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Thursday, September 20, 1945

Conference with the President (3:00 PM)

I requested an appointment with the President in order to present an Executive Order abolishing the Office of Strategic Services and distributing its functions and also a revised Order transferring the Office of Economic Stabilization to the Office of War Mobilization and Reconversion. John Snyder (Director of War Mobilization and Reconversion) had been concerned about the latter Order, and we had discussed with him the points in question.

When I gave the President the Order on OSS for his signature, I told him that this was the best disposition we could make of the matter and that General Donovan (Director of OSS) would not like it. I showed the President our communication with Byrnes (Secretary of State) and indicated that the State Department was willing to accept certain of the OSS functions while the rest would go to the War Department. The President glanced over the documents and signed the Order. He commented, as he has done before, that he has in mind a different kind of intelligence service from what this country has had in the past.

Then I brought to the President's attention the Order transferring the OES to OWMR, pointing out that he had already signed one Order to accomplish this. I reported that Snyder wanted to have OES moved over intact, and that we had drafted a revised Order which was agreeable to Snyder. However, after rereading the President's letter to Davis (Director of OES), we had decided that there was nothing that the President could do but sign an Order which would integrate Economic Stabilization with OWMR. The President commented that he would like to do what Snyder wanted. I said, "Mr. President, you can't do that and at the same time carry out what you said in your letter to Davis, which was to the effect that you were integrating OES with OWMR on the recommendation of Davis himself and that this automatically vacated the position of Director." I argued that the President could not now, except by violating his letter to Davis, move the OES over to OWMR intact, as Snyder wished. I indicated that I was sorry that the matter had developed as it had, but I felt that the President was left with no alternative. I explained that we had adjusted the Order in some other respects desired by Snyder. The President seemed to feel that he was stuck, and he signed the Order.

I had taken to the White House with me a copy of the State Department reorganization report, which I gave to the President. He seemed very glad to have it. He said that he wanted to read it, and he indicated that he was anxious that the State Department develop a good organization.

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