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Vienna, November 6, 1934.

No. 199

Subject: TRANSMITTING CONFIDENTIAL MEMORANDUM ON
THE NECESSITY FOR RETAINING AMERICANS
ABROAD IN RESPONSIBLE CHARGE OF AMERICAN
INTERESTS.

CONFIDENTIAL.

The Honorable

The Secretary of State,
Washington.

Sir:

I have the honor to transmit herewith a confidential
1/ memorandum in which I present for the Department's
information certain observations on the desirability of
retaining Americans abroad in responsible charge of
American interests. These observations are being
transmitted to the Department at this time as there is
a noticeable increase in the tendency on the part of

American

American firms and principals to place their interests abroad in the hands of foreigners or of naturalized Americans. There is a further noticeable increase in the tendency to withdraw from abroad American technical and engineering personnel, the employment of which has been of primary importance in the promotion and in the protection of interests abroad.

While there are administrative reasons, principally of economy, which have to a certain extent influenced this withdrawal of Americans from the foreign field, there is also reason to believe that the vital importance of the principle that American interests abroad be managed by Americans, and so far as possible by native Americans, is not as definitely recognized as it should be.

I am sure that this matter has been brought to the Department's attention in various ways in recent years, and I am hopeful that this memorandum may be of some interest in connection with the material which the Department already has. Aside from the teachings of experience that American interests abroad can only be safe when in American hands, I am sure that instances are not lacking in the records of the Department which show that the efforts of the Department to protect our interests abroad have been made more difficult because these American interests were in the charge abroad of persons not American citizens.

I have in this memorandum refrained from giving specific examples or references, in order not to burden the memorandum with detail.

The observations

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The observations which I have taken the liberty to make, however, are based on rather wide contact with actual problems during more than twenty years experience in the Foreign Service.

Respectfully yours,

GSM/lap.

George S. Messersmith.

File No. 300

Enclosure:

1. Memorandum.