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April 27, 1939.

Personal and Confidential

Dear Mr. Parsons:

With reference to my letter to you of April 26 with which I sent you some information regarding the proposed consolidation of the Foreign Services of Commerce and Agriculture into that of the Foreign Service of State, I think the following will also be of interest to you:

The long memorandum which I sent you has been carefully read by Hamilton Fish Armstrong of the Council on Foreign Relations, and by Leslie Buell, of the Foreign Policy Association. Both of them, as you know, have a very real knowledge of the machinery for the conduct of our foreign relations and of the problems we have in connection therewith, and they have a very intimate knowledge of the workings of our establishments in the field. Both of them have indicated to me that they believe that such a consolidation is not only desirable but necessary in the public interest, and that it will result in better service for everybody concerned.

I think I should also tell you that during the past few years I have been in touch with leaders in the American business and financial field, and have discussed with them in detail these problems. I have not found one who is not in agreement that the consolidation is necessary and desirable. Some of them do not care to say too much publicly for one reason or another, but every single man whom I have discussed

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New York Herald-Tribune,  
New York, New York.

the matter with has been very heartily in favor of the idea. The men whom I have discussed it with are the heads of some of the largest companies in this country interested in the foreign field, and of course they know the situation which has existed and which is so cumbersome and undesirable.

I have also discussed the matter with some of the most important leaders in our trade bodies, such as Mr. Farrell, E. P. Thomas of the National Foreign Trade Council, and others. These men all feel that it is the sort of step which should be taken but they naturally believe that it is a matter for government initiative. They say that business cannot make any objection when government attempts to put into practice the same sort of practice that business applies in its own procedure.

There are, of course, some business men who do not understand the situation and who believe that Commerce is the only Department of our Government that has been interested in looking after the American business man who may make some objection. As a matter of fact 85 percent of the information which has been reaching the American business man about conditions in the field comes from the Foreign Service officers of the Department of State. Those who really know the problem realize that the old trade promotional methods in any event no longer serve the purpose and will not in the years to which we have to look forward. The problem now is one of keeping open the channels of trade and that is a matter between governments and a task, therefore, which falls on the Department of State. The Department of Commerce has its distinct place in the picture which is in this country, and the present plan keeps in mind that while officers of the Department of State may carry on abroad, it is the Department of Commerce in this country which issues the instructions for the guidance of our officers in the field in commercial and economic reporting and the Department of Commerce which analyzes and disseminates the information in this country and maintains the contact with business.

I can assure you that Secretary Hopkins and Secretary Wallace would not have agreed to this plan if they did not realize that it is really in the public interest. They know that they will be subjected to certain criticism from thoughtless or prejudiced people, and I think it is to their credit that they have been willing to take a courageous and really public-spirited attitude rather than purely a departmental one.

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I have hesitated to impose so many words on you with regard to this matter but I must repeat that after a quarter of a century in our Foreign Service I am convinced that this is one of the most constructive steps we can take at this time in strengthening the machinery for the conduct of our foreign relations and in the service which we can render to our people abroad.

With every good wish and appreciating very much any consideration you may give to this matter,

Cordially yours,

*It may be understood by me & wish  
before the matter goes to Congress. In  
the meantime of course it is  
Confidential*

A-M:GSM:LO