The conversations which I have had during the last several months with Assistant Secretary Patterson of Commerce clearly indicated that either Mr. Patterson had an inadequate knowledge of the work of the Foreign Service of State in the field and of this Department or was simply taking an attitude against consolidation based entirely on considerations of Departmental prestige. During a conversation which I had with him last week at the meeting of the Foreign Trade Council in New York, I told him that I felt his attitude of opposition was based on a lack of knowledge and consideration of all of the factors involved and that I considered it highly important that we should have an opportunity to go into the matter uninterruptedly and
and at length as the consolidation was a matter of primary importance to our Government and to business and other interests of this country. It was therefore agreed that we should give an evening to this and at his suggestion I dined with him at his home last evening. We had several uninterrupted hours.

I gave Mr. Patterson a résumé of the historical and administrative background of the development of the Foreign Service of State, of Commerce and of Agriculture and a quite complete statement of the nature of the problem with which our Government and our interests are confronted under the new conditions which we have to meet in international relationships. I gave him in detail an outline of the machinery we had in mind for the consolidation of the Services and for its operation in the field and in Washington. I gave him a clear picture of the importance of the measures contemplated in providing adequate coordination between business and agriculture and other interests in this country with the appropriate departments and agencies in Washington, of the coordination between these agencies with the Department of State and the consolidated Service. I endeavored to bring out that under these contemplated arrangements the Bureau of Foreign and Domestic Commerce in the Department of Commerce and the Bureau of Agricultural Economics in the Department of Agriculture
Agriculture would have enhanced prestige in this country and an increased field of usefulness through the wider facilities at their disposal in the foreign field through the consolidated Foreign Service. I brought out that the field of activity of the Foreign Service officers of the consolidated Service and assigned as Commercial and Agricultural Attachés would be considerably expanded and their usefulness to the Departments immediately interested correspondingly enhanced.

I said that I believed we could agree on two points:

(a) That the situation in the field and in Washington was not satisfactory either for Government or for business and that it should be improved in view of the situation which we know we are facing and have to face; and

(b) That the one thing all of us have to bear in mind is that a solution must be found in the best interests of Government and the interests which it serves and that departmental or special interests cannot be considered in arriving at such a solution.

Mr. Patterson agreed with these two points.

We then entered into a discussion of specific features of consolidation and the actual mechanism. Mr. Patterson expressed particular interest in how instructions with respect to commercial and economic reporting would go to the field and how material would be routed from the field for distribution to interested departments. I said that this was a mere question of mechanics which could easily be worked out.
out and that aside from policy instructions to the field and confidential information from the field, there could be arrangements for rapid and expeditious transmission of material.

The net result of our conversation was that Mr. Patterson stated that so far as he was concerned he had a clearer picture of the situation. He said that he appreciated particularly the full exposé that I had given him as it brought out new factors. So far as he personally was concerned, he felt that the Bureau of Foreign and Domestic Commerce had a very specific and important function which it was now performing inadequately and he hoped to see that the services of the Bureau were improved while he was in the Department of Commerce. He considered that the Bureau to function had to have three indispensable agencies:

(a) the Bureau in Washington for the digesting and disseminating of information;

(b) the District Offices throughout the country for collaborating with the Bureau and maintaining local contact with business; and

(c) an adequate, expeditious and accurate flow of information from the foreign field.

He agreed that so far as the information from the foreign field was concerned, it would be immaterial to the Bureau whether it received it from its own officers in the field or from the officers of another department specifically charged with getting this information. I said that this latter point
point was the principal consideration in consolidation and that, since he took this viewpoint, I saw no fundamental objection which he could raise to consolidation. He agreed that that was so.

He did say that he had one major reserve and that was before he could reach a decision he would have to be satisfied that the Bureau would have this flow of adequate, expeditious and accurate material from the foreign field under the proposed setup. I told him that the Bureau was already getting more information than it was adequately digesting and disseminating which it received from our consuls and commercial attaches. Under the proposed setup there was every reason to believe that the flow of information would be more adequate and expeditious than it was under the present setup. Further, under the proposed setup, the Bureau would have a much better opportunity to direct commercial, economic and certain other reporting activities of our officers abroad than it had now. All this would have its effect on the flow of information.

The net result of the evening was that Mr. Patterson is undoubtedly better informed and is on the whole more favorably inclined to the idea of consolidation. He has conceded that the important thing is the provision for an adequate flow of information from the field for Commerce and
and that a special service of Commerce in the field is not essential to this. The major point in this respect was that adequate "guarantees" should be provided that under the new setup this flow of material will be adequate. It was agreed that we would continue our explorations of this matter. I told him that I thought it would be in the best interests of everyone if the necessary legislation for consolidation would reach the Congress with the approval of the President and of the three departments concerned. I felt hopeful that this could be done and certainly it must be done in the public interest. He agreed that, if the legislation were proposed to the Congress in this way, there would be very little difficulty in securing its enactment.

In expressing the above views Mr. Patterson made it clear that he was setting forth his own. I gathered from what he said that Secretary Roper is unalterably opposed to the idea of consolidation. I gathered that this attitude is largely on grounds of prestige. He feels that one activity after another has been taken out of the Department of Commerce in recent years and that this losing of the Foreign Service of Commerce is just another such amputation which affects his personal prestige and that of the Department of Commerce. I gathered from what Mr. Patterson said that this question is one on which Secretary Roper "sees red" and
I doubt whether any argument can convince him. I also gathered by inference as well as by direct statement that Mr. Patterson feels that as Assistant Secretary of Commerce he must carry through the mandate of his superior, Secretary Roper, to combat consolidation.

There has undoubtedly been a certain amount of change in the attitude of Mr. Patterson. During our recent conversation in New York, I pointed out to him that there had been in recent months an increased evidence of that lack of loyalty of procedure which had marked the activities of Commerce in connection with this important matter. I said that I was particularly disappointed as I thought he would take a different attitude. I had reproached him with taking up in his speech before the National Foreign Trade Council controversial matters which I understood it had been agreed would not be touched upon. I am of the impression that various business men with whom Mr. Patterson has been in contact have told him that he had erred in taking up the matter as he did in the speech before the Council. I believe that representatives of the Advisory Council have told him that there is more in this matter of consolidation than they originally believed or had been led to believe and that it was a matter which should be carefully explored and studied before attitudes are taken. Mr. Patterson further frankly admitted to me last evening that the attitude of
of the commercial attachés and trade commissioners was
preponderantly in favor of consolidation. He went so far
as to state that even some of the division chiefs in the
Bureau wanted "to get into State". In other words, I think
Mr. Patterson's change in attitude, so far as it has changed,
is largely due to his feeling that he may have committed
himself too far in opposition to the measure, that it will
inevitably be carried through, and that he might lose
prestige through opposition to consolidation.

When I informed Mr. Patterson that we had always re-
frained from carrying this matter into the open as a contro-
versy, but had tried to work it out between the departments
but that Commerce, on the other hand, had not hesitated to
try to belittle what our officers were doing as well as the
capacities of our officers, he could not gainsay this. I
said that I regretted that he and the Secretary and certain
officers of the Department of Commerce were already trying to
raise feeling in this country in the matter. He admitted
that he had been in touch with various people throughout the
country but I gathered that he was doing this under what he
considered a mandate from his superior. I said that the
matter was now so important that if there were opposition
by Commerce, it would undoubtedly be necessary for the
Department of State, as responsible for the conduct of our
foreign
foreign relations, to come more into the open on this matter and it was our obligation to do so if this was found necessary. We would not hesitate to do it if certain procedure followed by Commerce in the past was again employed.

Mr. Patterson said that he thought, if this matter came to a fight that consolidation would win. The President was apparently in favor of it and the prestige of the Department of State was so high that if consolidation was proposed by it and supported by the President it would undoubtedly win. He was not so sure, however, that the President had made his ultimate decision. He had had two men, who were as close to the President as anyone, speak to him about it and one of these men had informed him that the President had stated that he had not made his ultimate decision. I said that this was a matter which I could not discuss, but that I did know that the President was as well informed concerning the nature and content of our foreign relations and of the machinery for conducting them as anyone in the country and that it was my understanding that he believed that this consolidation should be carried through in the public interest. (Mr. Patterson did not state who these two men close to the President were whom he had asked to speak to him, but my inference is that one of them was Mr. Thurman Arnold with whom Mr. Patterson is associated on the monopoly investigation. This, however, is merely an inference.)

Mr. Patterson
Mr. Patterson did allow, I believe without so intending, a certain amount of feeling to grow out of his conversation on one point when he said that he did not understand why the President concerned himself with this matter. It was one which should be left to the departments concerned. I reminded him that the President was the Executive head of our Government and that the Secretary of Commerce was a member of his Cabinet just as was the Secretary of State and that these were appointed by the President as men having his confidence and therefore owing him a certain loyalty. I reminded him that the President, under our Constitution, is responsible for the conduct of our foreign relations and that therefore it is, of course, natural and proper that he should have this direct interest in the machinery for our foreign relations.

Mr. Patterson said that he was leaving immediately for a meeting of the Business Advisory Council of the Department of Commerce which is to take place this week in Houston, Texas. The members of the Council would undoubtedly wish to discuss this matter further with him. I told him that I could only hope that he would not take such a firm stand as he had taken before, as I felt that the members of the Council were increasingly conscious of the fact that they had prematurely committed themselves on this matter and now realized
realized that it was one which required careful study in the public interest and in that of business.

I told Mr. Patterson that I was preparing a quite complete memorandum on the consolidation planned and he asked if he could have a copy of it. I told him that I would be very glad to see that he had a copy as soon as it was completed. I was not yet sure just how the memorandum would be used. It was rather encouraging, I thought, that Mr. Patterson should state that he felt the memorandum should be very complete and that it should be given rather wide distribution so that those interested could be informed.

It was encouraging too that he said that he thought that the following points should be stressed in the memorandum:

(a) the changed conditions abroad and in the conduct of our foreign relations which made attention to this problem necessary;

(b) that it was the thought of the Department of State that the Bureau of Foreign and Domestic Commerce and its District Offices in this country should be strengthened and that the consolidation would bring added rather than decreased usefulness and prestige to the Bureau;

(c) that the field of the officers assigned as commercial attaches would be expanded and their usefulness enlarged to the Bureau;

(d) that adequate arrangements would be made for providing the constant, adequate and prompt flow of information to the Bureau from the field; and

(e) that there would be adequate arrangements for coordination between the departments in Washington.
He said that, if these points were covered in the memorandum very fully and along the lines I had discussed, he felt that most of the opposition to consolidation would fall away.

He asked me what the attitude of Agriculture was. I told him that I had discussed the matter briefly with Secretary Wallace and more at length with Mr. Wheeler and Mr. Steere and that I felt in principle they were in favor of the idea. We had discussed certain matters in detail but there were others that would have to be discussed further. I said that, in any event, the attitude of Agriculture with respect to its activities in the field had been different from that of Commerce and that the cooperation with State and its officers had been very close. As a consequence, the number of Agricultural attachés was very small as most of their work was already done through our officers and quite satisfactorily. I felt that the attitude of Agriculture was already in principle in favor of consolidation and that there would be no difficulty in working out the details to their satisfaction. He asked me whether there was any objection to his getting in touch with Secretary Wallace on the matter, and I said he was as free to discuss any matter with him he chose as I was.

In concluding this memorandum, I should say that there seems to be no question that the attitude of opposition there is
is in Commerce to consolidation has been confined largely to the Secretary and the Assistant Secretary, whose attitude has been based on departmental prestige, and in case of the Secretary it would appear on personal prestige. So far as the interests of the Department of Commerce are concerned and our business interests, I believe that it is realized by all in Commerce that consolidation will serve all interests better. There is increasing evidence that even the division chiefs in the Bureau of Foreign and Domestic Commerce here in Washington realize that their position would be strengthened through the establishment of a consolidated Foreign Service.

G. S. Messersmith.