

John Pehle

BOBINE #320 A

WA PEHLE 38

Pehle walking in the wood

WA PEHLE 39

Pehle in the wood

WA PEHLE 40

Pehle walking down the hill and entering his home

WA PEHLE 41

repeated end of last take

WA PEHLE 42

Pehle standing near a bush

BOBINE 321

WA PEHLE 43

Q: John Pehle, you were during the second world war assistant to Henry Morgenthau Jr. who was secretary of the Treasury, and you were personally the director of the Foreign Funds Control Division.

A: That is correct.

Q: ...Later on, in January 1944, you were appointed by the president Roosevelt, you were appointed the executive director of the War Refugee Board, which was a special agency created to help the Jews who were in danger of destruction in Europe or who were actually destroyed. Well, this seems to be a very strange story. How does one come from the Treasury and from the Foreign Funds Control Division to this very special task, and I know that it is a long story, but we have to try to...to go into it in order to explain how it happened.

A: Well, the WRB was established merely because of the Treasury Department, although the Treasury had no jurisdiction in refugee matters, which were entirely supposed to be handled by the State Department. But the Treasury Department, particularly the people in the Foreign Funds Control, came upon some facts with regard to the handling of refugee matters that were so shocking that they were brought by us to the attention of Secretary Morgenthau and he in turn went to President Roosevelt and brought these facts to the President

attention, and the result was the establishment by executive order of the WRB in January 1944.

Q: Yes, and what was the specific task of the WRB? I think that there was an order which established the board?

A: Yes.

Q: Could explain in few words.

A: Well, the most important thing about the WRB was that dramatically changed the policy of the US overnight. Before the board was established, nothing really was being done to help Jews who were being destroyed in Germany and occupied areas. With the establishment of the board it became the policy of the US to do whatever could be done, consistent with the war effort, to help people escape, to help private agencies who were operating in the area, to facilitate the transmission of funds to areas such as Switzerland which could be the base of operations, to assist refugees coming over the border from France into Spain, All the things that seemed to have some possible effect of alleviating the conditions.

Q: Yes, you say that the policy of the government of US changed suddenly, overnight....

A: That's right.

Q: ...and took a....a complete turn.

A: That's correct.

Q: Yes, and I think that we have to enter now into the details.

A: Well, the...the fact of the matter was....

Q: I mean I would like that the...the necessary things to start to talk about policy. What was till 1944, which was very late already during the war...

A: Yes, very late.

Q: ...very late in the war, What had been up till now the...let's say the policy of the government of the US?

A: I think the policy - to the extent that there was any policy - was to ignore what was going on in Europe, to interfere with the transmission of stories of what was going on to the Jewish agencies in the US, to deny licenses to people who wanted to transmit funds to rescue people, and generally not to take any affirmative action.

- Q: Yes, and what were the governmental agencies who were specifically in charge of these questions, if there were any?
- A: Well, the State Department had to do with all these questions really, they had to do with the granting of visas to people, trying to flee...flee occupied France, they participated for the US in intergovernmental conferences, such as the Bermuda Conference, where these matters were talked about but nothing ever happened. And...so it was really a...the problem of the State Department.
- Q: This was the State Department. But...I think that there was at the time a big...a lot of pressure in order to change the policy...
- A: There was pressure in Congress: Congressman Celler for example was very active in trying to get the State Department to act. There were people in the State Department, such as Sumner Welles, who showed some inclination to take advantage of opportunities of rescue, but other people seemed to be opposed to those activities.
- Q: Yes, if we enter into the details, let's take the visa policy.
- A: Yes.
- Q: ...What can you say about it?
- A: Well, all I can say is that the...the consuls that we had in France made life very difficult for anybody who wanted to come to the US.
- Q: In France only?
- A: No, but...France was one place where this question came up very regularly. They took the position that these people might become dependents of the government if they came, despite the fact that there were Jewish agencies willing to guarantee that this would not happen, and who had the funds to back up the guarantee. There was a strict limitation on sticking within the quotas and very often the quotas weren't filled...
- Q: Were NOT filled?
- A: Were not filled. And so there was no real attempt made to facilitate entry of refugees, on the contrary very few reached our shores.
- Q: Yes, and I think that there are very striking figures about the...about this question of the visa because ^{as far as I} _{king}

know if one takes the immigration quotas since 1933...from 1933 till...let's say 1944, the amount of refugees that the US could and should have received goes up till one million and a half people....

A: Yes.

Q: Yes, and I think that the exact figures are about 500,000.

A: Very close to that, yes.

Q: You agree with that.

A: That is correct.

Q: Yes, and among these 500,000 I think that the Jews were even a minority.

A: that could be true too.

Q: Yes, and how do you explain this?

A: I don't know that I can.

Q: Try, please.

A: Well, this...the people who were handling visa matters and the policy of the Department - State Department - seemed to be such that instead of facilitating the entry of refugees, obstructions were thrown in their way. It's as simple as that.

Q: Yes, I think that we have the...we have some statements which exist in one of the drafts of this report which was forwarded to the President, and which led to the creation of the WRB, I think there are....I would like you to...to read this, for instance, about the...about the visa. Maybe you read this and you choose what you....Because there was a committee, a special committee that was appointed to...to deliver the visa. No, no, this is underlined.

A: This is what...this is what Congressman Dickstein stated in the House of Representatives in 1943. He stated: "There was no effort of any kind made to save from death many of the refugees who could have been saved during the time that transportation lines were available, and there was no obstacle to their admission to the US. But the destructive policy of our organs of government, particularly the State Department, who saw fit to hedge itself about with rules and regulations, instead of lifting rules and regulations, brought about a condition so that...that even existing immigration quotas were filled."

Q: Yes, and there is something else about the committee

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WA Pehle 44

A: In 1943, as the facts of what was happening in Germany and Poland particularly became more known to the public, there was a good deal of attention given to this in Congress. For example, Congressman Dickstein stated in the House on December 15, in talking about the visas. He said: "There was no effort of any kind made to save from death many of the refugees who could have been saved during the time that transportation lines were available, and there was no obstacle to their admission to the US. But", says Congressman Dickstein, "the obstructive policy of our organs of government, particularly the State Department, which saw fit to hedge itself about with rules and regulations, instead of lifting rules and regulations, brought about a condition so that not even the existing Quotas were filled." Then Congressman Celler on the floor of the House said, "According to Earl G. Harrison, who was Commissioner of the Immigration and Naturalization Service, not since 1862 have there been fewer aliens entering the country". He said, "the interdepartmental review committee, which reviews the applications for visa, are composed of one official from each of the following departments: War, Navy, FBI, State and Immigration. That committee has been *glorified* in its slowness and cold-bloodedness. It takes months and months to grant the visas, and then it usually applies to a corpse. #

Q: It is a very strong statement.

A: Yes.

Q: And what were the reasons which were brought up by these people of the State Department in order...the main reason...in order not to grant the visa?

A: Well, as far as I know, one of the areas in which obstructions were raised was that these refugees might become a....a....public...dependent on the public for support, when they came in, to the US, despite the fact, including Jewish organization, that various organizations

were willing to guarantee that these people would not become a....dependent on the US for support.

Q: They were ready to take care of them?

A: They were ready to make guarantees to this effect and to take care of the refugees.

Q: And didn't they...too talk about security reasons, saying that these people would be a security risk?

A: Yes...

Q: ...at a time of war?

A: That was one of the reasons and I have no doubt that the FBI probably felt that the Nazis would use refugees...recruit agents among refugees coming to the US.

Q: Yes, but I think it was Josiah Dubois, who was one of your assistants, who wrote in this report that it would have anyhow been possible to...even to put these people in camps for several weeks or months and to clear them afterwards.

A: Yes, they could have been screened.

Q: Yes, they could have been screened. This means the argument is....is rather weak, no?

A: Well, I...I think that while some people might have had real fears in this regard, I don't think that that was something that couldn't have been dealt with.

Q: Yes. No, but the fact that...the mere fact is that...do you agree with this that these ^{people} who were in charge of the problem in place of using & let's say the governmental machinery to help and ^{to} solve the question of the refugees, used this machinery ^{in order to} to block everything?

A: Well, I don't want to interpret people's motives, but the answer is that there were fewer people coming in at a time when there was the greatest need for people to find asylum in the US.

Q: Yes, because what is so striking and even shocking is that when one studies this...this period, it is the complete discrepancy between the...the emergency actions which were needed because each day counted and each day there were thousands of people who were murdered in the death camps, and the very slow and bureaucratic and red-tape

Q: which was...

PEHLE 45

A: By December 1943 the pressure for some action on the part of the government grew much more intense. In the Senate a resolution had been introduced, signed by twelve different senators and asking that plans be formulated to save the Jews of Europe from extinction. The resolution ended: "We have talked, we have sympathized, we expressed our horror, the time to act is now long past due."

Q: Yes, there is a striking fact too, that in all the reports and the sets...statements from the State Department that we have read and that we have at our disposal, when they handle with the problem of the refugees, and in such a case it was as a matter of fact specifically the Jews, they never dared to use specifically the word "Jewish", they always refused this. And there are even quotations of Breckinridge Long, who was the head of the European Division of the State Department, who said that in handling this problem of the refugees, one must not deal with people of a particular race or faith. And this is a very... this is very striking. They wanted in one way to draw the Jewish question in a much more general problem, and the Jews actually were the only one who were in danger of imminent death.

A: I don't know if they were the only ones, I think there were some Poles that were non-Jewish too...But the answer is that the basic problem had to do with the Jews and everybody knew it.

Q: Yes. Everybody knew it.

A: Of course.

Q: Yes. And...Well, let's now try to find how the Treasury, which was dealing mainly with financial problems - with money problems - how the Treasury became involved in this story and when did it start, and in which circumstances.

A: Well, the story goes back to March of 1943. This was before the Treasury had any knowledge of what was going on as far as the State Department was concerned. In March of '43, the World Jewish Congress representative in London

sent word that the...that there was a possibility of rescuing Jews in Rumania, and they got...This was brought to the attention of Sumner Wells. (Sumner Well was the Undersecretary of the State Department).

Q: Did they say how many Jews? could be rescued?

A: They said an ~~substantial~~ number at this point. And Sumner Welles sent cables to our legation in Switzerland, which was a key place because all the information as to what was going on filtered into Switzerland, and asked for more specific information. And then in April, a couple of months having gone by, the State Department received a cable from Bern, Switzerland, indicating how financial arrangements could be made to help rescue Rumanian Jews. And then the State Department then went back in May of 1943, and asked for clarification of the financial arrangements. Now, despite the fact that the Treasury was in charge of the financial controls....

Q: No money could be given without the permission of the Treasury?

A: No, it had to be...the Foreign Funds Control had to issue a license.

Q: This means - you?

A: That meant me, that meant our staff. And...but this was not brought to the Treasury's attention at that point at all. We didn't know that anybody was trying to send the funds, or that it was being held up. And finally, the State Department got in touch with the Treasury and we had a conference with the State Department on this matter.

Q: When was it?

A: This was in July of 1943.

Q: This means from March to July....

A: That's right.

Q: ...there is already a lot of time which passed.

A: The day after the conference we advised the State Department that we....

Q: Could you talk about the conference. Did you participate yourself in...

A: Yes, yes.

Q: ...this conference. You remember how the conference

went on?

A: Well, not precisely. I just remember we discussed thewhat was wanted, what was needed to...what kind should be issued. We said we'd consider whether the safe-guards were such that this would not result in foreign exchange going to the Germans.

Q: This was the concern?

A: It was a concern. And the Treasury up to that point had taken a rather absolute position, that there should be no communications direct or indirect with enemy territory. So we had been very rigid on this ground ourselves. But the day after the conference in the State Department, on July 16, we had resolved our problems and we told the State Department we are prepared to issue the license.

Q: Yes, but I think this must have been a real shock, your agreement for the people of the State Department, because as far as the records are true, during this conference of July 15, in which you participated, there were people of the State Department, like Robert Borden Reams for instance, who threw real cold water on the... on the proposal, saying that one shouldn't make an agreement with the Germans before letting any Jew escape from Rumania, which was completely wrong.

A: Well, at any event, the Treasury Department decided to go ahead. That was on...July 16.

Q: This means you acted very quickly?

A: Yes, the next day. But the license wasn't issued. We're not going through all the delays that took place after that; The State Department had cabled to our Embassy... our legation in Bern, saying the Treasury wants to issue that license, and giving the legation the idea the State Department didn't think so much of this. And the legation came back and said we ought to consult with the British, and they consulted with the British, and the British raised objections to this, so there was just one month after the other of delay.

Q: Why was ^{it} the legation of the US in Bern who had to delay ^{al} with the British?

A: Well, because the US and the British had certain joint controls on communications with enemy property and enemy territory, and that procedure had been established earlier. But it was used here and the effect of it was to delay the issuance of the license much further.

Q: This means, after the Treasury gave his agreement, the State Department succeeded to delay for how many months?

A: That was the effect of it. - till December.

Q: From July till December?

A: That's right. And then it was only issued after Mr. Morgenthau had taken the matter up with Secretary Hull and made an appointment to see Secretary Hull. And then finally the State Department very hurriedly issued the license without even consulting us as to what the license would say.

Q: Suddenly they were in a hurry?

A: They were in a hurry at the very end, yes.

Q: Why?

A: Well, because they recognised that....there had been all this delay, and we had also uncovered a matter involving a cable that had been sent earlier to the Bern em...legation.

Q: Well, that means that the proposal for the rescue of the Jews in Rumania was made in March, and that from March till December, in spite of the fact that the Treasury gave their agreement as soon as they got some knowledge of the facts, this means that there was a delay of 9 months.

A: Really the Treasury issued to...indicated in July that we would do it and it was in December that the license was issued.

Q: Yes. And can you talk about the

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plans de coupe sur Claude

BOBINE 323

WA PEHLE 46

A: Finally in January 1944, the Treasury got in the act - I say finally, because we recognised it was very late, late in the war and late in time to do anything about the extra

extermination of the Jews. The Treasury had encountered evidence that was so shocking, that they felt it had to be brought to the attention of the President, and this was done in January '44. And these are the facts which the Treasury brought up in Secretary Morgenthau's memorandum to President Roosevelt: basically the facts were that there was a real possibility in 1943 of rescuing a considerable number of Jews in Rumania. This had been uncovered by the World Jewish Congress and its representative in London sent a cable on March 13, 1943 to their opposites in the US and said that this possibility existed. The World Jewish Congress then got in touch with Sumner Welles who was Under-secretary of State, and he cabled our legation in Switzerland and requested them to get in touch with the World Jewish Congress and get the facts, which he.. which they did. On April 20, the State Department received a cable from Bern, relating to the proposed financial arrangements with connection with the ~~propose~~ ~~financial~~ of Jews from Rumania and France.

Q: In France, excuse me, these were mostly children who..

A: Yes.

Q: ...could be saved.

A: On April...following that April 20 cable, on May 25, State Department asked for further information about the financial arrangements. This hadn't been brought at all to the attention of the Treasury at that time, despite the fact that Treasury was responsible for licensing any transactions with Europe.

Q: Do you remember if the transaction ^{involved} ~~involved~~ a lot of money?

A: Oh, it would. Well, I don't remember, but I would assume a hundred thousand or so to start with. Then finally the State Department raised it with the Treasury on June 25, 1943, and we had a conference with the State Department on July 15, 1943. At that ~~conference~~ ~~about~~ ~~State~~ ~~Department~~ ~~was~~ ~~quite~~ ~~negative~~ conference ^{in State Department was quite negative} it worried about the possibility of funds falling

in the hands of the Germans, giving them foreign exchange. It felt that the arrangements for getting Rumanian Jews out had to be cleared with the Germans before any license was issued, and so forth. The Treasury was sort of put on the spot in this matter, because our general view had been: we didn't allow any transactions with enemy territory, however we went back and explored this very thoroughly in the Treasury and decided that we had...we could put safe-guards in the procedures so that no foreign exchange would come to the Germans. So the next day we advised the State Department that we were prepared to issue the license...

Q: The next day.

A: ...on July 16. Then from July 16 until December, some five months, nothing...no license was issued. And no license was issued because the State Department never was ready to say: go ahead. They sent a cable to the legation that said 'the Treasury Department thinks they're prepared to issue a license'. The legation in Bern then took it up with the British and the British. And one delay after another ensued. And only after Secretary Morgenthau had written to Secretary Hull and asked with a conference with Secretary of State Hull did the Treasury... the State Department issue hurriedly the license that was necessary, and of course then, it was too late.

Q: It was too late?

A: Well, it was pretty much too late. The opportunity, the situation had changed in Europe by that time, and was much more difficult to get people out. And the Rumanians were less free to do what they wanted to do.

Q: Yes, it was too late for the Jews of Rumania whatsoever.

A: One reason the State Department might have hurriedly issued the license when Mr. Morgenthau was going over to see Mr. Hull, was that we had uncovered some rather shocking information to this effect: our legation in Bern had been sending information to the US for various Jewish organizations. Some of this information had to do with what was happening in Germany and the extermination of the Jews...

Q: And in Poland?

A: What?

Q: And in Poland.

A: And in Poland, yes. And finally a cable was sent to the legation saying: please do not send any more information of this nature to the US, except in exceptional circumstances. We were able through friends in the State Department to bring out that this cable had been sent. And we asked for a copy of the cable. We knew the number of it and the date of it, and we asked for a copy of it. And when we got the cable, it didn't contain this instruction but it just contained other material that was in the cable. So it was deliberately withheld from us and Mr. Morgenthau was prepared to take this up with Secretary Hull, which he did.

Q: Yes, I think we should enter into the details of the cable because if we don't enter into the details it will be difficult to...to understand. Tu coup la.

BOBINE #24

WA PEHLE 48

A: One reason the State Department was on the defensive in the matter of licensing the transaction involving the Rumanian Jews, and in the end hurriedly issued the license was because of a cable that later became rather famous. I am reading now from a memorandum which was sent by the general councillor of the Treasury, Randolph Paul, to the Secretary of the Treasury, which outlines the circumstance under which this cable was sent. "On October 5, 1942, Sumner Welles, as Acting Secretary of State, sent a cable to Minister Harrison (our Minister in Bern), saying that reports had been received by the World Jewish Congress of thousands of Jews in Eastern Europe being slaughtered, and asked that the... ^{our Minister} ~~our Minister~~ contact the Jewish ^{was available} organizations and see what information could be received.. The State Department received several cables in reply to this. The most significant was a cable on January 21, 1943, number 482. It relayed a message which was stated to be for the information of Undersecretary of State, Mr. Welles and to be transmitted to Rabbi Stephen Wise, if the Under-

secretary should so determine. This message described a horrible situation concerning the plight of Jews in Europe. It reported mass-executions of Jews in Poland, according to one source six thousand Jews were being killed daily. The Jews were required before execution to strip themselves of all their clothing, which was sent to Germany. The remaining Jews in Poland were confined to ghettos. In Germany deportations were continuing, many Jews were in hiding. There had been many cases of suicide. Jews were being deprived of rationed food stuffs. No Jews would be left in Prag or Berlin by the end of March. And in Rumania 130,000 Jews were deported to Transnistria, about 60,000 had already died and the remaining 70,000 were starving. Sumner Welles then on his own initiative furnished this information to Rabbi Wise and it was then circulated among the various Jewish organizations and became public. That was done on February 9, 1943. (the information was furnished to Rabbi Wise). On February 10, the next day, a significant cable was sent back to the legation in Switzerland. It read....

Q: By who?

A: By...it was sent by the State Department. It was signed with Welles' name, but this is the way the State Department does things. The cable read: "Your 482, January 21. (meaning it was referring to the report of the extermination which just referred to)- and the cable went on) in the future we would suggest you do not accept reports submitted to you to be transmitted to private persons in the US unless such action is advisable because of extraordinary circumstances. Such private messages circumvent neutral countries' censorship and that by sending them we risk the possibility that steps would necessarily taken by the neutral countries to curtail or forbid our means of communication for confidential official matters." Now read in the light of the reference to your 482, January 21, this cable makes it clear that the people in the

State Department were saying 'don't send any more messages over about what is happening to the Jews. It was quite clear. We were advised by...

Q: It's very strange, because the cable was sent at the request of the Acting Secretary of S....

A: That's right.

Q: As..as a matter of fact.

A: But...I didn't quite understand.

Q: I mean the....the cable which forwarded the information was sent at the request...

A: That's right.

Q: ...of Sumner Welles.

A: That's right. ~~That~~ nevertheless, it was used as a vehicle for saying 'don't send any more information over that goes to private agencies', though the cable had said 'send it to Rabbi Wise if you think it is advisable'. At any event, we did discover that the cable had been sent and we asked for a copy of it.

Q: Excuse me, a further point:....

A: Yes.

Q: ...why didn't they want that the Jewish organizations get the...get the information?

A: Well, your look....you're asking for people's motives. I suppose that this information necessarily would cause greater pressure to be brought on the State Department to do something and cause hysteria. They felt it was inadvisable in any event.

Q: This was a pressure for action.

A: Yes, of course. And immediately emergency meetings were held ~~and~~New-York, and people were getting in touch with their congressmen and asking for....

Q: The famous rally of Madison Square Gardens,...

A: That's right.

Q: was....

A: ...A direct result of this information being available. We then asked for a copy of this cable, and we were advised that it was a departmental communication, it was strictly a political communication which had nothing to

do with economical affairs, had only a limited distribution within the department, and it...a copy could not be furnished.

Q: But excuse me, why did you ask for the copy of this cable?

A: Because we wanted to verify that the State Department was shutting off information as to what was happening in Europe.

Q: You had some hint of this?

A: Oh, yes. We had a copy of cable, but we wanted...we were told what the cable said, but we wanted a copy of it. Finally, the Secretary in a meeting with Secretary Hull asked Breckinridge Long for this cable...or asked Hull for it in the presence of Breckinridge Long....

Q: Breckinridge Long was....what was exactly the function of Breckinridge....

A: He was in charge of European Affairs in the Department of State. Shortly thereafter, Breckinridge Long sent to the Secretary a paraphrase of this cable. However, the cable as paraphrased didn't refer at all to the previous cable which made it clear that what they were dealing with was information as to atrocities in Europe, and therefore we were misled by this reference not being included, but we got this information from friends in the State Department, so we knew that they had intentionally misled us.

Q: Yes, this means that there were...there are two different things: one is concealment of information...

A: Repression of...

Q: Exactly. Repression of information is a better word....

A: And the other is misleading us and failing to...to give us a copy of the cable that was accurate, and without that reference in there it could have been a completely innocuous cable. But I think that it was this circumstance - that they had done this - that enabled the Secretary to go to the President and say: they're concealing what's happening, what they are misleading us, and something drastic has to be done.

Q: Yes, this is the real origin of the....of the creation

