NOV 3 1939 MR. NECKERSINITA Paris, October 12, 1939.

Dear Mr. Messersmith:

Your letter to the Ambassador of September 12 has come around to me after acknowledgement from him. Our consolidation plan did not go forward when planned, as you know, due to the outbreak of war and the mobilization of our services here on emergency work. It is well that it did not, as things turned out, since there have now been many changes in our setup. I have been asked to effect certain necessary revisions and I think these will be completed and the despatch off in an early pouch.

In your letter you mentioned objection raised by Commerce and Agriculture that they were no longer getting the financial reports formerly sent through routine channels. It had been our thought that Matthews and the assistants he has inherited from Cochran could provide non-confidential reports on financial matters of a type to satisfy Commerce and Agriculture and the business public their information services cater to. We are now authorizing Reagan's people to resume their financial reporting - which has been almost entirely based upon non-confidential press and other sources- with the understanding, however, that only Matthews will approach the Banque de France for information, since Matthews feels that his taskwill be very much complicated if his spefial contacts are approached by anyone but himself. I have talked this matter over with Reagan and he understands the situation. It will probably be best for him to resume this routine financial reporting (Leigh Hunt has actually been charged with it).

When our emergency situation broke here early in September we were forced to mobilize all our State Department forces to meet it. The two officers working under me were assigned to relief work. I was left one clerk out of six - and part of my own days and nights was taken up with handling the public and associated jobs. The economic and commercial reporting had to be sidetracked. Although Reagan's people were called upon to A ome extent for emergency work the Ambassador felt that we should not be justified in going very far in this direction and that the emergency problem was primarily one for the old line State Department personnel to handle. Where we did call on some of Reagan's people for help it was readily given us. The Commercial Attache was, thus, left a very free rein in the matter of reporting for a number of weeks. My personnel are still dispersed, but your letter has had the effect of hastening the reintegration of my section to a considerable extent and I have no doubt that our reporting activities will get back as closely to normal as war conditions permit. I do not believe, however, that the Embassy as a whole has slipped up on the reporting of essential decrees even during our period of stress. Reagan and I have gone over these together as they appeared in the Official Journal and the more important have been cabled over at length, followed by brief despatches . providing the texts and whatever commentary we were able to get off.

There was confusion in Reagan's mind and also in Murphy's and my minds as to the form that Reagan's telegrams intended primarily for his Bureau and drafted by him should take. He felt that he should continue to send many of these as from"Commercial Attache for Commerce" Immediately upon the receipt of your letter this matter/was set straight and all telegrams will now go as from the Embassy to the Department - with the "Repeat to Commerge" added in certain cases.

I have been devoting a good deal of time to lining up our properties in the Tours area as I wrote you a short time ago. Now that Oross will no longer have his large Accounting and Disbursing Office here it has been decided to assign him to administrative duties principally and he will take over much of the work that would have gone to McGurk. This has seemed a logical arrangement - and he will also be charged with the actual operation of our Tours properties once we have taken them over. We are actually taking over Candé as of the 16th. I am still working on the Minot property - mapping out eventual distribution of personnel there and so on. This has all been done as far as Cande is concerned. All this has been most difficult as we can obviously not utilize these properties to any major extent until Paris is actually bombarded and this existing lull is over. Our plan is to have all ready for an evacuation in case of emergency and to provide in the Tours area for offices and living quarters to be used by a limited personnel who must keep in touchwith those services of the Ministries which are now located in Touraine. My own work (economic, taxation, etc) will take me down there for a day or so each week, but I have no intention of transferring the re unless absolutely nemessary. We have moved our quot a visa work to Bordeaux and have sent a few people to Nantes, but will await developments before making further transfers within France.

The Department has been very helpful in clearing out unnecessary services here. Our problem of Frank Smith(Treasury man on income tax matters) was solved when he pulled outfor New York last week. The reduction in the staffof the Commercial Attache will be helpful in the long run, in more ways than one.

/I am so tired these days that I feel I have fallen down badly in keeping you informed of developments as I used to try to do. I have simply been unable to write.

With cordial wishes to Mrs. Messersmith and yourself,

Yours always ssincerely