

ECONOMIC COOPERATION ADMINISTRATION¹

800 Connecticut Avenue NW.

Sterling 6400

OFFICIALS

| | |
|-----------------------------------------------------------|--------------------------------------|
| Administrator..... | PAUL G. HOFFMAN. |
| Special Assistant..... | SAMUEL D. RICHARDS. |
| Special Assistant (Congressional Liaison)..... | FREDERICK P. HOBART, Acting. |
| Special Assistant (Small Business)..... | CHARLES RICHARDS, Acting. |
| Deputy Administrator..... | WILLIAM C. FOSTER. |
| U. S. Special Representative in Europe..... | MILTON KATZ, Acting. |
| Deputy U. S. Special Representative in Europe..... | (VACANCY). |
| General Counsel..... | JAMES GOOLEY. |
| Executive Secretary, Central Secretariat..... | GORDON E. RECKORD. |
| Director of Administration..... | DONALD C. STONE. |
| Deputy Director of Administration..... | ALDEN W. BOYD. |
| Assistant to the Administrator..... | WAYNE C. TAYLOR. |
| Labor Adviser..... | BERT M. JEWELL. |
| Assistant Administrator for Program..... | RICHARD M. BISSELL, Jr. |
| Deputy to the Assistant Administrator for Program..... | HARLAN CLEVELAND. |
| Director, Program Relations..... | EDWARD T. DICKINSON, Jr., Acting. |
| Director, Program Methods Control Staff..... | EDWARD E. KUNZE. |
| Director, Fiscal and Trade Policy Division..... | JAMES A. McCULLOUGH. |
| Director, Food and Agriculture Division..... | D. A. FITZGERALD. |
| Director, Industry Division..... | CHARLES W. JEFFERS. |
| Director, European Program Division..... | DANIEL K. HOPKINSON. |
| Director, Far East Program Division..... | HARLAN CLEVELAND, Acting. |
| Assistant Administrator for Operations..... | C. TYLER WOOD. |
| Deputy to the Assistant Administrator for Operations..... | ENOS J. CURTIN. |
| Director, Strategic Materials Division..... | C. H. BURGESS. |
| Director, Transportation Division..... | ARTHUR G. SYRAN. |
| Director, Technical Assistance Division..... | WILLIAM J. HOFF. |
| Director, Division of Korea Program..... | EDGAR A. J. JOHNSON. |
| Controller..... | PAUL M. GREEN. |
| Director, Division of Statistics and Reports..... | NATHANIEL KNOWLES. |
| Director of Information..... | ROBERT R. MULLEN. |
| Director, Organization and Management Division..... | HARRY H. FITE. |
| Director, Budget Division..... | EDWIN C. GARWOOD. |
| Director, Security and Investigations Division..... | J. WALTER YEAGLEY. |
| Director, Personnel Division..... | VIRGIL L. COUGH. |
| Director, Administrative Services Division..... | ORBUN V. POWELL. |

CREATION AND AUTHORITY.—The Economic Cooperation Administration was created by the Economic Cooperation Act of 1948, approved April 3, 1948 (sec. 104, 62 Stat. 138; 22 U. S. C. sup. 1503), as an agency of the United States Government to administer the European recovery program. This act was amended by the act approved April 19, 1949 (63 Stat. 50; 22 U. S. C. sup. 1501 et seq.).

PURPOSE.—The purpose of the Administration is to furnish material and financial assistance to nations participating in a plan of European recovery, and which have signed bilateral agreements, 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. The Economic Cooperation Administration also has under development economic programs for the Far East which are coordinated with that for Europe. Assistance will be furnished to Korea, China, Indo-China, and elsewhere in Southeast Asia.

ACTIVITIES

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 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 is required to take the necessary steps to assure, as far as it is practicable, that at least 50 percent of the gross tonnage of commodities procured out of ECA funds and transported to or from the United States on ocean vessels is so transported on United States flag vessels to the extent that such vessels are available at market rates for United States flag vessels.

The Administrator provides assistance for any participating country through grants or upon payment in cash, or on credit terms, or on such other terms of payment as is 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 acts in consultation with the National Advisory Council on International Monetary and Financial Problems. Where assistance is furnished on credit terms, the Administrator allocates funds for the purpose to the Export-Import Bank of Washington, which makes and administers the credit on terms specified by the Administrator in consultation with the National Advisory Council.

In accordance with the act, the Administrator utilizes the services and facilities of several departments and agencies of the Government, and reimburses them for the services. Likewise, the services of international agencies may be utilized in providing assistance under the act with the authorization of the President.

The Administrator is further authorized to make guaranties to any person of the convertibility into United States dollars of the proceeds of investments in connection with projects, including expansion, modernization, or development of existing enterprises, 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 consistent with the national interests of the United States).

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 toward 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. The Secretary of State negotiates and concludes the above agreements on behalf of 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. ECA has provided for its overseas staff through this arrangement and has also arranged for administrative and technical services to be rendered to ECA missions by the embassies; ECA reimburses the Department of State for such work.

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 the Organization of European Economic Cooperation. He coordinates the activities of the chiefs. The act also creates the position of Deputy United States Special Representative in Europe who is appointed by the President, by and with the consent of the Senate, and

has the rank of ambassador extraordinary and plenipotentiary. He performs such functions as the United States Special Representative designates, and is Acting United States Special Representative during the absence or disability of that official, or in the event of a vacancy in the office of the United States Special Representative.

Special ECA Missions Abroad

In each participating country a special mission for Economic Cooperation, under the direction of a chief, is responsible for assuring the performance within the country of operations under the act. The chief, who ranks immediately after the chief of the United States diplomatic mission in his country, is appointed by the Administrator, receives his instructions from the Administrator, and reports to the Administrator on the performance of the duties assigned to him. He works closely with government officials and private agencies responsible for preparation and execution of the recovery program in the country to which he is assigned.

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, dur-

ing 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.

Far Eastern Assistance

The Economic Cooperation Administration is authorized to furnish aid to certain areas of the Far East in conformity with applicable provisions of the Economic Cooperation Act of 1948, as amended.

Approved.

DONALD C. STONE,
Director of Administration.