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PERSONAL

Mexico, D.F., May 26, 1944.

Dear Harry:

Your letter of May 3 acknowledging my letters of March 9 and April 11, in which I brought to your attention various despatches and letters from me with regard to various aspects of the economic relationships between our country and Mexico, and particularly some observations with respect to the Mexican-United States Commission for Economic Cooperation, reached me while I was at San José de Purua for a two weeks' rest. This was the first respite which I had had from my work since I left the Department in the spring of 1940. Even during those very busy years which I spent in the Department I usually found it possible to spend two or three weeks at our little place on Cape Cod, but since I left the Department and during the years that I have been in Cube and Mexico, this is the first real holiday that I have had. I felt the need of it very much for I put in from 12 to 14 hours a day here, and my week-ends are usually just as much occupied as the rest of the week. In this altitude that is not a good thing to do, but the circumstances of our work here and the enormous development in the scope of our relationships with Mexico and the fact that so much of our work and so many of our problems are new, makes it necessary for me to give attention to things which I otherwise could leave entirely to others.

I have been back about a week and I have not been able to reply to your letter scener as I have been more than usually occupied. Bursley has taken a week off with his family and there are unusual elements here which have given us more than usual preoccupations.

I have noted with interest what you say in your letter of May 3 and I think there may be a good deal of misunderstanding of my position in these matters in the Department. Perhaps I have not made myself clear. I wonder whether you have seen a copy of the confidential letter dated May 1 which I wrote the Secretary. It is a rather long letter, unfortunately of some 10 pages, and I do not have a copy available to send you with this letter or I would do so. I feel pretty sure that you

have

The Honorable
Harry Hawkins,
Department of State,
Washington, D. C.

have seen it already, but if you have not, I would appreciate very much your getting it.

All of us realize how close physically Mexico and the United States are, but I think that some of us do not realize how fully the people here in official and important circles are informed of what goes on in our country in official and government circles and in our country in general. It is in many ways natural that there should be greater curiousity about and greater interest in what happens in our country, in Mexico, than we should be in what happens here. I am sure you would be surprised to find to what degree the people here are informed as to what happens in our country. I am frequently surprised to learn from Mexican officials about things that are happening in our own country and in our own government, particularly, before I have any information from our own government or our own people.

It is with this thought in mind that I wrote the Secretary this letter of May I with regard to this consideration which apparently is being given in the Department to whether we should withdraw from the Mexican-United States Commission for Industrial Cooperation, et cetera. It would be, as I pointed out in the letter to the Secretary, just about one of the unhappiest things that could happen in our relationships with Mexico and with Latin America if it should become known in government circles here that we are even considering seriously such a matter.

I do not wish to go into detail in this letter as I am very much occupied and I hope to be writing you in the near future at some length with regard to some aspects of our economic relationships with Mexico which I have not touched upon, but in which I am sure you will be interested.

I am writing you now principally to say that I think some of my remarks with regard to preferential treatment for Mexico have been misunderstood. I think you know that I have been with our government long enough and have been so intimately interested in these economic problems which are so definitely the basis of our political relationships, that I must realize that definite and open al preferential treatment is not only dangerous but against basic principles of our government to which we wish to and should adhere. But, just as the Constitution says that all men are born free and equal and as we are attached to this principle and will fight for it but in fact we know that all men are not equal in all respects, so, while we maintain certain principles of equality of treatment there are certain preferential conditions which prevail in practice in economic relationships between countries which grow out of circumstances over which no country has control. What I have tried to make clear in my letters and despatches to the Department is that so far as Mexico is concerned there are factors in our relationships with Mexico which we cannot ignore. We have long recognized that so far as Canada is concerned we have a definite relationship which we carry through in practice without any open preferential arrangements. It is time we began to recognize, I think, that so far as our neighbor to the south is concerned, we will have to think of her in the same understanding terms.

This has been a backward country. It has sone through all sorts of turmoil and it is still going through it, only in a different form. Great forces are at work in this country and a transformation is taking place which is obvious to discerning persons. The old Mexico is passing out of the picture and a new Mexico is emerging. There isn't any doubt that, no matter how unfavorable developments may be within this country in some respects, the country is awakening and is going to go forward. I think the period of political and internal disorder in Mexico in many ways is past and that means that the country is going to settle down to developing her resources, her internal unity, and her internal life in general. Agricultural and industrial development in this country are inevitable. There has already been considerable industrial development here. I am sorry to say that the nationals of several other countries have been more helpful on the whole in building up the internal life of Mexico than our own have been. Now with this new impetus coming in the internal development of this country, our own interest is so great in the form that this development will take that we cannot stand aside.

I am one of those who hope that this will be the last great war. I hoped that at the end of the last war and I think you have some idea of the disillusionments through which I had to pass when I saw the lack of wisdom on the part of statesmen in Europe and even of so many people in our own country. I am hoping that this time we will really have learned our lesson. I wonder if by any chance you have read Van Sittart's book "Lessons of My Life?" It is one of the most impressive and constructive books I have ever read. Up until six months ago I felt pretty sure that the sacfifices we were making in this war and which we will be called upon to make for years to come, were and would be so great that we would be wise enough to assume all obligations necessary for us to make sure that another such war would be impossible.

Today, frankly I am not so sure. I am still not pessimistic but I see political considerations and personal ambitions, feelings, reserves, and all sorts of human weaknesses afready beginning to show themselves in our own country and in others, even while we are in the midst of this great struggle, to such a degree that I do not today have the confidence that I had six months ago that we will be wise enough at the end of the war to take the measures to assure the security of our country and the peace.

So far as this continent and this hemisphere are concerned, I think everyone will agree that we have to have Mexico and Canada with us and bound to us by ties of self interest and community of interests so strong that nothing can break them.

We have to deal therefore, with Mexico with understanding because if we expect understanding from them they can expect understanding from us. The situation in many respects between the two countries is as good as it could possibly be and so much better than we could possibly have hoped it to be. If we do not collaborate with Mexico in her industrial and agricultural development, others will, and that means that already the principal tie of self-interest and community of interests is weakened.

I am not seeking special treatment for Mexico. I am only trying to point out in my humble way some of the considerations which I think we have to keep in mind if we are to have this community of interests which is so important for us for our security and peace in the future. Industrialization will make rapid progress in Mexico and I think it will make fairly rapid progress in Brazil. There will be a certain degree of industrialization in some other countries of South America. I think for reasons which I cannot go into in this letter, this industrialization will be more rapid and cover a wider base, probably, in Mexico, than it will in Brazil. I do not think we have enything to fear from any of this industrialization in either Brazil or Mexico. On the other hand, I think we have everything to gain by it.

So far as this commission is concerned, which seems to cause so much concern to some of our people, I have never considered it as a permanent institution and as I pointed out in my letter to the Secretary, I think the time will come when the Mexicans will no longer be so much interested in it as we are, and that the time may come even when the Mexicans will not be interested in the Commission at all and we will be very much interested in its maintenance. For this reason, I believe that it is danger-ous and unwise for us to see these Indians behind trees when there are none, and to talk about withdrawing from the Commission or to discuss its pros and cons in the way we apparently are. All that is necessary for us to do is to see that the work of the Commission is canalized in the right direction and certainly up to now we have been able to do that, and I see no fears for the future. The Commission is merely a means of discussing questions of common interest and if Mexico has one interest, we have one which is just as important.

With regard to long-range programs, of which some of our people in the Department are afraid, I think this can be handled in such a way as to remove any apprehensions.



I wish that a man like yourself could come down here and spend a week or two and get the feel of the country and of the situation here. There has not been anyone from the Department connected with the economic side of things in particular who has been here for a long time, and I think that it would be a fine thing if you could come down here and spend a few weeks. Certainly it would give me a great deal of personal pleasure if you could do so.

I suppose some of our people will be afraid of implications which may grow out of the visit of Donald Nelson, which is scheduled for about the middle of June. I can assure you that you need have no fears about this, for no decisions will be made of any kind while he is here, and there is no intention of doing so, but the gesture of his visit will be a most helpful one for it will emphasize our interest in this country. So far as concrete things to be discussed while he is here, there are none to be discussed at this time and Mr. Nelson is far too wise and too experienced a person to permit himself to be led into anything unwise. The fact, however, that he is coming here, that he will look at some of these industrial projects which are under way - some of the irrigation and power projects, et cetera - will in itself make these people understand that we are really interested in their internal problems and development.

The Industrial Sub-Commission, on which Beyster and Vaughn are working very soundly, is assuming no commitments, but is gathering some very valuable information which will be useful to our government, including the War Production Board and the Foreign Economic Administration.

This has already grown into a much longer letter than I intended to write, but I did want to say that I fear that some of you have some misapprehensions with regard to my attitudes. I had hoped very much to be able to make a trip home and I had hoped to do so shortly after my return from San José de Purua but there are so many things here which give me concern that it is quite impossible for me for the present to think of a trip home.

With all good wishes,

Cordially and sincerely yours,

GSM/aw

G. S. MESSERSMITE