5. As a matter of security, I wonder whether we would not have a better control of the problem if these aliens were organized into units and remained dispersed as they are now around the country rather than if they were scattered in our services where they might do more surreptitious damage than they could elsewhere.

(Signed) JOHN J. McCLOY

JOHN J. McCLOY
Assistant Secretary of War

DECLASSIFIED
DOD Dir. 5200.9 Sept. 27, 1958
NMW by __/__/19__
MEMORANDUM FOR THE ACTING CHIEF OF STAFF:

SUBJECT: Labor Battalions for Alien Groups.

1. I have your memorandum dated April 10. I have given some thought to the action proposed in the accompanying study, and the more I think of it the more strongly I come to the conclusion that it would be a very unwise step to put enemy aliens who have volunteered or who have been inducted into the Army since 1935 into special labor battalions.

2. I am of the opinion that this would operate as an uneasy discrimination against them and would impair their efficiency as labor troops as well as their value as future citizens.

3. All of the men involved would certainly not be disloyal even though they would be classed as "potentially disloyal." Those who were disposed to be disloyal would grow worse and those who were not disloyal would tend to become disloyal if they were set up into battalions which, in the main, were only manned in other cases by negroes. They would even be classed below negroes as we have negroes with combat troops.

4. I think the proposal to move them into the service commands to the extent that they can be reasonably absorbed, may be a wise move. To the extent that they cannot be, I would organize them into separate combat units or leave them where they are, with a closer surveillance in either case through our C.I.S. I believe either alternative is a much sounder way of solving the problem than the way suggested. If the decision should be to form them into separate units rather than to make labor battalions of them, I would take exceptional pains to make them into a high spirited fighting unit with a real esprit de corps. I believe this could be done and good fighting troops made of them.