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RFD. 178

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BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Division of International Finance

REVIEW OF FOREIGN DEVELOPMENTS

November 20, 1951

The Mutual Security Program
- Caroline Lichtenberg

10 pages

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November 20, 1951

The Mutual Security Program

Caroline Lichtenberg

The Mutual Security Act of 1951 provides for the largest and most comprehensive foreign aid program since the end of the Second World War. In every corner of the globe -- in Europe, Latin America, the Near East, Africa, Asia and the Pacific -- over \$7 billion will be spent to strengthen the free world against the threat or reality of aggression and Communist revolution. As now conceived, the Mutual Security Program will be a combination of military and economic assistance through June 1952 and predominantly military in 1953 and 1954. The Mutual Security Act thus marks the end of the economic recovery phase and sets the stage for military preparedness, or what General Marshall calls the "capital build-up period."

Organization and Amount of Aid

Organization - To achieve this objective of military and economic strength, it will be necessary to supply aid to foreign countries in various forms -- military equipment, materials for foreign defense industry, and technical assistance, to name the most important. In view of the diversity of foreign needs and the singleness of purpose, Congress emphasized the desirability of welding all our operations into a unified program with centralized direction. Consequently, primary responsibility for formulating the program and integrating its various elements was vested by Congress in a single person, the Director of a new organization called the Mutual Security Agency (MSA).

Mr. Averell Harriman, whom the President recently appointed Director, has a double function: coordinator of the military and economic aspects, and administrator of the economic programs. As coordinator, he has taken over the functions of the International Security Affairs Committee (ISAC), an inter-agency group approved by the President in December 1950 and composed of ECA, Defense, Treasury, and State Department representatives, and a representative of the Executive Office of the President, with an official of the State Department acting as chairman. ISAC was responsible for giving guidance to the State Department, the Defense Department and ECA on economic recovery and mutual defense assistance programs; but Congress abolished it in the new legislation and provided that its authority be delegated to the Director of MSA.

Shortly after Mr. Harriman was appointed Director, he established a Mutual Assistance Advisory Council to advise him on the tasks involved in achieving a unified program. The Council membership is identical with that of ISAC, with the addition of the Office of Defense Mobilization, but it should not be regarded as a revived ISAC differing in name only. While ISAC derived its authority directly from the President, the new Council is a creation of Mr. Harriman and its power, therefore, will depend on the extent to which he relies on its decisions.

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Mutual Security Program

Responsibility for overseas coordination of the European programs will rest, as before, with a Special Representative in Europe. Coordination of the programs within individual countries, however, is to be under the leadership of the Ambassador or other chief of the U. S. diplomatic mission. One effect of these organizational changes may be to strengthen the State Department abroad and to weaken it at home, in spite of the provision that "Nothing contained in this Act shall be construed to infringe upon the powers or functions of the Secretary of State."

The details of the military program, such as determination of requirements, procurement of equipment and supervision of end-item use, will be worked out by the Defense Department. Broader policy decisions, including apportionment of military funds between countries, will be up to MSA. The Technical Cooperation Administration (TCA), which is a part of the State Department, will continue to administer the technical assistance programs, under MSA supervision, except in those countries where ECA has already established operations. 1/

Mr. Harriman will be a member of the National Advisory Council on International Monetary and Financial Problems (NAC), the interdepartmental body which coordinates U. S. foreign financial policies, and of the National Security Council, whose functions are to "assess and appraise the objectives, commitments and risks of the United States in relation to our actual or potential military power." One version of the bill would also have made him a member of the Board of Directors of the Export-Import Bank, but this provision was deleted from the final Act.

Amount of Aid - The Administration presented to the Congress a draft Mutual Security Program requiring \$8.5 billion, primarily for military aid (75 per cent of the total) and limited economic assistance to support foreign defense production. In addition, it included sums for technical assistance in underdeveloped countries, for the resettlement of refugees in Israel, the integration of Palestine refugees in the Arab states, and Korean relief. The general outline of this program, with its emphasis on the military build-up and on the importance of Europe, was accepted by Congress. As shown in Table I, \$5.9 billion, or about 80 per cent of the total appropriation, is designated for Europe; and \$4.8 billion of European aid is for finished military goods.

There were, however, some important changes. Overall aid was reduced 12 per cent; the military, 9 per cent; economic and technical assistance, 34 per cent. With respect to the area breakdown, Congress made four significant revisions: (1) it cut economic aid to Europe by 40 per cent, (2) increased

1/ ECA has missions in Burma, Formosa, Indochina, Indonesia, the Philippines and Thailand.

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Mutual Security Program

Table I - Mutual Security Funds
(In millions of dollars)

| | <u>Appropriated</u> ^{1/} | <u>Authorized</u> ^{2/} | <u>Proposed by</u> <u>Executive Branch</u> |
|---|-----------------------------------|---------------------------------|---|
| Total, All aid | <u>7,329</u> | <u>7,484</u> | <u>8,500</u> |
| Total, military | 5,789 | 5,998 | 6,303 |
| Total, economic | 1,440 | 1,486 | 2,197 |
| Total, unallocated (Spain) | 100 | 0 | 0 |
| Title I: | | | |
| Europe, total | <u>5,941</u> | <u>6,050</u> | <u>6,968</u> |
| Military | 4,819 | 5,028 | 5,293 |
| Economic | 1,022 | 1,022 | 1,675 |
| Unallocated (Spain) | 100 | 0 | 0 |
| Title II: | | | |
| Near East and Africa, total | <u>556</u> | <u>556</u> | <u>540</u> |
| Military | 396 | 396 | 415 |
| Economic | 160 | 160 | 125 |
| Title III: | | | |
| Asia and Pacific, total | <u>772</u> | <u>818</u> | <u>930</u> |
| Military | 535 | 535 | 555 |
| Economic | 237 | 238 | 263 |
| U.N. Korean Reconstruction Agency ^{3/} | 0 | 45 | 112 |
| Title IV: | | | |
| American Republics, total | <u>59</u> | <u>59</u> | <u>62</u> |
| Military | 38 | 38 | 40 |
| Economic | 21 | 21 | 22 |

^{1/} PL 249-82nd Congress, approved October 31, 1951.

^{2/} PL 165-82nd Congress, approved October 17, 1951.

^{3/} See p. 5 of the text.

economic aid for the Near East and Africa by 28 per cent^{1/}, (3) allotted no additional funds for the United States contribution to the United Nations Korean Reconstruction Agency (UNKRA)^{2/}, and (4) appropriated \$100 million for assistance for Spain. The Administration had made no request for Spanish aid, nor, it would seem, had Spain been included in the European economic aid program, as Yugoslavia had been. ^{3/}

Economic and Technical Assistance Programs

Under the military programs, which account for almost 80 per cent of total funds appropriated to MSA, the United States will furnish military end-items and some technical training. Tools, materials, equipment and food necessary to underpin home defense efforts in the European countries, by maintaining economic stability and reasonable standards of living, will be provided out of the funds allocated for economic assistance. In underdeveloped countries, emphasis will be put on combatting disease and poverty, developing agricultural, mineral and industrial potential and strengthening governments that are resisting Communist pressure.

Europe - A little more than \$1 billion, not including the \$100 million for Spain, was appropriated for economic assistance in Europe. As shown in Table II, the Administration estimated, at the time the program was presented to Congress and on the assumption that the requested amount of \$1,675 million would be available, that about two-thirds of the funds would be programmed for France, Italy, Greece and Germany. No economic program was scheduled for the United Kingdom. ^{4/}

Economic aid will be an integral part of the defense preparedness program. The need for assistance in a form other than finished military equipment arises in most of the European countries largely from the anticipated expansion in Europe's defense efforts. It was estimated, for example, that in the absence of an expanded rearmament program, Belgium, Luxembourg and Norway would not have received any ERP aid at all in fiscal 1952 and France and Italy would not have required anywhere near the amount of economic assistance tentatively programmed. (See Table II). Economic aid is designed therefore, to support rearmament measures by preventing the deterioration of general economic conditions, removing obstacles to the diversion of budgetary

^{1/} See pp. 4 for details.

^{2/} See p. 5 for details.

^{3/} See Note to Table II.

^{4/} This preliminary and tentative distribution is subject to change in the light of new developments, such as the recent deterioration of the U. K. external position.

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Table II - Estimated Distribution of Country Aid Fiscal Year 1952 1/

| Country | In Millions of Dollars | Per Cent of Country's Allocation Necessary Because of the Expanded Rearmament Program. |
|----------------------------|---------------------------|---|
| Austria | 145 | 0.0 |
| Belgium Luxembourg | 50 | 100.0 |
| Denmark | 50 | 40.0 |
| Free Territory of Trieste | 4 | 0.0 |
| France | 290 | 82.8 |
| Germany (Federal Republic) | 175 | 42.9 |
| Greece | 250 | 30.0 |
| Iceland | 8 | 0.0 |
| Italy | 275 | 72.7 |
| Netherlands | 155 | 61.3 |
| Norway | 40 | 100.0 |
| Turkey | 70 | 64.3 |
| United Kingdom | -- | -- |
| Total (14 countries) | 1,512 | |

Note: This distribution was based on \$1,512 million, i.e., only 90 per cent of the total amount requested for European economic assistance. The other 10 per cent covers aid to Yugoslavia, originally estimated at \$60 million (see Senate Hearings, pp.115-118), \$10 million for emigration projects, \$55 million to promote increased production of materials in which the United States is deficient, and administrative expenses for the entire Mutual Security Program. Funds for these several purposes will still come out of the appropriation for economic assistance to Europe.

1/ Senate Hearings, p. 151.

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resources to defense purposes, and making possible an increase in European military output far greater than the amount of aid required. 1/

In accordance with these aims, allocations from now on will be made on the basis of military commitments and performance. ERP countries, in their submissions for economic assistance, will have to show that they have increased their defense build-up and budgets and that their requests are related to the consequences of these plans. "Need" will be measured in terms of the balance of payments impact "of the most effective military effort of which the NATO countries are capable." 2/

In certain countries, however, such as Austria, Greece and Trieste -- countries which "have not yet been able to accommodate their economies to the presently disturbed world conditions" -- economic aid will be of a more general nature and not directly related to military projects. It was originally expected that about \$600 million 3/ would be used for these essentially non-military purposes, but in view of the cuts made by Congress, the amount may be in the neighborhood of \$300-400 million.

Underdeveloped areas - In the underdeveloped countries economic funds will be used primarily for technical assistance in programs designed to help increase production and improve basic social services. At the same time that sources of strategic materials are developed and expanded, U. S. aid will attack poverty and disease, spur agricultural production, and help to rehabilitate uprooted and homeless people. Table III, which is based on the original request for an \$8.5 billion program, illustrates the types of programs envisaged for underdeveloped countries.

Funds for the Near East and Africa 4/ were increased 28 per cent by Congress. Most of the additional funds will be used for refugee relief and settlement in Israel, for which \$50 million has been authorized. The Administration had originally programmed only \$23.5 million for total aid to Israel. Congress also approved allocation of \$50 million of Near East economic funds to the United Nations program of resettling refugees from Palestine in the Arab States.

1/ The Mutual Security Program for Fiscal Year 1952, Basic Data Supplied by the Executive Branch. Printed for the use of the House Committee on Foreign Affairs and the Senate Committee on Foreign Relations, Washington, p. 19.

2/ Mutual Security Act of 1951, Hearings before the Committee on Foreign Relations and the Committee on Armed Services, United States Senate, 82nd Congress, 1st Session, on S. 1762, p. 493.

3/ Ibid., p. 98.

4/ Libya, Egypt, Syria, Iraq, Iran, Israel, Saudi Arabia, Ethiopia, Jordan, Lebanon, Yemen, and Liberia.

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Table III - Illustrative Aid Programs for
Underdeveloped Countries a/
(In millions of dollars)

| <u>Functional</u> <u>Distribution</u> | <u>Area and Amount</u> | | | |
|--|------------------------|----------------------------|----------------------------|------------------|
| | Total all areas | Near East and Africa | Far East and Pacific | Latin America |
| Joint Commissions and Surveys | 1.9 | 0.1 | 1.5 | 0.4 |
| Agriculture | 141.9 | 39.4 | 95.2 | 7.4 |
| Vocational Education | 8.9 | 1.8 | 4.8 | 2.3 |
| Health | 41.0 | 15.2 | 21.2 | 4.5 |
| Industry and Labor | 54.5 | 10.2 | 43.9 | 0.4 |
| Transportation | 24.2 | 5.8 | 17.6 | 0.7 |
| Mineral Resources | 4.5 | 0.2 | 3.5 | 0.8 |
| Water Resources | 13.9 | 1.7 | 11.8 | 0.4 |
| Government Administration | 3.0 | 0.4 | 1.4 | 1.1 |
| Not elsewhere classified | 224.0 | 50.0 <u>1/</u> | 174.0 <u>2/</u> | -- |
| Total | 518.0 | 125.0 | 375.0 | 18.0 <u>3/</u> |

1/ Contribution to Arab refugee programs -- relief and reintegration.

2/ Consists of \$61 million for consumer goods for civilian use, common-use items in support of military assistance in Formosa, and technical personnel and commodities connected with emergency relief in Indochina; and \$112.5 million for the U. S. contribution to UNKRA.

3/ Balance of request for Latin America consisted of about \$1 million for the Organization of American States and \$3 million for the United Nations technical assistance program.

a/ Source: Basic Data, supplied by the Executive Branch on the Mutual Security Program, pp. 27, 35, and 41.

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For the Far East, in addition to the amounts for technical assistance programs in various countries 1/ the Administration had requested that \$112.5 million of new funds, and the \$50 million still available from the ECA program in Korea, be appropriated for the United States contribution to UNKRA. Congress authorized \$45 million of new funds and the unexpended balances; but when it came to making appropriations, only the unexpended balances were approved, leaving the U. S. contribution to UNKRA at only \$50 million, instead of the recommended \$162 million. Then, in a separate bill, \$50 million was appropriated to the Department of the Army for "civilian relief in Korea." The result of this action may be two separate programs of civilian relief in Korea -- one administered under United Nations auspices; the other by the U. S. Army.

Japan - Japan is a major country not programmed for in the MSA Act. The reason for this is that U. S. Army purchases in Japan of goods and services necessary to maintain our occupation forces there are expected to amount to about \$150 million during fiscal year 1952, or approximately the same amount which the Army had intended to request before it decided to pay for its troop needs by purchasing yen with dollars. Furthermore, it is anticipated that when the war in Korea is ended, Japan will earn a substantial amount of dollars by supplying a large part of Korean relief needs.

Military Aid

Area programs - The first line of defense is Europe. In accordance with the defense program formulated by the North Atlantic Treaty Organization (NATO), the parties to the Treaty 2/ have made commitments to raise certain additional military forces by a given date. In order to fulfill their commitments, the NATO countries will require U. S. assistance, chiefly in the form of finished equipment. 3/

"The equipment programmed includes various military weapons, although laying particular stress on complicated mechanisms which can be produced more quickly in quantity in the United States than abroad. By far the largest proportion of the funds requested is intended for the procurement of tanks, other combat vehicles, modern fighter aircraft, and some minesweepers and escort vessels." 4/

In Greece and Turkey, on the other hand, the need is to modernize the existing forces rather than to expand them. Therefore, while additional equipment such as artillery and anti-aircraft automatic weapons will be supplied, technical training will also be an important part of the program. Precise programs have not yet been submitted by the Defense Department for the use of military funds in Israel and the Arab States, but up to 10 per cent of the Greek-Turkish-Iranian funds, i.e., about \$40 million, may be transferred to other Near Eastern countries when the Near Eastern Command is established or if an emergency should occur.

- 1/ India, Pakistan, Afghanistan, Ceylon, Nepal, Thailand, Burma, Indochina, Indonesia, the Philippines, Korea and Formosa.
- 2/ Belgium, Canada, Denmark, France, Iceland, Italy, Luxembourg, Netherlands, Norway, Portugal, United Kingdom and United States.
- 3/ Also up to \$100 million of military funds for Europe may be used to integrate escapees from Communist countries with military forces of NATO and to assist anti-Communist elements in the satellite countries.
- 4/ Basic Data, p. 16.

In the Far East, military aid will be used primarily by the recipient governments to keep internal order and discourage attack through strength. Only four countries in the area are programmed for military aid -- the Philippines, Formosa, Indochina and Thailand. Aid to the other free countries will be limited to economic and technical assistance.

In Latin America, military aid will be used to help the recipients carry out the plans developed by the Inter-American Defense Board. Under these plans, Latin America is expected to take a more active role in defense of the Western Hemisphere than was the case during World War II. Equipment will be turned over pursuant to bilateral agreements under which the recipients will be required to commit themselves to using the equipment only in connection with the specific defense tasks they will be assigned.

Procurement provisions -

1. Offshore procurement - MSA military funds will be used largely to finance new equipment manufactured in the United States, but there is nothing in the Act to preclude the placement of contracts abroad. From testimony given during the Congressional hearings it is evident that the Administration is planning to do some procurement in Europe next year, both for United States and NATO forces. The principal objective of offshore procurement is one of military strategy. It is hoped that dollar contracts will encourage activation of idle European capacity which will in turn enable Europe to maintain the NATO forces, after the capital build-up period, with a minimum of assistance from the United States. Consequently, contracts will be placed chiefly for "consumable" goods -- ammunition, spare parts, etc.

The amount of funds to be devoted to this purpose has not yet been determined, nor is it yet clear whether contracts will be awarded on economic or military grounds. The Defense Department would place contracts with producers who could best meet specifications, regardless of the country's dollar position; others prefer to think of offshore procurement chiefly as a means of increasing dollar aid for those countries most in need. In either case, the dollar proceeds accruing to foreign countries from defense procurement will be taken into account when determining the amount of economic assistance to be given to such countries.

2. Excess equipment - In addition to new equipment, a limited amount of MSA funds will be available for the purchase of excess equipment -- materiel owned by the United States and determined to be in excess of the quantities required to support mobilization of the U. S. armed forces in the event of war or national emergency. The Mutual Defense Assistance Act of 1949 limited the amount which could be furnished to \$450 million. Congress raised this to \$700 million in 1950 and to \$1 billion in the Mutual Security Act. Only about a fourth of the funds available during 1950 and 1951 had been utilized as of the end of the fiscal year 1951.

3. Infrastructure - Part of the costs of infrastructure, a term now used when referring to the various installations required to support an army in the field 1/, will be met from MSA funds for Europe; but how much or what will be the order of magnitude has not yet been revealed. It is also not known whether the funds will come from the economic or the military allocation. Authority to use MSA funds for these purposes is contained in Sec. 521 of the Act, which provides that "Funds made available for carrying out the provisions of Title I of this Act [aid for Europe] shall be available for United States participation in the acquisition or construction of facilities in foreign countries for collective defense."

4. Reimbursable aid - In the interest of achieving standardization of military equipment and to provide procurement assistance without cost to the United States, the MDAP Act gave the President power to enter into contracts for the procurement of military goods and services for transfer to friendly countries, the latter to bear the entire cost. The original act contained no limit on the amount of such contracts outstanding at any one time but in 1950 a \$100 million maximum was established. The Mutual Security Act raises the limit to \$500 million.

Special Provisions

Transferability of funds - There are two ways in which MSA may alter the distribution of funds as set down in the legislation. If the Director finds it necessary, he may authorize the transfer of up to 10 per cent of the amount made available for any one area to any other area, provided that the funds are used for the same kind of assistance for which the funds were originally appropriated. Second, he may transfer up to 10 per cent of the sums appropriated for the military program in Europe to the European economic program and vice versa. 2/ It is likely that this provision will be used as a means of increasing the amount available for economic purposes rather than to expand the military program. 3/

Loans 4/ - The Act provides that no less than 10 per cent of the economic funds must be extended in the form of loans. Only that part of economic assistance that is administered under the provisions of the Economic Cooperation Act is affected by this provision; military and technical assistance

1/ Specifically, airfields, depots, communication lines, port facilities, barracks, etc.

2/ It should be noted that this provision for transferring funds between the economic and military programs applies only to European aid.

3/ See New York Times, November 19, 1951, p. 1.

4/ This section is based on the assumption that there will be no transfer of funds from one area to another.

funds are to be on an exclusively grant basis. The minimum amount of credits to be extended (that is, 10 per cent of the designated funds) cannot now be precisely determined, since as was pointed out above, the Director of the program has some power of discretion as to how much will be used for economic assistance. The maximum amount he can allocate to the economic programs is \$2 billion; the minimum, \$428 million, as shown in Table IV.

Table IV - Range of Economic Aid
Subject to the Loan Provisions 1/

| <u>Title</u> | <u>Area</u> | <u>Amount</u> | |
|--------------|---|-----------------------|----------------|
| | | (millions of dollars) | |
| | | <u>Maximum</u> | <u>Minimum</u> |
| I. | Europe | | |
| | Funds designated for economic programs. | 1,022.0 | 1,022.0 |
| | Transfers between the military and economic programs 2/ | / 594.1 | - 594.1 |
| | Total Europe | 1,616.1 | 427.9 |
| II. | Near East and Africa | 160.0 | 0 |
| III. | Asia and Pacific | 237.2 | 0 |
| | Total, all areas | 2,013.3 | 427.9 |

1/ All non-military assistance for the American Republics will be on a grant basis and administered under the terms of the Act for International Development, PL 535, Title IV.

2/ Since any funds transferred from the military to the economic program will be administered under provisions of the ECA Act, it is assumed they would then be subject to the loan provision. The base for calculating transfers between economic and military programs is total aid for Europe, including \$100 million for Spain.

These figures require some amplification. The maximum amount for Europe includes funds specifically allocated for economic assistance plus the maximum amount transferable from the military to the economic program; the minimum assumes a maximum transfer from the economic to the military program. For the areas of Near East and Africa, and Asia and Pacific, the maximum figures assume that the total amounts to be authorized for "economic and technical assistance" will be utilized for the former and will therefore be subject to the loan provision; the minimum figures assume that the entire amount will be spent on technical assistance projects and will therefore not be liable to credit terms.

Thus, if the minimum of 10 per cent is extended on credit terms, an amount of loans somewhere between \$43 and \$200 million would be called for. The final figure may well be somewhere in the neighborhood of \$150 million, unless, of course, the Mutual Security Agency and the NAC determine that more than 10 per cent of the economic aid should be extended in the form of loans. It seems likely that no more than a token amount of loans will be extended to non-European countries and that Europe will have to carry the obligation for most of the new credits. But it should be borne in mind that it was not the intent of Congress (and especially the House) to limit the credit form of assistance to European recipients.

Guaranties - Sec. 520 of the Act continues in force the ECA guaranty provisions, including the \$200 million limitation on amount outstanding, and extends the area where investments may be guaranteed to include "any area in which assistance is authorized by this Act." The issue of what new countries are made eligible by the Act has not yet been settled. (Under the ECA Act only ERP countries and their dependent overseas territories were covered.) A broad interpretation could mean the entire free world with the exception, perhaps, of Australia and New Zealand; but it is doubtful that such an interpretation was intended.

It is maintained in some quarters that only those investments made in countries where there is a Mutual Security program will be eligible for the guaranty. The basis for this contention is the belief that Congress does not look upon the guaranty program as a Point IV measure but rather as an additional source of funds for assistance in those areas where U. S. aid is needed and where new investments can be integrated with other U. S. programs. It is hoped (a) to encourage free enterprise to contribute to the defense program abroad and (b) to lighten the U. S. taxpayers' burden.

There is reason to believe that this interpretation may in practice prevail. After June 30, 1952, only the powers, functions and responsibilities necessary to enable the Mutual Security Agency to carry out the military assistance programs will be continued in force (to June 30, 1954). It follows from this that if the Mutual Security Agency wants to continue extending guaranties on new investments after June 30, 1952, it will necessarily have to restrict its guaranties to investments related to defense. In view of the fact that Congress approved \$200 million for the program and that guaranties issued as of September 30, 1951, amounted to only \$42 million, it is reasonable to suppose that the program was expected to continue after 1952 as a supplement to U. S. defense efforts abroad.

In this light, the guaranty provision of the Mutual Security Act cannot be considered a substitute for the Administration's idea of a Point IV guaranty program.

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Duration of the program - The program is scheduled to expire June 30, 1954; but after June 30, 1952, it is to be predominantly a military effort. The President is required to inform Congress by April 1, 1952, which of the powers, functions and responsibilities of the ECA are necessary to enable the Director of MSA to carry out programs "designed to sustain and increase the military effort," and only those powers will continue in force after '52. It is Congress's present intention that economic assistance after 1952 be limited to the few countries for which the United States has responsibility "as a result of participation in joint control arrangements," e.g., Germany, Austria, Trieste and Korea. It does not envisage further appropriations for economic recovery in Europe. The European Recovery Program is to expire on schedule. The role of technical assistance after 1952 is not clear. It is possible that separate appropriations, to continue existing programs, will be requested for 1953 and 1954.

The capital build-up programs for 1953 and 1954 are expected to be of the same order of magnitude as the current program -- \$7 or \$8 billion. After 1954 is anybody's guess; but during the Congressional hearings on the Mutual Security Bill, the hope was several times expressed, with some confidence, that after 1954 the recipient countries will have the necessary military and economic strength to maintain peace and at the same time to proceed with the fulfillment of their national objectives, with a minimum of U. S. assistance.

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