

Rev 131

Entry NW 3-131-94-001

Box 19

file:

Argentine Freezing  
Program

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Authority <u>WND 468103</u>
By <u>                    </u> NARA Date <u>1/17/97</u>

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NOV 8 1943

MEMORANDUM FOR THE ACTING SECRETARY OF STATE.

Reference is made to my memorandum of November 2, 1943, relating to the extension of the freezing controls to Argentina.

I want to draw your attention to the following transfers of Argentine dollar assets that are not related to normal commercial transactions, effected since November 2, 1943.

On November 3 and 4, there was a flight of \$900,000 out of Argentine accounts to the accounts of other countries, including Portugal, Uruguay, and Mexico, and \$200,000 was transferred to the Central Bank account by other Argentine banks. In addition, I am advised that the first shipment of gold, amounting to approximately \$1,250,000, formerly held by the Federal Reserve Bank of New York for account of the Central Bank of Argentina, left New Orleans for Argentina on the SS "Rio Parana" early November 4.

On November 5 and 6, there was a flight of \$740,000 out of Argentine accounts to the accounts of other countries, including Uruguay and Cuba, and \$750,000 was transferred to the Central Bank account. In addition, I am advised that the second shipment of gold, amounting to approximately \$1,250,000, formerly held for Central Bank account, left New Orleans for Argentina on the SS "Rio Atuel" on November 6.

My attention has been drawn to the cable from Ambassador Armour, dated October 30, 1943 (No. 2581), dealing principally with the special blocking of the Banco de la Provincia and the Banco de la Nacion, in which he states:

"The Department may desire to reexamine the whole matter to determine whether, in view of the action already taken, it would not be advisable to adopt the

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general freezing measure in the manner which the Embassy has recommended, and announce that the action taken against the two banks was merely a precautionary measure."

(Signed) Henry Morgenthau, Jr.

*Handwritten notes:*  
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AUFox:rd 11/6/43  
EMB  
JED  
for REP