

DEPARTMENT OF STATE

COPY 1

Washington

April 11, 1947

MEMORANDUM

To: The Secretary of the State-War-Navy Coordinating
Committee

Subject: Progress Report

Reference: SWN Memorandum No. 5231

1. The Special Ad Hoc Committee of SWNCC, to study and report on the problems incident to possible requests by foreign Governments for United States aid, has been working against a target date of April 10, 1947, for completion of its initial report. The magnitude of the task, including the compilation and coordination of material, has made the meeting of this date impracticable.

2. The Special Ad Hoc Committee desires to report its progress to date. Basic studies of requirements for aid in the various critical countries and world-wide surveys of prospective requirements for economic and military aid have been completed, or are now nearing completion. It believes that the initial report in response to the reference memorandum should be in the hands of the State-War-Navy Coordinating Committee by approximately April 21, 1947.

/s/ WILLIAM A. EDDY

William A. Eddy
Chairman
Special Ad Hoc Committee

ADDRESS OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON 25, D. C.



DEPARTMENT OF STATE
WASHINGTON

April 11, 1947

331
U.S. Assistance
to Foreign
Ports.

MEMORANDUM

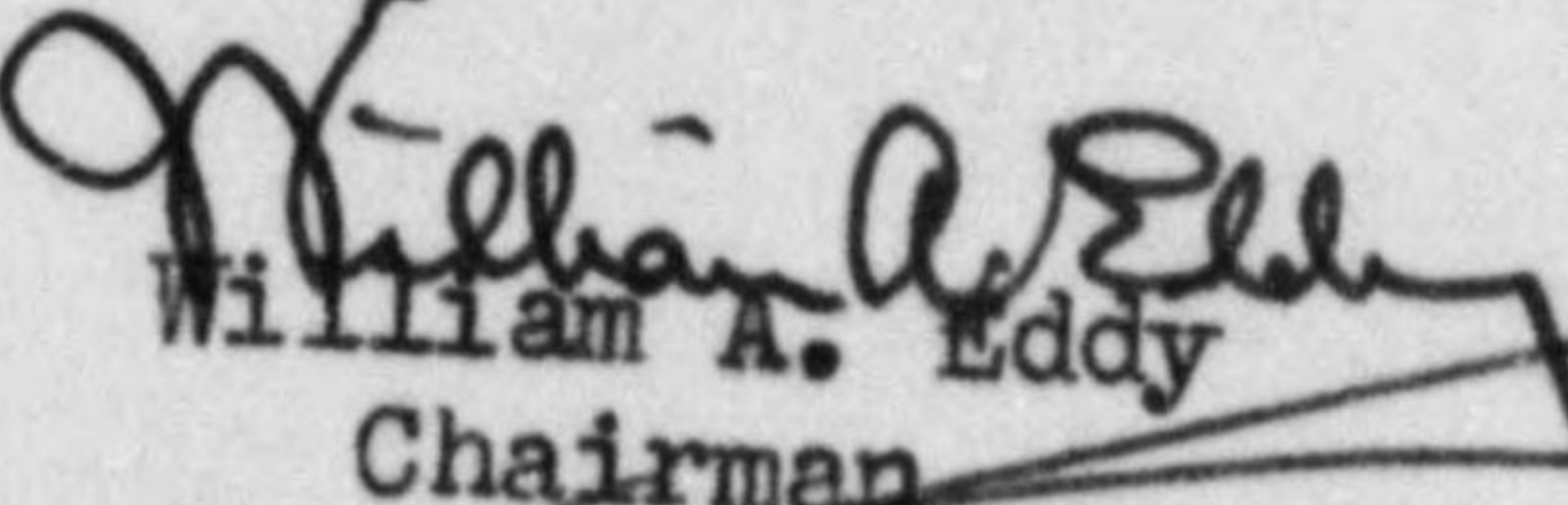
To: The Secretary of the State-War-Navy Coordinating Committee

Subject: Progress Report

Reference: SWN Memorandum No. 5231

1. The Special Ad Hoc Committee of SWNCC, to study and report on the problems incident to possible requests by foreign Governments for United States aid, has been working against a target date of April 10, 1947, for completion of its initial report. The magnitude of the task, including the compilation and coordination of material, has made the meeting of this date impracticable.

2. The Special Ad Hoc Committee desires to report its progress to date. Basic studies of requirements for aid in the various critical countries and world-wide surveys of prospective requirements for economic and military aid have been completed, or are now nearing completion. It believes that the initial report in response to the reference memorandum should be in the hands of the State-War-Navy Coordinating Committee by approximately April 21, 1947.


William A. Eddy
Chairman
Special Ad Hoc Committee

file by h

SECRET

337
~~and~~ U.S.

THE STATE-WAR-NAVY COORDINATING COMMITTEE
WASHINGTON, D. C.

*Assistant
Gen
Coutner*

SWN-5255
21 March 1947

MEMORANDUM FOR THE STATE MEMBER, SWNCC ←
NAVY MEMBER, SWNCC

The enclosure, a memorandum by the Army Member, SWNCC, is circulated for your consideration.

It is requested that you indicate your comment or concurrence hereon and return to the SWNCC Secretariat.

If you approve, an appropriate directive will be issued to the SWNC Subcommittee for the Near and Middle East and the Special ad hoc Committee will be advised accordingly.

Copies of this memorandum and enclosure have been furnished the members of the Special ad hoc Committee.

I concur:

SA/E: *Moseley* (Mr. Eddy)
NEA: *MSV by Villard* (Villard)

H. W. Moseley

H. W. MOSELEY
Secretary

APPROVED: *J. H. Hilding* STATE MEMBER

DATE: Mar 26, 1947

SECRET

SECRETENCLOSURE

21 March 1947

MEMORANDUM BY THE WAR DEPARTMENT MEMBER
OF THE STATE-WAR-NAVY COORDINATING COMMITTEE

1. With reference to SWN 5231, the directive is acceptable to me providing the ad hoc committee interprets it as requiring a study of the tangible cost of our foreign policy, leading to a determination of the proper allocation of the limited resources likely to be available. I understand that the ad hoc committee at its first meeting has decided to proceed in this manner and contemplates producing a report in two parts -- the first being an interim report dealing with action likely to continue or to be required during the next few months. It seems to me essential that the ad hoc committee not confuse urgency of needs with priority of needs. It may be that, if given the priorities warranted by their relationship to U. S. security and other U. S. interests, preventive and forehanded actions taken in the next few months will reduce future requirements of U. S. resources to meet expensive crises similar to that with which we are now dealing in Greece and Turkey.

2. I understand that the ad hoc committee is agreed that the last sentence in paragraph 1 of SWN 5231 covers projects which should properly be handled by the SWNC Subcommittee for the Near and the Middle East. I note that the Chiefs of Staff, in their views forwarded by the Secretaries of War and Navy to the Secretary of State on 13 March 1947, recommended that SWNCC undertake a comprehensive study pertaining to Turkey. It is presumed that this study will be referred to the SWNC Subcommittee for the Near and Middle East, and that such a study will fulfill the objective of the last sentence of paragraph 1 of SWN 5231 as far as Turkey is concerned.

3. As to Greece, it seems that one of the specific problems which will have to be resolved is the organization and method of operation of U. S. personnel, a matter involving all three Departments. It is recommended that this specific problem be referred to the SWNC Subcommittee for the Near and the Middle East for study and recommendation.

SECRET

S E C R E T

THE STATE-WAR-NAVY COORDINATING COMMITTEE

WASHINGTON, D. C.

SWN-5255
21 March 1947

MEMORANDUM FOR THE STATE MEMBER, SWNCC
NAVY MEMBER, SWNCC ←

The enclosure, a memorandum by the Army Member, SWNCC, is circulated for your consideration.

It is requested that you indicate your comment or concurrence hereon and return to the SWNCC Secretariat.

If you approve, an appropriate directive will be issued to the SWNC Subcommittee for the Near and Middle East and the Special ad hoc Committee will be advised accordingly.

Copies of this memorandum and enclosure have been furnished the members of the Special ad hoc Committee.

H. W. Moseley
H. W. MOSELEY
Secretary

APPROVED: *J. H. Sullivan*
DATE: 31 MAR 1947

APR 2 1947



STATE WAR & NAVY COORDINATING COMMITTEE

S E C R E T

SECRETENCLOSURE

21 March 1947

MEMORANDUM BY THE WAR DEPARTMENT MEMBER
OF THE STATE-WAR-NAVY COORDINATING COMMITTEE

1. With reference to SWN 5231, the directive is acceptable to me providing the ad hoc committee interprets it as requiring a study of the tangible cost of our foreign policy, leading to a determination of the proper allocation of the limited resources likely to be available. I understand that the ad hoc committee at its first meeting has decided to proceed in this manner and contemplates producing a report in two parts -- the first being an interim report dealing with action likely to continue or to be required during the next few months. It seems to me essential that the ad hoc committee not confuse urgency of needs with priority of needs. It may be that, if given the priorities warranted by their relationship to U. S. security and other U. S. interests, preventive and forehanded actions taken in the next few months will reduce future requirements of U. S. resources to meet expensive crises similar to that with which we are now dealing in Greece and Turkey.

2. I understand that the ad hoc committee is agreed that the last sentence in paragraph 1 of SWN 5231 covers projects which should properly be handled by the SWNC Subcommittee for the Near and the Middle East. I note that the Chiefs of Staff, in their views forwarded by the Secretaries of War and Navy to the Secretary of State on 13 March 1947, recommended that SWNCC undertake a comprehensive study pertaining to Turkey. It is presumed that this study will be referred to the SWNC Subcommittee for the Near and Middle East, and that such a study will fulfill the objective of the last sentence of paragraph 1 of SWN 5231 as far as Turkey is concerned.

3. As to Greece, it seems that one of the specific problems which will have to be resolved is the organization and method of operation of U. S. personnel, a matter involving all three Departments. It is recommended that this specific problem be referred to the SWNC Subcommittee for the Near and the Middle East for study and recommendation.

SECRET

S E C R E T

THE STATE-WAR-NAVY COORDINATING COMMITTEE
WASHINGTON, D. C.

SWN-5255
21 March 1947

MEMORANDUM FOR THE STATE MEMBER, SWNCC
NAVY MEMBER, SWNCC

The enclosure, a memorandum by the Army Member, SWNCC, is circulated for your consideration.

It is requested that you indicate your comment or concurrence hereon and return to the SWNCC Secretariat.

If you approve, an appropriate directive will be issued to the SWNC Subcommittee for the Near and Middle East and the Special ad hoc Committee will be advised accordingly.

Copies of this memorandum and enclosure have been furnished the members of the Special ad hoc Committee.

H. W. MOSELEY
Secretary

APPROVED: _____

DATE: _____

COPY FOR SWNCC FILE

S E C R E T

SECRETENCLOSURE

21 March 1947

MEMORANDUM BY THE WAR DEPARTMENT MEMBER
OF THE STATE-WAR-NAVY COORDINATING COMMITTEE

1. With reference to SWN 5231, the directive is acceptable to me providing the ad hoc committee interprets it as requiring a study of the tangible cost of our foreign policy, leading to a determination of the proper allocation of the limited resources likely to be available. I understand that the ad hoc committee at its first meeting has decided to proceed in this manner and contemplates producing a report in two parts -- the first being an interim report dealing with action likely to continue or to be required during the next few months. It seems to me essential that the ad hoc committee not confuse urgency of needs with priority of needs. It may be that, if given the priorities warranted by their relationship to U. S. security and other U. S. interests, preventive and forehanded actions taken in the next few months will reduce future requirements of U. S. resources to meet expensive crises similar to that with which we are now dealing in Greece and Turkey.

2. I understand that the ad hoc committee is agreed that the last sentence in paragraph 1 of SWN 5231 covers projects which should properly be handled by the SWNC Subcommittee for the Near and the Middle East. I note that the Chiefs of Staff, in their views forwarded by the Secretaries of War and Navy to the Secretary of State on 13 March 1947, recommended that SWNCC undertake a comprehensive study pertaining to Turkey. It is presumed that this study will be referred to the SWNC Subcommittee for the Near and Middle East, and that such a study will fulfill the objective of the last sentence of paragraph 1 of SWN 5231 as far as Turkey is concerned.

3. As to Greece, it seems that one of the specific problems which will have to be resolved is the organization and method of operation of U. S. personnel, a matter involving all three Departments. It is recommended that this specific problem be referred to the SWNC Subcommittee for the Near and the Middle East for study and recommendation.

SECRET

SECRET

SWNCC
 Minutes of Ad Hoc Committee
 in Room 1741, State Department, at 1:00 P.M.
 March 18, 1947

3rd Interdepartmental
 Committee
 U.S. assistance to
 Europe 358 Series

MR. EDDY stated that, because of the public relations angle, increased pressure from the Congress, and the possibility that Secretary Marshall's position in Moscow may have to be modified, Mr. [redacted] felt that an interim report should be prepared by the ad hoc Committee in about two weeks. He further stated that there appeared to be two basic questions to be resolved before approaching this subject:

(1) Countries and areas to be covered (2) establishment of ground rules and the establishment of working parties to prepare the initial studies.

GENERAL LINCOLN stated that he had talked with the Army Member, SWNCC, who felt that the directive in SWN-5231 was too narrow in scope and that the problem should be considered from both a short and long term point of view. He suggested deletion of the words "within the next few months" in paragraph 2a of Enclosure "A" of SWN-5231.

COLONEL EDDY stated that he felt that the directive should not be altered but should be interpreted to mean that an interim report should be submitted on those countries which require U.S. assistance in the next few months to be followed by a final overall report. He further stated that there was a question in his mind as whether the report should cover assistance to be recommended to Congress for the present fiscal year or from long-range point of view. He also stated that there was some question whether the report should include studies and recommendations with respect to occupied areas and dependent areas.

ADMIRAL WOOLDRIDGE stated that an initial determination should be made of our commitments and available resources, particularly our food supply.

GENERAL LINCOLN stated that he believed that the problem relating to Greece and Turkey in the last sentence of paragraph 1 of Enclosure "A" should be referred to the SWNCC Subcommittee for the Near and Middle East for preparation of the study envisaged therein.

SECRET

SECRET

GENERAL LINCOLN suggested that the following countries be considered in the study: All of Europe, Turkey, Korea, Japan, China, Philippines, Iran and Palestine. MR. EDDY stated that he believed that the State Department would be opposed to including Eastern European countries, Scandinavian countries and Switzerland.

After considerable discussion as to whether or not to establish working parties directly under the ad hoc Committee or whether to call upon the SWCC Subcommittees for the necessary studies, the ad hoc Committee agreed:

- a. That each member would obtain the views of their respective departments as to what countries would be considered as requiring immediate assistance and present them at a meeting to be held at 10: a.m. on 19 March 1947.
- b. That these countries would be discussed at the next meeting with a view to setting a priority list after which a directive would be drafted directing the working parties to prepare comprehensive studies for these areas.
- c. That General Lincoln would prepare a draft of the objectives of the study for submittal to the ad hoc Committee at its next meeting.
- d. That the directive to the ad hoc Committee should not be altered except with the omission of the second sentence in paragraph 1, but should be interpreted by the ad hoc Committee in light of the above and future discussions.
- e. That tri-departmental working groups would have to be established to obtain the studies on food, finances, arms and military assistance as well as the geographic studies. The first two under a State Department steering Member and the last two under a War Department steering member.
- f. That the SWCC Subcommittee for the Near East be requested to undertake the studies with respect to Greece and Turkey as outlined in the second sentence in paragraph 1 of the Committee's directive.

SECRET

SECRETASSISTANT SECRETARY OF STATE
WASHINGTON

March 17, 1947

MEMORANDUM FOR SECRETARY OF STATE-WAR-NAVY COORDINATING
COMMITTEE

Subject: Report by the State-War-Navy Coordinating Committee
Regarding the Policies, Procedures and Costs of
Assistance by the United States to Foreign Countries.

1. The Secretaries of the State, War, and Navy Departments desire that the SWNCC give immediate attention to the problems incident to possible requests which may be made to the United States by foreign governments for substantial economic, financial, or technical assistance, or for military equipment. This study and report should take into account decisions already made and action already taken or under way with respect to Greece and Turkey. In preparing its report upon the problems enumerated below, it is desired that the Committee include recommendations, within the scope of the President's message to Congress, concerning further policies and procedures necessary to the accomplishment of the United States program in Greece and Turkey.

2. The study and report should be undertaken by a Special SWNCC Subcommittee consisting of competent officers from each of the three Departments, and in consultation with the Treasury Department. The more specific questions which should be considered and concerning which a report is desired are the following:

- (a) What are the countries to which, within the next few months, we may find it necessary to give analogous financial, technical and military aid?
- (b) What are the relevant considerations of United States national security and interest which should govern the decision in the case of each country?
- (c) In the light of such considerations, what, in the case of each country, should be the character of such assistance? What would such assistance involve in the reasonably foreseeable future in terms of financial, economic, supply and technical demands upon our resources?
- (d) What arrangements should be made with foreign Governments in connection with the grant of assistance to assure to the maximum practicable extent the accomplishment of our objectives in

SECRET

new file
334 *Adhoc Comm -*
Assistance, U.S.
to Foreign Countries

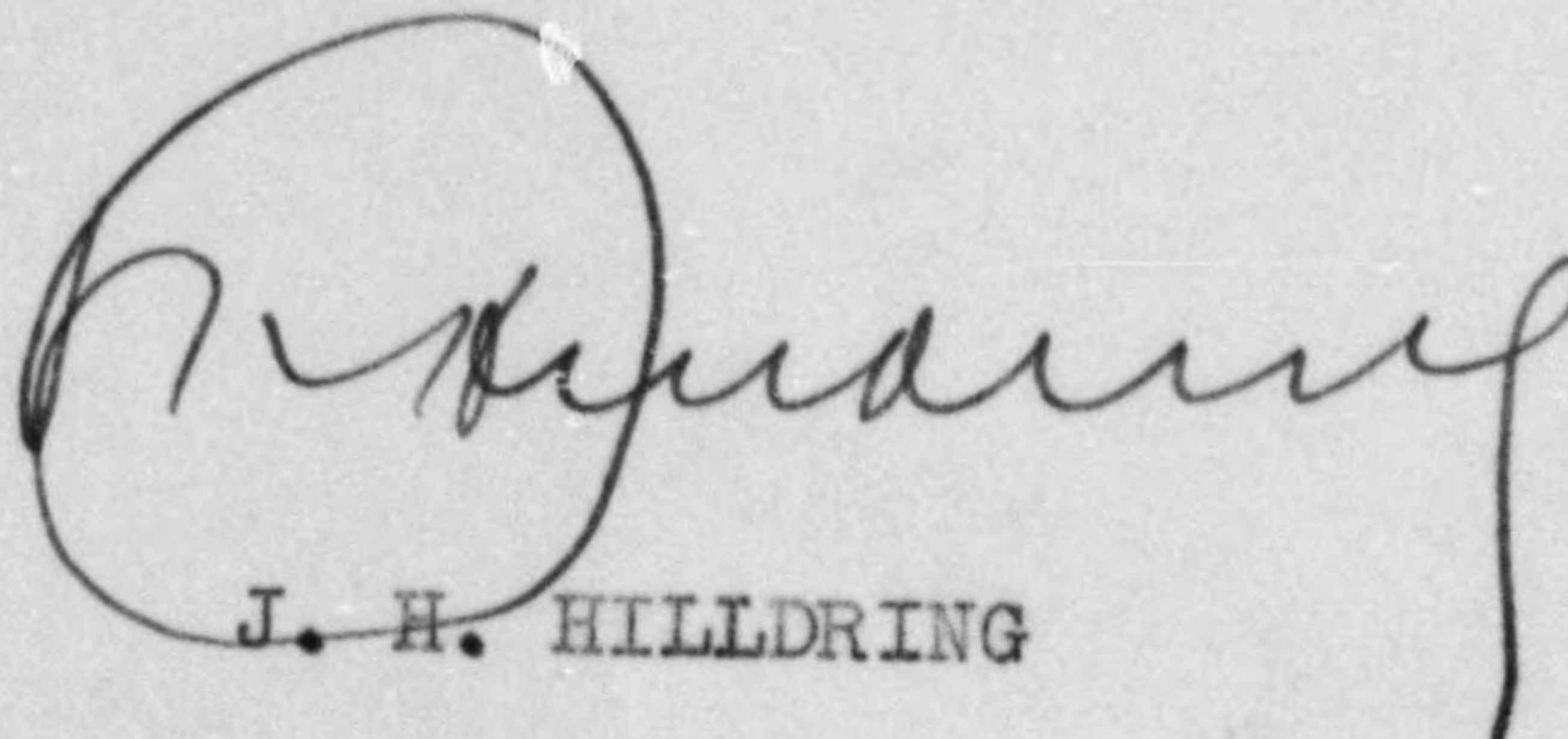
SECRET

-2-

granting such assistance?

- (e) What would be the effect upon each country concerned and upon our general foreign policy and security interests in the event that we refuse assistance or in the event of failure of any program undertaken?

3. The Department of State has designated Mr. William Eddy as the State member of the Special SWNCC Subcommittee. The Report of the Subcommittee should be made to SWNCC as a matter of urgency.



J. H. HILLDRING

SECRET

S E C R E TMarch 20, 1947COPY NO. 20STATE-WAR-NAVY COORDINATING COMMITTEESPECIAL AD HOC COMMITTEEMEMORANDUM OF REQUEST TO THE FAR EAST SUBCOMMITTEE OF SWNCC
Reference: SWN-5231

1. SWNCC has appointed an ad hoc committee (The Special Ad Hoc Committee) to study and report on the problems incident to needs of foreign governments or occupied areas for substantial economic, financial or technical assistance or for military equipment, which might be provided by the U. S.
2. It is, therefore, proposed to examine from the standpoint of importance to the present and future security and well-being of the United States the requirement of certain foreign nations for U. S. assistance in the form of money, food, military equipment and other resources.
3. Within the area of concern to the Far East Subcommittee of SWNCC the following country would seem to be of chief importance in this respect:
 - a. China
4. It is requested that the Far East Subcommittee of SWNCC furnish an appreciation of the situation as it bears upon requirements for U. S. aid in the foregoing country and in others considered comparably critical and that the following specific matters be included:
 - a. Resume of aid and assistance already given since VE and VJ Day.
 - b. What types of aid are needed.
 - c. What other types of aid could be used to advantage.
 - d. Broad estimates as to the extent and timing of aid required.

S E C R E T

S E C R E T

e. What gains will accrue to the U. S. in its support of stability and orderly free processes of government throughout the world.

f. What arrangements should be made and conditions attached for any aid given to each country considered.

5. SWNCC has requested that your report be in the hands of the Special Ad Hoc Committee by April 3, 1947.

WILLIAM A. EDDY
Chairman
Special Ad Hoc Committee

S E C R E T

Col. Field

SWN-5231

COPY NO. 64S E C R E T18 March 1947STATE-WAR-NAVY COORDINATING COMMITTEE

MEMORANDUM FOR: Mr. W. A. Eddy, Department of State,
Steering Member
Brigadier General George A. Lincoln,
War Department
Rear Admiral E. T. Wooldridge, Navy
Department

SUBJECT: Appointment of an ad hoc Committee.

1. At its 55th Meeting on 11 March 1947, the State-War-Navy Coordinating Committee agreed to appoint an ad hoc Committee to study and report on the problems incident to possible requests which may be made to the United States by foreign governments for substantial economic, financial, or technical assistance, or for military equipment.

2. The above-named individuals have been designated by their respective departments to serve on this ad hoc Committee.

3. The attached enclosures will be used by the ad hoc Committee as a guide for the preparation of their report.

H. W. MOSELEY

W. A. SCHULGEN

V. L. LOWRANCE

Secretariat

S E C R E T

S E C R E TENCLOSURE "A"REPORT BY THE STATE-WAR-NAVY COORDINATING COMMITTEE
REGARDING THE POLICIES, PROCEDURES AND COSTS OF
ASSISTANCE BY THE UNITED STATES TO FOREIGN COUNTRIESMemorandum by the State Member, SWNCC

17 March 1947

1. The Secretaries of the State, War, and Navy Departments desire that the SWNCC give immediate attention to the problems incident to possible requests which may be made to the United States by foreign governments for substantial economic, financial, or technical assistance, or for military equipment. This study and report should take into account decisions already made and action already taken or under way with respect to Greece and Turkey. In preparing its report upon the problems enumerated below, it is desired that the Committee include recommendations, within the scope of the President's message to Congress, concerning further policies and procedures necessary to the accomplishment of the United States program in Greece and Turkey.

2. The study and report should be undertaken by a Special SWNCC Subcommittee consisting of competent officers from each of the three Departments, and in consultation with the Treasury Department. The more specific questions which should be considered and concerning which a report is desired are the following:

a. What are the countries to which, within the next few months, we may find it necessary to give analogous financial, technical and military aid?

b. What are the relevant considerations of United States national security and interest which should govern the decision in the case of each country?

c. In the light of such considerations, what, in the case of each country, should be the character of such assistance? What would such assistance involve in the reasonably foreseeable future in terms of financial, economic, supply and technical demands upon our resources?

S E C R E T

S E C R E T

d. What arrangements should be made with foreign Governments in connection with the grant of assistance to assure to the maximum practicable extent the accomplishment of our objectives in granting such assistance?

e. What would be the effect upon each country concerned and upon our general foreign policy and security interests in the event that we refuse assistance or in the event of failure of any program undertaken?

3. The Department of State has designated Mr. William Eddy as the State member of the Special SWNCC Subcommittee. The Report of the Subcommittee should be made to SWNCC as a matter of urgency.

S E C R E T

SECRETENCLOSURE "B"LETTER FROM THE ACTING SECRETARY
OF STATE TO THE SECRETARY OF WAR

5 March 1947

My dear Mr. Secretary:

"Subsequent to our meeting Wednesday morning, February 25, 1947, President Truman approved in principle the measures which you endorsed for immediate aid to Greece and Turkey as set forth in the memorandum entitled 'Position and Recommendations of the Department of State Regarding Immediate Aid to Greece and Turkey'. Congressional leaders have been informed of the nature of the problem and the urgency of the need for our assistance to these countries. They also approve in principle the general program for aid.

"In the course of our discussions on the Greek and Turkish problem, frequent reference was made to the fact that this is only part of a much larger problem growing out of the change in Great Britain's strength and other circumstances not directly related to this development. I believe it important and urgent that study be given by our most competent officers to situations elsewhere in the world which may require analogous financial, technical and military aid on our part.

"I have asked Assistant Secretary Hilldring as Chairman of the State-War-Navy Coordinating Committee to direct the attention of that committee to this important problem and, in consultation with the Treasury Department, undertake a thorough study to be submitted to me or Secretary Marshall as soon as possible."

Sincerely yours,

Acting Secretary

- 3 -

SECRET

SECRET

File Spec ad hoc Com

21 MAR 1947

MEMORANDUM BY THE WAR DEPARTMENT MEMBER
OF THE STATE-WAR-NAVY COORDINATING COMMITTEE

1. With reference to SWN 5231, the directive is acceptable to me providing the ad hoc committee interprets it as requiring a study of the tangible cost of our foreign policy, leading to a determination of the proper allocation of the limited resources likely to be available. I understand that the ad hoc committee at its first meeting has decided to proceed in this manner and contemplates producing a report in two parts -- the first being an interim report dealing with action likely to continue or to be required during the next few months. It seems to me essential that the ad hoc committee not confuse urgency of needs with priority of needs. It may be that, if given the priorities warranted by their relationship to U.S. security and other U.S. interests, preventive and forehanded actions taken in the next few months will reduce future requirements of U.S. resources to meet expensive crises similar to that with which we are now dealing in Greece and Turkey.

2. I understand that the ad hoc committee is agreed that the last sentence in paragraph 1 of SWN 5231 covers projects which should properly be handled by the SWNC Subcommittee for the Near and the Middle East. I note that the Chiefs of Staff, in their views forwarded by the Secretaries of War and Navy to the Secretary of State on 13 March 1947, recommended that SWNCC undertake a comprehensive study pertaining to Turkey. It is presumed that this study will be referred to the SWNC Subcommittee for the Near and Middle East, and that such a study will fulfill the objective of the last sentence of paragraph 1 of SWN 5231 as far as Turkey is concerned.

3. As to Greece, it seems that one of the specific problems which will have to be resolved is the organization and method of operation of U.S. personnel, a matter involving all three Departments. It is recommended that this specific problem be referred to the SWNC Subcommittee for the Near and the Middle East for study and recommendation.



APPROVED

The Assistant Secretary of War

SECRET

STATE-WAR & NAVY COORDINATING
COMMITTEE

3683