

AIR MAIL.

1502

Handwritten signature

Mexico, May 7, 1942.

Dear Raymond:

I have your letter of April 18 which Jack Erhardt delivered into my hands. He will undoubtedly tell you his impressions of the Consular Conference. It turned out to be most helpful. We got over the complete picture of the war and the new situation and did not devote our time to routine questions of consular practice, which after all our Consuls should know and do know how to take care of adequately. A good deal of responsibility devolved on me in connection with the meeting, but I did my best to make it go and the officers from the Department were all most helpful. Wayne Taylor did a splendid job and I should tell you that it is my considered opinion that he is sincere in desiring to maintain the present set-up of a consolidated service in the field. He presided over the meetings during the first two days and attended practically every one of our sessions. It was an excellent thing for us all and I think it was a good thing for him and I know that he left here with a higher and wider comprehension of the capacity of our officers to handle the wide range of problems which they must handle in times of peace and of war.

He gave me a good deal of background with regard to the Executive Order which would have practically placed the conduct of our foreign affairs in the hands of the Board of Economic Warfare and which would have replaced the Department of State by an emergency agency during the war and by a continuing one after the war, manned by people with utterly inadequate knowledge of our problems and of our practice. I can only tell you that I had definitely made up my mind - this for your private information only - that if this order was carried through in its implications I would go home and tell the

President

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President, and the Secretary, and Mr. Welles that I could, unfortunately, not continue to assume the responsibilities of a post in the field. I was going to say that no chief of mission could carry out his obligations at a post in an orderly and effective way if this order went through. I was going to say that I was willing to serve in any capacity at home during the emergency, but that I could not, with all conscience, assume the responsibilities of a mission under the circumstances foreseen and inevitable through the Executive Order. I realize that this might have been a futile gesture, but it is one that I would have had to make had the order been made effective. It is now my understanding that at the meeting which the President had with the Board of Economic Warfare at the White House he made it clear that the Department of State has a primacy in the conduct of foreign affairs; that such matters as black lists remain in its province; that negotiations with other governments must be through the Department; and that all missions and officers going to the field for any agency must act through and under the chief of mission. I understand that the Executive Order will not be changed for the present and I can quite understand this, because the President cannot change an Executive Order from one day to the next. I understand, however, that the President has made it clear that even though the order remains for the present as it stands, these prescriptions he has laid down are to be followed. So far, so good. It means, however, that as long as the order itself is not changed we will run the same dangers to a degree that we have before. The same people who have been sniping at the Department and at the Secretary will continue to do so every opportunity they get. Their wings have been clipped, but if not able to fly, they will be able to peck and annoy. It is therefore a question of constant vigilance on the part of the Department and certain other agencies. It is a situation which should not exist, but we know now that we have it definitely to deal with.

I got a good deal of background with regard to the order from Jack and from Taylor. I had a good deal in other ways. I can readily see the genesis of it. It is enough to make one sick at the stomach and it is bitterly disappointing that in times like these such efforts should be made. Some for whom I hold high respect have been unquestionably involved in this matter. Those with the highest ideals can commit the greatest sins when it comes to practical procedures. I prefer not to know all of the background because I fear it would sour me with regard to some of my friends. In any event, the major battle has been won and I believe that Vice

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President Wallace will no longer lend countenance to those who would engage in these dangerous extremes. Concerning his idealism and his desire to serve there is no doubt, but I think he has been used as an instrument of others.

So far as Mr. Wallace is concerned, and some of the officers in Agriculture, there is no doubt that there have been fears and doubts about the consolidated service. It is too bad that because of the emergency we have not been able to carry through in practice the sound and wise plans we had to meet the requirements of all Departments and agencies. This experience with the BEW and the recent Executive Order shows that no matter how great the difficulty, no matter what expansion of personnel, we have got to meet the needs of the other Departments. I had been very unhappy about the auxiliary service, but I think now that those who consented to its creation were wiser than I. We not only need it, but must expand it, because war time is no time to expand the career Foreign Service, even if we could get Congress to do it. I believe, therefore, that we should endeavor to get the best men we can for the auxiliary service and so far as possible take men under 30. At the end of the war, as you well point out in your letter, those in the auxiliary service who have shown their capacity and dependability for the Service through actual performance, can be admitted into the Foreign Service on the basis of passing the strict oral test for the career service and their satisfactory service counted as replacing the written examination. In this way at the end of the war we would be able to get into the service men with the agricultural, financial, general economic, transportation and other background that we need.

Those of us who thought a few years ago that we could see the expanding needs of our Government through a consolidated service of the Department of State, did not realize and could not realize to the full the tremendous problem which would be brought about by the war and by the post-war period. This war will last sufficiently long to bring about such serious dislocations in all fields that it cannot be settled by a peace treaty, but our problems will have to be settled at home and abroad over a long period of reconstruction which will take, in some respects, the form of an armed truce, during which we shall have to maintain the peace of the world and be in a position to impose sound solutions.

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I am happy that at home we are studying these post-war problems so actively now. It is absolutely essential. I am hopeful that when the peace comes we will be ready with a good deal of this work.

I am convinced, however, that while we have all of these special tasks now in the way of priorities, allocations, shipping, finance, etc., these problems will remain with us for a long period after the war as well as during the war. The rather simple formula that we had conceived for cooperation with Commerce and Agriculture when we consolidated the Foreign Service will have to be expanded to cover wider fields and much broader responsibilities. We will have to double, treble and quadruple the staffs which we had contemplated for this reporting work. The experience with the BEW shows that we must be in a position to meet these needs of other agencies now as well as later or we will have a similar recurrence of this attempted Executive Order and the results may not be so favorable next time if we are not up to the job.

Our reporting work here in Mexico City has not been satisfactory. I realize that. It is no fault of mine but it will be my fault if I do not adequately meet the situation. I am just about ready to reorganize our whole establishment after a very careful study. While Wayne Taylor was here we discussed a general organization of the reporting activity, aside from political. He has some very sound views. I am convinced that I have to set up in our reporting section, aside from political, at least six different sections,- one to cover priorities, one to cover minimum requirements and special reports, one to cover trade letters, trade lists, trade disputes and W.T.D.s, one to cover the proclaimed lists, one to cover finance and transportation and one to cover scheduled reporting of a miscellaneous character, as well, as, of course, one to cover agriculture. I have given this considerable thought and I think these sections in the general reporting sections aside from political, will adequately cover it. Every one of these sections will have to be in charge of a competent officer and some of the sections, such as that on minimum requirements and proclaimed list, will require from two to three officers or more, in order adequately to do the work. As I see it this set-up will be the one which we will need during the war as well as for a considerable period after the war. If you have any thoughts further than this with regard to the sections I would be glad to have you write me, as it will be helpful to my thinking here. Wayne Taylor is hopeful, I am sure, that what we may do here will prove to be a sort of guide for other large posts.

Of course not the same number of sections would be necessary at all of our missions. The above set-up as to sections would be necessary in places like Mexico, Rio, and Buenos Aires, on this side of the water, and perhaps at several others. At small missions some of the sections could be combined.

One of the questions which bothers me is the set-up at the top of these sections. At present we have the Agricultural and Commercial attachés who have been co-heads of the general reporting section. With the tremendous expansion of the work caused by the war and to be faced in post-war conditions, this set-up does not work out very well and creates certain situations between the Commercial and Agricultural attachés which we could take care of in the field but which will be unhappy at home because of departmental rivalries. I am hoping that we can confine the word "attaché" to the Military and Naval Attachés. What I think we must do is to get rid of the terms Agricultural and Commercial Attachés. They no longer serve their same purpose even for the departments concerned. If we have the Department of State doing this work well in the field as it should, then we are the servant of all departments and agencies that need services in the field and we should not have to use any tag as to department. If we do that under the new conditions we have to face there would be no end. Treasury would insist on a Treasury Attaché, Federal Reserve on a Federal Reserve Attaché, etc.

It seems to me, therefore, that the head of the general reporting unit, aside from political, should be named Economic Counselor. It has been suggested that he be named Economic Minister. I do not think that the latter designation of Minister is necessary at the Embassy. It is a sufficient and broad title to call him Economic Counselor, and each section chief as above indicated would be responsible to the Economic Counselor. This takes away all flavor of departments and removes all possibility of frictions and jealousies.

The Economic Counselor should be relieved of all responsibility of an administrative character, for he will have ample to do in directing the activities of these sections and in carrying on conversations on major economic policy with the local government for the Embassy, and in giving guidance and counsel of other kinds.

So far as Agriculture is concerned, I think we ought to take some men into this service who have had special preparation in agricultural colleges or in the Department of Agriculture, whom we can put into our missions

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now in the auxiliary service and at the end of the war we can take such of the younger ones into the Service as have best made good. Mallory, for instance, the Agricultural Attaché here, needs help. We cannot give him officers. We must, therefore, get some men through the auxiliary service. My thought is that Wheeler and Christy should give this consideration and find young men whom they think would make good material for future agricultural work. These men could be assigned to us for duty in the office of the Agricultural Attaché in Mexico City, Havana, Buenos Aires, Rio and several other places. There they would get the advantage of the training of experienced men we have, and at the same time would be doing useful work while they are getting the training. If they show they are not fitted we can get rid of them at the end of the war. The best of them we can keep. I think this idea should appeal to the people in Agriculture. If you see no objection, I do not see any reason why you should not informally explore it with Wheeler and Christy. The fact is that we need these people to help our Agricultural Attachés now and we might as well do the recruiting in the right way, and I think Wheeler and Christy are the people to do it wisely, and then, too, at the same time they will be accepting the responsibility for doing it. I will be glad to hear any comment you may wish to make in this connection. If you find the idea good, I intend to write to the Secretary and to Shaw about it.

I am giving a great deal of thought to these questions of general organization to meet our emergency and post-war problems, because I am required to do it at this strategic post to meet, not a theoretical or a future problem, but an actual emergency situation. I have got to largely increase my staff here because we have not been meeting our responsibilities and we have got to do it.

I note with interest what you say concerning the Department having taken no steps to ally itself with the foreign trade interests. How much I am disappointed in this respect I need not tell you. It is due to the failure, I think very largely, of Acheson to realize the importance of these things. He is really a very competent man, but like many lawyers he works, in some respects, in a vacuum. He has extraordinary capacities but he does not realize the importance of coordination in government and the inter-relations of government with business. He sees in terms of problems but not in terms of practice and human relations. We have missed a very real opportunity so far and I am still hoping that your great capacities in this connection will be adequately

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utilized. I do not know when I will get home next, but when I do this is one of the problems I intend to take up in a major way with the Secretary and others, for it is just something which must be done. I do hope that in the meantime you will hold things together as best you can, for you realize how important it is. I know how difficult it is in view of the lack of support, but I am confident that that support will yet come to you.

There is much that I would like to write you. I am simply overwhelmed with major things which have to be done and all these organizational problems, of which the one I have referred to is only one. This Embassy was the most sadly neglected one of any I have yet seen and it means that with emergency loads, we have to do all these things which should have been done long before. My health is holding up fairly well, but I can assure you that it is no easy task.

You will be interested to know that I have learned that recently a representative of the Office of Facts and Figures went to a friend of mine in New York who occupies an important position and told him that hereafter, when he had a matter affecting foreign relations to take up, he was to do so with the BW and not with the State Department, which hereafter would have little to do with foreign affairs. When my friend said that he had heretofore taken up matters affecting foreign relations with the Secretary, Mr. Welles and me, this man from Facts and Figures said that the Secretary, Welles and I were the "appeasers" and would no longer have anything to do with the conduct of foreign affairs. If it were not so amusing it would be tragic. Probably as late as six months ago this man from Facts and Figures was one of the howling appeasers, when the rest of us were trying to point the way long before that. I am afraid that a good many of those who wish to strike this blow at the State Department were among the appeasers until relatively recently and are now covering their past by this extraordinary zeal in attacking anyone who has shown any degree of wisdom or foresight. I am just telling you about this incident, as I think it will amuse you.

With love and good wishes to you and your sister from us both,

Cordially and faithfully yours,

GSM:HH