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An Exchange of Opinion

MacArthur, Quezon, and Executive Order Number One—Another View

Paul P. Rogers

The author is a professor of finance at Virginia Polytechnic Institute and State University and former stenographer to Douglas MacArthur.

THE ARTICLE OF Carol Petillo which appeared in the February, 1979, issue of this journal and the subsequent flurry of publicity produced a predictable protest from the wide circle of Douglas MacArthur devotees and an equally predictable twitter of delight from those who believed a flaw had been found in the MacArthur image.¹

I was assigned as stenographer to MacArthur and his chief of staff, Richard Kerens Sutherland, on October 20, 1941. I was taken to Corregidor and was evacuated to Australia. I served as secretary and office manager until September 1945. I witnessed the events discussed by Petillo. I typed many of the documents involved. I had close intimate contact with MacArthur and Sutherland. I have studied the documents and I have pondered their significance. I have challenged my memory and my judgments.

Sutherland's diary records that at three in the afternoon of February 13, 1942, MacArthur walked into Lateral Three of Malinta Tunnel and spent half an hour discussing with his chief of staff "highly secret matters of policy." One hour later Sutherland began to work on the "composition, at the direction of General MacArthur, of important Executive Order for President Quezon." Sutherland worked at the task until eight that evening. He prepared the draft of Executive Order Number One and gave it to me to be typed. I returned the typed copy to him. He read it and handed it to MacArthur. MacArthur read the paper and returned it to Sutherland commenting that the amounts hardly compensated for income they had lost during their service with the Military

¹Carol M. Petillo, "Douglas MacArthur and Manuel Quezon: A Note on an Imperial Bond," *Pacific Historical Review*, XLVIII (1979), 107-117.

Mission. MacArthur walked out of Lateral Three leaving the paper with Sutherland, who continued to work until eleven.²

After Sutherland left his desk for the night, I made the daily entry in my Corregidor diary. With some hesitation I decided to record the event, but to camouflage the facts I changed the word "order" to "act." I changed MacArthur's \$500,000 to \$50,000, then changed Sutherland's \$75,000 to \$45,000 to keep it in line with amount recorded for MacArthur. The amounts given to Richard J. Marshall and Sidney L. Huff were recorded without change. It was not very cleverly done but it satisfied my sense of propriety. The affair was buried in the diary entry. As a matter of honor I did not discuss it during the war or after. I had been accepted into a position of trust and I would not violate the obligation my position imposed upon me.³

The Executive Order⁴ would not have been taken to Quezon before February 14. At two that afternoon MacArthur, President Manuel L. Quezon, High Commissioner Francis B. Sayre, and Sutherland met to discuss the "disposal of money and securities, and on matters of high policy."

A dispatch of February 15 directed the transfer of funds by Chase National Bank.⁵ In Washington, D.C., action was delayed while the request was discussed by General George C. Marshall, Secretary of War Henry L. Stimson, and President Franklin D. Roosevelt. The matter was referred to Secretary of the Interior Harold L. Ickes for final action. Five days were required to reach a decision. The official memorandum for record states that there is no record of approval by Ickes. Nevertheless, Chase National Bank made the transfer and so notified the Adjutant General on February 18.⁶

On Corregidor there was some sense of urgency in view of Quezon's imminent evacuation. To guarantee payment, an equivalent amount of Philippine currency was segregated, boxed, and delivered to Sidney Huff who acted for

²"Brief Summary of Action in the Office of Chief of Staff," box 2, RG 2, MacArthur Memorial Archives. A description of MacArthur's World War II office files will be found in my unpublished manuscript, "MacArthur and Sutherland," which is filed with my "Corregidor Diary" in the MacArthur Memorial Archives, although neither are yet available to the public.

³Paul P. Rogers, "Corregidor Diary." Only Sutherland, Marshall, and Huff had been members of the Military Mission. Charles A. Willoughby and other officers joined MacArthur after the Mission had been dissolved and reconstituted as United States Army Forces in the Far East.

⁴Box 4, Item 27, Sutherland Papers, RG 200, National Archives. All of the materials in Item 21 were kept with other records in filing cabinets in my office.

⁵MacArthur to Agwar [Adjutant General, War Dept.], Number 285, Feb. 15, 1942. I typed this radiogram but I have not found a copy in MacArthur's files. Franklin D. Roosevelt Library, PSF 64, contains Roosevelt's copy. MacArthur's signature is the ritual signature which was required on all official correspondence. The effective signatures are those of Jose Abad Santos, Secretary of Finance, and Manuel Quezon. When this message was received in Washington, two copies were sent to the Secretary of the General Staff. He in turn sent a paraphrase copy to Chase National Bank.

⁶Memo for Record, WPD 004.2 (2-20-42), will be found in (Section 1) (Case 1), RG 165, National Archives; J. R. Deane to C. F. Brown, Feb. 17, 1942, File 9-7-4 Banking, RG 126, National Archives.

MacArthur with the understanding that it would be returned to Manuel Roxas, who acted for Quezon, if the transfer were confirmed. The receipt was signed on February 19.⁷ Quezon had radioed Chase National on February 18 asking confirmation. Confirmation was received on February 25 after Quezon had left Corregidor. The box of currency was returned to Roxas for Quezon who by then was in Panay. Quezon was notified on February 27 of the fact of the confirmation.⁸

The transfer of the currency made no more sense than my diary entry. If Roosevelt had not approved the transfer of funds through the banks, the entire affair would have been annulled. Physical possession of a box of currency would have raised significant legal problems. Eventually, the large amount of currency would have to be presented for redemption and difficulties would have been encountered. MacArthur and Sutherland would have known this. As in the case of my diary entry, the useless stratagem relieved everyone's sense of propriety.

Richard Sutherland was the most capable officer in MacArthur's command. In a very real way he "ran" MacArthur's war. Later in the war he and MacArthur would have difficulties but at this time they were close friends. During World War II, where the conduct of the war was concerned, MacArthur and Sutherland acted as one even after their friendship had dissolved. It hardly detracts from MacArthur's stature to assert that he made effective use of a fine chief of staff and recognized that he had one, a fact which biographers should note.

There is no evidence in the diary or elsewhere which would justify accepting January 3, 1942, as the date of action. I am convinced that the order was written on February 13 and backdated. The choice of February 13 seems to create a dilemma because backdating appears to be unnecessary. However, it may indicate only that the matter had been discussed as early as January 3 with action delayed until such time as Quezon's evacuation had been agreed upon.

There is no clear record as to who actually originated the action. One might assume that Quezon raised the matter with MacArthur and asked that MacArthur put the document in final form. Or, on the contrary, one might argue just as reasonably that MacArthur raised the issue with Quezon and was told to prepare a document. Or it may be that MacArthur and Sutherland prepared a document and presented it to Quezon for signature accompanied by pleas for justice and charity or by threats of retribution. There is no evidence. I am inclined to believe that the matter was first discussed by MacArthur and Quezon, and that Quezon more likely raised the possibility of some recognition of MacArthur's services. It is likely that the affair might have been discussed

⁷Attached to Executive Order Number One.

⁸USAFFE 40, USAFFE Section, MacArthur/Sutherland Secret File, box 15, folder 1, RG 4, MacArthur Memorial Archives. The same materials will be found in Item 3, Sutherland Papers, RG 200, National Archives. The receipt signed by Roxas is attached to Executive Order Number One. USAFFE 58 is located with USAFFE 40.

privately as early as January. Quezon and MacArthur talked daily about many things.

The problem of motivation will be difficult to resolve unless one works from the position that the parties were reasonable and prudent men who expected that the transaction would be judged by the standards of their peers. The record discloses no attempt to hide the matter. The various documents which effected the transfer of funds were dispatched through War Department channels. MacArthur and Quezon would have expected them to be delivered to Marshall and by him to Stimson and Roosevelt. Ickes controlled Philippine finances and he inevitably would be called into the discussion. MacArthur, as Chief of Staff, had been a member of the Roosevelt administration, knew Stimson and Ickes, and was acquainted with the probable course of events which must follow receipt of such a dispatch from Corregidor at a time when both these men were still quivering from the shock of Quezon's proposal to neutralize the Philippines. Roosevelt had an opportunity to block the transfer of funds and did not do so and thereby gave the matter whatever legality was required presumably because he believed it to be in the national interest. Whether in the eyes of Divine Justice it was moral or immoral, one must suppose that Divine Justice will find a solution when human frailty is unable to do so.

There is strong historical precedent for such a grant, and given a legitimate desire to reward a faithful general, the method is not particularly questionable. As for the amount involved, it is impossible to know how to place a fair value on such services. MacArthur was not one to underestimate the value of his own performance. It is understood in academe as well as in the military that only a fool undervalues his worth and that it is better to ask for too much than to ask for too little. MacArthur records that during his tour as Chief of Staff an attempt was made to reduce General John J. Pershing's pension. MacArthur appeared before the Senate Appropriation Committee to speak in Pershing's behalf. He "spoke of the tribute accorded General Douglas Haig in England. Haig was Pershing's counterpart during World War I. After the war, Haig was promoted to field marshal and received, in addition to a life trust of nearly \$9,000 a year, a trust fund of nearly half a million dollars, yielding an income of about \$30,000 a year."⁹

One portion of a sentence in Quezon's memoirs also may be relevant: "... the Filipino returns lavishly, with a loyalty that knows no bounds, the affection and confidence of those whom he has elevated to high office."¹⁰ On the day of Quezon's departure from Corregidor he wrote a long letter to MacArthur to express in personal terms the feeling which had been expressed officially by Executive Order Number One. The letter is reproduced here in full.¹¹

⁹Douglas MacArthur, *Reminiscences* (Greenwich, Conn., 1965), 101.

¹⁰Manuel L. Quezon, *The Good Fight* (New York, 1946), 221.

¹¹Personal File, box 2, RG 2, MacArthur Memorial Archives.

MALACAÑAN PALACE
MANILA

Fort Mills, P. I.
February 20, 1942

My dear General MacArthur:

Although I have given official recognition to the services you have rendered to the Government of the Commonwealth and to the Filipino people in my Executive Order No. 1, series of 1942, I feel that I must write you this letter, which partakes of an official as well as private character, in order to tell you how grateful I am, my own family, and the members of my whole staff for the kindness and generosity with which we have been treated here; and to ask you to convey to all the officers within your command, particularly to General Moore, our deep gratitude.

As I have already told you, I would have remained here to the very bitter end, if you deemed it necessary for me to stay. I am going only because you and I have agreed that the cause for which we are fighting can be best promoted by my being in the unoccupied territory where I could render you help and assistance by keeping up the morale and determination of my people to stand by America. But I am leaving you with a weeping heart, for you and I have not only been friends and comrades; we have been more than brothers. My thoughts will always be with you and your dear wife and my godson. If better days should come to all of us, as I hope they will, I expect that the memory of these hectic days will strengthen our friendship and cooperation even more. I am leaving my own boys, the Filipino soldiers, under your care. I know that you will look after their welfare and safety and that, above all, you will see to it that their names may go down in history as loyal and brave soldiers.

With my love to you, Jean and the boy, in which all my family joins, I say good-bye till we meet again. May God ever keep you under His protection.

Sincerely yours,

/s/ Manuel Quezon

Gen. Douglas MacArthur
Commanding General, USAFFE
Fort Mills, P. I.

Too much has been made of the apparent vacillations with respect to the evacuation of Quezon. There was never any doubt that Quezon *must* leave Corregidor. The problems arose with respect to timing, method, and ultimate destination. The timing was dictated by uncertainty as to the impact of Quezon's departure on the Filipino troops in Bataan. January was too soon. April would have been too late.

The method of evacuation was complicated by Quezon's health. His doctors did not feel he could survive a trip by submarine. MacArthur's radiogram concerning this fact was intended to apprise Roosevelt of a possible disaster and to transfer to Roosevelt the onus of responsibility for it. A surface vessel involved substantial risk of capture and death. The evacuation plan provided for both contingencies. Quezon finally agreed to the submarine for the initial stage of the evacuation. A submarine had to be called in from patrol and there

was no certainty that one would arrive. The date actually chosen for Quezon's evacuation was determined by the arrival of *Swordfish* at Corregidor.

Quezon's inner conflicts concerning evacuation are reflected in the documents, his own record, and others as well. They are not difficult to understand. MacArthur went through the same agonies when his turn came. On March 11 when I typed the order for Master Sergeant Rogers to leave Corregidor, I felt the same conflict: a great shame intensified by the fact that I also felt great relief. None had a choice. Quezon, MacArthur, and I were all under orders to leave. Quezon might agonize and protest but the thought of his daughters in the hands of Japanese soldiers was reason enough to do what common sense and orders from Washington already dictated.

Conclusions drawn in the Petillo article as problems for further investigation are interesting excursions into mystery story writing and are discussed seriatim.¹²

1. The criticisms of MacArthur's behavior to which Petillo refers are taken from a secondary source. The secondary source picked them out of primary sources without any apparent evaluation. The question is not whether MacArthur was criticized but whether any other course of action would have been possible or productive of better results. All military decisions represent a compromise between civilian and military needs. MacArthur's loyalty to the Filipinos and Quezon has never been doubted. Even if there had been no loyalty, ninety-five percent or more of the troops engaged were Filipinos and Quezon's requests would have carried great weight. In addition to all of this, the decisions referred to were made in early December. Executive Order Number One was issued in February. Were the decisions made in anticipation of the grant?
2. Does one really believe that Roosevelt was afraid that MacArthur, in anger, would cast aside reputation and honor after long years of faithful service?
3. Petillo is incorrect in stating that Quezon's evacuation had "clearly" not been decided until mid-February. The fact of evacuation was accepted in January; the precise details as to when and how were not decided until February. As of February 10 MacArthur was already under orders to arrange the evacuation of Quezon. As it turned out, Quezon had left Corregidor before the transfer of funds was completed.¹³
4. MacArthur's attitude with respect to liberation of the Philippines was shared unequivocally by Roosevelt. The promise to liberate the Philippines made by Roosevelt on January 30 and on February 10 committed the

¹²No attempt will be made to document the numerous sources which provided the basis for my comments. A fully documented statement would run far beyond the bounds of this limited paper. Specific documents are cited.

¹³USAFFE 25, USAFFE Section, MacArthur/Sutherland Secret File, box 15, folder 1. This material is also in Item 3, Sutherland Papers.

United States to this action as a matter of national honor.¹⁴ The desire to attack Japan by way of the Philippines reflected not only MacArthur's sense of obligation to the Filipinos but his own sense of future command possibilities. If the Philippines were by-passed, the supreme command would go to Admiral Chester Nimitz and MacArthur would be left in limbo. All of this may seem to be important, but the decision to move to Japan through the Philippines was made on strategic and tactical grounds, supported by all Pacific commanders, by Roosevelt and Marshall in Washington, with only Admiral Ernest King demurring.

5. No documentation supports the view that Manuel Roxas should have been treated as a criminal of war. He was the third ranking power in the Philippines. Had Roxas taken an oath of allegiance to Japan, everything else to the contrary, he would have been hanged. It was accepted as a fact that Sergio Osmeña's term as president would be a limited one and that at the first election he would be replaced. In the traditional hierarchy, Roxas was the next man in line and at the time he seemed to be as essential to political stability as the Emperor of Japan was held to be a year later.

As to the violation of established procedures in making the disbursement, it must be remembered that after December 24, 1941, the Government of the Commonwealth of the Philippines did not exist except in the persons of Quezon and the half dozen men with him on Corregidor who acted under emergency powers. They were men without a country to govern. There were no procedures, personnel, or records by which Quezon could legitimize expenditures. A document in the MacArthur/Sutherland Secret File, Philippine Government Section, Quezon 135, which carries Sutherland's notation, "Mr. Rogers—File," describes this dilemma. The document contains an inventory of currency of the Commonwealth which records the disbursement of the funds without any details of the transaction. The document records that Quezon did not have in his possession, even in Washington after the evacuation, a copy of the Emergency Powers legislation which had been enacted before the Japanese occupation of Manila. He certainly would not be aware personally of the intricate details of administrative regulations spelled out either in the regular procedures or in the emergency powers.

The discovery of Executive Order Number One reflects commendable determination. It was not easily located. I acknowledge without hesitation the scholarly perseverance and desire for truth which is reflected by the discovery. Scholarly integrity demanded that the discovery be made public. The public is entitled to know of the affair and to judge it.

A man's character and achievement are reflected in an amalgam of incidents. Given the complexity of human existence it would be foolish to expect a career to be devoid of some incident which could be turned to criticism. An untutored or a frivolous mind may read into such an incident what he chooses,

¹⁴USAFFE 11 and 25, USAFFE Section, MacArthur/Sutherland Secret File, box 15, folder 1.

smirking because he has neither the wisdom nor the understanding which is required to take the full measure of the man's accomplishment. The scholar does not have such freedom. He carries in his hands the reputation of the men he studies. Their achievements entitle these men to a fair hearing.

I am willing to reaffirm a judgment which is based upon my own experience, still firmly held after forty years of serious thought about the matter. I watched MacArthur four years in defeat and in victory. His habitual behavior revealed generosity, sensitivity, sympathy, understanding, and a genuine concern for subordinates. When praise and encouragement failed to spur them to action, he did not hesitate to use any other stratagems necessary to enforce his will. MacArthur was truly a fine man driven by a deep sense of duty and destiny, tempered always by humanity and justice. His historical greatness has been confirmed. He has passed into legend. During the years I served MacArthur I did not see anything or hear anything which would impugn his character. There is nothing in any of the documents seen by me during the war or in those I have seen since which cause me to question this judgment.

Rejoinder by Carol Petillo

As I read the opening paragraphs of Paul Rogers's statement, my expectations mounted. Finally, it appeared, an actual observer of the 1942 exchange would address the many questions which my research had raised, and which I had only partially answered in my original article (*PHR*, February 1979), my response to Justin Williams (*PHR*, August 1980), and in my recently published book, *Douglas MacArthur: The Philippine Years* (Indiana University Press, 1981). I was soon disappointed. Despite his references to documents which other scholars have not yet been permitted to see, and his certainty concerning an episode which he must recall from a distance of more than forty years, the major portion of Rogers's argument relies on opinion and evaluations which have long been questioned by students of modern American and Philippine history. Since space is limited here, I will refer interested readers to coverage of this debate in the earlier mentioned publications, and respond to only a few of Rogers's allegations.

Much of his argument is easily refuted. Perhaps the most obvious fault of logic is his comparison of MacArthur's acceptance of Philippine money to General John J. Pershing's pension fight or the reward given to General Douglas Haig by Great Britain after World War One. In both of these cases, the men in question were being rewarded by the same governments that they had served exclusively throughout their long careers. In the MacArthur episode, possible conflicts between the Philippine and United States interests in this period raise very different issues and make the comparison invalid.

Even more difficult to accept is Rogers's contention that the exchange was, on the one hand, honorable and based on historical precedent and yet, on the other hand, it required by his own judgment efforts "to camouflage the facts."