

# The Combined Chiefs of Staff and the Public Health Building, 1942–1946

Christopher Holmes



The United States Public Health Service Building, Washington, DC, ca. 1930.

From February 1942 until shortly after the end of World War II, the American and British Combined Chiefs of Staff operated from a structure at 1511 Constitution Avenue Northwest in Washington, DC, known as the Public Health Building. Several federal entities became embroiled in this effort to secure a suitable meeting location for the Combined Chiefs, including the Federal Reserve, the War Department, the Executive Office of the President, and the Public Health Service. The Federal Reserve, as an independent yet still federal agency, strove to balance its own requirements with those of the greater war effort. The War Department found priority with the president, who directed his staff to accommodate its needs. Meanwhile, the Public Health Service discovered that a solution to one of its problems ended up creating another in the form of a temporary eviction from its headquarters. Thus, how the Combined Chiefs settled into the Public Health Building is a story of wartime expediency and bureaucratic wrangling.

---

Christopher Holmes is a contract historian with the Joint History and Research Office on the Joint Staff at the Pentagon, Arlington, Virginia.

## Federal Reserve Building

In May 1940, President Franklin D. Roosevelt began preparing the nation for what most considered America's inevitable involvement in the war being waged across Europe and Asia. That month, Roosevelt established the National Advisory Commission to the Council of National Defense, commonly referred to as the Defense Commission. Roosevelt charged its members with "coordinat[ing] and organiz[ing] the nation's resources of men and materials for defense" in the looming conflict.<sup>1</sup> Among its members was Chester C. Davis, a representative from the board of governors of the Federal Reserve System.

With war clouds gathering over Europe and the Pacific, expanding agencies and departments, including the Defense Commission, scoured the nation's capital for functional office space.<sup>2</sup> With one of their members serving with the Defense Commission—and feeling it their duty to support the war effort—the Federal Reserve's board of governors informally offered the use of their building, located near the White House along Constitution Avenue, three days after Roosevelt established the commission.<sup>3</sup> On June 12, 1940, the commission conducted its first meeting there.<sup>4</sup>

By month's end, Chairman of the Federal Reserve Board of Governors Marriner S. Eccles officially extended the Federal Reserve's hospitality. He offered Roosevelt the "facilities" of the Federal Reserve as a contribution to the growing defense effort.<sup>5</sup> Consequently, the Defense Commission formally established its headquarters in the Federal Reserve Building, conducting weekly meetings on Wednesdays in the central board room and utilizing offices throughout to accommodate its staff.<sup>6</sup> Later that year, having outgrown its space, the commission consolidated its staff into one

<sup>1</sup> National Defense Advisory Commission, *Functions and Activities* (Washington, DC, December 28, 1940), 3.

<sup>2</sup> Chester C. Davis, interview by Dean Albertson, December 1952–January 1953, "The Reminiscences of Chester C. Davis," Oral History Research Office, Federal Reserve, 513, <https://fraser.stlouisfed.org/title/881>.

<sup>3</sup> Board of Governors of the Federal Reserve System, *Annual Report of the Board of Governors of the Federal Reserve System* (1940), 9, <https://fraser.stlouisfed.org/title/117/item/2498>.

<sup>4</sup> William H. McReynolds, "Commission Minutes—12 June 1940," in *Minutes of the Advisory Commission to the Council of National Defense June 12, 1940, to October 22, 1941* (Washington, DC: Government Printing Office [GPO], 1946), 1.

<sup>5</sup> Board of Governors of the Federal Reserve System, "Meeting Minutes, June 19, 1940, 2:10 PM, Volume 27, Part 2," *Minutes of the Board of Governors of the Federal Reserve System* (19 June 1940), 2, <https://fraser.stlouisfed.org/title/821#29796>.

<sup>6</sup> Memorandum for Mr. Chester Morrill, Secretary to the Chairman of the Board of Governors of the Federal Reserve, April 30, 1941, box 320. Records of the Federal Reserve System, 1913–2003, Record Group (RG) 82, National Archives at College Park, MD (hereinafter NACP).

location, vacating the Federal Reserve Building. As the commission departed, it thanked the Federal Reserve board of governors for the “comfortable quarters and very efficient service . . . furnished to them in the Federal Reserve Building.”<sup>7</sup>

By opening the doors to the Defense Commission, the board established a precedent for other wartime agencies to work there as well. With the Federal Reserve situated blocks from the White House—and literally across the street from the War Department’s Munitions Building and the Navy Department’s Navy Building—it occupied a prime location. Moreover, the Federal Reserve provided a secure facility since it maintained a small guard force that patrolled the perimeter and protected the building and its occupants.<sup>8</sup> Soon after the Defense Commission departed, the Federal Reserve hosted the Lend-Lease Administration, yet another wartime body created in March 1941 and directed by Harry L. Hopkins, special assistant to the president. Roosevelt was aware of the Federal Reserve’s offer to the Defense Commission and suggested Hopkins establish his headquarters there. Although he did not, members of his senior staff did. By year’s end, the Federal Reserve hosted not only members of the Lend-Lease Administration, but also staff from the Division of Transportation and personnel from the office of the director of Central Administration Services.<sup>9</sup>

### **Arcadia Conference and the Federal Reserve Building**

One day after the United States declared war on both Germany and Japan, British Prime Minister Winston S. Churchill dispatched a telegram to Roosevelt suggesting the two meet to “review the whole war plan” and coordinate the efforts of the two nations.<sup>10</sup> The president agreed but admitted he was unable to “leave the country during intensive mobilization and clarification of naval action in the Pacific.”<sup>11</sup> Churchill consequently proposed travelling to the United States. Accordingly, he,

<sup>7</sup> William H. McReynolds, Advisory Commission to the Council of National Defense Regarding a Resolution of Appreciation, box 47, fldr. 3, item 2, Marriner S. Eccles Papers, (hereinafter Eccles Papers), <https://fraser.stlouisfed.org/archival/1343/item/464325>.

<sup>8</sup> Board of Governors of the Federal Reserve System, “Index to Minutes of Board of Governors of the Federal Reserve System 1941, Volume 28,” *Minutes of the Board of Governors of the Federal Reserve System* (1941), 302–3, <https://fraser.stlouisfed.org/title/821#519054>.

<sup>9</sup> Office of Emergency Management, “Space Report as of 31 December 1941,” in *To Transfer From The District Of Columbia Departments, Or Bureaus Thereof, And Independent Agencies to Other Localities: Hearings Before the Subcommittees of the Committee on Public Buildings and Grounds*, 77th Congress, 672 (January 7, 1942).

<sup>10</sup> Prime Minister Winston S. Churchill, telegram “Former Naval Person to President Roosevelt, 9 Dec 1941,” *Foreign Relations of the United States, The Conferences at Washington, 1941–1942, and Casablanca, 1943*, <https://history.state.gov/historicaldocuments/frus1941-43/d3>.

<sup>11</sup> President Franklin D. Roosevelt, telegram “For Former Naval Person from the President, 10 Dec 1941,” Map Room files, box 1, FDR-Churchill Jul–Dec 1941, Franklin D. Roosevelt Presidential Library and Museum, [fdrlibrary.marist.edu/\\_resources/images/mr/mr0005.pdf](http://fdrlibrary.marist.edu/_resources/images/mr/mr0005.pdf).

Admiral of the Fleet Sir Dudley Pound, Air Chief Marshall Sir Charles Portal, Field Marshall Sir John Dill, and members of the War Cabinet secretariat departed Britain on December 13, 1941, and arrived in Washington, DC, on December 22 for a conference code-named Arcadia.<sup>12</sup>

As Churchill and members of his senior military staff crossed the Atlantic, their American counterparts prepared for their arrival. Although the president knew of Churchill's departure, he did not inform his secretaries of war and navy, nor their uniformed service chiefs, until December 18 of the pending conference.<sup>13</sup> While the American military staffs scrambled to prepare, the task of finding a meeting room fell to the Foreign Liaison Branch under the Army's assistant chief of staff for intelligence (G-2). The Army formally designated the branch as the agency responsible for "making all arrangements for the proper reception of foreign military attaches and other foreign officers officially in the United States on their arrival in Washington."<sup>14</sup> Lt. Col. Lawrence Higgins served as branch chief and thus was charged with identifying a suitable meeting space. Higgins needed to find a location that was secure, near the White House, and suitably dignified. While the Munitions Building would seem to have been the logical choice, the building's overcrowding and tremendous bustle, not to mention its rather pedestrian appearance, excluded it from consideration.

Higgins was likely aware of the Federal Reserve Building's amenities because of his branch's association with the Lend-Lease effort. Over the preceding months, the War Department encouraged its personnel to foster relationships with foreign military officers who could negotiate transactions under the Lend-Lease Act.<sup>15</sup> To facilitate those contacts, a War Department order of April 8, 1941, established a Defense Aid Division to liaise between the department and the Lend-Lease Administration and, in so doing, "collaborate with the G-2."<sup>16</sup> Thus, Higgins, assigned to the G-2

---

<sup>12</sup> Andrew Roberts, *Masters and Commanders: How Four Titans Won the War in the West, 1941–1945* (New York: HarperCollins, 2009), 66–70.

<sup>13</sup> Henry L. Stimson, diary entry, "Thursday, December 18, 1941," document 0301, reel 7, Yale University Library (accessed at the Library of Congress).

<sup>14</sup> Assistant Chief of Staff, G-2, "History of the Foreign Liaison Office," box 20, entry UD1055, "Foreign Liaison Section," Records of the Army Staff, 1903–2009, RG 319, NACP.

<sup>15</sup> Brigadier General J. A. Ulio, "Procedure Under the Lend-Lease Act" AG 020.1 (3-29-41), April 10, 1941 in *First Report Under the Act of March 11, 1941 (Lend-Lease Act)* (Washington, DC: GPO, 1941), 28, <https://hdl.handle.net/2027/mdp.39015035966764>.

<sup>16</sup> Henry L. Stimson, "Office Order, April 8, 1941," in *First Report Under the Act of March 11, 1941*, 28, <https://hdl.handle.net/2027/mdp.39015035966764>.

branch responsible for interfacing with foreign military officers, would have been intimately involved with the Lend-Lease Administration<sup>17</sup> and well acquainted with the Federal Reserve Building.

In selecting the Federal Reserve Building, Higgins planned for the American and British officers to meet in rooms 2064–2066.<sup>18</sup> Col. Paul M. Robinett, appointed to serve as the Army secretary to the conference the day before the British delegation's arrival, went to check Higgins's arrangements. Robinett found them "unsatisfactory" for such an important conference and able to "comfortably accommodate only about six or eight people."<sup>19</sup> He told Higgins to change it. But on December 24, 1941, just prior to the arrival of both sets of senior officers for their first meeting, Robinett discovered Higgins had not done as he asked. He quickly contacted the Federal Reserve's building superintendent to arrange for use of the Federal Reserve's board room, a room more suitable for senior-level conferences. He implored the superintendent to open the room straightaway, explaining that "if it is not opened at once, our government will be terribly embarrassed."<sup>20</sup> The superintendent readily complied, and the colonel walked out of the board room in time to greet the arriving delegations, directing them to store their hats and coats in the room that Higgins had selected, and subsequently escorting them to the board room to begin the proceedings.<sup>21</sup> Brig. Gen. Vivian Dykes, secretary of the British Chiefs of Staff, described the building as "the most palatial place I have ever seen," validating both Higgins's and Robinett's choice of venues.<sup>22</sup> The "white marble palace of the Federal Reserve" thus played host to senior-level military discussions that were to have momentous implications, not only for the war effort, but also for the Federal Reserve's neighbors.<sup>23</sup>

### The Public Health Building

While the British and American conferees gathered in the Federal Reserve Building, leadership of the Public Health Service (PHS), headquartered across

<sup>17</sup> Lawrence Higgins (Colonel, US Army), "Record of Service, World War II," Military Records Branch, National Personnel Records Center, St. Louis, MO.

<sup>18</sup> Colonel Paul M. Robinett, *A Part of the Story of 1941–1942*, box 21, 356, Paul M. Robinett Papers Collection, George C. Marshall Foundation Archives, Lexington, VA (hereinafter RPC).

<sup>19</sup> Colonel Paul M. Robinett, "Saving National Face," box 16, fldr. 8, 2, RPC.

<sup>20</sup> Ibid.

<sup>21</sup> Ibid.

<sup>22</sup> Alex Danchev, *Establishing the Anglo-American Alliance: The Second World War Diaries of Brigadier Vivian Dykes* (London: Brassey's UK, 1990), 85.

<sup>23</sup> Robinett, "Saving National Face," 1.



The Federal Reserve Building, Washington, DC, ca. 1937.

20th Street Northwest from the Federal Reserve Building, began to realize the consequences of its previous decisions.

More than a decade earlier, PHS leadership decried the cramped conditions at the PHS hygienic laboratory at 25th and E Streets Northwest that limited research and posed a health hazard to the animals kept there for vaccination testing.<sup>24</sup> Congress heard their complaint and passed the Ransdell Act in 1930, renaming the laboratory the National Institute

of Health (NIH), granting it a \$15 million appropriation for operations, and authorizing funds for the construction of a new building.<sup>25</sup> Construction of new facilities languished, however, while PHS leadership hunted for a location suitable to house a national laboratory. Upon learning of an offer from wealthy landowners in Bethesda, Maryland, to donate land, the PHS moved quickly to secure the site for the NIH. Surgeon General Dr. Thomas J. Parran, Jr., successfully wrangled with the estate's neighbors, PHS bureaucracy, and Congress to begin construction on the NIH campus in 1938.<sup>26</sup>

Three years later, on July 9, 1941, as campus construction continued, Dr. Parran met with Leonard W. A'hearn of the Federal Security Agency (FSA, the parent federal agency of PHS) and Frank E. Dow of the Bureau of the Budget. They discussed the PHS's potential to free up office space to house the expanding staffs of other agencies. Aware that the Bethesda property offered considerable

<sup>24</sup> Michele Lyons, *70 Acres of Science: The National Institute of Health Moves to Bethesda* (Bethesda, MD: Office of NIH History, National Institutes of Health, 2006), 7, <https://history.nih.gov/download/attachments/1016824/70acresofscience.pdf?version=1&modificationDate=1550592741327&api=v2>.

<sup>25</sup> Lyons, *70 Acres of Science*, 7.

<sup>26</sup> *Ibid.*, 10–11.

space that could accommodate additional facilities, A'hearn broached the idea of co-locating PHS headquarters with the NIH in Bethesda as a way to not only free up space in downtown Washington but also to improve internal PHS activities. Dow supported the idea, noting that such a consolidation might benefit both entities, as well as possibly eliminate “disruption” to another agency if it needed to relocate because of a lack of available office space. Dr. Parran refuted that idea, arguing his activities as surgeon general required close collaboration with his Army and Navy counterparts in offices across Constitution Avenue from PHS headquarters, thus necessitating that his office remain in Washington, DC. He added that moving to Bethesda “would impair the efficiency” of the PHS, and he threatened to go to the president if he were told to leave. In a foreshadowing of a decision to come, A'hearn agreed that the president indeed was the one with final decision authority on what agency moved where. However, he cautioned that the president relied on the Federal Security Agency and the Bureau of the Budget for advice, implying their counsel would be to consolidate the PHS at Bethesda.<sup>27</sup>

Five months after that meeting, the Arcadia Conference got underway in the Federal Reserve Building, literally across the street from the PHS headquarters building. Assistant Surgeon General Paul M. Stewart warned Dr. Parran about what was happening next door, saying that “the Army has practically taken over the Federal Reserve building.”<sup>28</sup> To forestall a similar fate at the PHS headquarters, Stewart urged the surgeon general to consider offering some amount of space in the PHS building.<sup>29</sup> Parran demurred, but a decision made at the Arcadia Conference soon validated Stewart's concern.

### **Both Buildings and the Combined Chiefs of Staff**

The senior British and American military officers at Arcadia agreed that the scope and scale of the war required the establishment of some sort of senior-level council to coordinate decisions and strategy. To that end, they established a Combined Chiefs of Staff (CCS), “defined as the British Chiefs of Staff (or in their absence from Washington, their duly accredited representatives), and the United States

---

<sup>27</sup> Conference between Surgeon General Parran, Dr. Draper, Mr. A'hearn of the Federal Security Agency, and Mr. Dow of the Bureau of the Budget on the question of moving the Public Health Service to Bethesda, July 9, 1941 fldr. 245, box 519.; New PHS Building), 1–4, 6, 9, Records of the Public Health Service, 1794–1990, RG 90, NACP.

<sup>28</sup> Assistant Surgeon General, Division of Personnel and Accounts, letter to the Surgeon General, December 26, 1941 fldr. 245, box 519, New PHS Building, RG 90, NACP.

<sup>29</sup> *Ibid.*

opposite numbers of the British Chiefs of Staff.”<sup>30</sup> (The U.S. “opposite numbers” were to become the Joint Chiefs of Staff.) The CCS was to meet weekly, or more frequently if need be, to continue the strategy discussion begun at Arcadia.<sup>31</sup> Where the CCS and its supporting staff officers might work and meet, though, was a matter not yet determined.

Harry L. Hopkins observed how well the Federal Reserve Building suited the Arcadia Conference and believed it could serve the same function for the CCS. On January 23, 1942, he called Marriner Eccles, arguing that Eccles’s building “would meet the needs [of the new CCS] perfectly.” Hopkins explained that Roosevelt was considering giving the building to the CCS as well as for the “inter-allied conferences which are going to be a permanent set-up for the duration.” To make room, Hopkins proposed the board of governors relocate to New York. Eccles disagreed, replying that “the Board might just as well be eliminated as such a move would practically destroy its ability to function” considering that the board interacted with a broad variety of different agencies and entities in Washington. Rather than give up his building, Eccles suggested Hopkins consider the PHS building across the street, emphasizing that its location offered the same “advantages” as those of the Federal Reserve Building.<sup>32</sup>

While Eccles and the board of governors certainly believed the Federal Reserve should do its part for the war effort by offering some space in the building, they did not believe they should completely vacate it. While their hospitality to the Defense Commission stemmed from magnanimity, the board also likely saw it as a hedge against a complete takeover. The board’s staff prepared a memorandum to outline several reasons why the president could not reallocate the building, all derived from the 1913 Federal Reserve Act that created the Federal Reserve and its board of governors. First and foremost, the board explained that the act specified “the principal offices of the Board [of Governors] shall be in the District of Columbia,” as well as “several [other] provisions that require the presence of the Board in Washington.”<sup>33</sup> Further,

<sup>30</sup> US ABC-4/CS-4, Washington War Conference, Post-Arcadia Collaboration, Memorandum by the Combined Chiefs of Staff, January 14, 1942, 1, <https://www.jcs.mil/Portals/36/Documents/History/WWII/Arcadia3.pdf>

<sup>31</sup> *Ibid.*, 3.

<sup>32</sup> Chester Morrill, Memorandum for the Files, Board of Governors of the Federal Reserve, January 23, 1942, box 320, 1–3, RG 82, NACP.

<sup>33</sup> 12 USC 244, Section 10, paragraph 4; Memorandum for the Files, Board of Governors of the Federal Reserve, undated, box 320, 1, RG 82, NACP.

there were other alternatives to the Federal Reserve Building. One choice was the “large building for the War Department under construction in Arlington which will house from 30,000 to 40,000 people and it is understood that the first section of this building will be ready for occupancy within four or five months” (this “large building” eventually became known as the Pentagon).<sup>34</sup> The memorandum’s author also suggested the Public Health Building as another option, due to its proximity to the White House and because it “had approximately the same amount of space as the board’s building including a large auditorium that will seat from 250 to 300 people.”<sup>35</sup> The memorandum clearly implied that the Public Health Building could easily substitute for the Federal Reserve Building.

While searching for a home, the CCS began meeting wherever a room was available. On January 23, 1942, they met in room 1202 in the Federal Reserve Building.<sup>36</sup> Four days later, they convened across Constitution Avenue in the Navy Department Building in room 2907.<sup>37</sup> The lack of a settled location was not conducive to managing a global conflict. Gen. George C. Marshall, chief of staff of the Army, wanted an immediate resolution on a permanent location from the only person who could make such a decision, President Roosevelt. As such, Marshall raised the issue in a cabinet meeting on January 28, 1942. He explained to the president that “with the amount of business being transacted, [the CCS] were seriously handicapped by lack of quarters; that there is even confusion as to the place where the meetings are to be held; and that already there have been numerous delays in getting off telegrams” to field commanders.<sup>38</sup> He further noted that the CCS participants were the most senior military officers from the United States and specially selected senior deputies from the British military services. Such stature necessitated “adequate space in a dignified setting.”<sup>39</sup> Marshall therefore strongly argued for use of the Federal Reserve Building.<sup>40</sup> The president, while agreeing with Marshall’s reasoning, responded that the Federal

<sup>34</sup> Memorandum for the Files, Board of Governors of the Federal Reserve, undated, in *ibid.*

<sup>35</sup> *Ibid.*, 4.

<sup>36</sup> Minutes of the Meeting of the Combined Chiefs of Staff, 23 January 1942, in *Minutes of Meetings of the Combined Chiefs of Staff Post-Arcadia*, vol. 1, 1, <https://www.jcs.mil/Portals/36/Documents/History/WWII/Post-Arcadia3.pdf>.

<sup>37</sup> Minutes of the Meeting of the Combined Chiefs of Staff, January 27, 1942, in *ibid.*, 12.

<sup>38</sup> War Department, Office of the Chief of Staff, “Conference at the White House, 2:00 P.M., January 28, 1942” box 4, 334, entry 15, Records of the War Department and Special Staffs, 1860–1952, RG 165, NACP.

<sup>39</sup> *Ibid.*

<sup>40</sup> *Ibid.*



The view from the Federal Reserve Building's roof. The Public Health Building is on the immediate left. At right, the Navy and Munitions Buildings, Washington Monument, and U.S. Capitol can be seen.

Reserve Building was not an option because it belonged to the Federal Reserve and thus was not subject to his authority.<sup>41</sup>

Roosevelt rendered his decision on January 30. Though no minutes of cabinet meetings were kept, Stimson's notes indicated the "President announced he was taking the Public Health Building for the use of the Joint Chiefs of Staff and was going to turn the Public Health Service temporarily over to some building that I did not identify."<sup>42</sup> How Roosevelt arrived at that decision is unclear.

Treasury Secretary Henry Morgenthau, Jr., and Hopkins specifically discussed the PHS building for the CCS on January 31, with Hopkins unaware of the president's decision the day before. Hopkins reminded Morgenthau about the importance of the CCS's work and consequently that they "ought to have a place to work where they've got real security and where nobody can get in the building and nobody else is there." Hopkins told Morgenthau about his conversation with Eccles the

<sup>41</sup> 12 USC 244, Section 10, declares the Federal Reserve "shall be governed solely by the provisions of [the Federal Reserve] Act," and receives its funding solely from its own assessments, rather than congressional appropriation. As such, this section illustrates the Federal Reserve's independence from both the executive and legislative branches.

<sup>42</sup> Memorandum of decisions at the White House, January 30, 1942, Henry L. Stimson Papers, document 0240, reel 127, Yale University Library (accessed at the Library of Congress).

week before, that Eccles initially refused, but then reconsidered to offer a few rooms. Hopkins quickly added that Eccles's offer was not acceptable and solicited Morgenthau's advice on how to proceed. Morgenthau replied that the president "at [a] cabinet [meeting] yesterday" (January 30, 1942) told the CCS they would move into the Public Health Building, while the Public Health Service leadership in that building was to move out to the Bethesda campus. Hopkins said "that's just as good" because the "Public Health Service is a damn nice building" and one that could be protected.<sup>43</sup>

Thus, the CCS began meeting in the Public Health Building, with their first session occurring in room 340 on February 3, 1942.<sup>44</sup> The establishment of the CCS in Washington was no secret. In a White House meeting with the press on February 6, 1942, a week after his decision on the CCS building, Roosevelt confirmed the existence of "war councils" to coordinate strategic level military and political matters, and that such councils already had been at work for several weeks.<sup>45</sup> The next day, the *Washington Post* reported the president's remarks, announcing the establishment of a "combined chiefs of staff" from the United States and Great Britain, and reporting that the group worked out of offices in the PHS building on Constitution Avenue.<sup>46</sup> The article went on to describe the building as a "nerve center" for both nations' efforts.<sup>47</sup>

Activities surrounding the PHS headquarters building gathered momentum. On February 7, the War Department submitted a request to the director of the Bureau of the Budget for \$300,000 for the "procurement and installation of equipment required for the headquarters of the Combined Chiefs of Staff group and for necessary operating expenses" to accommodate the CCS in the PHS building.<sup>48</sup> Since the PHS building was not designed to be secure, the request included the provision of security-related items like floodlights (\$2,000) and sentry boxes (\$800), as well as the installation of

---

<sup>43</sup> Henry Morgenthau, telephone call with Harry Hopkins, January 31, 1942, vol. 490, part II, 269–70, Henry Morgenthau Diaries, Franklin D. Roosevelt Library (hereinafter FDRL), [http://www.fdrlibrary.marist.edu/\\_resources/images/morg/md0702.pdf](http://www.fdrlibrary.marist.edu/_resources/images/morg/md0702.pdf).

<sup>44</sup> Minutes of the Meeting of the Combined Chiefs of Staff, February 3, 1942, in *Post-Arcadia*, 22, <https://www.jcs.mil/Portals/36/Documents/History/WWII/Post-Arcadia3.pdf>.

<sup>45</sup> Press Conference #803, transcript, Executive Office of the President, February 6, 1942, 10:50 am, 5, FDRL.

<sup>46</sup> "D.C. Becomes United Nations' War Capital," *Washington Post*, February 7, 1942.

<sup>47</sup> *Ibid.*

<sup>48</sup> Major General H. K. Loughry to the Director of the Bureau of the Budget, "Allocation for headquarters of the Combined Chief of Staff Group," February 7, 1942: Bureau of the Budget, Treasury Department Authorizations, 1942, President's Official File, OF 79, Papers of the President, FDRL.

other items for round-the-clock operations such as shower-baths (\$500) and a cafeteria (\$30,000).<sup>49</sup> Bureau of the Budget Director Harold D. Smith forwarded the War Department's request to Roosevelt for approval three days later. Smith's letter confirmed that the president "directed the United States Public Health Service [to] vacate the building occupied by it in this city and that headquarters [for the CCS] be established therein."<sup>50</sup> He then urgently requested the president's approval of allocation of funds since "setting up of the headquarters in question is already well under way," but noted the overall funding amount could be reduced to \$200,000.<sup>51</sup> Roosevelt approved the \$200,000 allocation the following day.<sup>52</sup>

On February 10 (coincidentally the same day the funding request went to the president for approval), the commissioner of public buildings, William E. Reynolds, formally notified Surgeon General Parran to "confirm arrangements whereby you are vacating your building at Nineteenth and Constitution Avenue for use of the [CCS]."<sup>53</sup> Reynolds elaborated that the surgeon general could operate out of the Old Naval Hospital until temporary office construction on the Bethesda campus was complete.<sup>54</sup> To placate Parran, Reynolds closed his letter by noting that the takeover of the PHS building was a temporary, wartime expedience and that the PHS building would "be reassigned to your office at the end of the emergency unless other arrangements are made."<sup>55</sup> Parran replied three days later to confirm receipt of Reynolds's letter but declined taking up temporary residence at the Old Naval Hospital, since building space at the Bethesda campus was "sufficient."<sup>56</sup> Parran also carefully reminded the commissioner of his "assurance" that the PHS building would be restored to the PHS after the war's end.<sup>57</sup>

At the CCS meeting of February 10, the chief of the British Joint Staff Mission to Washington, Sir John Dill, opened the proceedings by expressing the mission's

---

<sup>49</sup> Ibid.

<sup>50</sup> Harold D. Smith, Director of the Bureau of the Budget, to President Franklin D. Roosevelt, February 10, 1942. in *ibid.*

<sup>51</sup> Ibid.

<sup>52</sup> President Franklin D. Roosevelt to the Secretary of the Treasury, February 11, 1942, in *ibid.*

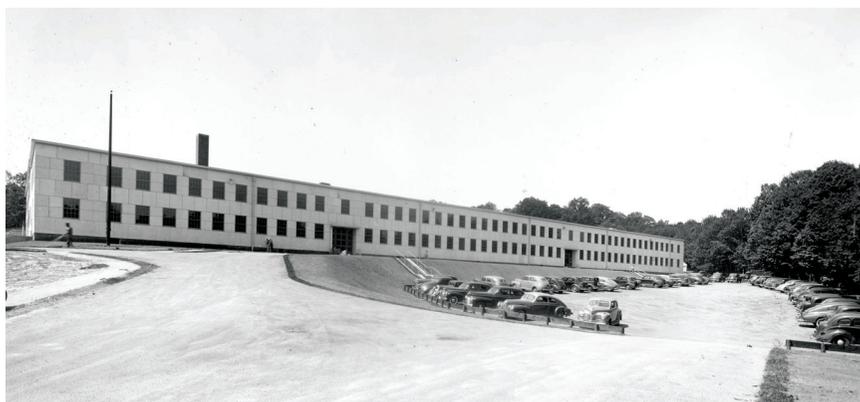
<sup>53</sup> Letter from Winchester E. Reynolds, Commissioner of Public Buildings to Dr. Thomas Parran, Surgeon General, Public Health Service, February 10, 1942, box 519, fldr. 245: New PHS Building, RG 90, NACP.

<sup>54</sup> Ibid.

<sup>55</sup> Ibid.

<sup>56</sup> Letter from Surgeon General Thomas Parran to Winchester E. Reynolds, Commissioner of Public Buildings Administration, February 13, 1942, box 519, fldr. 250, RG 90, NACP.

<sup>57</sup> Ibid.



NIH's Building T-6 in Bethesda, Maryland, which housed Surgeon General Parran and his staff for the duration of the war.

gratitude for the “generous accommodation” in the PHS building.<sup>58</sup> Also eager to get established in the new building was General Marshall. Three days after Dill’s commendation, he wrote Admirals Harold R. Stark (chief of naval operations) and Ernest J. King (commander in chief of the United States Fleet) to tell them the “Public Health Service completely evacuates their building across the street [from the Munitions Building] on Monday, and we will be free to go ahead with the set-up of the Combined Chiefs of Staff.”<sup>59</sup> He urged them to establish their offices in that building as well because it “may be a convenience for all four of us” [Marshall here included Gen. Henry H. Arnold, chief of the Army Air Forces, who with the other three formed the U.S. Joint Chiefs of Staff] to work in such close proximity.<sup>60</sup> Marshall also urged co-locating the two committees that supported the CCS, the Joint Intelligence Committee and the Joint Strategic Committee, to escape the “turmoil of the War and Navy Departments” as well as be in close physical proximity to their British counterparts.<sup>61</sup> By Monday, February 16, the CCS and all its supporting personnel would be well on their way to operating completely out of the PHS building.

<sup>58</sup> Minutes of the Meeting of the Combined Chiefs of Staff, February 10, 1942, in *Post-Arcadia*, 33, <https://www.jcs.mil/Portals/36/Documents/History/WWII/Post-Arcadia3.pdf>.

<sup>59</sup> Larry I. Bland and Sharon Ritenour Stevens, eds., *The Papers of George Catlett Marshall* (Lexington, VA: George C. Marshall Foundation, 1981). Electronic version based on *The Papers of George Catlett Marshall*, vol. 3, “*The Right Man for the Job*,” December 7, 1941–May 31, 1943 (Baltimore: Johns Hopkins University Press, 1991), 104–5, <https://www.marshallfoundation.org/library/digital-archive/memorandum-for-admiral-stark-admiral-king-2/>.

<sup>60</sup> *Ibid.*

<sup>61</sup> *Ibid.*



The CCS seated in the Octagon Office, formerly the Surgeon General's Office, in the Public Health Building, October 23, 1942.

### **World War II and Afterward**

The CCS and its staff remained in the PHS building for the duration of the war, vacating six months after the conclusion of hostilities. On January 11, 1946, the secretary of the Joint Staff, Brig. Gen. Andrew J. McFarland, alerted the CCS that the offices would close in the PHS building. Two days later, they reopened in a temporary location, the New War Department Building at 21st Street and Virginia Avenue Northwest (in what today is the main State Department building).<sup>62</sup> The CCS remained there until March 1947, when it moved once again, this time to the Pentagon, where it resided until formally dissolved on October 14, 1949.<sup>63</sup>

The Federal Reserve Building, meanwhile, continued to offer space on a limited basis to help service wartime office needs. In 1943, the building hosted a successor to the Arcadia Conference, code-named Trident. On May 3, 1943, Roosevelt personally wrote Eccles to ask if he could make available the “Board of Governors room, the small conference room adjacent, and four nearby office rooms in the Federal Reserve Building for a period of two weeks starting Saturday, May 8th?”<sup>64</sup>

<sup>62</sup> Joint Chiefs of Staff, Information Memorandum 470, 11 January 1946, decimal file 300, entry 1, RG 218, NACP.

<sup>63</sup> JCS Information Memorandum 687, “Dissolution of the Combined Chiefs of Staff Organization,” October 14, 1949, decimal file 334, section 1, RG 218, NACP.

<sup>64</sup> President Franklin D. Roosevelt to Chairman Marriner Eccles, May 3, 1943, “Correspondence Regarding President Franklin D. Roosevelt’s Use of Board Facilities,” Eccles Papers, MS 178, box 4, folder 6, item 1, <https://fraser.stlouisfed.org/archival/1343>.

Roosevelt indicated he could not divulge the purpose, saying it was “so secret I cannot mention it as yet,” but that it was incredibly important.<sup>65</sup> Eccles consented to the president’s request, and Trident’s first session opened in the board room of the board of governors on May 13.<sup>66</sup> When the conference concluded, Adm. William D. Leahy, chief of staff to the commander in chief, wrote Eccles on behalf of the CCS to express their collective gratitude for the “gracious” offer, one that provided the proper “atmosphere” for their meeting.<sup>67</sup> Leahy’s letter was followed the next day by a thank you delivered in person by the president when he met with Eccles on Federal Reserve business.<sup>68</sup>

True to the 1942 agreement, the PHS returned to its downtown headquarters building immediately after the CCS staff vacated in 1946.<sup>69</sup> The PHS’s return was short-lived, however, as merely 15 months later the director of its parent agency ordered it to co-locate with FSA headquarters on Fourth Street and Independence Avenue Northwest.<sup>70</sup> Behind the PHS came the Atomic Energy Commission, which took up residence on March 22, 1947.<sup>71</sup> The National Science Foundation followed in August 1958, and in April 1965, offices of the Bureau of Indian Affairs moved in.<sup>72</sup> In 1977, the Interior Department’s Office of Surface Mining Reclamation and Enforcement took over the majority of the PHS building. That organization vacated the building in 2017. Shortly thereafter, the building was purchased by the Federal Reserve, bringing full circle the relationship of these two buildings along Constitution Avenue that began nearly 80 years ago.

---

<sup>65</sup> Ibid.

<sup>66</sup> Minutes of the 83rd Meeting of the Combined Chiefs of Staff, May 13, 1943, in *Papers and Minutes of Meetings of the Trident Conference*, 343, <https://www.jcs.mil/Portals/36/Documents/History/WWII/Trident3.pdf>.

<sup>67</sup> Admiral William D. Leahy to Chairman Marriner Eccles, May 23, 1943, “Correspondence Regarding President Franklin D. Roosevelt’s Use of Board Facilities,” MS 178, box 4, fldr. 6, item 1. Eccles Papers, <https://fraser.stlouisfed.org/archival/1343>.

<sup>68</sup> Chairman’s Office memorandum for record, May 24, 1943, “Correspondence Regarding President Franklin D. Roosevelt’s Use of Board Facilities,” MS 178, box 4, fldr. 6, Item 1, Eccles Papers, <https://fraser.stlouisfed.org/archival/1343>.

<sup>69</sup> Bess Furman, *A Profile of the United States Public Health Service: 1798–1948* (Washington, DC: U.S. Department of Health, Education and Welfare, 1973), DHEW Publication No. (NIH) 73-369, 445.

<sup>70</sup> Ibid., 458.

<sup>71</sup> Richard G. Hewlett and Francis Duncan, *A History of the Atomic Energy Commission*, vol. 2, *Atomic Shield 1947–1952* (University Park: Pennsylvania State University Press, 1969), 42.

<sup>72</sup> Milton Lomask, *A Minor Miracle: An Informal History of the National Science Foundation* (Washington, DC: National Science Foundation, 1975), 79; “History of the South Interior Building,” Office of Surface Mining Reclamation and Enforcement, Department of the Interior, <https://www.osmre.gov/about/hq.shtm>.

## **Conclusion**

Beyond explaining how the Combined Chiefs of Staff came to reside in the PHS building during the war, this episode illustrates some ingrained characteristics of bureaucracies and insights into presidential management. The first is the institutional maxim, “Never willingly give up anything, lest it never be regained.” Leadership at the Federal Reserve certainly believed this; otherwise Chester Morrill would not have penned the January 23, 1942, memo used by Marriner Eccles to counter Harry Hopkins’s push to use the Federal Reserve Building as a permanent home for the CCS. Undoubtedly, the Federal Reserve felt they had already given up enough of their space to serve the war effort and that giving up any more might hamper their operations. Of course, the Federal Reserve Act created the Federal Reserve as a federal entity independent of the executive branch, so the administration could not arbitrarily “take” the Federal Reserve’s building. However, such legal protection did not apply to the PHS building across the street. Astutely recognizing that a building once vacated most likely would never be regained, Surgeon General Parran vigorously opposed A’hearn and Dow’s attempt to reassign the PHS building. But unlike the Federal Reserve, he did not have a legal backing for his position. Instead, the PHS found itself ordered by the chief executive to vacate in order to make way for the CCS. In fact, one could argue that the PHS’s wartime experience of continuing its mission unaffected by not residing on Constitution Avenue undoubtedly set the stage for the service to be relocated from its building again shortly after returning to it at the war’s end.

The Army under the War Department adopted a similar stance: simply not volunteering some of its own spaces for the CCS. Its burgeoning staff had already outgrown the New War Department Building, necessitating the construction of what later became known as the Pentagon. Additionally, work on the Pentagon had only just begun by the time the CCS came into existence, so the accommodation of more senior-level staff offices in the New War Department Building would have added yet another requirement to facilities already bursting at the seams. By not offering some of his own office spaces (and in fact offering up those of the Federal Reserve at the January 28, 1942, cabinet meeting), General Marshall gambled that Roosevelt would not force him (and thus the Army) to relinquish any area. He turned out to be correct.

Curiously, there does not seem to be any record of Parran protesting Roosevelt’s decision. Several reasons might explain this. First, by law the president appoints the surgeon general, so it seems unlikely Parran would have jeopardized his position by publicly disagreeing with Roosevelt, particularly since construction

on the PHS campus in Bethesda perfectly fit the president's public request for an agency or department to move out of Washington to make room for the growth in federal agency staffs.<sup>73</sup> Second, Roosevelt did not tolerate public disagreements about presidential decisions, saying such disputes provided fodder for the enemy to sow distrust and discord (indeed, Roosevelt felt so strongly about this he codified it into a formal directive in August 1942).<sup>74</sup> Lastly, one could argue that since the PHS generally adhered to military standards (though the PHS did not formally become part of the armed forces until the Public Health Act of 1943), the surgeon general could not publicly criticize the commander in chief. Thus given these explanations, it is not surprising there is not a record of a PHS objection.

A second characteristic of bureaucracies is that their leaders desire proximity to power. Nowhere is this more evident than in the nation's capital, where almost every major federal agency maintains its headquarters. All three of the major players in this story (Federal Reserve, the PHS, CCS) desired to be close to the president. Once again, the Federal Reserve could rely on the law to justify its stance of remaining in Washington, DC, since the Federal Reserve Act made it plain that the board of governors "shall" reside in the nation's capital.<sup>75</sup> Surgeon General Parran proffered a similar argument in his meeting with A'hearn and Dow, although he did not have a legal foundation to support his case. His argument of a requirement to closely coordinate public health efforts with the War and Navy Departments certainly had merit, but the same could be said for any number of federal agencies. Moreover, coordinating public health efforts, while important, did not necessitate continual updates based on the changes arising from combat or the movement of personnel and materiel. The need to keep the commander in chief informed of these events, as well as the need to adapt strategic guidance to fluid situations, is what bolstered General Marshall's case for the CCS to remain in Washington and close to the White House.

A third consideration for bureaucracies is where they fit in the chief executive's priorities. Such ranking influences the amount of executive attention, as well

---

<sup>73</sup> 42 USC 205, "Appointment and Tenure of Office of Surgeon General," in *Supplement V to 1940 US Code, 31 January 1941 to 13 January 1946* (Washington, DC: GPO, 1946), 915; Press Conference #798, transcript, Executive Office of the President, January 13, 1942, 4:05 p.m., 8, FDRL.

<sup>74</sup> Franklin D. Roosevelt, "Public Disagreement between Government Officials," in *Humanity on the Defensive*, 1942 vol., bk. 1, *The Public Papers of Franklin D. Roosevelt*, compiled with special material and explanatory notes by Samuel I. Rosenman (New York: Harper and Row, 1950), <https://quod.lib.umich.edu/p/ppotpus/4926593.1942.001/363?page=root;size=100;view=image>.

<sup>75</sup> 12 USC 244, Section 10, paragraph 4; Memorandum for the Files, Board of Governors of the Federal Reserve, undated, box 320, 1, RG 82.

as resources, they receive. Surgeon General Parran, while maintaining a close personal relationship with the president, found that public health simply was not a high priority compared to the strategic direction of the war. As evidence, a review of Roosevelt's daily logs for the period December 22, 1941, through February 28, 1942, (covering the immediate timeframe after the attack on Pearl Harbor and the establishment of fundamental war objectives during the Arcadia Conference) shows that Parran did not visit the president even once.<sup>76</sup> Such lack of presence clearly indicates that public health was not among presidential priorities. Alternately, General Marshall, Admiral King, and the secretaries of war and navy constantly attended meetings at the White House, definitively signaling the president's attention on military matters. This undoubtedly factored in Roosevelt's decision of where to house the CCS, since conducting the war was his top priority. As for the Federal Reserve, even if one were to discount its peculiar legal status as a federal entity not subject to executive branch authority, its role in the fiscal policies that underpinned the war effort meant it ranked higher in Roosevelt's priorities than public health.

Finally, the decision to move the PHS out of its headquarters building reflects Roosevelt's way of conducting business. He personally decided a number of issues, especially those related to conduct of the war. A significant example is his involvement in all the wartime conferences, save the one at Potsdam that occurred after his death. Rather than merely reviewing and assenting to what military or diplomatic delegates negotiated on his behalf, Roosevelt himself engaged the other heads of state.<sup>77</sup> He adeptly established personal relationships with his subordinates, and then used the competition for his attention and favor as a mechanism to induce an individual's best efforts, or to cause them to elevate controversial decisions to him for resolution.<sup>78</sup> The removal of a federal agency from its headquarters building just as America's participation in a global war began certainly fits that mold. But Roosevelt's actions also insulated Marshall and Parran. Neither needed to divert attention from wartime matters to attend to an administrative issue. Moreover, neither could blame the other for the decision, something that could have soured the working relationship between the agencies at a time when cooperation was crucial. Two years later, in 1943,

---

<sup>76</sup> Pare Lorentz Center at the FDR Presidential Library, "Franklin D. Roosevelt Day by Day," <http://www.fdrlibrary.marist.edu/daybyday/>.

<sup>77</sup> Matthew J. Dickinson, "Uprooting the Presidential Branch? The Lessons of FDR" in *FDR and the Modern Presidency: Leadership and Legacy*, Mark J. Rozell, ed. (Westport, CT: Praeger Publishing, 1987), 16.

<sup>78</sup> *Ibid.*, 17.

one can again see Roosevelt's personal engagement when he directly asked Eccles for use of the Federal Reserve building for the Trident Conference. Thus, personal requests, when made directly by the president of the United States, become impossible to refuse.

This wrangling over office space to accommodate a newly formed wartime agency serves as a revealing episode of federal bureaucratic operations during World War II and in our modern era. Entities contributed to the overall war effort, but such contributions were carefully calculated so as to not give away much that could never be regained. Agency leaders carefully walked a fine line, supporting the president in his desires but also placating and protecting their own organizations. Moreover, federal bureaucracies proved exceedingly difficult to later disestablish once created and given power. This latter point proved true with the Joint Chiefs of Staff (the American component of the Combined Chiefs of Staff). Though originally formed to coordinate American military efforts during World War II, the Joint Chiefs continued operating after the war, providing a strategic level of coordination to America's worldwide military engagements. To find accommodations for that organization, there was a repeat of the jostling for office space like that involving the Public Health Building in 1942. Perhaps, though, it is no irony that in this post-war office "shuffle," the Joint Chiefs of Staff took up residence in another creation originally intended as a temporary solution to a wartime need: the Pentagon.

---

*Picture credits:* U.S. Public Health Service Building, postcard by Atlantic News Company, 1930; Federal Reserve Building and view from the Federal Reserve Building's roof, Library of Congress; NIH's Building T-6, Bethesda, MD, NIH History Office; CCS seated in PHS Building, U.S. Navy Photograph, George C. Marshall Foundation, GCM 4089.

---

© Society for History in the Federal Government. Readers can download *Federal History* articles and share them but must credit the journal and author. They cannot change the articles in any way or use them commercially. This work is licensed under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License (CC BY-NC-ND).