



April 2012

TREASURY HISTORICAL ASSOCIATION

NEWSLETTER

Inside this Newsletter...

Treasury's WWII Role in Rescue and Relief. The Treasury Secretary and his senior staff played a little-known, but significant role during World War II in the United States' policy and operation of relief services relating to European Jewish populations being terrorized by the Nazis (see pages 2 and 3).

THA Donates to Treasury Rare Matthew Brady Photo of Secretary Fessenden

The Treasury Historical Association was successful in bidding in an auction sale of an original Matthew Brady photograph of William F. Fessenden of Maine, the 26th Secretary of the Treasury and the second under President Lincoln's Administration. Although serving only eight months, Fessenden was a well-respected member of Lincoln's first Administration cabinet. Secretary Salmon P. Chase had previously resigned in order to run for President, but then took Lincoln's offer for appointment as Chief Justice of the Supreme Court.

Any original photograph by Brady is of great historic value, but to be able to win the auction of a portrait photograph of a Treasury Secretary was a rare opportunity for THA, even though the sitting was prior to his Treasury appointment, when Fessenden was a Member of Congress.

After winning the photo at \$2,000, THA, in accordance with its customary procedures, presented the rare photo as a gift to the Department's collection. This purchase was made possible only through the generosity of THA members and donors.



THA Outreach to Other Historic Preservation Organizations

One of THA's goals is to increase knowledge and interest in the historic value of the Treasury Building and the organizations housed within it over the past 150 years. One strategy recently adopted was to reach out to other organizations with missions similar to THA's. In late 2011, THA initiated discussions with John Sandor, President of the Latrobe Chapter of the Society of Architectural Historians (SAH), to identify areas of mutual interest. Named after Benjamin Henry Latrobe (1764-1820), America's first professional architect, the Latrobe Chapter is the metropolitan Washington, DC affiliate of the SAH.

Founded in 1940 and headquartered in Chicago, the Society organizes annual meetings for presentation of scholarly papers, publishes a quarterly journal and a bimonthly newsletter, and sponsors the *Buildings of the United States* series of guidebooks. Since its founding in 1967, the Latrobe Chapter has served as a forum for the local Washington, DC area academic and professional community of architectural historians and architects interested in history. Membership is open to anyone interested in architecture and the built environment. The current membership of the Washington, DC Latrobe Chapter is approximately 180.

On Thursday, February 9, at the National Trust for Historic Preservation's Massachusetts Avenue headquarters, the Latrobe Chapter hosted a lecture by architectural historian and author Pamela Scott on THA's history book that she had researched and written - *Fortress of Finance: The United States Treasury Building*. The event, preceded by light refreshments, drew a full audience, with a standing room crowd in attendance. Ms. Scott's presentation covered the four phases of construction of today's Treasury Building, spanning from 1836 to 1869, as well as a brief discussion of the predecessor Treasury Office, which was located on the site of the current Treasury Building's south wing from 1800 to 1833. Her lecture covered many aspects of the Treasury Building's design and construction efforts, including the political and social implications of debates with the Legislative Branch and the unexpected need to convert office space to factory workshops for production of new "greenback" currency, as directed by the Congress in 1862.

THA directors were delighted with the interest by Latrobe members and nonmember guests in Ms. Scott's presentation and in THA's book. As a result of this presentation, THA gained a few new members and several in the audience purchased THA's book at and after the lecture.

THA plans to reach out to other nonprofit and professional organizations that have interests and missions similar to THA's later this year.

Treasury's Crucial Role in Holocaust Refugee Rescue

Introduction: This is the extraordinary, little-known story of how four Treasury officials -- Secretary Henry Morgenthau, Foreign Funds Director John Pehle, General Counsel and tax expert Randolph Paul, and Assistant General Counsel Josiah DuBois — brought about a complete change in U.S. policy on rescue.

The U.S. began its rescue efforts to save trapped Jews in Europe in January 1944. Secretary Morgenthau presented President Franklin Roosevelt with evidence of governmental inaction that Roosevelt, about to run for an unprecedented fourth term, knew would be politically explosive if it ever became public.

U. S. Learns about the Final Solution:

On August 11, 1942, Dr. Gerhart Riegner, the World Jewish Congress representative in Bern, Switzerland sent a secret cable through secure channels to the U.S. State Department and Rabbi Stephen S. Wise, President of the World Jewish Congress, informing them of Hitler's plans to exterminate the Jews. Death camps were beginning to be opened. State demanded confirmation of the dreadful news, and that took until the fall of 1942 and winter of 1943, in cable number 482, dated January 21, 1943. Instead of acting, State tried to shut down the secret channel of secure communication. In a now-infamous cable, number 354, of February 10, 1943, State told its consulates in neutral countries that they were not to accept reports submitted to them to be transmitted to private persons unless advisable because of extraordinary circumstances. The reason given was that neutral countries' censorship was being circumvented. The cable signaled to U.S. embassies that State was uninterested in information concerning the Jews. Eleven months later, it would be key to unravel State's policy of acquiescence.

Treasury Looks at Refugee Rescue: In December 1943, Treasury's Foreign Funds Control staff found that some of the licenses it had issued permitting Jewish organizations to operate in enemy territory, provided no dollars were involved, were held up by State. Treasury began to look at the refugee matter and discovered many disturbing things. Pehle learned that State was actively blocking the transfer of funds from private Jewish organizations intended for refugee rescue. At a December 18, 1943 meeting, Pehle said the problem lay in removing the refugee question from

State to an agency sympathetic to the Jews. Morgenthau's staff urged him to recommend a commission

When Secretary Morgenthau asked to see a copy of the February 10, 1943 cable, he got an altered version. State had left out crucial reference to the January 21, 1943 cable, cataloging what was happening to the Jews, and thereby withholding from Treasury information about the murder of the Jews. After a December 20, 1943 meeting with Secretary of State Cordell Hull and Assistant Secretary Breckinridge Long, who oversaw passports and refugee visas at State, Secretary Morgenthau was convinced he had to persuade the President to remove refugee affairs from the State Department. He asked Randolph Paul to give him a fully documented briefing. Paul turned the assignment over to his fiery Assistant General Counsel, Josiah Dubois.

DuBois, Chief Counsel of Foreign Funds Control from 1943 to mid-1944 and named Assistant General Counsel in July 1944, and Pehle, Director of Foreign Funds Control and an Assistant to the Secretary since September 1940, spent three weeks preparing and then toning down an 18-page blistering report. Dubois dictated to his secretary by day and wrote at home at night; he even came into Treasury to work on Christmas Day. The report was initialed by Randolph Paul, Treasury's tax expert now General Counsel, who handed it to Secretary Morgenthau who personally dated the memo January 13, 1944.

"Report to the Secretary on the Acquiescence of this Government in the Murder of the Jews": The Report began "One of the greatest crimes in history, the slaughter of the Jewish people in Europe, is continuing unabated." "This Government has for a long-time maintained that its policy is to work out programs to save those Jews of Europe who could be saved." Pehle and DuBois boldly concluded on the first page: "Unless remedial steps of a drastic nature are taken . . . immediately, I am certain that no effective action will be taken by this Government to prevent the complete extermination of the Jews in German controlled Europe, and that this Government will have to share for all time responsibility for this extermination."

Secretary Morgenthau would later express his own similar views at the staff meeting on January 13, 1944 where the Secretary was given the report: ". . . [T]he attitude to date is no different from Hitler's attitude."

The Treasury Report catalogued State's

"willful failure to act," charging that Department's officials had: used Government machinery to prevent the rescue of Jews; taken steps to prevent the rescue programs of private organizations from being put into effect; failed to facilitate the obtaining of information on Hitler's plans to exterminate Europe's Jews and, in their official capacity, have "gone so far as to surreptitiously attempt to stop the obtaining of information;" and, tried to cover up, conceal, and misrepresent their guilt by giving out false and misleading explanations.

The Report cited facts as researched by Treasury, including a case where Treasury had been willing to issue a license to finance the evacuation of Jews from France and Rumania, but State held it up for five months. It noted that Morgenthau had sent a strong letter on December 17, 1943 to Secretary of State Hull on this issue. At the January 13 meeting in Secretary Morgenthau's office on Jewish evacuation, Randolph Paul said that the real question is "getting this out of the State Department." Another official said: "If you had a committee . . . you could make a real contribution." Pehle told the Secretary that an Executive Order was the specific proposal that should go to the President and one had been drafted.

Secretary Morgenthau toned down the report and shortened it to 9 pages. He concluded: "The matter of rescuing the Jews from extermination is a . . . task . . . filled with difficulty. Only a fervent will to accomplish, backed by persistent and untiring effort, can succeed where time is so precious."

Armed with the Secretary's "Personal Report to the President" and their draft Executive Order, the Secretary, Randolph Paul, and John Pehle met with the President on Sunday, January 16, 1944. Morgenthau was the only advisor close to the President to encourage rescue, and he told him that he was "deeply disturbed about the failure of State to take any effective action to save the remaining Jews in Europe." Pehle said the Treasury officials "urged the President to establish a refugee board outside the State Department." The Secretary outlined the issue and asked Pehle to give the President the details. The President listened attentively, handed the report back to Morgenthau, and no copy was left at the White House. FDR glanced at and briefly discussed the Executive Order, and said that he would like the matter to be taken up with Under Secretary of State Edward Stettinius.

At a later afternoon meeting in Morgenthau's home that same Sunday, the Secretary repeated his view from the prior Thursday staff meeting: that forthright immediate action was necessary if this Government was not going to be placed in the same position as Hitler and share the responsibility for exterminating all the Jews of Europe.

War Refugee Board Established: The War Refugee Board (WRB) was established by Executive Order 9417 on January 22, 1944, six days after the Sunday meeting. It was to effectuate with all possible speed rescue and relief of victims of enemy oppression who are in imminent danger of death and to afford those victims all possible assistance consistent with the successful prosecution of the war. The WRB was composed of the Secretaries of State, War, and the Treasury. Pehle was named Executive Director. The Board lasted 18 months, being terminated at the end of the war, on September 15, 1945 by President Harry S. Truman.

Though placed in the Executive Office of the President, the WRB was really run from Pehle's office in Treasury. It was set up to circumvent State and its widely recognized callously indifferent handling of refugee matters and to implement an American policy of rescue. Key Treasury personnel from Foreign Funds Control and the Office of the General Counsel were assigned to the Board at Morgenthau's request. Space was made available to the Board in the Treasury Building, the Department's Public Relations staff and facilities were placed at the WRB's disposal, and the Administrative Services Division of Foreign Funds Control was designated to handle all administrative services, including budget and payroll.

Secretary Morgenthau, whose intense interest and vision were in greatly responsible for the establishment of the WRB, placed the full force of Treasury and his own daily support and ideas behind the Board's work.

Functions of the War Refugee Board: The WRB had three major functions: develop plans and programs in cooperation with other federal agencies; inaugurate effective measures for rescue, transport, maintenance, and relief of victims; and, establish havens of temporary refuge for victims.

In the U.S., "One Haven" was opened in August 1944, at an unused army camp, Fort Ontario, in Oswego, New York. It housed and protected 982 refugees, 89 percent of whom were Jewish, from severely overcrowded refugee camps in Italy. In addition, the WRB succeeded in doing what the then-current visa process did not: It worked

out a visa program in favor of victims who had relatives in the U.S. with the State Department, which entitled refugees to non-quota visas. Havens in neutral European and Latin American countries were arranged by the Board to save upwards of 10,000 refugee children from France and from Hungary.

The WRB enlisted the cooperation of foreign governments to obtain their participation in the execution of its plans. It used Treasury representatives already stationed overseas by the Department's international Division of Monetary Research, then directed by Harry Dexter White. The Secretary sent personal cables to Treasury Representatives in London, Stockholm, Lisbon, Ankara, Cairo, and Algiers, asking them to do everything possible to assist the WRB. Special Representatives were also sent abroad by the WRB to strategic areas

The initial budget was \$1 million and later an additional \$4 million was given to the WRB. Much of the rescue was financed by private donations from Jewish and Christian individuals and groups, such as the major Jewish relief organizations. Since financing from the U.S. of all rescue and relief operations in enemy territory was possible only as authorized by the Treasury under the Trading with the Enemy Act, Foreign Funds Control cooperated very closely with the Board. All licenses for rescue were channeled through the WRB under a system established by Treasury and State, to bring no benefit to the enemy. Foreign Funds Control appointed a special liaison officer to handle and expedite all licensing problems relating to the War Refugee Board.

Twenty private relief organizations applied for and received basic licenses that enabled rescue and relief operations. Actual transmission of the funds was controlled by a separate remittance license.

Under this streamlined system, the sum of \$20 million was remitted abroad for rescue operations.

Raoul Wallenberg and Rescue Work of the Board in Hungary: One final footnote must be noted about the WRB's work in Hungary. The provision allowing the U.S. Government to encourage the participation of foreign governments led to the successful rescue efforts of Swedish citizen Raoul Wallenberg, who had studied in the United States and worked in Palestine and Hungary. The WRB representative in Stockholm, who was

the Treasury Representative, called together a committee which included prominent Swedish Jews to select a person to go to Hungary to lead Sweden's rescue effort. Wallenberg was appointed first secretary at the Swedish legation in Budapest and proceeded to give out protective passes, including to many Jews already on the deportation trains. He is credited with saving the lives of 100,000 Jews in Hungary.

The WRB saved a total of 200,000 lives. Pehle said: "What we did was little enough. It was late . . . and little."

Epilogue—The Fate of the Refugees in Fort Ontario, NY: On the evening of December 22, 1945, President Truman, in a radio address to the nation on aiding the entry of refugees into the United States, said that the 842 refugees at Fort Ontario in Oswego, New York could remain in the States. The President said that the "relatively small number of aliens" that President Roosevelt had brought to the U.S. during the war, "would be admissible under the immigration laws." Under the circumstances, "it would be inhumane and wasteful" to require these refugees to go back to Europe merely to apply for immigration visas and return to the United States. In February 1946, the last refugees left the haven in Oswego. The 23 infants born in the haven were later declared citizens of the United States.

The United States Holocaust Memorial Museum in Washington, DC possesses an extensive collection of materials regarding the War Refugee Board, Treasury's influence on President Roosevelt to take action, as exerted by Secretary Henry Morgenthau and his key staff personnel who are cited earlier in this newsletter article.

Both on-site and on-line research will yield a great deal of material on the topic, in film, photo and document format. Visit the museum at www.ushmm.org

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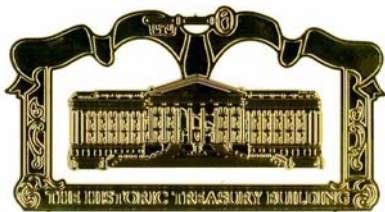
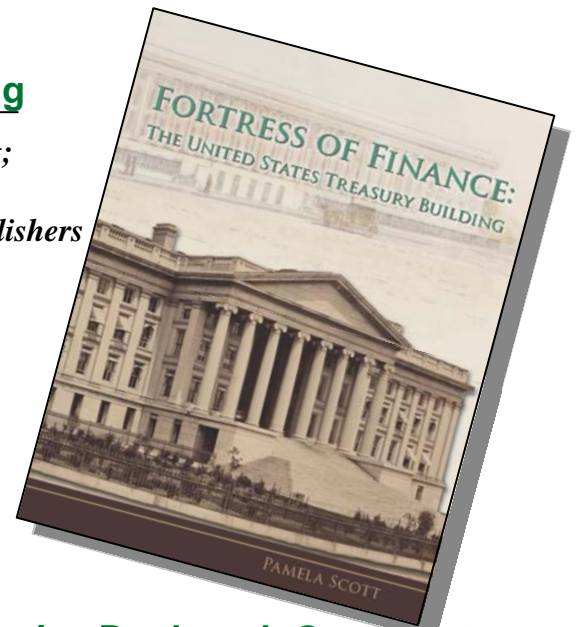
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Ornament on Treasury Bicentennial in New Capital City of Washington in 1800

- *With two stone images of first Treasury Building in DC (completed 1800) and South Wing of the current U.S. Treasury Building (built 1836-1869).*
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August 2012

TREASURY HISTORICAL ASSOCIATION

NEWSLETTER

Inside this Newsletter...

- **THA's Second Book Now in Development.** *THA's companion book to Fortress of Finance will provide histories of over 40 Treasury bureaus, most of which have spun off to become parts of other departments and independent agencies, and ten key persons' biographies.*
- **Work Begins on THA Educational Film about the Historic Treasury Building.** *Long time in the initial planning, the project has begun with THA's selecting a film production firm to start story line development for the film.*

THA Donates to Treasury Rare Painting of Secretary Robert J. Walker (1845-49)

The Treasury Historical Association recently was given an original mid-nineteenth century portrait of Robert J. Walker, the 18th Secretary of the Treasury. This was a donation from a private fine arts collector in New York City, who had a historic country vacation home that was decorated with period-appropriate furnishings; he is in the process of closing down and selling that get-away property, and he generously offered to THA this prize possession of his.

Secretary Walker was a citizen of many places in that he was born and raised in Pennsylvania, became a U.S. Senator from Mississippi (where he had previously moved to, in order to practice law with his brother's firm), and after his term at Treasury became the governor of the Kansas Territory and later established a law practice in Washington, DC. During his four-year tenure at Treasury under President James K. Polk, he arranged for the financing of the Mexican-American War and, in his last year of office, was instrumental in establishing the U.S. Department of the Interior.

As a standard practice, all items donated to THA are later donated to Treasury for its collection and display, either in public areas or in private offices that have significant volumes of visitors. This painting was recently transferred to Treasury by THA. Other THA gifts presented to Treasury throughout the year included the Matthew Brady photo of Secretary William F. Fessenden (cited in THA's April newsletter) and a number of vintage photographs and etchings of the Treasury Building and other items of interest to the Department.

The Walker work of art is currently being assessed by professional conservators as to the necessary restoration work required to preserve the portrait for future generations

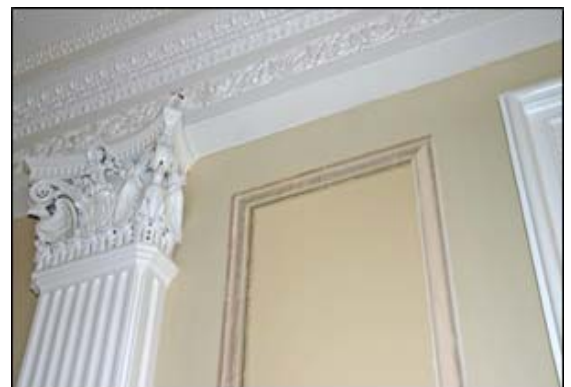
Capital Development Projects Continue Treasury Restoration

Two significant on-going restoration projects in the Treasury Building have THA's involvement, as the provider of partial funding for the work.

Recently completed was the first phase of the West staircase project, which was a joint public-private venture, with THA providing \$50,000 in funding in late-2009. This was made possible as a result of contributions to the Association's Capital Development Campaign. This project involves replacement of floor marble that had been destroyed during the 1910 installation of elevator shafts in the openings of the spiral staircases. Fortunately, the contractor was able to obtain a close match to the original marble from a quarry in Maine, not far from the one from which Treasury had purchased the original stonework in the 1860s. Also, the project involves the creation and installation of replica original-design railings and balusters that had been removed in 1910. This first phase covers the staircases up to the third floor.

A later phase will continue the work to the fifth floor, hopefully in the near future, as combined THA and federal funds become available.

The second significant project is research and revealing of original *trompe l'oeil* decorative art in the South wing of the Treasury Building. Translated as "deceive the eye," this old European art technique presents a three-dimensional optical illusion that makes flat paint appear to be raised molding. In 2003 THA gave the Department funding in the amount of \$3,600 for initial research in a *trompe l'oeil* panel near room 3318 and above the corridor windows in the 4300 corridor. Additional efforts pursued intermittently since then.



Original 1860 trompe l'oeil decorative painting is shown in the left and top of the framed design, with modern day portion shown as right side of frame.

Earlier this year, thanks to the generosity of donors to THA's Capital Development Campaign, the Association was able to give the Department funds in the amount of \$20,000 to continue further this *trompe l'oeil* project in the South wing.

Second Book to Include Treasury Bureau Histories and Select Biographies

Simultaneously with the development of *Fortress of Finance: The United States Treasury Building* book that was researched and written by Pamela Scott, THA engaged author Mark Walston to prepare manuscript for a second book to be published by the Association. His assignment was to develop material for brief histories of all major Treasury bureaus over the past 200+ years and brief biographies of ten influential Treasury personalities.

A portion of Walston's material for the THA book was derived from research leading to the publication of his previous book on the Treasury Department in 1989. This book, simply titled *The Department of the Treasury*, was part of the *Know Your Government* series of volumes published by Chelsea House that included all departments and many independent agencies of the Federal government. At one point during his career, Walston also served as a historian in Treasury's U.S. Customs Service.

Now in its final editing, review, and overall layout design stage, the book covers some 40 Treasury bureaus over the centuries. In addition to all the current bureaus and those transferred to the Department of Homeland Security almost ten years ago, the book includes histories on the Treasury organizations that evolved into the Public Health Service, the Food and Drug Administration, the Government Accountability Office, the General Services Administration, and the Office of Management and Budget, to name just a few.

Of the ten biographies, only five are of Treasury Secretaries (Hamilton, Gallatin, Chase, Mellon, and Morgenthau). Other notable personalities covered are: Ferdinand Hassler and Sumner Kimball, both of whom had held three different posts at Treasury—two for each being as a bureau head; John Wilkie, first Secret Service chief; Harry Anslinger, also having held three different Treasury posts, including as a bureau head; and, Elliot Ness, famed for his T-men brigade of "Untouchables."

Current plans are to have the 150-page book ready for printer's quotes by the end of the year. Barring any delays, THA hopes to be able to publish the book next year. Current THA members will be provided advance information on its availability and will be afforded special pricing for a limited period of time.

Educational Film Effort for Treasury Building Now Begun by Production Firm

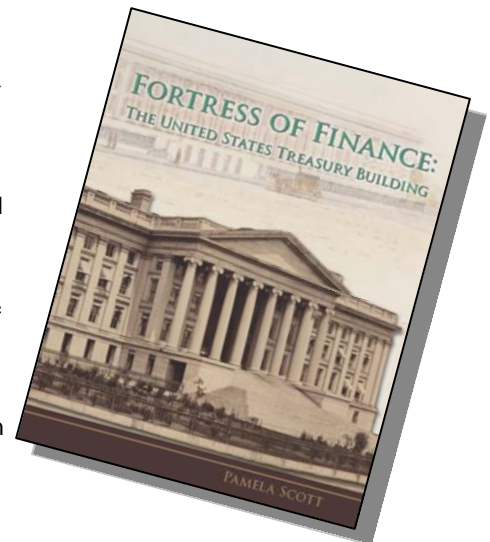
For a number of years, THA has envisioned the production of an education film on the Treasury Building that would include the several historically-restored rooms in the Building. THA officials had briefed the Chief of Staff and former Assistant General Counsel of the Association's interest in producing such a film, which would, of course, need the Department's coordination and cooperation, as well as the U.S. Secret Service's.

Recently, THA entered into a contract with Kaiman Bros. Media of Alexandria, Virginia, to begin developing the creative treatment for the film. This effort will be a multi-phase process, with Kaiman Bros. also assisting THA in soliciting for sponsors and for network support to air the film on either the public broadcasting system or one of the several educational television stations.

Kaiman Bros. is a well-established film production company, with notable clients that include Coca Cola, Deloitte, the Discovery Channel, and Five Guys Burgers and Fries, as well as the nonprofit group the National Wildlife Federation.

Tentative thinking is to use an approach of "if the walls could talk," where the film would address important events that occurred over the course of history in various parts of the Building. For example, the Chase Suite (General Counsel's office) was the 1861-62 venue for discussions on implementing the new legislation that required that Treasury start producing national currency, instead of the states issuing their own currency as in the past. Story treatment would possibly blend the historic events with the currently-restored décor of the office space.

The entire educational film project is expected to take up to 2-3 years before THA is "ready for prime time."



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December 2012

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Inside this Newsletter...

- **New Appreciation Gifts for 2013.** THA continues to develop unique appreciation gifts to recognize special levels of membership donations. See page 2.
- **Consolidation of the Bureau of the Public Debt and the Financial Management Service.** After 95 years as a separate Treasury organization, BPD is now consolidating resources with FMS to provide better service to the American taxpayer. See page 2

Years 2012 and 2013 Mark Significant Anniversaries

2012 marked the 150th Anniversary of the Bureau of Engraving and Printing (BEP) and of the Internal Revenue Service (IRS). While THA was not able to identify any discernible celebration of this significant anniversary year at IRS, the BEP has marked this special year with the creation of a 150th Anniversary Commemorative Currency Set, released on December 11, 2012.

This limited edition two-note set features a Series 2009 \$2 note from the Federal Reserve Bank of New York (bearing a serial number beginning with "2012") and a Series 2009 \$5 note from the Federal Reserve Bank of Chicago (bearing a serial number beginning with "1862," the year BEP was created). Originally titled the Bureau of Currency Production, the bureau was promptly created following legislation that required the Treasury Department to issue currency notes (in lieu of the previous practice of currency notes being issued by each state). Further information on this Commemorative Currency Set may be obtained by visiting the BEP website, www.moneyfactory.com.

2013 will mark the 150th Anniversary of the Office of the Comptroller of the Currency (OCC), which last year absorbed the Office of Thrift Supervision and its functions, and the 100th Anniversary of the Federal Reserve System ("the Fed"). While the Fed was never a part of the Treasury Department, per se, its mission and functions interface Treasury's on several points. In the earliest days of the Fed, its offices were located in the 4400 corridor of the Treasury Building, until the organization obtained its own office building for its expanding staff that supported its the Board of Governors.

THA will commemorate the Sesquicentennial of OCC and Centennial of the Fed in 2013, through its noontime lecture program, with guest lecturers from both organizations. Details will be provided through published announcements that will be distributed as plans and schedules become final.

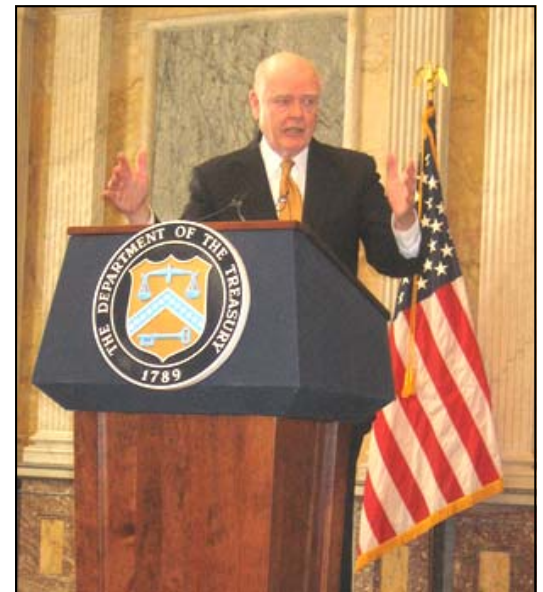
Secretary John W. Snow, Guest at Annual Meeting

John W. Snow, the 73rd Secretary of the Treasury was THA's guest speaker at its Annual Full Membership Meeting on December 4.

Prior to Secretary Snow's arrival, from 11:30 a.m. until Noon, THA board members conducted the business portion of the meeting, as required by the Association's by-laws, to provide to the THA members in attendance several reports on activities and new initiatives undertaken during 2012, along with a preview of 2013's events and plans. These reports included financial status of the organization, data on sales of commemorative products and THA's *Fortress of Finance* book, membership data and information on the noontime lecture program for both the past and future years.

At Noon, Secretary Snow arrived and was introduced by THA President Gary Grippo, and the full-house audience in the Cash Room was provided an insight by the Secretary of his three-plus year term of office. He described some of the economic challenges facing the Administration at that time, both during Mr. Snow's term as Secretary and prior times when he served as an economic advisor to President George W. Bush.

Mr. Snow's background as an accomplished economist, a diverse academic with a doctorate in economics and a law degree, and an experienced corporate CEO has enabled him to be a valuable asset to not only President Bush, but also in the prior Administrations of Presidents Nixon and Ford, during his high-level appointments at the Department of Transportation.



Secretary John W. Snow addresses Cash Room audience at December 4 THA Annual Meeting. Photo courtesy of Jack Flood, Jr.

The Bureau of the Public Debt: The End of One Historic Era, The Beginning of a New One

Treasury's responsibility of managing the country's debt goes back to the nation's beginning when, in 1790 the debt totaled \$52.8 million. Initially, the responsibility for borrowing the money and keeping track of its repayment was assigned to the Office of the Register of the Treasury and the Commissioner of Loans. These officers were carry-overs from the Continental Congress.

During the Civil War years, Congress authorized Treasury to raise additional funds through the issuance of securities, and the responsibility for managing this \$2.7 billion loan program fell to Treasury's new Division of Loans. World War I brought on much greater attention to Federal debt (reaching \$25 billion by the end of the war). To handle this massive debt, Secretary of the Treasury Carter Glass in 1919 created the Office of the Commissioner of the Public Debt. This new office was a consolidation of the former Division of Loans and Currency, the Office of the Register, the Savings Division of the War Loan Organization and other debt functions within Treasury. Two years later, the organization was re-named the Public Debt Service.

In the New Deal years, the nation's debt rose to \$269 billion. To better serve the growing public debt, the president reorganized the Public Debt Service as the Bureau of the Public Debt, and collectively designated it, the Office of the Fiscal Secretary and the then-new Bureau of Accounts (re-named many years later as the Financial Management Service), as "the Fiscal Service," effective June 30, 1940.

During almost 95 years of impressive performance by the Public Debt staff, leadership has been constant and stable, with only seven Commissioners since 1919: William S. Broughton, Edwin L. Kilby, Donald M. Merritt, Hubert J. (John) Hintgen, William M. Gregg, Richard L. Gregg, and Van Zeck.

On October 7, 2012, the Bureau of the Public Debt and the Financial Management Service were consolidated and re-named the Bureau of Fiscal Services. This consolidation, under the leadership of Commissioner David A. Lebryk, will phase in increased operational and administrative efficiencies by combining the talents of the two bureaus. It will also better prepare the Department to assume a greater role in the Government's overall financial management initiatives, as may be assigned by the Office of Management and Budget..

New Appreciation Gifts for Major Donors to THA

THA continually strives to develop new and unique appreciation gifts to give to members who join or renew above the General membership level of giving. The glass coasters with vintage, colorized photographs of the Treasury Building that were provided two years ago have proven to be of such interest and demand that the Association is continuing to develop additional coasters with other vintage images to enable members to expand their set.

For 2013, two new historic image coasters area available for the higher level members. Please see your renewal letters sent in early December for further details.



Addition to THA's Board of Directors

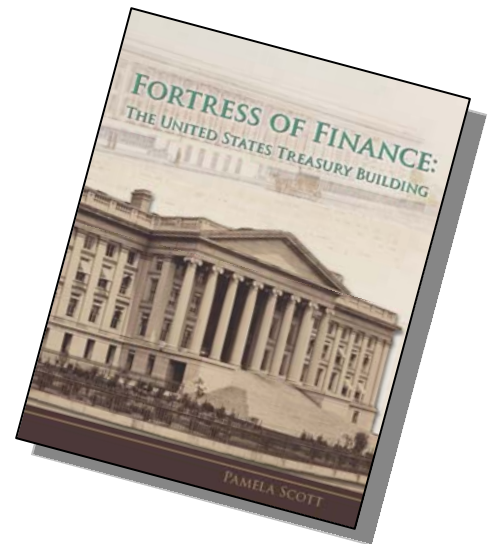
This past November, THA was pleased to add a new member to its Board of Directors. Margaret M. Newman, a professional decorative arts consultant, will serve on the Board and will assume responsibility for future THA periodic newsletters. Although never having worked at Treasury, Ms. Newman has an intense interest in THA's mission and in the Department's restoration and collection preservation goals.

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