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U.S. PRESIDENT'S CITIZEN ADVISORS ON THE MUTUAL SECURITY PROGRAM
(FAIRLESS COMMITTEE): Records, 1956-57

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1. Papers that are security-classified until such classification shall be removed.
2. Papers the use of which may be prejudicial to the maintenance of good relations with foreign nations.
3. Papers containing statements made in confidence unless the reason for confidentiality no longer exists.
4. Papers relating to family or private business affairs.
5. Papers containing statements which might be used to injure, harass, or damage any living person.

SCOPE AND CONTENT NOTE

The President's Citizen advisors on the Mutual Security Program was created by President Eisenhower on September 22, 1956. The purpose of the committee was to study and make recommendations on the role, scope, operation, and impact of military, economic, technical and other foreign assistance programs in relation to the foreign policy and national interest of the United States. It reported to the President on March 1, 1957, and ceased operations by the close of that month. Most of the documents in this collection were created during the time of the committee's existence.

Under the leadership of Benjamin F. Fairless, the committee received testimony and reports on foreign aid programs from major military and foreign policy figures. The committee also made a six-week round-the-world trip during which members interviewed leading military and political figures in European and Asian nations receiving American aid. Committee members also received briefings from American military assistance advisory teams and embassy staffs during the trip. Documents in this collection record many of these briefings and interviews.

The user of this collection will not find a balanced study of foreign aid. What he will find is a collection of documents which present the case in favor of the Eisenhower administration's foreign aid program. One of the major reasons for creating the Citizens Advisors, as revealed by the document, was to create a record to justify the foreign aid appropriation submitted to the Congress in 1957. Therefore, the thrust of the reports and briefings prepared by both American and foreign government officials was that foreign assistance was a positive influence on the peoples of the recipient nations and served American foreign policy objectives. American assistance, according to these documents, strengthened nations economically and militarily to resist communism.

While the committee received and appreciable amount of input on military aid, its major recommendations were in the field of economic assistance and administrative changes in the foreign aid program. It recommended gradual reciprocal tariff reduction to the end of achieving minimal foreign quantitative restrictions on American trade. Also recommended were support of regional organizations like the European Common Market; tax incentives for American private investment abroad; continued government loans to supplement efforts of the Export-Import Bank, the World Bank and the International Monetary Fund; and continuation of the agricultural surplus sales program (PL 480).

In the administrative field, the committee recommended separation of military and economic appropriations, integration of the International Cooperation Administration into the State Department, two-year appropriations for foreign aid, and greater discretionary authority for the executive branch in spending foreign assistance funds. The records of the committee provide insights into each of these issues. (A copy of the final report is in the White House Central Files. OF 133-L-4).

The major topic covered by the documents in this collection is the impact of American foreign assistance programs upon recipient countries. Briefings by embassy officials and by officials of host nations note the accomplishments in the fields of education, technology, agricultural production, public health, industrialization, and economic and political stabilization. Also discussed is the role of the nation in international diplomacy and American policy considerations

in regard to that country. Briefing by the Military Assistance Advisory Groups (MAAG) deal with nation's military posture and the nature of American military aid to that country. Also discussed in some of the documents are the impact of the 1956 Suez crisis on international politics and the role of individual nations in collective security arrangements.

The collection is organized into three series: Meeting and Report File, Working File, and Country File. The first series contains summaries of testimony and briefings, drafts of the final report, notes taken during committee sessions, and memos and briefing papers from government officials and spokesmen for interest groups concerning foreign aid. The second series contains a variety of document covering both routine administrative business of the committee and reports and memoranda on substantive issues. Among the latter are Soviet economic penetration of underdeveloped areas, PL 480 programs, gold reserves, foreign investment, the role of NATO, and the impact of foreign assistance programs. Among the individuals who submitted reports and statements are John Foster Dulles, Clarence Randall, George Kennan, W. W. Rostow, George Humphrey, and George Meany. The final series, organized by country, contains documents given to the committee prior to or during its round-the-world inspection trip and notes members made of interviews with local political and military figures. Most of the documents are high-level papers which emphasize the effectiveness of American assistance programs. The most extensive material focuses on Europe and Asia. Documents pertaining to Latin America are of markedly less value.

THE PRESIDENT'S CITIZEN ADVISORS ON THE MUTUAL SECURITY PROGRAM

Membership: Benjamin F. Fairless, Chairman
Colgate W. Darden, Jr.
Richard R. Deupree
John L. Lewis
Whitelaw Reid
Walter Bedell Smith
Jesse W. Tapp

Special Representatives: J. Lawton Collins
John C. Hughes

Staff: Howard J. Mullin, Executive Director
Donald B. Woodward, Staff Director
Jack Bennett, Economist
Means Johnston, Jr., Military Adviser
Edward B. Hall, Consultant

Assistants: Jack E. Cutcomb
William R. Dalton
Katharine F. Daniels
George F. Divine
A. Genevieve LaFrance
Barbara R. Moberly
Evelyn L. Raper
Sara Janet Shaw
Peggy B. Wirth

DESCRIPTION OF SERIES

Box No. Series

- 1-3 Meeting and Report File. Memoranda, statements, reports, testimony by government officials and interest groups. Notes taken in committee meetings. Drafts of the Committee's final report. Report on Latin American trip.
- 3-11 Working Files. Correspondence, reports, statements, congressional studies on numerous aspects of foreign aid, and routine administrative matters. Arranged alphabetically by subject or name of individual who created the file.
- 11-16 Country File. Reports, briefings, notes of interviews on economic, social and military impact of American aid programs. Arranged by country.

CONTAINER LIST

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SERIES I: MEETING AND REPORT FILE

- 1 Adviser's Conference--Sept. 27, 1956
- Advisers' Conference--Oct. 11, 12, 13, 1956 (1)-(3) [Public opinion on foreign aid. Memo from Eugene Black re U.S. foreign aid policy.]
- Advisers' Conference--Oct. 25, 26, 27, 1956 (1)-(3) [Memo from Russell Leffingwell on foreign aid. Briefing papers by Allen Dulles on Soviet foreign aid, agriculture, and international gold payments.]
- Advisers' Conference--Nov. 15, 16, 1956 (1)-(4) [Paper by John McCloy on mutual security.]
- Advisers' Conference--Nov. 28, 29, 30, 1956 (1)(2) [Analysis of foreign economic policy by treasurer of Standard Oil of New Jersey. State Dept. memo on foreign aid. Memo from Percival Brundage on Soviet economic penetration. Letter from George Meany on foreign aid.]
- Advisers' Conference--Dec. 12, 13, 14, 15, 1956 (1)(2) [Statement by American Farm Bureau on mutual security and PL 480 programs.]
- Witnesses
- 2 Summaries of Testimony and Briefings (1)-(6) [Statements by Clarence Randall, George Humphrey, Gordon Gray, J. F. Dulles, Allen Dulles, Alfred Gruenther and others on organization and program of mutual security.]
- Notes of Donald Woodward (1)(2) [Handwritten notes of testimony and discussion.]
- Report, Advisers interim
- Report, Draft (1)-(4)
- Report, Summary [Letter from Fairless to Eisenhower.]
- Report, Advisers' Final [Correspondence.]

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- 3 Report, Latin American Trip (1)(2)
(cont.)
- Fairless Appointment Book (1)(2) [List of persons and organizations consulted by the committee.]
- Randall's Recommendations on the Fairless Report (1)-(5) [Recommendations of departments and agencies re Fairless Report.]

SERIES II: WORKING FILE

Administrative Services

Agriculture (1)-(5) [Statements by National Farmer's Union, American Farm Bureau. Proposal for International Arid-Lands Institute.]

- 4 Mr. Bennett (1)-(5) [Military expenditures. Value of PL 480 program. Statements on foreign economic policy by W. W. Rostow, George Kennan, Thomas K. Finletter, John McCloy, Paul Hoffmann.]

Biographical Sketches

Brookings Institution [Empty.]

Bureau of the Budget

Business Advisory Council

Businessmen (1)-(3) [Views of businessmen on foreign aid.]

Cables (1)-(4) [Routine administrative items except for several items concerning Afghanistan, Turkey and Germany.]

Cables--Latin America

Central Intelligence Agency

Chronological File--Jan., Feb., Mar., 1957 (1)-(4) [Routine administrative items. Scattered substantive items re scope of committee's work.]

Chronological File--Nov., Dec., 1956 (1)-(4)

- 5 Chronological File--Sept., Oct., 1956 (1)-(4)

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(cont.) Chronological file--Oct. 5, 1956 to Apr. 1, 1957 (1)-(7) [Routine administrative items. Scattered substantive items on general topic of foreign aid.]
- Commerce, Department of [Gold reserves. Foreign investment.]
- Congress, House of Representatives [Statements by Francis Wilcoxon on United Nations and foreign assistance.]
- Congress, Senate [Statement by Sen. Flanders re foreign aid.]
- Correspondence, General (1)-(10) [Offers of assistance.]
- 6 Correspondence, General (11)-(15) [Letter from Randall on ICA. Memo by George Humphrey on reorganization of ICA.]
- Defense, Department of [Mutual defense forces.] (1)-(3)
- Economists [Requests for assistance.]
- Economic Consultants [Answers received.] (1)-(4)
- Education (1)(2)
- Export-Import Bank [Empty.]
- Federal; Reserve System [Gold reserves and foreign dollar liabilities.]
- Finance (1)(2) [Statement by Robert Blyth, former Asst. Sec. of Treasury on foreign aid.]
- Foreign Governments
- House Foreign Affairs Committee
- 7 International Bank and Monetary Fund [Testimony by Eugene Black.]
- International Cooperation Administration (1)-(5) [Summaries of country review programs. Achievements of foreign aid. MSP assistance to Near East and South Asia.]
- International Cooperation Administration (6)-(8) [Memo from Executive Secretary of ICA on foreign aid. Tables on economic and military programs in MSP countries. Brookings study on administrative aspects of foreign aid.]

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- 7 International Cooperation Administration (9)-(12) [Operations report FY 1957.
(cont.) ICA-State Department integration.]
- International Development Advisory Board (1)(2) [Report of IDAB. Testimony of
 Eric Johnston.]
- Labor [Letter from George Meany.]
- Legislation (1)-(5) [1956 congressional voting records. Historical documents re
 mutual security.]
- 8 Meetings and Conferences
- Military
- Mullin, H. J., (1)(2) [USIA relationship with foreign aid. American views on role
 and function of NATO. Sino-soviet bloc economic activities.]
- Organization
- Personnel Actions
- Personnel—Applicants (1)-(5)
- Personnel--Consultants (1)-(3) [Report on industrial technical cooperation.]
- Point 4 ½ Program
- Press Releases (1)-(3) [Transcript of Tokyo press conference. Press response to final
 report.]
- 9 Private Investment Abroad (1)-(3)
- Questions and Answers
- Randall, Clarence B. [Memo by Brundage on U.S. reaction to Soviet economic
 penetration in underdeveloped areas. Memo by Howard Jones, Dep. Asst. Sec. of
 State on foreign aid.]
- Receipts, Document (1)-(3)

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- 9 Mr. Reid (1)(2) [Notes of briefing from In-Country Teams--Pakistan, India, Afghanistan, Burma, Laos, Thailand, Iran, Iraq, Vietnam, Cambodia, Nationalist China, Korea, Japan, Yugoslavia, Greece. Briefings by George Humphrey and Gordon Gray.]
- Religious Groups (1)(2) [Views of Catholic, Jewish, and Protestant groups.]
- Reports (1)(2) [Millikan Report, Summary of Mutual Security Program FY 1957. UN Technical Assistance Program. Role of American foreign investment. Analysis of foreign aid issues by American Enterprise Association.]
- Report, Public reaction to
- Report, Requests for copies (1)(2)
- Requests for Appearances and Articles
- 10 Senate Foreign Relations Committee
- Senate Study Digests (1)-(4) [Published congressional studies on foreign aid programs in individual countries. Special studies on foreign aid and US economy, foreign aid of other free nations, foreign aid of communist bloc countries.]
- State, Department of (1)-(4) [Report on establishing UN International Development Fund. Letter from Under Sec. of State for Mutual Security re purpose of aid programs. Report on foreign aid by Policy Planning Staff.]
- Supply Requisitions
- Terms of Reference
- Textile Industry
- Time and Attendance Reports
- Transportation
- Travel (1)-(3) [Itineraries.]
- 11 Travel--World Trip
- Travel--Latin American Trip
- Travel—General (1)(2)

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11 Treasury, Department of
(cont.)

United Nations (1)(2) [Letter by George Humphrey on reasons why US should not favor multilateral aid programs. Statement by Lodge on UN technical assistance.]

Voluntary Agencies [Income and expenditures of voluntary foreign aid agencies.]

White House [Criticism of ICA.]

Women's Organizations [Views of AAUW and League of Women Voters on foreign aid.]

Wright, Wilson [Comments on foreign economic policy.]

MSP Expenditures in Countries Visited

SERIES III; COUNTRY FILE

Spain (1)-(4) [Notes on briefing on Portugal. PL 480 sales. NATO and American bases. Written briefing by in-country team on US interests in Spain, Spanish economic conditions, aid programs to Spain, and recommendations for changes in aid programs.]

Portugal [Briefing memo on significance of Portugal to US.]

France (1)(2) [Review of MAAG program. Two memos from American embassy on France and US aid--subjects covered include security interests of US. American economic interest, French economy, strategic requirements, exchange programs, agricultural sales.]

Germany (1)-(3) [Interview with Adenauer. Briefing on nature of US aid programs. Point 4 ½.]

12 England (1)(2) [Papers collected by John L. Lewis: "US Aid and Britain" by W. G. Brown, Minister of Economic Affairs. Effectiveness of US aid to the UK prepared by American Embassy. Coal and nuclear power in UK.]

England (3)-(6) [Clippings.]

Austria [Notes on meeting with Minister Figl.]

Yugoslavia (1)-(3) [Notes on meeting with Vice-Premier Vukmonovic. Briefing book on Yugoslavia.]

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- 12 Greece [Background materials prepared by American embassy.]
(cont.) Turkey, Istanbul [Empty.]

 Turkey, Ankara (1)(2) [Report on agricultural programs in Turkey.]

 Iraq (1)-(3) [Reports on US assisted projects.]
- 13 Iran (1)-(3) [Technical assistance in public administration. Community development program.. Public health. Audio-visual assistance. Education Programs. Industrial activities of the US Operations Mission. Labor programs. Agriculture projects. ICA aid to Iran. Briefing paper on Iranian economy. In-country team briefing on security interests of US with respect to Iran.]

 India (1)-(4) [Indian steel facilities expansion. Indo-American aid program. "Southeast Asia and US foreign Economic Policy" by Ambassador Max Bishop.]

 Pakistan (1)(2) [Misc. information on Pakistan.]

 Pakistan (3)-(5) [US assistance to Pakistan. Foreign aid utilization in Pakistan--report prepared by Pakistan government. Background information on Pakistan economy, people, and politics.]

 Afghanistan [Background briefing on country's people, economy, military and diplomatic conditions.]

 Burma [Burmese agriculture and PL 480 program.]

 Thailand ["Economic Problems of Thailand" by US embassy. Yan-Hee hydro-electric and irrigation project.]

 Laos [US foreign economic policy in Laos. Briefing notes on Laos.]

 Vietnam [Empty]

 Cambodia [Statement by Director, US Operations Mission to Cambodia re US aid to Cambodia. Memo on economy of Cambodia. Notes from political briefing. Briefing on MAAG operations.]
- 14 Philippine Islands (1)-(3) [ICA programs.]

 Philippine Islands (4)-(5) [Community development programs. Industrial development. US aid program. MAAG briefing.]

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- 14 Hong Kong
(cont.)
- Taiwan (1)-(5) [US policy toward nationalist China. Administration of ICA programs. ICA programs for FY 1957.]
- Taiwan (6)-(11) [Economic development in Taiwan, Rural reconstruction. Land reform.]
- 15 Taiwan (12)-(21) [MAAG briefing.]
- Korea (1)-(4) [MAAG briefing. Report on Korea by Bureau of the Budget. Political developments in ROK. Notes on electric power system.]
- Japan (1)-(5) [Mutual security briefing. Japanese defense program. Technical cooperation program. PL 480. ICA activities. Transcript of meeting between Japanese Prime Minister and Fairless. Opinions of Japanese businessmen of American economic assistance.]
- 16 Japan (6)-(9)
- Hawaii [CINCPAC briefing on mutual security.]
- Guatemala [Empty.]
- Peru [Schedule.]
- Bolivia (1)(2) [Briefing book compiled by US embassy covering geography, politics, economics, US military missions. USIA activities, US technical assistance program.]
- Bolivia (3)-(8) ["Problems in the Economic development of Bolivia"]
- Brazil [Education programs.]

END OF CONTAINER LIST