WAR DEPARTMENT OFFICE OF THE UNDER SECRETARY

WASHINGTON, D. C.

25 February 1945

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Memorandum for the Secretary of War.

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Manhattan district.

It has been a constant problem, as you know, to get the necessary funds for this project from Congress and at the same time to safeguard the secrecy of the project. You talked with the Speaker of the House and leaders a year or so ago about the matter.

The funds have come from moneys appropriated to the Corps of Engineers, and also from "Expediting Production" moneys under my supervision. From time to time, when we have asked for new appropriations, we have in secret sessions with the House Subcommittee on Military Appropriations mentioned the project in a general way and have pointed out that the large amounts asked for in connection with Corps of Engineers and Expediting Production were necessary because of this project. General Marshall has testified on the topic, and I have testified, in closed sessions and off the record.

Members of Congress have also heard a good deal about the project from their constituents. When it is borne in mind that 120,000 persons are employed at the various installations connected with it, that we have had a good deal of trouble recruiting the necessary labor, and that the project has an air of mystery about it, a great deal of private discussion among Members of Congress is bound to happen. There have been

rumors of great waste, expensive housing, and the general run of stories that go with construction of a large project.

There is a growing restlessness and impatience among Members of Congress on account of the size and cost of the project and also on account of the fact that they can find out nothing officially about the nature of it.

You will recall that at one time the Truman Committee made up its mind to visit the installation at Pasco, Washington. We declined to permit such a visit and you had correspondence with the Committee on the subject.

A year ago Congressman Engel, a member of the Subcommittee on Military Appropriations, insisted on going to visit the project right away, to see whether there was any truth in the stories about waste, etc. I finally persuaded him to abandon the idea, at least for the time being.

Two weeks ago I appeared before the House Deficiencies Subcommittee with General Richards. The War Department was short of "Expediting Production" funds, and we asked leave to transfer other War Department appropriations to "Expediting Production" funds. In a closed session we explained that we needed more moneys for the Manhattan District project. We said that the project was of the most secret character, that we were working on it at direction of the President, that it was most important to the winning of the war. In reply to questions we said that \$1,200,000,000 had been spent on it. Several other questions were asked, which we declined to answer. The Subcommittee did not indicate any opposition.

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A few days ago Congressman Tabor spoke to me on the matter. He said that Congressman Engel had been talking with him and was very angry about our refusal to give him any details. He suggested that we have a discussion.

Yesterday I went to Tabor's office with Mr. Madigan and General Groves. Congressmen Tabor, Wigglesworth and Engel were present. (Tabor and Wigglesworth are on the Deficiencies Subcommittee; Engel is on the Military Appropriations Subcommittee).

Engel referred to a letter he had written to you. I told him that I had seen the letter and thought it indiscreet of him to dictate a letter of that sort to a stenographer. I also referred to the fact that you had discussed the project with the Speaker and the leaders.

I went over the project in a general way, - told them that I did not know the nature of it, that it was our most secret and most important project, that it was backed by Dr. Bush and others of the highest qualifications, that the most capable industrial companies in the country were the contractors in charge of the work, that General Groves spent his entire time on it, etc. I said that it was of the utmost importance that no public discussion of the project should take place.

Engel had a good deal to say about his duty, as a member of the Appropriations Committee, to inquire into the purposes for which the War Department was spending public money. He said that he had gone the limit, and that he would demand an investigation unless he found out more than had been revealed thus far.

There was a great deal of talk about expenditures for land, housing, roads and ordinary facilities.

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Tabor and Wigglesworth, who were most friendly, urged me to let Engel see a rough break-down of costs to date, to show how much had been spent to acquire land, how much to build roads, how much to build housing, how much for industrial facilities. Engel indicated that this might suffice, but he is also most anxious to visit the Tennessee site.

I said that I would first consult you about letting Engel see a cost break-down to show land, housing, etc.

Decision on letting Engel see a cost break-down must be made Tuesday night, because the report of the Deficiencies Subcommittee is due for House debate on Wednesday.

I recommend that we show Engel a rough cost analysis, to show cost of land, housing, roads, etc. I believe that this will satisfy him for the time being. Such a paper is being prepared.

I also recommend that you discuss with a Congressional group (the Speaker and leaders with whom you have already discussed the matter, and also the chairmen of the Appropriations Committees) the possibility of sending a party of two Senators and two Congressmen to the two principal installations for a general view of the project, the party to be selected by the Congressional group and to be of outstanding discretion and

reliability.

Robert P. Patterson Under Secretary of War.

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