBERT K. SORRELL

Informant stated that following MR. ROBINSON'S introduction a LR. HYATT spoke on the bond campaign, after which a play was produced. It was announced that this skit was sponsored by the Hollywood Democratic Committee, one of the leading Communist front groups in Hollywood.

Informant stated the entire content of the skit was an interpretation of the Communist Party line. The actors, about twenty-five in number, were from a show now running in Hollywood at the Assistants League Playhouse called "Meet the People." This is a play produced by HENRY MEYERS, JAY GORNEY and EDWARD ELISCU, all writers in the Hollywood Studios and on the radio, and are all well-known Communists.

The skit dealt in a satirical manner with all those who opposed those Communist supported projects such as: Anti Poll Tax; National Service

Director, FBI
Re: Reception at Los Angeles
for Vice President Henry A. Wallace



2/15/14

Act; Price Subsidies; Teheran Conference. Informant reported that the nature of the presentation was a satire upon the Republican Party, which was portrayed as isolationists and in effect pro-Fascist. The setting was that of the entrance to a sideshow. On banners were displayed caricatures of individuals such as HERBERT HOOVER, THOMAS E. DEWEY; and United States Senators and Congressmen such as NYE, WHEELER, REYNOLDS, FISH and RANKIN; ROBERT McCORNICK of the Chicago Tribune, and WILLIAM RANDOLPH HEARST. All were caricatured as freaks to be seen for an entrance fee. The book "Under Cover by ROY CARLSON was mentioned favorably. This book is a "must be read" by all Communists. Russia was classified as the savier of the world. The skit was written by BEN HECHT, a screen writer, and produced by E. Y. HARBURG, a producer at Warner Bros. Both follow the Communist Party line and identify themselves with Communist front organizations. Although ROBINSON in his opening remarks called for a cessation of all partisan politics, this skit was a particularly vicious attack on the Republican Party and Anti-New Deal Democrats.

Informant stated that following this playlet LR. ROBINSON introduced the Attorney General of the State of California, ROBERT E. KENNY, who in turn introduced MR. WALLACE. MR. KEMMY was State Senator before becoming Attorney General of the State of California. He has been a constant follower of the Communist Party line and one of the party's staunchest defenders in California. He is the national president of the National Lawyers' Guild, a Communist controlled organization which constitutes the legal arm of the Communist Party. KEHNY'S activities cover a period of some seven or eight years and have been such that he has been identified as falling in line with each and every switch in the program of the Communist Party. Informant stated KEHNY was active in the American League for Peace and Democracy, the Hollywood Anti-Nazi League, the Motion Picture Democratic Party, which supported the American Peace Mobilization, and now he is the leading figure in the Hollywood Democratic Committee, a Communist front which is the successor to the Motion Picture Democratic Committee, neither of which has ever been recognized as a portion of the regular Democratic Party organization.

Informant stated that following his introduction, the Vice President spoke for about an hour on the future world to come after the present war is over. He also stated the Vice President said in his speech that he was there as the guest of organized labor, the CIO, A.F. of L. and Railroad Brotherhoods. He also stated the Vice President's speech was essentially a labor speech and was very well received.

Informant stated there was no doubt whatever that the Communist



Director, FBI
Re: Reception of Los Angeles
for Vice President Henry A. Wallace



2/15/山

element in the Southern California section had so indiffrated this reception for the Vice President, acting through the Hollywood Democratic Committee, Labors Committee for Political Action and these so-called minorities groups" as to enable them to secure complete control of the reception in honor of the Vice President of the United States on February 4, 1944.

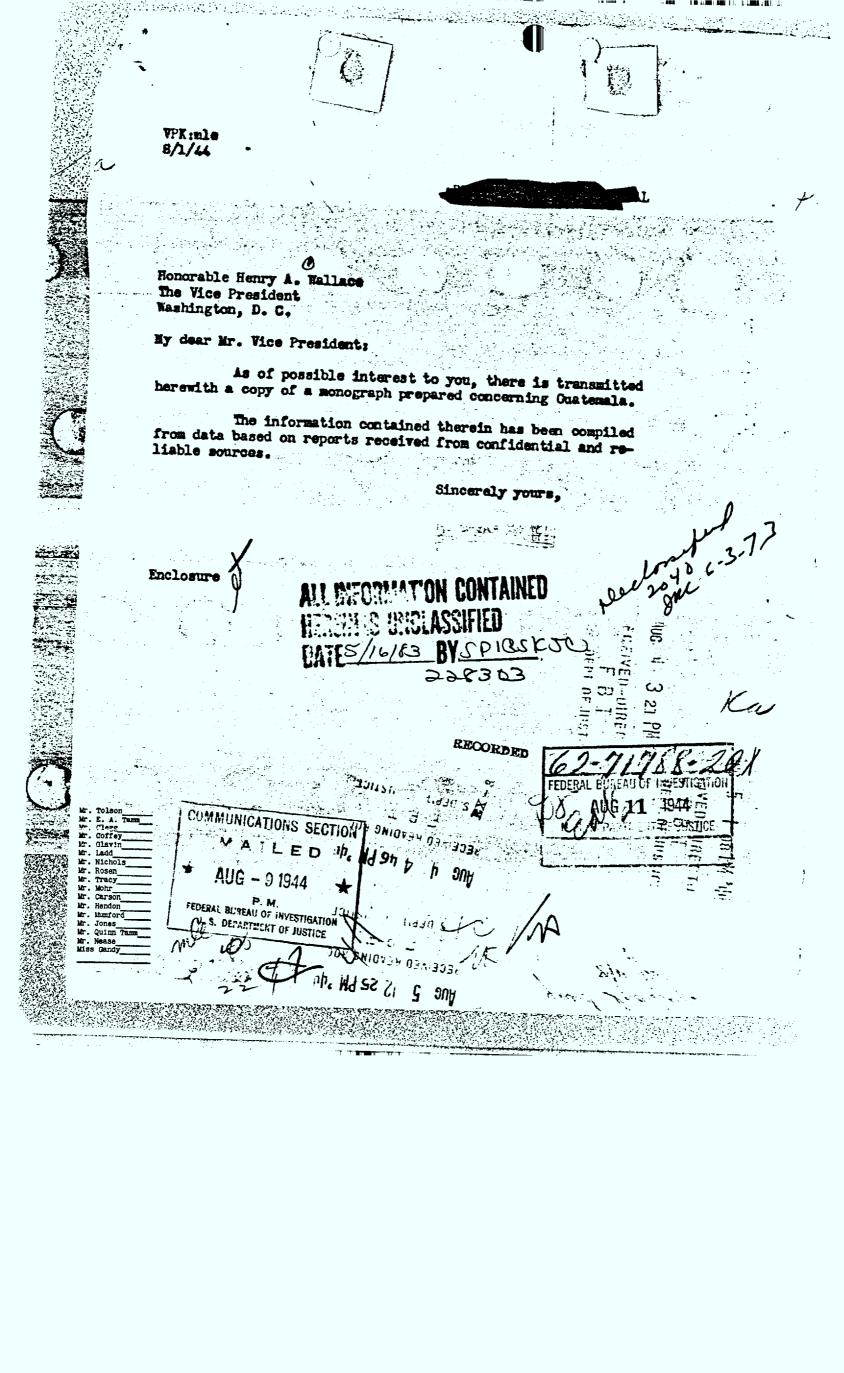
Very truly yours,

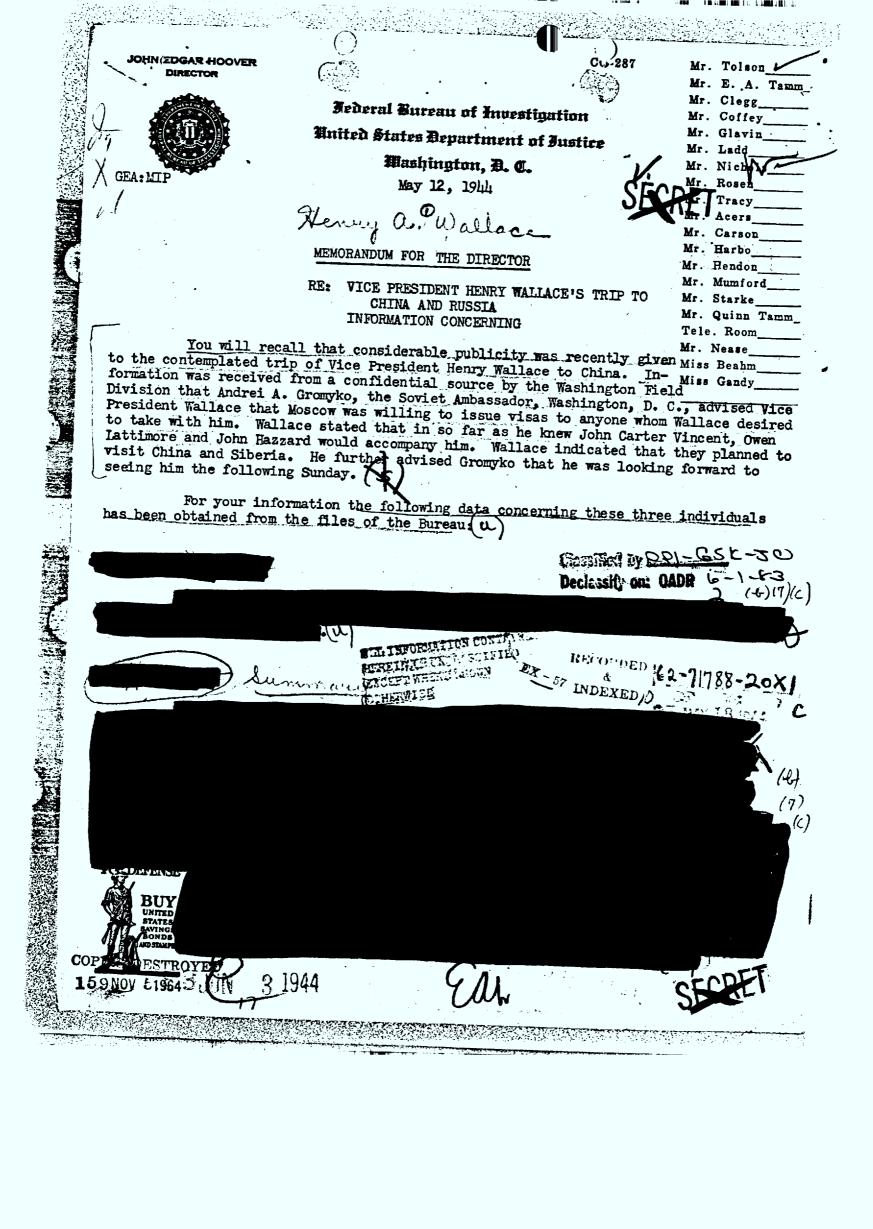
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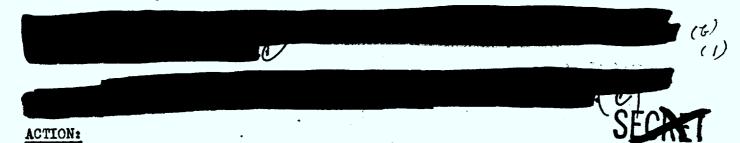


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Memorandum for the Director



In the event additional information comes into the possession of the Bureau regarding the contemplated trip of Vice President Henry Wallace to China and Siberia it will be brought to your attention immediately.

Respectfully,

D. M. Ladd

CEN

JOHN EDGAR HOOVER DIRECTOR



Rederal Bureau of Investigation United States Department of Justice Washington, A. C.

August 24, 1944

MEMORANDUM FOR MR. D.

Pursuant to your instructions, Special Agent Brown of the Liaison Section called at the Office of Vice President Wallace on Mr. Nesse August 14, 1944, and obtained from him monographs on General Intelligence Beahm Surveys of the United States, as well as a number of monographs on Latin-American countries. The material as received from Mr. Wallace was set forth in the attached receipt, which has been signed by Agent Brown.

Miss Gandy

-287

Mr. Tolson Mr. E. A. Tamm

Mr. Clegg_ Mr. Glavin_

Mr. Ladd_ Mr. Nichols_

Mr. Rosen_

Mr. Tracy_ Mr. Carson_

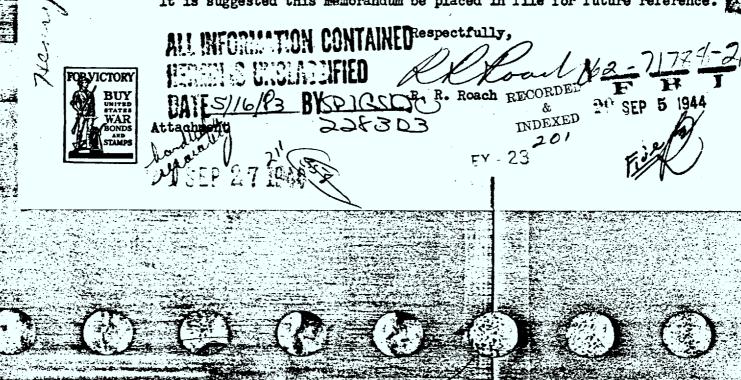
Mr. Coffey_ Mr. Hendon_ Mr. Kramer_

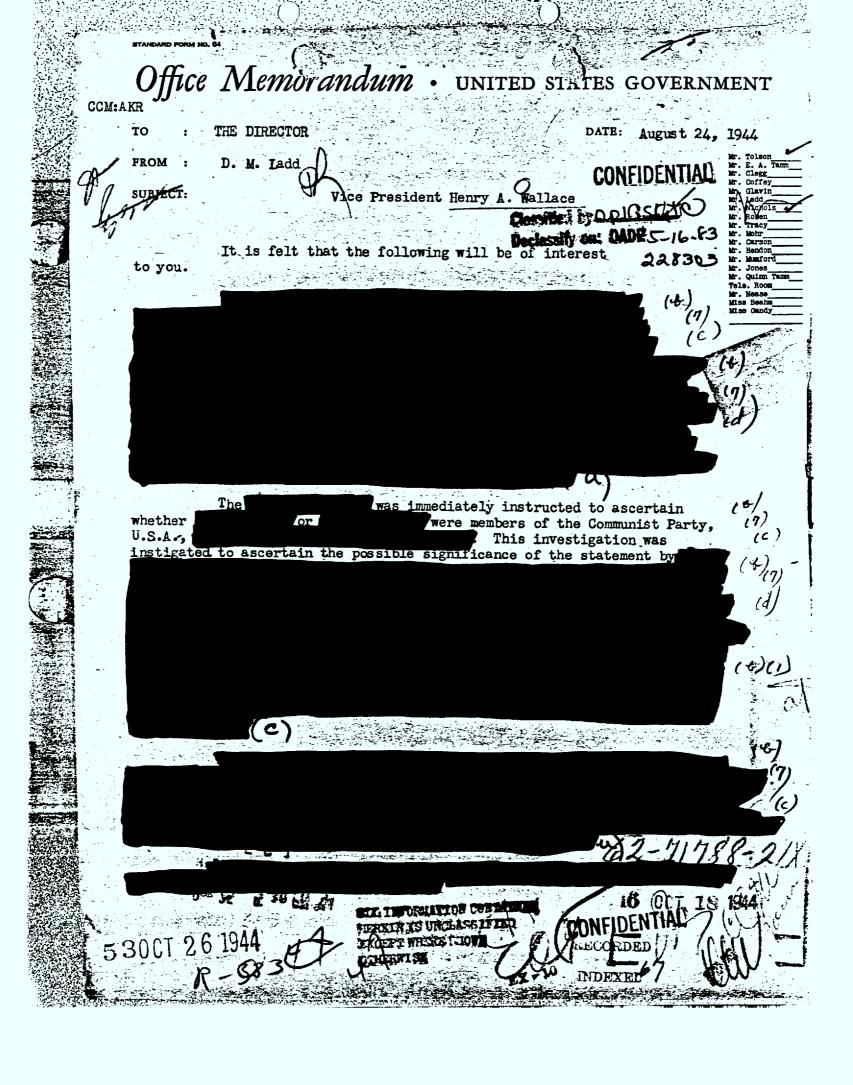
Mr. McGuire Mr. Harbo Mr. Quinn Tamm

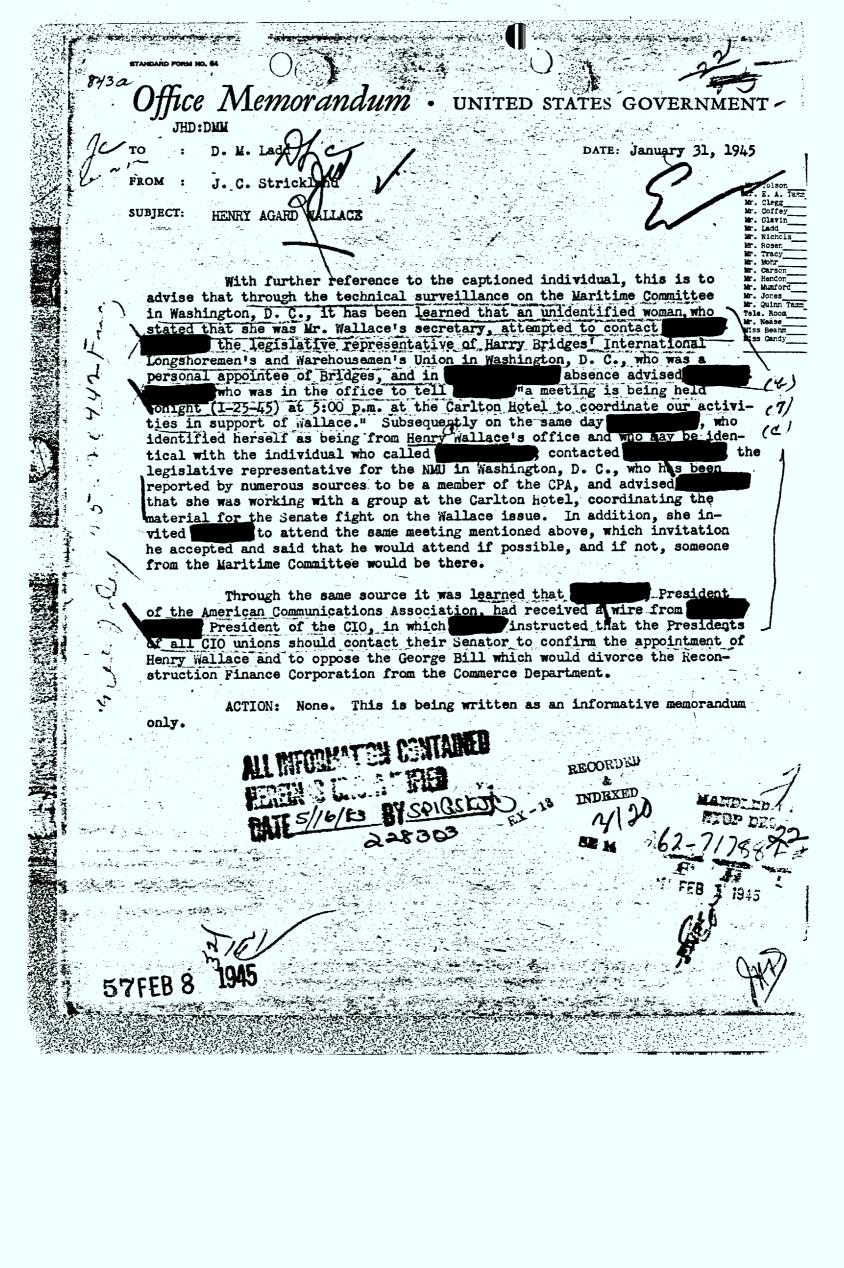
Tele. Room_

Upon receipt of this material, the material, with the exception of the two pieces checked which have been retained in the Liaison Section, was retained in the SIS Section.

It is suggested this memorandum be placed in file for future reference.









FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

4	Page(s) withheld entirely at this location in the file. One or more of the following statements, where indicated, explain this deletion.
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A CCO MPLISHENI

in their power to prevent the confirmation of the nomination and the Conservatives. Such a battle is personified by the actions of the Conservatives in Congress who are doing everything withof Henry A. Wallace for the position of Secretary of Commerce. Already we see signs of a terrific battle between the Liberals

but merciless in his fight against them when they were pushing fair to them when their interest coincided with the public good, him with such venom? Mr. Wallace's sin is that he has never knuckled under to special interests. He has been more than What is there about Wallace to cause some Senators to fight some measure against the general welfare.

bushels of wheat and 450,000,000 bushels of corn which * * * The American people are thankful for the extra 100,000,000 made the difference between crippling hunger and efficient worksential step to take on behalf of the farmer and the consumer. Take the Ever Normal Granary which Mr. Wallace fathered. Some of the grain interests did not like this. But it was an esing and fighting for many millions in England and Russia.

administration to decentralize what otherwise would

in impossible task. it was have

iference Committee, has earned my deep respect for with him, when chairman of the important food and esident of the Independent Grocers' Alliances-"My was done efficiently and effectively. Said Mr. J. Frank ration with several million farmers. But the job was iributive outlets as it had been to work out the Triple to come into effective touch with several hundred amp Plan. * * * It was almost as difficult an adminisice, as Secretary of Agriculture, was responsible for experien Grimes, A in col done an thousan the Fo trative

He Savet Millions

his ahili

enrich ertain processors who had done nothing whatever to U. S. Treasury, which otherwise would have gone unjustly to Take the story of how Mr. Wallace saved \$874,000,000 to the

automobile tires. Both the automobile user and the war effort long tons of rubber * * * enough to make 18 million average In April of 1939 Mr. Wallace was responsible for initiating the trade with England of 600,000 bales of cotton for 90,500 were served by this far-visioned action by Henry Wallace.

Baruch Repeatedly Lauded Wallace

There was nothing incompetent about the way Wallace got the in the executive branch of the government to do a difficult job. Mr. Bernard Baruch has repeatedly said that Mr. Wallace as The Wallace farm program in the thirties almost doubled the farm gross income and almost trebled the farmers net income. Secretary of Agriculture did a superb job of administration.

majority of the 6 million farmers of the United States. The chief Wallace had to pick the men who would build an organization Under the Triple A, which became law in May of 1933, Mr. which would contact county by county and state by state the responsibility was placed on the county committed, elected by the Farmers themselves. This annoyed a few politicans, but

action taken by the Government under Mr. Wallace's leadership. The courts sustained the Government in 92 per cent of the cases contested. The overwhelming majority of the cases were settled out of court because the justice of the Government's position majority of them recognized was so spparent said 'that the

Wallag it was who used Presidential backing to force Mr. Jones there the farmers 4 percent instead of 5 percent money. s who insisted on safe storage facilities at reasonable it was who insisted that the Commodity Credit Corbe transferred to the Department of Agriculture so products could be stored more He it v rates. porati that

servinas Chairman of both the Board of Economic Warfare - later the War Production Board - when Pearl was struck, and he broke bottle necks which nobody Thenly Vice President who ever did any work in the Executtive bach of the government was Mr. Wallace. * * * . He was else culd have broken except the President. and SAB Harbd

No wonder the forward Ichking people of the United States. to common people of the world, believe in Mr. Wallace. and t

AS A PUBLIC SERVICE

17, 1945. Senator Senator INTERNATIONAL LATEX CORF SSSOUT we present this excerpt Joseph F. Guffey, given "

DOVER, DELAWARE

JJP: JAM 7 February 24, 1945 100-28627 Director, FBI AND FIELD OF INTERNAL SECURITY Dear Siri The Pebruary 17, 1945, issue of the PEOPLE'S VOICE", copies of which are submitted to the Bureau separately, contain an article entitled WE WANT WALLACE CROUP OPGANIZED." The article stated in part that "We Want Wallace Committee of Harlens was organized last week with offices at 307 Lenox Avenue to support the Senate's confirmation of HENRY WALLACE as Secretary of Commerce. The article stated that the Committee gave a luncheon on Saturday, February 10, 1945, at the Y. M. C. A. to organise a national delegation to visit the members of the Senate and plan a "We Want Mallace" rally at the Colden Gate Ballroom on February 25, 1945. Among the members of the group are Dr. CHANNING H. TOBIAS, Councilman ADAM CLAYTON/POWELL, Assemblymen HULAN JACK, Councilmen Benjamin J. Davis and Charles B. Collins, and Assemblymen WILLIAM T. ANTREWS, GUY R. EREWER, H. K. CRAFT, RAY JONES, JAMES EGERT/ALLENT, LYNDON/HENRY, Reverend B. G. ROBESON, Reverend JOHN H. JOHNSON, MABEL K. STANPERO, ADA B. JACKSON, and MCRAN/NESTON. 0 COPY FILED This information is being submitted to the Bureau for information purposes and any further information received concerning this Committee or its, activities will likewise be submitted Very truly yours, E. E. CONROY, Special Agent in Charge William . FEDERAL BUREAU OF INVESTIGATION MAR 8 1945 U. S. DEPARTMENT OF JUSTICE 5 2 WAR 1 5 1945 ITIALS ON ORIGINAL

UNITED STATES GOVERNMENT

INFORMATION CONCERNING

I thought you would be interested in the following summary of in formation appearing in the Burean's files relative to Henry Agard Wallace, the former Vice President of the United States, and present Secretary of Commerce. You will recall that Boris Pregel, the head of the Janadian Radium and Uranium Corporation who also controls the Rare Metals Refining Corporation at Mount Kisco, New York, where the majority of the raw materials for the DSM project are obtained, is a close personal friend of Henry Wallace and has visited his residence on mimerous occasions. Pregel allegedly translated Wallace's speeches into the Russian language which were used on his recent trip to China and Soviet Asia. Pregel has been closely associated with Wallace's former secretary, Harold Young, and was reported to have sent \$10,000 to the Democratic Committee in Chicago in an effort to have Vallace remominated as Vice President.

Boris Pregel is the subject of considerable investigation by military suthorities at the present time in connection with the DSM project. A review of the Bureau's files has disclosed the following information relative to possible Communist or pro-Soviet connections upon the part of Wallace:

Background

According to "Who's Who in America," Henry Agard Wallace was born in Adair County, Iowa, October 7, 1888, the son of Henry C. and May (Brodhead) Wallace. He received a Bachelor of Science Degree from Iowa State College in 1910 and an Honorary Master of Science Degree in Agriculture in 1920. He married Ilo Browne of Indianola, Iowa, May 20, 1914. At the present time he has three children: Henry B. Wallace, Robert B. Wallace, and Jean B. Wallace.

Wallace was made the Associate Editor of his father's publication, "Wallace's Farmer," in 1910 and held that position until 1924, at which time he was named Editor. He edited this magazine until 1929 at which time it was merged with the "Iowa Homestead," and he edited the combined magazines until 1933. Following the election of President Franklin Delano Roosevelt as President of the United States and his inauguration on March 4, 1933, he was named Secretary of Agriculture and was subsequently elected Vice President of the United States in 1940. He has been the author of several books including, "Agricultural Prices" published in 1920; "Corn and Corn Growing," 1923; "Correlation and Machine Calculation, 1924; "America Must Choose, 1934; "Statesmanship and Religion," 1934; "Technology Corporations and General Welfare," 1937; "New Frontiers." 1934; "Whose Constitution, " 1936; and "Paths to Plenty," 1938.

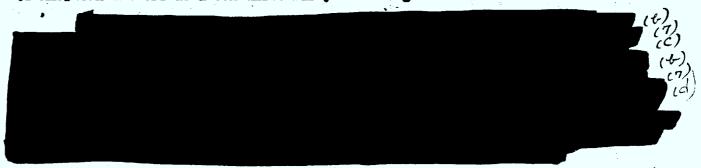
It is interesting to note that Wallace's brother-in-law. Dr. Cha Bruggmann, is the Swiss Minister to the United States.

MIL THORMATION CONTAINS RECORDED

SECRET

Association with Communist Controlled Organizations and Members of the Communist Political Association or Sympathizers

The files of the Bureau disclose that Wallace was a member of the League of American Writers in 1942. He contributed to a booklet published by this organization during that year. It is to be noted that the Interdepartmental Committee and Special Committee on Un-American Activities classified the League of American Writers as a Communist Party front organization.



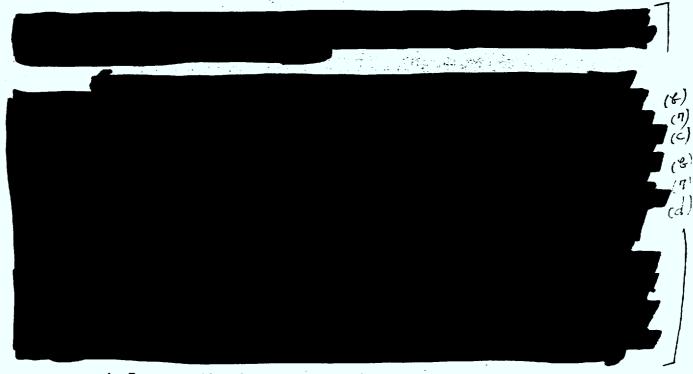
Wallace was listed as one of the prominent people interested in the American Youth Congress, an organization considered to be under Communist domination and control.

During the period of time Wallace was Vice President of the United States, he frequently made speeches before organizations allegedly subject to Communist or Soviet control. On mimerous occasions known members of the Communist Political Association appeared on the same platform with him. At a reception held in Los Angeles February 4, 1944, sponsored by the United Citizens Committee, Ralph Clare, the Secretary of the Studio Drivers Local #399, AF of L, was one of the individuals scheduled to sit on the platform with Wallace. When Clare arrived to take his seat and looked over those present, he turned and left the platform. Clare later stated that his reason for doing so was that he did not want to sit with such a "gang of Communists."

An article appeared in the "People's World" for April 24, 1944, stating that Henry Wallace had sent greetings to Paul Robeson on his 46th birthday. Paul Robeson is considered a key figure in Communist activities on both the East and West Coasts of the United States.

On November 17, 1943, information was obtained through a technical surveillance that George Wilson, the head of the Harry Bridges Victory Committee, advised Harry Bridges that he had seen Wallace relative to the Bridges deportation matter. Wilson said that Wallace told him he and President Roosevelt were not speaking at that time. They also discussed Wallace's forthcoming trip to the West Coast.

SECRET



An Impersonation investigation of David Karr in 1944 was conducted for allegedly representing himself as an employee of Vice President Wallace's office. At the time Karr was interviewed he stated he had been closely associated with Wallace since 1943 and had been with him when all his public appearances were made. Karr stated his expenses were paid by Harold Young, Wallace's Secretary.

Wallace was interviewed to determine whether Karr was an employee of his office and stated he had known David Karr for a year and a half and held him in high regard. He stated he liked David Karr personally and frankly admired him because of his continuous action in behalf of liberalism. However, he was not in his employ or attached to his staff. During the course of this interview Wallace advised Special Agent in Charge E. E. Kuhnel that when the war was over "you would likely see the President step out as Commander-in-Chief and go forward in the cause of liberalism."

The National Maritime Union convention was held in New York City July 6 to 10, inclusive, 1943, and a telegram of greetings from Vice President Wallace was read. The Committee later passed a resolution favoring Wallace's position and condemning that of the then Secretary of Commerce, Jesse Jones. You will recall that Jones and Wallace received considerable notoriety at that time relative to their policy disagreements.





Tou will recall that "Blackie" Myers is the Vice President of the NMU and a known member of the Waterfront Section of the Communist Party. Ferdinand Smith is an alien Negro who was recently forced to resign from his position as Secretary of the NMU following adverse publicity resulting from his status as an alien campaigning on behalf of a Presidential candidate coupled with union requirements that its officers be citizens of the United States. Smith is a known member of the Waterfront Section of the Communist Party. Joseph Curran is President of the National Maritime Union and is closely associated with known members of the Communist Political Association. During his tenure of office, the NMU has followed the "Communist Party line."

Through a technical surveillance on the Maritime Committee in Washington, D. C., during January, 1945, it was ascertained that an unidentified woman who stated she was Mr. Wallace's secretary, attempted to contact Harriet Bouslog, the Legislative Representative of Harry Bridges' International Longshoremen's and Warehousemen's Union in Washington, D. C. Mrs. Bouslog is a personal appointee of Bridges. In her absence this unidentified woman advised Frances Jacobsen to tell Harriet "a meeting is being held tonight (January 25, 1945) at 5:00 P.M., at the Carlton Hotel to coordinate our activities in support of Wallace." Subsequently that same day, a Miss Fraber, who identified herself as being from Henry Wallace's office and who may be identical with the individual noted above who called Mrs. Bouslog, contacted Hoyt Haddock, the Legislative Representative for the NAU in Washington, D. C., who has been reported by numerous sources to be a member of the



Communist Political Association and stated she was working with a group at the Carlton Hotel coordinating the material for the Senate fight on the Wallace issue. She also invited Haddock to attend the same meeting mentioned above.

On the evening of Jammary 1, 1945, Vice President Henry A. Vallace was the guest news commentator on the program of Johannes Steel. It is to be noted that Johannes Steel was formerly a close associate of well-known European Communists, and allegedly received the majority of his inside information on European political developments through an underground communications system with Wili Muenzenberg, the Soviet agent in charge of Western Europe prior to his assassination. Johannes Steel has followed "party line" to a considerable degree in his news analyses. His latest radio sponsor is the Electronic Corporation of America. The Electronic Corporation of America is a concern manufacturing electronic devices for the Army and the Navy, the president of which is Samuel J. Novick, a heavy contributor to Communist controlled organizations and a close contact of Arthur Alexandrovich Adams, Soviet espionage agent who has used the Electronic Corporation of America as a business cover for his espionage activities.

During the course of this broadcast, Wallace stated that the United States must think more about killing Germans and less about postwar problems. He stated that the time for boundary talks (apparently referring to the Polish question) was not now. He stated that the duty of the United States was to prepare for full postwar employment. He further stated "the common man must educate and organize himself for political and economic responsibility in action, but even more important, he must go beyond the material aspects of power and ask what are the supreme human values."

Contacts with Negro Communist Controlled Organizations and Individuals

As noted above, Ferdinand C. Smith, a Negro alien, allegedly had dinner with Wallace during the period of time he was Vice President of the United States in the company of Frederick "Blackie" Myers and Joseph Curran.

According to an article which appeared in the "Michigan Chronicle," a Negro newspaper, Vallace was a sponsor for a win-the-war rally held in August, 1942, by the Negro Youth Council for Victory and Democracy in Detroit, Michigan. Wallace sent his personal endorsement of this rally.

An article which appeared in the "People's Voice," a Negro Communist-controlled publication in New York City, on September 2, 1944, carried this headline: "Henry A. Wallace takes 'People's Voice' staff by surprise." The article continued with a statement that Wallace walked into the "People's Voice" offices the previous Monday afternoon, unannounced, for a friendly chat with his close friend Adam Clayton Powell, Jr., a Congressional candidate who was away on vacation at that time. It further remarked that Wallace asked Powell to report to him on what he considered employment conditions in postwar Harlem would be. It is to be noted that Powell was elected to Congress during the recent elections and it is known that he has closely associated with the members of the Communist Political Association.



Wallace was selected as mimber two on the Negro honor roll published by the "Chicago Defender," a Negro publication subject to considerable Communist influence, for the year 1943.

Public Appearances and Speeches Before Pro-Communist or Pro-Soviet Groups

Volume No. ? of the Dies Committee Reports, page 4483, states that Wallace gave the opening speech before the International Congress of American Democracy as well as the Consumers! National Federation in 1939. It is to be noted that both of these groups are considered as subject to Communist control.

On May 8, 1942, in New York City, he addressed the second annual congress of the Free World Association. This speech has been entitled, "The Price of Free World Victory," and was later printed and published by the Office of War Information and disseminated by Government frank. During the course of this speech, Wallace made the statement: "Some have spoken of the 'American century.' I say that the century on which we are entering, the century which will come out of this war, can and must be the century of the common man." This phrase, "the century of the common man," and excerpts from Wallace's speech have received considerable publicity throughout the Communist-controlled press.

During this same speech Wallace referred to the various wars which have been fought during the course of history as revolutions, stating: "The march of freedom of the past 150 years has been a long drawn-out people's revolution." He further stated that the people's revolution aims at peace and not at violence and the people at the present time are on the march toward even fuller freedom than the most fortunate peoples of the earth have hitherto emjoyed. He stated that the people's revolution of the past 150 years has not been completed either here in the United States or in any other nation in the world and that this revolution cannot stop until freedom from want has actually been attained. Wallace further stated: "The people's revolution is on the march and the devil and all his angels cannot prevail against it."

The above-mentioned speech was the theme of a dinner sponsored by the Joint Anti-Fascist Refugee Committee at the Astor Hotel on October 27, 1942, sponsored almost in its entirety by known Communists. This dinner was part of a drive to free anti-Fascist fighters held in Vichy, France, who had served in the Loyalist Forces during the Spanish Civil War.

On November 8, 1942, Wallace was the principal speaker before a mass meeting held in Madison Square Garden by the Congress of American-Soviet Friendship. His address was entitled, "Tribute to Enssia." Wallace praised the Soviet Union, stating if Bussia can continue the progress she has made in the last twenty years, in the next twenty she will surpass the United States. This speech was later printed and a foreward by Corliss Lamont added and it was sold in all Communist bookstores.



(d)

Wallace has frequently appeared as a speaker before pro-Soviet and allegedly Communist-controlled organizations, such as his speech "Salute to Our Russian Ally" given before the Congress of American-Soviet Friendship in New York City during the latter part of November, 1942; his speech at the opening of the American-Soviet War Exhibit in New York City January 3, 1943; his speech before the mass meeting held by the National Council of American-Soviet Friendship, Incorporated, in New York City in November, 1943; and his speech before the New York celebration of the 26th anniversary of the October Red Revolution in 1944. He has frequently sent greetings to meetings of this nature which he was unable to attend personally.

On May 18, 1943, at an American Labor Party dinner held at the Hotel Commodore, New York City, according to an article which appeared in the "Daily Worker," Wallace clashed with David Dubinsky of the International Ladies Garment Workers Union. This article stated that after Wallace gave his speech Dubinsky followed him with an extremely anti-Soviet talk. When Dubinsky sat down, Wallace told him, "Dave, I believe Russia serves a good cause."

According to an article which appeared in the Washington Post for September 23, 1944, in a speech before the National Citizens Political Action Committee given September 22, Wallace stated that the postwar era needs a liberal program. He said everything in the postwar world depends upon what happens to liberal forces here in the United States and if liberalism goes under, there will be grave danger of more bloodshed. He further stated that the Democratic Party must make itself a truly liberal party or it will be discarded.

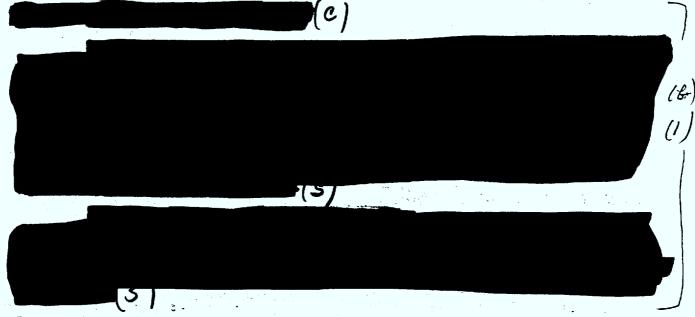
In a speech given in Seattle in February, 1944, Wallace reiterated his remarks set forth above relative to the people's revolution now in effect taking place. In addition to the four duties of the people's revolution he previously set forth, he enumerated the three outstanding peacetime responsibilities as he saw them. They are: (1) The responsibility for enlightenment of the people; (2) The responsibility for mobilizing peacetime production for full employment; and (3) The responsibility for planning world cooperation.

The above-mentioned speech was later interpreted by a pro-Communist speaker as stating in effect, "We wish to bring the revolution peacefully and without bloodshed, if possible, but of one thing be assured, the revolution is coming with or without bloodshed." Wallace's remarks were interpreted as in effect stating that the lands of the world were red with the blood of the people's revolution and that the revolution was on the march and with the end of this revolution, apparently referring to the present war, the century of the common man would begin.



Wallace has written several articles which appeared in the "Free World," the publication of the Free World Association, a group in New York City subject to considerable Communist influence. In March, 1942, he wrote "Economic Basis for Inter-American Relations." In August, 1943, he wrote an article entitled, "The Price of Free World Victory," which actually was a transcript of his speech before the second annual congress of the Free World Association. This speech was later published in the Carpatho-Russian, Croatian, Csech, Finnish, Greek, Hungarian, Italian, Jewish, Polish, Rumanian, Russian, Serbian, Slovak, Spanish, and Ukrainian languages by the International Workers Order and received wide distribution.

On June 10, 1943, at a meeting of the Victory Youth Club Branch of the Young Communist League in Minneapolis, Minnesota, cards were passed out to those present to be used in corresponding with persons in the USSR. Each card bore printed statements by Vice President Vallace and Joseph E. Davies, the former Ambassador to the Soviet Union, indicating their friendship toward Russia.



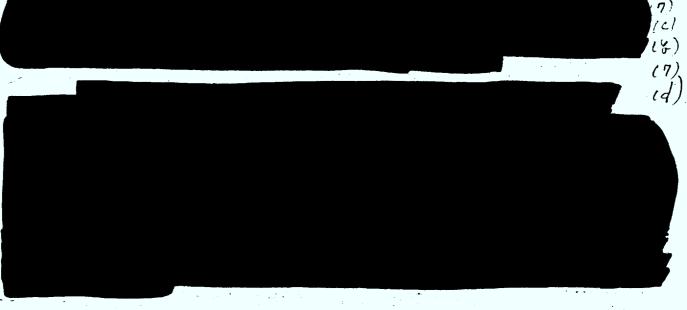
Trip to South America and Contacts with South American Communists

Wallace was named a special emissary of the President of the United States to visit the majority of South and Latin American countries for good will purposes. On this trip he was accompanied by Lawrence Duggan, formerly of the State Department, and Hector Lazo, Assistant Director of the Board of Economic Warfare. While in Peru he granted a press conference to representatives of the United States and Peruvian press at which Special Agent George L. Keller was present. One reporter reminded Wallace of a statement he had made at a Pan-American press conference to the effect that the United States Government was thankful for the Communist intervention in the present war and asked whether the United States placed Communism



on a basis with Pan-Americanism. Wallace answered: "At the present time Pan-Americanism is not sufficient; Communism is necessary to effect a world peace."

Lawrence Duggan, one of the individuals who accompanied Wallace on this trip, was formerly chief of the Latin American Division of the United States State Department. Whittaker Chambers, a former member of the Soviet Secret Intelligence Service (NKVD), who was connected with the Communist Government underground in Washington, D. C., stated that Duggan, although not a party member, was believed to be connected with the NKVD. He stated that Hedda Gumperz, an Austrian Communist alien and her husband, Paul Massing, who were both members of the Enssian terror apparatus of the OCPU, as the NKVD was termed prior to 1934, were direct contacts



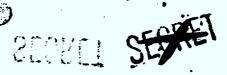
Following Cespedes' arrival in the United States, Vallace allegedly induced the "Radio-Keith-Orpheum Company" to pay Cespedes \$600 a month because of his possession of material for a book relating to the working conditions of the Bolivian miners. Through Vallace's intercession, the Board of Economic Variare allegedly reimbursed Radio-Keith-Orpheum for these payments.

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Trip to China and Soviet Asia

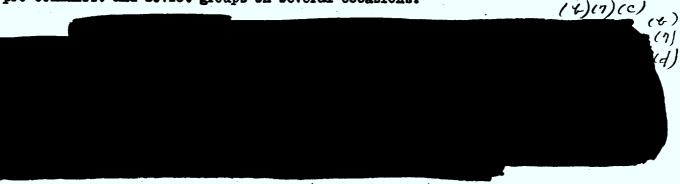
In May, 1944, Wallace was sent to China and Soviet Asia on a special mission for the President. Press releases at that time indicated that the primary purpose of this visit was to induce Chiang Kai-shek to cooperate with the Chinese

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Communists. Wallace was accompanied on this trip by John Carter Vincent, an employee of the Far Eastern Division of the State Department, Owen Lattimore, and John Newbold Hazzard.

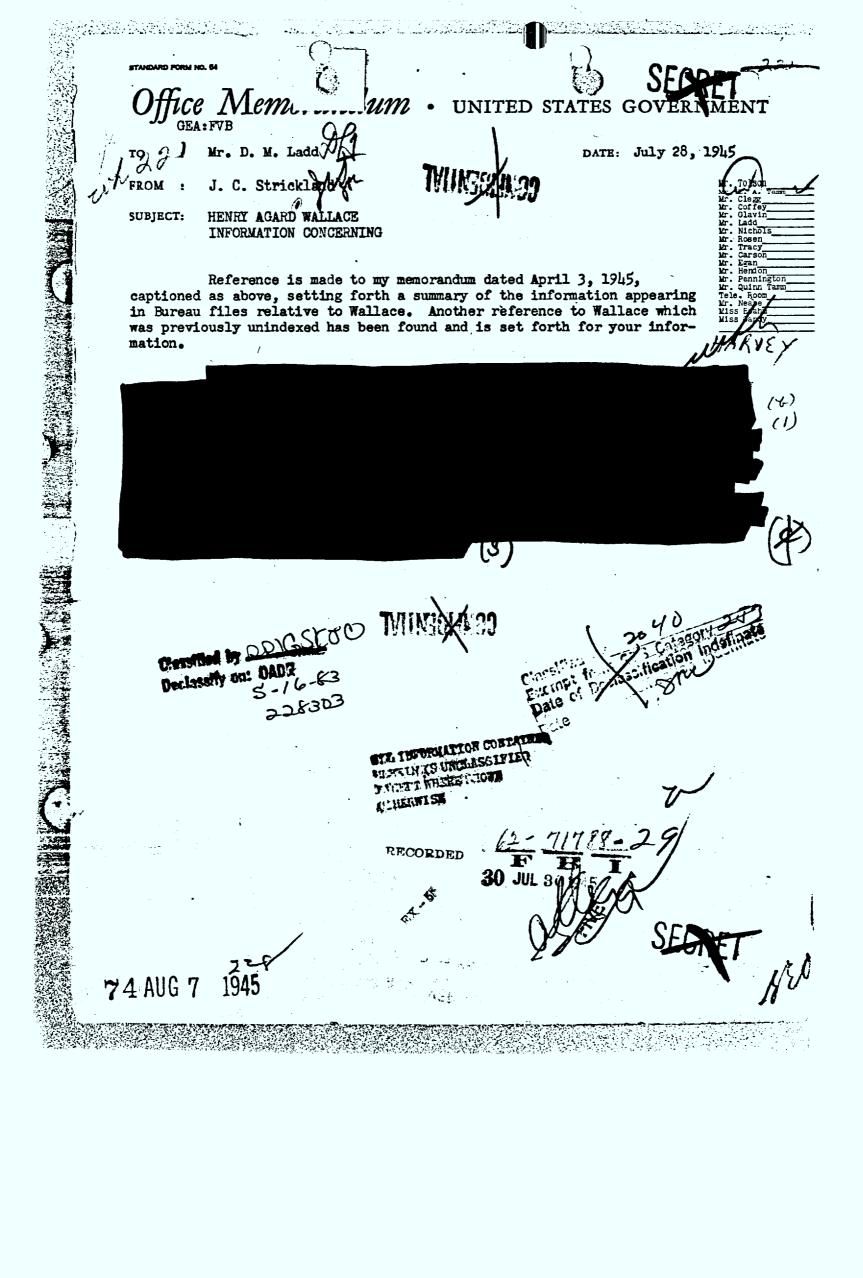
Owen Lattimore was appointed Political Advisor to Generalissimo Chiang Kai-shek in 1941 upon the recommendation of President Roosevelt. He is the Vice Chairman of the Maryland Civil Liberties Committee and on February 12, 1941, appeared on the same program with Frederick V. Field, Executive Secretary of the American Peace Mobilization at a rally held in Washington, D. C., sponsored by that group. It is to be noted that the American Peace Mobilization was one of the organizations designated as subversive by the Special War Policies Unit of the Department of Justice. At this meeting Field advocated that the United States aid China and cooperate with the policy of the Soviet Union by withdrawing all aid to England. It is to be noted that this rally was held prior to the German invasion of the USSR in June, 1941. Lattimore has been closely associated with pre-Communist and Soviet groups on several occasions.



ACTION:

The above data are for your information.







FEDERAL BUREAU OF INVESTIGATION FOIPA DELETED PAGE INFORMATION SHEET

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Office of the Legal Attache
Buenos Aires, Argentina
February 18, 1946

SECRET-AIR COURIER

N. J

Director, FBI

Re: COMMUNIST PROPAGANDA ACTIVITIES

SECURITY MATTER (C)

Dear Sir:

From time to time the Communist press in Argentina concerns itself with the activities of high North American officials who are in public office. Although information which appears in the press concerning the officials may be of a critical nature, it is noted that Communist newspapers in

Argentina always make favorable comments concerning Mr. HENRY A. WALLACE, Secretary of Commerce of the President's cabinet.

In this connection the attached newspaper clipping is being forwarded to the Bureau as of possible interest. This item was taken from the January 24th issue of the Communist daily newspaper "La Hora" in Buenos Aires and was written by LEONIDAS LABANCA who is stated in the article to be the New York correspondent of "La Hora". The newspaper article is entitled "H. Wallace Continues the Tradition of Roosevelt."

ALLES CONTAINED and Fred P. Joice, Jr. 225303 Legal Attache

WTB/mg 100-0

(Enclosure)

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TRANSLATION FROM THE SPANISH

Leonidas Lablanca

H. WALLACE CONTINUES THE TRADITION OF ROOSEVELT

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A STATE OF THE STA

- New York Correspondent -

(From: "LA HORA" of Buenos Aires, Argentina, January 21, Holes RYSPICISMO

NEW YORK, January 23. - Henry Wallace continues the tradition of Roosevelt. That is, Wallace confides in the people. The present Secretary of Commerce of the United States has, as one of his principal objectives, that of obtaining work for 60 million citizens of this country. And in order that this objective may be achieved he finds no better way than his position in President Truman's Cabinet in order to address the people themselves telling them that it is the people themselves, with their mobilization, who must take the necessary steps in order that the Government fulfill the promise made by President Roosevelt - a promise which surely would have been fulfilled if he had lived. During an address given in the heart of the Agricultural region par excellence of this country, the City of St. Paul, Secretary Wallace declared: "It is imperative that the representatives elected by us make a statement on their policy to be followed in the Federal service ... All of you know where the final responsibility rests. That responsibility is in each electoral circuit, in each electoral district of the country." In other words: the people have the instrument of the ballot in their hands, which wisely used, can give them whatever their leaders deny them.

Wallace has urged the Farmers to support the Full Employment Law promised them by Roosevelt. Shortly after the death of Roosevelt the "Revisionists" began to appear - those who spoke of "employment for many" or of "all the employment possible" - or clearly speaking, the "hooded ones", enemies of the working people. Wallace told the Farmers that the Employment Law for everyone will mean that the workers will be able to go to market to fill their shopping baskets with commodities. In turn, this will mean prosperity for the Farmers who will be the principal producers of these commodities. "The threat of mass unemployment of a cronic nature - he added - is as great a danger as the threat of war is"; he maintained that the country cannot allow the extravagance of another cycle of prosperity and depression; he undoubtedly was referring to the days of Hoover when the great mass of the people had to resort to the "Hoover-villes", in other words the Unemployment Villas in order not to be completely overcome by the depression.

According to Wallace, the sole **poss**ibility of preventing a repetition of the chaos of 1930 is to exert pressure on the Representatives and demand action of them. For that matter, according to his own words, they were elected in order to do the things the people desire them to do and which they could not do themselves by individual title or by intermedium of the Farmers' organizations.

Wallace maintains that a National Economic Charter should be drawn up which would endow all the people with "equal right and opportunities for earning a salary that would allow them a decent life"; that the preparation of that Charter will be a simple question of common sense and that it would represent "the will of the great majority of the people" alone.

The Secretary of Commerce of the United States undoubtedly does not have his thoughts in demogogical measures, in securings gifts or participating in any profits, but without desiring it, he encountered this type of pre-electoral "pancreas" when he declared that the problem of assuring work for everyone with salaries which permit the establishment of a decent life will not be able to be solved with one or two decrees, but that a "whole series of measures and political decisions will be necessary" in order to create that work, to assure good salaries and to make these conditions exist, without the counterpart of an increase in living costs which characterizes every change in this country.

LEONIDAS LABLANCA.

Translated by:

William J. Nolan July 8, 1945

VDE

EMBASSY OF THE UNITED STATES OF AMERICA HABANA, CUBA April 11, 1946 Director, FBI EDITORIAL PAGINAS, S. A., aka, Libreria Paginas SECURITY MATTER C & R Dear Siri Reference is made to the report of Special Agent C. Lawrence Rice dated April 11, 1946, at Habana, Cuba, in the above-entitled matter, wherein information is set out concerning the advertisements featured by captioned company concerning the book "El Engaño de Las Razas" (The Deceit of the Races), written by FERNANDO ORTIZ, President of the INSTITUTO DE INTERCAMBIO CULTURAL CUBANO-SOVIETICO (CUBAN-SOVIET INSTITUTE OF CULTURAL RELATIONS). For the Bureau's further information, the Communist daily newspaper "Hoy" has in recent weeks carried advertisements for EFTORIAL PAGINAS, S. A., featuring this book, and also carrying in the advertisement an endorsement of the book by HENRY ALLACE, Secretary of Commerce of the United States. The endorsement is in effect as follows: "FERNANDO ORTIZ, in his book, does away with the racial theories that the Nazi-Fascists have sustained. It is published at an oppositure time since despite the defeat of Nazi militarism these theches still infest many parts of the world. Beneath this setment appears, what purports to be, the signature of HENRY A. WALLEGE and below that, Secretary of Commerce of the United States. Likewise in the magazine, "Cuba y La U.R.S.S.," pub-lished by the CUBAN-SOVIET INSTITUTE OF CULTURAL RELATIONS, WALLACE's endorsement is also mentioned in ads carried by EDITORIAL PAGINAS, S. A. for the sale of this book, however, no identification of WALLACE as an official of the U. S. Government is made. Very truly APR 25 1946

CLR: NO 51-19

INITIALS ON ORIGINAL

UNITED STATES April 22, 1946 Director, FBI I have been advised by my San Francisco office that Henry Wallace, Secretary of Commerce, is scheduled to make an address at San Francisco on the night of April 22, 1946. On April 19, 1946, Mr. Al Ostrow, a reporter for the San Francisco News, telephonically contacted the Special Agent in Charge of the San Francisco office and stated that his office had received a number of telephone calls stating that the FBI was checking on the sponsors of the Wallace meeting. The Special Agent in Charge of the San Francisco office emphatically stated to Mr. Ostrow that there was absolutely no truth in these statements. I wanted to advise you of this situation and of the fact that this Bureau is not conducting any investigation of Henry Wallace, of his meeting in San Francisco, or of any of the persons sponsoring this meeting. Because of Mr. Wallace's propensity for believing such stories about the FBI, I wanted you to know of this situation in order that if Mr. Wallace speaks to you, you will know that there is no truth in these stories. TORNEY GENERA

Wallace is Holding Hands Mo These Days With Leftist Groups

Left-wing political groups are seeing more and more of Secretary Wallace. Business organizations are seeing him less and less.

Since Jan. 1, Mr. Wallace's political addresses have outnumbered his appearances before business-

men by about two to one.

emphasis on political speechmaking as an effort to cement alliances with ele-ments of the party which supported him unsuccessfully for the vice presi-dential nomination in 1944.

LOOKING TO 1948

They foresee another bid on Mr. Wallace's behalf in the 1948 conven-Wallace's behalf in the 1948 convention, possibly for the presidential nomination, but more probably for the vice presidency. If the latter move succeeds, Mr. Wallace would be groomed for the top spot in 1952.

But friends of Mr. Wallace say his sole interest at present is in carrying forward the Roosevelt New Deal ideals.

This campaign Wallace associates

This campaign, Wallace associates say, has the warm support of President Truman. On June 14, Mr. Wallace will visit the President's home state for a speech before the St. Louis Liberal Voters League. His next speech is Friday night before a New York. York American Labor Party rally in

Six of his 10 speeches on political topics have been delivered under tuspices of labor-affiliated organizations, the remainder under regular Democratic sponsorship.

Some observers view the Secretary's are Committee action. \$30 million below Budget Bureau esti-mates. The bill is now awaiting Sen-ate Committee action.

The pruning-dealt a blow to Mr. Wallace's plans for expanding his Department's functions, particularly in the field of aid to small business.

Reports reaching businessmen that Mr. Wallace is losing interest in trade development functions of his department have met prompt rebuttal. One story of poor relations between the Secretary and his Business Advisory Council brought George M. Humphey from Cleveland to assure Mr. Wallace

ers Association in Boston and Michigan Citizens Committee, non-partisan political action group in Detroit.

His appearances under regular party sponsorship have been before the Women's Democratic Club of Washington, Jackson Day dinners in Washington and Los Angeles and a Jack-son-Jefferson dinner in York, Pa.___

HIS ENDORSEMENTS

At York, Mr. Wallace endorsed "my very good friend" Sen. Guffey (D., Pa.) for re-election. In other speeches he has espoused universal social security coverage, industrialization of undeveloped areas of the South and West, abolition of Southern poll taxes, crea-Mr. Humphrey, president of the M. Hanna Co.; mining and steamship firm, is chairman of the 45-member council.

The National Citizens Political Action Committee, ally of CIO's PAC. Moines, World Trade Conference in has sponsored speeches by Mr. Wallace since Jan. 1 in New Haven, New York and San Francisco.

He also has appearance in Chicago, American Retail Federation in Washington, Chamber of Commerce in Miami. Retail his capacity as a Cabinet member, as-York American Labor Party rally in York and San Francisco. In Miami, Retail Grocers and Provew York.

He also has appeared before the visioners in Boston. Late last year convention of the United Office and he addressed the National Manufactor with left-wing groups has pro-Professional Workers (CIQ) in Cleve-

INFORMATION CONTAINED BAZLIBERZO 228303 31 1946

Learning the Hard W

secretary of State Jimmy Byrnes comes home from the cis peace parley moaning that the Russians wrecked and the columning brothers, Joseph and Stewart



Alsop, produce a piece for the May 20 issue of Life, groaningthat American liberals are so in love with Russia they. are "destroying their nation's chances of building a peaceful world order."

The Alsop doctrine runs as follows:



H. Wallace

J. Alsop "The majority of liberals are so preoccupied with for-In policy that they have ceased to think constructively out the pressing problems of the domestic economy. ie reason for the confusion is also simple. It is the eral attitude toward the Soviet Union."

As to who these 'liberals' are, the Alsop brothers we as much trouble as anybody else drawing up a genal definition that fitsall cases, but they elect Secretary Commerce Henry Wallace the head man of the fellowlip of the confused. So it would also seem fair to say at, at least in the present case, "liberals" are Henry allace and friends. The Alsops continue:

"When the war ended an idealized picture of the Soviet ate had formed in the minds of American liberals. nfortunately, the tough, brilliant leaders of the Soviet ate are not liberal idealists. They are realists and, unke most liberals, they fully understand that power is 1e basic unit of all politics.

"When the war ended, they embarked upon an experient in imperialism as bold as it was novel. In blunt truth, ll the methods which were condemned most bitterly when mployed by the new imperialism of Germany now began o be used to extend the sphere of Soviet domination . . .

"On can only admire the Soviet leaders' iron nerve and recision of execution, but one must also wonder whether hey will ultimately be satisfied with less than dominaion over Europe and Asia.

"No such critical judgment has been possible for the American liberals, however. They have had to relate the eality of Soviet policy to the ideal picture of the Soviet Jnion which they cherish in their minds."

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And what sort of th	ing are t	he liberal	s doing	The

Alsops report one performance of Wallace's that sums up the record for all of them.

According to the Alsops, our State Department negotiators had just How 'Liberals' about worked out a deal by March

Injure the U. S. of this year in which we would be allowed to keep air bases in Iceland on a 99-year lease, as a guard to our North Atlantic frontiers.

But just as the Icelanders were about to sign, up pops Wallace to condemn the presence of U.S. troops in Iceland and to declare that the Russians must naturally assume the purpose is to threaten them.

His line is repeated by Senators Pepper of Florida and Kilgore of West Virginia, and Representative Helen Gahagan Douglas, of California—all Democrats—until now the Icelanders are backing down on the whole thing. Conclude the Alsops:

"By an irresponsible intervention in a matter of great delicacy and seriousness, Wallace defeated his own Government's policy. He had a right to his opinion, but if he could not make his opinion prevail at Cabinet meetings, his only alternatives were to resign or remain silent."

Of course, Wallace is not the silent type, nor has he resigned. He stays on in Truman's Cabinet, hostile to Truman's policies, and Truman has not got up the nerve to fire him. Yet.

But just as Truman and Jimmy Byrnes learned the hard way that the Russians are as aggressive as Hitler ever was, so will Truman hate to Wallace Should learn—the hard way if need bethat he can never succeed in running Be Kicked Out a truly American administration with characters like Wallace around him.

WASHINGTON TIMES HERATOT RICORDED 53 AUG AMENING EDITION 31 1946 5-22.

These self-deceived people have a fixed idea of the way the world ought to be and they invariably cut the facts to lit their fixations. It has been plain since early in 1920 that the Russian people by their revolution of 1918 had not escaped from oppression to liberty. They merely swapped one gang of oppressors for an even tougher gang of oppressors.

If the Russian people like to have it that way at home, it's their business, not ours. And if the Russian government goes on slugging other nations around, let's try our best to stay out of any trouble that develops.

But in any case let us not neglect our own security as a minimum item for survival in a warlike world.

The Wallace kind simply cannot understand the America First principle of self-defense. They will go on, if allowed, until they blunder us into war again, with results that will be disastrous by any standard.

Truman had better start NOW to put the quie us on these babies in every practical way. The first and best step would be to fire Wallace. Today.



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Mr. Pennington_ Mr. Quinn Tamm_ Mr. Nesse

FROM BUENOS AIRES

Mr. Nichols

Mr. Carson_

COMMUNIST REACTION TO WALLACE SPEECH. INTERNATIONAL PRESS COMMENTS RE SPEECH GIVEN WIDE PUBLICITY. EDITORIAL DAILY LA HORA SEPTEMBER FOURTEEN CLAIMED FUNDAMENTAL CONTRADICTIONS AND SAID REACTIONARY ASPECTS CLASHED WITH INTEDNT TO OBTAIN PEACEFUL COLLABORATION WITH SOVIET UNION. POINTED OUT WALLACE FAILED TO MENTION MONOPOLISTIC INTERESTS OF UNITED STATES CAUSING WORLD WIDE DIPLOMATIC, ECONOMIC AND MILITARY OFFENSIVE AGAINST USSR: ACTIVITIES OF UNITED STATES FOREIGN SERVICE: MESSERSMITHS SPEECH: AMERICAN AIRBASES ABROAD: ATOMIC BOMB MONOPOLY: ANTI SOVIET CAMPAIGN OF AMERICAN PRESS: MAC ARTHUR IN JAPAN: SUPPORT OF REACTIONARY GOVERNMENT IN CHINA: DEFENSE OF FRANCO REGIME: SABOTAGE OF POTSDAM AGREEMENT: FAILURE UPHOLD BIG FOUR CONCORDS: TRUMAN PLAN WHICH THREATENS SOVEREIGNTY ALL LATIN AMERICAN COUNTRIES: ANTI SOVIET STATEMENTS OF MILITARY AND COVERN-MENT FUNCTIONARIES QUOTE ETC. ETC. UNQUOTE. SUBSEQUENTLY THIS PAPER HAS NOT COMMENTED ON SPEECH BUT REPRINTED MONCOW DESPATCHES INDICATING WALLACE OBLIGED TO MAKE SIGNIFICANT CONFESSIONS BUT WHICH NEITHER SPECIFICALLY SUPPORT NOR ATTACK HIM.

9-18-46

Ret lung allen

VHB 9-20-46

Crassition by DD/SSEJC

Declaration on: DADIE

PENELIN COUNCIL SELVIC

Honorable George E. Allen
Director
The Reconstruction Finance Corporation
Washington, D. C.

Dear George:

I thought you might be interested to know that the speech of Secretary of Commerce Wallace on Thursday, September 12, 1946, as well as press comments concerning the speech was given extensive publicity in Communist publications of Buenos Aires, Argentina. The attitude of the Buenos Aires Communist newspaper "Is Hora" is exemplified by an editorial of September 14, 1946, claiming that the speech contained several fundamental contradictions and that its reactionary aspects clashed with its obvious intent to secure peaceful collaboration with the Soviet Union.

It was pointed out that Secretary Wallace failed to mention so-called monopolistic interests of the United States which have been causing a world-wide diplomatic, economic and military offensive against the Soviet Union. "In Hora" indicated that he should also have mentioned the activities of the United States Foreign Service against Russia; the speech of United States Ambassador George Messersmith before an American Legion group in Buenos Aires in which he allegedly invited Latin American countries to join the United States in an "inevitable war" against Russia; the maintenance of United States Air Bases abroad; and monopolization by this country of the secret of the atomic bomb.

Other points which the aditorial claimed should have been raised included a purported anti-Soviet campaign by the American press; anti-Communist statements of General Douglas MacArthur in Japan; the support by the United States of the government of Chiang Kai-shek in China; United States "defense" of the Franco regime in Spain; and "sabotage" of the Petsdam Agreement. The editorial concluded that the United States had failed to implicit Hig Four Agreements; had advocated a plan of unified military organization; and equipment for the Nestern Hemisphere which threatened the sovereignty of all Latin American countries; and had condoned anti-Soviet statements of high military and government functionaries. According to the article, all these Items should likewise have been discussed by Mr. Wallace.

Since that time this Communist paper has not commented on the speech but has merely reprinted despatches from Koscow concerning the matter but neither specifically supporting nor attacking Mr. Wallace's stand.

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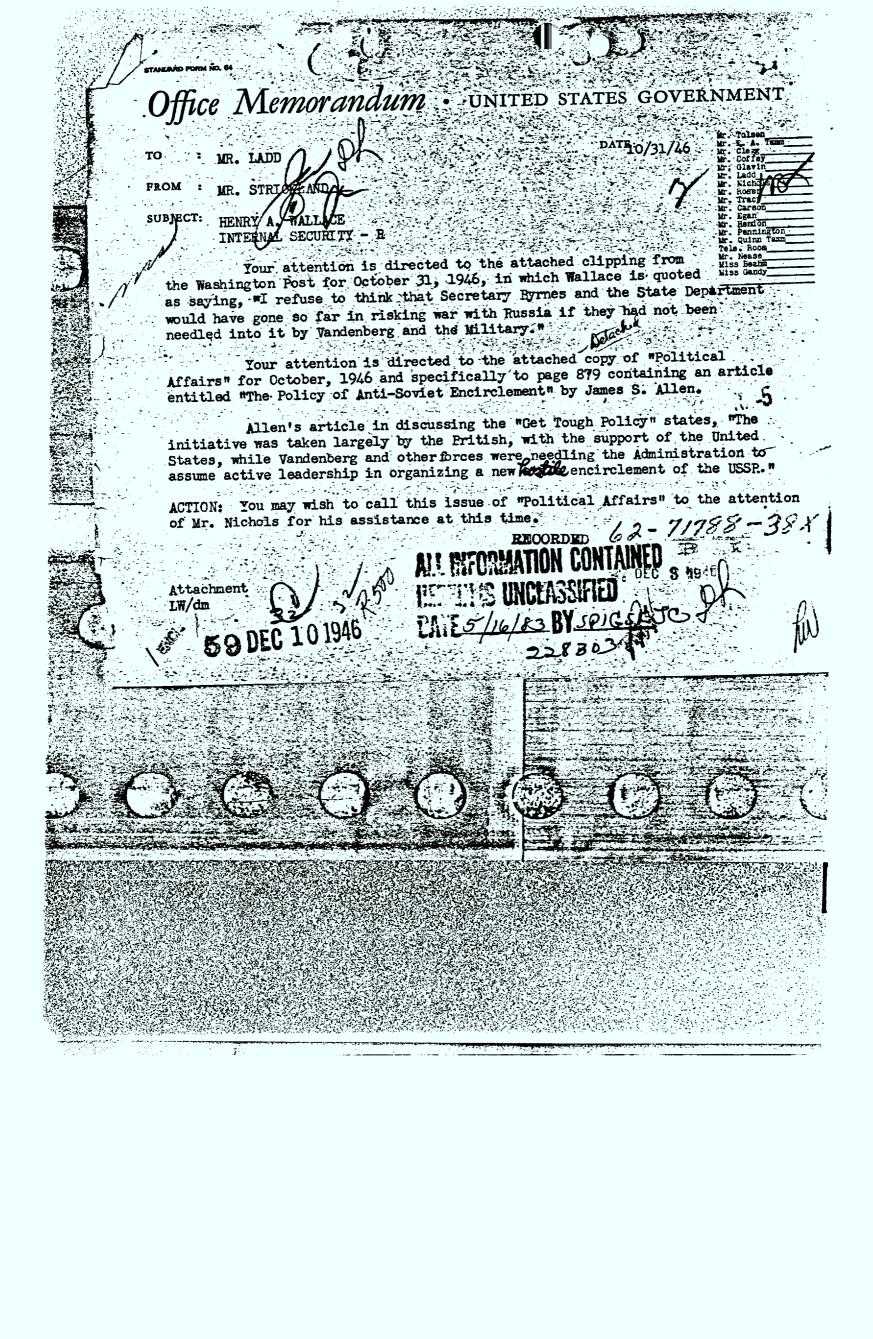
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Army, Navy-Needle Byrnes, Wallace Says

Minneapolis, Oct. 30 U.P.—Henry A. Wallace, former Vice President and Cabinet member, charged tonight that Secretary of State James F. Byrnes has been "needled" into risking war with Russia by Senator Arthur H. Vandenberg and the War and Navy Departments.

In a speech prepared for delivery at a political rally for Democratic-Farmer - Labor candidates here, Wallace said he "refused to believe that Secretary Byrnes is happy with the way in which Senator Vandenberg, the Army and Navy are making our foreign policy."

Earlier, in a luncheon speech at Macalester College in St. Paul, Wallace charged former British Prime Minister Winston Churchill with leading the "mischief making," and of being the world's "greatest Red baiter."

"Since I left the Government, a trend towards modifying our posi-tion has been evident. However, discordant voices such as that of Winston Churchill still speak up." Admiral Halsey Criticized

In his speech tonight, Wallace said that "certainly Secretary Byrnes was not responsible for Navy fliers writing the initials F. D. R. over the skies of Reyalist Greece," he said.

"Certainly Secretary Byease did not authorize Admiral Halsey to say that our Navy would go wherever it damned pleased.
"It is hard to believe that Secretary Byrnes is pressing for outright U. S. ownership and fortification of the Privile Leads in second

a way as to be a definite and distinct threat to the free access to the seas by the Russians from their only warm-water Pacific port."

Problem More Complicated

The military n cessarily think and prepare to meit the "next possible enemy," Wallace said, while the State Department plans for peaceful relations.

"I refuse to think that Secretary Byrnes and the State Department would have gone so far in risking war with Russia if they had not been needled into it by Vanden-

berg and the military," he said.
The problem of carrying on successful relations with Russia, Wallace said, "is not as simple as I prejumed it last September 12," the data of his New York and the last of his New York and his New York a the date of his New York speech that led to his ouster from he Cahinet by President Truman.

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WASHINGTON POST 10/31/46 PAGE Z

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PORTAL TO PORTAL PAT

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BATE 51/6/83 BY SPIGSCITC

The new Republic, of which Henry Mallace recently become ediliter, in the Jamery 6th, 1947 issue chides corporation lawyers.

The column on Labor - Fort 1 to Portal in speaking about comperation lawyers

the C.I.C. lawyers debated from June until September over what to do with the powerful meapon they had been handed.

The Corperation lawyers have decided that their best characteristic curbing the suits at this late date is by legislation. The legal staffs of E-life, and the U. S. Chamber of Commerce have been busy drafting bills and advising symmathetic congression on how best to do the job. A few of the nore imprisons attourness favor drastic legislation that would be all back claims, including these for which suits have already been filed. Soberer counsel generally believe that such with any would be unconstitutional and in the long run would only further complicated that it is position. These strategists prefer a bill similar to one introduced by Popresentative John Tayone (R. Iowa) in last session, setting a time limit for Enture suits of this nature.

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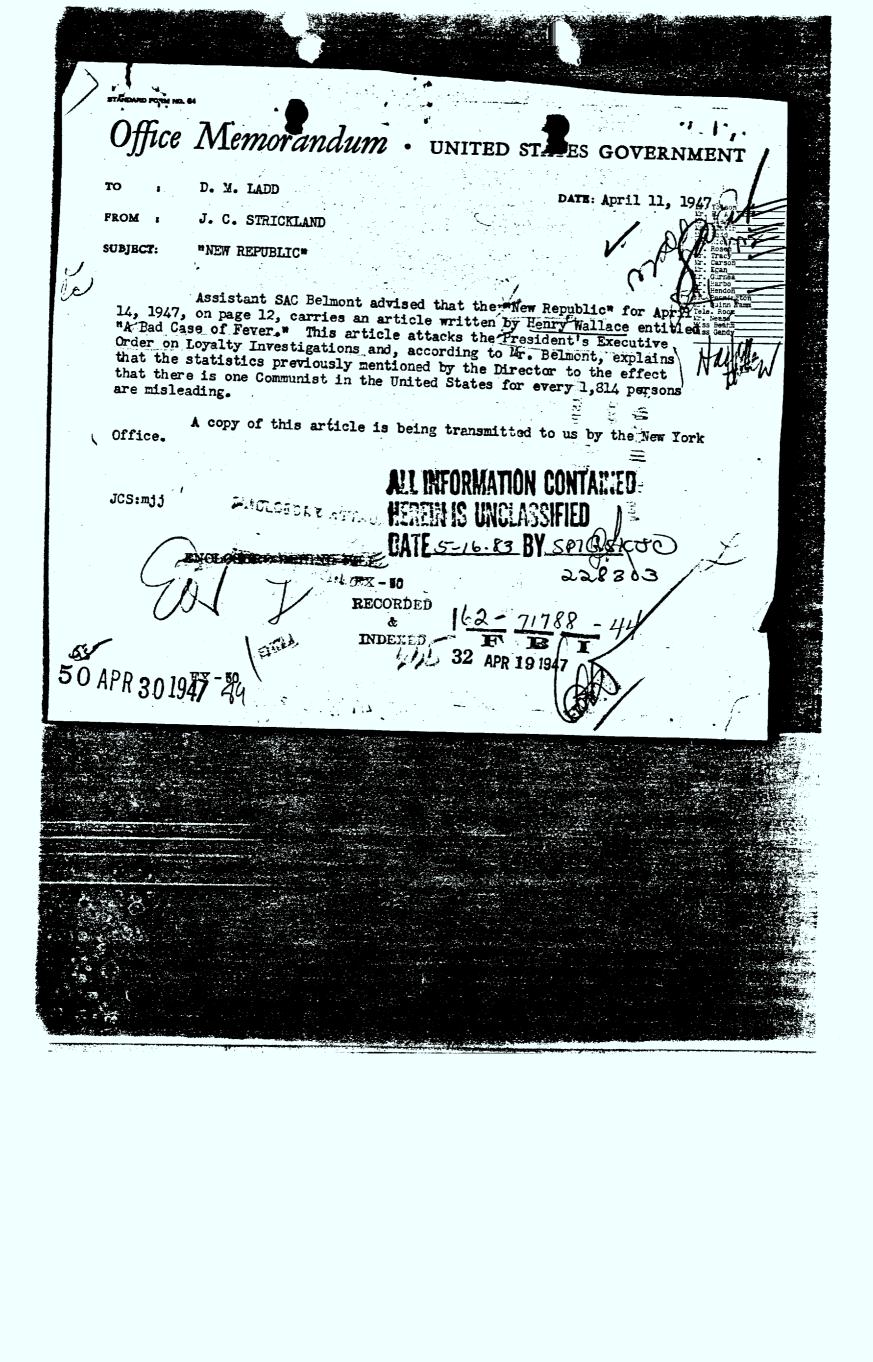
Meanwhile the federal government is a most interested onlocker. The federal treasury will be the loser if industry settles the claims and seeks proportionate tax rebates. Remegotiated and cost-plus war contracts may have to be re-examined, with financial loss to the government virtually assured in advance."



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by Henry Wallace

John Lewis' Mine Workers

by Dale Kramer

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by RUTH GORDON

Stegod by GARSION MANIN

MANSFIELD THEATRE

"A very funny play, buildiently written,

LYCEUM THEATRE, NEW YORK

ERLANGER THEATRE, CHICAGO

any claimant may submit evidence, etc." The Assembly had also requested the

Governor to "take into consideration the present salaries now received by Samoan nurses and male employees of the Health Department whether it be necessary to have an increase in salaries."

In substance the Governor's incredible reply was, "It is my recommendation that this present-day schedule be continued in effect as long as it is possible, in order to give it the test of time." Ic the United States if any fact-finding board, let alone an employer, dared to insult labor with an answer as foolish as that, a walkout would be inevitable.

IN ALL fairness, however, it must be stated that some of the Samoan Assembly's resolutions received reasonable, if tardy, consideration. The Governor gave an assurance that excesses by servicemen would be dealt with summarily; and that in laying off Samoans from war jobs, priorities would be observed.

Moreover, Tuisasosopo himself would be the first to admit that he regards his people as more fortunate than his cousins and aunts under the Union Jack in British Samoa. He is thoroughly opposed to the arbitrary national schism of one small people like the Samoans into two camps, and would like to see all Samoa under the Stars and Stripes.

At the last fono, in the address he wrote and delivered to the new Governor and his staff, Tuisasosopo declared:

"It seems as if Freedom and Happiness were first manifested to Samoans through the kind countenance of Your Honors. Congratulations on your justice and righteousness! . . . You have been with us for a very short while but your laudable doings and your ever smiling faces have served to show us a true picture of that great and free republic, the USA."

But such sweetness and light have prevailed at many fonos before. Governors have come and gone—some good, some bad, some indifferent. And still Samoa has one-man rule. Beside their beautiful harbor, the islanders wait for the greatest American Governor of all, the one who will bring them their most priceless gifts-citizenship and selfgovernment. JULES FRANCE



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Dept. LA

Announcing the Winners the New Republic Short Story Contest for War Veterans Now Attending College

Aiming at the discovery of fresh, authentic voices among World War II veterans, the editors of the New Republic went to the college campuses of America. War veterans there, students under the GI Bill of Rights, submitted over 2,000 manuscripts to the New Republic Short Story Contest.

Judges: Marshall Best, Editor of Viking Press; Frank Taylor, recently Editor of Reynal & Hitchcock; Otis Wiese, Editor of McCall's.

First Prize (\$500 Award): Ashur Baizer, Columbia University, N.Y.

Second Prize (\$250 Award): Jesse McCracken, Guilford College, North Carolina.

Third-Seventh Prizes (\$50 Awards): Donald McInnis, Stanford University, California; Richard Seaver, University of North Carolina; Elvin Albaum, Brooklyn College, New York; Emmett Robinson, University of Texas; Jerry Bick, Columbia University, N. Y.

Honorable Mention Awards (One-Year Subscriptions to the New Republic): Bernard Aurentz, Hershey Junior College, Pennsylvania; Milton Bass, Amherst College, Massachusetts; John Birmingham, Hartford, Connecticut; Frederick Brainin, National School for Speech Disorders, New York; Martin Bressler, City College of New York; Bradley Burch, New York University; Charles Caldwell, University of 'Alabama; Art Casey (2), Los Angeles, California; S. R. Curran, Cornell University; New York; Robert L. Fraissinet, Yale University, Connecticut; Alexander Frazer, Northwestern University, Illinois; William Garvin, Pennsylvania State College; William A. Gold, University of Virginia; Herb Gould (2), Columbia University, New York; Jay Haley (3), Los Angeles, California; Daniel Kushner, New School for Social Research, New York; Ray Lapica, New York City; Jerome Lipman, University of Pennsylvania; Norman Michie, Ripon, Wisconsin; Warren Miller, University of Iowa; John Orr, University of Alabama; Leo E. Persselin, University of Illinois; Shane Riorden, Harvard University, Massachusetts; Joseph H. Satin, Columbia University, New York; Paul Selvin, University of Connecticut; Jack C. Werner, Columbia University, New York.

Watch forthcoming issues of the New Republic for publication of winning stories

News in Focus

Greatest Victory

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It was a great victory for David E. Lilienthal, but perhaps an even greater one for Arthur Hendrick Vandenberg. Surely, it was Vandenberg's highest hour in 19 years as Senator from Michigan when he delivered his powerful appeal last week for confirmation of Lilienthal as chairman of the US Atomic Energy Commission.

The crucial Senate test on Lilienthal's nomination came an hour after Vandenberg had finished. Seventeen other Republicans defied GOP floor leadership to support Vandenberg: with 34 Democrats they voted down (52 to 38) an attempt to send the Atomic Commission appointments back to committee. The formal vote actually to confirm Lilienthal and four other commission members would be an anti-climax.

Thus, despite 10 solid weeks of bitter, unbridled assaults on his ability, character and origin, Lilienthal had won the stupendous job of directing this country's atomic-development program—for peace or war. This program had floundered during the long Lilienthal debate. His victory would be the signal for full speed ahead.

But Vandenberg had won many victories, too, in this fight:

M. He had proved beyond doubt the guts many had said he lacked; he had aligned himself vigorously against the four other members of the Senate's Republican "Big Five"—Taft (Ohio); White (Maine); Wherry (Nebr.); and Bridges (N. H.)—and had beaten them all.

■ In his undeclared, disavowed race for the 1948 GOP presidential nomination, he had gained much ground at the expense of his chief congressional rival, Bob Taft.

• But his greatest victory was won over himself. Last week's performance provided fresh evidence of the distance Vandenberg had traveled from his prewar, pro-isolationist, strongly anti-New Deal position.

Now his raspy, gravel voice, never so effective before, seemed to represent the good conscience of conservative Americans willing, on some issues at least, to confront the stubborn realities of an atom-splitting world.

There were many dramatic moments in the final two days of bitter debate before the Senate's test vote, but none so dramatic as the 35 minutes consumed by the 63-year-old Michigander. The chamber was crowded. Most Senators were at their desks. Members of Senate staffs and a few favored friends occupied chairs or stood at the sides and rear of the floor. Not even standing room was left in the galleries.

Vandenberg rested his big frame heavily against a speech rack atop his mahogany desk in the center of the chamber. With his left hand, he gripped the stand. With his right, he executed his familiar salute-like gesture as he hunched over and thundered home his

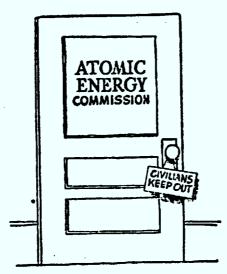
arguments. Republicans and some Sout ern Democrats had hammered incesantly on the line that Lilienthal h Communist sympathies or was "sola toward Russia. Said Vandenberg:

After weeks of testimony, I find basis for this charge.... I do not we to emulate the intolerance of commism itself by condemning to some of Siberia all persons who do not he pen totally to subscribe to my own we as to how America ought to be run. It is the opinion of our [atomic-ener committee that Mr. Lilienthal is no tof a Communist by any stretch of imagination...

Taft had stunned even some of Republican colleagues by urging that US withdraw its international atom control plan from the United Nats "until the world is in a more peac state." He wanted domestic contaken out of civilian hands and retute to the Army. Vandenberg pointed that the Senate Atomic Energy Contee had struggled with that problem many months: Said he: "... if found out one thing truer than ano it is that in peacetime we cannot science into its laboratories with lenets."

To arguments that Lilienthal—fc head of the Tennessee Valley Auti—is "such a devotee of public or ship that he will endanger free prise," Vandenberg recalled that gress had made control of atomic e "the tightest government monopoliset up in the United States.... declared:

You all voted for it. It passe Senate unanimously. We... decree government ownership and manag... is an indispensable public ne for the sake of national security in a to the control of atomic energy... fore, one of the most available at run it is the successful manager greatest existing comparable exam-



public ownership and manag_.nent. Whether we like it or him or the TVA, this sequence leads logically to David Lilienthal's door. His liability under other circumstances thus becomes an asset for the time being.

Vandenberg branded as "irrelevant, incompetent and immaterial" the criticism by Taft and others of the so-called Acheson-Lilienthal report on atomicenergy control—the document which provided the basis for the plan submitted to the UN by Bernard M. Baruch. He pointed out that the report was produced by others than Lilienthal and Undersecretary of State Dean Acheson, and declared: "Prominently among those consultants who put their stamp of integrity upon this report . . . was the very man who is the idol of all the speeches I have heard here against the Lilienthal confirmation. It is signed by Major General Leslie R. Groves. . . . (Groves was wartime director of the Army's Manhattan Project which produced the atom bomb.)

Vandenberg cited a list of scientists who had endorsed Lilienthal and demanded: "Where are the comparable witnesses against him, Senators? I ask that again. Where are the comparable witnesses against him?"

There was no answer. Crotchety old Kenneth McKellar, the Tennessee Democrat who had started the fight against Lilienthal and produced half a dozen disgruntled former TVA employees as opposition witnesses, stared moodily at his thumbs.

A few more minutes and Vandenberg was concluding: "... for myself... I have no alternative... I have no doubt that in the interest of the national welfare and for the sake of a square deal, Mr. Lilienthal is entitled to be confirmed."

Applause swept the galleries in violation of Senate rules. Liberal Republican Senators Charles W. Tobey (N. H.) and George D. Aiken (Vt.) stepped forward to congratulate Vandenberg. As Vandenberg headed for the corridors, Senator Irving M. Ives (R, N. Y.) clasped his hand.

Looking like a man who knew he was beaten, Taft went through the final motions of debate. After the vote the Ohio Senator, hurried from the chamber. Three newspaper reporters were waiting at the door. "Any of you fellows waiting to see me?" asked Taft, briskly. All shook their heads, "No." They were waiting for Vandenberg.

Revitalized UN

To the people of Greece events on their own doorstep—the death of George II, the accession of his brother. Paul I, and the UN investigation of border warfare—were overshadowed by happenings in a far-off land. Greeks knew that their immediate future was being shaped less in Athens than in Washington where both Senate and House Foreign Affairs Committees held hearings on the Administration proposal for "anti-Communist" loans to Greece and Turkey.

Impatiently the Greeks read reports of testimony that promised to extend the House hearings another week, maybe more, before Congress could open its great foreign-policy debate. Most of the testimony was anti-Communist bombast, but from Senate President Arthur Vandenberg, in a continuing mood of statesmanship (see above), came a proposal that was far from bombast.

Maybe after all, the Senator agreed, the UN should not be by-passed. He proposed, and his committee adopted, an amendment promising that the US

FDR Today

Two years ago this Saturday, April 12, President Franklin D. Roosevelt died at Warm Springs, Georgia.

Last week Mrs. Roosevelt spoke the thoughts of millions: "You know, I think he gave people a sense of security. They felt he had a pretty complete understanding of their own problems and the problems they must face in the rest of the world. Hearing his voice they were inclined to feel they were part of what was going on. Now they feel left out."

For another recollection see "The Roosevelt We Remember," by Henry Wallace, page 14.

would abandon its Greek program if either the Security Council or the UN Assembly voted disapproval and provided the UN itself was ready with a substitute Greek plan. As evidence of good faith, the US would yield its own veto right in the Security Council. In realistic terms, the UN Assembly was never likely to take such action, entailing vast expenditures for an alternative program, but the true importance of the Vandenberg amendment was its author's acknowledgement that the UN, unless it is to become totally devitalized, must be kept in on such vital problems as political loans to member states.

If Vandenberg had carried his concessions one big step further, by separating the Turkish proposal from the Greek loan, it would have fulfilled most of the Liberal conditions for non-military loans to Greece, a matter sure to get a thorough airing in congressional debate.

The anxious Greek government read with more interest, however, that the committee had by-passed proposals by Senator Henry Cabot Lodge (R, Mass.) which would have required taxation and fiscal reforms before the Greeks could qualify for US aid. After talks with Premier Demetrios Maximos and Foreign Minister Constantine Tsaldaris in Athens, Raymond Daniell of the New York Times rediscovered what Constantine Poulos had reported nearly a month ago (March 17) in a dispatch to the New Republic. Daniell concluded that the Greek government had no intention of embarking on any reform program and hoped, instead, that the US would act only in an advisory capacity on loan expenditure.

Other items in correspondent Daniell's dispassionate account did not draw a very pretty picture of the nation to which a loan is proposed:

- C Tsaldaris said "the Greek army of 100,000 should be doubled immediately."
- In "The US may be financing a future military dictatorship" since the premier's political debts are chiefly to rightist army officers' leagues, rich industrialists and bankers
- It is worth a man's life to be seen reading a liberal daily in the provinces.

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APRIL 14, 1947

C "Recently in Athens 560 persons were routed from bed by security police at night and whisked to Aegean Islands, Gestapo-style.

■ "Greece is beginning to take on some aspects of a police state."

Phone Strike

As THE six a.m. deadline jumped across the country Monday morning, operators pulled the plugs from their boards, left company property and took their places on the picket lines. The first nationwide telephone strike was under way. Long-distance lines went out immediately; dial systems were expected to deteriorate gradually as breakdowns remained unrepaired.

Negotiations had continued up to the last minute in Washington. Secretary of Labor Lewis B. Schwellenbach took charge in the pre-dawn hours. But the zero hour came and went with no agreement in sight. Joseph A. Bierne, president of the National Federation of Telephone Workers, pledged some 342,000 workers to accept local collective bargaining or nationwide arbitration of all issues. The AT&T let the strike begin without comment. But talks went on in Washington while Labor Department conciliators sought solutions throughout the country.

The basic dispute between the NFTW and the AT&T centered on the issue of industrywide bargaining. The parent company, insisting that its regional operating subsidiaries were subject to state regulation and local cost factors, argued that wages must also be governed by these factors. An AT&T vice-president, Cleo Frank Craig, was quietly present in Washington last week, but he never entered direct negotiations. He reiterated that each regional operating company had real autonomy in dealing with the 39 unions loosely confederated in the NFTW—a claim at which the unions scoffed

The NFTW did not demand uniform wages but it insisted on centralized bargaining to bring wages in different areas into closer relationship. It pointed out that the operating companies' activities bore the imprint of unified direction—similar local arbitration offers, similar

The Men and Women of AT&T

Thu men and women of telephone were once the showpiece of US industry: in December, 1939, they got an average of \$32.46 weekly compared to a national manufacturing average of \$25.23. By December, 1946, their wage was up to \$42.93, but the manufacturing average hadrisen to \$46.86. Light and power workers were averaging \$54.58; railway and bus workers, \$55.26. Telephone workers' position has deterinrated even more seriously in terms of purchasing power. From April, 1945, to January, 1947, their average earn-

ings rose 15.2 percent. Over period the cost of living was percent; foul prices had ripercent.

Here is what the workers above are being paid, according American Union of Telephorers: installation man, average starting wage \$27, average 1865; lineman, same average wage, average top wage \$10 er (construction worker), lineman; switchboard operating wage \$33; switchboard saverage wage \$40 to \$50.

wage offers, similar refusals to arbitrate the union shop, similar advertisements in local newspapers all over the country.

Asking for a general \$12-a-week -roughly 25-percent—wage increase, the
NFTW argued that telephone wages
had lagged behind those in other industries. Another kick came from the union
over wage differentials. Starting rates for
operators varied from \$22 a week in a
small Southern town to \$31 in Detroit.

The employees asked that vacations and pensions be liberalized. Employees with 15 years of service had been given a three-week vacation. Under the new contract they wanted four weeks' vacation after 20 years of service.

The telephone workers found the rungs from the bottom to the top of the ladder too far apart. The length of time required for a worker to go from the starting wage to the top wage for his job was eight years. The NFTW wanted it reduced to five years, except in the case of technical workers. To most of these grievances the AT&T offered to extend existing provisions, which they considered "fair and liberal."

Labor Department negotiators were not aided, in seeking settlement of the conflict, by the appearance of Representative Fred A. Hartley Jr.'s (R, N. J.) bill to authorize the Attorney General, on direction of the President, to halt a strike by obtaining an injunction. The effect, when coupled with other congressional moves tending toward outlawry of the closed shop and against industrywide bargaining, was to intervene in collective bargaining on the side of the AT&T. Last year a nationwide telephone strike was averted 25 minutes before deadline through a wage agreement between the union of long-distance operators and the AT&T, which employs long-distance workers directly, with the understanding that the wage increase would also go to other unions. This year the AT&T had shown signs of preferring a showdown fight.

Tall Price

Illinois

THE lives of Centralia's 111 mine victims seemed a tall price for the information that the much heralded government "seizure" of US coal mines

had bordered on fiction. The investigations and controversies over the calamitous blast in the Illinois coal fields last week bathed federal powers over mine safety in an unflattering glare. The feeble reflection of government control was in pale contrast to the noble light shed by the Supreme Court when it upheld the contempt proceedings against the United Mine Workers and John L. Lewis.

Senator Guy Cordon (R, Ore.), head of the special subcommittee which rushed to the scene of the blast, concluded that "if there has been one thing shown to this committee, it has been that there was gross negligence in the handling of safety conditions." Representative Gerald W. Landis (R, Ind.), 1 former miner, introduced a bill in the House "to put some teeth in our Federal Miné Inspection Act." Ordinarily, enforcement of safety codes, as Interior Secretary J. A. Krug conceded last week, depends on "widely varying state laws." The emergency powers acquired by the government when it "took over" the mines last year contained no specific provisions for closing down unsafe workings. Captain N. H. Collisson, US Coal Mines Administrator, had written five times to the management of Centralia No. 5 to complain about viola-

Argentine Atom

A ROENTINE experiments in atomic physics have definitely been conducted under the direction of Dr. Guido Beck, Czech-born scientist, according to a Buenos Aires dispatch by Virginia Prewett, correspondent for the Chicago Sun. Beck had protested that the New Republic linked him unjustly with the Peron government's military prograin of atomic development and, in a letter to this magazine (the NR. March 31), denied any connection. Records now uncovered by Prewett show that Beck "personally suggested and directed" experiments in atom-splitting between 1943 and 1945. Some of the results were recently published in Revista Astronomica, Argentine science journal.

tions discovered by US inspectors. His temporary power, however, to "discipline or replace the operating manager" had not been exercised.

In the absence of federal authority, the breakdown of state regulation was all the more catastrophic. Robert M. Medill, director of the Illinois Department of Mines and Minerals, took full responsibility for orders which had diverted state inspectors to the extra-curricular task of dunning coal operators for contributions to the Republican mayoralty campaign in Chicago. Last week Medill resigned "for the good of the service." Governor Dwight H. Green, to whom Centralia miners had addressed a plea "to please save our lives," weakly explained that "the letter arrived at a time when I was away. I never saw it."

The pathetic conditions in Illinois were no relief to the heavy drama in Washington. The Buffeau of Mines supplied the tardy intelligence that although it had conducted 3,345 mine inspections in 1916, only two mines-worked by the Union Pacific Railroad in Wyoming -had been found free of safety violations. Secretary Krug ordered that 518 of the 2,531 government-operated mines. shut down by Lewis for an Easter Week "mourning" period be kept closed until union safety committees decided they were no longer dangerous. In rebuttal Lewis requested that all mines except the pair in Wyoming remain empty until approved by federal in pators.

The maneuvers to shift responsibility for declaring the nation's mines fit to work in pitched another climax into the Krug-Lewis melodrama. Lewis, playing to the hilt, repeated the charge that Krug was solely responsible for the Centralia disaster. Krug thrust back figures to show that fatalities in the mines had dropped during the 10 months of federal operation. John L. was scornful: "This modern Hercules with the No. 12 shoes and No. 5 hat has reduced deaths from 95 a month to 85 and then he rests from his labors."

This week, as the miners' mourning period expired, Lewis indicated a stubborn intent to keep the pits idle until the federal government assumed the full responsibilities for mine operation and inspection.

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The UMW president remark. I vengefully that safety supervision by union committees had been undermined by "intimidation" stemming from federal anti-strike injunctions. He ordered UMW districts not to pass on the removal of hazards. The government, as far as "Old" John L. Lewis (see page 22) was concerned, could clean up its own mess.

No Answer

March 26 President Truman made a public plea to US industry to heed "the handwriting on the wall" and cut prices. He implied that current negotiations for wage increases could be completed successfully without raising prices.

The text of the handwriting on the wall was spelled out once again by Robert R. Nathan, CIO economist. His report last fall demonstrated that industry could afford wage boosts without price increases and is the basis of current CIO demands in major industries. Last week Nathan found the wage-price-profit structure "even more unsound than four months ago." Said he: "Prices have continued to reach for new high levels, the pay envelope continues to buy less and less, consumer resistance is growing and inventories are starting to back up."

As industry's 1946 statements and 1947 indications continued almost unanimous in recording unprecedented profits, there was equal agreement not to pass on any of the increase to labor. There were a handful of exceptions: International Harvester cut list prices of some items; Plymouth prices were shaved; Ford, with appropriate to-do, gave the consumer a spoonful of the top cream. Example: the de-luxe business coupe was cut \$20 last week to \$1,150 (f.o.b. New York), still 85.4 percent higher than 1939 and seven percent higher than 1945.

More typical of US industry was the case of US Steel, where negotiations for a wage increase have been dragging since January. US Steel's report for 1946 showed a profit after taxes of \$88.6 million, the highest since 1941 despite the steel and coal strikes. Nathan recently issued a little Nathan Report for

Static on FM

Pennsylvania ALLENTOWN is one of the 114 towns in the United States where the only newspaper and the only radio station are owned in common. A year ago, five young veterans decided to throw some competition into Allentown. From the Federal Communications Commission they got a license to broadcast to the two million people in the Allentown area over radio's static-free wonder medium-FM (the NR, February 17). Last week, as the vets pushed construction of their station, interference was crackling through the Allentown air, the kind of interference which recently moved the Commission on Freedom of the Press to urge the government to press "in every way short of subsidy the creation of new units in the [communications] industry."

Under their corporate name, the Penn-Allen Broadcasting Company, the vets had been selling the \$75,000 of stock necessary to put them on the air. Sales were going well. Then suddenly they stopped. Through anonymous phone calls and inside tips, the

vets began to learn why:

Residents were being told that
the veterans were broke, that they
wouldn't last the year. A whispering
campaign warned prospective stockholders that the company was backed
by Jewish money. ("If we were Jewish, which none of us are, we'd be as
proud of that blood as we are of the

blood we have," said Raymond P. Kohn, Penn-Allen's president.) Residents were told that the vets had no channel assigned to them by the FCC. In the country clubs it was whispered that the transmitting power would endanger surrounding property because it might fall.

The five partners had hired the city's leading law firm to represent them and handle their stock issue. This firm, which also represents the existing newspaper and radio station, said it was "advised" to drop the new FM organization. Reluctantly, the law firm pulled out, withdrew its name from all promotion literature. The vets' bricklayer contractor was warned to lay off the job—that he'd never be paid anyway. In regard to these developments, Kohn said:

"Well, we're learning what it's likes to start up in a monopoly town. We's called a meeting of our stockholders, and offered to buy back their stock. Not one accepted; they're backing us to the finish. We need \$30,000 to get on the air.

"Senator O. J. Tallman, majority leader of the Pennsylvania state senate, has agreed to represent us at counsel from here on in, although he risks losing newspaper publicity in his district by standing with us. The five of us did not spend five years eachfighting corruption on a global scale only to find it snuffing us out in our own backyard."

steel showing that wages could be upped 21 cents per hour without a price increase. There were rumors that the CIO and Big Steel would get together on some such figure as this. But last week, as the April 30 contract deadline neared, Benjamin Fairless, president of US Steel, put an abrupt end to the hopes of President Truman and others who thought industry might heed the handwriting on the wall. "One of the demands of the union is for a substantial wage increase," said Fairless. "Other demands of the union, if granted, would add materially to our already heavy costs. Until these demands are disposed of in the pending negotiations, no real consideration can be given by us to the adequacy or inadequacy of our present steel prices."

Macy's, New York department store, whose motto is "It's Smart to Be

Thrifty," found so many of its custon being thrifty in the face of current pr that it took a full-page ad to warn t costs must come down. Its thrifty sc tion: technological advances and hig labor productivity will do the trick.

Preliminaries

The only remaining European rate to side openly with the late A was trying hard to keep his job in almost friendless world. Last Decemb Generalissimo Francisco Franco m an offer to Don Juan de Bourbon, wing since 1935 to fill the Spanish throdeserted by his father. The offer: train Juan's nine-year-old son for job under Franco's regency. Franco an angry reply: "I am not prepared

the treated by General Franco "were the Sultan of Morocco."

Last week, Franco tried another move. He sent a law of succession to This puppet parliament. It set up a Councill of the Kingdom. If Franco died or specame incapacitated, the council would raclect a chief of state who would uphald the basic laws of Spain-for the mecord still a monarchy.

At home, for once, all opposition cencles (including the monarchists) were agreed: the lofty promise to restore the amonarchy was obviously a hedge to strengthen Franco's wavering grip on the country. But Franco's words also act off a revived jockeying for top posiation among his opponents. The moncarchists seemed to have the edge. As llong ago as last January they had Ibmought together all opposition elements ceacept the Communists to work for a recturbishing of the throne. A number of Spanish generals and colonels of the Falange who looked to the monarchy to save their jobs and necks were among that number.

At was no secret that Britain's Foreign Office had long cultivated friends among high Spanish army officers, Catholic church leaders, aristocrats and ibusinessmen in a quiet effort to achieve a constitutional monarchy—lest communism emerge as Franco's heir in whe western Mediterranean. The British thad looked coldly at the republican government-in-exile of anti-monarchist José Giral. But he was out now and Rodolfo Llopis, his successor in Paris, hinted that Britain might regard his ecabinet with favor if he could agree with some rightists and monarchists.

The US was also about to take an active part in the cozy game. It would suffer financial encouragement to those ...non-Communist Spaniards the State Department judged capable of bringing about a peaceful new regime.

A tip-off came in the appointment of isthe new US chargé d'affaires in Madrid. Careerman Paul T. Culbertson, enutspoken chief of the State Department's Western European division, is capposed to an outright return of the rmonarchy but would be guided by the American-British-French statement of Plast year urging the people to set up a craretaker government in place of Franco.

Worst Seller

ONE of the US Government Printing Office's fastest moving items is "Communism in Action," a pamphlet produced last year by the Library of Congress staff which is directed by Representative Everett M. Dirksen (R, Ill.). Dirksen encountered no difficulty recently in getting authorization for a second printing of-500,000 copies.

Representative Wright Patman (D, Tex.) got the library staff to produce a companion pamphlet of 150 pages entitled "Fascism in Action." Early in this session he introduced a resolution to have it, too, printed as a public document. So far, he has not even been able to get a sample copy. He has said that if the House Administration Committee does not report on his measure this week, he will circulate a petition for the 218 signatures needed to by-pass the committee. "It will be interesting to see who refuses," said Patman;

Bugaboo .

Civil Liberties

PRESIDENT TRUMAN'S executive order of March 22 directing that government service be rechecked for disloyal persons spoke of "a threat to our democratic processes." The threat, undefined by the President beyond the adjective "subversive," has been freely explained since by newspaper allusions to Washington's "Red Purge." The White House kept mum. Last week ex-Governor George H. Earle of Pennsylvania made public a letter, written on February 28, which made the silence seem louder:

Dear Governor:

I appreciate very much your note of February 26 and I am very happy to be informed of your decision with regard to the American Anti-Communist Association. [Earl: had resigned.]

People are very much wrought up about the "Communist bugaboo," but I am of the opinion that the country is perfectly safe so far as communism is

concerned—we have too many sane peo ple. Our government is made for the welfare of the people, and I don't believe there will come a time when any one will really want to overturn it. [Signed] Harry Truman

Wanderlust

New York DURING his 16-year grind 25 2 bus driver, Bill Cimillo appeared to have tuned himself to life's even monotone. He was a model employee of New York's Surface Transportation Corporation. Fourteen times a day he shuttled doggedly across the Bronx, making change, replying to the inevitable questions, relentlessly imploring the crush of commuters to step to the rear. He was a good father to his kids-born to the family in a similar methodical sequence. Like the Bronx, Bill Cimillo's horizon was steady if somewhat repe-

Except for a tinge of spring, there was nothing eventful about the morning when, at 7 a.m., Bill wheeled out the familiar 44-passenger Diesel to begin his daily chore. But, unaccountably, something prompted him to turn the snout of No. 1310 away from the beaten trail. On the other side of the Hudson, a company superintendent driving in to work was startled to see the shiny red-and-buff vehicle purring southward. Before the superintendent recovered sufficiently to phone an alarm. the runaway and its lone occupant had disappeared down the open road. Police in 11 states were alerted in vain to intercept the \$18,000, vagabond omnibus.

Three days later Western Union delivered a cryptic communiqué to the Bronx: "In Hollywood, Florida. Wire money to come back with. Need money for fuel oil. Will drive back. [Signed] Bill Cimillo." It was all up. Police closed in and clapped the truant into the Hollywood jail, next to the cell of a man who insisted his name was really J. Edgar Hoover. A grand jury quickly returned an indictment for first-degree grand larceny. A New York detective was dispatched to bring back the defendant. Bill Cimillo remained philo-

"The fellows at the bus company will understand, I'm sure."

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Washington Wire



Dewey v. Truman in '48

THE political prospect in brief is:
Dewey will run against Truman
in 1948, and win. The qualifications are
two: Taft may deadlock the convention,
when he or a dark horse might be
nominated; and Truman might beat
Dewey. Neither of these chances seems
overlikely now.

Truman's Jefferson Day dinner speech indicates his campaign platform. His popularity has been increasing. Short of death, he will be the Democratic candidate. Undoubtedly his position has improved, but Washington observers still think Dewey would have the edge. However, the Republicans seem bent on knocking themselves out, and we must never underestimate their capacities in that direction. More seriously, Truman can't win without the independent voters. Democratic advisers know this. Liberals probably hold the balance of power.

Dewey is an opportunist. Neither GOP politicians nor correspondents like him much. But he is hard, efficient, effective. He didn't get far against Roosevelt; Truman might be easier.

Taft, of course, is a possibility. As Taft introduces his new labor bill he will share the Washington spotlight. But the Lilienthal fight really showed Taft up. Call it what you will, his opposition to internationalizing the atom bomb, his attack on the Acheson-Lilienthal-Baruch program, are really isolationism. It's hard to conceive of the public taking him.

Does Vandenberg have a chance? His development is fascinating. Three years ago he was an isolationist, as conservative as Taft. Then something happened. Vandenberg grew; Taft didn't. But again it's hard to see the GOP picking Vandenberg. Take the Lilienthal fight: most Republicans (31) voted for recommittal with Taft; only 18 supported Vandenberg. Taft still has pretty much of a mortgage on the Senate Republicans.

In Chicago a Democratic reform can-

didate for mayor, Martin H. Kennelly, has beaten the GOP party hack put up by Colonel McCormick. Observers have long wondered when the improvement in municipal politics that struck New York a quarter-century ago would finally reach Chicago. Kennelly may help it along if the Kelly Democratic machine isn't too powerful. Meanwhile the state GOP is further weakened by the apparent participation of Republican Governor Green in the shakedown of coal operators prior to the Centralia explosion. These are not decisive political factors. But they all illustrate two things: the '48 presidential race may be closer than anybody expected and the power of the independent, progressive vote is thereby tremendously enhanced.

I r isn't considered polite to mention corporation profits in Washington news dispatches, and we approach the delicate subject with natural hesitation. As the Wall Street Journal noted in a modest paragraph last week:

Corporation profits climbed to an annual rate of \$15 billion in 1947's first quarter, the Commerce Department calculates. That's \$3 billion above 1946 profits. Field offices report businessmen are worried about public reaction to these profits and continued high prices.

You can see that the whole thing is pretty darn embarrassing. First of all, Congress knocked off the excess-profits tax. That was almost its first reconversion measure. It meant billions for corporations. Then the OPA and the pricecontrol system went overboard. That meant present high prices and more billions. Meanwhile generous tax refunds from the Treasury (intended to help business reconvert to peace) were paid out to corporations and actually met a large share of their 1946 strike losses. Now comes the new House tax bill to aid millionaires. More billions here. And all this time the richest market in the world, and profits never before known in war or peace! Well, the thing can't last. A new wage-price-profits relationship must come. The Easter sales weren't up to expectations, some goods are piling up and retailers like Macy's are swinging over to support consumers against exorbitant manufacturers prices. What comes next? A big shake-out. How big we don't know, but certainly some unemployment.

Don't think, however, that conservative congressmen are licked. One genial? GOP leader in a relaxed moment explained to us all about it. It's going to be a "stabilizing recession," he said. (Isn't that a cute phrase?) There will be maybe eight million unemployed, and that will make labor behave. The real crack-up, however, won't come for five or ten years. And when it doeswhy, it will be high time to think of increased tariffs. Working men must be taught the danger of foreign goods; flooding American markets. Our mark seemed quite chipper about the whole affair. And why shouldn't he be, with most newspapers still attacking labor and as blushingly timorous about the word "profits" as a Sunday-school teacher is of the word "sex"?

T OTES. - Truman's first veto is likely to be the phony portal-pay legisla tion, which is actually an attack on the wage-hour law. . . . GOP appropriation bill slashes, reckless as they are, come nowhere near meeting the proposed cut in the Truman budget; what may save the Republican's bacon is the Treasur tax surplus still piling up. . . . Westerr Republicans are in violent revolt agains the bill for proposed cuts in the Interio Department; proposed GOP cuts in Army-Navy appropriations are being quietly dropped. . . . All the suit against the OPA chiselers and black marketeers would be ended under : pending resolution by Representative Dirksen (R, Ill.); this amnesty o course would not extend to conscientiou objectors.

Washington

T.R.

Henry Wallace

A Bad Case of Fever

E AMERICANS are not a calm and reflective people. The same traits which built a great nation—youth, vigor, enthusiasm—can be dangerous when turned to evil purpose. Americans, since the foundation of the Republic, have been overready to see Jacobins, Bolsheviks or Communists under the bed. Such hallucinations unbalanced us following World War I, but after a few years, our sanity began to reassert itself. Now the disease has returned. The shrieking of the press, the war whoops in Congress, the foaming of professional patriots, the awful dangers which are hinted at in the recent presidential executive order requiring federal employees to be screened for loyalty—all these are designed to give the average American a fever, a bad case of Red fever. If a man's fever goes high enough, unless you watch him carefully there is no telling what he may do.

Several ways are open to treat the disease. One is to discover its causes, to remove them wherever possible and to offset their damaging effects. The loud noises, for example, made by the press and Congress are clearly continuing to make the patient's condition worse. Admittedly, the noise is difficult to stop, but it might be offset partially by a few intelligible words of common reason.

Another therapy is to pretend to the patient that his hallucinations are justified, that these are real, concrete causes which have made him ill. This is the technique of the witch doctor exorcising evil spirits. To make it more plausible, a few innocent victims are hunted down, flayed and boiled. Presumably, the patient then gets better. This would appear to be what the Administration considers a rational and scientific approach.

To many others, the testing operation, the litmus paper for loyalty which is proposed in the President's executive order, appears manifestly absurd. For one thing, the operation bears no relation to the size of the real problem. J. Edgar Hoover says that when Russia was taken over by the Communists, the country contained one Communist for each 2,227 persons, while today in the United States there is c ie Communist for each 1,814—the inference being clearly that the US is in more danger now than Russia was in 1917. Even if Hoover's statistics were true—and I do not know where he gets them—he is overlooking other factors which are of overriding impor-

tance. Russia in 1917 was not and never had been democracy. Her despotic government had been smast by a great war and the nation was utterly prostrate a helpless. To suggest that 77,000 Communists—on the basis of Hoover's statistics—could take over an Americ nation of 140 million people is too fantastic to desert serious consideration.

I share the confusion of many other people in int preting the President's formula for smelling out Reds the government. It appears that from now on the Attney General will form all final judgments on this subj for the American people. We are told that disloyal psons will no longer be tolerated in the government; far, so good, though there is no clear definition of wh is meant by the word "disloyal" either in the Presidens order or anywhere else. Among the conclusive bases f evidence is to be "membership in, affiliation with ? sympathetic association with any foreign or domestic asciation . . . designated by the Attorney General as tot: tarian, fascist, Communist or subversive. . . . " (Itali mine. - H. W.) Now it becomes a little clearer what t President means. The way to determine whether or no man is loyal is to let the Attorney General declare wheth or not he is disloyal. If he is declared disloyal, that sho he is not loyal. Q. E. D.

Is THERE any reason to believe that our witch hunt we be successful? Many thoughtful students of historian already warned us that the best way to make the Communists a real threat is to drive them undergrour. To this I would add that one sure way to unsettle the faith of non-Communists in their government is for the government to badger and bait innocent men.

Certainly there can be no doubt that every government executive should have the right to dispense with so ordinates who have shown themselves incapable of ging undivided, unqualified allegiance and fealty to took which they took on becoming public servants, would not want as a colleague on the New Republic cowho in his off-hours preached the sermons of reactical would not want the contents of the paper leaked advance to some daily scribbler for another sheet. I have the right to demand that my co-workers be with me, a our government has the right to know that its servants.

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are members of the same team and are neither scouting nor stooging for another.

In 1798, this country went through a Red scare similar in some respects to the one we are experiencing today. The French Revolution which had recently taken place frightened conservatives in this country quite as much as the Russian Revolution frightens them now. The Alien and Sedition Laws of 1798 were designed to have substantially the same effect as the recent presidential executive order, except that they affected people in private life as well as those working for the government. They prescribed fines and imprisonment for those who combined to oppose any measure of the government, impeded the operation of any law, intimidated any officer of the United States in the discharge of his duty, or uttered or published false, scandalous and malicious statements tending to bring the government of the United States or its officers into disrepute, or to excite the hatred of the people for that government.

In so far as President Truman's executive order tends to punish people for their beliefs and not for their acts, it goes even farther than the laws of 1798; but what was done under those laws remains a shameful blot on our national history. Editors of papers supporting the political party out of power were jailed, or ruined with heavy fines, for writing editorials critical of the Administration. People were sent to prison for heckling pro-Administration speakers at public meetings. Among those who protested these laws were Marshall, Hamilton and Jefferson; and it is probable that the existence of these statutes contributed to the overthrow, at the national election two years later, of the party that had been in power.

Just after World War I, we had another period of hysteria which, in retrospect, seems to have been equally inexcusable. A group of Socialist members of the New York State Assembly were expelled solely on the ground of their party affiliation. Magazines were held up in the Post Office; others had their mailing privileges revoked entirely. Teachers and ministers were muzzled. Under federal or state laws, people got long prison terms for belonging to "seditious" organizations even though it was proved in court that the individual in question was not aware of the "seditious" purpose of the group. The situation was well described by Katharine Fullerton Gerould in Harper's in 1922:

America is no longer a free country, in the old sense; and liberty is, increasingly, a mere rhetorical figure... No thinking citizen, I venture to say, can express in freedom more than a part of his honest convictions... Everywhere, on every hand, free speech is choked off in one direction or another. The only way in which an American citizen who is really interested in all the social and political problems of his country can preserve any freedom of expression is to

choose the most that is most sympathetic to him and to under the shadow of that mob.

In our present welter of fear and confusion ther a few propositions to keep before us—proposition indisputable in the science of social behavior as the Euclid in geometry.

We must not forfeit our democracy in the effc preserve it. Aristotle knew that the way to offsci quality is by the use of its opposite. Hunger is foug food, cold by heat, intolerance by tolerance, hyster calm, totalitarianism by democracy. One cannot althe ideas of terror and secret police by the use of it and secret police.

THE President's executive order seems to me a tion of the fundamental safeguards of Anglo-Sijustice in that it provides for no hearing in a regular constituted court, no trial by jury, or review or apprehe existing higher courts. On the contrary, the execution of this inquisitorial mandate is placed in the han people who, on a basis of past record and public ance, have certainly not been conspicuous for sympathy with the ideals of freedom of thought expression.

All past history supports the prediction that any hunt which receives official blessing such as is given the President's executive order is bound to injure innocent victims. It is undesirable not only from standpoint of fundamental American ideals of fair but on the narrowest grounds of self-interest. If the rity of the nation is in danger, if our welfare is at we need more good public servants, not fewer, many self-respecting men of ability, however deep love of country, will suffer the risk of being besmip by individuals like some of those now most active i effort to separate sheep from goats?

The current witch hunt will tend to drive from p service the man who has ever read a book, had an supported the ideals of Roosevelt or fought fascis the President and his advisers are right, it will not out of public service the Communists, who are, w told, so sly and devilish that they can clude detection will work against the non-Communist liberal; he think twice, and more than twice, before he risks I caught in the net which is flung so widely. The new hunt will inhibit the free flow of thought and interch of ideas which are so vital to national security and ress in a rapidly changing world.

We have little to fear from communism if we our democracy work, if we keep our country fully ployed, prosperous and at peace. This is not an easy perhaps that is why so many men find it more to taste to spread hatred, fear and dissension. But ea not, it is our task. Let us get to it.

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The Man We Remember

by Henry Wallace

yow, two years after Franklin D. Roosevelt's death, there keeps returning to me the memory of those great qualities which he had in so large a measure and which today are so lacking in our national leadership. He had, first of all, a surpassing talent for improvisation, an ability to call forth genius to flesh out his dreams. He had, secondly, an overwhelmingly infectious humanity, a quality of affection that radiated from him to his countrymen and was returned with the same intensity. He had, lastly, that huge sense of destiny which grew and grew over the years until it almost completely obscured his human faults and failings and made him, while he still lived, part of the American legend.

Roosevelt was a masterful improviser. He caught at ideas like an artist, absorbed them, implemented them, rejected them as soon as his imagination caught a fresher note that served his broad purposes better. He came to Washington in the spring of 1933, to a city paralyzed by the dead hand of custom and habit. He destroyed the paralysis by rejecting all the patterns of convention and throwing the doors of Washington open to the men whom the "practical" world called crackpots. He arrived with no inflexible code of ideas; within a month he had made our Capital the most powerful center of fresh thought in the Western world. Dreamers and planners, schemers and

politicians, poured in, all of them magnetized by the man in the White House whose eyes sparkled when he heard them talk.

My first conversation with Roosevelt was in the summer of 1932 when he first broached the shelter-belt idea to me. Roosevelt was a great lover of trees; the concept of a belt of trees stretching across the continent and sheltering the arid plains had long intrigued him. He thought the shelterbelt might even change the climate of the continent. Though experts disagreed with him on his concept of climatology, it bothered Roosevelt but little. He wanted a continental shelter-belt and a year later men were planting it. His detailed planning, his mastery of the hard facts that went into grand schemes was sometimes faulty-but the grand schemes themselves were his domain. In a city of small-minded men, he collected them like a connoisseur.

Other ideas came to him similarly from all quarters. He knew that something had to be done quickly to reverse the spiral of deflation. The actual technique was a matter for experts to work out. Homer Cummings, several others and myself were convinced very early that the point of attack on deflation was the price of gold. We felt it must be raised. I suggested that the President call in Professor George A. Warren and James Harvey Rogers (author of America Weighs Her Gold). Roose-

velt received them, listened to them and installed them immediately in an office in the Department of Commerce. There he put them to work on the technique of a new gold program and almost overnight the Administration had a new gold policy.

The times were such as to make broad and sweeping acts permissible, and this was the nature of his own temperament. He throve on sweeping new concepts. It was suggested to Roosevelt that he set up a Commodity Credit Corporation as a possible mechanism for handling gold purchase. We set up a corporation with sweeping powers under the laws of Delaware. It was never used for gold purchase—but it served a dozen other purposes; Roosevelt heartily applauded as we used it to issue farm loans on cotton, corn, wheat. Later it traded extra cotton for rubber and the American people had 20 million extra automobile tires as a result.

The trail-blazer

PEOPLE forget the hard times of the early thirties. Those were the days when farmers in northern Iowa jerked a judge off the bench in a foreclosure case, when a physical revolt of our farming population was going on not only against misery and failure, but against law and order, too. We used the Commodity Credit Corporation to double corn prices with four-percent, non-recourse loans. Roosevelt gave us the green

light and off we went. When Jesse Jones objected to an interest rate as low as four percent, Roosevelt said to me, "Tell Jesse not to be a chiseler."

All ideas were grist for Roosevelt's mind—reciprocal-trade pacts, youth projects, conservation camps, labor-relations boards, agricultural-assistance schemes. As the Supreme Court would invalidate them or as they became outmoded by the passage of a crisis, Franklin Roosevelt would pass on to more dynamic concepts. His enthusiasm for ideas continued to the very end. He delighted in the term "United Nations," which he coined. He zestfully discussed with Winston Churchill the creation of a new world currency the unit of which was to be a "dimo."

The human being

Roosevelt's personality. It touched all who worked with him directly, and reached further to touch the millions who voted for him term after term. He conducted his cabinet meetings with a spirit of joy and irreverence; sometimes I wonder what they would have been like without Madame Secretary.

The Roosevelt charm was a tool of which he was fully aware; he used it consciously. He believed he could talk any man into loyalty, into continuing to work for him despite the bitterness of outside attacks. Sometimes he failed; more often he succeeded. In January, 1945, Madame Perkins was ready to resign her post as Secretary of Labor; she had cleaned out her desk and wound up her affairs. But on inauguration day Franklin Roosevelt turned the full charm of his personality on her and she stayed.

He absorbed his ideas usually in conversation, for he loved good talk. At the end of a day he delighted to sit down with a drink, surrounded by sparkling talkers, and let conversation ripple around him. He loved to ramble himself—about his boyhood, about his travels abroad in his youth, about personal adventures and speculations. From the talk of others Roosevelt would pick choice nuggets of information, well turned phrases, novel suggestions that he would incorporate into his own speeches and thinking.

His mind, like a curiosity shop, stored

up odd items—of fact, history and fourlore. Its diversity astonished some of the more plodding and pedestrian politicians, who would stand wrapped in wonder while Roosevelt aired his enormous fund of accumulated knowledge.

His geniality and warmth knew no self-consciousness. I remember accompanying him on a trip to the drought area in 1936. His entourage would stop its inspections from time to time to talk to the stricken farmers and Roosevelt would speak to them in his polished Harvard accent. Never for a moment did he seem to suspect that this was not the authentic idiom of the plains, nor was there ever a hint of patronizing or a trace of self-consciousness. And the farmers loved him for it.

Perhaps the most startling of all the intimate qualities of his mind was his spectacular spatial memory. He could remember strange streets, bays, oceans, harbors, countrysides with almost total visual recall. During the war his knowledge of maps, distances and physical barriers was invaluable. (Usually, he was right, but sometimes he was wrong.) He remembered the depths of waters on marine charts, the heights of mountains, the quality of roads and highways. He loved to draw plans of buildings; he drew rough ones for the construction and placing of many a new building in Washington. Some he loved; others, like the Pentagon, he loathed.

This quality he extended to his vision of America, as a country. No man saw the nation more clearly as a geographic whole than Roosevelt did. He thought of it in terms of watersheds and rivers rather than in terms of states. He could catch great geophysical ideas quicker than any other man with whom I worked in the government. I remember bringing to him the original program of the soil-conservation districts. He grasped the idea instantly and the next day we had his letter, setting forth our ideas as to a state law, on its way to each of the 48 Governors.

His conviction of destiny

R coosevelt always had with him, too, the special conviction of destiny—that his was a great age of history, and that he was born to act in and dominate these times.

The world beyond America closed Roosevelt gradually. For years he toy with the idea that Italy was frience that the fascists in Europe did not me to fight for keeps. It was only by grees that the conviction grew on I that this was a struggle which me eventually strike at American seculand American destiny. And as the coviction entered his thinking, it graduatole from him his lightheartedness.

It was not until the spring of 15 and the Austrian crisis that Roose realized that this was a time of war t might sweep America with it. Fr then on, with the conviction of strug to come, Roosevelt maneuvered deftl make ready his people. Hitler and M solini were mad dogs susceptible to fe alone, but the American people v unaware of it. It was true that Rovelt did not force through approp tions heavy enough to meet the danthat were clearly developing, that he not stockpile sufficient materials to n inescapable demands. But Roosevelt the politician's master sense of what: possible. He stood between the reof the outside world, whose dangers understood, and a people who live blithe ignorance of all these dang His great consideration was to cra public opinion that would tolerate a minimum of preparedness.

Free men in a free society

THE war itself oppressed him. disliked the easy bandying about the word "victory" in government dract that America might possibly fail in goals. "This is going to take everytwe've got, and even then we may win," he said soon after war broke

Perhaps not even during the war Roosevelt evolve a complete philose. He played by ear, conscious of al conflicting elements he led, seekin reconcile them in each new crisis by ideas and fresh thinking. I believe any other approach to the problem his times would probably have far His unending search for an ever equilibrium in men and affairs be the confines of a doctrinaire philosmay, I think, in itself have been approach to a philosophy for free in a free society.

8.8 J.W.

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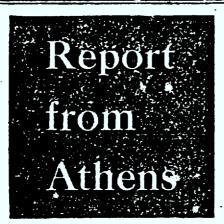
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by Constantine Poulos Copyright by Overseas News Agency

THE sudden death of King George II will have no immediate effect on the internal situation in Greece. In the long view, the ascendance of Prince Paul to the throne is bound to aggravate civil strife here.

King George enjoyed the full confidence of the British Conservatives and of the British Foreign Office. Prince Paul does not. The late King more or less kept himself quietly in the background of the current Greek political scene, adding nothing except a passive acquiescence to the extreme policies of the royalist right-wing government which acted in his name. The new King is not likely to stay out of the picture.

Whereas King George tried to maintain the fiction that he was the Chief of State and not the leader of a political party, it is believed that Prince Paul will openly and actively support the Royalist Popular Party and will strongly encourage the continuation of the present Royalist government's "dynamic policy" which seeks to outlaw the Republican Left and most of the Center. This conclusion is based on Paul's past record.

Although he need not have taken an active role in the prewar dictatorship, Paul was the willing leader of the fascist National Organization of Youth which had been established by General John Metaxas, the dictator, in 1936.

His advisers at that time, during the war and after the liberation of Greece, have been the leftover extremist elements of the Metaxas dictatorship, most of whom the Premier of the Greek Government-in-Exile, Emanuel Tsouderos, eventually removed from office.

The greatest influence on Paul, who Is not noted for his ability to make up his own mind, is his pretty little wife, the German-born Princess Frederika,

whom he married during the pro-German dictatorship. She is clever, capable and an extremely ambitious woman. A centrist newspaper once characterized her as a "strange mixture of the Hohenzollerns and Hitler." In Egypt, during the occupation of Greece, she kept herself in the limelight organizing relief activities and social benefits, while, in the background, she actively mixed in the bitter Greek politics.

Back in Greece, following the plebiscite last September, the Princess led Paul all over Greece on public appearances. Anxious to eradicate the German stigma, she went out of her way to wear the national costumes of the various provinces they visited. In Athens, she has cleverly cultivated all foreign diplomatic circles and was particularly useful in impressing important foreign visitors with the justice of the Royalist

Liberal Party circles are already indicating their increased uneasiness over Paul's ascension to the throne and are insisting that their opposition to the Royal House of Greece, all of which they consider implicated in the establishment of the Metaxas dictatorship, will continue unabated.

By fate the royal succession took place in a week which was also a turning point of British ascendancy over its historical Balkan outpost. For the first time since mid-October, 1944, there were no British sentries standing guard before the various buildings in Athens housing British military units-a sign marking the end of Great Britain's political, military and economic prominence in Greek affairs and the failure and liberal parties and their leaders. of British policy in Greece.

British policy was based on Winston Churchill's insistence that only the Greek Royalist right wing could hold Greece within the British sphere of influence. The acquiescence by the British Embassy here and by the British military to the policies of the Greek right wing has always been taken in Greece as a positive endorsement of these policies and as an encouragement to go further. In time, the Greek monarchists, who had practically no mass following left when the liberation took place, were strong enough to ignore their British patrons.

HE new King, who has no Greek blood and has spent less than seven of the last 24 years inside the country, faces a nation divided and impoverished and a weary people who are for strong-arm handling of affairs, and cynical and bitter. Upon him now rests that this may lead to more oppression a great deal of the responsibility of and to further reductions of civil liberwhether that division and the poverty ties.

and misery are to be continued. Besides the Royalist right wing, the King will also have most of the army and the gendarmerie officers, who are themselves a state within a state, on his side.

This is a government which, by its refusal to exercise any internal controls or to concern itself with economic planning, has indicated a complete ignorance and indifference to the needs of the Greek people, and has driven thousands of them into the ranks of the entreme Left.

The Greek Left, full of plans and a program for the economic reconstruction of the nation, is now on the outside looking in, and its supporters are naturally prepared to use the help of the "north" (the guerrilla movement in the mountains) to get on the inside. That is a strong, well disciplined movement whose Socialist proposals are gaining additional support daily; and the government's negative policy of attempting to ignore or annihilate its members only succeeds in making them stronger.

The ascension to the throne of Paul will not slow down the unswerving campaign of the Left against the monarchist Right. Today, most of the Greek people would follow a moderate Socialist policy if any strong party could break through the morass of the present political scene. But virtually every Greek feels that in this day of bigpower politics he must go along with the parties that have the wholehearted support of either the Eastern or the Western powers.

Inevitably this weakens the moderate

T NTO this picture now steps King Paul, a headstrong but not particularly bright young man who has been preparing himself all his life for this hour. Very few people in Athens are hopeful today that he will take the sanest course of action, which would be that of leading a bloodless solution to the problems of Greece.

Although fretful over the immediate future, these observers say that the ascension of Paul to the throne may have significant results in that his anticipated reactionary policies will bring matters to a head much sooner than if King George II had lived. Paul's background would appear to bear out their predictions that he will take a much more active part in the government than his brother did, and that he will press

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How Much Did We Make This Time?

by Harold Wolff

Patience, a degree in accounting, and a cynical nature are needed to pry the truth out of annual corporate reports

THIS YEAR, about twenty million I "see-how-wonderful-we-are" gems, otherwise known as Annual Reports, will wend their way to the owners of United States corporate business. How many avoid the quick road from mailbox to wastebasket, no one will ever know. But these documents, the products of some of America's brightest business brains, deserve something more than the indifference with which they are often

APRIL 14, 1947

So great a degree of care, ingenuity and pure art is lavished in the preparation of most annual reports that by now their appearance has become as fiercely competitive as Hollywood. Each year the Financial World offers awards for the best reports in each industry, and the boys vie for them as producers do for Oscars.

Some reports, to be sure, are pretty dull stuff. The American Agricultural Chemical Company takes only four prim pages of figures to tell its stockholders its 43-million-dollar story. On the other hand, the Diamond Match Company once went to the length of 272 pages of lushly illustrated text to tell its tale of the great north woods and the lore of the lumberman. General Mills this year produced a supplementary report in the form of a Technicolor short.

Harold Wolff served in the Overseas Branch of the OWI during the war and is now an economist for a large national corporation. As a free-lance writer he has contributed to Life, Liberty, Coronet and other magazines.

Pepsi-Cola's president, Walter Mack, invited stockholders to a series of "Pepsi-Cola family parties" at which the annual report was discussed and sandwiches and Pepsi-Cola were served to all.

The annual report is supposed to tell the stockholders, with appropriate figures, how well or ill the business they own has fared and what its prospects appear to be. But in setting out to do this it finds itself caught in a dilemma over how much or how little to tell. On one hand there is the older closefisted business tradition, nurtured in the front office, of telling little or nothing. On the other there is the newer approach of the public-relations chief, who has a story to sell and wants to make the whole world share his enthusiasm for the ins and outs of his business.

After all, the public-relation: tells the corporation, every firm on the exchange has to file w? Securities and Exchange Commiform, 10K, that must make a relevant information available public. Why not, then, let the pri take down his corporate hair a the folks something about the pany? About the outlook for no About the new plants? About t products? Why not let the pr make a statement about how ta stifling business? Why not dr whole thing up pretty? Repre-George Inness on the front cove color, like General Foods. Or; both Technicolor like General Ma sandwiches à la Pepsi-Cola.

But the difficulty is that you tell five, 10 or 100,000 stock just how you are managing the? ness without making the same i tion available to the curious labor leaders, consumers and c tors, all of whom are constantly to learn everything they car, how you do things. Can Nation: tell how much it is making from tiles-from-milk Aralac operation out whetting the appetites of milk companies? Should Coca-C cuss with its stockholders thhits and errors of the Atlan? ball team which the company Should General Tire discuss the for its six radio stations? Is silengolden, or is it wiser to talk?

All the ultimate answers that





ANOTHER FOR THE IF ONE SELF-PORTRAIT FOR THE TAX PEOPLE-

in the reports the mailman brings are whipped into final shape in the public-relations office of the corporation. There, during annual-report season, one of the classic rites of American business is consummated. Behind an array of paper cups and butt-littered ashtrays cowers the director of public relations. Through the haze he hoarsely argues with himself about the net figures. "It's too much. I can just see the headlines: 'All Time Profit Record Topped Again By. . . . No, we've got to bury it somewhere. . . ." By now his assembled staff is feeble from weeks of this same procedure, but not too weak for someone to remind: "Yeah, but the boss says we got to show a better earnings ratio than. . . . Yeah, I know. . . . But, God, when the goddam union sees. . . . And the League of Women Shoppers called again today. . . . Yeah, I know. . . . Oh, what the hell, pour me another, Harry."

Behind those dull columns of "Assets" and "Liabilities" there are drama, blood and sweat—and many a stomach ulcer. Usually the making of the annual report starts with a memorandum addressed to each of the company officers, asking for suggestions. Then the fur starts flying. Smith, with an eye on that

soon-to-be-vacant firstvice-presidency, wants it proclaimed to the world that his new syntheticgirdle operation is doing 12.6 percent of the gross but earning 17.2 of the profit. Jones, whose corset operation is going the way of all flesh, would just as soon keep the details unpublished. Brown, whom

the boys call familiarly "vice-president in charge of finger waving," mutters something about "why tell the bastards anything?"—the epithet including broadly the stockholders, the competition and, of course, the union wage negotiators.

A product of artistry

CCASIONALLY, there emerges from O this miasma a real triumph of public relations over-the hush-hush, or ostrich, attitude. The annual report of the Caterpillar Tractor Company is frankly

addressed to both stockholders and employees. Assuming a normal interest and IQ, it can be read without the aid of slide rule or logarithmic tables. It shows how Caterpillar business is related to national trends in business volume, in employment, in wages. The same high standards are to be found in the current Borden report, which, in addition, offers the most informative. breakdown of sales in the history of large corporation reporting.

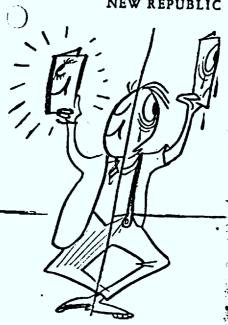
But these are exceptions. The reader who plows through an average report is dealing with the product of artistry rather than of factual technique. A group of extremely shrewd men have tried to arrive at a compromise which will satisfy the stockholders' curiosity while revealing no information of vital importance. This practice has led the dean of the American accounting profession, George O. May of Price, Waterhouse and Company, an outstanding firm in this field, to warn that one of the great dangers of our present financial setup under the SEC is the mistaken idea that stockholders are now necessarily better informed than they used to be. Another highly successful public accountant, Kenneth MacNeal, writes that, "The publication of a profit-

> and-loss statement which is complete and truthful in the economic sense must be a rare accident." And the American Institute of Accountants has urged the New York Stock Exchange to "bring about a better recognition by the investing public of the fact that the balance sheet of a large corpora-

tion does not and should not be expected to show the present values of the assets and liabilities of the corporation."

For those who want to learn how to read annual reports, a guide is offered by H. A. Finney, Ph.B., CPA, a noted accountant and teacher with long experience in the preparation of these documents. He says, "Read them with a grain of salt," and adds these warnings:

- 1. Some men are liars.
- 2. Two equally able and equally honest accountants may differ widely.



WHICH PAGE DO YOU READ?

First, as to the ugly matter of lying. Every annual report bears some kind of "certification." This is a sort of invocation by the accountants who audit the report, and, on the surface, sounds like a promise to tell the truth, the whole truth, and nothing but the truth, so help them God.

Once over lightly

O^N close examination, the letter of certification often reveals what the auditors do not wish to be held responsible for. Thus in the current GE report the auditor's letter says: "We have examined the balance sheet of the General Electric Company . . . without making a detailed audit of the transactions." This rather frank statement points up the fact that the independent auditors who prepare the annual report often merely review the company's figures and see to it that they have made no mistakes in arithmetic. And, at that -in the case of GE-they want it known that they did not confirm the details; they saw only the gross totals after the corporation's high-level accountants had finished setting the fig-

To take an extreme case of what "certification" may actually mean, remember the famous McKessor and Robbins swindle which came to light in 1938. Over a period of many years the firm's president, an ex-convict operating under an alias, had defrauded his

firm of millions of dollars and ...d manipulated accounts so as to conceal his thefts. But in 1938 Price, Waterhouse had declared to the stockholders that the firm's accounts "fairly present, in accordance with accepted principles of accounting . . . the position of the combined companies. . . . " This is, actually, no reflection on the honesty or brightness of the Price, Waterhouse accountants. It merely dramatizes just how little the auditor's certification may mean on the annual report you got in the mail this morning.

Wbo's right?

ND how much should you rely on the A glowing statement in which the company's president invariably damns government interference with business, but always promises—even in spite of such interference—to turn up a good profit next year? On that touchy subject, Arthur Stone Dewing, one-time professor at the Harvard Business School, writes in his classic Financial Policy of Corporations: "Financial literature abounds with well authenticated cases in which the same directors, who were outwardly seeking to support the company's credit by persistent reassurances to the stockholder, were at the very same time selling their own shares and even hastening the inevitable catastrophe by selling stock short." Fortunately for your peace of mind, though, the most flagrant examples of such practices belong to the days before Franklin. D. Roosevelt and the New Deal.

that "some men are liars." But outright dishonesty is not the major obstacle in the path of an eager annual-report

Of much more concern is the caution that even honest men differ widely on accounting practices. The varying techniques make presentation of figures to suit the purpose at hand surprisingly easy. This appears most clearly when a corporation wants to develop

two different figures for two different purposes. In 1940, for example, Western Union, in order to show a high profit to its stockholders, told them in the main body of its annual report that only \$8.2 million had to be set aside for depreciation. In the less well read tax section of the same report, however, Western

Union admitted it had reported a depreciation reserve of more than \$11 million to the government in order to lessen taxable income. The contradictory fig-. ures were developed by equally legitimate accounting practices. Only Western Union knows which, if either, figure was

Or take the case of Amerada Petroleum, a small but definitely blue-chip oil company. Its annual report is a thing of beauty, and—on second glance of wonder. It lists splendid earnings and handsome profits. The company has So much for Dr. Finney's warning not missed a dividend since 1922; and

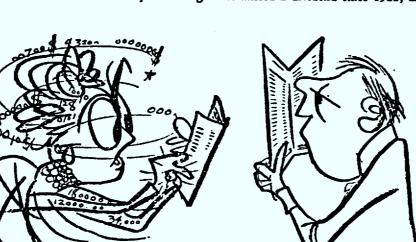
1944, with gross profits of \$17 million and a net of \$5 million, it raised its dividend from \$2 to \$3 a share. But its stockholders' report for that year showed no item for taxes on income or surplus profits. This caught the eye of one keen investment analyst, who looked into the detailed report which the company had filed with the SEC. There he found that Amerada actually had paid \$200,000 in taxes, but this

was less than it had paid in previous years when its income was lower. And it had paid no excess-profits tax at

The answer to this is another study in accounting legerdemain. It so happens that each year, any oil company can claim that its oil properties have been depleted by 27.5 percent

of its gross income. The fact that after four years, this figure of depletion comes to 110 percent has never seemed to bother Congress, solicitous for the future of the oil companies. In addition, by law Amerada is permitted to charge off costs of developing new wells as operating expenses, though the rest of us would have to list such expenses as capital outlays. So, by these perfectly legitimate deductions, Amerada was able to show a pitiable state of affairs to the government. But to its stockholders, everything was rosy. But what if its report to the government is nearer the truth? What if it is really depleting its oil reserves? What if its extensive drilling operations strike nothing of value? Fortune, after analyzing Amerada's success with a not unfriendly eye, added that "Amerada's present affluence and screnity are also due to luck." If luck should run out, those annual reports are going to look awfully silly.

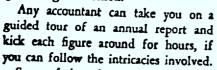
But these are special cases, each with its own peculiarities. What can be said in general about the figures presented in the ordinary annual report? As George O. May puts it, they are "the reflections of opinions subject to a wide margin of error." And accountants differ furiously among themseves in: their opinions. Suppose, for example,



TRY FIGURING IT OUT FOR YOURSELF

you look down the column figures in an annual report and note that a dividend was paid out of capital surplus. An innocuous enough item, you might think. William Wrentz, an SEC accountant writing in the authoritative Journal of Accountancy, not only gives the practice his blessing, but adds that "no one will dispute the arguments in favor of dividends from paid-in sur-

plus." But if you asked Colonel Robert Montgomery, another noted accountant and author, his opinion of this practice, he would say, "It comes close to moral turpitude." W. A. Paton, an outstanding teacher of accounting, would tell you that "such a dividend deserves the general condemnation accorded it by accountants," and that "it is deplorable that it is given legal sanction."



Some of these items are of such importance that a variation in accounting procedure can change the entire impression of the report. Consider, for instance, the innocent item marked "surplus." Using one method of accounting this item, the Radio Corporation of America reported a net income of \$95 million in the 14 years from 1922 to 1935, an annual average of \$6.8 million. But if they had followed a more conservative and more orthodox procedure in handling their surplus account, their average net income for the period would have appeared as \$700,000 a year, or about one-tenth of what they actually showed in their annual report.

Light for the layman

This is, of course, highly teclinical stuff. But it has wide implications. The stock of RCA—thanks to its annual-report policy—was one of the leaders in the market speculations of the late twenties, and also one of the leaders in the pell-mell collapse that followed.

But, if annual reports are so it if of intricacies, is there any point in looking at them or studying them at all? The answer, gleaned from talking to a cross section of accounting professors and public accountants, is—yes and no. Professor Edwin Frickey of Harvard, one of the country's outstanding teachers of the subject, gives a famous course in which students spend

months analyzing just a few corporation reports. And an investment analyst will take weeks or even months to reach any conclusion on the meaning of a single annual report. What about the rest of us? T. H. Sanders speaks for the professional accountants when he cautions: "As for the man in the street or 'the casual investor,' no sensible person will assume the responsibility for proposing any

accounting procedure whatever on the ground that it will place these financial dilettantes on an equal footing with serious students of the subject."

V.P. FOR GIRDLES

In case you don't want to be on an equal footing, but would just like to get some idea as to how your pet corporation is doing, what then? In the first place, never look at one year's figures alone. It is the comparison with

past figures that sheds some light on : what the company may do in the future. Then if you are really to understand any one company, you must first have some idea of the entire industry in which it functions. So get the reports of other firms that are in the same or a similar business. A little study of the over-all problems and prospects of the industry will help, too. For example, the present crop of rubber-company reports will make little sense to you unless you are well up on the debate now going on in Washington over future government policy in the buying of raw rubber and the development of synthetics.

And when you have done all this, there is one more thing to remember: a company's earnings may have no relation to the strange behavior of its stock in the market. Otherwise, all accountants would have retired long ago as a result of successful speculations. The fact that most of them still work for a living should prove to you that not even a professional understanding of annual reports will enable you automatically to pick a winner.

And, finally, remember that the public-relations director who prepared the annual report had you in mind. For in the last analysis, the annual report is a public-relations device whose theme song is "love that corporation." And as Dr. Frickey puts it to his students, no annual report ever took the place of an extra dividend.



NOW YOU SEE IT, NOW YOU DON'T

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by Herman Kogan

APRIL 1 was April Fool's Day for the Republicans in Chicago. Having grabbed important Cook County offices from the Democrats in last November's election, a combination of over-confidence and dizziness tripped them up in the contest for the key city's mayoralty, with the result that Democrat Martin J. Kennelly came through with a plurality of 275,000 over his bumbling Republican opponent, Russell W. Root.

Although some Democratic observers were quick to detect a trend in the Republican defeat, actually Kennelly's election has more significance locally

than nationally.

Last winter McCormick and Governor Dwight H. Green had handpicked Root because he was ready to respond to the slightest crooking of a big shot's finger. An unknown precinct captain in an upper-middle-class South Side ward three years ago, Root had held minor state jobs; and whenever he opened his wide mouth he seemed to be reciting the latest Tribune editorial. Believing that old Boss Ed Kelly, or at least one of his protégés, would be Root's foe, the Republicans had prepared for another

But that political wise man, Colonel Jack Arvey, Kelly's successor as boss of the Cook County Central Democratic Committee (see the NR, March 24), crossed them up. It was time, he said, to pick a non-machine man, free from the taint of professional politics as practised in Chicago. And he chose Kennelly.

slaughter in April.

A Chicago newspaperman for 15 years, Herman Kogan is the co-author of Lords of the Levee, a political biography of Bathhouse John Coughlin and Hinky Dink Kenna, Chicago's famed Pirst Ward aldermen. During the war he screed as a Marine combat correspondent.

The Republicans, caught off-guard, were bewildered. Here was a foe who had actually fought the Kelly machine in previous elections; a genial, silver-haired bachelor of 59 with lots of sincerity, ideas and audience appeal; a successful, wealthy, conventional businessman; a candidate who said firmly, in accepting the nomination: "I have not made nor will I make any commitments to anybody. We must get away from the idea that the government belongs to a party and realize that it belongs to the people."

As a result Root rode off in a dozen directions. He called Kennelly a "political faker" and a "sham independent." He insisted that Kennelly discuss the issue of the hour-the clouds of World War IIL" Before Negro voters the Republican speakers blamed the local Democrats for the Bilbos and Rankins. Representative Alvin O'Konski, the Wisconsin spellbinder, was imported to advise the Polish constituency that a vote for Martin Kennelly would make Joseph Stalin very happy. In Jewish neighborhoods Root spoke for a "free Palestine." "Curly" Brooks, McCormick's Senator, bustled in from Washington to let the people know that Kennelly's election would be the signal for. a third World War.

Root did manage to discuss local issues. But a good deal of his oratorical fire was concentrated on American foreign policy, a matter in which many Chicagoans have a deep interest except when they are looking for someone to clean up the streets and alleys, solve the traction mess, improve the woeful schools, reduce taxes and build houses.

As amateur politicos often do, Kennelly waged a clean, intelligent campaign. He stayed away from official party headquarters, had no manager, and came forth with concrete proposals for stimulating home building, solving the traction tie-up, constructing superhighways and subways and strengthening the civil-service system.

In the closing days of the campaign, a tragedy in downstate Illinois put the torch to Republican hopes—if any still existed. An explosion in a Centralia mine trapped 111 men. GOP Governor Green's appointees were charged with negligence in enforcing safety rules; a pathetic letter from miners before the blast had been sent by Green into laborious "official channels"; the papers started yelling for Green's impeachment.

"The whole god-da.nned house of cards is falling in," grumbled a Republican press agent a few days before the election.

Kennelly's was a personal triump rather than a victory for the Democratimachine. His running mates, city cler. Ludwig Schreiber and city treasurer Jo Baran, both regular party men, hapluralities of little more than 100,000. In the wards, Democratic aldermewere mowed down in two's and three. In heavy Democratic sections, there was little difference between Kennelly's volpercentage and those of Kelly in earlie elections; but in Republican wards the Kennelly percentages had leaped from the six to 12 points higher than Kelly's have ever been.

An old-timer from the city's rollicking First Ward put it this way: "You can't win with just any guy. Them day are over when you can put up som stooge. Maybe the people are gettiry smarter."

Dut it would be an error on the partition of national Democratic leaders to think that the Kennelly triumph was complete repudiation of McCormick is altionism. Certainly, thousands switched allegiance on Election Day. That doe not mean, however, that these thousands would refuse to vote for an iscallationist Republican Senator or Representative—or even a President.

It does mean that on strictly local issues the McCormick cry of nationalism amounts to but a whisper. It does mean that the hackneyed technique of dragging in red herrings at mayoralty elections doesn't always work in Chicago

Just as the election shoved Governor "Pete" Green out of the running as vice-presidential possibility and surel damaged McCormick's standing wit the Republican hierarchy, so has suddenly brought Kennelly to the attertion of the Big Democrats.

Already there is talk of groomin him for "bigger things." "A natural, the boys call him. At the moment, Ker nelly is neither ready nor willing t yield to such temptations.

For he has carved himself a might job of building a "Chicago whose great ness will be unchallenged throughouthe world." Unless he is very naïve, he must realize that one of the harder parts of that job will be to convince the remaining members of the Democratic machine that he meant what he said about "no favors" and "no commitments" and of being "the people mayor."

Kennelly is no Fiorello H. LaGuardi; but he is the most hopeful, encouragin thing that has hit the rough, tough tow in many decades. Even if he fulfills on half his promises, he probably can stain City Hall as long as he wants to.

Follow the Leader

by Dale Kramer

Big John Lewis' mine workers have followed him unquestioningly through ups and downs, but their patriarch is aging fast

HEN John L. Lewis climbs out of his limousine these days he comes down hind first, gripping the door jambs and distributing his sagging weight carefully between the heels and balls of his feet. If there are no photographers at whom gayly or threateningly to flourish his heavy cane, he uses it for what it was made. The auburn mane has turned a lank gray and the full cheeks hang in ashen, seamy pouches.

This slow and creeping change is reflected in the conversation of political and labor insiders when they sit around discussing the future. They used to speak of Big John Lewis. Now it's Old John.

He is a patriarch, and the 500,000 miners over whom he rules are his family. Again on April 1 they showed how closely they hang together when they quit work for six days in mourning for the 111 members of their clan who died in the Centralia mine. And once more they also demonstrated their unquestioning obedience to the aging lord who tells them when and when not to work.

If anything, age has increased the regal quality of Old John's passage through the hushed and lofty halls of the Mine Workers' Building in Washington. For anyone to halt his stately

As a correspondent for Yank, Dale Kramer covered the Pacific and the surrender of Japan. He is now a free-lance writer and has contributed to Harper's, Esquire and the Nation. promenade would be a disastrous breach of etiquette. Men who called him "John" or "Jack" are mostly either in the ranks of the hated CIO or too old for duty. Those remaining address him as "Mr. Lewis," and they maintain the respectful title when talking about him, perliaps even in their secret thoughts. An official in the same building may spend two or three days obtaining an appointment. When one showed up on a hot day dressed in slacks, word came down through channels that Lewis considered such garb undignified.

Insiders refer to Lewis' vast office on the fifth floor as the Throne Room. He is not opposed to the analogy. "Why, gentlemen," he once told a convention, "the sisn't any mincing, lackadaisical, lace-pantied gigolo going to dethrone John L. Lewis in his own organization and in his own convention."

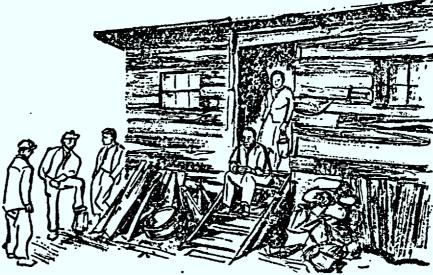
To labor leaders the term "king" is not exact. Neither is "boss." Nor the "sacred leader" of miners' convention resolutions. After three decades, Old John is the United Mine Workers of America.

The dutiful dispatches of newspaper reporters during every strike telling of cracking ininers' support are therefore looked upon as old jokes. Labor men are not impressed by the view of the Supreme Court's decision as a stunning blow necessarily breaking Lewis' grip. What they know—and the reasons for their conclusions are set down hereinafter—is that the miners will do his bidding.

And so, the terrible pride of Old John being well known, labor men see the miners' union in peril. The danger will not pass with the resolution of this crisis or one or two more. Lewis is 67. No medical report is necessary to reveal his failing health—the camera does it.

The death of Lewis and the attendant confusion among palace sycophants, coupled with widespread unemployment and enemy attacks, could, even without a disastrous strike, destroy the union which for almost half a century was the vanguard of American labor. Maybe it still is.

The plumed figure of Old John largely obscures the fact that the



HOME LIFE: THERE ARE THOUSANDS OF SUCH MINERS' SHACKS

coal miners are still the or fourthclass economic citizens. The stocal miner's average daily wage is \$11.85 for nine hours. That is for a five-day week; the sixth day, if worked, calls for timeand-a-half. Since miners want to pile up cash and the operators coal, most pits have been working a six-day week. The average steelworker's pay for nine hours figures \$12.44. Auto workers get \$13.01.

Sudden death

Was comparisons tell only a part of the story. Working conditions in the mines—floating coal dust, water often knee deep—are dismal enough. In addition, the miner faces startling dangers. Big mine disasters get headlines, but scattered fatalities escape notice outside the mining camps. Consequently, when Old John thundered during wartime that coal digging was more dangerous than armed service, most people thought he was only beating his gums again.

He was not. In the years 1942-45 inclusive, 5,295 men were killed in the mines and 259,408 more were injured. That averages a little more than one dead or injured for every two miners. Armed forces battle casualties over roughly the same period were a little less than one per 14 men. By entering the service a young miner thus greatly reduced his chances of getting hurt.

Auto workers suffer only about onefifth as many accidents as miners, and severity figured in man hours lost is roughly one-fifteenth as great. The miner is also a-major sufferer from occupational diseases. His working days are made miserable and his life shortened by lung afflictions (he calls them all asthma) and by cramps and rheumatism resulting from floor water and damp air.

A medical survey of conditions in mine towns was part of the welfare program negotiated by Lewis last year in his famous "agreement" with Interior Secretary Krug. The Navy sent medical officers, engineers and social workers throughout the mine fields. Advance reports indicate that conditions have improved little since 1923, when the last survey was made.

The demand for a welfare program was something new for Lewis. The only such program he ever had was a large



THE COMPANY STORE OFFERS A PLACE TO MEET AFTER WORK

cash box which he kept near him. If someone turned up with a hard-luck story, or a moving letter from a widow came in, he reached munificently into the box and hauled out a \$10 bill.

The survey doubtless will pay dividends, but cash is something Lewis understands better, and he insisted on getting some placed at once in a welfare fund. It is still there, most of it lying in a New York bank.

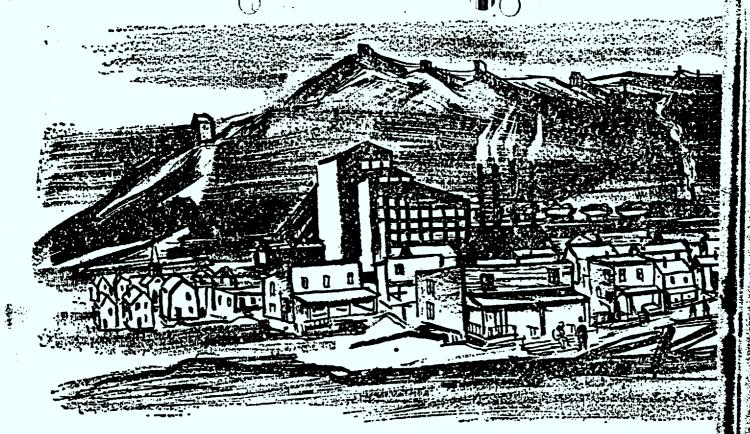
Operators are required to contribute five cents for each ton of coal mined. The welfare fund will receive roughly \$30 million a year if production holds up. Considering the thousands of disabled and decrepit miners in the fields and the high accident rate, that amount will not go far.

Miners hailed the agreement (which included a vacation clause worth \$100 a year), but, with the cost of living shooting up, they were none too happy. Besides, they had begun to worry over

the future of the coal industry. Layofin the hard-coal fields were commending and they wondered if only the threat of strike held up employment the bituminous mines. The early thirtical when two working days made a gooweek, are fresh in memory.

There is, too, the fear of increase mechanization. Strip-mining, which exploys great earth-moving machines as requires comparatively few men, a counted in 1945 for 19 percent of bit minous production compared with 6 percent in 1935. The portion of underground output cut by machines rathethan with hand picks rose from 84 percent in 1935 to 90.8 percent in 1944. The increase in mechanical coal loade was greater—from 13.5 to 56.1 percent All together, net production per maper day went up from 4.5 to 5.78 to in the 10-year period.

Increased use of coal substitutes cauadditional worry. In 1935 coal suppli-



TYPICAL PENNSYLVANIA ANTHRACITE TOWN: FLARING FURNACES, COMPANY SHACKS HUD

51.7 percent of all US energy requirements. Ten years later it provided only 46.4 percent. Goose-pimpling talk of big and little-inch pipelines for carrying oil and gas is therefore understandable. Some petroleum companies are experimenting with extraction of oil and gas from coal, believing the process may be cheaper than piping them out of the ground. But no one knows whether it will work, and if so, when.

The making of a dictator

H a million coal miners obey the crders and often the whims of a single man? Lewis has headed the UMW—in fact, if not at first by title—for 29 years, more than half its lifetime. But men have held long tenure in other unions without approaching his power. Part of the answer can be found in the century-long struggle of miners to hold their unions in the face of merciless and devious onslaughts.

The mine owners set one part of the pattern as early as 1849, when they bought out John Bates, leader of Bates's

Union, the first US miners' organization. They set another in the middle seventies by putting the law on John Siney, head of the National Union. The prosecutor thundered: "John Siney . . . did assist in this combination of miners for the purpose of raising wages, and it is your bounden duty under the provision of the law to bring in a verdict of milts."

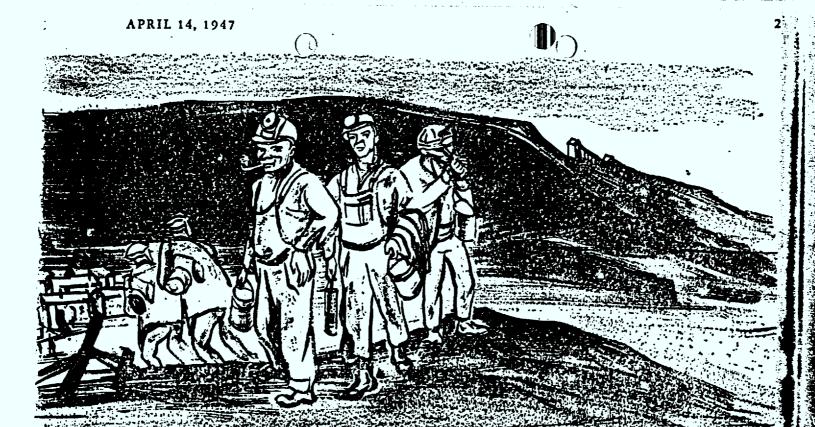
Another area of the pattern was stamped a few years later when Pinkerton detectives were sent as labor spies into the Molly Maguires, a secret band of direct actionists. The calculated violence of private-company armies and bribed officials was used against the National Federation of Miners, organized in 1885, and it was stepped up after 1890 when the miners' faction of the Knights of Labor joined with the National Federation to found the present United Mine Workers of America.

Solidarity was the miners' major counterweapon. When an able, incorruptible leader arose, they had a tendency to idolize him. They did it with John Mitchell, who even yet is given a

"day." And even that sensitive, mild leader stepped out in 1908 after only a decade to accept a better-paying job with a semi-employer group—though he quit when the miners objected. John L. Lewis has been accused of taking power, but never bribes.

The miner's way of life was, and is, another compulsion for allegiance to personal leadership. What man could labor 12 to 16 hours a day, six days a week, often on his knees swinging a pick, and have time for analyzing complicated issues? In nearly half of the miners' homes the official *Journal*, a powerful advocate of Old John, is still the chief reading fare. At the same time the "operator-dominated" public press is distrusted.

But the greatest factors in the present organization of the UMW are the personal qualities, character and ability of John L. Lewis. The general public's simple view of him as a combination bruiser and ham actor is not shared even by enemies who know him well. They have seen the Lewis ruthlessness and the Lewis theatricals. But they have



HUDDLED NEAR THE MINE SHAFT AND HUGE, BLACK SLAG HEAPS TOWERING ABOVE HOUSES AND PEOPLE

seen, too, an extraordinarily subtle mind and a vast personal force and charm usually concealed from the public.

One former close associate said recently, "John Lewis' native qualities of leadership have been surpassed by few of his contemporaries in America or anywhere else. But not many have so loved to drive rather than lead."

The key to power

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And up all these factors—the history of miners' struggles, the nature of coal digging, the character of John L. Lewis—and the whys of lack of democracy in the UMW become clear. The union's constitution gives the hows. Here is the key to power:

Charters of districts, subdistricts and local unions may be revoked by the international president, who shall have authority to create a provisional government for the subordinate branch whose charter has been revoked

The climb back from provisionalism, once Lewis has substituted his appointees for elected officials, is next to impossible. Of the UMW's 30 districts, 20 are

provisional or semi-provisional. Some have held no election in a decade and

In a recent courtroom tussle, Lewis self-righteously apprised the court of the fact that his expenses are passed on by the union's executive board. He did not add that as ruler of the provisional districts he appoints a majority of the board—and holds power to remove even the few who are elected. The board has one member for each district.

Appointment of subordinate officers is one of the few things which still causes fireworks in the conventions. Some locals regularly instruct their delegates to ask for home rule-autonomy is the customary term-for their districts. Debate is usually perfunctory. The 1944 gathering, however, saw some excitement because Ray Edmundson of Illinois (District 12), was fighting Lewis. For years Edmundson has been looked on as a crown prince—not a healthy reputation to have. Lewis was poking into the financial affairs of District 12 when Edmandson resigned, promising to beat the old man. Though an appointive district president for ne ly a dozen years, he tied his hopes the home-rule issue.

Edmundson couldn't get into the co vention. The rump session he cal drew less than a baker's dozen, and lawhen he sought to contest for the prodency he couldn't get on the ballot. It Lewis took enough notice to speak home rule. The agitation for un democracy, it turned out, was a trick the mine owners. "I know, of cours Lewis told the convention, "that c operators' agents have gone about couraging this propaganda, enlist men to come here and fight John Lewis on this question." He had kicl many a dastard out of office "on the of my boot." As he proceeded with tale of carnage, his followers came of their chairs shouting hosannahs.

In a milder mood he has told a st out of his boyhood to illustrate his p tion on union democracy:

When one of the boys would co home and would tell the other that some of the neighbors' houses the si had more autonomy than we had in house, and we would hold a caucu. It is we used to get along fine until Mothel intervened and made the decision. In the light of the greater knowledge that comes with increasing years... I can look back now and see that Mother was right every time. . . .

UMW officialdom, as a matter of fact, is referred to reverently as the "family." The ambition of all local miner politicians is to get into the family. Most locals are allowed to elect their own officers, who receive per-diem pay besides wages lost while on official duty. A man who is able to win local elections regularly catches the eye of district officials, is brought to the attention of Lewis and eventually gets a chance to move up. Unswerving devotion to Old John, head of the family, is the top requirement.

The family is important enough to warrant a pension system, which the miners themselves still lack. Employees pay a sum into the pension fund which is matched out of the union treasury. At 65, a \$6,000-a-year man (a medium-grade field executive) can figure on somewhere between \$150 and \$200 a month for the rest of his life. If fired, he loses pension rights, though he gets back his own contributions. An aging subleader, with a good-sized equity above his own donations, thinks twice before displeasing Lewis.

The allocation of dues also helps to center power at the top. The national treasury gets 90 cents of the \$1.50 monthly total. The Auto Workers take only 65 cents for the national office; the Steelworkers 75 cents out of an equal sum.

Critics of Old John heaved out of the UMW cast an especially fishy eye on this section of the constitution:

Any member guilty of slandering or circulating, or causing to be circulated, false statements ... wrongfully condemning any decision rendered by any officer of the organization shall, upon conviction, be suspended from membership for a period of six months and shall not be eligible to hold office in any branch of the organization for two years thereafter. . . .

The Lewis-appointed executive board decides whether an officer has been "wrongfully" condemned. When Lewis went out to beat Pat Fagan in the Pittsburgh district after Fagan refused to go

Roosevelt, several miners were hauled into the Washington headquarters and convicted, in effect, of circulating campaign literature in Fagan's behalf. The literature implied that Fagan might be right, Lewis wrong. Fagan's popularity was so great that many observers thought him unbeatable. But Old John drove him out of the herd.

Solidarity against the world

Miners expect to strike. The press can gloat over what it calls a resounding whipping given John L. Lewis, but the coal diggers see it the way Lewis said—the government black-jacked them. Of course, the miners are not sure they will strike. Old John will decide that. But the man in the pits, angry himself and understanding well the pride of Old John, at the moment sees no other way out.

But not even Lewis' worst enemies—at least those who know him—predict that he will call a strike for the hell of it, without trying other means of getting victory or something resembling it. Labor men are of the opinion that if the government won't bargain, Lewis will send envoys to the operators, perhaps secretly.

The operators have not signed the Krug-Lewis agreement. When the gov-

or nt hands back the mines on June 30—which it must do unless there is new legislation—the operators may try to knock out the welfare fund and other gains. Their hand will be greatly strengthened, of course, by Lewis' bogeyman reputation with the public. According to Gallup pollsters, President Truman's popularity jumped sharply after his wrestle with Lewis. Congress could find no easier way of passing restrictive labor legislation than under the guise of "curbing" the mine leader.

And so the prospect of Old John riding forth to protect what he calls the "defenseless breasts" of his members brings shudders to other leaders of labor. If he and the miners are brought down, can the breach be filled in time?

Lewis' possible successors

W should Lewis die—or, perhaps worse, undergo a long illness? No one, remembering the case of Ray Edmundson, is likely to step forward as a candidate. Rumors went around not long ago that Lewis would like to name his younger brother, Denny, as acting president and devote himself to the AFL and making war on the CIO. (The miners did not return to the AFL; the AFL aligned itself with the UMW, according to the Journal.)



burgh district after Fagan refused to go IN SPITE OF MACHINE AIDS, SOFT-COAL MINERS STILL WORK ON THEIR KNEES

But even Denny's friends sometimes refer to him as "John with the brains knocked out." Denny has been more of an order-carrier than director of big affairs. The dozen-odd other Lewis blood relatives and in-laws on the payroll have shown no greater capacity. John's only son, John L. Jr., is practising medicine. His daughter Kathryn still holds title as secretary-treasurer of the catch-all District 50. But her labor interests have lately been subordinated to. studies in Oriental religion and philosophy.

The old-timers who remain have lived in Lewis' shade for so long that even their desire to head the union is doubtful. Thomas Kennedy, the secretary-treasurer, is aging and tired and said to be anxious for rest. The vicepresident, John O'Leary, is an old wheelhorse who has never been known for initiative or knowledge of the coal industry.

Others might fill in: Ora Gassaway of Indiana, John Jones of Maryland, John Owens of Ohio. All spend much time around the throne. But they also have taken orders for too many years. K. C. Adams, Journal editor, pleases Lewis by making up such terms as "New Deal burrocrats." But he lacks a solid mining background. John Kmetz, present head of District 50, is middleaged and personable. But the younger men brought up through the "family" are also short on initiative.

I Trouble abead

THERE remain the men thrown out by Lewis. It was generally believed that Phil Murray, long-time UMW vicepresident, could have fought Lewis effectively had he been willing to take a chance on splitting the union. Van A. Bittner, Allan Haywood, John Brophy and many other CIO officials are former miners' leaders. But whether the miners would turn back to them in the event of Lewis' death is more than anyone wants to speculate about.

There is no lack of unanimity of opinion on one point: trouble lies ahead for the miners, and plenty of it. They may or may not avoid a long and bitter strike. But they must inevitably face chaos among the sycophants when Old John passes on.

ATrust Is Dented

by Donald W. Craig

Thanks to a Philadelphia theatre owner, Hollywood's tight-fisted grip on motionpicture bookings has been loosened

s you come out of the Fifteenth A Street exit of Broad Street Station in Philadelphia, the name GOLDMAN, spelled in gigantic, illuminated letters of many colors, smacks you in the eye from a vertical sign a hundred yards away.

The sign, and the theatre behind it, symbolize the beginning of what may be an epochal change in one of America's largest industries—the movies. The change is from monopoly to free competition. Its importance is indicated by the fact that the movies' power to influence man's manners, morals and values is perhaps unrivaled even by the press or radio.

The Goldman Theatre, opened last August 15, was America's first major postwar movie house. For William Goldman, veteran showman and theatre operator, the opening marked the climax of a dramatic and bitter struggle. Its story is partly national, partly local; but the details of it could apply to any metropolis.

Fourteen years ago, after repeated clashes of judgment with his superior, William Goldman quit a \$78,000-a-year job as general manager of Warner Brothers theatres in the Philadelphia area. During the next few years, as he tried to develop his own chain of theatres, he often suffered from the heavy

operated. A growing rage at methods he had once accepted and employed caused him to say one day to a friend, "Some day I'm going to bust that monopoly, and bust it good!"

hand of the system he had formerly

This was the kind of thing friends pass off with a deprecating smile. "Busting" Warners' monopoly in Philadelphia was then on a par with kicking over the Empire State Building. Yet Goldman did "bust" it, in just the way he in-

In 1941, Philadelphia had eight firstrun picture theatres and Warners operated all of them. Today there are ten first-run houses in Philadelphia, and Warners' tally has dropped to seven. Goldman owns two (one bought out from under Warners), and Twentieth Century-Fox has another, repossessed after many years of Warner operation. Goldman has two more top-flight houses ready for first-run pictures as soon as they come on the market. The Warner monopoly has been cracked.

Goldman's achievement is considered by theatre people as one of the most extraordinary feats ever performed in their extraordinary industry. To appreciate it, one must know something about the position Warner Brothers once held in the city, and something about film

distributing in general.

In Philadelphia—the system varies slightly in different cities—there are a number of "first-run downtown" houses, a larger number of "key-run" houses and many "subsequent-run" houses. The

Donald W. Craig, a former teacher of English, was on the staff of the Philadelphia Record for two years until the paper shut down. He is now free-lancing. key-runs are located in the business the shopping centers of outlying districts. Each stands at the head of a line of subsequent-run places in a geographical zone. The key-run is without exception the largest and most profitable theatre in its zone.

A feature picture plays first in the downtown area. After this run is completed, it may go to a "moveover," or second-run downtown, for a week or two, or it may be put out of circulation for 28 days of "clearance." This clearance period is to keep the price up by preventing neighborhood competition with first-run houses.

After the 28 days, a number of prints of the picture are shown in many keyrun houses at the same time, usually for a week. After another week of clearance, they open for three or four-day runs at the first subsequent-run house in each zone. And so on, until the final house is reached.

Before the war, Warners operated, besides all Philadelphia's first-runs, two of the three moveover houses and 15 of the 18 key-run theatres. Warners decided what pictures to play in its first-run houses, when to play them and how long they were to play there. No

"A" picture could enter the city without first being shown by Warners. If this meant holding up important pictures for a month or a year, that was too bad.

No subsequent-run exhibitor could touch a picture that Warners was interested in until Warners got through with it—that is, until the best profits had been skimmed off by the downtown houses, and the next best profits by a Warner first-run neighborhood.

Film rentals were also weighted in favor of the Warner monopoly. Several independent exhibitors paid higher fees for pictures than did Warner houses getting the pictures ahead of them. For many films the percentage taken by the distributors from a small end-of-the-run theatre was the same as that charged for a first-run downtown.

The effect was like putting the president of a corporation and his stenographer in the same tax bracket. Moreover, in each rental contract the distributor of the picture stipulated the minimum admission fee to be charged. Admissions were heavily influenced by those charged at Warner houses. Pricecutting by an uppity exhibitor would mean relegation to a later and less profit-

able run. A new exhibitor desiring to compete on equal terms with a Warner house anywhere along the line was through before he statted.

Warners' omnipotence in the area, arising from the buying and withholding power of its theatres, worked against the exchanges of the other big producers as well as against the exhibitors.

The "gang"

Win this game, however. The producer-exhibitors work together, allotting one another different areas as their special bailiwicks wherein their theatre chains can monopolize profits and keep down competition.

Thus Paramount is solid in the solid South-so solid that, according to a trade anecdote, an isolated house owned by a Warner relative in Jacksonville, Florida, once paid more for a single feature than the same picture cost 41 theatres of a Paramount chain (Sparks). Loew's, which, with RKO, controls much of the picture circulation in New York City, during an internecine squabble once held Paramount pictures away from most of New York's neighborhood theatres for almost a year. Warners is currently banning all Universal and Eagle-Lion pictures from any of its theatres, according to Variety, in retaliation for an alleged raid on its studio personnel by these two producers. These are minor ripples, however, on the smooth surface of trust relationships. Internal differences are generally subordinated in the interest of presenting a solid front against the independents.

The essence of monopoly is that it can restrict distribution and exhibition, and, in the resulting sellers' market, fix and maintain high prices. The independent exhibitor in Philadelphia-or in any city -could not and still cannot buy pictures in quantity except from the established film-distributing agencies of the producers (the "Big Five" consisting of Warners, Loew's-M-G-M, Twentieth Century-Fox, Paramount, RKO, plus Columbia, Universal and United Artists). These exchanges distribute films of producers outside the "gang"-on their own terms. Consequently the exhibitor has to depend on their pictures or go without.

Picture's Progress

Here's how the system discussed in the accompanying article worked with a specific picture, as recently as last year.

"The Bells of St. Mary's" moved into downtown Philadelphia February 13, 1946. After a very good first week's run, the rental was set at 40 to 50 percent of the gross.

Twenty-eight days after its first run was completed, it opened at the key-run houses—for instance, at the Orpheum, a big Warner house. Here it grossed possibly \$8,000, of which 50 percent went back to the distributor, leaving Warners \$4,000.

After hopping from theatre to theatre in the Orpheum zone, it played the Wayne, a small independent. By now most people had seen it; it had been milked ary of profit.

The Wayne might gross \$300 on it, of which it could keep at most \$180. And the picture had to be carried on "preferred time"—Saturday or Sunday—if the exhibitor wanted to stay in the good graces of the exchanges.

The result of this rental system is that good pictures are frequently not so profitable as poor ones, and lose out often in the small theatres.

"Suppose I buy 'Blue Skies'," explained one exhibitor, "It's being sold at 45 percent. Suppose I do a capacity business on it, and gross \$500. I pay out 45 percent, and I'm left with \$275. I'm better off if I take a "B" picture. I could get one for \$30, take in \$350, and clear more than I could on 'Blue Skies.' After all, I'm' in business."

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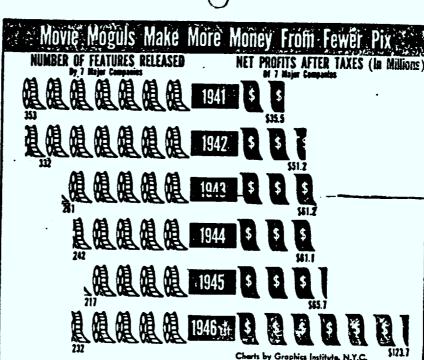
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There is big money in the system. The movie companies have found profits can go up even when the number of pictures is cut down. In 1941, 353 features were released by seven of the eight major companies and the net profit after taxes for all operations-production, distribution and exhibition—totaled \$35,491,000. In 1946, the total annual output of the seven had dwindled to 232 pictures, and estimated net profits, with booming theatre attendance, had climbed to \$123.7 million. It pays to starve the market. And since the market itself was controlled as outlined above, the exhibitor used to have no recourse to fresh sources of supply. He still doesn't-but relief is in sight.

The opening gun

T WAS this system that William Goldman tackled, with full knowledge of what he was getting into. He prepared for it by building up a small chain of neighborhood houses in Philadelphia and outlying towns, which together supplied him with a tidy kitty running into six figures annually. He had one advantage in the projected strugglé he knew, as an associate said. 'where all the bodies were buried." Six years as head of the Warner circuit in eastern Pennsylvania had given him a clear understanding of how the other side worked. In St. Louis, before coming to Philadelphia in 1928, he had built up two successive theatre chains, had fought against and then worked with the Skouras brothers (Spyros Skouras now heads Twentieth Century-Fox), and had put in some time as chain manager for Paramount. He was a seasoned war-

The kickoff came in 1940. At that time, Warner Brothers was having one of its periodic spats with Paramount Pictures over treatment of Paramount's product in Philadelphia. Paramount then had a backlog of almost a year's unplayed pictures waiting to get into the area. Goldman extracted a promise from Neil Agnew, Paramount executive, that Goldman could get Paramount features first-run if he could find a good theatre for them. Goldman forthwith started negotiations for the Erlanger, a vast and luxurious amusement hall closed during most of the depression.



But in the meantime Warner Brothers had got wind of the deal. According to Goldman's testimony in the subsequent trial, Harry Warner got into a huddle with Barney Balaban, president of Paramount, and told him a break in Philadelphia would mean a break throughout the United States. As a result, Goldman testified, Paramount and Warners patched up their differences, leaving Goldman with a theatre and no pictures.

During 1941 and most of 1942 Goldman bombarded the distributors with letters, telegrams, phone calls and visits in an effort to get first-run shows for the Erlanger. He was consistently turned down by all the exchanges.

"As you know," wrote Charles Zagrans, RKO's branch manager, in a typical refusal on October 28, 1941, "Warner Brothers has been our established customer for the exhibition of our pictures first-run downtown Philadelphia." He went on to say that therefore RKO would continue to deal with Warner Brothers "as in the past."

Earlier, and less formally, Zagrans put it in a nutshell for Goldman during a luncheon conversation, according to Goldman's testimony. "Well, Bill," he said, "there is no use kidding you. You know what the setup is. If we make a deal with you, Warners will penalize us in the subsequent-run theatres, and

that will be very harmful to our interests."

Goldman treasured all these things in his heart—and in his files—and on December 8, 1912, sprang his big play. He filed suit against the eight big producer-distributors and their exhibitor affiliates in the Philadelphia area, asking \$1,350,000 in triple damages for loss of profits at the Erlanger during two years. The suit charged that the Erlanger had been refused permission to exhibit first-run pictures "by reason of an illegal combination and conspiracy to monopolize the entire motion-picture industry, particularly in the Philadelphia district."

Goldman's extensive, if unproductive, letter writing of the previous two years now showed its value. He was able to produce in court almost identical letters from local representatives of the big producer-distributors, denying him films at a time when there were films to burn, films drying up in the vaults because of the first-run bottleneck maintained and enforced by Warner Brothers.

On April 8, 1944, Federal Judge William H. Kirkpatrick of the US District Court dismissed the case. "While Warner Brothers undoubtedly has a monopoly in the Philadelphia area in the showing of first-run pictures," he ruled, "the monopoly is not illegal."

Goldman appealed—but he was not

the only party to feel the blow. The U\$ Government was then in the thick of its own anti-trust suit against the industry, and regarded the Goldman case as a testing ground for its own campaign. The Department of Justice hustled into the fray, and a brief was filed on behalf of the government as "amicus curiae," claiming that the public had a direct interest in the number of firstrun theatres, that it was to the public's

benefit to have as many as possible, and that "the District Court's approval of the pattern of distribution disclosed... is a threat to free competition in any business."

On August 2, 1945, the Circuit Court of Appeals reversed the District Court. After a long delay, the final judgment was delivered and Goldman was awarded \$375,000, about a quarter of his original request, on last December 19. Eleven

days later he sued again, this time for \$8.4 million for profits lost at the Erlanger between the time his first suit started and the end of 1946. The defendants appealed the original suit back to the Circuit Court, But the battle was

Six months before the award, however, the attention of theatre people everywhere was drawn away to the decision rendered in the crucial "New York Case" of the government against the industry. This judgment finally outlawed any kind of block booking; forbade chain contracts for any pictures; barred price fixing; opened the picture market to free competitive bidding; and forbade the acquisition of new theatres by any of the producer affiliates.

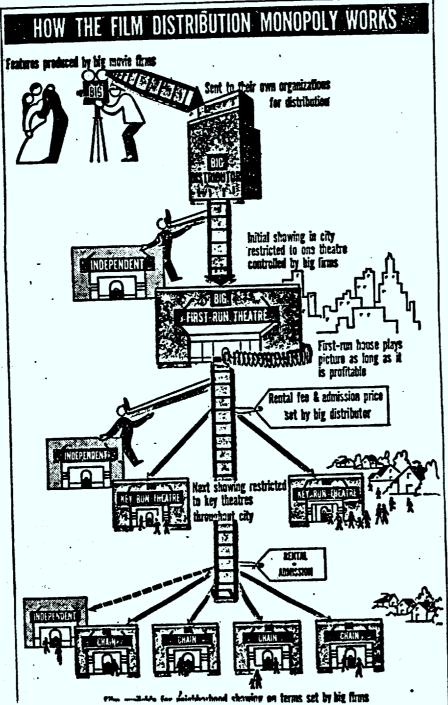
The basic threat to freedom in the industry—producer-owned theatre chains—has not been scotched. But the government is carrying the case to the Supreme Court with a request for complete divorcement. A final decision will probably be rendered sometime next winter.

Anybody's guess

As this is being written, the Supreme Court is considering a motion to stay the provisions of the decree until it sees the case. But the producers already are testing out the competitive-bidding item and finding to their delight that it yields more money than ever, during the present picture scarcity. As a result, independent exhibitors all over the land have set up a howl that the decision meant to free them is actually going to destroy them.

Goldman is one independent who is not howling. Having forced his way to the top of his local heap against terrific odds, he is getting all the first-run pictures he wants and making big profits on them.

The able Philadelphian has demonstrated once for all that the big boys can be licked and that competition is possible. Under the logic of the competitive system, an open market and unrestricted buyers can ultimately bring more producers, selective buying and a better, less expensive product. The movie business, however, is not noted for logic; and how this will all end is anybody's guess.



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Books in Review



Sins of the Fathers

I: Palestine: Black, White and Gray

N A WORLD of violent and impas-IN A WORLD OF VICTOR Signal Signal Controversies there is no issue more packed with emotional dynamite or more capable of evoking an instinctively sympathetic response from generous spirits than the matter of a homeland in Palestine for the small number of European Jews who escaped the Nazi holocaust. In terms of decent human feeling the case seems plain. The tragic survivors of the Hitler terror are doomed exiles in Europe, and Palestine looms as the country of their dreams. Furthermore, it was promised to them by the famous Balfour Declaration.

But divorced of emotion, the Palestine issue is perhaps not so open and shut. The Arabs, one recalls, are a large majority in the country and have been there for centuries. Is it proper democratic procedure to force them into a minority and turn their country over to foreigners without their consent? It is true that the Jews would bring unheard-of material progress to Palestine, but wasn't this what Mussolini said about the Italian occupation of Ethiopia? The struggle of the Jewish underground against the British is often compared to the Sinn Fein revolution in Ireland, but wasn't the Irish battle for control of their own country and against the domination of the half-alien Anglo-Irish ascendancy more like the rise of Arab nationalism in Palestine? Why should tiny Palestine and not the vast United States provide a new home for the refugees from Europe? Would not the establishment of a Jewish nation merely make for additional anti-Semitism?

To one who, like this reviewer, has long been deeply disturbed by the conflict between the emotional appeal of the case for a Jewish national state and the less moving but persuasive claim of the Arabs to the country, the almost simultaneous publication of the English Richard Crossman's Palestine Mission (Hat-

per's, \$2.75) and the American Bartley C. Crum's Behind the Silken Curtain (Simon and Schuster, \$3) is most welcome. As prominent and influential liberals and members of the Anglo-American Committee of Inquiry Regarding the Problems of European Jewry and Palestine, appointed by Truman and Attlee late in 1945, the two men—the former a Labor MP favorably known for his skepticism about his party's foreign policy, and the latter an independent Republican Catholic who has supported both Roosevelt and the Spanish Loyalists—were in an excellent position to observe, to understand and to interpret their findings for us.

AVING served on the same commit-H tee, the authors naturally cover much of the same ground and supplement each other. In many ways they have a lot in common. They are of the same generation; they are equally independent and progressive in their thinking; they are apparently of a similar kind of sanguine temperament; and they at times stood alone against the rest of the committee. It is apparent that they have considerable respect for each other and, after reading their books, one feels that the respect is entirely justified and that Crossman and Crum were excellent choices for a difficult, important and

thankless job. Yet, while they have s much in common and reached many co the same conclusions, their reports a: strikingly different in method and man ner, and I must confess that I found th Englishman's book the more interesting and valuable.

HAT, however, is an entirely pe I sonal matter. Having, as I have said somewhat conflicting emotions about Palestine, I found Crossman's question ing more persuasive than Crum's certain ties. From the beginning the America: seems to have had few doubts. He tend to see things in terms of British dupliity and Arab guile. The issue is con fortingly black and white, and any of position to the Jewish case is dismisse with considerable scorn. Behind th Silken Curtain is a vigorous and ou spoken presentation of the Jewish car and it has a short way with dissenter-The Englishman, on the other hand gives the impression of being less coch sure and superficial. He sees fewer vilains than the American and more hor est differences of opinion. You feel thi his investigations in Palestine and amorthe tragic refugee camps of Europe we made, not to justify a position alread held, but in an honest effort to reaca thoughtful and intelligent solution of a complex problem. The only ain



he gets really angry is w. ... he ects to "the self-righteousness of American support for a cause for which America was not prepared to assume responsibility."

Although our propensity to give pious advice without doing anything to back it up irritates him, he understands why Americans are less impressed than are the British by the Arab claim to the country. It is, he believes, because, as a pioneer people who won our country from the Indians, we look upon the Jewish settler in Palestine as a pioneer and the Arab "as the aboriginal who must go down before the march of progress." The English, on the contrary, are "the offspring of the families which did not emigrate, inheritors of unbroken traditions going back for hundreds of years" and thus tend to appreciate the Arab position. He is certainly no defender of British colonial policy or of the pro-Nazi wartime activities of the Grand Mufti, but he doesn't believe that Arab nationalism is a British invention, either, or that it is without its progressive ele-

 ${\bf B}$ ecause he has a way of seeing both sides and sympathizing with Arab as well as Jew, it is all the more impressive to find in the end that he is just as convinced of the necessity for a Jewish state as is his more volatile American colleague. Appreciating all the points the Arabs make and admitting that a choice must be made between "two injustices," he advocates the immediate admission of 100,000 immigrants, a partition of Palestine to form a Jewish and an Arab state, and Anglo-American assistance to both the Jewish commonwealth and the Arab state in the construction of a Jordan Valley Authority and an irrigation scheme for the Euphrates. He believes that this Jewish nation will eventually become part of a Middle Eastern confederation, chiefly Arab in culture and numbers, "Because it is a socialist community," he adds, "this small nation will have an influence on its backward neighbors disproportionate to its size, bringing to them the ideas and techniques of Western civilization and accelerating the downfall of the present medieval social order. But in doing so it will grow into the life of

the Middle East and grow away In it present dependence on the West." The future this suggests is highly provocative.

RICHARD WATTS JR.

II: From Vichy to Athens

WILLIAM L. LANGER'S Our Vicby Gamble (Knopf, \$3.75) is a book which tries to do two quite different, often conflicting, things at the same time. It sets out to give the full "inside" story of America's official policy toward France from the collapse in June, 1940, to the death of Darlan in December, 1942, based in large nieasure on hitherto unavailable official material furnished by the men responsible for the policy. At the same time it seeks to provide an impartial, dispassionate "outside" evaluation of that policy. Langer has two different, often conflicting, viewpoints. As Coolidge Professor of History at Harvard, he is an authentic professional of scholarly interpretation. As a wartime member of the high command of the Office of Strategic Services, an intimate of the top-flight statesmen and soldiers who made the Vichy policy, he is an amateur of practical policy-making with a personal and partisan attitude. Thus, Cordell Hull wasn't gambling when he picked Langer as the right man "to make a detailed and altogether independent study" and broke precedent to

make available to him relevant material of the kind the public normally wouldn't have been given for many years. For though Langer consented to do the job on condition that he "could serve only as a dispassionate scholar, not as an apologist," it was inevitable that his attitude as a partisan amateur would play a part in his judgments as an aloof professional.

As an inside story, the book is extraordinarily timely, since it reveals that "our Vichy gamble" was the first of a series in which the present Athens gamble seems likely to take an even more important place. It gives a factual account, readable, entertaining, exciting, frequently depressing, of how and why Washington chose and clung

obstinately to Pétain, Darlan and th Vichy fascists instead of to de Gauli and those Frenchmen for whom free dom meant emancipation from fascist as well as from the Germans. As narr. tive, the book has the virtues of excelent polemical journalism and the defects of partisan propaganda, sinc the author, while using much nev material, omits or subordinates muc old material. Our Vichy Gamble take the reader behind the scenes as ha no other book thus rar published about a crucial period in the history of American policy-making. The first por tion, describing the collapse of France the armistice and the first few month of the Vichy regime, is particular! fascinating. The reader is given a day; by-day, sometimes an hour-by-hour account of what each of the major par ticipants was doing, saying, thinking even feeling in those confused and dreadful days.

Name of the control of the Vichy policy. In retrospect, his decision to remain in Paris instead of going to Bordeaux—a decision which Roosevelt approved despite the objection of Hull—seems to have been the first step on the road which led to an American connection with Pétain instead of de

Gaulle. Langer arranges and interprets the tacts to make Laval the villam of the piece and Pétain the hero. Thanks to Pétain, he says, "France was actually able to play both ends against the middle." And in his evaluation both of Vichy's policies and cur policy toward Vichy, Langer pulls no punches in an aggressive justification of the utmost opportunism and expediency. He goes so far

in his defense of Pétain as to say that the Marshal's conviction by a French court of law was a political act and not an act of justice. There is no effort to deny that Pétain was a reactionary, a fascist, a man who feared communism and hated democracy so much that he was willing to connive with the Germans. Still, in Langer's



PÉTAIN

view, Pétain was and still is a patriot who did better than de Gaulle could have done.

On July 1, 1940, Bullitt cabled that the hope of Pétain and his associates was "that France may become Germany's favorite province—a new 'Gau' which would develop into a new Gaul."

When Bullitt returned to America at the end of the month, he said, "Pétain is thoroughly honest and straightforward... universally respected... doing his best to bring order out of desperate chaos." Langer comments "What concerned the American government was not the question of ideology, but the question of national interest." Two quo-

tations on which Langer doesn't comment are particularly striking as oblique illuminations of the question of a definition of national interest. On June 26, 1941, Roosevelt wrete to Admiral Leahy about the Nazi attack on Russia, "It will mean the liberation of Europe from Nazi domination . . . and at the same time I do not think we need worry about any possibility of Russian domination." Langer makes plain that Ambassador Bullitt, Admiral Leahy, Robert D. Murphy and nearly all the others responsible for our policy disagreed with the President, feeling that ideology coincided with real national interest when it was anti-Communist, but not when it was anti-Fascist.

Langer quotes Laval as having remarked to Hitler, "You want to win the war in order to organize Europe; you would do better to organize Europe in order to win the war." He calls the remark discerning but



BULLITY



MURPHY

doesn't note that the criticism of Hitler's policy applied just as forcibly to our Vichy policy.

The second and most important phase of the Vichy policy began in the autumn and winter of 1940 when, again after Bullitt's personal in-

tervention with the President, Murphy was sent to North Africa to conclude the economic deal with Weygand. Although this part of the book only scratches the surface, it is vitally important because it suggests the role of powerful American interests in favoring a connection with such "safe" elements as those represented by Pétain. Names like A. G.

Reed of Socony-Vacuum and Wallace Phillips, a wealthy American industrialist in England, crop up. Phillips "had much to do with the selection" of the team of Murphy's "technical assistants," who later helped him make it seem that the policy of political and economic expediency which had been launched in 1940 had been de-

DARLAN

cided upon two years later and only for military reasons. At this point and a dozen others when the reader begins to want to know more, Langer throws in such phrases as, "It would be both tedious and unnecessary to pursue in all detail the working out of the plans."

Langer dwells lovingly for many pages on de Gaulle's

blunder at St. Pierre and Miquelon, and dismisses in a phrase the fact that we wasted a year on "the idea that Weygand could be made into another de Gaulle." At the start of 1942 when the British were accurately estimating de Gaulle's strength, Hull was telling the President that "some 95 percent of the entire French people are anti-Hitler, whereas more than 95 percent of this latter number are not de Gaullists and would not follow him." Langer finds it "extremely difficult and fortunately not really necessary" to describe the Resistance movement and then goes on to give details about the reactionaries with whom Manphy chose to work. The Worms Blank collaborators get many pages, the the Gaullist resisters a few randguage paragraphs. The misstatement of the Easts about de Gaulle is understandable; but it is astonishing to find Langes meren now defending our link with Eastal's regime in Vichy in the summers of 11942 as "our only connection workh: the mass of the French people."

EXCEPT in its account of the Colonel Saithorg affair, which is grossly unfair, the final portion of the book, on the appreparations for the North African insecsion and the landings themselves, amakes fast, exciting reading in the besstelclook-and-dagger tradition. It appearss that Bullitt also was primarily responsable for this, the third phase of the Vierchy policy. In Cairo in Decemher. 19811 he worked out with General Carrows aiplan for an invasion of North Africa and sent it back to the President. Naturally Langer defends not only the exclusion of de Gaulle from the enterprise limit neglects to mention adequately the rollie of the non-reactionary elements participating in support of the invading

AAmericans. The authentic F.French Resistance leaders are quoted as wanting de Gaulle, what Murphy cabled Ceneral Dizonovan on September 5, 19942, that de Gaulle might be capable of treachery." So de Gaulle was excluded. The Darlan portion of the book is another whitewash which adds little to the previous apologias. But it sounds

odd, affect Langer has described the inceptiona of expediency and the role of Mussiphy, to read that the "State Department should nothing to do with" the arrangements with Darlan. And it is nothing less than shameful that Langer should indismiss the large number of known facts about the political background of the assassination of Darlan with a faw obscure phrases such as "there waverecturious circumstances."

As example on of history, the key to the brook is Langer's view that considerations of an ideological character maccidangerous if they are made



LAVAL

the basis for foreign policy" and that they "have validity only if they can be made to coincide with real national interests." Since he breaks his narrative in December, 1942, he elects to define these interests exclusively in the shortterm sense of winning the war with

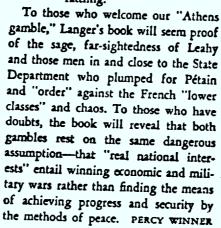
practically no attention to the long-term sense of paving the way for a just and durable peace. Thus he falsifies the historical perspective. He admits that with the death of Darlan "the French problem merely entered upon a new and if anything more bitter phase, which even at the time of the invasion of Normandy, eighteen months later, was far from resolution." Yet he says of the Vichy

gamble that "we followed a sensible, purely opportunistic policy [which] always was a substantially sound one even though it may have been an unattractive one," and that it was "completely justified . . . an unqualified success." His conception of the policy as a "gamble" implies that he chooses as his criteria exclusively the calculated risks of military strategy. His understanding of the stake wholly ignores the humane and moral principles involved in the permanent problems of a world order. "At no time," says Langer, "were we willing to stake much on de Gaulle. We were not partial to the fascism of Vichy and we were not unsympathetic to French aspirations. Our objective was to safeguard our own interests, among which were the liberation and reëstablishment of France. No doubt there were different conceptions of how this might be done. But we could choose only one."

We chose the Leahy-Bullitt-Murphy policy of expediency, or "We'd better go casy with the Fascists." Again, in April, 1947, we can choose only one conception of safeguarding our "real national interests." And again we are choosing a gamble. It is the policy of "necessity" or "We'd better get tough with the Communists." The greatest value of Professor Langer's book is that it provides "unofficial official" confirmation that the "new" Leahy-Dulles-Murphy policy is a continuation of the

Bullitt convinced the President that Pétain was the arch enemy of "chaos" and in January, 1941, when Leahy transformed a prejudice into a policy. Murphy's role is more important than ever; he is the man in the shadows be-

hind Marshall. Leahy more than ever is the power behind the presidential throne. Indeed, there is evidence that a five-star admiral was responsible for the selection of a five-star general as Secretary of State because James F. Byrnes, though a proponent of a "tough" policy, wanted toughness to stop short of a new and more dangerous form of saberrattling.



Percy Winner spent fourteen years in Western Europe as a foreign correspondent and was for three years an OWI Deputy Director for Field Operations, serving in North Africa. His novel Datio was recently published by Harcourt, Brace.

Fiction Parade

LEAHY

HENRY Morton Robinson's The Great Snow (Simon and Schuster, \$2.75) is a twenty-day blizzard that covers the northeastern United States and threatens to destroy all life in the area. The publishers announce that the story "can be read on several levels of meaning," but on the usual level it is the account of one household during the storm: Ruston Cobb, a successful patent lawyer, his family and several guests, marooned in a New York country house. The cast is the conventional expensive variety, smoking and drinking the advectised brands. Under the strain of the

blizzard and its pressure on "thos loftier structures . . . definitions of mor ality and convention," they set about be having in a way we are to suppose is no habitual to them in normal circum stances. But since they foregathered in the first place for intoxication and adultery, it is not clear how the great snow modified their intentions. Anyway, Rus ton Cobb proves himself the Whole Man, archtype of the energy and resourcefulness that builds and maintains civilizations. His ingenuity is described in detail.

The author includes directions to "fact-bound readers" who "in . . . their literal-minded way" may fail to regard, "parts of my story as symbols" which have been "previously used with some success by the authors of Genesis, 'Oedipus Rex' and Finnegans Wake." At least it can be granted that Robinson's good intentions have paved the road to a Hades frequented by distinguished shades

THE STATE OF MIND (Houghton ⚠ Mifflin, \$3) is a collection of thirty-two short stories Mark Schorer has written over a period of ten years. There is considerable variety among the tales, but all deal, more or less directly, with that state of mind which the author feels is peculiar to modern life: anxiety. It is the state of the badgered, the bewildered and the exhausted. Add its companion state, boredom. In this book these conditions express themselves mainly through callousness or loneliness, and Schorer is adept at tricky disclosures of trivial mentalities and unmotivated meanness. The characters in the stories resemble the readers for whom they were written, the prosperous public of the slick magazines, and while few of the stories exceed the level of high competence, they are an unpretentious and exact report of certain prevalent symptoms of emotional and moral bankruptcy.

R OGER Vercel's Madman's Memory (Random, \$2.50), a translation from the French, includes in its slight 213 pages a prodigious allowance of madness, seduction, suicide, incest and terror. But these attractions are so deftly controlled that the story never escapes

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the range of a young woman perfectly normal except for a scrupulous conscience and a vivid imagination. Françoise is left, after her husband's death at sea, to the almost exclusive company of his fanatically devoted mother and to the enforced occupation of morbid reminiscence. The old lady becomes obsessed with the idea that her son is still alive and tries to impose this faith on her daughter-in-law. In rejecting it, Françoise is forced to admit that she doesn't want her husband to be alive and upon the guilt of her unfaithfulness depends the motivation of the story.

HIS IS THE YEAR (Doubleday, \$3) contains detailed maps, a prosepoetic prelude and postlude and a glossary. The author, Feike Feikema, has remained faithful to all available data on the weather every day from 1918 to 1936 in the western Iowa prairie land which is the setting of his novel. He has studied the dialects, habits, amusements and traditions of the people he writes about, and even attests to an exact veracity on rocks, weeds and trees. All this supports, even intensifies, the simplicity of the theme: man against nature, a particular farmer's boastful and hazardous life in subduing the soil and the elements for his use and his glory. As is usual in these agricultural epics, the soil and the elements win at least an esthetic victory, for the tradition of the garrulously taciturn yokelhero has become formalized by now, and the reader's attitude to him depends on a sympathetic response to that tradition. Whatever his response, he will admit that This Is the Year is a large, expansive, pretentious and sincere novel.

HERMANN Kesten's Happy Man (Wyn, \$3), now published for the first time in America, has been translated into fourteen languages and enjoys a substantial reputation in German literature between the world wars. It is the story of Max Blattner and his fiancée, Else, who represent Berl n's bankrupt middle class—physically and emotionally exhausted, "holding life to be a misfortune." Max has no money and no job and in the panic of desperation continually muffs his chances to se-

cure one. Else has been pledged by her father to a prosperous marriage, as a last resort to save the family from accumulated debt and threatened disgrace. These circumstances propel them through the bizarre after-dark plot which decides their fates.

The crux of the story is in the opening lines: "'But we could still kill ourselves,' she said. He was becoming impatient. He couldn't stand much more of this sort of talk." Else is young and logical and sentimental. Since her life is so devoid of everything but Max's affection that she has exchanged all life for his love, there is nothing left to do with her lover but to die with him. Max, however, is another case. In the poverty of his life, he was sheltered under Else's love, but when her affection threatens to overwhelm him, he refuses to follow her into tragedy and shrewdly abandons her. For Max's ambition is not to give himself to the wheels of an express train, but to become the Happy Man, the anonymous bourgeois hero of a conventional success. By his ennui, his poverty, his envy of money, he is forced temporarily into an apparently opposing role; as the self-announced and selfpitied victim of society, he supports the shabby dignity of the anarchist hero. But as soon as he can escape this



self in the wisdom of his own dithat "unhappiness is a flaw in a re character."

The novel is superbly illustrate George Grosz; the text and the picare so complementary that one feels if the writer and the artist had changed mediums they would have duced the same volume.

Warner's The Museum of C (Viking, \$2.50) appeared in the Yorker during the last four years, all are superior examples of that g Some of them are about English civilife during the war; some are exe in fantasy. Miss Warner writes grace (which sometimes becomes c with a vitality (occasionally boistere an irony (just curdling into sarca but her very real skill usually mar to balance these qualities and sinever boring.

JOHN FARR

Crime and Punishment

Deadline, by Alexander Ir (Dodd, Mead, \$2.50), is a fairly item dealing with the murder of young and beautiful advertising ciwriter in Westchester County's conservative department store. Per alities are cleverly played off agone another and over all broods sophisticated figure of police lieuted Ben Sinclair, who, in the words of of his minions, "don't like for nol-to try to make a fool of him." Nol does.

Murder Miscellany. - Three re better-than-average jobs have a fornia setting. Mary Collins' D Warmed Over (Scribner's, \$2.50) cerns murder in a genteel "guest ho and provides some good dialogue suspense, while Lencre Glen Offe My True Love Lies (Duell, Sloan Pearce, \$2.50) gets right down to problem of who put the corpsehusband's, as it turns out-inside wrappings of an unfinished sculp by the belle of a San Francisco art colony. M. S. Marble's Die by N (Rinehart, \$2) is a lively and lite account of the lethal goings-on of members of a phony Greek cult in Angeles.

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United Nations News

AUSTIN



Peace on the Defensive

WHEN Warren R. Austin walked into the Security Council to present a justification of our aims and methods in regard to Greece and Turkey, he faced the largest audience the Council sessions had ever drawn. UN meetings in other parts of the building were virtually at a standstill. Lights blazed down on the delegates and cameras

ground out the scene for posterity. It was unfortunate that the leading actor muffed his lines.

Two seats to the right of Austin, Andrei Gromyko raised his pencil and was recognized. He announced that, in his opinion, Austin should present the Greek-aid program as an entirely new question—not as part of the border dispute. Would Austin state his views on this procedure?

Austin was recognized to answer the question, but began reading his speech instead. The chairman stopped him. Austin turned crimson, sarcastically commented that he thought the point of order had been decided. The chair supported Austin, but Gromyko, not to be outdone, said he would consider the matter as a new question anyhow. Again Austin was recognized and again he started to read his speech—this time before the interpreter had translated the remarks of the previous speaker.

Somewhat ruffled, Austin finally got beyond the first paragraph and sailed through a six-page speech which explained how the US was acting in the interests of the Greek people, the Greek government, the world and the UN—all at the same time. There was no reference to Middle East strategy or oil, and the red flag that Truman had waved so enthusiastically was somewhat lowered.

If the beginnings had been unpropitious, the final outcome was unconvincing. Everyone knew that the speech had been scheduled only after public reaction demanded some gesture to the United Nations. On merit alone it was unsatisfying. Its omissions were as noticeable as its over-enthusisastic tributes to the UN.

It is clear that after the Council debate between Gromyko and Austinthere will be more to say. In the meantime one can predict what will happen. If you ask someone close to the American delegation about the Greek policy, the conversation will go like this:

Q. Is there any possibility that Austin can or will make concessions to certain objections the USSR might raise?

A. Of course. The United States is always willing to make concessions.

Q. What kind of concessions could be made?

A. Well, we don't know what points will be raised, but if, as we suspect, the Russians raise the point that they

do not favor any American loans for military purposes, that in itself is suspicious. After all, if we don't send military aid to the Greek government, the Russians will send it to the guerrillas.

TF THIS is the opinion of "sources close L to the American delegation," then the press cannot be held solely responsible for its campaign to support Truman by attacking the UN. The attacks have ranged from mild criticism of the UN's weakness to outright disapproval of the Secretary-General and some of his associates. A syndicated column by Joseph Alsop was probably the most blatant of these attacks—and the least factual. Alsop began with a reference to the Greek program and the suggestion that the UN, its Secretary-General and, above all, its Balkan investigating commission were entirely too far Left to be trusted.

First there is Colonel A. Roscher Lund (whom Alsop refers to as "a certain Colonel Lund, a Norwegian close to Lie and believed...to have intimate Soviet connections"). According to those who know the Colonel, Alsop is correct on two counts: Roscher Lund is a Norwegian and he is close to Lie—he is listed in the organization as a "special adviser to the Secretary-General." If he has Soviet connections they are obscure. His record shows that he was director of Norway's intelligence service during World War II, kept the Allied High Command informed about the 45 secret radio stations operating in occupied Norway, was decorated by Britain, France and the US, had previously served in Norway's regular army and joined the UN shortly after Lie became its Secretary-General.

Next there is Gustav Gottesman, a Polish citizen serving as Roscher Lund's assistant. Gottesman is referred to as "a certain Pole, as to whose affiliations and sympathies there was even less doubt..." Factually speaking, Gottesman is a Polish Socialist who escaped from Poland in 1940, worked for the Americans during the war, has been associated with the Polish Government-in-Exile since 1941, throughout its various changes, and is married to a British citizen. He was sent to the Balkans as a representative of the UN's Department of Security Council Affairs.

A LSOP's third attack on the Secretariat staff was leveled against the commission's press officer, Stanley Ryan, "who either shared the same affiliations or suffered from a severe case of incompetence." Ryan is a Russian-born Canadian citizen with experience on papers in Europe, South America and North America. Over the past year he has covered the controversial meetings of the Atomic Energy Commission and the Security Council for the UN press division and there have been no attacks on either his competence or his objectivity.

Some time ago the Greek government publicly, but unofficially, questioned Ryan's sympathies. Stories appeared in the American press, but the UN received no formal complaint. Alsop's charges echo the attacks initiated by the Greek royalist government. Friends of the Truman Doctrine and of the Greek government are developing these attacks into a holy crusade against the United Nations and its Secretary-General.

JANE BEDELL



Farm



Our International OPA

When there is not enough to go around, you try, if you are a realist, to divide it fairly. You know that if you try to hog everything, the fellow across the sea or even the fellow in your own country will grab something you need and jack up the price. So you study your needs and the needs of others and plan accordingly. And of course you have to have such authority for this planning as the controls authorized by Title III of the Second War Powers Act (which regulates imports, allocations and priorities) and the Export Control Act (which covers exports).

But if you are a fellow like Senator Robert Taft (R, Ohio) you close your eyes and go to sleep and dream of free enterprise. You wake up feeling that if only the government would take its hands off, everything would eventually straighten itself out. Although we have shortages in our own country and although people are starving in other lands, you think that if the government would stop allocating and channeling scarce commodities all would be well. You think that the boxcar problem would solve itself. Boxcars of their own accord would find their way into the Middle West to carry wheat which cannot be transported because there are not enough boxcars to go around.

Senator Taft was all set to kill Title III of the Second War Powers Act, which was to expire March 31, and he introduced a bill, S. 931, to that effect. This bill would have removed controls on everything except tin, antimony, cinchona bark, alkaloids and streptomycin, and would have extended control on these items to March 31, 1948.

Happily, by the efforts of Senator Aiken (R, Vt.) and others, the bill as finally reported out of the joint conference ommittee was amended to include the control of cordage, tractor exports and transportation until June 30, 1947. There was also a general provision which may be interpreted to cover

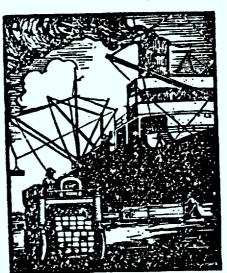
the import control of fats and oils. Apparently Taft had to back down, because he did not oppose his amended bill on the Senate floor.

Aiken pointed out to the Senate what would happen if the government took off controls:

There would be competitive bidding and contracting for available supplies, and prices would rise tharply, imposing added privations upon the countries in most urgent need of help, while setting in motion inflationary price spirals in our own country, where a steady rise in living costs is already causing grave concern.

While such price increases might benefit some speculators, they would not greatly benefit our agricultural producers, because the major portion of our grain crops which are sold off farms has already moved into trade channels, and also because of inflationary production costs.

Now that the law has been extended until June 30, when the Export Control Act expires, the next job is to get both laws further extended. If they are not, and if everything is turned over to the speculators and private traders, people who need food most will get the least. The farmers also will suffer because they will not be able to get binder twine to harvest their crops, boxcars in which to put their grain or tin cans in which to put their vegetables. Crops will rot in the fields. Prices will go as high as a cat's back and the American farmer,



ready suffering from inflation like the rest of us, will be left holding the bag.

The effect on binder twine alone, of which there is a worldwide shortage, would ruin many wheat farmers. The US is the world's largest importer of hard fibers, from which binder twine is made. None is produced domestically. The hard fibers important to agriculture are abaca, known as "Manila," agave, sisal and henequen. Removal of controls would mean they would be diverted from farm use into the production of more profitable items, such as wrapping twine, padding for bedding, furniture, carpet yarns and paper.

Or take tin. The US normally consumes one-half of the world's total output of tin and is entirely dependent on imports. The tin supply will not exceed 75,000 tons; there will be a demand for approximately 120,000 tons. Under present controls, consumption can be held to 90,000, but that amount will exhaust our stocks. Controls are exercised to assure maximum production of tin plate with minimum quantities of tin

THE Second War Powers Act also controls tractor exports. American farmers still can't get the tractors they need. In some areas the price of a second-hand tractor is higher than that of a new one. But if the government didn't control the export of tractors, foreign countries could come into the US market and bid up the price so high that a poor farmer couldn't buy one. And the countries that needed tractors most might not be able to get them at all.

The US is a net importer of fats and oils. It will import this year about 806 million pounds of industrial oils and export 628 million pounds (mostly edible). Part of our fats and oils are set aside for needy countries. But if the import law is allowed to expire, the rich American market would suck the world dry of fats and oils and widen the nutrition gap between starving Europe and the United States.

Europe is in an even worse condition than it was last year. Although world production has gone up seven percent, demand is away ahead of supply. Undersecretary of Agriculture

N. E. Dodd estimates there is a 36-million-ton grain demand for the current fiscal year and that there are only 26.5 million tons of export supplies. Without government control, wheat will not go where it is needed. Private traders and governments would come into our market and undoubtedly bid the price up so that our people would have an enormous sum added to their already excessively high food bill. This is not mere idle speculation. At the present time Sweden has placed an order for 20,000 tons of wheat for July 1, the date of expiration of the Export Act. In other words, Sweden is betting that the law will expire. Sweden, not being a "starvation" country, was not allocated wheat, but because she has money she plans to buy it as soon as control is lifted. If we were to remove export controls, other countries would undoubtedly set them up. And inevitably we would be unable to get what we wanted and needed from them, while they could come into our market and buy

Removing controls would mean the end of the International Emergency Food Council and would be equivalent to by-passing the United Nations. The function of the IEFC is to channel commodities which are in short supply into areas where they are needed. Member nations exchange information about their food and other commodity needs. They also exchange information about production, capacity and supplies in the various countries. Then a general plan is worked out so that each country can get what it needs.

what they pleased.

Senator Taft is finding out that it is not so easy to get rid of controls. And he may be beginning to see that unilateral and selfish action by the US will hurt his own country. He may even be beginning to suspect that we are not self-sufficient; and, in fact, in the long run are more dependent on the rest of the world than it is on us. This admittedly is a rosy view of Taft.

At any rate, whether Taft likes it or not, he lives in one world, as do the rest of us. And he will inevitably find out that he can't sink the international boat without drowning a lot of good Repub-



Radio



Battle of the Books

UST a year ago, two justices of the New York State Supreme Court enjoyed a lesson in the language of radio criticism as practised by the entertainment industry's "bible," Variety. At issue were an injunction suit; then a four-day trial, in which the contestants were Martin Stone, Plaintiff, and Station WHN, New York, Defendant. Plaintiff alleged that Defendant, by putting on a program called "Books on Trial," was engaging in unfair competition as well as violating the law of confidential relationship. Over a six-year period, Stone had built a program called The Author Meets the Critics," which he had just moved from WHN to a competing station in New York City; and WHN had promptly come out with another version of literary radio called "Books on Trial."

Mr. Justice Eder, who denied the injunction suit, ruled that "time is of the essence" and remanded the case for speedy trial. Mr. Justice Botein listened for four days, and dismissed the action. In both instances, a prominent role was played by Variety's verdict, which had already weighed both shows critically. Variety's judgment that "a guy's hep" was relevant became a matter for juridical determination. The court had to rule, with a straight face, on the competence and materiality of a Variety decision that "with the plug cut down to kneepants, show should move smoothly to well earned Hooper."

The case is about to pay off as far as radio, and radio's relationship to literature, are concerned. For next month, "The Author Meets the Critics" moves into the big time. Up to now, it has been heard only in New York (for the last year on WQXR) and over one-third of the Mutual network's string of one-lung transmitters. In May the show goes to NBC. At a very good time for this type of show (Sundays, 4:30-5 p.m.), large blocs of listeners will be able to hear prominent authors battle

because of the lessons learned in Stone v. WHN 2 year 2go, Stone and NBC are preparing to make this new bigleague book show an exciting package.

Stone had lost the WHN action because, among other considerations, the court had accepted the trade reviewer's judgment that "The Author Meets the Critics" was "essentially a round-table discussion, while 'Books on Trial' [was] a dramatization." Now the new show will combine the forum and drama techniques. Some scenes out of the book under consideration will be dramatized, so that the listener may have his appetite whetted and at the same time know what the shooting is about. Then the critics will shoot. The critics will be not only from New York, as has mainly been the case until now, but from anywhere NBC's lines can reach-and that's most of the USA.

LISTING of some of the people and A books that have appeared on both New York shows in the last year may give you a better idea of what's in store. Stone's show has featured author Eleanor Roosevelt (If You Ask Me), John Roy Carlson (The Plotters), Theodore White and Annalee Jacoby (Thunder Out of China) and Charles Jackson (The Fall of Valor). Among the critics have been John Mason Brown, Lewis Gannett, Irwin Edman and Bennett Cerf. "Books on Trial" has tackled Howard Fast's The American, with Hamilton Fish attacking and Louis Nizer defending; Louis Fischer's The Great Challenge, with Earl Browder lined up against Edgar Ansel Mowrer; and Russell Lord's The Wallaces of Iowa, which was attacked by Washington Times-Herald editor Frank C. Waldrop and defended by Stetson (Southern Exposure) Kennedy.

If the new show jells (they don't always sound as planned, alas!) this one should be as exciting as "Information Please" was some nine years ago when its cock first crowed to sloganize, "Wake Up. America!"

I don't want to take the bread out of Drew Pearson's mouth: But having gone out on a limb with one prediction, I might as well risk a few others:

€ Watch for further broadcast programs based on religious themes but done with superb showmanship. There will be a slew of them soon, due largely to the enthusiastic reception given "The Greatest Story Ever Told" (ABC network, Sundays, 6:30-7 p.m.). If you haven't yet heard that one, it's a must. ■ More and more, shows aimed for what the trade calls "the moppets" will develop social consciousness. Incidentally, if you have a good idea for a children's program, you may earn fame, production on the Mutual network and \$1,000 in cold cash—send it before June 1 to the Child Study Association, 221 West Fifty-seventh Street, New York 19, New York. Identify your idea as an entry for the "Robert Maxwell Award." Maxwell, who anted up the thousand bucks, is the man who developed the two best kid shows on the air, "Superman" and "House of Mystery."

■ "Information Please," if it stays on the air (its Hooper slip has been showing of late, with the rating down to 6.2) will see that it gets a time that does not conflict with the Henry Morgan show. Both appeal to the same audience; neither is happy with the competition.

■ By the time this piece is in type, the writers of every top show on the air will have voted to strike. There's hardly a radio writer worth his salt who is not a member of the Radio Writers' Guild. The men and women who do the scripts for everybody from Fred Allen and Bob Hope to "Ma Perkins," "Pepper Young's Family," "Big Sister" or "Young Widder Brown" are tired of being pushed around by advertising agencies, networks and sponsors. They met April 7 to take a strike vote. The newspapers will have informed you by this time whether this prediction of an overwhelming vote to strike has materialized. One reason they are itching to strike is that, every time a writer presents an idea for a program, he must

sign what's called a "release" form. There are many versions of this form, but essentially they all require the writer to give away every conceivable right he may have to the product of his brain. If you were a writer, how would you like to be forced to sign, before your idea was even considered, the following document? This "release" is copied verbatim from the form furnished me by one of the biggest advertising agencies handling radio:

I wish to present, for your consideration, the idea attached hereto, which I guarantee is entirely original and the product of my own individual labor and research. Disclosure of this idea to you is made on the basis that such disclosure is gratuitous, unsolicited, without restriction and involves no confidential or trust relationship between us.

I submit this suggestion with the definite understanding that the use to be made of it by you, and the compensation to be paid me therefor, if any, if you use it, are matters resting entirely in your sole discretion. This understanding applies also to any use that may be made of this suggestion by, or on behalf of, any client of yours. SAUL CARSON

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Movies



Farmers and Gangsters

THE TITLE of "The Farmer's Daughter" has made it the butt of the saddest of reviewers' jokes, and the advertising blurbs have made it sound a dreary business. Yet the film itself is a political fantasy with some funny dialogue, grown-up direction and good performance. It's almost a relief to find a good film that puts its worst foot forward.

In this fairy story, politics are glossed with a clear candy coating, but the confection is produced with practically none of the usual stupidity. There is throughout the movie a tendency toward liberalism; just the broader aspects, of course, since this is a box-office commodity and care has been taken not to be specific or militant and to offend no one with the price of a ticket or the ear of a congressman. Out-and-out fascism, however, is still a sitting duck, and there are some satisfying digs at a Bundist organization with America First overtones. There is even a lusty fight in which the liver is beaten out of a whole lodgeful of these creatures.

In this picture my favorite movie mansion, which is authentic in contrast

to the silly house in "The Late George Apley," is run by a Mr. Clancy, the butler and cherished friend of the Morleys, a prominent family of Capitol City, somewhere in the Middle West. He is played by Charles Bickford, who gives a valid characterization of great charm. How chic is simplicity! Clancy runs the

house for the widow of a beloved senator of the state, wittily played by Ethel Barrymore, who seems to enjoy this dowager role, and for her son, Representative Morley. This Prince Charming is Joseph Cotten, who looks like a man and invariably makes sense.

Loretta Young, as Katie, is starred as a cute Swedish farm girl of decided opinions and countless capabilities. She looks as though she could not only call

a hog, but butcher it when it came trustingly up to her, smoke it, pickle it, and very likely make shoes of it. She leaves her stalwart, attractive family—the backbone, and in this case, the heart and head of the nation—to study nursing in town, and there has a nasty experi-

ence with one of the villains of the piece, a slick sign painter played pretty heavily by Rhys Williams. Williams, who was fine with Ethel Barrymore in "The Corn Is Green" and with Helen Hayes in "Harriet," seems a little nervous as the drunk who has to get the taste of paint out of his mouth. She loses her savings, gets a job as a waitress

in the Morley house, is a hit the first day and is invited to stay as long as she will.

In no time, Katie is deep in the political activities of the Morleys and their assorted party bosses. She has her own ideas about candidates, entrances the assemblage with her knowledge of machine methods and soon wins the heart of the congressman and heir. There is a scene in which Mrs. Morley and Clancy place modest bets on the romance be-

tween the waitress and the scion. As the fantasy becomes more fantastic, Katie swings a big political meeting, is herself nominated in opposition to the Morley candidate and rides handsomely into office. In the last scene, the only stupid one, the hero and heroine (they could as well have strolled through a field of

wheat into the setting sun) walk up the steps of the Capitol hand in hand.

"The Farmer's Daughter" is the first picture in which Loretta Young has made a good, positive impression on me as an actress. She gives an appealing, sustained performance that should mean for her, in comedy, a new lease on life. It is worth noting that Katie's mother is a bit part played by Anna Q. Nilsson, a star of the old silent pictures.

H. C. Potter, a young director with the play, "A Bell for Adano," and severa good movies to his credit, directs script adapted by Allen Rivkin and Laura Kerr. They have made from what could have been a run-of-the-mill affair a fable of political integrity and kindness which wouldn't happen this side on heaven, but is fun to watch.

AVING been breathlessly assured E
the elevator boy that "The Dev

Thumbs a Ride" was a he great, terrific movie showir the most deadly of our ne screen desperados, Lawren Tierney, and destined to a surprise hit, I gathered to my spectacles and headed for the theatre. The boy exagged ated, but the picture isn't bas It has some good chair

It has some good chargescenes and one wonderful police poker game in which

a kid, the gas-station attendant we can identify the criminal, is religible tantly allowed to sit in. His more teacher has taught him all the perceages, he handles his cards like a highest class sharp, and takes the whole night shift at the station house to the clean Tierney, whom I praised in "San Quitin," is now getting a little too ir faced. That cold calm has stood man movie murderer in good stead, but it wise to break the mask occasionally, the effect be that of dummy dresseds bolts of gabardine.

ICK POWELL, who used to b sweet-singing type, never cat my attention until he distinguished I self in "Murder, My Sweet," one the best of the whodunits. "Joh O'Clock," his latest, is not the pic the Chandler story was, but it is a in comparison to the last few Bo efforts or to any of the other re gangster stuff. Lee J. Cobb, who ga beautiful performance as the chie police in "Boomerang," is the polic spector of "Johnny O'Clock" and t his usual standard. The combination Powell, as the smart, self-contained bling-joint proprietor, Cobb and actor who plays Powell's partne Thomas Gomez, is easily worth hours of watching.



DICK POWELL

Evelyn Keyes plays a chorus girl. For a blonde in a movie to fall hard and fall fast for a guy who hasn't much time, and make you believe it, takes more than looks and more than a director can blueprint for her. I doubt whether anything will be done with this actress, who has appeared in a musical about Jolson and another about Brazil, but with the proper story and attention she just might do something special outside the song-and-dance-girl casting.

ride the song-and-dance-girl casting.

The scenes between Gomez and his trapped wife are, for the screen, remarkable, since sadism is rarely given such a play. Gomez is really sinister and his girl's life is a nightmare. Ellen Drew and Nina Foch are in the cast, and Robert Rossen is the director.

SHIRLEY O'HARA

WORTH SEEING

SMASH-UP—Not so good as "The Lost Weekend," but an interesting movie on the disconcerting properties of drink. With Susan Hayward and Lee Bowman.

THE SEA OF GRASS—Spencer Tracy and Katharine Hepburn, a little too self-consciously noble, in a prairie saga vou might like very much.

BOOMERANG—Dana Andrews and Jane Wyatt in a good story made like a documentary.

CHILDREN OF PARADISE (Les Enfants dn Paradis; French film, English titles)—The movie medium used intelligently and with feeling.

THE BEST YEARS OF OUR LIVES—Excellent cast headed by Fredric March. The year's big Oscar winner. Veterans' problems.

HENRY THE FIFTH—Superb English film. Don't miss it.

SAVE YOUR EYES

FLL BE YOURS—Only for the violent Deanna Durbin fans who are willing to forgive her pictures wholesale.

STRANGE WOMAN—A good story and Hedy Lamarr acts some, as well as looking luscious, but it was badly muffed and turns out tiresome.

SONG OF THE SOUTH—Disney gone offensive in a big way.

CALIFORNIA—Ray Milland, Barbara Stanwyck and Barry Fitzgerald in a movie that's so bad the audience makes strange noises.

Bedelia—Another Margaret Lockwood and, unhappily enough, as bad as "The Wicked Lady."

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—Tem Poine, "The Crisis"

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OLIVE H. G. BARON, Dir.



Music



Jazz, Pure and Simple

WHAT with getting rid of Upton Close and abolishing the unwritten law which forbids mentioning another network by name, the Mutual Broadcasting System would appear to be on something of a progressive kick. And the fact that Mutual is the only major web to give a half-hour show of pure jazz from coast to coast doesn't in any way diminish this effect. The program is called "This Is Jazz," and I mentioned it a few weeks ago when it auditioned on "For Your Approval," a show which presents new ideas and lets listener response determine whether or not the idea remains on the air.

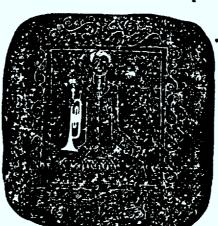
"This Is Jazz" has been in business for nearly two months now, and everyone, including the network, the listeners, the musicians and producerdirector-writer Rudi Blesh, seems quite happy. The other night I went to Mutual to see and hear the show in the studio, and had a relaxed half-hour. I heard a small New Orleans band which featured Muggsy Spanier, Georg Brunis, Albert Nicholas, Pops Foster, Joe Sullivan and Baby Dodds. They put their teeth into about five numbers, including a slow blues not recommended for listeners who were expecting maybe the Champagne music of Lawrence Welk. The old team of Spanier and Brunis brought back memories of the things they did on the Bluebird label back in 1940. It's been a long time since I've heard Muggsy play that way. But enough of this love-making-the show was good all the way through.

I bearded Rudi Blesh right after it and asked him if he had any complaints. He said no, except that he looks forward to the time when Mutual will give the program a regular spot. (At this writing it's been jumping back and forth between Saturday and Monday. It will be more than worth your while to keep an eye on your local radio page for the day and time.) He told me that he intends to preserve his present band intact, breaking the nucleus only occasionally

to make room for a guest. In addition, he plans to stick very closely to the New Orleans-early Chicago idiom, because it represents to him the best in undefiled jazz.

This is too bad. Blesh, in other words represents a school in a field that needs anything but schools to stimulate its development. The attention given to New Orleans music creates a situation not unlike the result of a hypothetical symphony conductor's decision to perform nothing but Palestrina. I respect the work Blesh has done on his show, and his taste, but I point out that jazz is bigger than one style. I'm very fond of the exciting music that came from New Orleans before the First World War. Yet I'm equally fond of the stuff that Count Basie brought from Kansas City. And of the music of Benny Goodman and Jess Stacy and Jack Teagarden and Bobby Hackett and a dozen other jazz artists who don't play the New Orleans style. It occurs to me that in being the only producer selling pure jazz to American listeners, it's almost Blesh's duty to let the other styles be heard. However, I'm not panning the show. Finer hot music can't be heard on any network today, and Blesh is entitled to say, "I told you so" to the skeptics who thought that non-commercial jazz couldn't go over on a nationwide scale.

THE patrons of New York's Ruban Bleu are as boorish a collection of nudnicks as ever assembled in a pub-



lic place. I've seen floor shows in time, but never has it been so difficult hear as it was the night I dropped here to throw away some expensecount money. The only time the cre of New York society closed its o lective yap was when a stunning g named Marian Bruce came out and sawith the warmth of Billie Holiday a the subtlety of Mildred Bailey and je touch of the extravert that was Bessie Smith. Miss Bruce is relative new in the business, but with a litt training in mike technique, she shou become one of the best girl singers the country. She hasn't recorded yet.

NE of the most satisfying of the O current albums is a Commodo showcase featuring the clarinet of E mond Hall and the piano of Tedd Wilson. They're backed by bass, guita and drums, and the result is a collectic of numbers which are ideal for not jazz people who like to dance and fe jazz people who wouldn't be caught deal rolling up the rug. Teddy Wilson's del cate, imaginative work is fairly familia to most listeners, but the album shoul? be a particular treat for those unac quainted with the unusually rhythm. clarinet which makes Hall's work so dir tinctive.

Back in the early thirties, Wing Manone, a wild man with a trum pet and a voice that frequently madi one think of Louis Armstrong, turneout some of the best small-band jaz ever recorded. Most of these sides wer for the Vocalion and Bluebird labels and the band was the nucleus of the great Bob Crosby outfit, including Eddie Miller (tenor sax), Matty Matlock (clarinet), Nappy Lamar (guitar), and Ray Bauduc (drums). These records have become almost impossible to find, bu they're worth the trouble. People with out the time or inclination can lister to Manone in a new album put out by Davis. There's a lot of the old Wingy in these offerings, and although the supporting band isn't too impressiveparticularly in the rhythm—the album is worth buying for those interested in hearing a real jazz artist who never got. the recognition he deserves.

CHARLES MILLER

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NEXT TWO ISSUES

Labor

Cutthroat Economy

HIS WEEK a Senate Appropriations subcommittee is conducting hearings on Labor Department and National Labor Relations Board appropriations. The hearings are open and public, in striking contrast to the policy of secrecy followed by a House subcommittee, and the probability is that the Senate group will vote to restore many services knocked out two weeks ago by the House. What the House did is nevertheless instructive in revealing the antagonism of the Republican "economy bloc."

The House voted, at the recommendation of its Appropriations Committee, to cut \$13,714,000 from the \$31,850,-000 proposed by President Truman for operating expenses of the Labor Department. This represented a 43-percent reduction. The House also voted a virtual 50-percent cut in funds for the NLRBa reduction which provoked expressions of disbelief and despair from Republican Senators with intimate knowledge of industrial relations. A bureau-bybureau breakdown is sufficient to show the homicidal spirit in which the "economy bloc" functioned.

THE NLRB. - The NLRB, which has the duty of administering the Wagner Act, asked \$10 million from the Bureau of the Budget. The agency already is struggling under a backlog of 5,500 cases and strikes have occurred because the overburdened staff cannot process these cases with reasonable promptness. The Budget Bureau cut the NLRB figure to \$8 million and the House cut it to \$4 million.

The effect of this cut, if sustained, would be to force the NLRB to reduce its staff from the 1,000 employed last June to 675. The cases going to the NLRB jumped enormously after the War Labor Board was jettisoned by President Truman and the agency's funds for the current year were inadequate to carry the new load. Bills now pending in both Houses would expand

the NLRB's function to cover jurisdictional strikes and some kinds of secondary boycotts. How the Board can augment its services and cut down its backlog of cases with reduced funds is a mystery not explained by the House.

TABOR DEPARTMENT. - The services most drastically attacked by the House were the US Employment Service, the Wage-Hour Division, the Division of Labor Standards, the Bureau of Labor Statistics and the US Conciliation Service.

The Employment Service was ridiculed and berated in the secret hearings of the Appropriations subcommittee. A requested \$3,913,000 was slashed to \$900,000, leaving only enough money to do the bookkeeping on grants of \$72 million to the several states.

Eliminated by the House were the Bureau's functions in coordinating state practices in employment agencies, in maintaining a national list of job opportunities for scientific personnel, in furnishing 1,800 state agencies with information on job opportunities, demand and supply. Also eliminated was the dictionary of occupational titles—a classification of occupations and job titles used by management and labor in bargaining and by state employment offices.

The Wage-Hour Division, which enforces the Fair Labor Standards Act and the Walsh-Healey Act, was cut 25 percent in the House bill. Regional offices would have to be cut from 13 to nine and the inspection service of the division reduced 25 percent. If such cuts in funds are coupled with enactment of the pending drastic portal-pay bills, administration of the wage-hour law will be out the window. Its repeal would be a more honest alternative.

The Division of Labor Standards, which compiles information on safety regulations, state labor and workmen'scompensation laws and collective-bargaining practices, would be wiped out by the House bill. A program in workers' education—designed to give training for collective bargaining-would be transferred to the Bureau of Labor Statistics.

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"Federalization of education," said Frank B. Keefe (R, Wis.) in the House debate, "was adopted in England. That's how they got a Socialist government."

The Bureau of Labor Statistics suffered a 60-percent cut in funds in the House. "I ask you," said Keefe, "aren't you getting a little tired of statistics?"

The BLS statistics are widely used by labor and management in day-to-day wage negotiations; they are, in fact, indispensable for collective bargaining and no substitute is available from any private agency.

WHEN the House debated funds for the US Conciliation Service, the homicidal atmosphere on the floor changed to one suitable only to a lynching bee. Representative Keefe does not like Edgar L. Warren, director of the service, and the House voted to cut out salaries for Warren and 101 other Conciliation Service employees in order to force Warren's ouster.

The Conciliation Service is the only federal agency now engaged in efforts to reduce industrial conflict. President Truman's labor-management conference in November, 1945, unanimously recommended expansion of conciliation functions, and Warren's administration has been in line with this recommendation.

Warren was charged with Communist sympathies by Representative Keefe. His "communism" consisted of prewar membership in a coöperative Washington bookshop and the American League Against War and Fascism. The House committee did not even attempt to show that Warren followed the Communist Party line wanderings of the League after the Hitler-Stalin pact; testimony showed, in fact, that he had no connection with "front" groups under such circumstances. But the House, laughing and cheering at Keefe's sallies, uttered under congressional immunity, voted to knock out his job. Senate Republicans, to their credit, show signs of developing a strong aversion to pure smear tactics.

Upon the Senate's general attitude toward the NLRB and Labor Department appropriations, however, depends the answer to the real question—whether, after Congress finishes, there will be any federal labor functions worthy of the name.

WILLARD SHELTON

The Bandwagon

Open-Door Policy (assist by camel)

SENATOR KNOWLAND: . . . I should like to ask the distinguished Senator from Texas if this one instance is allowed, will it become a case of the camel getting his nose in under the tent, and thus open the door to a whole field of similar requests? – From the Congressional Record.

Straw in the Wind

Alvord & Alvord—Tax matters, \$36,-327.85.

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Fish, Richardson & Neave—Patent and anti-trust matters, \$229,979.70.

Simpson, Thacher & Bartlett—Antitrust matters, \$338,000.00. – From the April 15, 1947, Proxy Statement of the only disbursements for legal services by General Electric.

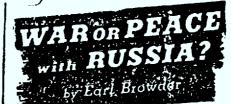
American Century a-Coming

Henry R. Luce, editor-in-chief of Life magazine, presented a colossal and heartwarming pictorial sales talk on the strength, beauty and potentials of this country and people—"The New America." On a screen 40 feet wide and 12 feet high, a succession of colored still photographs—marvelously synchronized on five panels—were thrown, while an impressive narrator and symphonic music helped to impress the theme of an illimitable national future. The bearing on the foreign-policy issue was oblique, but many felt that it was there.—Arthur Krock in the New York Times.

A Little Child Shall Lead Them

Fear that "Communists" might flock in among the orphan adoptees [European war orphans permitted to enter the US] was expressed by Representatives Leonard R. Dickinson, Bemidji, and John J. Kinzer, Cold Spring. – From the Minneapolis Star.

Our readers are invited to contribute; \$2 will be paid for each item used. Address Bandwagon, c/o New Republic. Please enclose the original clipping. - THE EDITORS



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Letter of the Week

(Continued from page 3)

46

Assembly met and passed a series of resolutions which were forwarded to "His Excellency, the Governor" by

Chief Tuisasosopo. In his last-minute answer five months later, the home-bound Governor dealt so hastily and summarily with the Assembly's resolutions that the usually mild Tuisasosopo was provoked to complain, "The Governor's reply was not fitting of the spirit and willingness of the Samoan people. Besides, these resolutions should have been forwarded to Washington for comment. Evidently the petition went as far as the Governor's desk in the Naval Station of Tutuila."

Such negligence, or perhaps willful disdain, is cited by the Samoan fathers as an example of the failure of one-man government. They are a little tired, after 46 years, of holding their collective breath each time a new Governor is installed (Navy procedure is to replace governors every 18 months)-wondering whether the occasion called for cheers or tears. So they are now petitioning Uncle Sam for the transfer of authority over American Samoa from the Navy to a native legislature.

MERICAN SAMOA is divided into A three districts—the eastern, Pago Pago; the western, Tutuila; and the Manua island group. Each district has an advisory council consisting of approximately 15 high chiefs and high talking chiefs. The difference between ranks, according to Tuisasosopo, is that the former "sit upon the throne," while the latter are the "power behind the throne."

But the throne, as Samoans are sadly aware, is purely illusory. The chiefs have no real powers other than those of "recommendation," or as appointees of the Covernor's officer aides. If truth be told, we "use" them, much as other imperialist powers we criticize "use" their colonies' native leaders. The legal elevator carries only orders going down, only suggestions coming up.

At the last annual Samoan Assembly,

the chiefs unanimously recommended that "a Legislative Body consisting of accredited Representatives of Samoa be established." Confronted with this request for some American-style democracy, the Governor replied evasively:

"The resolution concerning the legislative body is not exactly clear. It is my understanding that matters of legislation have in the past been discussed at the noual fono (Samoan chieftains' pow wow with Navy officialdoni) and tha there was close cooperation between the fono and the Governor in the consider: tion and enactment of legislation."

Then apparently realizing that the official double-talk might result in son pins being stuck in his image, he add hopefully, "It is my present though that the annual fono should consider advice of the creation of a legislat committee of three to discuss with Governor matters which arise betwo annual fonos."

S AMOANS realized, of course, that?

Governor himself had no power grant their demand for self-government Navy regulations and orders for government of American Samoa bluntly: "The Governor, for the being, of American Samoa, is the of the government. He is the malall laws, and he shall make and c all appointments."

But they had clearly indicatecy desire that this resolution be for for consideration to Washington this was not done indicates eith the Governor feared it would strued at the Capitol as a reflection his rule or that he honestly cons his duty to reject their request.

Other resolutions presented Assembly to the Governor has kicked back in their resigned f a resounding, if circumlocutor The Samoans had asked that tives, one to each district, sit committee investigating prop age caused by military occup

"Claims against the Unite replied the Governor, "for ocland or damage to property n sidered and decided by a cor officers of the naval service. sion is made by the law for ment of civilian members

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Dept. LA The NEW REPUBLIC 40 E. 49 St., N. Y. 17, N. Y. any claimant may submit evidence, etc." The Assembly had also requested the

Governor to "take into consideration the present salaries now received by Samoan nurses and male employees of the Health Department whether it be necessary to have an increase in salaries."

In substance the Governor's incredible reply was, "It is my recommendation that this present-day schedule be continued in effect as long as it is possible, in order to give it the test of time." In the United States if any fact-finding board, let alone an employer, dared to insult labor with an answer as foolish as that, a walkout would be inevitable.

IN ALL fairness, however, it must be stated that some of the Samoan Assembly's resolutions received reasonable, if tardy, consideration. The Governor gave an assurance that excesses by servicemen would be dealt with summarily; and that in laying off Samoans from war jobs, priorities would be observed.

Moreover, Tuisasosopo himself would be the first to admit that he regards his people as more fortunate than his cousins and aunts under the Union Jack in British Samoa. He is thoroughly opposed to the arbitrary national schism of one small people like the Samoans into two camps, and would like to see all Samoa under the Stars and Stripes.

At the last fono, in the address he wrote and delivered to the new Governor and his staff, Tuisasosopo declared:

"It seems as if Freedom and Happiness were first manifested to Samoans through the kind countenance of Your Honors. Congratulations on your justice and righteousness! . . . You have been with us for a very short while but your laudable doings and your ever smiling faces have served to show us a true picture of that great and free republic, the USA."

But such sweetness and light have prevailed at many fonos before. Governors have come and gone-some good, some bad, some indifferent. And still Samoa has one-man rule. Beside their beautiful harbor, the islanders wait for the greatest American Governor of all, the one who will bring them their most priceless gifts-citizenship and selfgovernment. JULES FRANCE

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Reo'd April 29, 1947 2:19 a.m.

PROM: Santiego, Chile

TO : Secretary of State

NO : 323, April 28, 8 p.m.

Henry Wellace's recent declaration regarding possible visit Argentita resulted Alienza de Intelectuales de Chile sending him cable urging him visit Chile where "democracy recognizes your firm efforts favor peace".

Alianza altho having many members definitely not Communist is nevertheless leftist and probably with some Communist sympathizers or fellow-travellers.

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Received from the State Department through Liaison channels

Control 7030

Rec'd April 23, 1947 1:44 p.m.

FROM: Warsaw

Secretary of State

: 609, Twenty-second

GLOS LUDU 19th carried condensation speech of Foreign Minister Modzelwski to Warsaw electricity plant employees concerning western lands in which he stated in part: "In Potsdam in our conversations with American 🗠 delegation represented by President Truman and in conversations with Great Britain, it was agreed that formula which speaks of transfer of these lands to Polish administration is only formality. International reactionary circles instigating steps against our western

frontiers. There cannot be free national development in Poland, there cannot be assured independence for our country without frontiers outlined in Potsdam. At the seme time, we announce we are ready to consumate alliance with every country which wants peace as we do and which will agree that our frontiers are inviolatable. In all countries regardless of government, democratic Poland has many friends. It has friends in USA and in Great Britain. I can assure you number of these friends is increasing because progressive forces and peoples strength

in these countries is growing."

ROBOTNIK 19th quotes from recent article in Polish weekly "SWIAT I POLSKA" (concerning Henry Wellace which states: "Wallace is one of leaders of America's political life. his statements are characterized by accurate appraisal clear objectives honest methods. Although democratic he opposes President Truman, least of all those who (1) creation third party in America with progressive program in defense of human rights are turned on him

PLAIN / INFORMATION

-2- #609, Twenty-second, from Warsay

party is created, Henry Wallace will be its inspiration and best specesman. In opinion of democratic spheres Wallace is herald of new America, liberated from clutches of dollar maffia, an American leading world in struggle for happiness and prosperity of individual."

CYCIE WARSZAWY 19th lead editorial captioned "Storm over Wallace" refers to Wallace's statement that when dollars are nothings to support Greece and Turkey, perhaps blood of America's sons will be demanded and wasted: New York publicists radio commentators were particularly pained by parts of Wallace's speech which in their opinion might convince listeners Washington is one of numerous obstacles in reaching agreement on path to cooperation of nations. Not only Washington but principally those political speakers which today are becoming isolationist in policies despite extensive interference in affairs of old continent. Increase and intensification of activity or reactionary elements were not noticeable in US prior to termination hostilities in Europe and Far Esst. In Democratic Party after great Roosevelt's death rightist elements commenced to take upper hand. And Republican Party influence of so-called old guard Hoover-Vandenberg increased considerably. Reproschment of all conservative political groups in US had taken place on decidedly imperialistic plan in matters of world policy and on no less reactionary plane in internal affairs such as entire problem of labor world. Effect of reproachment appeared promptly. American workers felt many European countries will feel it clearly, countries which recently saw in great American republic not only source of relief and aid for material worries but also period of changes on path of social reforms and democratic achievements which great President Roosevelt instigated and prepared for America. Present US policy has dispelled these hopes. It was not necessary for Wallace to point this out to Europe. Europe has already discovered this. Everything he has said to Europe confirms correctness of this very sed fact. And for this, forces unfriendly to America, kind of America Roosevelt wanted to see, forces unfriendly to New Europe, have called Wallace enemy of America.

Principal

PLAIN

2

-3- #609, Twenty-second, from Wersaw

Principal Warsaw papers 20th describe ceremony in Warsaw organized by Central Committee of Jews in Poland commemorating fourth anniversary uprising in Warsaw Ghetto. Ceremony was chairmaned by German Chairman of Jewish Committee who in his address called upon the Jewish altion to fight Fascism and reaction.

ROBOTNIK 20th article states Texas City catastrophe unexpectedly disclosed appalling moral rottenness of American industrial spheres because insurance investigators discovered catastrophe was caused by arson in order collect insurance.

ROBOTNIK in article 20th states that it is generally known British and American soldiers are mutually unfriendly British soldiers are not admitted to American military canteens and vice versa, meetings of soldiers belonging to both armies usually end in furious fights. Article concluded: "Churchill endeavored convince world common language of Americans and British is sufficient to create Anglo Saxon bloc which should govern world. It appears language, which is subject of jokes on both sides of Atlantic, is insufficient."

GLOS LUDU 21st carries speech by regained lands Messer Vice Premier Gomulka in SZCZCIN in connection "western lands" in which he stated in part: "Marshall and Bevin know full well matter of western lands was decided by Potsdam Conference. One reason why they bring up matter now is to use regained lands for conference haggling, in order increase their chances in international negotiations concerning various problems. It is astonishing when someone, for this purpose, uses someone elses capital for such game. Regained lands constitute integral part sovereign Polish state and as such cannot be subject of diplomatic haggling of any sort. Regardless our attitude toward endless Socialists or American industrial magnates we have right tell them they can trade only in what is their property Other reason why Anglo Saxon diplomats question our western frontiers is desire win friendliness of Germans and direct Germany on to path conforming with their policies. In

east,

PLAIN

9

-4- #609, Twenty-second, from Warsaw

foundation and guarantee for its security and independence. Reply to every attempt of Germans and of their reactionary defenders to question our western frontiers, we answer with quiet strong assured attitude of government and of entire nation. Polish lands on Oder and Lusatian Niesse were ours, are ours and will always remain within frontiers of Polish state".

GLOS LUDU 21st reports military celebration in Wroclaw during which Mershall Volazymierski delivered speech stating in part: "diplomats endeavoring use our western frontiers as object of discussion and haggling are ever proposing creation special committee to determine our frontiers. We regard these steps with complete calm, with feeling of firm assurance. They cannot in any way change existing state of affair. Our strength consists of support of all peace loving nations, support of brotherly Slav states and particularly of support of car great ally Soviet Union."

ROBOTNIK 21st carries condensation of speech by Premier Cyrankievicz in Wroclaw 20th at PPS Wojewodztwo convention in which he stated in part: "there are two great powers which have not suffered from war as much as we and were not under German occupation. For these reasons they will never understand our present political motives. But we can come to agreement with these states if we justly assume only harmony between United Nations can prevent Germany from erising, only universal understanding can assure universal peace" convention was also addressed by Sejm Vice Marshall Szwalbe, chairman PPS chief council who stated in part: "At present moment ve're not yet building Socialist structure either in political or economic sphere. We are endeavoring rebuild Poland in manner enabling US to build first and second floor on strong foundation so that further construction can continue in Socialist manner. Our new economic model will have three arctors: (1) State and local government (2) cooperatives (3) private initiative Our party agrees to private initiative. Ve must realize that private ownership exists at present. Private enterprise is limited to framework outlined in teonomic plan.

Our party

PLAIN

-5- #609, Twenty-second, from Warsaw

Our party cannot permit private initiative develop too extensively from year to year, threatening entire structure, but at present time private sector is irreplaceable. In accordance with our political programs we must replace this sector year by year in manner which will not harm our social life."

Pertinent excerpts repeated to Moscow, Berlin and London by Sirgram.

KEITH

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1 APR 20 1951

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C/

AN'S PLAN WOULD DIVIDE AMERICA Soviet Overseas Service, in English Morse to North America Apr. 3, 1947, 7:05 a.m. EST-W New Tork Former Vice President Wallace, at a mass meeting in Madison Square Garden, declared: We are here tonight because we want peace, because we intend to have peace. The Truman doctrine endangers peace. Peace requires that Americans reject the Truman doctrine and reaffirm their faith in a strong United Nations Organization. The world is hungry. The world does not cry for American tanks and guns to destroy more lives and leave more hunger, but for American plows and food to fulfill the promise of peace.

Pointing out that Americans at present must think calmly and well, Wallace Pointing out that Americans at present must think calmly and well, Wallace said: "Nineteen days ago the President of the United States told Congress that the Greek people were hungry and needed American help. Was this news to the President or to the State Department which advises him? Every responsible member of the Government has known since the war ended that Greece lay in ruins, while famine was at her people's throats.

Exploitation Charged

And every member of Congress knows that 70 percent of Poland's livestock has been destroyed, that the children of Italy and Yugoslavia wear rags for clothing, that millions of Central European people do not possess shoes, that 10 million of people in the Ukrdine are homeless. The welfare of all peoples is our concern. Famine anywhere endangers plenty everywhere. Progress anywhere helps progress everywhere. Action simed at helping the world must help American but not action like the President proposes. but not action like the President proposes. "The needs of deeperate people are being exploited, like the generosity of the Americans is being exploited, for other ends. The truth is that the President and his Republican supporters are less concerned with the Greeks! need for food than with the imerican Navy's need for oil. The plan to contain Communism is second to that need. America is rich in oil, but thinks that she B needs more for the greatest Navy and Air Force in the world. UNRRA's Death World Tragedy Saying that the United Nations Organization cannot be by passed, Wallace continued: 'America and Britain have divided the Middle East oil as though vo' were conquerors or lord protectors of the realm. At Yalta we solemnly agreed that Turkey's grip upon the Dardanelles would be loosed by mutual consultation after victory. At Potsdam we reaffirmed that agreement. But not one single action has been taken during the 18 months of peace. Foreign Radio Broadcast #30 -

Bives and prevented misery was killed. Almost all the United Nations except, the United States and Britain supported former UNRRA Director LaGuardia's plan to save UNRRA. The defeat of that plan was a world tragedy. Through months of inaction Congress strangled UNERA. President Truman countersigned its death warrant.

Appeasement and Betrayal

"At present we are told that America must act alone in Greece and in Turkey because there is not sufficient time to create a United Nations agency for relief and rehabilitation. In the United Nations Assembly, Senators Vandenber and Connally said that nothing could be done to free the Spanish people because the United Nations lacked the right to interfere in the internal affairs of any Nation. By what right do these same Americans justify unilateral interference in the affairs of Greece and Turkey?

"Administration and Republican supporters argue that we must intervene alone in Greece because the United Nations Organization is too weak to act. I have not forgotten about the appeasement of Hitler. I remember every betrayal of world solidarity against Hitler by Daladier and Chamberlain which was made in name of the weakness of the Lesgue of Nations. Let us not betray the future Let the world refrain from destroying the United Nations Organization, as once it destroyed the League of Nations!

Groece a World Problem

"Dealing with the question as to who makes the UNO weak, Wallace recalled that in December Senator Vandenberg was villing to spend only 11 million dollars for the United Nations Organization and 'today he is ready to spend untold millions to prop up anti-Soviet regimes. There is only one hope for the world peace, the United Nations Organization, he said. 'The Greek problem is a world problem, and it must be settled by the United Nations. If the Turkish problem exists, that also is the concern of all the members of the United Nations. That is the spirit in which the United Nations Charter was signed.'

Freedom Catch-word for Reaction Troises

Wallace said that sconer or later fruman's program of unconditional mid to anti-Soviet Governments will unite the world against America and divide America against herself. The Truman program must turn the world against America. At our command freedom, in whose name Americans died, will become a catch-word for reaction.

"Once we grant unconditional loans to the nondemocratic Covernments of Greece and Turkey then "in the name of freedom" every fascist dictator will know he has credit in our bank. Today it is the Governments of Greece and Turkey. Tomorrow it may be Peron and Chiang Kai-shek. Our banks will give dollars, our arsenals weapons. When that is insufficient, our people will be asked to give their sons.

"Intokerance at Home

The Truman program must turn Americans against each other. Intolerance is aroused. Euspicion is engendered. Men of the highest integrity in public life are besmirched.

"The President's executive order (on checking the loyalty of Government employees) creates a master index of public servants. From janitor in the village post office to Cabinet member, they are to be sifted, tested, watched their past and present, their neighbors tattle and prattle, sill will be recorded.

"But more Americans than these are in danger of prosecution. If this drive continues it will condemn every American who reads the "wrong" books, thinks the "wrong" thoughts, every American who means liberty when he says liberty, every American who defends civil rights, who speaks out for one world, everyone who believed in Willkie, who supported Roosevelt.

"Hatred and Violence abroad will be the fruits of the Truman doctrine. A strong United Nations Organization can bring peace. Which do we thoose, because America must choose? The whole world waits for the American people. Where are the millions who supported Roosevelt's ideals? Where are the inheritors of our great traditions? Under conditions of weariness and confusion many Americans have abandoned political action. They must resume it immediately. Their country needs them. Americans of all parties and creeds at present must speak out in a great voice for peace and freedom."