JAN 1 0 1939

MR. MESSERSMITH

January 9, 1939.

U Mr. Welles:

Pursuant to your direction, I had Dr. Thomsen, the Chargé d'Affaires of the German Embassy, come in to see me this morning. I read to him the portions of a circular letter written by Dr. Rettig, Director of the New York Office of the German Student Exchange Agency to the "German exchange students, 1938-39 in the United States and Canada" which requests of German exchange students reports regarding the political point of view obtaining in the respective colleges they are attending and the political and financial influences behind that college or university which influence its attitude.

I told the German Charge d'Affaires that even before a copy of this circular letter had come to our attention, we had felt that there was no need for the maintenance in this country of a special office for the exchange of students between American and German universities. I pointed out that he was no doubt aware of the existence of the Institute of International Education, which was the principal organization directing the arrangements for the exchange of students between American universities and those

of all foreign countries, that the Institute of International Education was a private American organization supported by private funds, and had no relationship whatever with the American Government. I further stated that it was our feeling that the exchange of students in general must be carried on on a private basis.

I then referred to the parts of Dr. Rettig's circular letter which called for political reports from the German exchange students now in this country. I told Dr. Thomsen that this was something that of course no country would tolerate, and, as far as this Government was concerned, directly contravened existing laws.

I said that as a result of this information which had come to us regarding the activities of Dr. Rettig in the political sphere, it became incumbent upon this Government to take proceedings against him for violating our Statutes. I said that I wished him thoroughly to understand that our bringing up the matter with the German Embassy was for the purpose of suggesting that Dr. Rettig's office be closed, and that the German organization for the exchange of students with Germany be withdrawn from this country. I further said that if the office were closed and the representation withdrawn promptly, the necessity for initiating proceedings against Dr. Rettig would be avoided, with its attendant publicity.

Dr. Thomsen said that he agreed with me entirely in the position we took, that an office of this kind could not be permitted to indulge in political activities. He said that by issuing the circular letter, a copy of which I had permitted Dr. Thomsen to read, Dr. Rettig had entirely removed himself from the possibility of having the Embassy extend to him any assistance or protection. Dr. Thomsen went on to say that the German Embassy here had never been in favor of the establishment of Dr. Rettig's office and activities, as they felt arrangements for the exchange of students with Germany were amply provided for by the Institute of International Education, of which Dr. Duggan is the head. He said that he would report our conversation immediately to his Government, and took some notes of the pertinent portions of Dr. Rettig's letter for the purpose of writing up the cable report on the subject.

Dr. Thomsen then asked whether I would consider it appropriate to tell him whether the existence of this letter was very widely known. I said that as far as we were concerned, it had come into our hands through confidential channels, that we had every intention of guarding its confidential character until the German Government had had an opportunity to withdraw the office, but that of course if it became necessary to take proceedings against

1130

Dr. Rettig, the letter would necessarily become public. Dr. Thomsen then asked if we would be good enough to give him the time necessary to take the matter up with the German Foreign Office by cable and to have arrangements made for the closing of the office and the withdrawal of Dr. Rettig. I said that we naturally would give them the time necessary to make those arrangements, but that I felt I should point out the possibility of Dr. Rettig's activities, as set forth in this circular letter, becoming public through other sources and the possibility of these activities being reported in the press. As far as we were concerned, we thought it advisable to avoid such publicity, and the German Government might also realize the necessity for prompt action if publicity were to be avoided.

James Clement Dunn.

Copies to A-M