(1211)

April 26, 1939

Personal and Confidential

Dear Mr. Newbranch:

I am taking the liberty of writing you in this personal way about a matter which I believe is of particular importance. I do not know whether in your travels abroad you had any contact with a very real problem that we have had in our foreign representation for a number of years because of the existence of a separate Foreign Service of the Department of Commerce and of the Department of Agriculture. As you know, a separate Foreign Service of Commerce was established in 1914 and a separate Foreign Service of Agriculture in 1927. So far as Agriculture is concerned there has been very little difficulty but the establishment of this Foreign Commerce Service was the beginning of a series of difficulties at home and abroad which have greatly hampered us in the most efficient conduct of our foreign relations. There have been so many misconceptions with regard to this matter and there is so much misinformation that even a good many business men who do not really know what the situation is think these commercial attachés have been doing certain service because of the name. As a matter of fact 85 percent, I am sure, of the information reaching our business men in this country about conditions abroad comes from the Foreign Service officers of the Department of State. It has the label of the Department of Commerce when it reaches our business men and that is perfectly all right and, so far as we are concerned, as it should be. It is not all right, however, that the misconceptions should exist when our Foreign Service officers of State are branded by some thoughtless persons as not interested in business when as a matter of fact they are really carrying the burden for business.

The

Mr. H. E. Newbranch,
World Herald,
Omaha, Nebraska.

The problem, however, goes deeper and it has become so serious that the departments concerned have in recent years been giving serious thought to it. I am glad to say that the President yesterday, on the recommendation of the Secretaries of State, Commerce and Agriculture, gave his approval to the consolidation of the Foreign Services of Commerce and Agriculture into that of State, as a part of the reorganization program under the Reorganization Act. The matter is still confidential and, of course, will be until the plan is sent to the Congress by the President. It is likely that it will be sent to the Congress early next week with an appropriate message from the President. When that is done the message and the plan will become a public document and will be printed and be easily available to you through your Washington correspondent.

What I wish to say to you is that I know of no more constructive step which could be undertaken by our Government under the Reorganization Act than this consolidation of the Foreign Services of Commerce and Agriculture into that of State. The existence of these separate services abroad for Commerce and Agriculture has led to serious inconveniences in the conduct of our foreign relations, to friction between the departments in Washington and between the men in the field, as well as to very inefficient and expensive duplication of efforts. This consolidation enables us to present a solid front abroad in our foreign representation and if we ever needed that we need it now.

There may be some business men who will probably have the impression that in some way or another this consolidation is an indication of less interest by Government in the services rendered to business or to agriculture. The direct contrary is the objective of the plan and with my 25 years experience in the foreign field I may say to you with every confidence that this plan will unquestionably strengthen the position of Government in rendering services abroad to business, to agriculture and to our people. Knowing Secretary Hopkins and Secretary Wallace as I do I can further assure you that they would not have agreed to this consolidation plan if after the most careful study they and their colleagues had not reached the decision that the step was one in the interests of all departments concerned and of the special sections of our population which they serve.

The plan is a very carefully considered one and is going to the Congress not only with the approval of the

President but with that of the three departments concerned. This is perhaps unusual in reorganization plans and speaks for itself. The plan has been very carefully worked out over a period of years and is not something hurriedly thrown together. It is merely applying good business practice to Government and certainly business cannot criticize Government for doing what it would do in business.

The problem, of course, has a wide background and in order that the story may be readily available and that the objectives of the plan may be clear I have prepared the enclosed memorandum which has not yet been given any circulation. I am sending it to you as it contains the full story and on pages 47 to 51 there is an indication of the essential features of the plan.

And now I make bold to suggest to you that as this is a really very constructive step on the part of Government it would be very helpful if you would prepare or have prepared an editorial for the World Herald to appear very shortly after the plan has been submitted to the Congress by the President. Such an editorial if it were to appear a day or two after the plan reaches the Congress would have a very considerable influence and would, I believe, do a good deal towards preventing thoughtless, adverse criticism of a constructive measure. I hope that you do not mind my writing you about this. I think it would be inadvisable to mention anything about this plan until it reaches the Congress but as the President will probably send it down next week I am sending this material to you now as it may make it possible to prepare something for publication immediately or shortly after you know that the plan has been submitted to Congress. May I add to this already too long letter that I would not make bold to approach you on this matter if I did not have the very deep conviction that this consolidation is definitely in the public interest and that of business.

I hope that when you and Mrs. Newbranch may next be coming to Washington that my wife and I may have the pleasure of seeing you. In the meantime she joins me in very good wishes to you both.

Cordially and faithfully yours,

Enclosure:
Memorandum.

A-M:GSM:AR:SS