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December 17, 1936.

COORDINATION OF ACTIVITIES OF THE GOVERNMENT OF THE UNITED STATES IN FOREIGN COUNTRIES.

The President's Adjustment of State and Commerce Activities.

On June 2, 1933, the President announced to the press his intention of reducing the Foreign Service of the Department of Commerce by two-thirds and transferring the remaining one-third to the jurisdiction of the Department of State. He is reported to have said that this would result in economy and eliminate serious irritation as between the State and Commerce Departments.

As a first step toward implementing this program, the President conferred with the Secretary and Assistant Secretary of Commerce and the Acting Secretary and Assistant Secretary of State and explained that he desired:

1. All instructions to Foreign Commerce officers to be sent through the Department of State so that it, as in charge of our foreign relations, would have full knowledge of those instructions and their bearing upon the work of diplomatic and consular officers and officers of the Department of Commerce.
2. For similar reasons all reports of Foreign Commerce officers to be forwarded to the Secretary of State for transmission to the Secretary of Commerce.

3. Weekly

3. Weekly meetings of representatives of the two Departments to expedite the handling of instructions and reports.

An agreement between the two Departments to carry out this direction was then made and with a few changes continues in effect. While it is a definite improvement over any previous arrangement, it does not fully accomplish all that the President sought because it does not

- (a) provide unity of action;
- (b) give the Secretary of State power to enforce coordination and prevent duplication;
- (c) prevent business men from forcing duplication of effort by addressing both consuls and commercial attaches for the same information.

No Coordination of Other Departments.

Besides this lack of satisfactory and business-like adjustment of the relations between the Departments of State and Commerce, there is no provision whatever governing the relations of agents of other Departments to those of the Department of State in the foreign field or any provision governing the relations of these several agents to one another.

Departments Operating Abroad.

Besides the Department of State, there are seven
other

other Departments with 700 persons and costing annually some \$2,777,462 operating in foreign countries -- a total force therefore of 4,355 persons with appropriations aggregating \$13,976,862 -- as follows:

<u>Department</u>	<u>Personnel</u>	<u>Appropriations</u>
Agriculture	55	\$ 191,664
Commerce	175	866,100
Labor	70	250,567
National Advisory Committee for Aeronautics	2	13,300
Navy	169	706,836
Treasury	141	604,200
War	88	144,765
	<u>700</u>	<u>\$2,777,462</u>
State	<u>3,655</u>	<u>11,199,400</u>
Total	4,355	\$13,976,862

It is the Secretary of State, as the representative of the President in the conduct of foreign relations of the United States, who obtains for all these officers their status and the facilities for carrying on their activities abroad but who is without the legal right to exercise any direct administrative control over any of them except those of the Department of State. The officers of the other departments may and sometimes do commit acts which create international embarrassment; frequently invade the jurisdiction and duplicate the work of diplomatic and consular officers and of one another without the Secretary of State being able to take any action of a preventive or corrective nature short of reporting an offending officer to the head of the officer's Department

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and asking his recall which course can be resorted to only in exceptionally serious cases.

Duplication and Waste

The fact that these several independent or semi-independent agencies function in foreign countries without any power to coordinate their activities and insure unity of effort being vested in any single administrative authority and the further fact that these several services are manned by intelligent, active and commendably zealous officers results inevitably in duplication of functions, unnecessary work, conflict of information and opinion and frequently in uncertainty and irritation on the part of foreign officers and business men. In addition these conditions result in the waste of public money. It does not make for economy or efficiency of administration for a commercial attaché, perhaps a military and naval attaché, and a consular officer to be occupying themselves reporting separately upon the same subject or aspects of the same subject, applying separately to the same sources of information and perhaps expressing quite different conclusions. It would seem obvious that the Government in Washington should be furnished with a single, thoroughly considered and well prepared report with conclusions representing the best judgment of all the officers of the United States in a given city quite
irrespective

irrespective of which individual officer may be designated to prepare the report.

The completeness of such reports should be assured by appropriate administrative action requiring evidence of the collaboration or consideration of agents of all interested Departments.

For some time the representatives abroad of the State Department have been preparing highly technical reports on financial conditions for the benefit of our Treasury Department.

Likewise, investigations of the values of merchandise as stated in consular invoices is a function that under normal circumstances consular officers are fully qualified to perform. No separate body of investigators from the Treasury is necessary to discharge this function, and in the past the activities of Treasury agents have resulted in the indiscriminate charge of commercial espionage against all American officials. Only one foreign government has been willing to receive a Treasury Attaché. Here is certainly an opportunity for economy.

In 1924 Congress extended the restrictive control of immigration by placing on consuls abroad the duty of examining and of withholding visas from immigrants whom they regarded as subject, under our immigration laws, to refusal of entry at any American port. In effect this required

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on the part of consular visa officers the technical knowledge of the law and its interpretation by the Department of Labor, possessed in its early days only by immigration inspectors. To give added force and effect to a consular visa decision therefore, and to keep consular visa officers informed of current interpretative policies of the Department of Labor, some 15 immigration inspectors were sent to the principal European visa centers, as technical advisers. This assistance over the last 11 years, has trained consular officers as experts in our immigration law. It has given consistent assurance to immigration officials at American ports of entry, that our immigration law is being applied abroad as they themselves would apply it at home.

The recall of this group of immigration inspectors on foreign station would save a considerable amount of money, and since they have served their useful purpose in the creation of administrative technique abroad, no valid reason now exists against their return. To realize this economy all that is necessary is for immigration officers at ports of entry in the United States to accept the findings of consular officers in the same manner as they now accept the findings of those officers initialed by immigration inspectors.

The Department of Agriculture has but 55 officers abroad but insofar as those officers perform crop reporting work and not strictly scientific work there would seem to

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be no reason why their duties should not be performed by consular officers and a saving effected there.

None of the foregoing remarks apply, however, to strictly scientific or technical work such as that performed by military and naval attachés in reporting on military and naval matters, Public Health surgeons, aeronautical experts and scientists of the several branches of the Government sent abroad, both temporarily and permanently, for scientific or technical work in which there is no trained talent already available in the Foreign Service.

It should be possible for the Government to supplement the Foreign Service with its own scientific and technical experts by sending them abroad.

It would seem possible, therefore, to divide into two classes the work now being done abroad by agents of Departments other than the Department of State and to dispose of them as follows:

Two classes of functions.

Class I. Work of other agents of the Government of a non-scientific or non-technical character which diplomatic and consular officers are capable of performing should be performed by them and agents of the other departments now performing such duties should be withdrawn from the foreign field.

Into this class it is believed would fall the work being done by commercial attachés and trade commissioners of the Department of Commerce, technical advisers of the Department of Labor, some of the work being done by representatives

tives of the Department of Agriculture, economic and commercial reporting done by the military and naval attachés, work in connection with the valuation of merchandise exported to the United States being done by agents of the Treasury Department and investigations being made abroad by the Tariff Commission.

Class II. Work of a scientific or technical character which diplomatic and consular officers are not qualified to do should be done by scientifically or technically trained officers of the appropriate executive departments sent abroad to be attached to embassies, legations or consulates with the approval of the Secretary of State and their activities while in the foreign field to be under the definite administrative control of the Secretary of State.

In this class would naturally fall the military and naval duties performed by military and naval attachés, scientific work performed by scientists of the Department of Agriculture, work done by members of the Public Health Service and other scientific or technical work carried on from time to time in foreign countries by various branches of the United States Government.

If these principles could be approved by the President and accepted by all Departments of the Government and Congress could be induced to give the President the power, so to reorganize the several services operating in the foreign field, a constructive program for the proper management of the services of the United States in the foreign field

field would effect many savings in actual money, enormously improve morale, obtain greater returns for the money invested than at present, reduce friction and embarrassment with foreign Governments and place the foreign organization of the United States ahead of any similar organization of any other Government. The program may be outlined as follows:

Organization Program.

1. Whereas the conduct of the foreign relations is a function vested in the President by the Constitution;
2. Whereas the Secretary of State is by statute the agent of the President in the conduct of foreign relations;
3. Whereas diplomatic and consular officers operating under the Secretary of State are recognized by the Constitution, by treaties and by international law as the representatives of the Government of the United States in foreign countries;
4. Whereas the agents of other Departments of the Government resident in foreign countries are dependent for their status abroad upon and must work in harmony with diplomatic and consular officers; and
5. Whereas in the interest of economy, unity of effort and effectiveness there must be orderly control by
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the President of all agents of the Government in foreign countries,

The administration and coordination of agents of the United States in foreign countries shall be readjusted in the following manner:

(a) The duties now performed by the Foreign Commerce Service, the technical advisers of the Department of Labor, the agents of the Department of Agriculture in respect to crop reporting and non-scientific work, by the agents of the Treasury Department in connection with the valuation of imported merchandise, and by the military and naval attachés in connection with economic reporting shall be transferred to the Department of State to be performed by diplomatic and consular officers under the direction of the Secretary of State in cooperation with the heads of the executive departments and independent establishments primarily interested;

(b) Officers of the several executive departments may be assigned to foreign countries to perform the duties of military, naval and air attachés or to perform other technical and scientific duties, but such assignments shall be made only with the approval of the Secretary of State, and such officers upon arrival in the foreign

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field shall be under the administrative control of the Secretary of State;

- (c) The names and duties of all agents of the several departments to be assigned abroad shall be first notified to the Secretary of State and if approved by him shall by him be duly notified to the Chief of Mission or consular office in the foreign country of assignment with such instructions as may appear to him to be appropriate;
- (d) Agents of the several departments designated and approved by the Secretary of State for technical and scientific duties in the foreign field in accordance with this order, being throughout the continuance of such duties under the full administrative control of the Secretary of State, he is authorized so far as practicable under international law and local practice to give them such status in the Missions or consular offices to which they may be attached as will enable them to perform their prescribed duties effectively and efficiently as a part of the unified foreign establishment of this Government;
- (e) Instructions of the respective departments (except the War and Navy Departments) to their agents

agents so assigned abroad and the reports from those agents shall be forwarded through the Secretary of State and be subject to his examination;

- (f) For the purpose of ascertaining the needs of the several departments and independent establishments with respect to investigations and reports from agents in foreign countries and of determining the extent to which those needs are being met, a coordinating committee composed of the heads of the several departments and independent establishments, or their delegates, shall meet in the Department of State weekly and as much more frequently as may be found necessary, to formulate methods for the allocation of activities among the several agents, indicate the manner of carrying on those activities in the field, pass upon differences between agents of the several departments, determine upon the distribution of information to the several interested departments and independent establishments, the object to be attained being the maximum result with the least expenditure of money, improvement of the effectiveness of the Foreign Service as a whole, and unity of

purpose

purpose and performance. This committee shall be advisory to the Secretary of State in whom the administrative control of government agents in foreign countries is vested;

- (g) It shall be a principle of administration that all agents of the United States Government stationed in a foreign city shall be brought together into the same quarters and wherever such quarters are not owned by the United States Government the rental shall be included in the budget of the Department of State and the quarters so provided shall be paid for, maintained and controlled by the Secretary of State;
- (h) The compensation of the subordinate personnel of all agents of the United States in foreign countries shall be revised and brought into harmony, in accordance with the principles underlying the Classification Act of 1923 applicable to the executive departments in Washington and the Foreign Service Act of February 23, 1931;
- (i) Agents of other departments who have been assigned to duties in the foreign field under the administration of the Department of State as provided in this Order, shall be considered

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as agents of the Department of State, during the continuance of such foreign assignments, for the purpose of making them legally eligible to be granted allowances for living quarters, heat and light and cost of living allowances; and the Secretary of State shall be authorized to classify such agents under the terms of existing regulations for the administration of such allowances in order that they shall receive, so far as determinable, the same allowances as other agents of the Department of State of similar or analogous status in the foreign field and with due weight given to the nature and importance of their duties; and the funds necessary for such allowances shall be included in the Budget of the Department of State; provided, however, that such agents receiving allowances for quarters under the Act of June 10, 1922 (42 Stat 625) (which includes, among others, Army, Navy and Public Health Service officers) shall continue to receive such allowances and are not therefore eligible to allowances for living quarters, light and heat from the Department of State. In order that there may be approximate equality with officers of equal basic salary having

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diplomatic status, the Secretary of State shall be further authorized to make allowances for consular officers and for agents of other Departments and their subordinate personnel under his administrative control to reimburse them for taxes and import duties paid by them and estimates for such allowances shall be included in the annual budget of the Department of State.

Here then is a constructive program for the organization and control of Government agents in the foreign field which if advocated by the President and properly explained to Congress would, I am convinced, be favorably received and if adopted would reflect great credit upon the Administration. If carried out in the spirit in which it is proposed, it should result in almost completely eliminating the jealousies and controversies that have too often existed among the personnel of the Government in foreign countries, would produce unity of purpose, prevent duplication of effort and waste of money. Such a program as this would be in harmony with the aims of several Administrations, including the present one, of bringing about better coordination and organization; with the policy pursued in the United States in respect to the combined housing of government activities; with the classification

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acts which regulate compensation in the several departments in Washington and at the same time it would not interfere in the slightest with the proper technical functions of the several agents of the Government in the foreign field.

Much as the necessity of making some such recommendation as the foregoing is regretted, it is felt after years of experience that nothing short of consolidation of some of the activities indicated, including those of the Department of Commerce, with the Foreign Service under the Department of State will put an end to the rivalries and friction which periodically arise between diplomatic and consular officers and the agents of other departments and also between the Department of State and other departments in connection with activities in foreign countries and provide a smoothly working, all-inclusive governmental organization in foreign countries under a centralized administrative control.