

DEC 6 1945

Hon. Marriner S. Eccles
Chairman, Board of Governors
Federal Reserve System
Federal Reserve Building
Washington 25, D. C.

Dear Mr. Eccles:

This is to advise you that I have recently established an Office of International Trade Operations to administer the former Foreign Economic Administration functions which have been transferred to this Department, and have designated Mr. Arthur Paul to direct that work. These functions, as you may know, include control of commercial exports; foreign requirements determination; and foreign trade promotion generally.

For your further information, I am enclosing a copy of a letter which I have now addressed to Mr. Paul designating him, in addition, as Assistant to the Secretary on all international trade matters, and as the Department's representative on the Executive Committee on Economic Foreign Policy, as well as my alternate on the National Advisory Council on International Monetary and Financial Problems. The latter designation is, of course, particularly pertinent from your viewpoint.

I would, therefore, very much appreciate your cooperation in informing your people of these assignments and having them work with Mr. Paul in setting up the necessary liaison and working arrangements.

Sincerely,

H. A. WALLACE

Secretary of Commerce

Received in
Chairman's Office

DEC 6 1945

Board of Governors
of the
Federal Reserve System

C O P Y

THE SECRETARY OF COMMERCE

WASHINGTON

November 29, 1945

Mr. Arthur Paul
Director
Office of International Trade Operations
Department of Commerce
Washington 25, D. C.

Dear Arthur:

As you know, the Congress has fully committed the Government to the principle of international economic cooperation by specifically declaring it to be the policy of the United States:

"to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations . . ."

(Public, No. 171, 79th Congress)

As the agency of Government primarily charged with the promotion and development of our foreign and domestic commerce, this Department is directly concerned with this policy and I consider it to be our clear responsibility to take the initiative in implementing it and assuring its effectuation in cooperation with the Department of State and other appropriate agencies. Pending completion of our departmental reorganization, this responsibility requires immediate arrangements within the Department to centralize the direction of all its activities concerned with the expansion of foreign trade.

Accordingly, in addition to your present duties as Director of the Office of International Trade Operations, I am hereby designating you as Assistant to the Secretary with responsibility for providing general direction over all international trade activities of the Department, including those of the Bureau of Foreign and Domestic Commerce. In this capacity, it will be your function to assist in the

formulation of our foreign economic and commercial policy; to represent the Department in connection with the proposed International Trade Organization and all other economic, financial, and trade agencies and conferences in the international field; and generally to develop and assist in the execution of aggressive plans for achieving a high level of foreign trade on a sustained basis. I consider the enlargement and strengthening of our commercial and economic representation abroad to be an integral part of the foregoing functions, and I will, therefore, also look to you to work out an effective program for this purpose, drawing upon the advice and experience of the foreign trade community and working with the State Department and other agencies concerned.

I am, also, hereby designating you as the Department's representative on the Executive Committee on Economic Foreign Policy, and as my alternate on the National Advisory Council on International Monetary and Financial Problems so that you may be able to relate their work and policies to your foregoing functions.

I am aware of the particularly rich experience and important information regarding worldwide commercial relations which the personnel now included in the Office of International Trade Operations have acquired in connection with their participation in the Government's wartime foreign trade activities. Likewise, the personnel of the Bureau of Foreign and Domestic Commerce have accumulated a body of very useful technical knowledge in the field of foreign trade. I believe, therefore, that we now have in the Department the staff nucleus with the requisite "know-how" to embark on an immediate and effective program to enlarge American foreign trade from the standpoint both of exports and imports.

While administratively the present organization pattern of the Department must prevail, I want you to arrange an integration of the functions and staff of the Office of International Trade Operations and those of the Bureau of Foreign and Domestic Commerce concerned primarily with international trade matters, toward the objective of a single unified program and operations. This will involve, principally, the Bureau's Division of International Economy and those units of the Division of Commercial and Economic Information dealing with foreign trade.

In the integration of the two staffs mentioned above and the development of a basic plan of organization, I should like you to work closely with Mr. Gladieux and his assistants. I am asking the Bureau of Foreign and Domestic Commerce as a whole to cooperate with and assist you on all of the above matters. I suggest, too, that you will want to keep in touch with other parts of the Department in their dealings with related international problems, e.g., aviation, patents.

I am sending copies of this letter to the other Government agencies concerned.

Sincerely,

(Signed) H. A. WALLACE

December 18, 1945.

Honorable Henry A. Wallace,
Secretary of Commerce,
Washington 25, D. C.

Dear Mr. Wallace:

Receipt is acknowledged of your letter of December 6, 1945 informing me of the appointment of Mr. Arthur Paul as Director of the Office of International Trade Operations and as your Assistant and alternate on the National Advisory Council. I am circulating your letter to interested members of the Board's staff who will, I am sure, give Mr. Paul their full cooperation whenever opportunity offers.

Very truly yours,

(Signed) M. S. Eccles

M. S. Eccles,
Chairman.

JHK:mia