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Personal and confidential

Berlin, Germany November 7, 1938

Dear Mr. Messersmith:

I have your letter of October 13th in which you discuss a number of important matters and to which I shall reply as fully as possible. With regard to the personnel situation at Berlin I am of the opinion that for the time being, at least until the beginning of the next fiscal year, it will not be necessary to make any additional assignments to Berlin of either officers or clerks. We are, indeed, hard pressed and I contrast the situation at Berlin with that at Stuttgart where I visited last week in order to see how things were going; at Stuttgart almost the whole staff has been absorbed into the visa department. I have not allowed this to happen at Berlin, and while from time to time I have had to send emergency help to the visa department. I have not permanently in any respect broken down the other departments. Even now I have four officers detailed to the economic and commercial reporting activities with an adequate staff of assistants; and the other departments are properly staffed. During the month of October the visa work became somewhat normal again. The rush of applicants to the Consulate General increases spasmodically in accordance with the general state of mind of the potential refugees. The transportation of Polish jews (one of the cruelest acts on record in modern times) across the German border created a panic feeling in the city and we were hard pressed under the strain. There was much hysterical manifestations at the office and for a day or two we were working under abnormal conditions. People are very nervous and there is always a tendency for something to break loose and plce greater pressure on But on the whole I am working for stable conditions in the visa work; and since we know that the quotas will be completely used for the next few years the staff should not be larger than that required to handle the maximum number of people admitted under the quota. We should not have to employ large number of clerks merely to answer the insistent demands of people who can never emigrate or qualify, or whose turn will not be reached for a number of years. I am constantly giving my attention to these problems and endeavoring to keep the work within bounds. I expect to relieve the pressure somewhat on Stuttgart by taking quota numbers away and increasing the issuing volume at Berlin; this cannot be fully carried out until we move to the Blucher Palais on account of lack of room. I do not anticipate, however, that putting Berlin up to 500 or 550 permonth will require a greater staff. The work is becoming more and more tationalized and the staff functioning with greater proficiency. Rose its doing a fine job in the visa section; and I believe one of the best men we have had there yet. In Berlin you can count on a decrease in staff rather than an increase in spite of the fact that our production will increase in the next six months.

Regarding the Blücher Palais I think you can be sure that the work will be completed by the beginning of March and that we shall be installed there by the end of the same month. I am giving our landlord notice for the end of March. I am keeping a close eye on the progress of the work there, and sent you a letter yesterday recommending that the four rooms on the second floor of the Blücher Palais be finished. I have my recommendations regarding the organizations of the combined establishment pretty well ready and will send them on to the Department in good time. As I wrote you before the results will far surpass our expectations; and I am sure that you yourself will be surprised as to the final results when everything is complete. The building will not be a "makeshift"; but rather something to be proud of. This stroke will be one of your outstanding triumphs; and I believe it will be many years before our Government will want to invest any more money in Berlin, unless to finish the few rooms on the third floor damaged by the fire.

I rwote to Mr. Davis rather categorically in the last mail stating that in my opinion the Ambassador was right in saying that the cheap marks we bought from the German Government could not be used for anything not immediately connected with the building operations. As I conducted the negotiations whereby we acquired these marks I think I may well judge how far we can go in investing them; therefore I am ready to take up the question of utilizing our permit for the purchase of floor coverings and hangings. As I said to Mr. Davis we can use our permit for anything connected with the premises themselves including the grounds, all kinds of electrical equipment, including I am sure the chandeliers, telephone equipment, etc. I believe the Ambassador will not object to passing this matter over to my own initiative, and I can take the question up with my friends in the Divisenstelle, when I know how far we want to go and what we want to buy. I would apprecaite your supplementing orally when you discuss this matter with Mr. Davis the information I recently sent to him in the sense that I am now writing. And I would eventually like to have from Mr. Larkin instructions as to hangings, floor coverings etc., which the Building Office would like purchased.

With reference to the merging of the Embassy and the Consulate General, as I previously stated, I am giving this matter constant attention and I believe that the merging can be accomplished as you have often thought of it and discussed it with me. I shall submit detail plans in the very near future.

I appreciate very much that you have thought of making me Counselor and Consul General in the combined establishment. The honor appears very great and the chance to render service a mighty big one; but the responsibility does not make me hesitate to say that if you believe such a step to be in the interest of our Government and people I am, of course, willing to assume the duties. I might feel that my experience on the diplomatic side had not been long enough to entitle me to hope for this added duty; but the experience of the last six months, during which time I have been often called into the conferences in the Embassy;



have indicated to what extent I have been in a position to give sound advice to the Ambassador and the other members of the Embassy staff in some very difficult matters. The Ambassador and I agree in method and reaction in so many respects that I think so far as we are comcerned there would be no difficulty; for I think he is becoming more and more attached to me as time goes on. And I know that Mrs. Wilson is very sincerely pleased with the way I have helped them in their house problem. I do not know what is the matter with Mr. Gilbert. He has been away to a sanatorium for the last month. I am worried about his physical condition. Every now and then he seems to have some kind of serious attacks, which I fear are connected with his heart; for he seems to be subject to swooning spells and loses consciousness. He is an excellent officer and I am very fond of him, and I am still sure that he and the Ambassador are getting on very well together. If there is any disagreement it is certainly not apparent; which is a fine tribute to both gentlemen.

I should, of course, be willing to undertake the high duties connected with the post you have in mind. I am quite used to bearing responsibility, and I believe that I would succeed, and of course, it would be a great chance to show how the two important offices could be combined in one official. At the same time I suppose on account of the strained condition in Europe and the serious problems we are constantly confronting in Germany that the time has not come to dispense with my experience and knowledge of this set-up. If so, the practical problems and those requiring experience and intimate knowledge of conditions will continue to fall heavily on me as in the past few years and therefore any decisive implementing of my authority and prestige will be to the general good. In view of the responsibility I shall certainly have to bear as long as I am here I shauld certainly welcome in the way of authority and office whatever help I could get.

In answering your question thus in the affirmative I know how deeply interested you are that this amalgamation be carried through successfully; and you can be sure that I am bearing that in mind. Finally let me say that I realize that this is your wish, which still is only a thought in your mind; and that the Department may have reason for finally doing otherwise. You know me well enough to be convinced always that whatever you decide is pleasing to me, whether it means advancement for me or not; as there are some things in the world dearer and more comforting than advancement and that is the lasting assurance of sincere friendship and the happiness which it affords. With very warm regards, believe me ever,

Faithfully yours

P.S. You will be pleased to know that my recent negotiations with the German Government on behalf of the United States Lines have been successful and I have obtained a transfer permit for one million marks (accumulated funds) and a regular monthly gransfer in the future of 250,000 marks. We asked for a transfer of 1,250,000 and a monthly transfer of 300,000. This pretty well solves the problem for some time to come.