

Economic Cooperation Administration

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OFFICIALS

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Special Assistant.....	J. J. WADSWORTH
Deputy Administrator.....	HOWARD BRUCE
U. S. Special Representative in Europe.....	W. AVERELL HARRIMAN
Executive Secretary, Central Secretariat.....	JOHN GANGE
Assistant to the Administrator.....	WAYNE C. TAYLOR
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Labor Adviser.....	BERT M. JEWELL
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Controller.....	ERIC L. KOHLER
Director, Division of Statistics and Reports.....	NATHANIEL KNOWLES
Director, Security and Investigation Division.....	J. WALTER YEAGLEY
Director, Information Division.....	BRYAN HOUSTON
Assistant Deputy Administrator for Programming.....	RICHARD M. BISSELL
Director, Fiscal and Trade Policy Division.....	ARTHUR SMITHIES, Acting
Director, Food and Agriculture Division.....	DR. D. A. FITZGERALD
Director, Industry Division.....	SAMUEL ANDERSON
Director, Program Coordination Division.....	E. T. DICKINSON, JR.
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Director, Procurement Operations Division.....	EDWARD E. KUNZE, Acting
Director, Strategic Materials Division.....	EVAN JUST
Director, Transportation Division.....	ARTHUR G. SYRAN
Director, China Aid Division.....	HARLAN CLEVELAND
Director of Administration.....	DONALD C. STONE
Director of Personnel.....	VIRGIL L. COUCH
Director of Administrative Services.....	ORBUN V. POWELL
Director of Organization and Management.....	HARRY H. FITE

CREATION AND AUTHORITY.—The Economic Cooperation Administration was created by title I of the Foreign Assistance Act of 1948 (Public Law 472, 80th Cong., 2d sess.), approved April 3, 1948, as an agency of the United States Government to administer the European recovery program.

PURPOSE.—The purpose of the Administration is to furnish material and financial assistance to nations participating in a plan of European recovery, in such a manner as to aid them, through their own individual and concerted efforts, to become independent of extraordinary outside economic assistance within the period of operations under the act, by: (1) promoting industrial and agricultural production in said countries; (2) furthering the restoration or maintenance of the soundness of European currencies, budgets, and finances; and (3) facilitating and stimulating the growth of international trade of said countries with one another, and with other countries, by appropriate measures, including the reduction of barriers which may hamper such trade.

PARTICIPATING COUNTRIES.—The term “participating country” includes: (1) any country, together with dependent areas under its administration which signed the Report of the Committee of European

Economic Cooperation at Paris on September 22, 1947, and (2) any other country (including any of the zones of occupation of Germany, any areas under international administration or control, and the Free Territory of Trieste or either of its zones) wholly or partly in Europe, together with dependent areas under its administration; provided such country adheres to, and for so long as it remains an adherent to, a joint program for European recovery designed to accomplish the purposes of the act.

Organization and Activities

OFFICE OF THE ADMINISTRATOR

The Administration is headed by the Administrator for Economic Cooperation, assisted by a Deputy Administrator, both of whom are appointed by the President, by and with the advice and consent of the Senate. The Administrator is responsible to the President and has a status in the executive branch of the Government comparable to that of the head of an executive department. During the period of operations of the Administration, he also serves as a member of the National Advisory Council on International Monetary and Financial Problems.

The Administrator is empowered, with the approval of the President, to create a corporation with such powers as he may deem necessary or appropriate for the accomplishment of the purposes of the act.

The general functions of the Administrator are to: (1) review and appraise the requirements of participating countries for assistance; (2) formulate programs of United States assistance under the act, including approval of specific projects which have been submitted to him by the participating countries; (3) provide for the efficient execution of any such program as may be placed in operation; and (4) terminate provision of assistance or take other remedial action as he deems necessary in the circumstances.

The Administrator may from time to time furnish assistance to any participating country by providing for (1) procurement from any source of any commodity which he determines to be required for the furtherance of the purposes of the act; (2) processing, storing, transporting, and repairing any commodities, or performing any other services which he determines to be required for accomplishing the purposes of the act; (3) procurement of and furnishing technical information and assistance; (4) transferring or otherwise making available any commodity or service to a participating country; and (5) allocating commodities or services to specific projects which have been submitted to him by participating countries and have been approved by him. The Administrator shall provide for the procurement in the United States of commodities in such a way as to minimize the drain upon the resources of the United States and the impact of such procurement upon the domestic economy, and to avoid impairing the fulfillment of vital needs of the people of the United States. He shall also take appropriate steps to facilitate and maximize the use of private channels of trade in furnishing assistance to participating countries.

The Administrator may provide assistance for any participating country through grants or upon payment in cash, or on credit terms, or on such other terms of payment as he may find appropriate, including payment by the transfer by a participating country to the United States of materials which are required by the United States as a result of deficiencies or potential deficiencies in its own resources. In determining whether such assistance shall be through grants or upon terms of payment, and in determining the terms of payment, the Administrator shall act in consultation with the National Advisory Council on International and Financial Problems. Where assistance is to be furnished on credit terms, the Administrator shall allocate funds for the purpose to the Export-Import Bank of Washington, which shall make and administer the credit on terms specified by the Administrator in consultation with the National Advisory Council.

In providing assistance under the act, the Administrator is authorized to utilize the services and facilities of the United Nations, and of any department, agency, or establishment of the Government, and will make reimbursement or payment out of funds available for the purposes of the act for any services or facilities so authorized. In utilizing Government services and facilities the Administrator will act in close cooperation with the head of the department, agency, or establishment concerned. If differences of view arise, the matter will be referred to the President for final decision.

The Administrator is further authorized to make guaranties to private parties of investments in connection with projects approved by the Administrator and the participating country concerned as furthering the purposes of the act (including guaranties of investments in enterprises producing or distributing information media).

BILATERAL AND MULTILATERAL UNDERTAKINGS

In order to become eligible for assistance under the act, each participating country must conclude an agreement with the United States Government, which provides for the adherence of such country to the purposes of the act and makes other appropriate provision, where applicable, for taking financial measures towards stabilizing currency, promoting production, cooperating with other participating countries in the interchange of goods, furnishing the United States with needed materials, rendering reports on the progress of the assistance program and taking other measures calculated to expedite a return to economic self-sufficiency. In countries where assistance is to be furnished on a grant basis, a local currency deposit is to be set up in commensurate amounts and under such terms as may be agreed to between such country and the Government of the United States.

It is the function of the Secretary of State to negotiate and conclude the above agreements on behalf of the Government of the United States. During the 3-month period immediately following the date of enactment of the act, however, the Administrator may furnish interim assistance to any participating country, provided such country has signified its adherence to the purposes of the act and has signified its intention to conclude an agreement as specified above with the Government of the United States.

In addition to negotiating any bilateral or multilateral agreements with participating countries, the Secretary of State is authorized, on the recommendation of the Administrator, to employ members of the Foreign Service Reserve and staff for service in ECA activities overseas. He will also make available to the Administrator other services and facilities as requested. In either case the Administrator will reimburse the Department of State with funds made available to ECA for the purposes of the act.

UNITED STATES SPECIAL REPRESENTATIVE ABROAD

The act creates the office of the United States Special Representative in Europe, who is appointed by the President, by and with the advice and consent of the Senate, and has the rank of ambassador extraordinary and plenipotentiary. He is the direct representative of the Administrator in Europe and also the chief representative of the United States Government to any organization of participating countries which may be established to further a joint program for European recovery. He shall coordinate the activities of the chiefs of the various ECA missions in Europe and shall discharge such additional responsibilities as may be assigned to him by the Administrator, with the approval of the President, in furtherance of the purposes of the act.

SPECIAL ECA MISSIONS ABROAD

In each participating country a special mission for Economic Cooperation, under the direction of a chief, will be responsible for assuring the performance within the country of operations under the act. The chief, who shall rank immediately after the chief of the United States diplomatic mission in his country, shall be appointed by the Administrator, shall receive his instructions from the Administrator, and shall report to the Administrator on the performance of the duties assigned to him.

PUBLIC ADVISORY BOARD

The act creates a bipartisan Public Advisory Board to advise and consult with the Administrator on basic policy matters arising in connection with the Administrator's discharge of his responsibilities. The Board consists of the Administrator, who acts as Chairman, and not more than 12 additional members, appointed by the President by and with the advice and consent of the Senate.

JOINT CONGRESSIONAL COMMITTEE

The act establishes a joint congressional committee, known as the Joint Committee on Foreign Economic Cooperation, which consists of 10 members, 3 of whom are members of the Committee on Foreign Relations of the Senate (2 from the Majority and 1 from the Minority Party), 2 members of the Committee on Appropriations of the Senate (1 from the Majority and 1 from the Minority Party), 3 members of the Committee on Foreign Affairs of the House (2 from the Majority and 1 from the Minority Party), and 2 members of the Committee on

Appropriations of the House (1 from the Majority and 1 from the Minority Party). It is the function of the Committee to make a continuous study of the programs of United States economic assistance to foreign countries, and to review the progress achieved in the execution and administration of such programs.

TERMINATION OF PROGRAM

Operations under the act are to be terminated on June 30, 1952, or prior thereto if the two Houses of Congress shall pass a resolution declaring that such operations should be terminated. If, however, the Administrator has authorized the procurement of commodities prior to such date, an additional 12-month period is allowed, during which shipment or delivery of such commodities may be effected to the extent necessary to carry out the commitment. Funds appropriated under the act may be obligated during the 12-month period for necessary expenses of procurement, shipment, delivery, and other essential activities, and shall remain available during such period for the necessary expenses of liquidating operations.

Liquidating activities, after the termination date, may be transferred by the President to such departments, agencies, or establishments of the Government as he finds appropriate.

CHINA AID

Under the provisions of title IV of the Foreign Assistance Act of 1948, the Economic Cooperation Administration is authorized to furnish aid to China under the applicable provisions of title I which are consistent with the purposes of title IV. It is specified that it is not the purpose of title IV that China, in order to receive aid, shall adhere to a joint program for European recovery.

Approved.

DONALD C. STONE
Director of Administration