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Authority NND 802116  
By WFD NARA Date 12/5/76

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In reply refer to  
File No. 740.00113 European War 1939/571A

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DEPARTMENT OF STATE  
WASHINGTON



AIR MAIL

December 2, 1942

FOR THE PERSONAL ATTENTION OF THE CHIEF OF MISSION.

EXAMINATION OF FILES OF AXIS FIRMS.

To

American Diplomatic and Consular Officers in the  
Other American Republics.

Sirs:

In some of the other American republics, Axis firms have been intervened by the local authorities; in others the assets of Axis firms have been taken over by the local authorities; in still others, however, no effective intervention or taking over has occurred. According to reports from those countries where vesting or intervention has occurred, records in possession of some of these firms, including records of a personal nature, have disclosed information of inestimable value.

The Department believes that it is highly important for each mission to take the necessary steps in order to achieve the most effective utilization of the records of Axis firms. A reference to the kind of information which has already been obtained and which can be obtained from these files will serve to underline the importance of such action.

Some of the information obtained from the files has shown clearly that the firms have been engaged in political activities detrimental to hemispheric security and in many cases in conduct which violated local laws. Moreover, the records of a number of such firms have shown that other firms and individuals, whose political status had theretofore been regarded as satisfactory, have been engaged in hostile activities. As a consequence, such other firms and individuals have been subjected to local controls and to the United States controls. Thus, information of this nature is not only of value to this Government but also to the local governments. Furthermore, it is believed that these files may assist in the discovery of actual and potential propagandists and saboteurs and the adoption of measures leading to more effective surveillance of such persons. Again, sources of funds used to finance subversive activities may be discovered and eliminated.

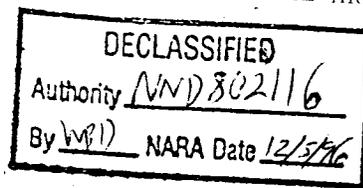
There are, moreover, additional benefits to be gained from an examination of the records of Axis firms. Many of these firms have been used for political purposes and in fact constitute a part of the Axis Governments. For

example,

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example, as a matter of public record, the I. G. Farben-industrie with all of its subsidiaries and distributors stationed throughout the world, has been used as an arm of the German Government and has contributed directly to the war effort of the enemy. In view of the use to which the Axis commercial firms have been put, it is believed that their files may contain information indicating current business and living conditions in enemy and occupied territory. They also may reflect the methods by which commercial firms have been, and are being, used for purposes of the Axis Governments. Any information along these lines will be of appreciable value to our military authorities. Such data may assist in direct military operations against the enemy. Moreover, such data may prove of particular assistance in the task of administering those areas occupied by the allied armed forces.

Finally, information of this nature would be helpful in directing our economic warfare program in the most efficient manner possible. Any information indicating scarcity of specific finished or semi-finished articles or raw materials would facilitate the successful operation of the preclusive purchase program now under way in Spain, Portugal, Switzerland, Sweden and Turkey. By definition the objective of the preclusive purchase program is to obtain supplies in the neutral countries in order to prevent the Axis from obtaining materials which are helpful to the armed forces of the enemy or to the civilian population in enemy or enemy-occupied territories.

The Department believes it is highly desirable to give special attention to these matters. It believes it important to develop appropriate means whereby representatives of this Government will be permitted to examine the records of firms which have been intervened or seized. It would, of course, also be helpful to secure records of Axis firms which have not been intervened or seized by the local authorities with a view to having such records examined by representatives of this Government.

It may be desirable to base your request to the local Government on the fact that this Government may be able to complement local information with the information available in Washington so that the local governments will be in a position to take more effective action. Finally, Resolution VIII adopted at the Washington Conference should afford an additional basis for suggesting full cooperation.

The importance and urgency of this matter cannot be over-emphasized and it is suggested that every appropriate effort be made by the missions to obtain the maximum results. Any information obtained should be sent immediately to the Department for its use and for transmission to other interested agencies including the War and Navy Departments. Where possible exact copies of all relevant documents should be sent.

It would be appreciated if the Department could be advised of the steps which are taken by you to assure the successful operation of this program. While it is realized that no standard methods can be suggested, the Department

believes

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believes that it may be in a position to make specific suggestions as soon as reports have been received from the field.

Moreover, it is requested that there be submitted a list of firms which have been intervened or taken over and a list of Axis firms which have not been intervened or taken over whose files might contain helpful information. The Department will then be in a position, if desirable, to submit questionnaires with respect to each such firm and also to transmit to the missions information available to the Department from other sources which might indicate helpful and useful avenues of approach in the examination by the missions of the files of such firms.

Very truly yours,

For the Secretary of State:

*Dean Acheson*

OR *N.S.*  
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