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Dual Distribution for Council MembersCOMMITTEE ON ARRANGEMENTS FOR CONSULTATION WITH
NON-GOVERNMENTAL ORGANIZATIONS

Communication received from the National Association of
Manufacturers (Category B Organization) dated 27 July 1948.

Circulated to the members of the Council for information
in accordance with the report (section 2, paragraph 4)
of the Committee on Arrangements for Consultation with
Non-Governmental Organizations, approved by the Council
on 21 June 1946 (Résolution No. 2/3 of 21 June 1946.
Official Records of the Economic and Social Council,
First Year, Second Session, pages 360-365).

The United States Representative in the Economic and Social
Council requests that the attached communication submitted by the
National Association of Manufacturers (Category B organization)
be circulated to Members of the Economic and Social Council in
full, according to Paragraph 4 of Section IV of the Report of the
Committee on arrangements for consultation with non-governmental
organizations approved by the Council, 21 June 1946 (document
E/43/Rev.2).

"Geneva, July 27, 1948.

Because of the references by the Russian Delegate to the
economic condition of the United States, to the attitude of United
States business to the Marshall Plan, and in view of his specific
reference to the National Association of Manufacturers, a consultant
body to the Economic and Social Council, the following statement is
issued by Noel Sargent, Secretary of the National Association of
Manufacturers.

The representative from Russia is completely in error in
stating that business groups in the United States favoured the
Marshall Plan because of fear of economic collapse in the United
States. Soviet apologists have been predicting business collapse
in the United States since 1945, and have steadily been as wrong as
they are now. Nor is it correct to say that the United States
needs increased exports to maintain its domestic economy. The
truth is that domestic demand is so great that any increased
Marshall Plan exports tend to reduce rather than to increase the
domestic standards of living.

The Russian Delegate is also completely in error in saying
that United States business favours government financing of exports;
instead United States business favours putting all foreign trade,
both exports and imports, on a basis of private trade.

The Russian delegate criticized the basis for U.S. Marshall

/Plan loan policy.

Plan loan policy. He did not state that no European country is compelled to accept U.S. aid. He does not point out that as a sovereign nation the United States is entitled to specify conditions which should be observed if American financial aid is requested and obtained.

The National Association of Manufacturers, to whom the Russian Delegate refers, believes that nationalization stifles and restricts the increased European production, to the needs of which the Polish Delegate refers. It was for this reason that the N.A.M. advocated that European countries wishing U.S. aid should not undertake additional nationalization while receiving such aid; no suggestion was made that existing nationalization be either curtailed or abandoned. We regret - and the Russian Delegate did not advise the Council of this fact - that Congress did not put our suggestion into the law. We equally criticize the Marshall Plan Administration for not inserting such a provision in the bilateral agreements with recipient nations.

The United States wishes to see European production and living standards increased - rapidly and without interminable debate. That is the basis of the Marshall Plan and of the United States insistence that continued aid, which in any event will be a burden on the United States economy, will depend on demonstration by the Marshall Plan countries that they are making progress in increasing their production."