Your attention is brought to the appended clipping from the New York Times of December 3, 1938 from which it appears that the Government of Germany has established in New York City the German University Service at 580 Fifth Avenue. So far as I have been able to determine, the German Government has neither informally nor formally brought to our attention the establishment of this organization. We have no definite information concerning the nature of its activities. Although it seems to be ostensibly engaged in giving information concerning German universities and in stimulating the exchange of professors and students between the United States and Germany, there is reason to believe that one of the motives behind the establishment of the agency is to take over the exchange of students and professors between the United States and Germany and to replace other agencies now operating in this field.

In this connection I think there are a number of things we will wish to bear in mind. While there has been
been a real interest in this country in the exchange of students and professors with many countries, this has been on a private basis. The Rockefeller, the Carnegie and the Guggenheim Foundations have been actively engaged in stimulating the exchange of students and professors. Other private organizations also have been active in this field. The universities, colleges and some preparatory schools have been engaged in student and professor exchanges on an individual and direct basis. It has not been customary in this country to give any Government subsidy to such exchanges, which has been purely on a private basis, and our Government has not intervened directly in such exchanges. Our participation has been limited to a general expression of interest in the basic desirability of such exchanges.

The only exception to the foregoing is the student and professor exchange provided for between the American Republics on the basis of the Buenos Aires Convention, a brief resume of some of the pertinent features being appended hereto. The sphere of this, however, is limited purely to the American Republics and outside of that field professor and student exchange is for us on a purely private basis.

The Institute of International Education in New York has been one of the most active organizations in the private field
field in stimulating such professor and student exchanges and Dr. Duggan, its head, has given very zealous attention to its activities. A good many of our universities, colleges and preparatory schools have been acting through the Institute as the instrument for these exchanges and it may be noted that the Institute has been particularly active for a number of years in promoting the exchange of professors and students between the United States and Germany.

The action of the German Government, under these circumstances, cannot, I believe, pass unnoticed by us. The private machinery existing for the exchange of students between the United States and Germany has been entirely satisfactory from our point of view and that of the American colleges and institutions interested. There is no need that we can see for the intervention of Governments in this exchange of students between the United States and Germany. The action of the German Government in establishing this agency in New York, therefore, can only be viewed as an endeavor on its part to get into its hands a very basic feature of intellectual exchange in order to use it for its own purposes. Knowing as we do that it is one of the proclaimed purposes of the National Socialist Party in Germany to make all public opinion-forming means conform to its ends and that it is completely controlling to the smallest
smallest detail schools, universities, colleges, the theatre, the radio, press, et cetera, it is quite understandable that they should wish to get the exchange of students and professors definitely under their control.

Up to now the Institute of International Education and other private organizations in this country interested in the exchange of students and professors have been working in Germany through the "Amerika Institut" which was under former governments in Germany a semi-official institution of the German Government but which received a subsidy from the Institute of International Education in New York. Under the present Government of Germany, the Amerika Institut, while ostensibly keeping its semi-official character, is of course completely coordinated and therefore an official organ. I understand that it is still receiving a subsidy from the Institute of International Education and it has long been a question with me as to whether, under these circumstances, the Amerika Institut should continue to receive a subsidy. This is a matter, of course, for the decision of the foundation in this country which supplies the Institute of International Education with its working funds.

As long as the German Government restricted its action to controlling, in a Government organization in Germany, the exchange of professors and students, we could
could perhaps not object although this already has objectionable features. As we know that every German professor and student is now primarily a propagandist and has instructions from his Government, it is a question as to whether student exchanges and professor exchanges between Germany and the United States can be considered as being on anything like a reciprocal basis. Our professors and students are in no way subject to Government control and are in no sense propagandists of political ideas in the sense that the Germans envisage this. On the other hand, the German professors and students are in some cases required to undergo a strict course preliminary to their leaving the country in order that they may be instructed as to how to proceed as agents of their country. I repeat that it is a very grave question as to whether, under these circumstances, professor and student exchanges can be considered as having the desirable features (as relates to Germany and the United States) we have always considered such exchanges to have. I believe there is sound reason for considering whether or not such exchanges should be continued between the United States and Germany.

Conceding that the German Government within Germany may set up an official organization through which such student and professor exchanges with Germany must be cleared, it does not follow that we can concede either the right
right or the privilege to the German Government of setting up branches of such an agency in this country or any agency of the German Government dealing with student and professor exchanges in this country. There is first of all no reason for the existence of such a German organization in this country as there are these private institutions which adequately take care of this. Then further, in principle I doubt whether we can concede to other Governments the right or privilege to establish such institutions.

There is in my mind, knowing the ways in which the German Government operates, no question whatever but that it is their intent through the establishment of this agency in this country to try to take over all control of the exchange of professors and students between the United States and Germany. This will involve gradually increasing correspondence between our universities, colleges and preparatory schools and such a German Government agency in this country. This I think we must in itself consider obnoxious and unacceptable even though the activities were on an entirely proper basis. The action of the German Government, in my mind, can be considered in no other way than a direct and deliberate invasion of a field in this country in which it has no right and in which it cannot be given any privileges.

I believe it is, therefore, necessary for us to go into
into this whole problem very carefully before we take any definite steps in approaching the German Government. I think we want a little more information. While I have high regard for Dr. Duggan and for the efforts he has made in developing student and professor exchanges, I do not share his optimism with regard to the activities of German professors and students in this country. We know that the German Government is sending selected groups of boys to this country to our preparatory schools who have come from special schools in Germany for training boys as future leaders in the National Socialist Government. There is information from some of the preparatory schools in this country which have received these boys that the results have not been satisfactory. The information which I have from time to time received does not bear out Dr. Duggan's optimism with regard to the correctness of the activities of the German students in some of our colleges and universities. I can understand his interest in the maintenance of the student exchange which he has built up but there are grave doubts as to whether that student exchange is now accomplishing its fundamental purposes from our point of view. We cannot permit our desire to keep up intellectual exchanges with a particular country blind us to the dangers which such exchanges may have and to the methods which may be used in such exchanges by certain countries.
I do not wish in any sense to impugn the honesty or the integrity or even the sincerity of Dr. Duggan in this matter. I do believe that the American colleges and universities fundamentally are not interested in this exchange of students between Germany and the United States under existing circumstances. It seems important, therefore, that any private foundation coordinating, stimulating or arranging such exchanges should take a most objective attitude and not endeavor in its communications with the schools in this country to gloss over a situation which we must recognize exists and which may have fundamental dangers. The point I think has been reached when representative colleges and universities and preparatory schools should be consulted to determine what so far as their experience may show is the situation which has to be dealt with.

Irrespective of what the results of such an investigation or consultation may be, it is my opinion that there is no place in this country for this institution which has been opened by the German Government in New York City. We should determine in what way we will take up this matter with the German Government to bring about the closing of this establishment which it has set up. It is possible that the most feasible and most effective way would be to take it up first informally with the German Embassy here and,
and, if this does not lead expeditiously to the desired result, we may be under the necessity of making direct representations to the German Government through our Embassy in Berlin and informing it that we desire this establishment closed. It is my opinion that, for the present and until we have thoroughly informed ourselves, we should not take any action towards taking this up with the German Embassy here or with the German Government in Berlin. I think before doing so we will wish to explore the situation thoroughly.

The question has been raised as to whether this new organization has registered under the Act of June 8, 1938 providing for the registration of agents of foreign principals. There is no doubt, I believe, that in any event it should be so registered. As I believe we should ask for the closing of this office, I am not sure that we should take any steps under this law for the present. It is a matter for consideration, keeping in mind not only the provisions of this act but the major considerations we may have to consider in connection with the establishment.

In this general connection, it may be worth while going into the activities of the Carl Schurz Foundation, which operates very largely under the Oberlander Trust. Mr. Oberlander died several years ago and the principal contributors now, aside from the receipts of the trust fund, are
are Mr. Jannsen and Mr. Thun of Reading. The head of the Carl Schurz Foundation is at present an American who, I believe, is a Quaker in Philadelphia (Mr. Thomas?). He is thoroughly cognizant of the entire situation in this field but, in spite of this knowledge, he seems to be principally interested in the maintenance of the activities of the organization rather than in the effects it may have. Although the funds are entirely American, a good part of them is used in Germany. There is reason to believe that the organization, although an American one, has been largely "coordinated" into the German cultural system and that it has agreed to this in order to continue its functions. I understand that there is already a split between the Foundation and such men as Herman Ridder, who previously took a very real interest in it. Mr. Ridder, as is well known, has recently taken a very strong stand on what he considers improper activities by Germans and Americans of German origin in this country.

I have imposed this very long memorandum on you because I believe we have here a question to which we can no longer delay giving our attention.

G.S.M.