November 9, 1938.

The Secretary
The Under Secretary

There are certain facts which I believe this Department must not fail to consider in connection with the problem of the consolidation of the Foreign Services into one under this Department. This question has come to be one of primary importance to this Government, and particularly to this Department as the one charged with the responsibility of our foreign relations.

The President, who has an extraordinary knowledge not only of our foreign relationships but also of the machinery for their conduct, has, I believe, long realized that the unification of the present three statutory services into one under the Department of State is absolutely essential in the interest of this Government and of the people which it serves. He has therefore, I understand, expressed his opinion to this Department and to the Department of Commerce that he believes steps should be taken to consolidate into the Foreign Service of the Department of State the existing Foreign Commerce Service of the Department of Commerce. As the President has taken the initiative in this important matter, and as the accomplishment of this end is of primary importance
importance to this Department and to this Government in the conduct of our foreign relations at a crucial period in our history, it is, I believe, the obligation of this Department to do everything in its power to see that this action, which has the President’s support, should be carried through. It is my considered opinion that as the Department charged with the responsibility for the conduct of our foreign relations, we would be seriously failing in our duty if we do not take a determined and definite stand on this matter.

I will recite below only a few of the facts which make this attitude on the part of this Government and of this Department so necessary.

1. It has been impossible, under the existing situation, to bring about proper coordination between the Department of State and the Department of Commerce in Washington in matters involving work in the foreign field due to the existence of the Foreign Commerce Service in the field. The situation between the two Departments in Washington is unsatisfactory and has been for years. The relations between the officers of the two Services in the field have not been satisfactory, and even less so than in Washington. While to a degree this may be due to individuals, it is primarily due to the system and no coordination agreement can completely remove these difficulties no matter how much the Departments concerned may wish to make it work.

That this unsatisfactory situation exists has been and is known widely throughout the country and abroad. It is not doing any good to business, to our Government or to the Departments concerned and is definitely injuring the full usefulness of our foreign representation.
2. Now that this question has been raised, there is, I believe from my observation, general relief in all interested circles. While business is deeply interested in what action this Government may take, it is equally deeply interested that some adequate solution should be reached. All the conversations which I have had with a considerable number of business men in this country are to the effect that they recognize that the conduct of foreign relations must be in the Department of State, that the dissemination of information to business in this country should be in the Department of Commerce, and that the gathering of material abroad should be under the Department of State and through a single Service.

3. The officers of the Foreign Commerce Service, there is good reason to believe, are almost a unit in the hope that this problem will now be solved through the consolidation of the Foreign Commerce Service into the Foreign Service of the Department of State. I am told that almost as a unit they recognize that this is the only solution feasible in the public interest and this opinion grows out of their experience in the field.

4. I am informed that a considerable number of the commodity chiefs in the Bureau of Foreign and Domestic Commerce of the Department of Commerce are of the opinion that the interests of the Department of Commerce and of those whom it serves in this country would be best met through this consolidation of the Foreign Services into that of the Department of State. They believe that such action would result in strengthening the Bureau and its District Offices in this country in which the functions of the Bureau really lies.

5. There is increasing general recognition in all interested circles in this country that, in view of new factors which we have to meet in our foreign relations, and will have to continue to meet, the service which Government can render to business and other interests in this country is increasingly in keeping open the channels of trade rather than in direct trade promotional work in commodities. While commodity reporting and general commercial, economic, industrial and financial reporting remain important, and while trade promotion efforts must be continued, the major problem is unquestionably in keeping open the channels of trade which involves negotiation with Governments and this negotiation can only be carried on by officers of the Department of State.
6. In view of the changed situations which we have to meet in our foreign relations, the need of the strongest representation which we can have abroad is obvious and imperative. We can only have this through a unified Foreign Service under the direction of the Department of State.

The conditions for carrying through this unification of our Foreign Services were never better. There is, I believe, not a single officer of the Department of State who does not realize the imperative importance of this matter. The Foreign Service of the Department of Commerce will welcome it. The attitude of the Department of Agriculture — whose thought has always been along this line and whose cooperation with this Department has always been very close — is very sympathetic towards consolidation of its Service into that of State. Business, which has been conscious of the unsatisfactory situation which has existed for years, desires to see it improved and believes it should be improved in view of the situations to be faced abroad.

The Department of State for years has realized that this step should be taken. It has not taken any initiative because it did not wish to accentuate a controversy. It was willing to try to plod along in spite of the hampering influence the multiple representation had on its conduct of foreign relationships. In view of the problems which the Department already has to face, and which it will increasingly have to face, and conscious of its responsibilities, it would be failing in its duty if it did not now make its views as to the
the absolute necessity for such unification known.

If action is not taken now to bring about the unification of the Services, the most favorable opportunity for bringing it about that has ever existed will be lost. If it is not settled now, it will mean that there will be no solution for years and the consequence can only be to accentuate the difficulties between the Departments in Washington and between the representatives in the field. The consequences of failure to take action now, in my opinion, would be serious and would have a very definite effect on the ability of this Government to conduct its foreign relations effectively, in years when this is of primary importance to so many of our vital interests at home and abroad.

It is, therefore, my considered opinion that since the President has taken this important and wise initiative, it is essential that this Department support consolidation effectively on the ground that this is not a matter of primary importance to a department, to a bureau, or to any particular section of our population, but of essential importance to our Government and to every section of our population. This involves, therefore, that, if any department of our Government should show opposition to such consolidation, the Department of State has as its primary obligation that of informing the President how important this unification is in the
the public interest. It involves, I believe, that the facts should be brought to the attention of the public in order that it may be in a position to pass informed judgment on the proposed action.

It is my opinion that the best way to settle this matter is through legislation to amend the existing Foreign Service Act of the Department of State (Moses-Linthicum Act of 1931). Such legislation, I believe, should be submitted to the Congress by the President and should have the support of the Departments of State, Commerce and Agriculture which are principally concerned. If the legislation goes to the Congress in the early days of the coming session, I believe that it will receive almost unanimous approval of that body.

I am preparing a memorandum, which is almost completed, and which will set forth the historical background of our Foreign Services, the reasons for the unification of the Foreign Services at this time under the Department of State, and the proposed machinery under the new unified Foreign Service. I believe that the memorandum will dispel any doubts or misapprehensions and misunderstandings which may exist concerning this matter for no valid argument against such consolidation and unification can be advanced. The only argument which can be advanced is one on grounds of personal or departmental prestige and it is obvious that such
such considerations cannot control when a matter so vital in the public interest is at stake.

G. S. Messersmith.