

March 13, 1942

Board of Governors

Protection of property of

Mr. Wyatt, General Counsel

evacuees from Pacific Coast military areas.

The following documents on the above subject are attached for the Board's information:

1. A telegram sent last night by Mr. E. H. Foley, Jr., as Acting Secretary of the Treasury, to the Presidents of all Federal Reserve Banks;
2. A copy of the Executive Order of March 11, 1942, establishing the Office of Alien Property Custodian;
3. The text of a memorandum issued by the Alien Property Custodian under date of March 11, 1942 re delegating all of his powers and authority to the Secretary of the Treasury pending the staffing and organization of the Office of Alien Property Custodian; and
4. A press release issued yesterday in connection with the above-mentioned Executive Order and memorandum.

I did not see any of the attached documents, except the Executive Order, until after the telegram was sent to the Federal Reserve Banks last night.

I discussed the subject over the telephone with Mr. Foley and urged that, in order to avoid any uncertainty or confusion regarding the status of authorizations heretofore granted to the Federal Reserve Banks by the Secretary of the Treasury, the telegram to the Federal Reserve Banks should make it perfectly clear that all authority heretofore delegated to the Federal Reserve Banks by the Secretary of the Treasury remains in effect until further notice.

Mr. Foley took the position that this is not necessary, since Mr. Crowley's memorandum re delegating his authority to the Secretary of the Treasury bears the same date as the Executive Order and since the press statement points out that "there would be no interruption in the various programs vital to the war effort which are now in the process of execution relating to foreign owned and foreign controlled property".

There would have been less chance of uncertainty and confusion if Mr. Foley had adopted my suggestion; but his mind was made up and it was impossible for me to convince him of the wisdom of taking this additional precaution.

Respectfully,

Walter Wyatt,
General Counsel.

Attachments