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ADDRESS DELIVERED BY
ASSISTANT SECRETARY OF STATE MESSERSMITH
BEFORE THE CONFERENCE ON THE CAUSE AND
CURE OF WAR AT THE HOTEL WASHINGTON,
WASHINGTON, D.C., ON JANUARY 19, 1938.

SOME OBSERVATIONS ON THE WORK AND NEEDS OF THE DEPARTMENT
OF STATE AND ON THE DESIRABILITY OF INCREASED POPULAR SUP-
PORT OF THE DEPARTMENT.

The Department of State, although the premier executive Department of our Government and carrying in many respects the heaviest responsibility among the Government Departments, is the smallest in personnel and in cost to our Government. It is its responsibility under the Constitution and the statutes to serve as the direct and sole instrument of the President and of our Government for the conduct of our foreign relations and for the formulation of foreign policy. In view of the increasing importance to every group of our population as well as to our country as a whole which our relations with other countries have assumed, the work of the Department has increased in volume and importance in recent years very rapidly and more lately at an even greater rate.

I think you will be interested to know that the total personnel of the Department both in this country and in the foreign field is at this time 4,873 and the aggregate cost of its activities in this country and in the field under the 1938 budget is \$14,722,203. It is estimated that the receipts from fees collected by the Department through services rendered in Washington and in the foreign field will be approximately \$4,400,000 in 1938, leaving the net cost of the Department and its activities at home and abroad \$10,322,00 that year. Comparisons are generally odious and often misleading, but I think it is interesting to note here that this sum is somewhat less than one percent of the appropriations for the War and the Navy Departments during the same year.

Of the foregoing 4,873 persons in the employ of the Department in this country and in the foreign field, 910 are in the employ of the Department in Washington, 291 in other parts of the United States and 3,664 in the Foreign Service establishments in almost 400 capitals and commercial centers abroad. Although the burdens on the Department have grown steadily and considerably in volume and importance, the personnel and expenditures have grown slowly and most modestly in comparison with the increased volume and importance of the work. This is particularly true when one considers the relative growth in personnel, work and expenditures in other departments and agencies of our Government.

The very fact that the expenditures of the Department have remained so small has made it possible for the Budget

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Bureau and for the Committees of the Congress to control these expenditures more carefully than may perhaps be possible in those of some other departments in which there are single items of expenditure as large as the complete cost of the State Department. This is one of the reasons which has resulted in correspondingly greater difficulties in securing for the Department sufficiently ample funds to conduct its work in the most efficient manner as required by our interests. The fact that the Department, through the very nature of its work, carries on its activities quietly, without ostentation and without any blowing of trumpets has led a good many people in our country to believe that its work is less vital than that of some of the other agencies of the Government. Because in the popular conception a certain mystery surrounds the conduct of foreign relations, an unwarranted distrust has even arisen in some quarters.

The organization of the Department of State has always been a compact one and I believe it is correct to say that of our Government executive departments and agencies it has always perhaps been the most carefully organized. This is probably due to the fact that it has remained a small department and has never become unwieldy. Consequently defects in organization became quickly and obviously evident and could be corrected. From time to time as administrative officers of the Department have deemed it desirable, reorganizations have been undertaken from within the Department in order to increase efficiency and perhaps such readjustments have been made more frequently in this Department than in any other. It should be emphasized that this has been the case not because of grave organization defects or because the Department is less well organized than others, but, through the very condition that the Department is small and not unwieldy, defects which may exist have been the more apparent and have led to the impulse to correct them. It is this constant attention to its organization and progressive readjustments therein which has kept the Department the least costly of our Government departments.

As our foreign relations are not only growing more important to us and wider in scope constantly, but also because these relations are becoming more complex through developments in other countries and because through these developments our interests in many cases are becoming more threatened and the task of protecting them more complicated, the Department of State has again deemed it advisable to make a thorough study of its organization from within and these studies are now in progress. To put it plainly, we feel that we are already in heavy seas and that as we may be heading into heavier the Department wishes to be in a position to have the Ship of State breast the storms with the most effective organization possible. I should like to emphasize, therefore, that from the foregoing background you will appreciate that the reorganization steps which we have taken recently in the Department and which are still

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in progress have not been brought about by any external pressure, by any criticism of heavy expenditure or by large personnel nor by any consciousness from within that the organization is not relatively efficient. The object of our reorganization studies and plans is definitely and solely to increase the efficiency of the Department and of the Foreign Service as the instrument of the President in the conduct of our foreign relations.

It is not the intent that the present reorganization measures shall be considered as economy measures and reductions in personnel and expenditure are not the primary object. They are not the primary object as from the foregoing it will be evident to you that the Department of State has always been conducted in a most economical manner and has suffered from a lack rather than a surplus of funds or from too liberal treatment. It may perhaps be well to state somewhat categorically here what is generally appreciated and understood to be a fact by those who know our Government establishments, that both in Washington and in its establishments abroad there is no Department of our Government which has been more efficiently run and in which Government funds are expended with more meticulous care as is done by the State Department. Economy, therefore, need not be any special object in our reorganization plans as the Department always has been conducted with this consideration so definitely in mind.

Nevertheless, in view of the fact that economy in Government expenditure is increasingly important and as it is a primary function and obligation of every department and agency to keep its expenditures at the lowest possible point permitted by efficient care of the interests and work involved, one of the things which it is hoped we may accomplish through our reorganization program is that the present staff and funds may be used to even greater advantage so that in spite of increasing responsibilities the need for additional personnel and funds will be materially kept down. Certainly the effect of the reorganization will be to probably keep within lower limits the need for additional personnel which would otherwise have been considerably greater with the increasing responsibilities of the Department in this period of stress.

I have wanted to tell you a little about the Department in the foregoing general way not with any desire to make comparisons between its expenditures and those of other departments and agencies but to bring out two fundamental facts: first, that the Department of State, although the oldest, the premier and in some respects the one carrying the greatest responsibility so far as the primary interests of our people are concerned, has remained the smallest and the least costly of the executive departments; and second, that it has constantly examined, as it is doing now, its internal organization with two principal facts in mind - the most efficient conduct of its work and the doing of it with the least

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possible cost to our Government. I have told you about it because you have been good enough to indicate that you believe in proper support for this Department. I want you to know that you can give this support with a good conscience.

We are a busy Department these days and, if our work has been important to our people in the past, I think I may say without exaggeration that it has never been more so than it is today. The very fact that you are interested in the work of the Department of State is an indication of your realization of the scope of the work which we are doing. I would like to mention just a few of the things which make up the grist of the State Department mill these days.

- (a) The consideration and settlement day by day of problems that arise between our Government and foreign governments on a wide variety of subjects.
- (b) Extending protection to American citizens and to American interests in all parts of the world. Investigating and reporting opportunities for the sale of our products in foreign countries and on the conditions under which they may be sold and distributed.
- (c) Carrying through the trade agreements program with all its implications and the complicated studies which are necessary in connection with each agreement.
- (d) The negotiation of treaties designed to protect American citizens in the enjoyment of their rights and privileges abroad.
- (e) Conducting the claims of certain American citizens against foreign governments.
- (f) Defending the interests of this Government in the case of claims by foreign governments.
- (g) Controlling shipments of arms and munitions.
- (h) Participating in international bodies and organizations which operate for the mutual benefit of the member countries on such questions as labor, industry, commerce, science, arbitration, boundaries.
- (i) Carrying on various functions abroad in connection with the immigration of aliens to the United States.
- (j) Issuing passports in this country and abroad to American citizens.

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The foregoing are only a few of the functions that your Department of State is performing every day in this country and in the almost 400 capitals and commercial centers abroad where we have a fixed establishment. I could not begin to go into further detail but I do want to mention here a few of the things too which we are doing of even more fundamental importance. The Department of State has frequently been called our first line of defense. I think many people who read this term, or even who use it rather glibly, have very little comprehension of what the term means.

Aside from the primary function of the formulation of policy which has for its object the maintenance of our peace and security, there are many specific things with which the Department has to occupy itself every day. I wish to mention just a few of these. We are continually aiding in the calling of and participating in special conferences which have for their object the maintenance and the promotion of peace and order such as the disarmament conferences, inter-American peace conferences, Nine Power Conference, and others.

We are collaborating at this moment with the other American republics in the work of the Chaco Peace Conference of which you read little in the papers but the work of which is quietly going on every day.

We are assisting in the settlement of the Honduran-Nicaraguan difficulties which recently arose and which threaten military hostilities between those two sister republics. Quietly, but we hope very definitely, work is going on toward a solution of these difficulties which could easily have turned into a military struggle.

We have had returning to the United States from the Philippine Islands recently a Commission which we sent there to study matters connected with what may be the change in status of those Islands under our statutes. A very great deal of work must be done in order to see that that change of status, if and when it is carried through, is carried through without friction and with due regard to all the interests concerned. The laborious work of this Commission is being done very quietly and without any fuss but it is very important work indeed.

Our diplomatic and our consular officers in Spain are and have been rendering splendid services to our nationals there in the protection of our property and in the maintenance of our rights during the civil strife in Spain.

I think I need not speak to you of what our officers have been doing in the Far East, more particularly in China, during the past months. At most of these establishments our officers and our personnel are working many hours of the day untiringly and with a devotion which is in line with the best traditions of the Foreign Service.

Here in Washington the executive officers of the Department and all those concerned with questions of

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policy are giving themselves untiringly to all those problems which must be of primary concern to us in our relations with so many States.

I will not speak of the efforts of the Secretary of State to keep before us and before the world those principles which must underlie international law and order and to the observance of which we must constantly consecrate ourselves here and elsewhere if peace is to be maintained. I will not speak of the delegations from other countries which are continuously here in Washington and with which we are negotiating those agreements under the trade agreements program, which in so many respects is the most important constructive element at work in the maintenance of peace in a disordered world.

All these are but some of the things which the Department of State is doing in the protection of our vital interests; interests which for the most part lie beyond our shores only in a limited sense, for it depends on how they are safeguarded and how our relations are conducted and these many details involved in relations are carried through as to whether you and I will be able to live here at peace in this country. These things which do happen daily in so many places intimately concern us and everyone of us and the guardian of our peace is the Department of State.

And what I must tell you today is that that Department is costing you during the fiscal year 1938 approximately \$14,000,000, of which over \$4,000,000 will be made up in the way of fees taken in for services performed at home and abroad.

I am not going to make any arguments as to why the Department of State needs or should have more money even during a period when our Government is very properly entering upon a program of economy and most careful scrutiny of Government expenditure. It is only wise and prudent on our part that we should see that the Department of State has all the funds which it may need and it is one Department in which the return on the investment is unquestionable. I will content myself here with merely calling very briefly to your attention a few of the things which we shall have from time to time to bring to the attention of the Congress.

1. We need additional personnel and equipment in the Department of State itself. We need particularly to reenforce our high grade personnel in order to make possible a more long-range planning and research for which at the present time we do not have adequate personnel. On the physical side much of our equipment for filing and accounting is antiquated. We are giving careful attention to these matters in our reorganization studies but we will need money to carry through the recommendations which will undoubtedly be made.

2. There is an almost desperate need for additional funds to increase the salaries of some of our clerical employees in the field, many of whom now receive salaries totally inadequate.
3. We need similarly increased appropriations in order to make certain necessary increases in the compensation of a part of the clerical staff of the Department in Washington.
4. We need more career officers in the Foreign Service
 - (a) To staff adequately some consulates and vice consulates which we now have to leave in charge of one officer;
 - (b) To adequately staff offices in the Far East and in other parts of the world where the volume of work has so tremendously increased; and
 - (c) To enable the Department to grant leaves of absence to visit the United States to many officers whose leave has been unreasonably delayed because of the lack of sufficient relief officers.
5. We need additional funds to provide our chiefs of mission and the principal officer at important consular posts with adequate representation allowances. The principle of representation allowances is established in our statutes but the appropriations so far made have been totally inadequate. Almost every other country makes materially greater provision for representation and our failure to provide adequate funds for this purpose is entirely out of line with our democratic ideals in that it precludes certain officers with no private means or very modest means from accepting posts where the representative responsibilities are heavy. It is time that our people should understand that this representative capacity is of primary importance to us and is a factor for peace and good will and that it is the responsibility of our Government to provide adequate funds.
6. In view of the hazards of foreign service to which our officers must submit, as well as their families, and in view of the compensation scale which precludes any savings by Foreign Service officers, further legislation is needed to put the retirement fund on a better basis in order that our officers may be relieved of the present apprehensions of what may happen to their families on their decease.

7. The Foreign Buildings program which has been started must be carried through actively and as rapidly as possible in order that in every capital and in every commercial center where we have an establishment our officers and our personnel may be appropriately housed.

It is to the credit of the Congress that members of both Houses have been showing a constantly increasing understanding and sympathy with the needs of the Department of State and of the Foreign Service. As the nature of the work of the Department is better understood, as its importance comes out more clearly through day by day happenings which we have to face and as certain popular prejudices and misconceptions tend to disappear, the difficulties in the way of fair and adequate treatment of the Department of State are slowly disappearing. The conduct of foreign policy is increasingly recognized as a purely non-partisan matter and, as it has recently been put, partisanship must stop at our frontiers. I have every confidence that as the needs of the Department of State are better understood they will receive more adequate recognition from the Congress. It is in that work that organizations such as yours can do a great deal of good, particularly in making it clear to the people throughout our country what the work of the Department of State is and how vital that work is in the maintenance of the peace in which we are all so ardently interested. It is upon how well the Department of State functions at home and abroad that in a very considerable measure depends for us the maintenance of that peace.