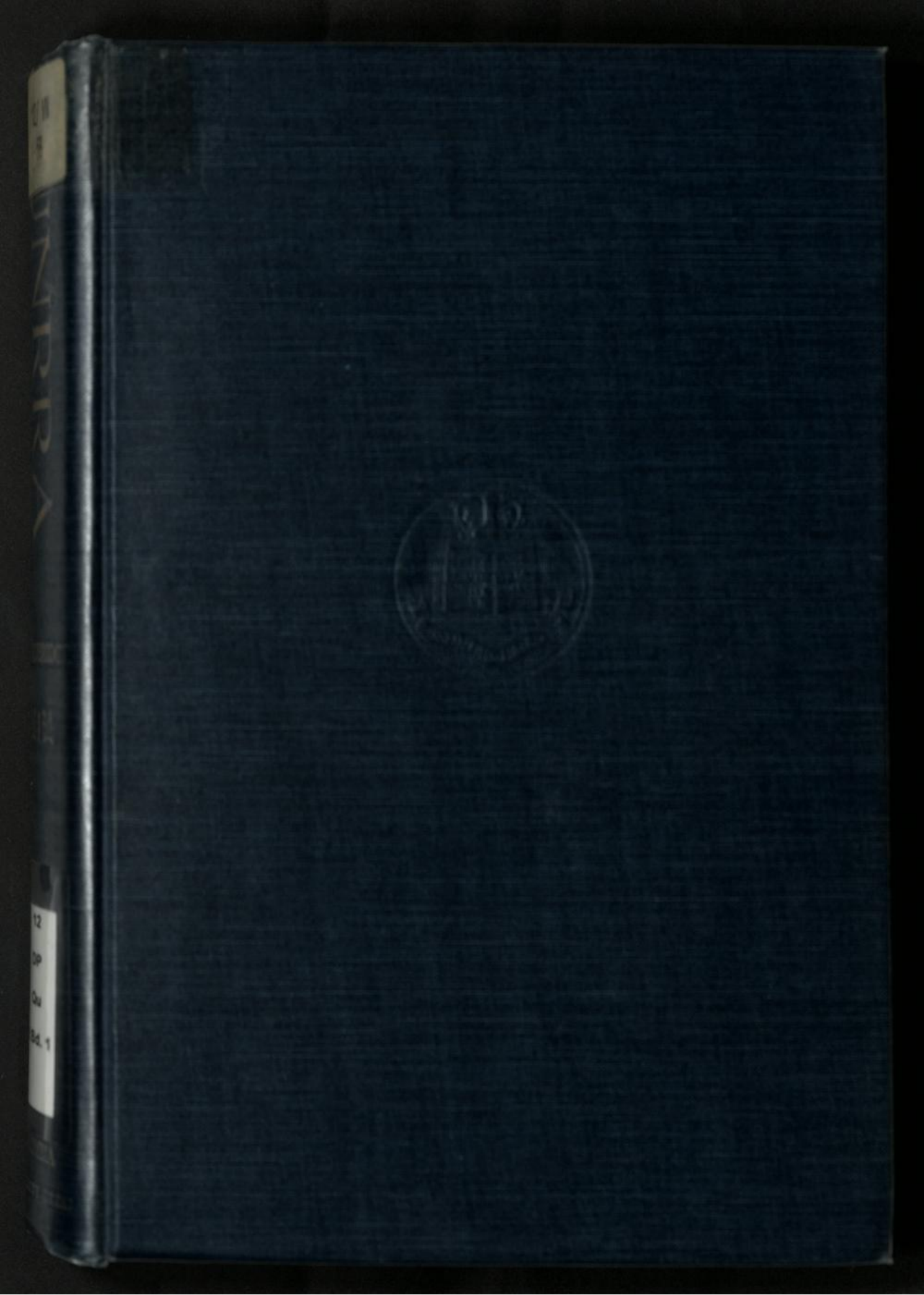


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# UNRRA

## THE HISTORY OF THE UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

VOLUME I

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# UNRRA

THE HISTORY OF THE

## UNITED NATIONS RELIEF and REHABILITATION ADMINISTRATION

PREPARED BY A SPECIAL STAFF UNDER THE DIRECTION OF

GEORGE WOODBRIDGE

CHIEF HISTORIAN OF UNRRA

IN THREE VOLUMES · VOLUME I

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# Foreword

THE HISTORY of UNRRA was prepared jointly by all members of the history staff. Ascription of specific chapters to specific individuals would, therefore, be incorrect.

Under the direction of Dr. Grace E. Fox, the work of preparation started practically with the start of UNRRA. From the formal creation of an "Office of the Chief Historian," the staff fell into two groups: the secretaries, and the senior staff. The secretaries were all good. They were not only, mechanically, good secretaries; they were interested in the work, and all have made a most valuable contribution. I should like to take this opportunity to express my very great appreciation of their work, devotion, and good humor. They were Mrs. William (Dorothy Clark) Gibbs (United States); before her deserved promotion to the research staff, Emily E. Jack (United States); Mary Orringe (United Kingdom); Sonia Cohen (United States); Audrey McLean (Canada); and Mrs. Frank (Cecilia Walker) Dwyer (Canada).

The senior staff, as is the way of large organizations, were assigned to positions with different names (purely fictional) and different grades. These positions are not worth recording. The members were as follows:

| | *Period of Service on the History Staff* |
|---|---|
| Roger Carter (United Kingdom), M.A., Cambridge University | January – August 1947 |
| Dorothy K. Clark (United States), Ph.D., Radcliffe College | September 1946 – May 1949 |
| N. M. Ekserdjian (United Kingdom), B.A., London School of Economics | August 1947 – March 1949 |
| Grace E. Fox (United States), Ph.D., Columbia University | September 1946 – March 1949 |
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| Emily E. Jack (United States), B.S., Simmons College | August 1948 – May 1949 |
| Fritz G. A. Kraemer (United States), LL.D., University of Frankfurt; Pol.Sc.D., University of Rome | February – July 1948 |

| | |
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| Thomas J. Mayock (United States), M.A., Bucknell University | January 1947 – December 1948 |
| Lola Mayer (United States), M.A., University of Washington | November 1947 – June 1948 |
| K. Rosemary Miller (United Kingdom), Barrister, Gray's Inn | March 1947 – March 1949 |
| Hansi P. Pollak (South Africa), M.A., Witwatersrand University; Dip., New York School of Social Work | October 1947 – June 1948 |
| Harry B. Price (United States), M.A., Yale University | February – August 1948 (part time thereafter through March 1949) |
| Mrs. James (Edith) Wellwood (United Kingdom) | October 1946 – July 1947 |
| George Woodbridge (United States), Ph.D., Columbia University | September 1946 – March 1949 |

Of these individuals, Roger Carter and Edith Wellwood worked for the History Office only in London; Harry Price and Lola Mayer, in China as well as in Washington; N. M. Ekserdjian, K. R. Miller, and I, in London as well as in Washington; the others, only in Washington. Various members of the staff, such as Dr. Fox and Dr. Clark, had worked on the History project before the formal establishment of the Office. Dr. Clark, furthermore, undertook the onerous work of supervising the final preparation of the manuscript for presentation to the publishers, the reading of proof, and the preparation of the index.

Some of the members of the staff were recruited particularly to work on the History; others had held operating positions in the Administration before they joined the History Office. Among these, one was attached to the Relief Services Department, European Regional Office; one was Chief Executive Officer of the Italy Mission; one was Executive Assistant to the Deputy Chief of Supply, European Regional Office; one was Deputy Chief of Welfare, British Zone, Displaced Persons Operations, Germany; one was Assistant Director of the China Mission; and another was Special Assistant to the Personal Representative of the Director General, European Regional Office.

Although any number of articles in newspapers and periodicals and some sections of some books have appeared about UNRRA, there have been, to date, few that can be considered serious studies of the work of UNRRA, with the possible exception of the health (see *Report of the Director General for the Period July 1947 to 31 December 1947*

and *Summary of Operations 9 November 1943 to 31 December 1947* [Washington, D.C., 1948], pp. 355–358) and welfare fields. The use of such published materials is clearly indicated in the footnotes.

The United Kingdom Foreign Office and the United States Department of State kindly permitted us to use their files dealing with the formation of UNRRA. The Canadian Government equally kindly supplied us with copies of their documents dealing with this subject. The use of this material, principally in Part One, Chapter I, is shown in the footnotes. I should like to take this opportunity to express our gratitude to the many officials of these Governments who assisted us in this aspect of our work.

The main reliance, by intention and necessity, was on the vast mass of UNRRA documents. This material falls into two distinct groups.

It was planned that, throughout the entire organization, monographs should be prepared by experienced members of each division in each office and mission. Appropriate instructions were distributed throughout the Administration. It was understood that the position of the writers would be fully protected. The response was, on the whole, gratifying. Over 600 monographs were prepared, more than 100 by the China Mission alone. One from the Greece Mission ran to 697 single-spaced, typewritten, foolscap pages. The monographs varied, of course, in quality and usefulness but did supply an immense amount of important material. They have been and will be kept together as a separate part of the UNRRA files, when these are deposited with the United Nations for preservation. Throughout the History we have indicated our use of this material by prefacing the word "monograph" to all references to these documents. I should like to express our deep gratitude to the many authors who made a most important contribution to the History. I am afraid they may feel that we have not done them justice or given them sufficient credit. If this be true, it is not a result of any lack of appreciation on our part of the valuable nature of their contribution to our work. It should be remembered, by anyone else who may in the future have occasion to consult these monographs, that they were not prepared by trained scholars, but by individuals familiar with one particular aspect of the work of the Administration and often quite ignorant of other aspects. They must, therefore, be checked against other sources and considered against a background of wide knowledge of the Administration.

The other and, of course, larger and even more important group of UNRRA material consisted of the mass of working documents accumulated by the Administration during its nearly five years of active existence. Some of this material has been printed or mimeographed and distributed to libraries. We have listed such material (Appendix Two) if it was given fairly wide distribution and have tried, wherever possible, to use such material for reference purposes.

The material, as a whole, included Council documents, Committee documents, agreements with governments and other organizations, the Director General's reports, financial reports, special reports, periodic reports prepared by divisions, bureaus, missions, offices, and other administrative units, cables, letters, intra-administration memoranda, invoices, bills, bills of lading, and many other types. Documents which had accumulated in several hundred offices in nearly fifty countries were ultimately all shipped to Washington. It has not been easy to use this material. The filing systems, if any, differed from one office to another. Documents were scattered, poorly arranged, and unindexed. The culled records which will be deposited with the United Nations will alone, it is estimated, amount to more than fifty million sheets of paper. We have received immense help from Cyril Paquin, Chief Records Officer, and his staff. Without their ever-willing assistance we could hardly have accomplished anything. Our gratitude to them is immeasurable. When they complete their work, about nine months after we have finished ours, the documents will have been arranged in a more logical, usable manner; we, however, worked and finished long before any such results were achieved.

We have indicated in the footnotes the nature of this miscellaneous material by using in our references the words "cable," "letter," "memo," etc.

The Council and Committee documents present no difficult problem. They were all carefully numbered, with an appropriate symbol indicating the Council or Committee. The First Council Session used a numbering system peculiar to itself, its documents being labeled "Reception" followed by a number and then a further symbol indicating to which particular part of the Council the document related, such as plenary sessions, committee meetings, etc. The Reception numbers were never repeated and, therefore, by themselves give complete identification. In the other five Council Sessions a standard system was used.

Each paper was given a Council number and a document number, such as, "Council II Document 38" or "Council IV Document 138." This number, which gives complete identification, was likewise followed by symbols indicating the particular part of the Council to which the document related.

Committee documents were recorded by committee, by year, and with continuous numbers. Thus a Central Committee document was labeled "CC(44)11"; a Committee of the Council for Europe document, "CCE(45)7"; and a Committee on Financial Control document, "CFC(46)23." These numbers give complete identification. We have sometimes added, however, when we believed it would be a convenience to the reader, an indication of the date and nature of the document, such as, "minutes 12th meeting," or "letter, Lehman to Hull, 12 February 1944." For such cases the date given is the operative date, that is, the date on which the meeting was held or the letter dispatched —not the date appearing on the document when it happened to be registered in the committee series.

Cables have been listed as they are actually filed, that is, by the sending office to the receiving office with the serial number and date of dispatch, thus "Washington to Rome 47, 2 February 1946," or "Athens to London 542, 27 August 1945."

Letters, memoranda, and reports have been identified by showing the sender and receiver (with positions given if the individuals are not very well known) and date and sometimes, when it seemed appropriate, the title.

Periodic reports have been indicated by the issuing office and a date except that, in the case of a chapter dealing with a particular mission, we have merely indicated the type of report (monthly mission report or Health Division report) if issued by that mission. Thus, in the chapter on Greece, a report of the Greece Mission is merely shown as "Monthly Report, August 1945." On the other hand, if in the chapter on Czechoslovakia it is necessary to refer to a report of the Poland Mission, it is shown as "Poland Mission Monthly Report, July 1946."

In general, we have tried to make the footnotes self-explanatory so that no reference to a glossary, or even to this Introduction, will be necessary. Published material has, of course, been indicated in accord with standard practices.

Unless otherwise specifically indicated, all supply statistics are based

on United Nations Relief and Rehabilitation Administration, *Bureau of Supply Final Operational Report* (Washington, D.C., 1948). Almost all the tables of this work are given in Appendix Ten, Section III. Likewise, unless otherwise specifically indicated, all financial statistics are based on United Nations Relief and Rehabilitation Administration, *The Financial Report of the United Nations Relief and Rehabilitation Administration* (*Ninth and Final Financial Report*, Washington, D.C., 1949). Many of the tables of this work are given in Appendix Ten, Section IV. These documents were carefully prepared and are authoritative. Other sources, prepared during the heat of active operations, were necessarily less carefully prepared, sometimes contradict one another, and must be used with caution.

As is true of the authors of any large work, we are indebted to many for help and suggestions, far too many to list. We are grateful to them. It should be made clear that none of them is in any way to blame for our errors.

GEORGE WOODBRIDGE

*Washington, D.C.*
*March 1949*

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# Chronology of UNRRA

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| | 1943 |
| 9 November | UNRRA Agreement signed at the White House, Washington, D.C., by forty-four nations |
| 10 November – 1 December | First Council Session, Atlantic City, New Jersey |
| 11 November | Herbert H. Lehman appointed Director General of UNRRA at First Council Session |
| December | First contribution of funds to UNRRA, from the Government of Iceland |
| | 1944 |
| 1 January | Establishment of Headquarters Office in Washington |
| | Appointment of Sir Arthur Salter as Senior Deputy Director General |
| 25 January | First United Kingdom contribution voted, £80,000,000 |
| 1 February | Establishment of European Regional Office in London |
| 12 March – 11 April | Lehman's visit to Algiers and Cairo |
| 28 March | Authorization of United States participation in UNRRA and of first one percent contribution, $1,350,000,000 |
| 3 April | The Cairo Agreement signed, between UNRRA and Allied Military Liaison Headquarters (Balkans) for "Participation of UNRRA in Balkans—Greece, Yugoslavia, and Albania—during Period of Military Responsibility" |
| 17 April | First Canadian contribution voted, $10,000,000 (Canadian) |
| 1 May | Balkan Mission set up in Cairo upon appointment of Sir William Matthews as Chief of Mission |
| 16 May | UNRRA Liaison Office opened in Switzerland |

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| 13 June | Canadian contribution voted, $77,000,000 (Canadian), including first $10,000,000 |
| 30 June | First United States appropriation to UNRRA, $800,000,000 |
| 9 July | UNRRA Observers Mission arrived in Italy |
| 10 July | UNRRA/AFHQ (Allied Forces Headquarters) Liaison Office established in Caserta, Italy |
| 12 July (approximately) | UNRRA Liaison Officers attached to SHAEF |
| 14 September | Arrival of Lithgow Osborne and Rolf Nugent in Sydney, Australia, on supply and recruiting mission |
| 15 – 27 September | Second Council Session, Montreal, Canada |
| 26 September | Resolution 57 passed by the Council, authorizing operations in enemy or ex-enemy areas for the care and repatriation of displaced persons |
| | Resolution 58 passed by the Council, providing for limited aid to Italy |
| | Resolution 59 passed by the Council, permitting aid to Dodecanese Islands |
| October | UNRRA Mission opened in Paris |
| 12 October | Resignation of Sir Arthur Salter as Senior Deputy Director General |
| 23 October | First members of UNRRA Mission entered Greece |
| 24 October | Preliminary Mission arrived in Luxembourg, withdrawing in December because of Battle of the Bulge |
| November | UNRRA Liaison Officer to Belgian Government arrived in Brussels |
| | Procurement Office opened in Rio de Janeiro, Brazil |
| 1 November | UNRRA Mission under Resolution 58 established in Italy |
| 11 November – 21 December | Lehman's visit to London and France |
| 24 November | Agreement signed between the British Government and the Greek Government "regarding questions concerning civil administration, jurisdiction and relief arising out of Military operations in Greek territory" |
| 25 November | The SCAEF Agreement signed, "to regularize the relations between UNRRA and the Supreme Commander, Allied Expeditionary Force, during the Military Period" |

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| December | First representatives of UNRRA China Office arrived in Chungking |
| 18 December | Exploratory Mission to Ethiopia arrived in Addis Ababa, remaining until May |

1945

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| 19 January | Signing of Agreement between the Yugoslav authorities and SACMED (Supreme Allied Commander, Mediterranean Theater of Operations) |
| February | First members of UNRRA Mission entered Yugoslavia with Military Liaison (Yugoslavia) |
| 12 February | Commander R. G. A. Jackson appointed Senior Deputy Director General |
| 26 February | Agreement signed between UNRRA and the Government of Czechoslovakia |
| | Resolution passed at twelfth meeting of the Central Committee authorizing emergency relief supplies and services for special and supplementary relief where emergency distress exists, without regard to status as paying country |
| March | Conference of mission chiefs in Caserta, Italy |
| 1 March | Agreement signed between UNRRA and the Government of Greece |
| 8 March | Agreement signed between UNRRA and the Government of Italy |
| 15 March | Balkan Mission liquidated and Middle East Office established in Cairo |
| 17 March | First group of field personnel left England for UNRRA Displaced Persons Operations Mobilization and Training Base at Granville, France |
| 24 March | Agreement signed between UNRRA and the Government of Yugoslavia |
| April | Procurement Office opened in Mexico City |
| 1 April (approximately) | First UNRRA teams entered Germany to assist the military authorities in work with displaced persons |
| 2 April | UNRRA Liaison Office, SHAEF Mission (the Netherlands), moved into Holland |
| 4 April | First Mission representatives arrived in Belgrade, Yugoslavia |

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| 11 April | Agreement signed between SACMED and the Commander-in-Chief, Albanian National Army of Liberation |
| 19 April | UNRRA Mission returned to Luxembourg |
| 23 April | Arrival of Investigatory Mission on Displaced Persons in Stockholm, Sweden |
| 30 April | UNRRA Preliminary Mission entered Albania under Military Liaison (Albania) sponsorship to negotiate an agreement with Albanian Government, remaining until 5 July |
| 1 May | UNRRA Mission to Belgium set up in Brussels |
| | Procurement Office established in Bogota, Colombia |
| 3 May | Director General's directive regarding delegation of responsibility and authority to the European Regional Office |
| 31 May | UNRRA Mission established in Oslo, Norway |
| 7 June | Procurement Office for Caribbean Area opened in Havana, Cuba |
| 21 June | The United States Government authorized UNRRA to continue the displaced persons functions performed in the United States Zone, Germany, under the UNRRA–SCAEF Agreement |
| 22 June | The French Government authorized UNRRA to continue the displaced persons functions performed in the French Zone, Germany, under the UNRRA–SCAEF Agreement |
| | UNRRA Mission to Czechoslovakia established in Prague |
| 28 June | The United Kingdom Government authorized UNRRA to continue the displaced persons functions performed in the British Zone, Germany, under the UNRRA–SCAEF Agreement |
| July | UNRRA Mission established in Denmark |
| July | Balkan Clearing Office (for public information) established in Rome |
| 6 – 10 July | Conference of UNRRA mission chiefs in Rome |
| 14 July | Agreement signed between UNRRA and the Government of San Marino |

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| 28 July | First UNRRA personnel entered Austria to carry on displaced persons operations |
| 29 July | UNRRA Temporary Delegation arrived in Poland |
| 30 July | UNRRA Liaison Officer appointed in New Delhi, India |
| August | UNRRA Office for procurement of surplus military supplies opened in Paris |
| 1 August | Agreement signed between UNRRA and the Government of Albania |
| | Agreement signed between British Military Administration (Dodecanese) and UNRRA in the Dodecanese Islands |
| 2 August | Philippine Mission Office opened in Manila |
| 7 August | UNRRA Mission established in Albania |
| 7 – 24 August | Third Council Session, London, England |
| 8 August | Resolution 62 passed by the Council admitting Denmark to membership in UNRRA |
| 13 August | Resolution 63 passed by the Council admitting Byelorussian SSR and Ukrainian SSR to membership in UNRRA |
| 21 August | Resolution 73 passed by the Council authorizing extended relief and rehabilitation assistance to Italy |
| 22 August | Resolution 74 passed by the Council authorizing UNRRA program in Austria |
| 24 August | Resolution 76 passed by the Council designating Korea and Formosa as areas in which the Administration should operate |
| | Resolution 80 passed by the Council authorizing second contribution to UNRRA and setting termination of the Administration |
| September | UNRRA Mission established in the Netherlands |
| 13 September | Agreement signed between UNRRA and the Government of Poland |
| Fall | Second United Kingdom contribution voted, £75,000,000 |
| October | UNRRA Mission established in Poland |
| 1 October | UNRRA unofficially took over responsibility for displaced persons camp administration in United States Zone, Germany |
| 16 October | UNRRA Dodecanese Mission established in Rhodes |
| 20 – 25 October | Finance and Administration Conference, Rome |

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| November | First Supply Conference, Washington |
| | Office for procurement of surplus military supplies established in New Delhi, India |
| 1 November | UNRRA unofficially took over responsibility for administration of displaced persons camps in British Zone, Germany |
| 7 November | Sir Humfrey Gale appointed as Personal Representative of the Director General in the European Regional Office |
| 13 November | Agreement signed between UNRRA and the Government of China |
| | Liaison Officer appointed to remain in Sweden |
| 16 November | Procurement Office opened in Uruguay |
| 27 November | Agreement signed "relating to the responsibility of UNRRA and of the Commander-in-Chief of the British Army of the Rhine and Military Government of the British Zone of Germany" in regard to displaced persons |
| 29 November | Working Party arrived in Vienna to confer on the relief and rehabilitation requirements for Austria |
| December | New Zealand Procurement Office established in Wellington |
| | Second Supply Conference, Washington |
| 11 December | Official invitation from the Allied Council to UNRRA to undertake a relief and rehabilitation mission in Austria |
| 14 December | United States appropriation, $550,000,000 (remainder of first one percent) |
| 18 December | United States authorization, second one per cent contribution, $1,350,000,000 |
| | Agreement signed between UNRRA and the Government of the Byelorussian SSR |
| | Agreement signed between UNRRA and the Government of the Ukrainian SSR |
| 18 December – 11 January 1946 | Agreement between UNRRA and the Government of Finland completed by exchange of letters |
| 20 December | UNRRA Procurement and Recruiting Mission opened in New Delhi, India |
| 22 December | Second Canadian contribution voted, $77,000,000 (Canadian) |
| 28 December | United States appropriation, $750,000,000 (part of second one percent) |

1946

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| January | Office for procurement of surplus military supplies opened in Honolulu, Hawaii |
| 12 January | Second UNRRA Mission arrived at Addis Ababa, Ethiopia |
| 17 January | First Exploratory Mission arrived in Korea |
| 19 January | Supplementary Agreement signed between UNRRA and the Government of Italy |
| February | Office for procurement of surplus military supplies established in Manila, Philippine Islands |
| | Office for procurement of surplus military supplies established in Shanghai |
| 13 February – 19 March | Agreement between UNRRA and the Government of Hungary completed by exchange of letters |
| 18 February | Agreement signed "defining the respective responsibilities of the Director General of UNRRA and the General Commander-in-Chief of the French Occupation Zone in Germany" in regard to displaced persons |
| 19 February | Agreement signed "as to the relationship of UNRRA to the Commanding General, United States Forces, European Theater, in the United States Zone of Germany" in regard to displaced persons |
| 10 March | UNRRA Mission established in Finland |
| 15 – 29 March | Fourth Council Session, Atlantic City, N.J. |
| 20 March | Arrival of UNRRA Mission to the Ukraine in Kiev |
| 22 March | Resolution 84 passed by the Council admitting Turkish Republic to membership in UNRRA |
| 28 March | Resignation of Lehman as Director General presented to the Council |
| 29 March | Fiorello H. LaGuardia appointed Director General by the Council |
| 1 April | Procurement Office opened in Buenos Aires, Argentina |
| 5 April | Agreement signed between UNRRA and the Government of Austria |
| 11 April | UNRRA Mission to Hungary arrived in Budapest |

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| 19 April | UNRRA Mission to Byelorussia arrived in Minsk |
| 4 May | Procurement Office in Bogota, Colombia, moved to Caracas, Venezuela |
| 9 May | Adjourned Fourth Council Session in Washington |
| 10 – 25 May | Third Supply Conference, Washington, D.C. |
| 21 May | Office for procurement of surplus military supplies in New Delhi closed |
| 21 – 24 May | Relief Services Conference, London |
| 31 May | Balkan Clearing Office, Rome, discontinued |
| 27 May | United States appropriation, $135,000,000 (part of second contribution) |
| June | UNRRA Central Port Office set up in Trieste |
| | Procurement Office opened in Santiago, Chile |
| 11 June – 12 June | Agreement between UNRRA and the Government of the Philippines completed by exchange of letters |
| 14 June | Second Exploratory Mission arrived in Korea |
| 15 June | Closure of Luxembourg Mission |
| 27 June | Agreement signed between UNRRA and the Soviet Military Command in North Korea "regarding shipment of UNRRA supplies to North Korea" |
| July | Procurement Office opened in Ankara, Turkey |
| 3 July | Agreement signed between UNRRA and the American Military Government in South Korea "regarding shipment of UNRRA supplies to South Korea" |
| 4 July | Agreement signed between UNRRA and the Government of Ethiopia |
| 14 July – 6 September | LaGuardia's visit to UNRRA missions in Cairo, Greece, Yugoslavia, Italy, Paris, Czechoslovakia, Germany, Poland, Byelorussia, and the Ukraine |
| 15 July | UNRRA–SACMED Agreement signed relating to transfer of responsibility for displaced persons from SACMED to UNRRA (in Italy) |
| 23 July | Completion of United States second contribution, $465,000,000 |

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| 5 – 17 August | Fifth Council Session, Geneva, Switzerland |
| 16 August | Resolution 101 passed by the Council relating to the fulfillment of the program of operations of UNRRA |
| 21 August | UNRRA Liaison Office in Sweden closed |
| October | Fourth Supply Conference, Washington, D.C. |
| 31 October | Procurement Office in Buenos Aires, Argentina, closed |
| 20 November | Procurement Office in Chile moved to Lima, Peru |
| 10 – 13 December | Sixth Council Session, Washington, D.C. |
| 13 December | Resignation of Fiorello H. LaGuardia as Director General, effective 31 December |
| | Appointment of Lowell W. Rooks as Director General, effective 1 January 1947 |

1947

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| 31 January | Closure of Mission to Dodecanese Islands |
| | Closure of UNRRA/AFHQ Liaison Office |
| 6 February | Displaced Persons Headquarters for Germany, Austria, Italy, and Middle East set up in Paris |
| 15 February | Closure of Mission to Finland |
| 28 February | Closure of Procurement Office, Caracas, Venezuela |
| 1 March | Manila-Shanghai Office for procurement of surplus military supplies placed under China Office |
| 15 March | Closure of Mission to Belgium |
| | Closure of Mission to Denmark |
| | Closure of Mission to the Netherlands |
| | Closure of Mission to Norway |
| 31 March | Closure of Mission to France |
| | Closure of Paris Office for procurement of surplus military supplies |
| April | Conference of mission chiefs, Rome |
| 10 April | Closure of Procurement Office, Ankara, Turkey |
| 31 May | Closure of Mission to Hungary |
| | Closure of Procurement Office in Uruguay |
| | Closure of Procurement Office in Peru |
| 16 June | Decision at fifty-fifth meeting of the Central Committee that no seventh Council Ses- |

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| | sion would be held; in accordance with Resolution 115, Council powers henceforth vested in the Central Committee |
| 30 June | Closure of Mission to Austria |
| | Closure of Mission to Albania |
| | Closure of Mission to Byelorussia |
| | Closure of Mission to Czechoslovakia |
| | Closure of Mission to Greece |
| | Closure of Mission to Italy |
| | Closure of Mission to Korea |
| | Closure of Middle East Office |
| | Closure of Mission to Poland |
| | Closure of Mission to the Ukraine |
| | Closure of Mission to Yugoslavia |
| | Turnover of Displaced Persons Operations to the Preparatory Commission, International Refugee Organization |
| 10 July | Closure of Procurement Office in Havana, Cuba |
| 15 July | Closure of Procurement Office in Mexico City |
| | Sir Humfrey Gale, Personal Representative of the Director General, in the European Regional Office, left UNRRA |
| 16 July | Major General R. G. Lewis appointed Personal Representative of the Director General |
| 26 August | Dissolution of the Committees on Industrial Rehabilitation, Displaced Persons, Health, Supplies, and the Rehabilitation of Children and Adolescents, at the fifty-seventh meeting of the Central Committee |
| 31 August | Closure of Liaison Office in Switzerland |
| | Closure of Port Office, Trieste |
| 30 September – 24 October | Director General's visit to China |
| 11 October | Termination of R. G. A. Jackson, and abolition of the Office of the Senior Deputy Director General |
| 25 October | Closure of Procurement Office, Rio de Janeiro, Brazil |
| 31 October | Closure of Procurement Office in New Zealand |
| 15 November | Closure of Mission to Ethiopia |
| 30 November | Closure of Mission to the Philippines |
| 31 December | Closure of China Office |

1948

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| 31 January | Closure of UNRRA Office in New Delhi, India |
| 31 March | Bureau of Supply abolished at Headquarters |
| 31 May | Resignation of Major General R. G. Lewis as Personal Representative of the Director General in the European Regional Office |
| 30 June | Closure of Southwest Pacific Area Office, Sydney, Australia |
| 30 September | Closure of European Regional Office, London, England |
| | Termination of Major General Lowell W. Rooks as Director General |
| 1 October | Appointment of Harry E. Howell as Administrator for Liquidation |

# PART ONE

# The International Organization

# I. Formation

## 1. *THE AGREEMENT*

On 9 November 1943, seven months before the Anglo-American landings on Northwest Continental Europe and a year and a half before the surrender of Germany but about a year after the victories at El Alamein and Stalingrad had given clear indication of the ultimate victory of the United Nations, President Franklin D. Roosevelt addressed these words to "my friends, on this historic occasion":

Here in the White House, seated about a table in the historic East Room, are representatives of forty-four nations—United Nations and those associated with them . . .

Representatives of these forty-four nations—you gentlemen here—have just signed an agreement creating the United Nations Relief and Rehabilitation Administration—commonly known by a simpler word as UNRRA . . .

All of the United Nations agree to coöperate and share in the work of UNRRA—each nation according to its own individual resources—and to provide relief and help in rehabilitation for the victims of German and Japanese barbarism . . .

So it will be the task of UNRRA to operate in these areas of food shortages until the resumption of peaceful occupations enables the liberated peoples once more to assume the full burden of their own support. It will be for UNRRA, first to assure a fair distribution of available supplies among all of the liberated peoples, and, second, to ward off death by starvation or exposure among these peoples . . .

When victory comes there can certainly be no secure peace until there is a return of law and order in the oppressed countries, until the peoples of these countries have been restored to a normal, healthy, and self-sustaining existence. This means that the more quickly and effectually we apply measures of relief and rehabilitation, the more quickly will our own boys overseas be able to come home . . .

As in most of the difficult and complex things in life, nations will learn to work together only by actually working together. Why not? The nations have common objectives. It is, therefore, with a lift of hope, that we look on the signing of this agreement by all of the United Nations as a means of joining them together still more firmly.[1]

[1] *Journal*, First Council, pp. 1–2.

Australia, Belgium, Bolivia, Brazil, Canada, Chile, China, Colombia, Costa Rica, Cuba, Czechoslovakia, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, French Committee of National Liberation, Greece, Guatemala, Haiti, Honduras, Iceland, India, Iran, Iraq, Liberia, Luxembourg, Mexico, the Netherlands, New Zealand, Nicaragua, Norway, Panama, Paraguay, Peru, the Philippines, Poland, Union of South Africa, Union of Soviet Socialist Republics, United Kingdom, United States, Uruguay, Venezuela, and Yugoslavia were the forty-four nations to whose representatives the President spoke. As allies and associates in the war against the Axis they had just signed an agreement, to which Denmark,[2] the Byelorussian SSR, the Ukrainian SSR,[3] and Turkey [4] later adhered, expressing their determination that, immediately upon the liberation of any area, the population thereof should receive "aid and relief from their sufferings, food, clothing and shelter"; and "aid in the prevention of pestilence and in the recovery of the health of the people"; and that preparation and arrangements should be made for "the return of prisoners and exiles to their homes," and "assistance in the resumption of urgently needed agricultural and industrial production and the restoration of essential services." [5]

To achieve these aims they were establishing an international organization—the United Nations Relief and Rehabilitation Administration (UNRRA)—which was to:

> Plan, coördinate, administer or arrange for the administration of measures for the relief of victims of war in any area under the control of any of the United Nations through the provision of food, fuel, clothing, shelter and other basic necessities, medical and other essential services.[6]

The Agreement provided for a Council, which was to be the policy-making body and was to consist of one representative of each member government or authority; a Central Committee to make policy decisions of an emergency nature between sessions of the Council and to consist of representatives of China, USSR, the United Kingdom, and the United States; [7] a Committee on Supplies, regional committees, other special committees; and a Director General who was to have full powers and authority for carrying out the relief operations contemplated in the Agreement.

[2] Resolution 62, August 1945.
[3] Resolution 63, August 1945.
[4] Resolution 84, March 1946.
[5] Agreement, Preamble.
[6] Article I, 2.
[7] Article III, 3.

The Council was to be convened in regular session not less than twice a year by the Central Committee and might be convened in special session whenever the Central Committee should deem necessary or within thirty days after a request therefor by one third of the Council members.[8] It was to choose its own chairman, to determine its own rules of procedure except that, unless otherwise provided in the Agreement or by its own action, it was to vote by simple majority.[9]

The Central Committee was to invite the participation of the chairman of the Committee on Supplies at those of its meetings at which policies affecting the provision of supplies were discussed.[10] Between sessions of the Council it was, when necessary, to make policy decisions of an emergency nature, which were to be recorded and communicated to member governments and to be open to reconsideration by the Council.

There were to be at least two regional committees, one for Europe (which was to replace the Inter-Allied Committee on Post-War Requirements) [11] and the other for the Far East, which were to recommend to the Council and the Central Committee policies with respect to relief and rehabilitation within their respective areas.[12] The Committee on Supplies was to recommend to the Council and the Central Committee policies designed to assure the provision of supplies.[13]

The Director General was to be appointed by the Council on the nomination by unanimous vote of the Central Committee.[14] He was accorded full power and authority to carry out the operations contemplated by the Agreement, limited only by availability of resources and the broad policies determined by the Council or its Central Committee.[15] In arranging for the procurement, transportation, and distribution of supplies, he was to consult and collaborate with the appropriate authorities of the United Nations and, wherever practicable, to use the facilities made available by such authorities.[16] Without his consent and acceptance of his regulations foreign relief agencies were not to work in any area receiving aid from the Administration.[17] He was to appoint all necessary personnel including deputy directors general who might be assigned special functions within a region and who,

[8] Article III, 2. [9] Article III, 1. [10] Article III, 3.
[11] Miscalled the "Inter-Allied Committee on European Post-War Relief" in the Agreement.
[12] Article III, 5. [13] Article III, 4. [14] Article IV, 1.
[15] Article IV, 2. [16] Article IV, 2. [17] Article IV, 2.

if so assigned, were to attend meetings of the regional standing committees.[18] The Director General was also to make periodic reports to the Central Committee and the Council on the activities of the Administration, including those within each region.[19]

The Agreement made quite clear that, while hostilities or other military necessities existed in any area, the Administration was not to undertake activities therein without the consent of the military command of that area and unless subject to such control as the command might find necessary. The determination that such hostilities or military necessities existed was to be made by the military commander.[20] It was equally emphatic that the form of activities of the Administration within territories of a member government "shall be determined . . . with the consent of the member government." [21]

On the other hand, the Agreement was somewhat vague regarding the financial aspects of the proposed operations. On authorization of their appropriate constitutional bodies and in amounts to be determined by these bodies, member governments were to contribute to the support of the Administration.[22] The Director General was to keep in review the supplies and resources made available and to initiate action with a view to assuring such additional supplies as might be required. Member governments, during the war, were to make purchases outside their own territories for relief and rehabilitation purposes only after consultation with the Director General.[23] The Director General was to submit to the Council an annual budget covering necessary administrative expenses. The total amount approved, in proportions to be determined by the Council, was to be allocated to the member governments, which were, subject to conditions of their appropriate constitutional bodies, to contribute promptly.[24]

Finally, the Agreement made provision for amendments [25] and for the withdrawal of members.[26]

This Agreement marked the culmination of consultations between the signatory governments which, particularly between the Governments of China, USSR, the United Kingdom, and the United States, had covered nearly two years. These discussions, in turn, had developed from various and diverse trends and plans within these countries. The nature of these plans and the conditions under which they were formu-

[18] Article IV, 4.
[19] Article IV, 5.
[20] Article VII.
[21] Article I, 2*a*.
[22] Article V, 1, 2.
[23] Article V, 3.
[24] Article VI.
[25] Article VIII.
[26] Article X.

lated determined the principal aspects of the Agreement. The establishment of an international organization to bring aid and relief to stricken nations was, of course, fundamental. Other notable aspects were: (1) the concentration of authority to determine policy in the Council which was to decide matters by a simple majority vote; (2) the small size of the Central Committee, its theoretically restricted authority, and the limitation of the requirement of unanimity to the choice of the Director General and a few other minor matters; (3) the relative insignificance of the regional committees; (4) the strong administrative control granted the Director General; (5) the vagueness of the financial aspects and the definition of the scope of the work to be done; and (6) the high protection assured to national sovereignty. These are of interest because the framers of the Agreement were aware that it might well set a precedent for the organization of other international bodies.

## 2. *THE BACKGROUND*

Though international organizations had existed before, one created specifically to bring aid and relief to peoples and countries devastated by the enemies of the United Nations was obviously born of the war and was designed as a partial answer to some of the inevitable consequences thereof: devastation, famine, pestilence, disease, and—this, perhaps, a modern addition to the age-old effects—the exhaustion of foreign exchange resources in afflicted areas, which would prevent them, on resumption of peace, from importing the needed supplies.

The major public suggestion that the work which was to be UNRRA's should be performed was made by Winston Churchill, although he did not suggest that an international organization should be created for the purpose. On 21 August 1940, in a speech on the war situation to the House of Commons, his uncompromising refusal to allow supplies through the blockade was softened by a suggestion of better things to come:

> Let Hitler bear his responsibilities to the full, and let the people of Europe who groan beneath his yoke aid in every way the coming of the day when that yoke will be broken. Meanwhile we can and we will arrange in advance for the speedy entry of food into any part of the enslaved area, when this part has been wholly cleared of German forces and has genuinely regained its freedom. We shall do our utmost to encourage the building up of reserves of food all over the world, so that there will always be held

up before the peoples of Europe including—I say deliberately—the German and Austrian peoples, the certainty that the shattering of the Nazi power will bring them all immediate food, freedom and peace.[27]

The United Kingdom Government began immediately to prepare for the validation of this pledge. Export surpluses thought to be accumulating in British possessions and Latin America as a result of the 1939 blockades appeared as potential resources. In its appeal to the United States for coöperation in dealing with the surplus problem as a whole the United Kingdom proposed postwar relief measures as a way of utilizing world surpluses. As early as September 1940 it raised questions about arrangements for the storage of existing surplus commodities to provide reserves for the relief of Europe after liberation.[28]

At the same time, a ministerial and an interdepartmental committee, under the chairmanship of Sir Frederick Leith-Ross, Chief Economic Adviser to the Government, were established,[29]

> To mitigate the present embarrassments of oversea producers deprived by the war of many of their normal markets, as well as to prepare in advance for the relief, at the earliest possible moment after their liberation, of the plundered countries whose resources are being so ruthlessly drained for the benefit of the Nazi war machine.[30]

Similar recognition of the inevitable economic consequences of the war and need for postwar relief led to other public and private preparations. Among these the memorandum of agreement regarding the control of the production, export, and stockpiling of wheat [31] negotiated in Washington at the instigation of the United States during 1941 and 1942 was to have a direct connection with the work of UNRRA. Hereby, representatives of Argentina, Australia, Canada, the United Kingdom, and the United States established an International Wheat Council in June 1942 which in addition to many duties was to administer a wheat pool set up for intergovernmental relief in war-stricken countries where the member governments considered such relief prac-

[27] *Great Britain, Parliament, House of Commons, Debates*, CCCLXIV (21 August 1940), 55.

[28] United States Department of State (State) (Hawkins' Papers), memo, 18 September 1940, presented by the Marquess of Lothian (British Ambassador to the United States) to Cordell Hull (United States Secretary of State), 23 September 1940.

[29] State (840.48/4989, 3/4), memo appended to note of 11 July 1941 from Kenneth Bewley (Principal Assistant Secretary, United Kingdom Treasury) to Dean Acheson (United States Assistant Secretary of State).

[30] The *Times* (London), 3 December 1940, p. 5.

[31] *Wheat* (United States Department of State Publication 2140 [Washington, D.C., 1944]).

ticable. For this pool specific contributions in bushels of wheat or their equivalent in flour were required of each producing country, while the United Kingdom undertook to furnish the transportation of relief wheat as its share. The Council was further empowered to arrange for the distribution of relief wheat through such an intergovernmental body as might be set up and given general responsibility for the distribution of relief.[32] Here was the first official international effort to implement freedom from want. It forecast an intergovernmental relief organization and made provision for some resources.

In the meantime, various governments in exile, such as the Netherlands, for example, began to take steps to accumulate supplies for use after liberation. As such action was bound to increase competitive buying, it was a cause of certain apprehension to the United Kingdom and other governments.[33] Partly spurred to action by this situation, the United Kingdom Government convened a meeting of the representatives of fifteen governments fighting Germany, at St. James's Palace on 24 September 1941, for the purpose of establishing machinery to deal with the preliminary questions related to postwar relief in Europe. The United States Government had been consulted in advance regarding the plans [34] and had sent a message of encouragement.[35] Anthony Eden presided and formally presented the following resolution, which had already been communicated to the governments concerned:

> The Governments of the United Kingdom of Great Britain and Northern Ireland, Canada, the Commonwealth of Australia, New Zealand and the Union of South Africa, the Governments of Belgium, Czechoslovakia, Greece, Luxembourg, the Netherlands, Norway, Poland, the Union of Soviet Socialist Republics and Yugoslavia, and the representatives of General de Gaulle, leader of Free Frenchmen, agree:—
>
> (1) That it is their common aim to secure that supplies of food, raw materials and articles of prime necessity should be made available for the post-war needs of the countries liberated from Nazi oppression.
>
> (2) That, while each of the Allied Governments and authorities will be primarily responsible for making provision for the economic needs of its own peoples, their respective plans should be coordinated, in a spirit of inter-allied collaboration, for the successful achievement of the common aim.

[32] *Ibid.*, Article VI, pp. 9–10.
[33] United Kingdom Command 6315, *Report of Proceedings, Inter-Allied Meeting, 24 September 1941*, p. 19.
[34] State (840.48/4988, 1/2), cable, Winant to Secretary of State 2887, 7 July 1941.
[35] United Kingdom Command 6315, *Report of Proceedings, Inter-Allied Meeting, 24 September 1941*, p. 22.

(3) That they welcome the preparatory measures which have already been undertaken for this purpose and express their readiness to collaborate to the fullest extent of their power in pursuing the action required.

(4) That, accordingly, each of the Allied Governments and authorities should prepare estimates of the kinds and amounts of foodstuffs, raw materials and articles of prime necessity required, and indicate the order of priority in which it would desire supplies to be delivered.

(5) That the reprovisioning of Europe will require the most efficient employment after the war of the shipping resources controlled by each Government and of Allied resources as a whole as well as of those belonging to other European countries, and that plans to this end should be worked out as soon as possible between the Allied Governments and authorities, in consultation as and when appropriate with other Governments concerned.

(6) That, as a first step, a bureau should be established by His Majesty's Government in the United Kingdom, with which the Allied Governments and authorities would collaborate in framing estimates of their requirements, and which, after collating and coordinating these estimates, would present proposals to a Committee of Allied representatives under the chairmanship of Sir Frederick Leith-Ross.[36]

The Netherlands Government wanted assurance that this resolution would not preclude action by individual governments to assist their own people. Eden gave such assurance and added: "I wish to make it clear that our idea is that responsibility rests, in the first place, with the individual governments to help their own people. But we shall also do our best to help one another."

The USSR Government alone was unable to accept the resolution in its entirety; it considered that the Bureau, which the resolution envisaged, should itself be built on the basis of equal representation of all the governments concerned. It proposed that detailed plans concerning the scope and form and methods of work of the Bureau should be submitted for preliminary consideration to the Allied Governments so that a final decision could be approved at the next inter-Allied conference, and reserved the right to put forward, at a later date, certain fresh proposals concerning that part of the resolution which covered the constitution of the Bureau.[37]

Pending the recipt of these proposals the Inter-Allied Committee on Post-War Requirements (popularly called the Leith-Ross Committee), to which the USSR Government did not send a representative nor submit estimates, met once. Nevertheless, the Allied Post-War Re-

[36] *Ibid.*, pp. 17–18.

[37] *Ibid.*, pp. 29–31.

quirements Bureau, staffed entirely by British Government officials, and eventually a network of forty-four international committees, subcommittees, and panels were established [38] to prepare estimates of the needs of nine European countries.[39] Their conclusions were ultimately presented to the governments concerned in June 1943.[40]

The USSR proposals [41] were submitted in January 1942 to the governments which had actively participated in the St. James's Palace Conference and, at the suggestion of the United Kingdom Government,[42] to the Government of the United States,[43] which by that time had entered the war and had attached a representative to the Inter-Allied Committee. The principal suggestion was for the establishment of an international organization in place of the British-dominated Post-War Requirements Bureau to deal with some of the problems concerning the economic life of postwar Europe.

Formal answer to these proposals was postponed until the United Kingdom and United States Governments had had an opportunity to study them and to confer.[44] The Allied Post-War Requirements Bureau, in response, made recommendations [45] which the United Kingdom Government, although it did not put them forward officially, considered a workable plan.[46] These were submitted to the United States Government in February 1942.[47]

The two proposals were, in turn, considered by the United States Government, which made known its suggestions in May.[48] It further

[38] Inter-Allied Committee on Post-War Requirements, *Report to Allied Governments* (1943), Appendix I.

[39] Those attending the St. James's Palace Conference, except the USSR and the United Kingdom.

[40] Inter-Allied Committee on Post-War Requirements, *Report to Allied Governments.*

[41] See State, *Handbook, United States Delegation* (First Session of the Council, Atlantic City, N.J., 1943), Section A, Document V, Supplement b.

[42] United Kingdom Allied Post-War Requirements Bureau (W419/17), Aide Mémoire, 8 May 1942.

[43] State (Hawkins' Papers), memo, Acheson to Hull, 23 June 1942; cable, United States Embassy, London, to Secretary of State 327, 22 January 1942.

[44] United Kingdom Foreign Office, E.S. (o) (42), 14, 21; State (Hawkins' Papers), cable, United States Embassy, London, to Secretary of State 1223, 14 March 1942.

[45] State, *Handbook, United States Delegation,* Section A, Document V, Supplement g.

[46] State (UNRRA Docs.), memo, Ray Atherton (Chief, Division of European Affairs, Department of State) to Acheson, 14 March 1942.

[47] State (UNRRA Docs.), Enclosure I to dispatch, United States Embassy, London, to Secretary of State 2954, 26 February 1942.

[48] State (Hawkins' Papers), memo, Acheson to Hull, 23 June 1942; (840.48/52/13), cable, Hull to United States Embassy, London, 1995, 7 May 1942.

proposed that conferences should be held in Washington between representatives of the Chinese, USSR, United Kingdom, and United States Governments to discuss these proposals, after which there should be held a conference of all the interested nations.

Accordingly, Leith-Ross was sent by the United Kingdom Government to Washington in June. Though the terms in which his memorandum of February had been drawn up were wide and provided the basis for an ambitious approach to relief problems, he left London with no plenipotentiary power to negotiate an agreement for the establishment of a relief organization. On the contrary, he was given discretion to deal with the organizational aspects of the problem in whatever manner seemed to him most likely to reconcile the divergent views of the governments concerned, but his powers to commit his government on how the supplies and materials could be made available to the organization and what contribution the United Kingdom Government could make were strictly limited.[49] The United States Government was fully aware of the limitations of his instructions.[50]

As a basis for discussion with Leith-Ross the United States proposals were presented in the form of a United Nations agreement creating a relief administration—a paper written by Harry Hawkins [51] (Chief, Division of Commercial Policy and Agreements, United States Department of State), in line with suggestions by Dean Acheson [52] (Assistant Secretary of State). When amended by Acheson and the Subcommittee on Economic Reconstruction of the Department of State,[53] this was known as the Acheson draft.[54] It also had no official sanction. Conferences under the able direction of Acheson continued into the summer.[55] Although representatives from China and the USSR were not present at these meetings their ambassadors in Washington were kept fully informed regarding the progress of the discussions.[56]

[49] Monograph, R. Miller, "The United Kingdom Approach to UNRRA," p. 24.

[50] State (UNRRA Docs.), memo, conversation, Acheson and R. Opie (British Embassy), 27 June 1942.

[51] State (Hawkins' Papers), memos, Hawkins to Acheson, 8, 9 June 1942.

[52] State (Hawkins' Papers), memo, Acheson to Sumner Welles (Under Secretary of State), enclosing suggestion for draft agreement, 6 June 1942.

[53] State (UNRRA Docs.), Acheson to Secretary of State, 23 June 1943.

[54] State (UNRRA Docs.), Acheson draft of 15 June 1942.

[55] State (Hawkins' Papers), minutes, first four meetings, 2, 3, 7, 10 July 1943. Later minutes are missing.

[56] State (840.50/464), memo, conversation, Soviet Ambassador, Chinese Ambassador, and Acheson, 1 July 1942; (840.50/571), memo, conversation, Chinese Ambassador and

By August the negotiators had adopted a revised text for an agreement establishing a United Nations Relief and Rehabilitation Administration. When amended to include a suggestion of the United States military authorities which became Article VII,[57] this was approved by the United States Secretary of State and by the President as a basis for discussion. The draft [58] was submitted to the Governments of China, USSR, and the United Kingdom. It was decided at that time,[59] however, not to call a wider international conference to consider it, since the war situation hardly seemed favorable (Tobruk had recently fallen; the Germans were still advancing in southern USSR; and the counter-attack against Japan had not yet started).

Further discussions proceeded very slowly. In November, however, the United States Government asked for immediate comments.[60] This soon brought forth further suggestions.[61] Negotiations were resumed in January 1943, this time by representatives of the four Governments meeting with Acheson in the Department of State. By then the war situation had taken an emphatic turn for the better (El Alamein, the landings on North Africa, Stalingrad, and the offensive against the Japanese). Furthermore, the other Allies were growing restless and anxious to push their own relief buying. The renewed discussions were continued until May when the representatives of the Four Powers produced a draft agreement that was, with the President's approval, released to the other forty Allied and associated governments.[62] Criticisms from these countries and from members of the United States Senate

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Acheson, 14 July 1942; (840.50/572), memo, conversation, Soviet Ambassador and Acheson, 14 July 1942; (UNRRA Docs.), letter, Leith-Ross to Acheson, 14 July 1942.

[57] State (UNRRA Docs.), letter, R. P. Patterson (Under Secretary of War), to Acheson, 20 August 1942.

[58] See State, *Handbook, United States Delegation,* Section A, Document V, Supplement e.

[59] State (UNRRA Docs.), memo, "UNRRA Program" (prepared for Secretary's conference with the Vice-President, 4 November 1942).

[60] State (840.50/830 A), cables: Hull to United States Embassy, London 5695, 12 November 1942; (840.50/527 H), Hull to United States Embassy, Chungking, 13 November 1942; (840.50/830 B), Hull to United States Embassy, Kuibyshev, 13 November 1942.

[61] State (840.50/1064), memo, Acheson to Hull, 6 January 1943, enclosing memo, "Points Raised by British, Russian, and Chinese Governments regarding the Draft Agreement for UNRRA."

[62] State (840.50/7039 A), letter, Hull to the President, 7 June 1943; State (840.50/2929 M), cable, Acheson to United States Embassy, London 2779, 5 June 1943; (840.50/2034 B), circular telegram to chiefs of United States missions, 9 June 1943.

during the coming summer [63] led to the revision of 20 September,[64] the third major draft. This was released to the Allied and associated powers 23 September 1943 and to the press the following day.[65] It became the text of the Agreement, which was formally adopted at the meeting held on 9 November 1943.

### 3. *THE AGREEMENT DISCUSSED*

During the months that followed the St. James's Palace Conference three important, separate proposals for the formation of an international relief organization were advanced: the USSR proposals of January 1942; the Allied Post-War Requirements Bureau (the Leith-Ross) proposals of February 1942; and the United States proposals of May 1942. There were likewise three major draft versions of an agreement to establish such an organization: the first draft of August 1942, prepared by the United Kingdom and United States Governments; the second draft of May 1943, prepared by representatives of the Governments of China, USSR, the United Kingdom, and the United States; and the third and final draft (which was officially adopted in November 1943) of September 1943, prepared by representatives of the same four Governments after receiving the views of the other governments concerned.

Necessarily, these proposals and drafts, though containing much in common, differed one from another. Certain matters were constant in all: relief work (not, however, precisely defined and limited) was to be performed in liberated countries; this work was to be performed by an international organization; and the supreme body of this organization was to be a body consisting of one representative of each member state. Certain other matters were not settled, even in the final and accepted version of the Agreement, and were officially left for decision to the first meeting of the Council of the organization: the financial arrangements; and the exact scope of the work to be performed. Still other matters, regarding which different views had been advanced from

[63] State (UNRRA Docs.), negotiations after 9 June presentation, not including Four Powers; (UNRRA Docs.), memos of Four Power discussions in Acheson's office, 21 July, 19 August 1943; (840.50/2482 A, B, and C), cables: State to American ambassadors, Chungking 381, London 3093, Moscow 236, 27 August 1943.

[64] State (UNRRA Docs.), Draft Agreement of 20 September 1943.

[65] State (840.50/2567 A), United States circular telegram to chiefs of missions, 21 September 1943; (840.50/2627, 2624), State Press Releases 394, 395, 23 September 1943.

time to time, were settled in the final draft: the size, authority, and voting procedure of the Central (or Executive, as it was at first called) Committee; and the nature of the organization.

The first recommendation for a strong, policy-making, but small committee appeared in the United States proposals of May 1942,[66] in which it was suggested that there should be an Executive Committee, consisting of representatives of the four big Powers "to provide for the required centralization of responsibility and authority as concerns both the formulation and execution of policy." It was further stated that careful consideration would have to be given, among other subjects, to: the extent to which other countries should be represented on this committee; the principles under which it should function; and the extent of its powers. It was precisely these three topics that involved the greatest discussions between the time the Committee was first suggested and the Agreement was adopted.

During the discussions in the summer of 1942 the United Kingdom Government recommended that the Committee be limited to four members for the sake of efficiency. Though the United States Government was concerned about the reaction of the small powers, it nevertheless accepted this view,[67] which was embodied in the draft of August 1942, where the name "Policy Committee" was used.[68] When negotiations were actively resumed in January 1943, the United Kingdom Government proposed a Policy Committee of seven members, one of which would be Canada,[69] the other two, presumably, a Continental European power and a representative of Latin America. The presence of the Allied Governments in London and the persistent claims of the Canadian Government for membership in the executive group in recognition of its position as a major potential supplier of relief goods [70] had wielded such influence that the United Kingdom then subordinated its concern about efficiency to its desire to secure the wholehearted

[66] State, *Handbook, United States Delegation,* Section A, Document V, Supplement f.

[67] State (Hawkins' Papers), interdepartmental meeting with Leith-Ross, minutes, 3 July 1942.

[68] Article III, 3. See State, *Handbook, United States Delegation,* Section A, Document V, Section e.

[69] State (UNRRA Docs.), official reply from British Embassy, Washington, 21 December 1942.

[70] Canadian Government Documents (Can. Docs.), telegram, Secretary of State for External Affairs, Ottawa, to High Commissioner for Canada, London, 6 June 1942; letter, Canadian Department of External Affairs to Leith-Ross, 3 September 1942.

support of all the United Nations for the relief project.[71] The Soviets and the Chinese, however, continued to adhere to the concept of a Four Power Committee.[72] Upon news of this the Canadian Government presented its views directly to the State Department, declaring that a position proportionate to its expected importance as a source of relief supplies was necessary to convince Parliament to accept the financial burden and other sacrifices in furnishing relief goods.[73] Both the Canadians and the Soviets, though for different reasons, stressed the danger of establishing a precedent in the executive body of the relief organization which should not be adopted by other international bodies likely to be set up under the aegis of the United Nations. The Canadian Government wished to avoid a world directed by the Four Powers.[74] The Soviet Government argued that the obvious difficulties of selecting one minor European government for membership on the relief Executive would be negligible in comparison with the problems to be encountered if seven powers had to be chosen in succeeding international organizations to deal with more controversial matters. These differences were compromised; [75] in the second draft (May 1943) the membership of the Committee, now called "Central," was left at four, but it was added that the chairman of a newly proposed Committee on Supplies would attend those meetings at which policies affecting the provision of supplies were discussed; [76] and there was the definite understanding that this position would be held by a representative of the Canadian Government.[77] In the summer of 1943 other countries objected to the exclusive membership but did not push their objections

[71] State (UNRRA Docs.), official reply from British Embassy, Washington, 21 December 1942.

[72] State (UNRRA Docs.), memo from Soviet Embassy, 16 February 1943; memo, Four Power meeting, State Department, 17 February 1943.

[73] Can. Docs., "Departmental Memorandum concerning the Composition of the Policy Committee of UNRRA," 18 January 1943; teletypes: Secretary of State for External Affairs, Ottawa, to the Canadian Minister to the United States, 30 January 1942, 8 February 1943 giving text of memo to be submitted to Cordell Hull; State (UNRRA Docs.), conversation between Acheson and Lester B. Pearson (Minister Counselor, Canadian Legation, Washington), 26 January 1943.

[74] Can. Docs., "Departmental Memorandum concerning the Composition of the Policy Committee of UNRRA," 18 January 1943.

[75] State (UNRRA Docs.), memos, Four Power meetings at State Department, 11 January, 17 February 1943.

[76] Article III, 3.

[77] Can. Docs., letter, Secretary of State for External Affairs to Canadian Minister in the United States, 9 March 1943; letter, Canadian Minister to the United States to the Assistant Secretary of State of the United Staes, 8 April 1943.

when others of their suggestions, involving decreases in the powers of the Central Committee, were accepted.[78]

In its proposals of January 1942 the USSR Government had suggested that all decisions of the Inter-Allied Committee (the body more or less corresponding to the Council of the drafts) should be taken by the unanimous vote of all the representatives participating in the proceedings.[79] This suggestion of unanimity, not contained in the first draft, was renewed during the January–May 1943 discussions in relation to the Central Committee. The compromise of Acheson, that decision would be by majority vote except in specific instances defined in the Agreement, was accepted [80] and incorporated in the second draft. Four such instances were specified,[81] and one was watered down in the final draft.[82] The only significant instance was the choice of the Director General.

The first and second drafts assigned considerable powers to the Central Committee, the most important being contained in the provision that "between sessions of the Council it shall exercise all the powers and functions thereof." [83] To these powers, coupled with the limited size of the Committee, other nations objected during the summer of 1943.[84] Changes were made to meet their views: (1) new members were to be admitted by the Council and by the Committee if it were authorized to do so by the Council (instead of by Council and Committee); [85] (2) members of committees were to be appointed by the Council, and by the Central Committee if authorized by the Council, on an emergency basis until the next Council session (instead of by the Committee, subject to ratification by the Council); [86] (3) emergency sessions of the Council could be called by the Committee or at the request of one

[78] State (UNRRA Docs.), Chart of Replies from United Nations to Draft Agreement of 15 May 1943, released 7 June 1943.

[79] See State, *Handbook, United States Delegation*, Section A, Document V, Supplement b.

[80] State (UNRRA Docs.), official memo from USSR Embassy, 29 December 1942; memo, State Department meeting, 6 January 1943.

[81] Article I, 2*c;* Article IV, 1 (two incidents); Article VIII (Article VIII, *b,* of final draft).

[82] Article VIII, *b;* compare with Article VIII, 15 May draft. See State, *Handbook, United States Delegation*, Section A, Document V, Supplement i.

[83] Article III, 3 (both drafts).

[84] State, *Handbook, United States Delegation*, Section A, Document V, Supplements i, j, and k; State (UNRRA Docs.), replies from United Nations to Draft Agreement, July–September 1943.

[85] Article II.

[86] Article III, 5, 6.

third of the Council members (instead of by the Committee or at the request of a majority of the members);[87] (4) certain amendments (those affecting Articles III and IV) were to be made only on a two-thirds vote of the Council including all the votes of the members of the Committee (instead of all amendments depending on the unanimous vote of the members of the Committee).[88] The most important change, however, was the elimination of the statement that the Committee, between Council sessions, would exercise all the powers of the Council and the substitution of the provision that between sessions it could take decisions of an emergency nature which should be communicated promptly to the member governments and which would be subject to discussion at the next Council session.[89]

Concepts regarding the nature of the organization developed steadily from the time of the USSR proposals of January 1942. There it was suggested that there should be: an Inter-Allied Committee (corresponding to the Council of the Agreement); a small bureau or secretariat, of four or five persons, to handle day-to-day business; and two special commissions of experts to advise the Committee. The Committee was to determine the requirements of liberated territories, allocate supplies to them, and suggest ways to facilitate the procurement of supplies, but it was not to procure nor distribute supplies. It was not, therefore, to be an operating organization.[90]

The Leith-Ross proposals of February 1942 introduced the concept of an operating organization. He proposed the establishment of a Council, and an Executive consisting of a Director General (to be a citizen of the United States, which view was thereafter accepted without further discussion) and six Directors heading subsidiary agencies. Among these were to be: a Financial Committee to investigate the financial needs of countries, to investigate methods of assisting destitute countries, and to develop a relief fund to assist such countries; and a Relief Service Agency to use the relief fund to acquire necessary supplies, to have field missions to aid in distribution, and to allocate inland transport facilities (that is, to perform a task similar to that which was, in fact, later handled by the European Central Inland Transport Organiza-

[87] Article III, 2.
[88] Article VIII, *b* (final draft), Article VIII (second draft).
[89] Article III, 3.
[90] See State, *Handbook, United States Delegation,* Section A, Document V, Supplement b.

tion).[91] Here the possibility (a vital factor in UNRRA operations) of free distribution to destitute countries (those without foreign exchange resources) was clearly introduced as well as the establishment of an operating organization.

The United States proposal of May 1942 suggested the establishment of a Council, an Executive Committee, technical advisory subcommittees, and a Director General heading a Bureau which was to correspond to Leith-Ross's Executive.[92]

The first draft agreement of August 1942 [93] closely followed this proposal; there were to be: a Council, a Policy Committee, regional committees "to advise," and other technical committees; and a Director General, who would have authority to appoint his own staff and to carry out the relief operations and functions inherent in the powers to be vested in the Administration, such as the power "to acquire, hold and convey property." Here was provided an operating and strongly centralized organization. The important additions to the United States proposals were the regional and technical committees, which, to be sure, had been foreshadowed in the Leith-Ross and USSR proposals respectively. The former were included to satisfy Leith-Ross's inclinations toward a regional organization but limited to advisory activities to accord with the United States preference for a centralized organization.[94] In January 1943 the USSR and the United Kingdom Governments suggested that the committees' powers might be more than advisory, but they quickly accepted the United States view that that limitation be retained.[95]

No changes of substance, in respect of the nature of the organization, were made either in the second or in the final draft. One sentence was, however, added in the second and retained in the final draft which, nearly meaningless in itself, yet reflected important discussions on the authority of the Director General. After the statement that he was to select his own staff, another was added, in no way limiting this power, mentioning deputy directors general to whom might be assigned special functions within a region.[96] In February 1943 the United Kingdom

[91] See *ibid.*, Supplement g.
[92] See *ibid.*, Supplement f.
[93] See *ibid.*, Supplement e.
[94] State (Hawkins' Papers), interdepartmental meeting, minutes, 2 July 1942.
[95] State (UNRRA Docs.), memo, replies of Chinese, USSR, and United Kingdom Governments, 6 January 1943; memo, Four Power discussion, Acheson's office, 11 January 1943.
[96] Article IV, 4.

had proposed that the selection of regional deputy directors general should be subject to the approval of the Central Committee. The USSR Government then requested that there be two such regional officials in Europe, one specifically representing the USSR Government and the other the United Kingdom Government. The United States Government, however, held to the view, which the others accepted, that the Director General's authority should not be so derogated.[97] To meet this request of the USSR Government and a similar one from the Chinese Government,[98] the four consulting powers reached the following understanding:

It was agreed that because of the interest and responsibility of the Governments represented on the Central Committee in the work of the Administration, it would be natural and desirable that in appointment of Deputy Directors General nationals of these countries would be included in their number. When Deputies are assigned responsibilities and duties in connection with the Administration's work in the European region and in the Far East, it is anticipated that among their number would be included those who are nationals of those countries represented on the Central Committee which lie within those respective regions. Other Deputies might be similarly engaged or might work on matters of a more general nature. While recognizing that all such appointments and assignments are the functions of the Director General, the powers engaged in these discussions were agreed in recommending to him such arrangements and in using their best efforts in helping to establish them.[99]

Though there never was any suggestion that the proposed organization should be able to override national sovereign powers, to meet USSR fears [100] on this point a sentence was added in the second draft (and thereafter retained) to the article authorizing the Administration to administer the provision of relief supplies and services and to facilitate the production and transport of such supplies in countries receiving aid, making assurance doubly certain by stating that such functions

[97] State (UNRRA Docs.), letter, Roy Veatch (Office of Foreign Relief and Rehabilitation Operations [OFRRO]) to Acheson, 16 February 1943, transmitting suggestions of F. F. Thorold (First Secretary of British Embassy), 2 February 1943; letter, Maxim Litvinov (USSR Ambassador to the United States) to Acheson, 18 March 1943; memos, Four Power discussions, Acheson's office, 17 February, 24 March 1943.

[98] State (UNRRA Docs.), letter, Wei-Tao-Ming (Chinese Ambassador to the United States) to Acheson, 23 April 1943.

[99] State (UNRRA Docs.), memo, Four Power discussion, Acheson's office, 4 May 1943.

[100] State (UNRRA Docs.), memos from USSR Embassy, 29 December 1942, 16 February 1943; memos, Four Power discussions, Acheson's office, 11 January, 17 February 1943.

were to be performed only "after consultation with and with the consent of the member government." [101]

### 4. *OTHER ORGANIZATIONS*

The Agreement to establish UNRRA was thus developed, but much had obviously to be determined by the Council of the new organization. After Leith-Ross's attempts, all reference to financing the proposed operations had been excluded from the proposals and drafts. The limitations of scope had likewise not been clearly defined. Before these questions had been settled, there had been three other developments which were to affect the work of the new international organization.

In July 1942 the United Kingdom Government formed the Middle East Relief and Refugee Administration as successor to various separate offices. This organization thenceforth undertook to provide aid for refugees in the Middle East (principally Poles, Greeks, and Yugoslavs). This was the first operation, on a substantial scale, in the field of displaced persons [102] which was later to be of considerable concern to the member governments of UNRRA and was to involve the time and energy of many UNRRA employees. The particular organization was itself merged in UNRRA in the spring of 1944.[103]

A still more important development took place on 18 November 1942 when President Roosevelt delegated to the Secretary of State the responsibility for developing United States policies toward the peoples of the territories occupied by the armed forces of the United Nations.[104] Three days later he appointed Herbert H. Lehman, then Governor of New York, Director of the Office of Foreign Relief and Rehabilitation Operations (OFRRO) to "undertake the work of organizing American participation in the activities of the United Nations in furnishing relief and other assistance to victims of war in areas reoccupied by the forces of the United Nations." [105] Thenceforth it was accepted that he would be the American who it had been generally agreed should head the coming international administration.

[101] Article I, 2*a*.
[102] Monograph, Elizabeth K. Simeon, "The Origins of the Balkan Mission," I, Part 1, 70–72; see *infra*, Part Five, Chapter I.
[103] See Part Five, Chapter I.
[104] State (OFRRO Docs.), letter, Roosevelt to Hull, 18 November 1942.
[105] Department of State Bulletin, 21 November 1942, p. 948.

Although Lehman's office was set up within the Department of State almost immediately,[106] its functions were not defined until March 1943.[107] Even then its exact powers in relation to other agencies and departments were not clear. In September 1943 it was merged with the Office of Lend-Lease Administration and the Office of Economic Warfare (formerly the Board of Economic Warfare) to form the Foreign Economic Administration (FEA).[108] The former OFRRO personnel of the new administration, however, maintained, for practical purposes, separate identity, and after the formation of UNRRA many of them joined the new international organization. Governor Lehman was at the time appointed Special Assistant to the President for the purpose of perfecting the plans for the meeting of representatives of the United Nations already scheduled for 9 November 1943.[109]

The direction of the negotiations leading to the formation of the UNRRA Agreement remained under the control of the Department of State and of Dean Acheson. Governor Lehman and his OFRRO staff kept in close touch with the progress of the negotiations and with other United States agencies interested in the international relief program. Meanwhile, in addition to conducting some field operations in North Africa,[110] OFRRO devoted itself to the study of relief requirements in the occupied countries, the development of procedures for the procurement and handling of supplies,[111] and to plans and policies for the international organization to be.[112] At the invitation of the United Kingdom,[113] Governor Lehman and his Special Assistant, Hugh R. Jackson, went to London in April 1943. There his conversations with Allied civilian and military authorities, including representatives of the Chinese and Soviet Governments, helped in the development of

[106] State (OFRRO Docs.), letter, Roosevelt to Secretary of the Treasury, 3 December 1942.

[107] State (OFRRO Docs.), letter, Roosevelt to Lehman, 19 March 1943.

[108] Executive Order of the President 9380, 25 September 1943.

[109] State (OFRRO Docs.), White House Press Release, 25 September 1943.

[110] State (OFRRO Docs.), E. R. Fryer (OFRRO), "Report of Tunisian Operations, 20 May–1 July 1943"; (OFRRO Docs.), Department of State Press Release 267, 21 June 1943.

[111] State (OFRRO Docs.), "Area Commodity Programs"; "Status of the Supply Programs of the Supply and Transport Division of OFRRO for the Year 1943"; OFRRO Bulletin 1, 15 June 1943.

[112] State (UNRRA Docs.), conferences on UNRRA Preparations, minutes, 25, 26 June 1943; (UNRRA Docs.), memo, Veatch to Lehman and Francis B. Sayre (Deputy Director of OFRRO), 15 May 1943.

[113] State (UNRRA Docs.), letter, the Earl of Halifax (British Ambassador to the United States) to the President, 19 February 1943.

mutual understanding of the preparations for the postwar relief program on both sides of the Atlantic.[114]

OFRRO's work culminated in the preparation, by twenty-four committees made up of former members of the OFRRO staff now attached to FEA and of consultants, of a collection of documents dealing with such subjects as the Agreement, the organization of the Council and its committees, the permanent rules of the Council, the personnel policies of the Administration, the scope of its activities, its relations with governments, procedures for ascertaining the needs of countries, policies with respect to health and medical care, welfare services, displaced persons, distribution—indeed, with practically all the actual problems that were to confront UNRRA.[115] Much of this vast body of material was collected under the title *Handbook, United States Delegation.* This compilation, though not in fact adopted as the official guide of the United States Delegation, nevertheless exercised a major influence on the work of the Council in its First Session and subsequent developments within UNRRA, if not directly, at least by virtue of the fact that many of the individuals who worked on its preparation also had key positions on the various committees of the First Session and later in the Administration.

While the plans for UNRRA were being developed, the problem of relief for civilians upon liberation was being considered by various military authorities, who necessarily considered such relief an important adjunct to military operations, particularly in those liberated areas which they anticipated would have to be used as bases for further prosecution of the war against the enemy. As early as July 1942 the United Kingdom War Office established a committee to consider "in conjunction with the force commanders concerned and with other government departments at the appropriate stages, the steps necessary on military grounds to insure efficient civil administration of military territory liberated in Europe as a result of operations by forces of the United Nations." [116] The United States War Department established a Civil Affairs Division in March 1943. The Combined Chiefs of Staff (CCS) established a Combined Civil Affairs Committee in July 1943. In the United Kingdom it was accepted, certainly before 1943, that

[114] Lehman and H. R. Jackson, "Journal of Mission to London," 8–23 April 1943.

[115] State (UNRRA Docs.), working papers of the twenty-four committees; memo, "UNRRA Preparations, Committee and Staff Assignments," 7 October 1943.

[116] State, Committee on Administration of Territories (Europe) (42) 1.

initial relief supply activities in liberated areas would be handled by the military authorities. On 10 November 1943 the President informed the Secretary of War that the Army was to assume the initial responsibility for shipping and distributing relief supplies.[117] The period during which it was to exercise this responsibility was not precisely defined but was generally assumed to be six months.[118]

When the UNRRA Council held its First Session, it was known that, at least in the areas in which Anglo-American forces were operating, active UNRRA operations would not commence for some months after liberation and that, in order to assure continuity of policy in respect to supply operations, there would be need for close collaboration with the military authorities.

### 5. *THE FIRST COUNCIL SESSION*

This First Session was held at Atlantic City, New Jersey, from 10 November to 1 December 1943, immediately after the signing of the Agreement. As host Government the United States had provided a staff of technical advisers and assistants responsible to Governor Lehman and a secretariat to service the Session.[119] It had prepared a draft agenda, a set of temporary rules of procedure, and suggestions for temporary *ad hoc* committees on which each government would be represented.[120] And in accordance with the "Temporary Rules" [121] the President had appointed a temporary chairman, Dean Acheson, to preside at the opening meeting and until the Council elected its own chairman.

The UNRRA Council was the first public meeting [122] of representatives of the United Nations and as such excited considerable interest. From the time of the Allied military successes in North Africa the United States Government had given wide publicity to its interest in postwar relief. The President himself had taken the lead, reaffirming

[117] State (OFRRO Docs.), letter, Roosevelt to Secretary of War, 10 November 1943.

[118] Henry L. Stimson and McGeorge Bundy, *On Active Service in Peace and War* (New York, 1948), p. 560.

[119] State (UNRRA Docs.), conference in Sayre's office, 25 September 1943.

[120] State (840.50/3120 B), letter, Acting Secretary of State to delegates, 4 November 1943, enclosing draft agenda and Temporary Rules of Procedure.

[121] *Journal*, First Council, p. 14, Temporary Rules of Procedure, Article I.

[122] The United Nations Conference on Food and Agriculture, Hot Springs, Va., May 1943, was closed to the press and public.

the promises made by Churchill.[123] Lehman's appointment as Director of OFRRO was broadcast throughout the world.[124] Radio announcements and millions of pamphlets dropped from aircraft over occupied countries carried this news with the forecast that the job would later be undertaken jointly by the United Nations.[125] Lehman and his staff had put before the American people the goals and realities of the coming relief program. The nonpolitical nature of the operation, the doctrine of helping people to help themselves, the world-embracing approach of UNRRA, the need for public sacrifice—all had been foretold.[126] The last two drafts of the Agreement were widely publicized,[127] plans for the coming Council announced in detail,[128] and accounts of the White House ceremony followed by reports of the assembled Council had carried hope for better conditions both to oppressed and free peoples throughout the world.[129]

This First Session was an impressive assembly. Many present either as part of a national delegation or as part of the secretariat were, or were to become, well known on the international scene. Among the Council members were L. B. Pearson, Canada; T. F. Tsiang, China; Jean Monnet, French Committee of National Liberation; Kyriakos Varvaressos, Greece; Sir Girja Shankar Bajpai, India; P. A. Kerstens, the Netherlands; Walter Nash, New Zealand; Anders Frihagen, Norway; V. A. Sergeev, USSR; John J. Llewellin, United Kingdom; and Dean Acheson, United States, one of the two fathers of UNRRA and

[123] White House Press Release, 13 November 1942.

[124] State, Office of War Information (OWI) Central Directive, 4–11 December 1942.

[125] For example, National Archives, OWI overseas broadcasts, WBOS script for Finland, 21 November 1942; Library of Congress, *L'Amerique en guerre*, 21 November 1942.

[126] State (OFRRO Docs.), for example, Lehman's speech, Waldorf Astoria Hotel, New York, 9 January 1943; L. Gulick's speech before Friends' Peace Committee, 29 March 1943; Lehman's address at Swarthmore College commencement, 31 May 1943; Lehman, "Agriculture's Post-War Job," *Country Gentleman*, CXIII, No. 6 (June 1943), 9, 49, 51.

[127] Department of State Press Release 214, 10 June 1943; National Archives, OWI overseas broadcasts—script, OWI to British Broadcasting Corporation, England, 11 June 1943; to Finland, 11 June 1943; in German, 11 June 1943; State, OWI Central Directives, 9–15 July, 16–23 July 1943; State (OFRRO Docs.), Department of State Press Releases 394, 395, 23 September 1943.

[128] Department of State Press Release 465, October 1943.

[129] National Archives, OWI overseas broadcasts, Script W (for Europe), 11 November 1943; Library of Congress, Air Warfare pamphlets for Belgium and France, *L'Amerique en guerre*, 10, 17 November 1943, *Sternebanner* (air pamplet for German people), 15 November 1943.

the elected chairman of the Session. Among the alternates and advisers were J. B. Brigden, Australia; Viscount Alain DuParc, Belgium; Aake Ording, Norway; A. T. Brennan, Union of South Africa; Sir Frederick Leith-Ross, the other father of UNRRA, Sir George Rendel, Oliver Franks, all of the United Kingdom; Francis B. Sayre and Thomas Parran, United States. The Secretariat included Philip C. Jessup, Abraham H. Feller, Luther Gulick, Huntington Gilchrist, and George L. Warren.[130]

Though the immediate task was the establishment of the broad policies which were to guide the Administration in its practical tasks, those present earnestly hoped and indeed believed that they were also launching something very much bigger and more important: United Nations coöperation in the widest sense. This feeling shone out in many statements. At the opening meeting Varvaressos said:

> The United Nations are convinced that the agreement for the establishment of the UNRRA, officially signed yesterday, and the opening of the First Session of its Council, which is taking place today, mark the beginning of a close and sincere cooperation between nations in the difficult task of facing and solving the post-war problems. This cooperation will lay the foundation for the organization of a post-war world based on freedom, independence, and mutual respect between nations . . .[131]

Cordell Hull sent a message to the Council stating:

> At Moscow [where he had just been attending the meeting of foreign ministers] we agreed upon a broad basic program of international cooperation, based on the principle of the sovereign equality of all peace-loving states and open to membership of all such states, large and small, for the hastening of victory, the preservation of peace and the promotion of human welfare. It is gratifying to find, on my return, the Council of the United Nations Relief and Rehabilitation Administration already engaged in turning that program . . . into warm and heartening reality . . .[132]

Tsiang, China, commented:

> In speaking of UNRRA, some people have stressed the humanitarian aspect, which is of course obvious and praiseworthy. Others have emphasized the political wisdom underlying UNRRA; this is also true. Still others have seen in UNRRA a valuable military aid; nobody can deny this. A fourth group of persons think UNRRA will help to keep the world economically sound and to hasten the day of business prosperity; this is un-

[130] *Journal*, First Council, pp. 199–207.
[131] *Ibid.*, p. 8.
[132] *Ibid.*, p. 19.

doubtedly true. These four views are each in their way correct, but only by putting all four together do we get the whole truth.[133]

Frihagen, Norway, said:

My Government endeavored to buy, by our own means, the supplies for the first emergency period. We have, however, accepted the great need of a new and more far-reaching kind of international collaboration. We have restricted our free purchases, and we have bowed to the common discipline of the United Nations. However, we have done this with the understanding that this discipline will be based on truly democratic principles and will have some tangible, practical effects in achieving common ends.[134]

Sergeev, USSR, said:

I wish to express my hope that the mutual understanding and the spirit of collaboration which prevailed during this session will be an indication how the United Nations will work together when our job of relief and rehabilitation actually starts.[135]

Kerstens, the Netherlands, said:

Gentlemen, I believe that we have really passed an examination of the highest importance. President Roosevelt in his address to us on the 9th of November stressed the great truth so simple in its wording, but so deep and wise in its meaning, that nations who want to collaborate will have to learn by collaborating. Indeed, international cooperation, such as introduced by UNRRA, must be learned. I think we have all learned something valuable. We have all learned that we cannot have all things our own way. But we have also learned that by giving and taking we can reach unanimous decisions which are valuable for all of us. Once more in the history of human civilization, it has been proved that reason is more than instinct.[136]

Even Acheson, with his background of experience in the difficulties encountered in launching such an enterprise, and with his attention centered largely on the accomplishment of the immediate tasks, said:

If it is possible to state briefly the role of this organization in that great undertaking, it is to do those things which would not be done without it, and to leave to others what they are doing and can do. The organization of supply can and must be done by the agencies which control supply. Distribution can and should be done by those responsible in the respective countries. But this organization can mobilize and present the needs, passing upon them in the light of equitable and just standards determined here by

[133] *Ibid.*, p. 21. [134] *Ibid.*, p. 36. [135] *Ibid.*, p. 174.
[136] *Ibid.*, p. 176.

agreement. It can finance purchases which cannot otherwise be made and which must be made. It can organize the care of the millions of the homeless and the exiles.

It is a great task, one worthy of a great organization. It cannot be done by any single nation or small group. The United Nations are none too strong for it, for it will require unity and resources and will. This meeting is a guarantee that those requisites exist.[137]

The Session was, however, by no means devoted merely to expressions of hope for the future. Much practical work was accomplished by the four principal committees, which dealt with organization and administration; general policy; finance and supplies; and relief and rehabilitation policies, and by the subcommittees which were established to consider particular aspects of the subjects handled by the main committees. The work of all was coördinated by a Committee on *Ad Hoc* Committees. Delegates from every nation sat on these committees, and the chairmanships were widely distributed among both small and large countries.[138] The committees worked so efficiently that Acheson later testified to the remarkable beginnings in international coöperation which the First Council achieved.[139] Llewellin, United Kingdom, summed up their accomplishments:

What are the main things that we have decided? First, we have recommended to those who have financial authority in our different countries a financial plan—a plan which is fair to all; a plan which sets a target at which we all must aim; a plan which, if governments are able to accept it, will ensure that the Administration has the wherewithal to do its work.

Secondly, we have unanimously decided that war needs come first, and that it would be wrong to do anything to impede the quickest liberation of all countries overrun by the Axis.

Thirdly, we have decided, also without question, that existing supply and allocating agencies are to be used—not only for purchasing goods, foods, and raw materials paid for by the Administration funds, but also for similar articles paid for by occupied countries which are fortunate to have funds of their own.

Fourthly, we have decided that whether countries can pay or whether they cannot, the distribution of food and materials that are in short supply will be fair to and between all occupied areas . . .

We have appointed as our Director General a man of vigor and of great experience. In handing over to him the result of our deliberations we wish him well in this great crusade—a crusade to bring food to the hungry,

[137] *Ibid.*, pp. 7–8.

[138] *Ibid.*, pp. 24, 38.

[139] United States Congress, 78th, 1 and 2 Sessions, House Committee on Foreign Affairs, *Hearings on H. J. Res. 192* (Washington, D.C., 1944), pp. 10–11.

shelter to the homeless, clothing to those who are in rags; a crusade against the spread of epidemics, which so often follow the surge of war, and to help the return to their homes of the many millions who are prisoners or who are now being treated as slaves.[140]

The fruits of this work were expressed in forty-one resolutions, which established certain major principles:

(1) The Administration was to help people to help themselves.[141]

(2) The Administration was not to deplete its resources for relief of any area the government of which was in a position to pay with suitable means of foreign exchange.[142]

(3) A government was not to be required to assume the burden of an enduring foreign exchange debt for the procurement of relief and rehabilitation supplies and services.[143]

(4) Distribution was to be so conducted that all classes of the population, irrespective of their purchasing power, should receive their equitable shares of essential commodities, and that no discrimination should be made because of race, creed, or political belief; thus relief supplies should at no time be used as a political weapon.[144]

Perhaps most important of all, the First Council also defined the scope of UNRRA.[145] This definition covered four significant aspects of the work: areas in which operations were to be conducted; types of work to be performed; relations with existing allocating authorities (the Combined Boards); and relations with national and military authorities.

The Administration was to conduct operations in liberated areas (that is, in territories of the United Nations) and not in enemy territories, unless specifically authorized to do so by the Council.[146]

The Administration was to provide: relief supplies (essential consumer goods to meet immediate needs, such as food, clothing, and medical supplies); relief services (such as health and welfare); rehabilitation supplies (materials needed to enable a recipient country to produce and transport relief supplies and to restore public utilities, to

[140] *Journal*, First Council, pp. 175–176.

[141] Resolution 9, paragraph 8.

[142] Resolution 14, Section 16.

[143] Resolution 14, Section 18.

[144] Resolution 2, paragraph 1; Resolution 7, paragraphs 1, 3; see *infra*, Part Four, Chapter III.

[145] Resolution 1; for further elaboration, Resolution 8, see *infra*, Part Four, Chapter II, Section 2; Resolution 10, see Part Seven, Chapter I, Section 2; Resolution 11, see Part Three, Chapter I, Section 6; Resolution 12, see Part Three, Chapter I, Section 7; and Resolution 13, see Part Three, Chapter I, Section 7.

[146] Resolution 1, I.

the extent necessary to meet immediate needs); and rehabilitation services (such technical services as might be needed to assure the best use of rehabilitation supplies).[147] The Administration, therefore, was not to engage in long-range reconstruction operations; it was to be a temporary organization devoted to relief and related operations.

The activities of the Administration were not to impede the effective prosecution of the war. To ensure this and to promote fair distribution between areas with which the Administration would be concerned (that is, only those countries which would receive UNRRA supplies and not the countries which would buy their supplies nor those which would contribute supplies) and other areas, the demands of the Administration for supplies and shipping were to be coördinated with other demands "through the use of the existing intergovernmental agencies concerned with the allocation of supplies and shipping" [148] (that is, through the largely Anglo-American Combined Boards). By this provision the dominant influence of the large supplying nations—United States, United Kingdom, Canada—was assured, as indeed it was bound to be even without such official recognition. To soften this restriction somewhat, member governments were asked to keep the Director General fully informed of their requirements and programs of intended purchase, and it was anticipated that the Director General would be fully consulted by the intergovernmental allocating agencies when any matter touching the interests of the Administration was under discussion.[149] So far as relations with national and military authorities were concerned, the Council merely endorsed and emphasized what the Agreement had provided: operations could be undertaken in an area only after consultation with the appropriate authorities and only with their consent.[150]

Though the scope of the operations of UNRRA was officially so defined by the Council, the definition had, for all practical purposes, been determined in advance during the long period of negotiations that led to the Agreement. The Soviet proposal, which had not even suggested an operating organization, had restricted the area of operation to Europe.[151] The Leith-Ross proposal somewhat tentatively brought in Asia and had suggested a relatively wide scope.[152] His

[147] Resolution 1, II.
[148] Resolution 1, III, paragraph 1.
[149] Resolution 1, III, paragraph 2.
[150] Resolution 1, IV.
[151] See State, *Handbook, United States Delegation*, Section A, Document V, Supplement b.
[152] See *ibid.*, Supplement g.

UNRRA, for example, would have performed the work later done by the Combined Boards and would have been a sort of supreme Allied Economic Council as well as an operating agency. It would have been a powerful organization with wide ramifications and considerable influence. The United States proposal insisted on a world-wide operation but was very cautious on the inclusion of what were to be the functions of the Combined Boards.[153]

In the summer of 1942 both the United States and the United Kingdom made it clear that they wished to avoid all responsibility for long-range reconstruction in the relief organization.[154] They therefore adopted the term "rehabilitation" in the draft Agreement and decided that it should cover only the transitional measures needed to restart industrial and agricultural activities and essential services.[155]

Though the Leith-Ross suggestion, restated and amplified in 1943,[156] found support in some quarters in both the United Kingdom and the United States Governments, neither it nor a modification of it, which would at least have provided that the international agency should be the sole source of supply for liberated areas,[157] was acceptable to the United States and United Kingdom officials made responsible for defining both the scope and financial plan of UNRRA in the early fall of 1943. The opposite view put forward by the United Kingdom supply ministries during the preceding summer proposed to limit UNRRA's work to screening free gifts of essential supplies and supervising their distribution in liberated territories, which could not otherwise acquire them.[158] This was also discarded.

Richard Law, Parliamentary Under Secretary of State, Foreign Office, John Maynard Keynes, and some members of the British Em-

[153] See *ibid.*, Supplement f.

[154] State (Hawkins' Papers), interdepartmental meeting, minutes, 10 July 1942.

[155] State (UNRRA Docs.), Subcommittee on Economic Reconstruction, minutes of meetings, 12, 15 June 1942; letter, Leith-Ross to Acheson, 28 July 1942.

[156] State (UNRRA Docs.), note prepared by Relief Department and circulated by Leith-Ross, August 1943.

[157] Note, conversation, Winfield Riefler (Special Assistant to Ambassador Winant) with E. G. Staley (OFRRO), 27 April 1943, reported in Staley's "Study on Combined Boards," Part III; Lehman's statement to United States Government agencies, "Policy and Method of Operation of OFRRO," 8 May 1943; State (UNRRA Docs.), J. K. Galbraith (Office of Price Administration), James G. Johnson, and David Weintraub (OFRRO), "Scope of UNRRA," September 1943; draft memo, Staley, "The Scope of UNRRA," 16 September 1943; H. Jackson, "Diary of First Council."

[158] State (UNRRA Docs.), Ministries of Production, Supply and Food, "Joint Note on Scope," 12 August 1943.

bassy staff reached the following agreement with Acheson and other United States representatives in Washington in October 1943 regarding the scope of UNRRA's work. It should be a temporary operation restricted to providing relief and rehabilitation supplies and services, under the aegis of the already existing allocating agencies, to nations not possessing sufficient foreign exchange resources to finance imports; observing the local distribution of these supplies and services; and attempting to secure a fair allotment of such goods and services before the Combined Boards in relation to quantities available and the just claims of competitor wealthy nations.[159]

There was not much serious objection to this Anglo-American definition of scope on the part of the other member governments. Those that expected to pay for their relief supplies may not have liked the Combined Boards, but they preferred to take their chances with them rather than with an international organization that might try to work toward absolute equality of standards of living without consideration of long-standing and existing differences. On the other hand, the countries which expected and needed to receive supplies were far more concerned with getting the supplies than with the mechanics of allocation.[160]

The Council, at its First Session, completed the structure that had been partially created in the Agreement. It marked the active start of the first United Nations organization and the first large operating international agency. As the Director General at the close of the Session, when the resolutions had been formally handed to him, said:

> In my judgment, the work accomplished here is evidence of statesmanship of the highest order. You have established a set of policies which add flesh to the skeleton Agreement with which we started three weeks ago. You have given assurance to the peoples of all the world that the United Nations do mean business in meeting the human problems of the enslaved peoples as well as in carrying the war to a victorious conclusion. You have established a set of principles which, I believe, constitute a sound basis of working arrangements to carry out the executive tasks which must now be pursued by the Director General.[161]

[159] United Kingdom memo, "Scope and Operations of UNRRA," 5 October 1943; State (840.50/3252), Edward R. Stettinius (Under Secretary of State) to the President, 20 October 1943, enclosing memo, "Representative of Thinking on Scope of UNRRA."

[160] Committee II, Subcommittee 1, Secretary's notes; *Journal*, First Council, minutes, plenary sessions and Committee II.

[161] *Journal*, First Council, p. 177.

# II. The Council

## 1. *FORM AND METHODS*

THE COUNCIL, which consisted of one representative of each member government and authority, was the policy-making body of UNRRA. It was to be convened in regular session not less than twice a year by the Central Committee and could be convened in special session whenever the Central Committee deemed necessary or at the request of one third of the members.[1] By its own decision, however, the requirement for two sessions was waived in 1944 [2] and 1945.[3]

It met, in fact, on six occasions: First Session, Atlantic City, N.J., 10 November–1 December 1943; Second Session, Montreal, Canada, 15–27 September 1944; Third Session, London, England, 7–25 August 1945; Fourth Session, Atlantic City, 15–30 March 1946, and Washington, D.C., 9 May 1946; Fifth Session, Geneva, Switzerland, 5–17 August, 1946; Sixth Session, Washington, D.C., 10–14 December 1946.

The Council was to determine its own rules of procedure [4] and did so at its First Session.[5] To the Director General was entrusted the preparation of the provisional agenda for each session, which were to include: "(*a*) all items proposed by the Council at any previous session; (*b*) all items proposed by the Central Committee; (*c*) all items proposed by any member of the Council and transmitted to the Director General at least ten days in advance of the session; and (*d*) any items which the Director General desires to put before the Council." [6]

Although the Administration scrupulously consulted the Central Committee and the member governments, most items placed on the provisional agenda were those the Director General desired to include. A few items automatically had to be included as a result of decisions

[1] Agreement, Article III, 1, 2.
[2] Resolution 50.
[3] Resolution 81.
[4] Agreement, Article III, 1.
[5] Resolution 40.
[6] *Ibid.*, Rules of Procedure of the Council, Article VIII.

at previous Council sessions.[7] The Central Committee seldom proposed items and, indeed, after the Third Session, took relatively little interest in the preparations for sessions.[8] The response of member governments was also meager, and only a few submitted suggestions.[9] These sometimes dealt with matters of general interest; sometimes, with matters of particular interest to the nation making the suggestion.[10] Within the Administration the Director General usually consulted his senior officials at Headquarters,[11] the European Regional Office (ERO), and in the missions before making his decisions.[12]

The provisional agenda were to be submitted to member governments at least three weeks in advance of the opening of a session and suggestions received later, as soon as possible. At a Council session, the proposed items were to be considered for approval by the General Committee of the Council, one of the regular committees established by the Rules of Procedure, and were then subject to revision or addition by the Council itself.[13] The General Committee, in fact, did often alter the provisional agenda, both in respect to the order and inclusion of items.[14] Such changes were sometimes made at the re-

[7] For example, discussion of the displaced persons operation in connection with which certain operations were authorized either for a six months' period (Resolution 71, Third Council) or until the next session (Resolution 92, Fourth Council).

[8] Central Committee (CC)(44)4 and 5, minutes 2d meeting, 3 March 1944 (Compilation of the Documents of the Central Committee of the Council [CC Docs.], I, 8–9); CC(44)8, minutes 3d meeting, 10 April 1944 (CC Docs., I, 13–19); CC(44)15, minutes 7th meeting, 5 September 1944 (CC Docs., I, 36–37); CC(45)4, minutes 11th meeting, 25 January 1945 (CC Docs., I, 83–84); CC(45)14, minutes 13th meeting, 27 March 1945 (CC Docs., I, 120–128); CC(45)22, minutes 15th meeting, 28 May 1945 (CC Docs., I, 151).

[9] Notes, meetings of Director General with Acheson and Law, 1, 4 August 1944; letters, Acheson to Lehman, 1, 12 September 1944; CC(45)14, minutes 13th meeting, 27 March 1945 (CC Docs., I, 126–127); CC(45)14, Appendix II, "Summary of Views of Member Governments concerning the Third Session of the Council" (CC Docs., I, 111–114); letter, Baron Silvercruys (Belgian Ambassador to the United States) to P. W. Kuo (Deputy Director General, Secretariat), 7 February 1946; cable, The Hague to Washington unnumbered, 15 February 1946; letter, J. B. Brigden (Economic Counselor, Australian Embassy) to Kuo, 11 February 1946; letter, Carlos P. Romulo (Resident Commissioner of the Philippines to the United States) to Lehman, 19 February 1946; cable, Washington to London 10115, 9 July 1946.

[10] The Colombian proposal for the Third Council is an example of the former; the Belgian for the Fourth, of the latter.

[11] Agenda Committee, minutes, 11 April 1945; memo, Kuo to Director General and Senior Deputy Director General, 17 January 1946.

[12] For example, cables: Washington to Rome 295; to Athens 156; to Belgrade 5, to Rome 39; to Sydney 167; to Chungking 131; to London 1068; 1 May 1945; circular 8, London to all missions, 19 January 1946.

[13] Resolution 40, Rules of Procedure of the Council, Article VIII, 2, 3, 4.

[14] For example, Council II Document 132, *Ad Hoc* General Committee

quest of, or in agreement with, representatives of the Director General.

Each session selected its own chairman and three vice-chairmen. The chairmen and the nationality of the vice-chairmen were as follows: [15]

TABLE 1

CHAIRMEN AND VICE-CHAIRMEN OF COUNCIL SESSIONS

| *Session* | *Chairman* | *Vice-Chairmen* |
|---|---|---|
| First | Dean Acheson, United States | Australia, Mexico, and the Netherlands |
| Second | Lester B. Pearson, Canada | France, Brazil, and Czechoslovakia |
| Third | Sir Girja Shankar Bajpai, India | Yugoslavia, Mexico, and South Africa |
| Fourth | Tingfu F. Tsiang, China | Brazil, Ukrainian SSR, and Norway |
| Fifth | Anders Frihagen, Norway | Australia, Yugoslavia, and the Byelorussian SSR |
| Sixth | Henrik de Kauffman, Denmark | Poland, Chile, and France |

The chairman did not vote, but his nation could, through his alternate, cast a vote.[16] The Director General and his representatives could be present at sessions and could and did intervene in debates but could not vote.[17]

From the Second Session onward the Administration furnished the Secretariat of the Council. Its work,[18] including the preliminary correspondence with member governments, the assembling of the provisional agenda, the drafting of the order of the day, the preparation of minutes of plenary sessions and committee meetings, the editing of the daily journal, and the registration and distribution of documents, was under the direction of P. W. Kuo, Deputy Director General in charge of the Secretariat from August 1944 to July 1947.

The precedent set by the First Council for doing most of the work in committees rather than in plenary meetings held throughout all

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(*Ad Hoc*/G)6, Report on 2d meeting, 20 September 1944; Council II Document 176, *Ad Hoc*/G7, Report on 3d meeting, 22 September 1944; Council IV Document 30, *Ad Hoc*/G2, First Report of General Committee, 16 March 1946; Council IV Document 239, *Ad Hoc*/G21, minutes 5th meeting, 26 March 1946.

[15] *Journals*, First-Sixth Councils.

[16] Rules of Procedure of the Council, Article II, 5.

[17] *Ibid.*, Article III.

[18] For details of work of the Secretariat, see monograph, Jane Plimpton and Eleanor Merrick, "The UNRRA Council, Its Sessions and Its Secretariat," HQ, July 1947.

subsequent sessions. In accordance with the Rules of Procedure the Council elected at each session an eleven-member Committee on Nominations and established a General Committee consisting of the chairman, the three vice-chairmen, the members of the Central Committee, and four others elected by the Council.[19]

The Committee on Nominations submitted nominations to the Council for the officers of the session, the four elected members of the General Committee, and for appointments to other committees as might be required. All these nominations were generally agreed upon in advance at an informal meeting of the Central Committee at which the Director General presented suggestions for the membership of the lesser committees.[20]

The General Committee, subject to the concurrence of the Council and in consultation with the Director General, determined the order of business of the Council, passed upon the provisional agenda, decided which matters were to be considered at each meeting, coördinated the work of other committees, set the date of adjournment, and otherwise facilitated the orderly dispatch of business.[21]

The Council also at each session, from the Second [22] onward, created *ad hoc* Committees on Credentials, Observers, Procedure, and Policy. The most important were the latter two, which were committees of the whole, and to which, especially to the Committee on Policy, were assigned discussion of the important, controversial items. These Committees could and on occasion did appoint subcommittees to work on special aspects of the problems submitted to them.[23]

A majority of members of the Council constituted a quorum, except that for any proposal to amend the Agreement, three quarters were required. Each member had one vote at plenary sessions and in committees. Except as otherwise provided in the Agreement, all decisions required an affirmative majority vote of the members present. Voting was by show of hands unless the results were in doubt, in cases required by the Agreement to have a special majority, or on the written request of five members, in which cases a record vote

[19] Rules of Procedure of the Council, Article VI, 1, 2.

[20] Monograph, Plimpton and Merrick, "The UNRRA Council," pp. 33–34.

[21] F. V. Pastuhov, "Council Session, Organization and Procedure, A Manual for the Secretariat" (2d ed., February 1946), p. 28; (Supplement, June 1946), pp. 29–33.

[22] *Journal*, Second Council.

[23] For example, Council III Document 168, *Ad Hoc* Committee on Policy (*Ad Hoc*/P), minutes 3d meeting, 16 August 1945.

was taken.[24] The minutes, therefore, as a rule merely show that a certain motion was or was not adopted.

Verbatim reports were kept of plenary sessions and, from the Third Session on, of committee meetings. A journal containing nearly full minutes of the plenary sessions and summary reports of committee meetings was prepared and made public at each session.

The official language of the Council was English.[25]

Sessions were to be public unless otherwise decided by the Council.[26] Plenary sessions were, in fact, always public. It was also a general policy at Council sessions to keep the press and radio informed to the fullest extent possible regarding the work of the Council and its committees. The chairman of the Council, the Director General, and senior staff members held frequent conferences with their representatives.[27]

The First Council set a high standard for the choice of delegates, which the member governments maintained generally throughout subsequent sessions. Men in positions of major responsibility in their own governments were usually chosen to attend the Council; and in the case of the major supplying nations, staffs of qualified advisers accompanied them. It is true, however, that as the United States lost interest in the administration of relief on an international basis, its Council member, an under secretary or assistant secretary of state, delegated more and more responsibility to alternates of lesser rank in the Department of State and by the Sixth Session had been succeeded by them, so far as actual work during the Council was concerned. A similar tendency could be noted on the part of the United Kingdom member, usually of cabinet rank, who assigned increasing responsibility to able members of the British Embassy staff in Washington.

Few members or delegates attended all six sessions of the Council. Among those who did, were Magnus Sigurdsson, always the member for Iceland; Lester B. Pearson, five times member and once the alternate for Canada; and such delegates as Roger Jackling, of the British Embassy staff, George L. Warren, of the United States Department of State, and Ellen S. Woodward, of the United States Social Security Board. Others—J. B. Brigden, of Australia; José Ramon Rodriguez,

[24] Rules of Procedure of the Council, Article X.

[25] *Ibid.*, Article XI.

[26] *Ibid.*, Article I, 3.

[27] Council II Document 48, *Ad Hoc*/G3; General Committee, Secretary's notes, 17 September 1944; Council III Document 23, *Ad Hoc*/G3; Council IV Document 30, *Ad Hoc*/G2; Council V Document 31, *Ad Hoc*/G2; Council VI Document 27, *Ad Hoc*/G3.

of the Dominican Republic; Sir Girja Shankar Bajpai, of India; and Sir George Rendel, of the United Kingdom—attended, in one capacity or another, five of the six sessions, giving further continuity to an understanding of the development of UNRRA. Many more had the experience of three or four Councils irrespective of political changes at home.

The Council could and did invite observers. These included representatives of various international organizations, varying somewhat from session to session, and, from the Fourth Council onward, representatives of nonmember nations receiving UNRRA aid: Austria and Italy (Fourth onward); Albania, Finland, and Hungary (Fifth onward).[28] A widely diversified group known as "visitors" were also, on request, given cards to attend public meetings. By the Fifth and Sixth Council these included representatives of nonmember governments—Sweden, Switzerland, Argentina, Portugal—and of the Vatican, and representatives of various voluntary organizations.[29]

The cost of the Council meetings per session after the Administration assumed the responsibility for the assembly was:[30]

TABLE 2

COST OF COUNCIL SESSIONS

| *Council Session* | *Cost* |
|---|---|
| Second | $57,669.62 |
| Third | 95,052.76 |
| Fourth | 211,088.68 |
| Fifth | 295,152.63 |
| Sixth | 29,035.46 |
| Total | $687,999.15 |

## 2. *WORK*

The work of the Council meetings fell into two parts: the debate on the Director General's Report [31] and the formulation of new policy leading to the passage of further resolutions. When putting his paper

[28] Monograph, Plimpton and Merrick, "The UNRRA Council," pp. 76–87.

[29] *Ibid.*, pp. 87–89.

[30] Controller's Office; for details see monograph, Plimpton and Merrick, "The UNRRA Council," pp. 105–106.

[31] Agreement, Article IV, 5.

before the Council the Director General made his major address, giving a summary of the achievements and problems of the Administration since the preceding session. Resolutions aimed at solving these problems varied greatly in importance. The seventy-four resolutions passed during the five regular sessions after the First Council ranged from such minor matters as the acceptance of the UNRRA seal [32] to major decisions regarding the extension of UNRRA aid to some ex-enemy areas [33] and the provision of a second contribution coupled with the suggestion of a time limit for UNRRA's work.[34]

### Montreal—September 1944

The Second Council had only the planning period of UNRRA behind it. Reports by representatives of CCS and the Combined Boards supplemented that of the Director General in laying before the Council the facts of the difficult ten months since the Council first met.[35] Lehman declared that the gradual liberation of Europe was confirming all past fears regarding the urgent needs for relief and rehabilitation. Although the liberated countries were energetically preparing to handle their own problems, their limitations in finances, skilled manpower, and supplies, he said, would necessitate requests for outside aid. UNRRA's operations within these areas would therefore vary in accordance with such requests. He promised that supplies would be forthcoming when the need arose but predicted shortages in meats, fats, textiles, and manufactured articles. The Director General told also of UNRRA's plans for the Balkan program, the care already provided for 50,000 displaced persons then in the Middle East, and the coming establishment of two Far Eastern offices at Chungking and Sydney. He concluded with an appeal to Council members for a reaffirmation of their faith in collective effort through definite action—the supplying of necessary advice and information from some countries, and supplies, funds, and expert personnel from others.[36]

In the debate which followed, the member governments showed perhaps an unreasonable impatience with the slight achievements of the Administration during its formative period. Both Richard Law, of the United Kingdom, and Dean Acheson, of the United States, admitted that UNRRA's work had moved slowly while advancing military

[32] Resolution 49.
[33] Resolutions 58, 59, 73, 74, 76, 98.
[34] Resolution 80.
[35] *Journal*, Second Council, pp. 28–47.
[36] *Ibid.*, pp. 23–26.

success had captured public interest. Nevertheless, they conceded, the Administration had laid the groundwork for future activity. Now the time had come for it to go forward into action, "to put in demands for procurement, to prepare its people for transportation and distribution." It was up to the Council to decide the extent of UNRRA's responsibilities for displaced persons and to deal as requested with the Sanitary Conventions. Governments, they said, also had responsibilities—"to complete their contributions, make available competent personnel, and give prompt coöperation in carrying out UNRRA programs in their own territories." Each member pledged the full support of his government.[37]

Other members spoke of specific areas or needs. Far Eastern members stressed the differences between their countries and those of Europe, asking the Director General to approach their individual governments more directly.[38] The member from Ecuador requested that the South American countries be more fully informed about UNRRA's work.[39] The Greek representative stated that in his country UNRRA was already a reality, the means through which thousands of his countrymen were being cared for in the Administration's "admirably run refugee camps in Egypt and the Middle East," and, more important, the means to which the Greek people looked for the immediate salvation of their country.[40] The final plea of the chairman, Lester B. Pearson, summed up the general desire of the Council for "a vigorous practical administration and behind it the full, steady, and understanding support of every government represented." [41]

In its effort to reach this goal the Second Council recommended an active program through the passage of twenty resolutions.[42] Its major decisions were: to approve the recommendations of the Committee of the Council for Europe regarding the bases for the computation by the Director General of the over-all requirements of Europe for relief and rehabilitation; [43] to authorize the Administration to operate without prior approval of the Council in enemy or ex-enemy territory as well as in liberated areas in order to care for and repatriate specific groups of displaced persons; [44] to indorse the extension of

[37] *Ibid.*, pp. 46–48, 52–56.
[38] *Ibid.*, pp. 48–49, 52, 57, 58.
[39] *Ibid.*, pp. 56–57.
[40] *Ibid.*, pp. 50–51.
[41] *Ibid.*, p. 123.
[42] Resolutions 42–61.
[43] Resolution 55; see *infra*, Part Three, Chapter I, Section 8.
[44] Resolutions 57, 60; see *infra*, Part Seven, Chapter I, Section 4.

relief to the Dodecanese [45] and limited relief to Italy; [46] and to assume the responsibilities for administering the amended Sanitary Conventions.[47]

LONDON—AUGUST 1945

Ten months later, when the Third Council assembled in London, the world picture had changed. Germany had surrendered in May. The European nations were again free. The extent of their needs was beginning to be known. On 7 August, as the Council convened, the terrors of the atom bomb were demonstrated at Hiroshima, and before the Session closed the United Nations had defeated Japan in the Far East.

The Director General's Report told more of operations than of plans. Lehman dealt at length with UNRRA's achievements and future needs when presenting it to the Council. In spite of the unavoidable delays in the Administration's supply program because of the military authorities' monopoly of supplies and transportation necessary for final victory, he could state with pride that UNRRA had shipped 1,250,000 tons by 30 June 1945. At the same time, he reported the probable limits of UNRRA's operations; only the countries in the east and south of Europe had asked for aid; there was a large task ahead in the Far East; Belgium, France, Luxembourg, the Netherlands, and Norway were, however, using their own resources for relief. Nevertheless, the resources granted UNRRA at Atlantic City would not be sufficient to meet the minimum needs of the countries requiring UNRRA assistance. As the program of operations which he also laid before the Council showed, the estimated requirements for 1946 were made up before the recent request of the Soviet Union for $700 million for a twelve-month period. At least $1,500 million would be needed in addition to the Soviet program "to bridge the gap until a minimum of foreign trade could be restored and other methods of financing provided." [48]

Money, however, was not enough. It had to be translated into goods and transportation. Lehman, feeling somewhat on the defensive because of uninformed criticism during the previous months,[49] spoke

[45] Resolution 59; see *infra*, Part Five, Chapter X, Section 1.
[46] Resolution 58; see *infra*, Part Five, Chapter VIII, Sections 1–3.
[47] Resolution 52; see *infra*, Part Four, Chapter II, Section 2.
[48] *Journal*, Third Council, pp. 21–23.
[49] London *Daily Express*, 10 January 1945; Kansas City (Mo.) *Times*, 19 February

openly of recent disappointments when UNRRA's modest requests to supply authorities had not been granted and commitments seemingly firm had disappeared when the moment for delivery had arrived. He appealed to the governments to face the implications of any further support of UNRRA. If they were not prepared to make the necessary sacrifice of their own resources, it were better to have no pledge of support.[50]

Representatives of the Combined Boards and CCS followed the Director General with reports of their work during the period of liberation, the last formal reports which these bodies were to bring before the Council. The military authorities reported that they had shipped over nine million tons of Civil Affairs supplies to the European countries within the sphere of their responsibility up to 30 June 1945. As the military relief program was then rapidly coming to a close, the authorities claimed that UNRRA and the countries themselves should take up the burden. They also reviewed the displaced persons operation under the Supreme Headquarters Allied Expeditionary Force (SHAEF) and commended the services furnished by UNRRA since the Agreement of November 1944 between the Supreme Commander, Allied Expeditionary Force (SCAEF) and UNRRA.[51]

The skepticism and disappointment which had marked the attitude of many governments toward UNRRA as they assembled for the Third Council gave place after these reports to a renewed determination to make this first international effort succeed in the face of admitted difficulties. The needs of both the paying and nonpaying countries and their expectations from UNRRA were put forward in great detail—particularly those of Yugoslavia,[52] Poland,[53] the USSR,[54] Greece,[55] and Norway [56]—in the light of the devastation caused by the retreating German armies. A task far greater than that tentatively provided for in the Director General's program of operations had to be faced, especially in the Far East. Many were persuaded that UNRRA to date had not received the support from member states in supplies, services, and

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1945; Bertha Gaster in London *News Chronicle*, 15 March 1945; *Time*, 14 May 1945; New York *Times*, 28 May 1945; Washington, D.C., *Times Herald*, 30 May 1945, 21 June 1945; *Christian Science Monitor*, 29 May 1945; Chicago *Tribune*, 1 July 1945; *Congressional Record, House*, 17 July 1945, pp. 7780–7782.

50 *Journal*, Third Council, pp. 21–25.
51 *Ibid.*, pp. 32–37.
52 *Ibid.*, pp. 43–45.
53 *Ibid.*, pp. 46–47.
54 *Ibid.*, pp. 48–50.
55 *Ibid.*, pp. 54–55.
56 *Ibid.*, pp. 56–57.

personnel which was needed to accomplish its ends. It was evident that the work of UNRRA, the limitations on what it was empowered to do, as well as its achievements in the midst of insuperable difficulties, were not understood by the people of most countries. The Norwegian delegate pleaded that UNRRA undertake with its program of operations a public information service which would see to it that the current misapprehensions about UNRRA were removed. With public understanding, he believed, the necessary public assistance would come.[57]

Further criticism centered on the defects of the accounting arrangements of the Administration as discussed in the reports of the Committee on Financial Control (CFC) but ended with the passage of a resolution accepting the accounts and reports on condition that the remedial measures undertaken by the Administration would assure satisfactory results by a specified time.[58] The Session closed with renewed promises of support from the supplying countries. This was expressed in a resolution which recommended that each uninvaded member nation make an additional contribution to UNRRA equivalent to one per cent of its income in the year ended 30 June 1943 following the presumption that UNRRA's work should end in March 1947.[59] Through other major decisions embodied in a total of nineteen resolutions,[60] the Third Council added to the areas eligible to receive UNRRA assistance Italy,[61] Austria,[62] Korea, and Formosa;[63] authorized the Administration to assist certain groups of displaced persons without prior approval of the governments concerned;[64] and increased both the membership and the power of the Central Committee.[65]

### Atlantic City—March 1946

The Fourth Council assembled in the crescendo of UNRRA's operations in March 1946. Over seven million tons of supplies had already been shipped. The Administration could claim that it had made an appreciable contribution to the restoration of Europe and the beginning of similar work in the Far East. The Council, however, faced two

[57] *Ibid.*, pp. 71–72.
[58] *Ibid.*, pp. 97–99, 122; Resolution 78.
[59] Resolution 80.
[60] Resolutions 62–81.
[61] Resolution 73; see *infra*, Part Five, Chapter VIII, Sections 4 ff.
[62] Resolution 74; see *infra*, Part Five, Chapter IX.
[63] Resolution 76; see *infra*, Part Six, Chapter IV, Section 2.
[64] Resolution 71; see *infra*, Part Seven, Chapter I, Section 6.
[65] Resolutions 77, 80; see *infra*, Part One, Chapter III, Sections 1, 3.

major issues: an alarming world shortage of foods; and the problem of caring for displaced persons not prepared to return to their homes. In addition, it had to accept the resignation of Governor Lehman as Director General and appoint his successor.

In presenting his Report Governor Lehman stressed the gravity of the food and displaced persons problems for UNRRA and gave his valedictory address. Although he spoke later on his resignation,[66] his most important comments on the lessons learned in UNRRA and on the work remaining to be done were made in this speech. He assumed, as did many delegates, that the end of UNRRA was in sight, although the hope lingered in the minds of some that means would be found for the Administration to finish its work. He spoke, therefore, to the United Nations as they looked toward new coöperative organizations.[67]

Many delegates hastened to express gratitude for the work of Governor Lehman and for UNRRA's help to the liberated countries—help, however, still insufficient to meet the basic needs of the devastated areas.[68] This was the theme of the Council. The insufficiency of food supplies made available to the liberated countries became the text of Lehman's speech in opening the debate on the food crisis in the Committee on Policy.[69] He proposed remedies which after lengthy discussion [70] and a further report by the Administration [71] led, in the end, to three resolutions which achieved a notable change in government policies and in their attitudes toward the food shortage and the allocation of food in short supply.[72] Hereby, the Council recommended that member governments maintaining military forces in UNRRA receiving countries restrict their forces from the use of land and indigenous resources needed for the production of local relief supplies and from impeding the equitable distribution of imported and indigenous relief supplies; [73] it appealed to all the United Nations, even those not members of UNRRA, giving specific suggestions for the maximum production of food to meet the current emergency and the uninterrupted maintenance of facilities and services for its mobilization, shipment, and

[66] *Journal*, Fourth Council, p. 124.
[67] *Ibid.*, pp. 29–35; see *infra*, Part Two, Chapter VII.
[68] *Journal*, Fourth Council, pp. 35–38, 42–45.
[69] *Ibid.*, pp. 46–48; Council IV Document 50, C(46)30.
[70] *Journal*, Fourth Council, pp. 52–59, 61–68, 71–75.
[71] *Ibid.*, pp. 135–141, 143–159.
[72] Monograph, H. E. Caustin, "Notes on the Development and Functions of the Director General's Office," pp. 28–29.
[73] Resolution 91; see *infra*, Part Five, Chapter IX, Section 2.

distribution; [74] and it urged governments to seek a fair and equitable distribution of scarce supplies among all the United Nations according to their needs.[75]

Other major decisions of the Fourth Council, which passed, in all, twelve resolutions,[76] dealt with the displaced persons problem and with the Central Committee. After laborious debates in the Policy Committee over collaborators and other obstacles to repatriation,[77] the Council authorized strenuous measures to hasten repatriation and required the Administration to make bimonthly reports on the progress and problems of this work to the Central Committee.[78] Again it extended the membership and powers of the Central Committee.[79]

At its final meeting in Atlantic City the Council, after previously paying solemn tributes to Governor Lehman,[80] appointed Fiorello H. LaGuardia, former Mayor of New York, second Director General of UNRRA.[81]

His opening address was a clarion call to greater international service. It showed little knowledge or appreciation of UNRRA's past, but it had the fire of an Old Testament prophet:

> I cannot help repeating again: this is all so new; it is all so hopeful. Have ever before in the history of the entire world 48 nations come together to save lives? We are united to preserve life, to build, not to kill, not to destroy. There is no precedent in international law. But there is precedent for the spirit of UNRRA in the Old Scripture, in the New Scripture: to love our neighbor, to aid the needy—that is not original. It just has not been carried out. As the sun moves from place to place, there is one continuous prayer to God asking for His heavenly kingdom to come to earth. In every land, in every dialect which is spoken by man, the prayer is spoken: Give us this day our daily bread. Our task is to respond to that prayer. That is our call. That is all there is to it—to respond to that prayer. We then become a great army of mercy, a great army carrying out God Almighty's response to the call for daily bread. I refuse to be stopped by pettiness, greed or selfishness. That is the mission of UNRRA and that is the army I am willing to lead.[82]

### Geneva—August 1946

The Fifth Council was the first international assembly to meet in the Palais des Nations in Geneva since that building had begun its new life

[74] Resolution 89; see *infra*, Part Three, Chapter IV, Section 4.
[75] Resolution 93.
[76] Resolutions 82–93.
[77] *Journal*, Fourth Council, pp. 31, 75, 81–86, 93–96.
[78] Resolution 92; see *infra*, Part Seven, Chapter I, Section 7.
[79] Resolutions 83, 84, 92.
[80] *Journal*, Fourth Council, pp. 121–123.
[81] *Ibid.*, pp. 126–128.
[82] *Ibid.*, pp. 130–131.

under the United Nations. Again it was the setting for the knell of an international effort. The Director General in presenting his Report opened his address with the statement that UNRRA's activities were ending. No provision had been made for UNRRA for 1947. The emergency task was over. He admitted that neither the Administration nor the contributing countries thought that the needs were over. Ways would be found to meet those additional wants, and he promised that supplies to carry out UNRRA's full program would be shipped. The balance due the receiving countries then amounted to 41 per cent of UNRRA's entire commitment. He reviewed the pressing problems of the moment in Austria, China, Trieste, and the displaced persons operation, and laid before the Council the first plans for the demobilization of UNRRA. Finally, he asked to be relieved of his responsibilities as soon as the Administration had arranged for the completion of procurement.[83]

William L. Clayton, the United States member opened the discussion on the Report. The United States fully supported the assumption that UNRRA should end. UNRRA had fulfilled its two purposes: to furnish supplies to those liberated countries which themselves lacked the foreign exchange to pay for basic necessities; and to establish an organization to procure, to ship, and to deliver such supplies. Countries which when liberated were not in a position to procure and ship supplies had become able to do so. The sooner they took over the complete responsibility for their own buying and shipping, the better it would be for them and for everybody concerned. For these reasons and because of the gradual recovery of the export trade in liberated countries as well as the additional provision for the necessary foreign exchange through loans from the United States and other sources, the United States believed that UNRRA should be brought to a close in accordance with Resolution 80 passed at the Third Session.

A country having further need for foreign exchange which could not be supplied by the International Bank or International Monetary Fund "should apply on an international basis to another country which in its opinion is able and prepared to furnish assistance." Thus bilateral arrangements were the first alternative suggested for international relief. The United States further recommended that UNRRA's work in the fields of health and social welfare should be continued through

[83] *Journal*, Fifth Council, pp. 19–26.

the Economic and Social Council of the United Nations, and that the displaced persons operation should be carried on for a reasonable time in order that the proposed international organization might have time to make preparations for taking over.[84]

Considering the fact that the United States had contributed more than 68 per cent of the funds of UNRRA, Clayton's forthright statements spelled finality for the Administration. The pleas of the receiving countries, based on the continuing gravity of their economic positions, that UNRRA should complete its tasks were of no avail. All expressed appreciation of what UNRRA had done and foretold desperate conditions if the Administration's help were withdrawn.[85] Observers from Austria, Albania, and Italy also explained the needs of their countries in 1947 and asked that UNRRA continue the help for which their people were profoundly grateful.[86]

The USSR member, N. I. Feonov, pointed out that friendly criticism of UNRRA had not always been given due attention; thus, contrary to the USSR's counsel, the Korean program had been delayed; little progress had been made with the repatriation of displaced persons between the Fourth and Fifth Council Sessions; and now the Director General's Report mentioned the presence of occupation forces in Austria and some actions of Soviet occupation authorities—questions clearly within the scope of other international bodies and discussion of which, the USSR had warned, would endanger UNRRA's reputation as a nonpolitical international relief organization. Feonov regretted that such matters were laid before the Fifth Council, which had problems of its own to solve. He closed by adding to the Director General's remarks that UNRRA was unique, not only in its aims and the extent of its work, but also in the results of its work. The USSR delegation sincerely wished that the Fifth Council of UNRRA would contribute "to the successful continuation of this work for the benefit of the United Nations, for the consolidation of international coöperation, and the further strengthening of friendship among the peace loving nations." [87]

The Norwegian delegate, Aake Ording, viewed the tasks of UNRRA as a common international responsibility. His delegation felt that UNRRA should cease at the agreed time only under the proviso

[84] *Ibid.*, pp. 27–29.
[85] *Ibid.*, pp. 31–36, 42, 46.
[86] *Ibid.*, pp. 39–41, 43–45.
[87] *Ibid.*, pp. 48–49.

that the work remaining to be done should be taken over by international bodies under the United Nations or whatever else might develop. The problem was whether this could be done in such a way that there would be no gap. Ording foresaw a break of probably six months in the deliveries of essential food. On his personal responsibility he asked the Director General whether a third contribution of one half of one per cent of the national incomes of the contributing countries would be sufficient to prevent such a catastrophe.[88] Here was the second solution advanced for meeting the needs of some countries in 1947.

It brought no enthusiastic response from the contributing countries. Cuba maintained that UNRRA should terminate according to schedule.[89] New Zealand, which at the Fourth Council had promised it would support a further contribution,[90] regretted that UNRRA's work must end so soon and hoped that alternative arrangements would be made in which the Economic and Social Council of the United Nations might take a vital part.[91] In concluding the debate the representative of the United Kingdom supported the United States point of view, thus leaving the assembly with no hope for the continuance of UNRRA.[92]

The Council assumed the task of finding other ways of finishing the remaining work in relief and rehabilitation. Within fourteen resolutions [93] it urged that the Administration complete procurement and shipments against approved programs of operations by dates specified at the Third Council, making arrangements, however, for a three months' extension of the specified time in case unavoidable incidents delayed the original schedule; [94] it made provision for the orderly termination of UNRRA's operations and designated the World Health Organization (WHO, or its Interim Commission), the United Nations, the International Refugee Organization (IRO), or an appropriate interim commission, and the Food and Agriculture Organization (FAO) as successor organizations qualified to carry on UNRRA's functions respectively in the fields of health,[95] social welfare,[96] dis-

[88] *Ibid.*, pp. 37–39.
[89] *Ibid.*, pp. 49–50.
[90] *Journal*, Fourth Council, p. 37.
[91] *Journal*, Fifth Council, pp. 50–51.
[92] *Ibid.*, pp. 51–54.
[93] Resolutions 94–107.
[94] Resolution 101.
[95] Resolution 94; see *infra*, Part Two, Chapter VII, Section 2.
[96] Resolution 95; see *infra*, Part Two, Chapter VII, Section 4.

placed persons,[97] and agricultural rehabilitation.[98] The Council named the United Nations as responsible for designating the agency to review the needs in 1947 for urgent imports of vital supplies after the end of the UNRRA program and to make recommendations as to the financial assistance required.[99] It also designated the United Nations to administer the functions of UNRRA in regard to the utilization of proceeds of local sale of UNRRA supplies for such relief and rehabilitation work as should be set out in relevant agreements.[100]

### Washington—December 1946

The Sixth Session of the Council met under the assumption that it would probably be the last. The Director General treated it as such when giving his Report.[101] Although the USSR and many receiving countries protested the idea [102] and a resolution made it possible to hold another session unless decided otherwise by the unanimous vote of the Central Committee,[103] there was an air of finality about this gathering. LaGuardia's resignation followed by the election of Major General Lowell W. Rooks as Director General during the period of completion of operations and liquidation gave emphasis to this, as well as providing opportunities for reflection on UNRRA's achievements and for valedictory addresses.[104]

LaGuardia stated that 74 per cent of UNRRA's programs had been fulfilled and the Administration was bound to complete the remainder as approved by the Central Committee. He told of the transfer of UNRRA's functions and funds to other international organizations and the arrangements for the completion of the industrial rehabilitation program. Need for food assistance would continue in 1947. He hoped it would be forthcoming "without fear or favor, without prejudice, without hatred, in the original spirit of UNRRA." He pointed to the closely related problem of food allocation, even to countries which could afford to buy, and cited the work of the International Emergency Food Committee. He asked for active international support of FAO and its original plans for a world granary. And he took his farewell

[97] Resolution 99; see *infra*, Part Two, Chapter VII, Section 6.
[98] Resolution 102; see *infra*, Part Two, Chapter VII, Section 5.
[99] Resolution 100.
[100] Resolution 97; see *infra*, Part Four, Chapter IV, Section 4.
[101] *Journal*, Sixth Council, p. 15.
[102] *Ibid.*, pp. 27–31.
[103] Resolution 115.
[104] *Journal*, Sixth Council, pp. 59–67.

from UNRRA with a restatement of his faith in international co-operation:

> We have carried out a plan drawn up by economists and drafted by lawyers, but we did it in the spirit of the Sermon on the Mount. I hope that nothing will happen during the remaining days of UNRRA, or during the years that are to come, that will spoil that effort. We have demonstrated to the world that forty-eight nations can work in harmony, that forty-eight nations, bent upon doing good, can carry out a great mission. Let not that be lost to history.[105]

Delegates from the receiving countries rose in turn to express deep gratitude for UNRRA's gifts and to pay tribute to LaGuardia and senior members of his staff.[106] In these speeches lie the Council's perorations on UNRRA, since the last meeting of the Session was devoted to the resignation of LaGuardia, the inaugural address of Rooks, and final paeans of praise for LaGuardia.[107]

Perhaps the statement by the representative of the Byelorussian SSR represents the general feeling of the receiving countries:

> There is no doubt that it is difficult to express in a few words the great historic importance of this international relief organization, but the outstanding characteristic in this appraisal, in my opinion, is in the gratitude of many millions of ordinary people in many parts of the globe for the assistance which has been given to them by this organization in the most difficult and critical period of their life. The organization existed and functioned in the name of the best human principles. It was at the people's service, and, having achieved great results, has obtained the sympathy of peoples, has written down a remarkable page in the history of friendly relations between peoples and states, for it promoted peace, and strengthened the feeling of friendship between nations.
>
> That was the pledge of its strength and international significance. I am glad to say that the people and Government of Byelorussia approve the policy and activities of the organization and express their deep appreciation to the governments of contributing countries, especially the United States, United Kingdom, Canada, Brazil, Australia, and others, due to whose efforts this organization was brought into existence, and to its prominent leaders, Mr. Herbert H. Lehman and Mr. Fiorello H. LaGuardia, under whose guidance its useful activities developed.[108]

The eight resolutions[109] of the Sixth Council dealt primarily with arrangements for the liquidation period. Outstanding among them

[105] *Ibid.*, pp. 15–21.
[106] *Ibid.*, pp. 23–33.
[107] *Ibid.*, pp. 60–67.
[108] *Ibid.*, p. 33.
[109] Resolutions 108–115.

were: provisions for the Administration to take certain steps in the event that procurement and shipments against the approved program of operations were not completed by the extended dates agreed upon by the Fifth Council; [110] the delegation of extended powers to the Central Committee leading to the assumption of final authority; [111] and the authorization for the complete official documentation of the Administration's accounts.[112]

[110] Resolution 114; see *infra*, Part Three, Chapter II, Section 11.
[111] Resolutions 112, 114, 115; see *infra*, Part One, Chapter III, Section 3.
[112] Resolution 109.

# III. The Committees

## 1. *THE CENTRAL COMMITTEE—FORM AND METHODS*

THE CENTRAL COMMITTEE of the Council at first consisted of the representatives of China, USSR, the United Kingdom, and the United States, with the Director General presiding without vote. The Committee was, between sessions of the Council, to make policy decisions of an emergency nature. Within the limits determined by the Council or its Central Committee, the Director General was granted full power for carrying out the relief operations contemplated in the Agreement. It was the authority to determine these limits—restricted, however, to emergency decisions between Council sessions—which set this Committee apart from all other UNRRA committees.[1]

In addition to this general power the Committee had, from the beginning, certain other specific powers. It had to nominate, by unanimous vote, the Director General [2] (a task performed three times); it could likewise, again by unanimous vote, recommend the removal of the Director General [3] (this, however, was never done). Proposals made by the Administration for action by member governments in fields related to relief operations were subject to the unanimous approval of the Committee; [4] in practice, no such action was taken. Finally, the Committee was empowered to make appointments to various committees, such appointments to continue until the next Council session.[5]

The original membership of four was increased, by the addition of Canada and France, to six at the Third Council Session (August 1945) [6] and, by the addition of Australia, Brazil, and Yugoslavia, to nine at the Fourth (March 1946).[7]

[1] Article III, 3, 4, 5, 6; Resolutions 18–31; for a detailed study of the Central Committee, see monograph, Poeliu Dai, "Structure of UNRRA Committees with Special Reference to Certain Phases of the Activities of the Central Committee and the Committee of the Council for Europe."

[2] Article IV, 1.

[3] *Ibid.*

[4] Article I, 2*c*.

[5] Resolutions 18, 19, 21, 24, 26.

[6] Resolution 77.

[7] Resolution 83.

The Committee held its first meeting on 11 November 1943, during the First Council Session, for the purpose of nominating the first Director General.[8] At its sixty-sixth meeting, held on 24 September 1948, the Committee abolished the position of Director General as of 30 September 1948, thus marking the official end of UNRRA as an operating organization.[9]

Between these dates meetings were held [10] as follows:

TABLE 3

MEETINGS OF CENTRAL COMMITTEE

| *Through Session of the Council* | *Number of Members* | *Meetings* | *Meetings per Month* |
|---|---|---|---|
| Second (September 1944) | 4 | 1–8 | Less than one |
| Third (August 1945) | 4 | 9–16 | Less than one |
| Fourth (March 1946) [a] | 6 | 17–27 | About one and a half |
| Fifth (August 1946) | 9 | 28–35 | About one and a half |
| Sixth (December 1946) | 9 | 36–42 | About two |
| Thereafter (September 1948) | 9 | 43–66 | About two |

[a] Does not include the 9 May 1946 meeting of the Fourth Council Session; the 28th meeting of the Central Committee was, in fact, held between the 30 March meeting of the Session and the final meeting.

During the formative period, meetings were infrequent; there were more during the period of greatest activity by the Administration; and still more as these activities decreased.

After the first, all meetings were held in Washington with the exception of two held during the Fourth Council Session and two held during the Fifth Session.[11] Some consideration was given to holding meetings elsewhere, but by May 1944, when transfer of responsibility for the European operations to the London Office was being discussed, the Washington locale was firmly established.[12]

The Rules of Procedure contain only a brief mention of the Committee,[13] which was left quite free to determine its own regulations

[8] Central Committee (CC) (43)1, minutes 1st meeting, 11 November 1943 (Compilation of the Documents of the Central Committee of the Council [CC Docs.], I, 3).

[9] CC(48)38, minutes 66th meeting, 24 September 1948.

[10] CC Docs., I–IV; CC(48)38, minutes 66th meeting, 24 September 1948.

[11] CC(46)42, minutes 26th meeting, 21 March 1946 (CC Docs., II, 167); CC(46)46, minutes 27th meeting, 21 March 1946 (CC Docs., II, 182); CC(46)95, minutes 34th meeting, 9 August 1946 (CC Docs., III, 113); CC(46)96, minutes 35th meeting, 14 August 1946 (CC Docs., III, 114).

[12] Director General's staff meeting, notes, 11 May 1944.

[13] Resolution 40, Rules of Procedure of the Council, Article V.

and practices. Though the informality of the early meetings gradually gave way to greater regularity of procedure, the Committee was never bound by any formulated rules. Meetings were to be convened by the Director General, whenever he deemed advisable, and had to be convened within ten days after a request by any member.[14] Agenda were prepared by the Director General after consultation with his own staff [15] and with the members of the Committee. Since provision was always made for "other business," however, any member was always free to bring up any subject.

The Agreement provided that a unanimous vote of the Committee was required in three specific cases.[16] There were no formal, recorded votes at the first eight meetings. At the ninth meeting a motion was considered carried even though the USSR member reserved his decision.[17] Thereafter, it was accepted that a decision could be reached by a majority vote,[18] though again it was never formally decided whether this meant a majority of those present or merely a majority of those voting. This was a real problem in but one recorded case: a motion was supported by four, with one opposed and four abstaining, and the Director General declared the motion adopted.[19]

In addition to the members and the Director General, there were also others who attended the meetings but did not have a vote. These included the chairman of the Committee on Supplies, who in accord with the Agreement [20] attended six meetings in 1944 and 1945 but none after Canada became a member of the Central Committee; alternates and advisers of the members; representatives of the Council's auditors; and members of the Administration. These last were generally few in number: the General Counsel, the Senior Deputy Director General, deputy directors general, and other senior officials, varying from time to time. In the winter of 1947 there was some increase in such attendance until the Director General limited it to those whose presence might be re-

[14] *Ibid.*, Article V, 1.

[15] Senior Deputy Director General's staff meetings, minutes, 22 December 1945; 19 December 1945; 15, 16 April 1946; 2 February, 15 May 1946; Chief Executive Officer's staff meetings, minutes, 23 July, 16, 17, 23 September, 23 October, 15 November, 3 December 1946; 22 January, 21 April, 7, 9, 14, 19, 21 May, 13, 25 June, 15, 26 August, 2, 12, 19 September 1947; 9, 23 January 1948.

[16] Article I, 2*c;* Article IV, 1; see *supra*, Part One, Chapter I, Section 3.

[17] CC(44)20, minutes 9th meeting, 11 December 1944 (CC Docs., I, 49–52).

[18] Council III Document 186, General Committee (*Ad Hoc*/G)33, minutes 7th meeting, 22 August 1945.

[19] CC(46)70, minutes 30th meeting, 17 June 1946 (CC Docs., III, 43).

[20] Article III, 3.

quired.[21] The Agreement had also provided that the Committee should invite the participation of a representative of any member government when action of special interest to that government would be discussed.[22] Such representatives were twice invited [23] but, in accordance with the decision of the First Council,[24] were not allowed to vote.

The meetings of the Central Committee were always private. Not once did the Committee use its power by unanimous vote [25] to open a session to the public. The Division of Public Information was seldom represented at these meetings and prepared the reports for the press on information given by the secretary of the Committee.[26] The few statements released covered only the major policy decisions of the Committee.[27]

### 2. *NATURE OF CENTRAL COMMITTEE DECISIONS*

The Central Committee dealt with the gamut of UNRRA's problems—from minor questions such as approving the rules and regulations of the Program Subcommittee [28] and agreeing on dates and places of Council sessions, to major policies and practices, including emergency relief in several countries,[29] broad programs of operations,[30] displaced persons,[31] the administrative budget,[32] and the transfer of UNRRA's functions and funds to other international organizations.[33]

During its first two years the Central Committee generally reached its decisions in unanimity,[34] much to the satisfaction of the Director

[21] Chief Executive Officer's staff meetings, minutes, 20 February, 4 March 1947.

[22] Article III, 3.

[23] CC(44)4 and 5, minutes 2d meeting, 3 March 1944 (CC Docs., I, 9); CC(47)16, minutes 45th meeting, 3 February 1947.

[24] Committee I, Subcommittee 2, Secretary's notes, 19 November 1943, pp. 5–7; 20 November 1943, p. 5.

[25] Rules of Procedure of the Council, Article V, 3.

[26] Senior Deputy Director General's staff meetings, minutes, 6 February 1947, 19 September 1947.

[27] Press Release 21, 26 February 1945; Press Release 65, 6 June 1945; Press Release 19, 12 January 1946; Press Release 291, 8 April 1946; Press Release 48, 18 November 1947.

[28] CC(46)4, minutes 19th meeting, 8 January 1946 (CC Docs., II, 60).

[29] See Part Five, Chapters XII–XIV; Part Six, Chapter IV.

[30] See Part Three, Chapter II, *passim*.

[31] See Part Seven, Chapter I, *passim*.

[32] CC(46)17, minutes 20th meeting, 4 February 1946 (CC Docs., II, 86–88); CC(46)38, minutes 24th meeting, 12 March 1946 (CC Docs., II, 159); CC(46)41, minutes 25th meeting, 14 March 1946 (CC Docs., II, 166); CC(46)85, minutes 33d meeting, 23 July 1946 (CC Docs., III, 100–101); CC(48)29, minutes 65th meeting, 2 June 1948.

[33] See Part Two, Chapter VII, *passim*.

[34] Council III Document 186, *Ad Hoc* G/33, minutes 7th meeting, 22 August 1945.

General and its members. When national interests began to crystallize along different lines after the Allied victory in the Far East, a cleavage among the delegates began which was to persist and develop throughout the life of UNRRA. As a result, policy decisions of certain types had to be taken on a majority vote, although in most instances the Committee continued to agree unanimously or to avoid a decision in moments of tension.

The break was first evident in the debate over a resolution introduced by the United States member in February 1946,[35] calling for receiving countries to furnish information concerning their trade agreements, imports, and exports. Here the USSR delegate voted against its passage, and the member for China abstained from voting.[36] As soon as the membership of the Committee was increased by the addition of representatives from Australia, Brazil, and Yugoslavia, the Soviet point of view in subsequent controversial issues was supported by the Yugoslav member.[37] The Chinese delegate was unpredictable, sometimes on one side, sometimes on the other, and he often abstained from voting. When general agreement could not be reached, the majority—usually consisting of the members from Australia, Brazil (when present), Canada, France, the United Kingdom, and the United States—established the policy which the Administration was to follow.

The controversial issues involved only a few subjects. As China, the USSR, and Yugoslavia represented the point of view of some receiving countries, they were naturally interested in getting as large programs for themselves and for their satellites as possible. Hence they opposed the increase of the Austrian program as recommended by the Program Subcommittee in July 1946, attempted to arrange for an upward revision of the Yugoslav program in the light of needs to be determined by a more accurate calculation of the harvest, opposed increasing any programs at the expense of other programs, and resisted the readjustment of the Albanian, Greek, and Yugoslav programs in consideration of the values of military goods procured prior to 1 October 1945. Supported by the abstention of France but not by China they consistently opposed the downward revision of the Czechoslovak operation. At the same meeting, buttressed by China's abstention, the Soviet and Yugoslav members refused to approve the recommendation

[35] CC(46)23, minutes 21st meeting, 7 February 1946 (CC Docs., II, 96).
[36] CC(46)41, minutes 25th meeting, 14 March 1946 (CC Docs., II, 161–162).
[37] CC(46)61, minutes 29th meeting, 17 May 1946 (CC Docs., III, 27–28).

of the Committee on Financial Control for a supplementary administrative budget, without which, the Controller claimed, the Administration would have had to cut its staff by 50 per cent.[38]

The Administration's policy in China during 1947 was often opposed by the Soviet and Yugoslav representatives. The former abstained from voting on the plan adopted for the financing of the Chinese National Relief and Rehabilitation Administration (CNRRA) operations in May.[39] Both powers rejected the Director General's proposal for the distribution of supplies in Communist areas, as well as that regarding the operation and financing of long-term rehabilitation projects.[40]

The emphasis which the Soviets and Yugoslavs had always placed on the repatriation of displaced persons in German and Austrian camps naturally led to an active fight [41] against the British scheme for the employment of from 60,000 to 100,000 displaced persons from the British Zones in Germany and Austria for a trial period of one year in the United Kingdom.[42]

Some of the transfers of the Administration's funds through loans and gifts to successor organizations did not have the approval of the Slavic powers. They abstained from voting when the other seven members of the Committee approved the loan of $2 million to the Preparatory Commission, International Refugee Organization (PCIRO) and opposed both the transfer of $500,000 to FAO and the transfer of approximately $1 million to PCIRO.[43] They supported wholeheartedly, however, the gift of $1,500,000 to WHO and the transfer of funds and claims to the International Children's Emergency Fund [44] (ICEF) which in the end amounted to $34,461,065.

### 3. *GROWTH OF POWER OF CENTRAL COMMITTEE*

The authority which the United Kingdom and the United States Governments originally proposed to grant to the Central Committee

[38] CC(46)85, minutes 33d meeting, 23 July 1946 (CC Docs., III, 92–101).
[39] CC(47)69, minutes 53d meeting, 23 May 1947.
[40] CC(47)141, minutes 62d meeting, 17 November 1947.
[41] CC(47)72, letter, J. I. Krasiuk (Council member for USSR) to Rooks, 5 June 1947.
[42] CC(47)69, minutes 53d meeting, 23 May 1947; CC(47)86, minutes 55th meeting, 16 June 1947.
[43] CC(47)85, minutes 54th meeting, 13 June 1947.
[44] CC(47)115, minutes 59th meeting, 15 September 1947; CC(48)38, minutes 66th meeting, 24 September 1948.

was limited in the UNRRA Agreement at the request of other governments.[45] During the life of UNRRA, however, this Committee ultimately obtained all the authority—and more—suggested in the early proposals. This growth resulted from two factors, one negative, one positive. The Committee was supposedly accorded authority to make emergency decisions, which would be subject to review by the Council. In fact, the Council seldom reviewed such decisions, which came, in practice, therefore, to be as binding as those taken by the Council itself.[46] Furthermore, the Council consciously delegated authority to the Committee. It was, for example, empowered to designate an additional three members of the Committee on Supplies; [47] to approve future administrative budgets in the event that no further Council sessions should be held in 1945 [48] and 1946,[49] and to make changes in the accepted budget in the light of actual conditions in 1947.[50] Ultimately, the Council delegated to the Committee all its powers,[51] and, after the unanimous decision of the Committee in June 1947 that no further Council sessions should be held,[52] the Central Committee became the "operating committee for all subjects." [53]

Since the Council on a few occasions restricted the authority of the Administration and then delegated to the Committee the powers withdrawn, the Committee came to exercise both greater control of the formulation of policy and greater control over the operations of the Administration than had been provided in the Agreement. The Director General was, for example, empowered by the Council at its Third Session to care for specified groups of displaced persons without obtaining prior consent of the governments of origin; his operations were, however, to be reviewed at the end of six months by the Council, by the Central Committee, or by a special committee appointed by the Central Committee.[54] The Council at its Fourth Session further required the Administration to make monthly reports to the Central Committee on the problems and progress of repatriation and to organize at the request of the Central Committee field trips to assembly

[45] See Part One, Chapter I, Section 3.
[46] For example, see Part Five, Chapters XII–XIV.
[47] Resolution 68.
[48] Resolution 81.
[49] Resolution 96.
[50] Resolution 110.
[51] Resolution 115.
[52] CC, verbatim minutes 55th meeting, 16 June 1947.
[53] CC, verbatim minutes 57th meeting, 5 August 1947, p. 4.
[54] Resolution 71; see *infra*, Part Seven, Chapter I, Section 6.

centers by representatives of the governments concerned about the progress of the displaced persons operation.[55] In cases of disagreement between the Administration and governments during the course of the displaced persons operation either party was directed to refer the matter to the Central Committee.[56]

Furthermore, and most significant, the Council at its Third Session made the Director General's broad programs of operation—his allocation of relief funds to specific countries—dependent upon the approval of the Central Committee.[57]

### 4. *THE CENTRAL COMMITTEE AND THE ADMINISTRATION*

The Director General kept the Central Committee members well informed through a monthly report on the current work of the Administration. These reports, instituted at the request of the Soviet member of the Central Committee in January 1945,[58] continued regularly until the Central Committee assumed the powers of the Council in June 1947, after which bimonthly surveys were adopted at the suggestion of the Administration.[59] Such summaries, both factual and interpretive in nature,[60] in addition to the extensive documentation supplied by the Administration in connection with the agenda sent to the Committee members before each meeting, and the informal discussions which top staff held with Committee members, left little about the Administration which the Committee did not know.

The Committee's decisions more often confirmed what the Administration proposed to do than formulated measures for solving new problems. At meetings of the Committee the Director General usually made his analysis of a problem and proposed a solution which the Committee debated, sometimes modified, and finally approved. Occasionally, as in the instance of the proposal for a grant of funds by the Administration to permit the establishment of the Board of Trustees for Rehabilitation Affairs (BOTRA) founded by the Chinese Government for the long-term operation of CNRRA-UNRRA projects, the

[55] Resolution 99.
[56] Resolution 92.
[57] Resolution 80; see *infra*, Part Three, Chapter II, Section 6.
[58] CC(45)4, minutes 11th meeting, 25 January 1945 (CC Docs., I, 84).
[59] CC(47)85, minutes 55th meeting, 16 June 1947; CC(47)96, 1 August 1947; CC(47)99, minutes 57th meeting, 5 August 1947.
[60] Reports, Director General to Central Committee, February 1945–June 1947.

Director General reported his negotiations with the Chinese Government and asked for the confirmation of the Central Committee.[61] During the period of liquidation he brought administrative questions as well as matters of general policy before the Committee since the Administration had come to desire the backing of the Committee on all its major activities.[62]

### 5. *THE ADVISORY COMMITTEES—FORMATION AND PROCEDURES*

The First Council established an elaborate system of committees made up of representatives of member governments to serve as advisory bodies to the Council, the Central Committee, and the Director General. It set up regional committees for Europe [63] and the Far East,[64] a Committee on Supplies,[65] a Committee on Financial Control,[66] a Subcommittee of the Committee on Supplies [67] (on ability to pay), and five standing technical committees to deal with agriculture,[68] displaced persons,[69] health,[70] industrial rehabilitation,[71] and welfare.[72] Fifteen resolutions defined their membership, the scope of their strictly advisory functions,[73] and gave them detailed rules of procedure.[74]

On 30 November 1943, before the Council adjourned, the regional committees and those concerned with supply and financial control held their initial meetings,[75] and by 17 January 1944 Governor Lehman announced the organization of all the technical committees.[76]

At its first meeting each regional committee asked that subcommittees of the technical committees be established for its area as permitted by the Agreement.[77] Those for Europe, as well as additional *Ad Hoc* Food and Textile Subcommittees, were set up in London in May 1944 after disagreement among the United Kingdom, the United States, and the USSR, in disregard of the Rules of Procedure,[78] over the choice of

[61] CC, verbatim minutes 21st meeting, 5 November 1947.
[62] Interviews, G. E. Fox with Fred L. Chait (General Counsel), 26 January, 2 February 1947.
[63] Resolutions 18, 20.
[64] Resolutions 19, 20.
[65] Resolutions 21, 22.
[66] Resolutions 24, 25.
[67] Resolution 23.
[68] Resolutions 26, 27.
[69] Resolutions 26, 28.
[70] Resolutions 26, 29.
[71] Resolutions 26, 30.
[72] Resolutions 26, 31.
[73] Resolutions 18–31, 40.
[74] Resolution 40, Rules of Procedure of the Council, Annex I.
[75] *Journal*, First Council, pp. 169–171.
[76] UNRRA Press Release 4, 17 January 1944.
[77] *Journal*, First Council, p. 169.
[78] Resolution 40, Rules of Procedure of the Council, Annex I, Article V, 4.

nations to be granted the chairmanships; [79] and later in the fall the subcommittees for the Far East were organized in Washington.[80]

Other committees were established when specific tasks made them necessary. Among these the most important were the Audit Subcommittee, set up by the Second Council to deal with the policy aspects of the audit; [81] the Program Subcommittee, established 3 December 1945 by the Central Committee as a means of implementing its responsibilities defined in Resolution 80; [82] a special subcommittee of the Central Committee, appointed [83] in accord with Resolution 71 to study displaced persons problems, in consultation with the governments concerned, and report to the Fourth Council Session; [84] and a Standing Committee of the Council on the Rehabilitation of Children and Adolescents set up by the Fifth Council [85] to make preparations in consultation with appropriate United Nations and voluntary agencies for the establishment of ICEF.[86] As in the case of the Council and the Central Committee the men appointed in the beginning to these standing committees and subcommittees held positions of greater importance in their national governments or professions than their successors during the most active period of UNRRA's work.

The Council prescribed [87] for all standing and technical committees the procedure for selection of members and officers and for the establishment of further subcommittees, as well as regulations for meetings, voting methods, and other practices.

The Director General prepared the provisional agenda for each meeting in consultation with the chairman of the committee. This had to include: all items proposed by the committee at any previous meet-

[79] Cables: Washington to London 96, 6 April 1944; Washington to London 127, 16 April 1944; letters: Leith-Ross to Richard Law (Minister of State, United Kingdom), 19 April 1944; Law to Leith-Ross, 25 April 1944; cable, Washington to London 169, 1 May 1944; letter, Ernest Brown (chairman, Committee of the Council for Europe) to Leith-Ross, 11 May 1944.

[80] Memos: Eugene Sergeev (Secretariat) to Eugene Staley (Far East Division), 10 October 1944; Sergeev to Frank S. Gaines (Acting Director, Southwest Pacific Area Office), 16 November 1944.

[81] Resolution 44, paragraphs 8, 9.

[82] CC(45)38, minutes 18th meeting, 29 November 1945 (CC Docs., II, 40–42); Program Subcommittee of the Central Committee (CC/P)(45)5, minutes 1st meeting, 3 December 1945.

[83] CC(46)16, minutes 21st meeting, 7 February 1946 (CC Docs., II, 93–98).

[84] CC(46)65, minutes 27th meeting, 21 March 1946 (CC Docs., II, 182–183).

[85] Resolution 103.

[86] See Part Four, Chapter II, Section 3.

[87] Resolution 40, Rules of Procedure of the Council, Annex I.

ing; all items proposed by the Council, the Central Committee, or another standing committee of the Council; all items proposed by any member of the committee and transmitted to the Director General at least five days in advance of the meeting; and any item which the Director General desired to put before the committee. Revisions and additions could be made by the committee.[88]

As in the case of the Central Committee, the Secretariat at Headquarters furnished the technical and administrative services required by the committees meeting in Washington.[89] Similar work was carried on in the Secretariat in ERO for the committees in London and by the China Office for those in the Far East after June 1946 when the Committee of the Council for the Far East began to meet regularly in China.

A majority of members constituted a quorum, and all decisions required an affirmative majority vote of the members present.

### 6. *COMMITTEE OF THE COUNCIL FOR EUROPE*

The Committee of the Council for Europe and the Committee of the Council for the Far East had four main advisory functions. They were set up, in line with precedents established by the Inter-Allied Committee on European Post-War Requirements, to: recommend basis or bases for over-all requirements and advise with respect to the computation of over-all requirements in conformity with the bases; advise with respect to the fair and equitable apportionment of available supplies and to assist in securing the maximum production and interchange of any surplus supplies; and receive and discuss periodic reports and advise on the organization of measures to assist displaced persons and the coördination of national action in regard to medical and other relief and rehabilitation problems.[90]

The Committee of the Council for Europe, originally consisting of representatives of Belgium, Brazil, Canada, Czechoslovakia, the French Committee of National Liberation, Greece, Iceland, Luxembourg, the Netherlands, Norway, Poland, the USSR, the United Kingdom, the United States, and Yugoslavia,[91] was enlarged by the addition of representatives of Denmark, the Byelorussian SSR, the Ukrainian SSR,[92] and Turkey [93] after those countries had become members of UNRRA.

[88] *Ibid.*, Article IV. [89] Administrative Order 26, 14 September 1944.
[90] Resolution 20. [91] Resolution 18. [92] Resolution 66.
[93] CC(46)61, minutes 29th meeting, 17 May 1946 (CC Docs., III, 27–28).

In the spring of 1946 the Committee invited representatives of the Italian and Austrian Governments to attend its meetings as observers without vote, in accordance with the precedent set by the Fourth Council.[94] Even earlier, international and other appropriate organizations (the International Labor Office and the Intergovernmental Committee on Refugees) were also invited to send observers.[95]

Four chairmen, all British, successively presided over the Committee of the Council for Europe: Colonel John J. Llewellin, British Minister of Food,[96] Ernest Brown, M.P., Chancellor of the Duchy of Lancaster; [97] Sir Frederick Leith-Ross, a former Deputy Director General; [98] and Kenneth P. Younger, M.P.[99] The Committee held thirty-eight meetings from November 1943 to April 1948. From the second meeting held in London, 14 March 1944, until the eighth meeting, 25 August 1944, the Committee and its subcommittees were primarily concerned with the study and discussion of bases of requirements for relief and rehabilitation in Europe as provided [100] by the First Council. The results of this work were officially adopted at the Second Session of the Council.[101]

At the eighth meeting, the chairman pointed out [102] that the Committee had more or less completed the work arising from the first function assigned it and that consideration should be given to the tasks that might arise from the second function, that is, advising with respect to the fair and equitable apportionment of available supplies and especially assisting in securing the maximum production and interchange of surplus supplies. This led, at subsequent meetings,[103] to discussions of the role the Committee might play. These discussions ultimately centered on an Administration memorandum entitled "Production and Interchange of Relief Supplies—Analysis of the Problems Involved," [104] in which it was stated that "it is for the Committee to

[94] Committee of the Council for Europe (CCE) (46)37, minutes 27th meeting, 25 April 1946.

[95] Resolution 5; CCE(44)5, minutes 2d meeting, 14 March 1944.

[96] *Journal*, First Council, minutes 1st meeting CCE, 30 November 1943, pp. 169–170.

[97] Letters: Leith-Ross to Lehman, 19 February 1944; British Embassy to Lehman, 23 February 1944.

[98] Cable, London to Washington 977, 4 May 1945.

[99] Letter, Foreign Office to LaGuardia, 1 June 1946.

[100] Resolutions 17, 20.

[101] Resolution 55; *infra*, Part Three, Chapter I, Section 8.

[102] CCE(44)50, statement of the chairman at the eighth meeting, 24 August 1944.

[103] CCE(44)68, minutes 9th meeting, 22 November 1944, pp. 6–7*a*; CCE(45)18, minutes 10th meeting, 13 February 1945, pp. 11–12; CCE(45)20, minutes 11th meeting, 19 February 1945, pp. 2–13.

[104] CCE(45)10.

consider whether it can usefully initiate discussions on such problems with a view to appropriate governmental or intergovernmental action, or whether it is preferable to leave their consideration to other organizations."

The United Kingdom Government considered that the problems raised fell outside the sphere of UNRRA.[105] The Committee decided to transmit the memorandum to its member governments and to meet within four weeks to receive reports of the progress made.[106] At the next meeting the United Kingdom representative indicated that his Government thought it premature to discuss the matter further, since representatives of his Government were meeting with those of the French Provisional Government, the USSR, and the United States to consider the development of machinery to deal with such matters. The USSR representative supported this view.[107] The effort to establish an active role for the Committee in connection with its second proposed function thus failed.

Thereafter, the Committee concentrated largely on the third function—discussion of periodic reports submitted by the Administration. These were used mostly, though not exclusively, by the Eastern European representatives as excuses for criticizing the Administration: Greece was getting too much; [108] deliveries to Poland, Yugoslavia, Czechoslovakia, and the Soviet Republics were too slow; [109] Italy was getting too much; [110] the displaced persons operations were being mishandled.[111] Up-to-date supply figures not being available in London, since the master records were necessarily maintained in Washington, the Administration sometimes could not give the Committee complete information on the many points raised for discussion.[112]

After the decision at the Fifth Council Session that UNRRA would not be extended, criticism of the Administration gradually gave way to

105 CCE(45)16, statement by United Kingdom representative, February 1945.
106 CCE(45)20, minutes 11th meeting, 19 February 1945.
107 CCE(45)33, minutes 12th meeting, 19 March 1945, p. 13.
108 CCE(45)84, minutes 17th meeting, 26 June 1945.
109 CCE(46)6, minutes 24th meeting, 11 January 1946; CCE(46)17, minutes 25th meeting, 15 February 1946; CCE(46)37, minutes 27th meeting, 25 April 1946; CCE(46)51, minutes 28th meeting, 6 June 1946.
110 CCE(46)24, 2d session, 25th meeting, 22 February 1946.
111 CCE(46)51, minutes 28th meeting, 6 June 1946; CCE(46)47, minutes 30th meeting, 23 July 1946; CCE(46)75, minutes 31st meeting, 17 September 1946; CCE(46)86, minutes 33d meeting, 13 November 1946; CCE(47)2, minutes 34th meeting, 12 December 1946.
112 For example, cable, London to Washington 609, 16 January 1946.

commendation. The Committee continued with the work of commenting on Administration reports into 1947, and at its thirty-eighth meeting on 23 March 1948 voted to dissolve.[113]

### 7. *COMMITTEE OF THE COUNCIL FOR THE FAR EAST*

Although the functions of the Committee of the Council for the Far East (CCFE) and the Committee of the Council for Europe were identical,[114] their opportunities to serve UNRRA developed along very different lines, owing to political and economic differences in the areas which they represented. Starting with many handicaps, the Committee of the Council for the Far East grew steadily in influence and importance until it became a significant operating as well as policy-making body for UNRRA in China.

The original membership of the Committee of the Council for the Far East included representatives of Australia, China, the French Committee of National Liberation, India, the Netherlands, New Zealand, the Philippine Commonwealth, the United Kingdom, and the United States.[115] After the cessation of hostilities in the Far East, August 1945, the Third Council added a representative of the USSR (which had refused membership at the First Council[116]) to the Committee;[117] Canada became a member at the final Session of the Council in December 1946.[118] The representatives of each nation were changed frequently owing to the peripatetic meetings of the Committee. Observers from official international organizations and appropriate civic groups were invited from time to time to attend the Committee.[119]

T. F. Tsiang, China, served as chairman from the first meeting[120] until 13 November 1946, except for a few months in 1945 when the Chinese Ambassador in Washington, Wei Tao-ming, acted while Tsiang was in China.[121] W. W. Yen, formerly Premier, was then

[113] CCE(48)6, minutes 38th meeting, 23 March 1948.
[114] Resolution 20.
[115] Resolution 19.
[116] Committee I, Subcommittee 1, Secretary's notes, 24 November 1943.
[117] Resolution 79.
[118] Resolution 108.
[119] Committee of the Council for the Far East (CCFE)(44)2, minutes 3d meeting, 14 January 1944.
[120] CCFE(43)2, minutes 1st meeting, 30 November 1943.
[121] CCFE(45)44, minutes 9th meeting, first session, 24 September 1945; CCFE(45)54, minutes 10th meeting, 13 December 1945; CCFE(46)1, minutes 11th meeting, 27 December 1945.

elected to the post [122] and served until the final, thirty-eighth, meeting, 27 January 1948.[123]

Prior to June 1946, the Committee of the Council for the Far East met nine times in Washington,[124] three at Atlantic City,[125] once in Sydney,[126] and once in London; [127] thereafter it met in China.[128]

In the beginning the Committee was concerned with general plans and the bases of requirements for the Far East. It not only decided that no uniform bases were applicable for both Europe and Asia, but also, contrary to the conclusion of the Committee of the Council for Europe,[129] that no bases could be set up for the whole Far Eastern area. Each government should, therefore, present its own estimates, using whatever bases it desired.[130] The Committee also in the early days called attention to need for training personnel for relief and rehabilitation services in the Far East,[131] and to the supplies which might become available for UNRRA purposes upon the liberation of territory then occupied by the enemy.[132] The meeting held at Sydney, 15–20 February 1945,[133] led to an increased consciousness within the Administration of the problems of the Far East and increased awareness within the region of the existence and purposes of UNRRA.

Until the Committee began to hold regular meetings in China in the midst of developing relief operations, it could do little more than discuss bimonthly reports from the Administration on current work, and the observations of official or specialists' missions.[134]

Since but two of its member governments made specific appeals to UNRRA for relief,[135] the Committee was chiefly concerned with the

[122] CCFE(46)94, minutes 26th meeting, 13 November 1946.
[123] CCFE(48)22, minutes 38th meeting, 27 January 1948.
[124] 10 December 1943, 14 January, 23 February, 5 May, 12 October 1944, 21 September–3 October (three sessions), 13, 27 December 1945, 2 April 1946.
[125] 30 November 1943, 12, 22 March 1946.
[126] 15–20 February 1945.
[127] 2–21 August 1945 (six sessions).
[128] 7 June 1946 and thereafter.
[129] Part Three, Chapter I, Section 8.
[130] CCFE(43)4, minutes 2d meeting, 10 December 1943; CCFE(44)7, minutes 5th meeting, 5 May 1944; Resolution 65; *infra*, Part Three, Chapter I, Section 9.
[131] CCFE(43)4, minutes 2d meeting, 10 December 1943.
[132] CCFE(44)5, minutes 4th meeting, 23 February 1944.
[133] Collection of press clippings regarding 7th meeting of CCFE, 15–20 February 1945.
[134] CCFE(45)26, 28, 37, minutes 8th meeting, 2–24 August 1945; CCFE(45)44–46, minutes 9th meeting, 21 September 1945; CCFE(45)54, minutes 10th meeting, 13 October 1945; CCFE(46)1, minutes 11th meeting, 27 December 1945; CCFE(46)7, minutes 12th meeting, 20 March 1946; CCFE(46)8, minutes 13th meeting, 22 March 1946; CCFE(46)11, minutes 14th meeting, 2 April 1946.
[135] China and the Philippine Commonwealth; Korea was not a member of UNRRA.

vast and complex needs of the Chinese Republic. The emergency programs for the Philippines,[136] and that for Korea [137] which was developed on the authorization of the Third Council following the recommendation of the Committee of the Council for the Far East,[138] required little time in comparison.

The fifteenth meeting, held at Nanking on 7 June 1946, established the Committee as a force in the determination of the Administration's Far Eastern policy. The Committee, working also through subcommittees—including an especially important one on distribution [139]—now became an active forum, discussing particularly such problems of the China Office as the extent of the displaced persons operation,[140] the need for more local currency,[141] and the inequity in the distribution of supplies within the country.[142]

The year 1947 was the crucial one for the Committee, for the major disturbances to the UNRRA operation in China growing out of the spreading civil war, the difficulties of transport, and the ever-increasing currency inflation obliged the regional committee to go beyond its advisory responsibilities. As these disturbances developed, the Central Committee not only looked to CCFE for guidance [143] in such matters as the stoppage of supplies to Communist China [144] but also delegated to it executive powers in conjunction with the UNRRA China Office,[145] particularly in regard to the use and control of funds from the sale of UNRRA cotton.[146] The bulk of this work was accomplished

[136] See Part Six, Chapter IV, Section 1.

[137] See *ibid.*, Section 2.

[138] CCFE(45)28, minutes 8th meeting, second session, 6 August 1945; Resolution 76. This resolution also authorized operations in Formosa, but these were handled as part of the program for China.

[139] CCFE(46)31.

[140] CCFE(46)28, minutes 17th meeting, 8 June 1946; CCFE(46)36, minutes 18th meeting, 8 June 1946.

[141] CCFE(46)38, minutes 19th meeting, 9 June 1946; CCFE(46)33.

[142] CCFE(46)28, minutes 17th meeting, 8 June 1946; CCFE(46)36, minutes 18th meeting, 8 June 1946.

[143] CC(47)42, minutes 49th meeting, 4 March 1947.

[144] CCFE(47)113, minutes 33d meeting, 18 July 1947; CCFE(47)109, CC(47)92, minutes 56th meeting, 24 July 1947; CC(47)105, minutes 58th meeting, 20 August 1947; CCFE(47)141, minutes 34th meeting, 24 September 1947; CC(47)141, minutes 62d meeting, 17 November 1947.

[145] CC(47)84; CC(47)86, minutes 55th meeting, 16 June 1947; CC(47)135, minutes 61st meeting, 5 November 1947; CC(47)139; CC(47)141, minutes 62d meeting, 17 November 1947.

[146] CC(47)84; CC(47)86, minutes 55th meeting, 16 June 1947; CC(47)135, minutes 61st meeting, 5 November 1947; CC(47)139; CC(47)141, minutes 62d meeting, 17 November 1947.

in a Subcommittee on Financing, established in July 1947 and made up of representatives of the Netherlands, the United Kingdom, the United States, CNRRA, and the Administration.[147]

The Chinese relief officials both in Washington and Shanghai had, in 1947, viewed the Committee's increasing power with some concern as a possible infringement by an international organization on national sovereignty, and opposed its extended development and continuance.[148] On 27 January 1948 the Committee transferred its authority to BOTRA, which it had been active in inaugurating,[149] and voted its own dissolution.[150]

### 8. *THE COMMITTEE ON SUPPLIES*

The Committee on Supplies was one of the four committees established specifically by the Agreement. Here it was indicated that this Committee should "consider, formulate and recommend policies designed to assure the provision of required supplies," [151] that it should consist of members "representing those member governments likely to be principal suppliers of materials for relief and rehabilitation," [152] and that its chairman should be invited to participate in those meetings of the Central Committee "at which policies affecting the provision of supplies are discussed." [153]

At its First Session the Council formally established the Committee and defined its functions, which may be summarized as: to advise on general supply policies and to discuss programs for securing supplies, "as such programs affect the supplying countries"; to coöperate with the Director General and the established intergovernmental and governmental agencies in efforts to increase production and to assure the availability of required supplies; and "to consider whether there are unjustifiable differences in the valuations placed by the contributing countries upon the supplies and services purchased by or made available to the Administration." [154]

[147] Committee of the Council for the Far East (Subcommittee on Financing) (CCFE/SF) (47) 1–(48) 21.
[148] CCFE(47)97; CC(47)135, minutes 61st meeting, 5 November 1947.
[149] CCFE(47)126, 127, 128; CCFE(47)141, minutes 34th meeting, 24 September 1947; CCFE(47)152, minutes 35th meeting, 20 October 1947; CC(47)141, minutes 62d meeting, 17 November 1947; CCFE(47)173, minutes 36th meeting, 15 December 1947; CCFE(48)11, minutes 37th meeting, 15 January 1948.
[150] CCFE(48)22, minutes 38th meeting, 27 January 1948; CCFE(48)14.
[151] Article III, 4.
[152] *Ibid.*
[153] Article III, 3.
[154] Resolution 22.

To carry out these responsibilities the Council determined that representatives of eleven nations—Australia, Belgium, Brazil, Canada, China, France, the Netherlands, New Zealand, the USSR, the United Kingdom, and the United States—should be members of the Committee. While it was hoped at the time that all might become contributing countries, five did not. At later sessions, representatives of India; [155] Czechoslovakia, Mexico, Norway, Poland, and Yugoslavia; [156] Greece, the Philippines, and the Ukrainian SSR [157] were added; the latter two groups after the functions of the Committee had been expanded.[158] Of these additional nine, only two were contributing countries.

In accord with the understanding reached between the Canadian, United Kingdom, and United States Governments,[159] Lester B. Pearson, the Canadian representative, was elected chairman at the first meeting. On his resignation in September 1946, J. B. Brigden, Australia, was elected to succeed him,[160] Canada having by then become a member of the Central Committee.

During the planning period of UNRRA, that is, until the Third Council Session, the Committee on Supplies was the main forum where the Administration's supply operations were discussed. Through carefully prepared reports the Bureau of Supply laid before the Committee the Administration's negotiations with the allocating agencies [161] and the military authorities,[162] its plans for specific operations,[163] and periodic reviews of the developments in its supply program.[164] In general, the Committee gave the desired support to the Administration's work,[165] serving also as both check and goad during the growth of the supply operation. To the Second Council, it reported that "the working relationships established between the Committee on Supplies and the Executive Branch of the Administration during the last nine months have resulted in a thorough appreciation of the supply problems in-

[155] Resolution 45.
[156] Resolution 68.
[157] By decision of the Central Committee in fulfillment of Resolution 68, CC(46)61, minutes 29th meeting, 17 May 1946 (CC Docs., III, 26–27).
[158] Resolution 69.
[159] Part One, Chapter I, Section 3.
[160] Committee on Supplies (CS)(46)41, minutes 26th meeting, 26 September 1946.
[161] CS(44)17, 21, 25, 31; CS(45)16, Appendix Two.
[162] CS(44)5, letter, Lehman to Combined Chiefs of Staff, 22 December 1943; CS(44)17, 25, 31.
[163] CS(44)8, "Draft of Proposed Policies and Procedures for Procurement in Advance of Liberation by Governments of Countries Occupied by the Enemy," 27 January 1944; CS(44)15, March 1944, revised draft of same; CS(45)4, memo, "Valuation and Prices of Relief and Rehabilitation Supplies."
[164] CS(44)17, 21, 25, 31; CS(45)2, 6, 9, 16, 20, 25, 26, 33, 36, 42.
[165] CS(44)36; CS(45)29.

volved and of the procedures that need to be established to facilitate the prompt solution of these problems." [166]

As it became apparent that the distribution of supplies was of equal importance with their provision the Committee asked the right to consider as well the equity of any proposed policy for the distribution of relief supplies among receiving countries. This function was apparently established by Resolution 69, originally put forward by Pearson in the General Committee at the Third Council, empowering the Committee on Supplies to advise on and discuss "broad programs for securing the equitable distribution of supplies." [167] The power came to little, however, since this work was largely assumed by the Program Subcommittee of the Central Committee, created as a result of another decision made at the same Council Session.[168]

Having failed in this effort the Committee on Supplies reluctantly reverted to its original advisory function regarding the procurement of supplies.[169] Through the appointment of a Subcommittee on Special Supply Problems,[170] it played an important part in bringing the critical food shortage in the winter of 1945–1946 to the attention of member governments.[171] Thereafter it met seldom,[172] and, with the approval of all its members, the chairman agreed to its dissolution by the Central Committee in August 1947.[173]

## 9. *SUBCOMMITTEE OF THE COMMITTEE ON SUPPLIES (ON ABILITY TO PAY)*

The early plan to consider supplies and finance in one standing committee was discarded at the First Council. In the meeting of the Committee on *Ad Hoc* Committees on 21 November, the Belgian representative proposed a smaller committee to deal with the situation of countries without foreign exchange, arguing that much confidential material

166 Council II Document 221, CS(44)36.

167 Council III, General Committee, verbatim minutes 5th meeting, 17 August 1945; Council III Document 101.

168 Resolution 80; *infra*, Part Three, Chapter II, Section 6.

169 CS(45)41; CS(46)1, minutes 19th meeting, 12 December 1945.

170 CS(46)8, minutes 20th meeting, 24 January 1946.

171 CS(46)13; Council IV Document 18, CS(46)25; see *infra*, Part Three, Chapter IV, Section 4.

172 Four times after 25 March 1946.

173 CC(47)86, minutes 55th meeting, 16 June 1947; CC(47)98; CC(47)99, minutes 57th meeting, 5 August 1947.

would be involved which should not be widely circulated. Further arguments for dividing the larger committee included the difficulties of combining finances with supply matters [174] and the recognition that a separate committee of technical experts would be needed to deal with the problems of administrative finance.[175]

The First Council, on the recommendation of the Committee on *Ad Hoc* Committees,[176] accordingly established a small subcommittee of no more than five members to deal with, and advise the Director General on, the ability to pay of countries applying for UNRRA's assistance. Appointed by the chairman of the Committee on Supplies, the majority of its members were to be drawn from that Committee and the others coöpted from the Committee on Financial Control.[177]

The Subcommittee on Ability to Pay differed from all other UNRRA standing committees. In reality, it was a series of five committees, each in turn set up to advise the Director General on the application of one or more countries. Various factors made this desirable. The USSR, for instance, did not wish to participate in deliberations on China; [178] the United States was not an appropriate member to consider the case of the Philippines. Representatives of eight member governments—Brazil, Canada, France, Mexico, Norway, the USSR, the United Kingdom, and the United States—constituted the over-all membership, thus providing the overlapping in the five groups necessary for continuity of principles. In their thirty-two meetings between 23 August 1944 and 18 September 1946 these subcommittees made twenty-two determinations normally covering periods of six months.[179]

The Subcommittee presented its recommendations—in every instance unanimous decisions—to the Director General, who then made his determinations. From early 1945 they were revised as a standard internal paper bearing his signature. In all cases the Director General followed the Subcommittee's recommendations.[180]

[174] Committee on *Ad Hoc* Committees, Secretary's notes, 21 November 1943.
[175] Part Two, Chapter III.
[176] Reception 239, I/F/5/No. 6, Committee on *Ad Hoc* Committees, minutes, 22 November 1943; Reception 285, I/F/5/No. 9, Report of the Committee on *Ad Hoc* Committees, 25 November 1943.
[177] Resolution 23.
[178] Memo, David Weintraub (Bureau of Supply) to Lehman, 25 October 1944.
[179] For details see monograph, Jacques J. Polak, "Ability to Pay," also *infra*, Part One, Chapter V, Section 3.
[180] Monograph, Polak, "Ability to Pay," p. 11.

### 10. *COMMITTEE ON FINANCIAL CONTROL*

The major functions of the Committee on Financial Control were:

1. To review the annual budgets and any supplementary budgets of the Director General and to make reports, comments, and recommendations to the Council on these budgets.
2. To receive the quarterly reports of the Director General on Administrative expenditures and receipts and to make reports to the Council regarding them.
3. To recommend auditors to the Council and to advise the Council regarding the scope and frequency of the reports to be obtained from the auditors . . .
4. To make recommendations to the Council regarding the share of the administrative expense of the Administration to be provided by each member government . . .
5. Generally to advise the Council on all financial matters within the competency of the Administration other than those falling within the scope of the Committee on Supplies.[181]

Its membership consisted of the Council members, or their alternates, representing China, Greece, Mexico, Norway, the Union of South Africa, the USSR, the United Kingdom, and the United States.[182] Four successive chairmen were elected: Dean Acheson; [183] William L. Clayton; [184] A. T. Brennan,[185] the able member from South Africa who as vice-chairman had often presided during Clayton's tenure; and, after a vacancy for six meetings, Ole Colbjornsen, from Norway, also a former vice-chairman.[186]

The power to review the annual and supplementary budgets of the Administration upon which it made recommendations to the Council or the Central Committee was taken most seriously.[187] By tacit agreement

[181] Resolution 25.
[182] Resolution 24.
[183] Committee on Financial Control (CFC) (43)2, minutes 1st meeting, 30 November 1943.
[184] CFC(45)28, minutes 19th meeting, 17 July 1945.
[185] CFC(46)49, minutes 33d meeting, 12 July 1946.
[186] CFC(47)6, minutes 41st meeting, 6 February 1947.
[187] CFC(44)42, minutes 10th meeting, 20 September 1944; CFC(44)43, minutes 11th meeting, 21 September 1944; CFC(44)44, minutes 12th meeting, 22 September 1944; CFC(45)3, minutes 14th meeting, 24 January 1945; CFC(45)61; CFC(46)6, minutes 26th meeting, 3 January 1946; CFC(46)9, minutes 27th meeting, 16 January 1946; CFC(46)12, minutes 28th meeting, 23 January 1946; CFC(46)35, minutes 31st meeting, 22 March 1946; CFC(46)49, minutes 33d meeting, 12 July 1946; CFC(46)60, minutes 35th meeting, 19 July 1946; CFC(46)73, minutes 36th meeting, 26 November 1946; CFC(47)15, minutes 42d meeting, 2 April 1947; CFC(47)27, minutes 43d meeting, 2 July 1947.

at the Montreal Council Session, and in accordance with the original title—Committee on Administrative Finance—the members limited their responsibility to a concern about administrative expenses, excluding all mission or "operating" expenditures.[188]

The Committee's power to review the Administration's financial statements augmented by the Director General's comments and the auditors' reports thereon, as well as any other reports by the auditors on accounting and financial problems,[189] led to a general airing of the weaknesses in the financial organization of UNRRA [190] and their ultimate rectifications. The Committee's responsibility for recommending the auditors led to the acceptance of the United States proposal supported by the United Kingdom that UNRRA should have an independent firm of auditors for the policy audit rather than a group of auditors chosen from several member nations under a controlling officer appointed by the Committee on Financial Control.[191]

The power to recommend the size of the administrative contributions of member governments made the Committee the body where the assessments on new members of UNRRA were considered and levied,[192] where member nations wishing cuts in their allocation brought their cases,[193] and where deficits arising from the nonpayment of contributions were discussed.[194] The general power to advise the Council and Director General on financial matters within the com-

[188] CFC(44)44, minutes 12th meeting, 22 September 1944; CFC(44)45, minutes 13th meeting, 23 September 1944.

[189] Resolutions 25, 44.

[190] For example, CFC, verbatim minutes 15th meeting, 16 March 1945; 16th meeting, 23 March 1945; CFC(45)11, minutes 17th meeting, 29 March 1945; CFC(45)12, 13, 25; CFC(45)38, minutes 21st meeting, 13 August 1945; CFC(45)41, minutes 22d meeting, 14 August 1945; CFC(46)1, minutes 25th meeting, 14 December 1945; CFC(46)19, minutes 29th meeting, 15 February 1946; CFC(46)74, minutes 37th meeting, 6 December 1946; CFC(47)6, minutes 41st meeting, 6 February 1947; CFC(47)15, minutes 42d meeting, 2 April 1947; CFC(47)27, minutes 43d meeting, 2 July 1947.

[191] CFC, verbatim minutes: 3d meeting, 13 March 1944; 4th meeting, 25 April 1944; 5th meeting, 3 May 1944; 6th meeting, 8 May 1944; 7th meeting, 15 May 1944; CFC(44)21; CFC(44)23; CFC(44)29, minutes 8th meeting, 7 August 1944.

[192] CFC(45)38, minutes 21st meeting, 13 August 1945; CFC(45)41, minutes 22d meeting, 14 August 1945; CFC(45)45, minutes 23d meeting, 16 August 1945; CFC(45)49, minutes 24th meeting, 18 August 1945; CFC(46)1, minutes 25th meeting, 14 December 1945; CFC(46)6, minutes 26th meeting, 3 January 1946; CFC(46)12, minutes 28th meeting, 23 January 1946; CFC(46)13; CFC(46)49, minutes 33rd meeting, 12 July 1946; CFC(46)73, minutes 36th meeting, 26 November 1946.

[193] CFC(44)45, minutes 13th meeting, 23 September 1944.

[194] CFC(45)22; CFC(45)28, minutes 19th meeting, 17 July 1945; CFC(45)45, minutes 23d meeting, 16 August 1945; CFC(47)6, minutes 41st meeting, 6 February 1947; CFC(47)15, minutes 42d meeting, 2 April 1947.

petency of the Administration resulted in the Committee's discussion of insurance policies,[195] personnel salary scales,[196] accounting plans,[197] and the convertible currency resources and requirements of the Administration.[198]

In spite of its limited control over the Administration's finances, the Committee served as an important check and active threat to extravagant tendencies among UNRRA's administrators both in Washington and London. Although it made its major contributions before the Audit Subcommittee began work in March 1945, the Committee's power to cut administrative budgets continued to inspire caution in the staff.[199] The Committee's review was, in fact, considered important enough to keep the Committee in existence throughout the liquidation of UNRRA, to receive the financial reports of the Administration, and to confer with the Board of Audit of the United Nations on audit procedures and policies.[200]

### 11. *AUDIT SUBCOMMITTEE*

The Audit Subcommittee, established by Resolution 44, was appointed by the Committee on Financial Control in January 1945. The Subcommittee was to consult with the auditors, to direct them concerning the policy aspects of the audit, and to examine and make reports and recommendations to the Committee on Financial Control on the records and accounts of the Administration. The Subcommittee, indeed, played a very active role in all questions connected with the accounts and financial reports of the Administration. It suggested organizational changes; it commented on the state and conditions of the accounts; it established standards to be met by the accounts. After considering the views of the Administration and the auditors, it made many recommendations concerning the financial aspects of the work

[195] CFC(45)23; CFC(45)28, minutes 19th meeting, 17 July 1945; CFC(46)1, minutes 25th meeting, 14 December 1945.

[196] CFC, verbatim minutes 4th meeting, 25 April 1944; CFC(45)24; CFC(45)28, minutes 19th meeting, 17 July 1945.

[197] CFC(43)6, minutes 2d meeting, 20 December 1943; verbatim minutes 3d meeting, 14 March 1944.

[198] CFC(45)45, minutes 23d meeting, 16 August 1945.

[199] Memo, Director General to all division and bureau heads, 11 October 1944; Senior Deputy Director General's staff meeting, minutes, 17 January 1946.

[200] CFC(48)17, minutes 46th meeting, 21 September 1948; interview, G. E. Fox with Wilbur Morse (Secretary of the Committee), 30 November 1948.

of the Administration to the Committee on Financial Control.[201]

The Subcommittee held its first meeting on 21 March 1945. The five members were nominated by Czechoslovakia, the Union of South Africa, USSR, the United Kingdom, and the United States. It was expected that they would be chosen for special technical competence, and at first they met this requirement. The member from South Africa was succeeded by a representative nominated by Canada in the autumn of 1946, the Committee on Financial Control being empowered to invite another government to name a member in case one of the original five should be unable to supply a suitable person.[202] The USSR representative was changed at least five times and after July 1947 seldom attended the meetings, although he continued to receive the Committee's papers.[203] A. T. Brennan, South Africa, became the first chairman, owing to his recognized knowledge of the Administration.[204] Upon his resignation from the Committee on Financial Control in July 1946, Fred L. Preu, the United States member since November 1945, became acting and then permanent chairman of the Subcommittee.[205]

Since the Subcommittee was concerned with making recommendations based on the records and accounts of the Administration, it worked in privacy. Members of the Administration and the Council's auditors attended its meetings only on invitation,[206] and, although its formal recommendations were given wide circulation,[207] the brief summaries of its deliberations [208] had in the beginning very limited distribution.[209]

### 12. *PROGRAM SUBCOMMITTEE*

The Program Subcommittee was established by the Central Committee after the Third Council to review projected supply programs for receiving countries submitted by the Administration and to recommend to the Central Committee their acceptance or revision. Each government on the Central Committee appointed a representative, and

[201] See Part Two, Chapter III.
[202] CFC(45)3, minutes 14th meeting, 24 January 1945.
[203] Audit Subcommittee, minutes, March 1945–March 1948.
[204] Audit Subcommittee, minutes 1st meeting, 21 March 1945.
[205] Audit Subcommittee, minutes 14th meeting, 11 July 1946; minutes 15th meeting, 22 November 1946.
[206] Audit Subcommittee, Brennan report, 1st meeting, 21 March 1945.
[207] For example, Council III Document 11.
[208] Audit Subcommittee, minutes, 19 December 1945.
[209] Audit Subcommittee, minutes, 5–6 December 1945.

optionally an alternate, to serve on the Subcommittee.[210] It had, therefore, a membership of six until the Council at its Fourth Session enlarged the Central Committee to nine.[211] As the same men usually sat on both committees the Program Subcommittee was, in effect, a replica of the Central Committee. This meant that during the most important period in the Administration's history, when the program of operations was being formulated, the major representatives of member governments were in almost daily contact with the Administration.

Because of its basic connection with all decisions regarding the size and nature of country programs, the Program Subcommittee was the most significant of UNRRA's advisory committees, and the results of its deliberations during fifty-four meetings were reflected in the allotment of supplies to each receiving country.[212]

### 13. *TECHNICAL ADVISORY COMMITTEES*

The five technical committees established by the First Council had similar functions. In their respective fields of agriculture, displaced persons, health, industrial rehabilitation, and welfare they were to advise the Council, the Central Committee, and the Director General on the nature and scope of technical problems; to review periodically the program of the Administration; to make proposals on technical policies; to appoint subcommittees at the request of, and in consultation with, the regional committees; and to advise the regional committees and the respective regional representatives of the Director General on technical problems.[213]

Eight nations (Australia, Belgium, Czechoslovakia, the Netherlands, the USSR, the United Kingdom, the United States, and Yugoslavia) appointed representatives to all five committees. Twenty-four governments named experts to attend the Committee on Agriculture, sixteen for the Displaced Persons Committee, fourteen for the Health Committee, sixteen for the Industrial Rehabilitation Committee, and thirteen for the Welfare Committee. The elected chairmen of the five

[210] CC(45)38, minutes 18th meeting, 29 November 1945 (CC Docs., II, 40–43); CC(45)39 (CC Docs., II, 44–45).

[211] Canada, China, France, USSR, United Kingdom, and United States; Australia, Brazil, and Yugoslavia.

[212] See Part Three, Chapter II, Sections 6 ff.

[213] Resolutions 27, 28, 29, 30, 31.

bodies represented Canada, the United States, the USSR, Czechoslovakia, and Belgium.[214]

On the corresponding technical subcommittees and the two additional *Ad Hoc* Subcommittees on Food and on Textiles established for Europe, the following countries were represented: Belgium, Canada, Czechoslovakia, the French Provisional Government, Greece, Luxembourg, the Netherlands, Norway, Poland, the USSR, and the United Kingdom, except that the USSR was not represented on the Welfare Subcommittee. Among non-European countries, the United States was represented on all seven; Canada, on all but the Displaced Persons; Brazil and Iceland, on the Agriculture, Food, and Textile; and New Zealand, on the Agriculture and Health.[215] Three of the chairmen came from the United Kingdom, one each from Czechoslovakia, the French Provisional Government, the Netherlands, and Norway.[216]

There were also five technical subcommittees appointed for the Far East. To all, Australia, France, the Netherlands, New Zealand, the United Kingdom, and the United States sent representatives. China took part in all except the Subcommittee on Displaced Persons. India appointed a member to the Subcommittee on Displaced Persons and Industrial Rehabilitation, and the Philippine Commonwealth sent representatives to the Subcommittees on Agricultural Rehabilitation and Welfare.[217] The original chairmen of these subcommittees were selected by the chairman of the Committee of the Council for the Far East in consultation with the chairman of the corresponding standing technical

[214] Standing Technical Committee on Agricultural Rehabilitation (TAG)(44)2, minutes 1st meeting, 13 January 1944; Standing Technical Committee on Displaced Persons (TDP)(44)2, minutes 1st meeting, 13 January 1944; Standing Technical Committee on Health (THE)(44)2, minutes 1st meeting, 17 January 1944; Standing Technical Committee on Industrial Rehabilitation (TIR)(44)2, minutes 1st meeting, 13 January 1944; Standing Technical Committee on Welfare (TWE)(44)2, minutes 1st meeting, 13 January 1944.

[215] CCE(44)8, 13, 20, 70.

[216] CCE(44)24, 28, and 70.

[217] Subcommittee on Agricultural Rehabilitation for the Far East (TAG/FE)(44)5, minutes 1st meeting, 29 November 1944; Subcommittee on Displaced Persons for the Far East (TDP/FE)(45)19, minutes 1st meeting, 23 January 1945; TDP/FE(45)24, minutes 3d meeting, 15 February 1945; Subcommittee on Health for the Far East (THE/FE)(44)9, minutes 1st meeting, 26 November 1944; THE/FE(45)11, minutes 3d meeting, 1 February 1945; Subcommittee on Industrial Rehabilitation for the Far East (TIR/FE)(45)1, minutes 1st meeting, 22 December 1944; TIR/FE(45)7, minutes 2d meeting, 25 January 1945; Subcommittee on Welfare for the Far East (TWE/FE)(44)4, minutes 1st meeting, 15 November 1944; TWE/FE(45)6, minutes 3d meeting, 22 January 1945.

committee.[218] Two came from China, one from India, one from the Netherlands and one from New Zealand.[219] As these men were seldom present, the subcommittees elected temporary chairmen who often varied from meeting to meeting.

These technical committees and subcommittees played, on the whole, a minor role in the development of the work of UNRRA. In three instances, however, their advice had a lasting influence on the Administration's policy. The Standing Technical Committee on Health, acting under Resolution 52 passed at the Second Council, prepared the final texts of the International Sanitary Conventions.[220] Three of the European subcommittees (those on agriculture, health, and industrial rehabilitation) and the *Ad Hoc* Food and Textile Subcommittees prepared the bases used by the Director General in determining the division of UNRRA supplies among the European countries.[221] The Subcommittee on Welfare for Europe initiated the resolution for the provision of emergency supplies for Northwestern Europe [222] which, authorized by the Central Committee,[223] became part of the UNRRA program.

With the end of the planning period, the need for the technical committees was generally recognized to have passed, and all but the Standing Technical Committees on Health, Displaced Persons, and Industrial Rehabilitation were dissolved by the Third Council in August 1945, with provision that *ad hoc* committees might be appointed if necessary.[224] Although none of the three remaining committees met after the middle of 1946,[225] they were not officially dissolved by the Central Committee until August 1947.[226]

[218] CCFE(44)2, minutes 3d meeting, 14 January 1944.
[219] TAG/FE(44)1; TDP/FE(45)1; THE/FE(44)1; TIR/FE(44)1; TWE/FE(44)1.
[220] THE(45)1, minutes 7th meeting, 5 December 1944; THE(45)2, minutes 8th meeting, 9 December 1944; see *infra*, Part Four, Chapter II, Section 2.
[221] Resolution 55; *infra*, Part Three, Chapter I, *passim*.
[222] Subcommittee on Welfare for Europe (TWE/E)(45)2, TWE/E(45)3, minutes 6th meeting, 10 January 1945; see *infra*, Part Five, Chapter XII.
[223] CC(45)9, minutes 12th meeting, 26 February 1945 (CC Docs., I, 101–105); see *infra*, Appendix Four, Section III, Document 1.
[224] Resolution 75.
[225] THE(46)4, minutes 10th meeting, 16 July 1946; TDP(46)1, minutes 15th meeting, 20 December 1945; TIR(46)15, minutes 11th meeting, 21 May 1946.
[226] CC(47)99, minutes 57th meeting, 5 August 1947.

## 14. *THE ADVISORY COMMITTEES AND THE ADMINISTRATION*

The elaborate provisions made for the committees were more impressive than real. Hope that committees would be important instruments in building up the good will, participation, and support of member governments in the work of UNRRA [227] gave place to the fear that advisory bodies would delay action.[228] UNRRA's work was to meet emergency needs promptly. Its life was short. Operations could not be postponed by long discussions in numerous committees leading to advice on policy. Because of this the Administration discouraged committee meetings,[229] and by the Second Council Session member governments advised against their multiplication.[230] The dissolution of many of the technical committees by the Third Council was welcomed by members and the Administration alike.[231]

At the same time, some committees rose to positions of significance. With the beginning of intensive operations the member governments established, at least theoretically, greater control over the Administration through an increase in the powers of the Central Committee, the creation of the Program Subcommittee, and more thorough examination of the financial aspects of the work by the Audit Subcommittee and the Committee on Financial Control. When operations in China reached their peak, the Central Committee delegated executive powers to the Committee of the Council for the Far East. These five committees —occasionally resisted by the Administration for encroaching on its authority [232]—played an important part in molding the policy of UNRRA and in keeping the Administration's problems before the member governments. They were the major forums in which the Administration's point of view could be heard. Through them the Ad-

[227] State (OFRRO Docs.), Pre-UNRRA Committee VIII, 9, memo, Hugh Jackson (Special Assistant to Lehman, OFRRO), 25 October 1943.

[228] Monograph, H. E. Caustin, "Notes on the Development and Functions of the Director General's Office," first draft, p. 25; Hugh Jackson (Deputy Director General for Regional Liaison), Diary, 24 February, 26 April 1944, pp. 36–37; Director General's staff meeting, minutes, 26 April 1944.

[229] Monograph, Eugene Sergeev, "Committee Division," p. 4.

[230] *Journal*, Second Council, p. 55.

[231] Council III Document 170, Ad Hoc/G29; minutes 6th meeting, 23 August 1945; *Journal*, Third Council, pp. 95–97, 117.

[232] CFC(45)14, letter, Lehman to CFC, 26 March 1945; Director General's meeting with Roger Makins (British Embassy), notes, 10 September 1945; *Journal*, Fifth Council, p. 22.

ministration could and did appeal formally for the support and understanding necessary from member nations.

The support received represented, in general, genuine international collaboration. The committees were meeting places where national representatives were free to advance the policies of their own governments. One of the remarkable features of UNRRA was not that such representatives did occasionally advocate actions that clearly reflected national policies rather than politically unbiased practices,[233] but that they did so infrequently. From the Council down, the national representatives tried to determine the fair method of carrying out the basic aims of UNRRA.[234]

[233] See above, Section 2.

[234] For example, United States support of the Yugoslav program, CC(46)97, minutes 36th meeting, 12 September 1946 (CC Docs., IV, 5–7).

# IV. The Financial Plan

## 1. *EVOLUTION OF A FINANCIAL PLAN*

THE AGREEMENT for UNRRA created the organization to administer relief; the motive force for the organization was to be provided by the funds voted by each member government "in so far as its appropriate constitutional bodies shall authorize." [1]

In signing the Agreement, each member government pledged itself to contribute to the resources needed to enable the Administration to accomplish the purposes for which it was established.[2] Provision was made in the Agreement for two separate types of contribution: administrative and operating. Administrative expenses were to be met by an annual budget drawn up by the Director General and submitted to the Council for approval; they were then to be borne by the member governments "in proportions to be determined by the Council." [3] The administrative contribution was to be a definite assessment. The operating contribution, on the other hand, was to be determined both as to size and character by the member governments themselves, but the obligation to pay either the one or the other was not to become legally binding until the appropriate constitutional bodies of each government chose to make it so.

In the war period during which UNRRA was planned it was impossible to be precise regarding the financial scope of the proposed relief organization. No one could prophesy what would be the extent of the needs of the liberated countries, or what resources the governments supplying relief would have at their disposal. There were many variables, and perhaps the only constant was that relief needs would outrun the means to meet them.

In the course of the protracted discussions which were conducted between the United States and United Kingdom Governments for the financing of relief, there emerged some general principles which were recognized as essential to any financial plan to be adopted. The first was that the acceptance of relief should not result in a burden of in-

[1] Article V. [2] *Ibid.* [3] Article VI.

debtedness.[4] After World War I relief had been financed largely through loans; the United States Government alone made loans directly or indirectly for relief and rehabilitation amounting to about $2,300 million; the United Kingdom, France, Norway, Italy, the Netherlands, and other governments made loans amounting to something like $424 million.[5] Theoretically, these loans had to be repaid; in fact, very few of them were, and they lingered on to cloud international relations. In the financial planning for UNRRA there was no question of long-term loans and credits; countries without resources would not be called upon to pay for relief. Some of the receiving countries, indeed, looked upon UNRRA relief as a right.[6] They argued that they had been promised help and that these promises had led them to increase during the war the destruction of their resources: therefore, they had acquired a right to receive help.

The second principle accepted was that those countries which had financial resources should pay for their own relief.[7] Liberated countries in need of relief could, in fact, be divided into two categories: those which, like Poland and Yugoslavia, would probably have no financial resources in foreign exchange and would therefore have to be provided for entirely through free contributions; and those which, like France and Belgium, were expected to have substantial resources at the end of the war. It is not certain that the effect of this division into what subsequently came to be known as "nonpaying" and "paying" countries was fully recognized until the First Council Session.[8] Before the Session was ended, however, it had become clear that UNRRA would be actively responsible in Europe for only the East and Southeast countries which were not in a position "to pay," and that the West European countries, which had foreign exchange resources, would have direct access to

[4] Letter, Sir Kingsley Wood (Chancellor of the Exchequer) to Lehman, 22 April 1943.

[5] Dean Acheson (United States Department of State) in United States Congress, 78th, 1 and 2 Sessions, House Committee on Foreign Affairs, *Hearings on H. J. Res. 192* (Washington, D.C., 1944), pp. 51, 101, 187–188, 9 and 10 December 1943.

[6] For example, memo, Leith-Ross, conversation with Rudolf Bicanic (UNRRA Council member for Yugoslavia), 8 January 1945; memo, Oscar Schachter (General Counsel's Office, HQ) to Lehman *et al*, 9 November 1945, reporting two meetings with V. F. Teplyakov (General Counsel, Soviet Purchasing Commission); *Journal*, Fourth Council, 4th plenary meeting, 19 March 1946, speech by N. I. Feonov (USSR member), p. 36.

[7] "Capacity to pay" concept developed in United Kingdom Treasury Files, 18642/03/1, unnumbered documents, February 1943.

[8] Letter, Richard Law (United Kingdom Minister of State) to Acheson, 5 October 1943.

the various supply authorities and would look after their own needs.

The third principle was, from the aspect of international coöperation, an important one: all countries—those which had been overrun as well as those which had not—should contribute to the administrative expenses; in this way donor and recipient countries would all be shareholders in the organization, and all, whether giving or receiving, would be equally entitled to be heard in the councils of UNRRA.

Finally, it was agreed that, whatever financial plan was formulated, it must be one which would appeal to the United States Congress, since it was inevitable that the bulk of the resources would have to be provided by the United States.[9]

These principles were based on the assumption that the work which was to be carried out by UNRRA was to be strictly limited in scope. The early conception of UNRRA as an organization which would cover reconstruction as well as relief and rehabilitation had been abandoned.[10] By the time the final plans were worked out in the summer and autumn of 1943, it was accepted that UNRRA's financial target was a fund sufficient to provide for the import of essential supplies for the emergency period into those liberated countries which had insufficient reserves of gold and foreign exchange.[11] The bulk of the supplies which would be needed by the liberated countries, even by those which had suffered the worst despoliation, would have to be provided by the industry of the peoples themselves. The margin to be furnished by UNRRA, irrespective of what other plans might later be developed for further rehabilitation and reconstruction, would, it was estimated, be something like 5 per cent of the total.[12] It was difficult, however, to find a realistic figure either for the funds which could be raised, or for the supplies which would be required.[13] In this dilemma there was little possibility of matching what the contributing governments might be able to give with what might be needed.

A plan which aimed at overcoming the difficulty in estimating what contributions the major supplying countries could make to relief was worked out in the United Kingdom Treasury early in 1943. It was dis-

[9] Conference of OFRRO staff with experts from United States Government departments, League of Nations, Carnegie Endowment, Bank of Manhattan, etc., 23–26 June 1943.

[10] See Part One, Chapter I, Section 5.

[11] Acheson in Foreign Affairs *Hearings on H. J. Res. 192*, p. 12.

[12] *Ibid.*

[13] Special studies prepared for OFRRO Preparatory Committees 9 and 10, summary of conversations in London, 8–23 April 1943; interview, K. R. Miller with Harry D. White (United States Treasury), March 1948.

cussed with Lehman when he visited London, as head of OFRRO, in April 1943.[14] Briefly, the plan provided for the injection of the relief program into the existing wartime supply machinery. As in the Lend-Lease/Reciprocal Aid system, payment for supplies would be required in some cases, while in others it would not. Allocation of relief supplies would be carried out by the Combined Boards. Financial settlement would be made direct between the supplying and receiving countries; a country which had sterling balances would pay for supplies received within the sterling area, while receiving supplies from the United States on Lend-Lease terms if it had no dollar resources. Subject to such financial arrangements, donor governments (the United States, the United Kingdom, Canada, Australia, etc.) would be designated by the Combined Boards to supply various receiving countries and would recover the cost involved where the financial resources of the receiving country permitted them to make payment. "Ability to pay" would be the criterion for deciding whether a country should pay for supplies or get them free. No special relief fund would be created, and the scheme would obviate the risk of entering into premature obligations for large global amounts of supplies before any experience, either of what was required or of what could be supplied, had been gained.[15]

This plan seemed both to the United Kingdom and the United States officials to have certain drawbacks. It was felt that under so fluid an arrangement it would be difficult to provide the United States Congress with the information needed to obtain the necessary appropriations.[16] Lehman's doubts about whether the plan would be workable were shown by his reiterated request for information on what the United Kingdom Government considered it would be able to contribute. Accordingly, before Lehman left England, the Chancellor of the Exchequer, Sir Kingsley Wood, wrote to him setting out the types of supplies which the United Kingdom was likely to be able to make available. Regarding finance, the letter added:

> Also we have estimated that where the countries which receive . . . supplies are in a position to pay for them, it will be their wish to do so. There will be some countries which will not have the resources to contribute to their own assistance. To the extent that our contributions were allocated to such countries, we should not expect to receive payment for goods or services. Our general principle would be that relief should not leave indebtedness behind.[17]

[14] *Ibid.* [15] *Ibid.* [16] *Ibid.*
[17] Letter, Sir Kingsley Wood to Lehman, 22 April 1943.

Discussions continued in Washington during the summer. The view that a central fund would be necessary gained ground. Lehman and Harry D. White, of the United States Treasury, who had not hitherto taken part in the discussions, argued for definite levies on all countries which had not been devastated by the enemy. Such an approach would provide a predetermined income to the Administration on an equitable and businesslike basis likely to appeal to the United States Congress.[18]

In conversations within OFRRO in June, an operating budget for UNRRA's first year was estimated at between $2,000 million and $3,000 million, of which $1,000 million was suggested as the initial United States contribution.[19] These figures could not boast a statistical basis—indeed, perhaps their chief merit was that they were round—but they remained the tentative figures used in subsequent discussions and, in fact, almost acquired the status of targets.

In October 1943, a few weeks before the Agreement for UNRRA was signed, Richard Law, Minister of State in the United Kingdom Government, accompanied by Treasury officials, including J. M. (later Lord) Keynes, went to Washington for final discussions with Dean Acheson and others. At a meeting attended by Acheson, Lehman, White, and the United Kingdom representatives, White introduced a plan for financing UNRRA.[20]

He had previously expressed himself in favor of a restricted UNRRA.[21] He prophesied, all too truly, that its resources would never be sufficient to cover the activities which it would wish to undertake. The extent of its operations, therefore, White argued, should be predicated on the probable size of the contributions rather than on an attempt to carry out a too ambitious program of activities. He considered that contributions should be based on a formula. One of the advantages of this approach would lie in the emphasis to be placed on the fact that contributions were due, not gifts; an element of obligation not existing in the Agreement would be imported. It would be preferable, moreover, for any controversy over the financial plan to be focused on a formula rather than on the contributions themselves. He foresaw the danger that contributing governments might fight shy of con-

[18] Special studies, Committees 9 and 10; Conference of Experts, 23–26 June 1943.
[19] Memo, Eugene S. Staley (Technical Economic Program Expert, OFRRO), 29 May 1943.
[20] Special studies, Committees 9 and 10, notes on a meeting held 2 October 1943.
[21] Notes of discussion on financial problems of UNRRA, 30 August 1943.

tributions expressed in terms of formidable tonnage of supplies.[22]

The formula White proposed [23] was one per cent of one year's national income to be paid by each member government whose territory had not been overrun. The contribution would be in the form of a fund of local currency against which any supplies or services needed by UNRRA in that country would be charged. The contribution would not be an annual one, or for any stated period. It would be a contribution once and for all—or until demonstrated needs made it necessary to ask for more. To supply the free foreign exchange necessary for the Administration's operations, he proposed that each contributing country should make available a proportion (perhaps 10 per cent) of its contribution in convertible currency. This would give the Administration flexibility in its transactions and enable it to buy in the cheapest markets. The United States particularly would be able to make a contribution of foreign exchange. Indeed, it could be argued that it would be advantageous to the United States if, instead of depleting domestic stocks, some of its funds were used for offshore purchases.

The political and practical merits of the White plan were obvious to both the United States and United Kingdom negotiators who decided to adopt it as a basis for a financial plan to be presented to the First Council Session.[24] The one per cent of national income principle was in essence simple and straightforward; it had the attraction of being reasonably equitable and it would provide a fund of more or less the right size. That it would achieve a perfectly fair basis, neither the author of the plan nor anyone else would claim. Under the one per cent scheme, the United States would contribute about $1,350 million; the United Kingdom, about $320 million; Canada, about $90 million; and other countries, proportionately smaller amounts. Thus the concept of national income, hitherto regarded as an "obscure academic plaything," became in the words of the *Economist* an "instrument of statesmanship." [25]

[22] Special studies, Committees 9 and 10, notes on a meeting held 2 October 1943; interview, Miller with White, March 1948.

[23] Memo, White to Lehman, "A Tentative Plan for Financing UNRRA," [c. 7 October 1943]; see also, United States Department of State (State), 840.50/2832 B, Confidential File PS/SMS, enclosure in letter, Edward R. Stetttinius (Under Secretary of State) to the President, 20 October 1943.

[24] See joint memo by United Kingdom Minister of Production, President of Board of Trade, and Minister of State, 18 October 1943.

[25] *Economist* (London), CXLV (27 November 1943), 705.

## 2. *THE ADOPTION OF THE ONE PER CENT BASIS*

At the First Council Session responsibility for agreeing on a financial plan for UNRRA was assigned to the Committee on Finance and Supplies. There were two main questions to be settled: the amount and form in which member governments should contribute; and the basis on which "ability to pay" for relief should be determined.[26] The delegates had no powers to commit their governments to any definite contribution, but it was their responsibility and duty to recommend a fair basis on which contributions should be made.[27]

Dean Acheson introduced a United States financial plan on 15 November at what was probably the most significant meeting to take place since the signature of the Agreement. He was able to report that earlier in the day President Roosevelt had sent to the United States Congress a message formally communicating the news of the signing of the UNRRA Agreement and requesting the adoption of a joint resolution authorizing the appropriation of funds to permit participation by the United States in the work of UNRRA.[28] The first step had been taken toward obtaining the contribution upon which the success of the relief administration was to depend.

The three main provisions of the United States plan were: that a fund should be created to provide the equivalent of foreign exchange to countries without foreign exchange; that countries able to pay for their supplies should do so; and that UNRRA, having acquired goods through the fund created, might require a country receiving goods to make available the proceeds of their sale in local currency for further relief work.[29] It was this plan which, although much debated, was adopted without substantial alteration by the Council as the Financial Plan for the Administration.[30]

The main discussion concerned the basis on which contributions should be levied. The basis, as contained in the United States plan, was in accordance with the White proposal:

> Section 4. *General Contributions.*—The Council recommends that each member government whose home territory has not been occupied by the

[26] Committee III, Secretary's notes, statement by Colonel J. J. Llewellin (United Kingdom member), 15 November 1943.
[27] *Ibid.*, statement by Acheson, 15 November 1943. [28] *Ibid.*
[29] *Ibid.*; see also *infra*, Part Four, Chapter IV.
[30] Resolution 14.

enemy shall make a contribution for participation in the work of the Administration (including administrative expenses of the Administration) approximately equivalent to one *per cent* of the national income of the country for the year ending June 30, 1943, as determined by the member government for this purpose. It is further recommended that this amount be made available promptly as required to meet the needs of the Administration.

Section 5. *Form of Contribution.*—The Council recommends that as much as possible, but not less than ten *per cent* of the amount contributed by each member government as recommended in Section 4 hereof, shall be in such form as can be used in areas outside of the contributing country; and that the balance thereof shall be in the form of a credit in local currency which shall be available for the purchase of supplies and services within the contributing country.

Section 6. *Governments in Special Economic Situation.*—The Council recommends that any member government which is not in a position to contribute as recommended in Sections 4 and 5 hereof, provide such amounts or contribute in such other form as it finds possible. It is further recommended that the member government discuss its contemplated action with the Director General.

In advocating the adoption of the one per cent of national income formula, Acheson pointed out that the contribution agreed upon should be enough for the needs of the Administration and should be capable of practical achievement. The formula should give each member government a yardstick by which its fair share could be measured, and should result in providing the Director General with definite, determinable funds. Acheson informed the Committee that the fund collected on the one per cent of national income basis should amount to between $2,000 million and $3,000 million, and, if the scope of the work were limited to emergency needs, that sum should be adequate.

The United Kingdom and Canadian members supported the United States plan, but it was challenged by the Brazilian member, Eurico Penteado, and by Allan G. B. Fisher, New Zealand, both of whom presented plans based on alternative formulas. It was agreed that the matter should be referred to a subcommittee which would report back in a few days to the main Committee.

In the Subcommittee, which sat under the chairmanship of Dean Acheson, at least four alternative formulas were discussed.[31] Penteado proposed that the criterion to be used for a minimum contribution should be the percentage of the foreign trade of each contributing

[31] Acheson in Foreign Affairs *Hearings on H. J. Res. 192*, p. 167.

country with the bloc of countries to receive assistance from UNRRA.[32] It was pointed out that the burden of contributions might be absurdly disproportionate, since some contributing countries might have a very small trade with the liberated areas; moreover, the richer countries might not necessarily have the largest foreign trade. In the particular case of Brazil, the contribution under the plan proposed would be considerably higher than under the United States plan.[33] Penteado indicated that his plan was not intended to apply to the United States or to the United Kingdom, but to the Latin American Republics. Even in their case, he agreed, there would be difficulties owing to the varying volume of trade between certain Latin American countries and potential liberated areas. It was a tentative suggestion, and he did not wish to support it strongly.[34] The proposal was dropped.

Fisher argued that the one per cent formula failed to distinguish between the different capacities to contribute of countries with different levels of per capita income. The capacity of a wealthy country was obviously much greater than that of a country in which the majority of the inhabitants lived near the level of subsistence.[35] This opinion had considerable support in the Subcommittee.[36] It had certainly been foreseen during the pre-UNRRA planning period, and had been regarded by the advocates of the one per cent of national income formula as one of the strongest arguments in its favor; for, if even the poor countries were asked to give one per cent of their national income, the rich ones, the United States for example, could at least do as much—it was the big contributions that were important.[37] Fisher's plan provided for the grouping of contributing countries into classes based on per capita income: assuming one per cent of national income to be the appropriate rate of contribution for countries in the highest class, rough justice would be done if in the lower classes the rate was scaled down accordingly. The Subcommittee recognized a degree of validity in the New Zealand plan, but it was pointed out that if an attempt were made to classify countries, imponderable questions, involving the special burdens which some countries had to carry for economic rea-

[32] Reception 47, 1/F/3.2/No. 2, 15 November 1943, statement by Eurico Penteado (Council member from Brazil).

[33] Committee III, Subcommittee 1, Secretary's notes, 16 November 1943; Acheson in Foreign Affairs, *Hearings on H. J. Res. 192*, p. 167.

[34] Interview, Miller with Acheson, April 1948.

[35] Reception 71, 1/F/3.1/No. 3.

[36] Committee III, Subcommittee 1, Secretary's notes, 16 November 1943.

[37] Special studies, Committees 9 and 10, notes on meeting held 2 October 1943.

sons, or on account of the war, would confuse the issue. So this plan too was abandoned.

Another plan, introduced by the South African delegate, J. R. Jordaan, was a variation of the New Zealand plan and provided that each country should pay a fixed percentage of its net national income, but that the figure for net national income should be adjusted both for per capita income and per capita rate of taxation.[38] This plan involved the application of an algebraic formula which was beyond the comprehension of the majority of the Subcommittee. They decided that, if they did not understand it themselves, they would be at a disadvantage in explaining it to their various legislative bodies. The proposal was rejected.[39]

None of the alternative proposals being so generally acceptable as the United States plan, the Subcommittee agreed to recommend its adoption; but to meet the wishes of those governments which considered a contribution on this basis too onerous, a clause, differing little from that proposed in the original United States plan, was included in the Subcommittee's recommendation:

> The Council recognizes that there are cases in which the recommendation above [one per cent of national income] may conflict with particular demands arising from the continuance of the war and may be excessively burdensome because of peculiar situations, and therefore recognizes that the amount and character of the contribution recommended is subject to such conditions.[40]

Numerous governments were later to invoke this clause. That they should do so was fully expected when the clause was written. The provision that the basis of contribution from noninvaded countries should be one per cent of the national income was made rather because it was a convenient and simple means of assessing contributions from those countries—the United States, United Kingdom, and Canada—which were potentially the largest contributors and to whom the concept of national income was familiar than because it was thought that all the contributing nations would find it the most convenient method of assessment.[41] Some of the member governments had no national income in the technical sense; [42] some governments whose per capita

[38] Committee III, Subcommittee 1, Secretary's notes, 17 November 1943.
[39] Acheson in Foreign Affairs, *Hearings on H. J. Res. 192*, p. 167.
[40] Resolution 14, Section 4.
[41] Interview, Miller with Acheson, April 1948.
[42] For example, Republic of Honduras, Haiti, etc.

income was disproportionately low in comparison with the national income would obviously fall below the one per cent of national income target.[43] These facts were not unknown, and it was fully recognized that UNRRA could not hope for much more than token contributions from some of its member governments.[44]

In recommending that the one per cent of national income basis for contributions should be adopted, the Subcommittee included, with slight drafting changes, the provision that "not less than 10 per cent, of the amount contributed by each member government . . . shall be in such form of currency as can be expended in areas outside of the contributing country." [45] The balance of 90 per cent was to be in the form of a credit in local currency to be available for the purchase of supplies and services in the contributing country.

Thus the original proposal that some part of the contribution should be made available in "free funds" was carried into effect, and what was described flippantly as the "little 10 per cent jackpot" was created.[46] In practice, the term "free funds" was inaccurate: dollars, for example, may have represented free funds in the sense that they were readily convertible, but, in the sense that the Administration could use them only in consultation with the United States Government, they were not free; and there was regular clearance with the appropriate United States agencies before the commitment of United States free funds.[47] The same applied in the United Kingdom where free funds were convertible only after clearance with the Treasury, and then mainly for use within the sterling area. In numerous instances, either because the Administration found it convenient to use the whole of a country's contribution for local procurement, or because a country was without holdings of foreign exchange and therefore could not contribute free currency, the division of the contribution into local currency and convertible currency had no practical effect.[48]

The recommendations included a provision that member govern-

[43] For example, India.

[44] Interview, Miller with Acheson, April 1948; see monograph, Cornelius Van H. Engert, "Part Played by Diplomatic Adviser's Office in Securing Contributions from Member Governments," for variant conclusions.

[45] Resolution 14, Section 5.

[46] Karl E. Mundt (Representative from South Dakota) in Foreign Affairs, *Hearings on H. J. Res. 192*, p. 142.

[47] Monograph, W. L. Parks, "Evaluation of Procedures Governing Procurement and Procurement Problems Encountered in the United States," pp. 17–18.

[48] Part Three, Chapter III, Section 1.

ments could include their share of administrative expenses as part of their general one per cent contribution,[49] as it would be easier for the member governments not to have to go twice to their legislatures for funds which were basically for the same purpose. Moreover, it could be nothing but a nuisance to the Administration if separate appropriations for administrative expenses led to national legislative bodies debating in detail domestic matters relating to UNRRA's internal administrative arrangements. In practice, member governments almost invariably transmitted their administrative contributions, which were payable in dollars, independently of their operating contributions,[50] and these payments were credited against their convertible contributions.

The Agreement for UNRRA provided for the preparation of an administrative budget and for the allocation of administrative expenses to member governments "in proportions to be determined by the Council." The first administrative budget was estimated at $10 million and, for convenience, provided for the calendar year 1944 and also for the unelapsed period of 1943. It was drawn up by the Director General during the First Council Session and referred to a Subcommittee on the Administrative Budget,[51] which sat under the chairmanship of Jan Masaryk.

The criterion agreed upon for estimating administrative contributions was, as in the case of operating contributions, national income; but, since all member countries were asked to contribute to administrative expenses, the basic year adopted was 1940 instead of 1943, since that was the last year for which statistical information was available for many of the occupied countries.[52] No attempt was made at a rigid assessment; for example, no less than fifteen member governments were assessed at .05 per cent.[53] Factors other than national income were taken into consideration, including changes in economic conditions since 1940 and, so far as occupied countries were concerned, the degree to which their resources had been reduced by enemy action.

In framing the schedule of allocations, the Subcommittee sought

[49] Acheson in United States Congress, 78th, 1 Session, House Committee on Foreign Affairs, *Testimony on a Draft Agreement for UNRRA* (Washington, D.C., 1943), p. 17.
[50] Part One, Chapter V, Section 5.
[51] Committee I, Subcommittee 4.
[52] Acheson in Foreign Affairs, *Hearings on H. J. Res. 192*, pp. 91–92.
[53] See Resolution 38.

guidance from existing schedules used by other international bodies.[54] The League of Nations system was considered unsuitable for application to UNRRA since it did not take sufficient account of the differences in the financial position of the smaller and larger states. Under the League "unit" system, the contribution of no one state was allowed to exceed 10 per cent of the total annual budget; [55] under the system adopted for UNRRA, the United States, for instance, paid 40 per cent and the United Kingdom 15 per cent.[56] Moreover, the Subcommittee was anxious to meet the desire of the occupied territories to contribute substantially to administrative expenses,[57] with the result that the French Committee of National Liberation was allocated 4 per cent, whereas Canada, one of the largest contributing countries, was allocated only 3 per cent.[58]

Operating and administrative contributions, though forming the great bulk of the fund envisaged under the United States plan, did not exhaust the sources from which it was hoped UNRRA might draw. A clause was included to allow noninvaded member governments to make contributions additional to the amount due under the one per cent scheme.[59] Provision was made for contributions from nonmember governments,[60] from liberated governments in addition to their administrative contributions, and from private individuals and institutions.[61]

### 3. *CONSERVATION OF FUNDS*

The pre-UNRRA decision that countries possessing the means to do so should pay for their relief and so conserve the funds available was reflected in the following clauses in the United States financial plan:

16. *Supplies and services for which governments are in a position to pay.*—It shall be the policy of the Administration not to deplete its supply resources for the relief and rehabilitation of any area whose government is in a position to pay in gold or convertible currency.

17. *Determination of whether a government is in a position to pay.*—The Director General, in consultation with the appropriate Committee

[54] Reception (273) 287, Report of Committee I, Subcommittee 4, Administrative Budget.

[55] Special studies, Committees 9 and 10, "Discussions on Financial Problems" [with former League of Nations officials, etc.], 31 August 1943.

[56] Resolution 38.

[57] Committee I, Subcommittee 4, Secretary's notes, 17 November 1943.

[58] Resolution 38.

[59] Resolution 14, Section 8.

[60] Resolution 14, Section 9.

[61] Resolution 14, Section 7.

of the Council shall determine whether a government or a country is in a position to pay in gold or convertible currency for relief and rehabilitation supplies and services. Due consideration shall be given to the applicant's foreign exchange assets, its sources of foreign exchange, and its needs for foreign exchange for other purposes. The determination of the Director General shall be guided by the following policies: (1) Payment for relief and rehabilitation supplies and services shall be considered to have a high priority relative to competing needs for foreign exchange; (2) an applicant government shall not be required to assume the burden of an enduring foreign exchange debt for the procurement of relief and rehabilitation supplies and services. The Director General, from time to time, shall review such determination in the light of changing circumstances.[62]

These proposals were severely criticized by delegates from such countries as Norway [63] and the Netherlands whose ability to pay for relief was likely to be near the borderline between paying and non-paying countries. The chief objections to the proposals were, first, that they were illiberal since they did not give sufficient consideration to a country's need of foreign exchange for reconstruction imports as well as for relief supplies; and, secondly, that too much authority in determining ability to pay was vested in the Director General.[64]

On the first point, Ole Colbjornsen (Norway) pointed out that he regarded Norway's overseas assets (for example, the proceeds from insurance paid for losses to the Norwegian merchant navy) as pledged entirely for financial and economic reconstruction.[65] Should these assets be considered available for relief and rehabilitation rather than for reconstruction of the merchant fleet? He felt that his country should decide how much of its overseas assets should be earmarked for reconstruction. Acheson pointed out that no attempt was made in the proposals to set up specific rules which would enable the Director General to determine automatically when a country was in a position to pay; the financial position of receiving countries would be changing from time to time, and adjustments would therefore have to be made in the amount of financial assistance rendered by UNRRA.[66]

On the second point, André Sobel (French Committee) stated his interpretation of Section 17 of the United States plan to be that the determination of a member government's ability to pay for relief would

62 "Financial Plan for UNRRA," 16 November 1943.
63 Committee III, Subcommittee 1, Secretary's notes, 18 November 1943.
64 Monograph, Jacques J. Polak, "Ability to Pay," pp. 2–3.
65 Committee III, Subcommittee 1, Secretary's notes, 18 November 1943.
66 *Ibid.*

take place only at the request of the member government concerned.[67] Acheson very naturally agreed—obviously, the Administration would not wish to go into the affairs of a government which itself said it was able to pay.[68] To meet the objections made to the proposal as it stood, however, the clause was redrafted, and the discretionary powers of the Director General were substantially reduced.[69]

The practical result of the adoption by the Council of the ability-to-pay clause was that UNRRA's responsibilities in Europe (apart from the provision of emergency relief to some of the West European countries [70]) were limited to the Balkan and Slav countries, since none of the West European countries asked to be adjudged unable to pay.

The concept of ability to pay became one of the fundamental principles of the financing of the UNRRA operation. The Director General was required to seek "the advice of the appropriate committee or subcommittee of the Council in determining whether a country was in a position to pay." [71] A liberated country which wished to apply for the receipt of relief and rehabilitation supplies from UNRRA without payment submitted to the "appropriate committee," that is, to one of the Subcommittees on Ability to Pay, commonly known as the "Resolution 23 Subcommittees," [72] a document setting out its case.[73] Particulars of foreign exchange holdings, revenue from exports and from emigrants' remittances (a particularly important source of income in Greece), together with any other relevant data from which the financial

[67] *Ibid.*

[68] Acheson in Foreign Affairs, *Hearings on H. J. Res. 192*, p. 165.

[69] Resolution 14, Section 17, as adopted (the modifications of substance have been italicized):

*Determination of whether a Government Is in a Position to Pay with Suitable Means of Foreign Exchange*

*When a member government considers that it is not in a position to pay as in the foregoing section,* the Director General, *in consultation with the member government involved* and *on the advice of* the appropriate committee or subcommittee of the Council, shall determine whether the government or country is not in a position to pay for relief and rehabilitation supplies and services. *In case of disagreement, either the member government or the Director General may refer the matter to the Council.*

In making the determination the applicant's foreign exchange assets and its sources of foreign exchange shall be taken into account. Although payment for relief and rehabilitation supplies and services shall be considered to have *a strong claim* on the foreign exchange assets of the applicant country, due consideration shall be given also to its need of foreign exchange for other purposes.

[70] Part Three, Chapter II, Section 2, and Part Five, Chapter XII.

[71] Resolution 14, Section 17.

[72] Resolution 23; see also *supra*, Part One, Chapter III, Section 9.

[73] Monograph, Polak, "Ability to Pay," p. 6.

condition of the country could be deduced, were included.[74] In practice, the Administration often helped in the preparation of the material for submission to a Subcommittee: in one instance, at least, a submission to be adjudged unable to pay was withdrawn by the applicant country after the Administration had shown that the estimate of exports was unreasonably optimistic and might prejudice the case.[75]

Applicant governments usually made available all the information which was required, and, in recognition of the disclosures made, the Administration treated the documents and discussions as confidential. The criteria for adjudgment of inability to pay were essentially the same in all cases. The Subcommittee concerned satisfied itself that, after making allowance for a certain minimum monetary reserve, the foreign exchange holdings of the country under consideration, *plus* such foreign exchange revenue as the country might be expected to receive from exports, emigrants' remittances, and similar payments, *minus* urgent requirements for nonrelief imports, would leave the country with insufficient foreign exchange to finance necessary relief imports over the coming six or twelve months.[76] Where it was clear from general information that a country was not in a position to pay, the Subcommittee did not go fully into the figures submitted.[77]

The findings of the Subcommittees were always in terms of complete inability to pay; partial ability to pay was not recognized.[78] At the Third Council Session it was provided that the Subcommittees established under Resolution 23 should "keep under continuous review the financial situation of the receiving countries and the extent of their need for free assistance." [79] Subsequently, the suggestion was made that some hitherto nonpaying countries might be able to pay for some part of their relief supplies, but it came to nothing.[80] UNRRA did not apply harshly the ability-to-pay principle: shipments were not withheld pending a determination on ability to pay. For instance, substantial quantities of supplies had moved into Poland before any decision on ability to pay was reached, since it was not clear whether the Polish case was to be presented by the Polish Government in London, or by the Provisional Polish Government in Lublin.[81] Further, the Central Com-

[74] *Ibid.*, pp. 6–7.
[75] *Ibid.*
[76] *Ibid.*, p. 8*a*.
[77] *Ibid.*, pp. 8*a*–9.
[78] Part Three, Chapter II, Section 7.
[79] Resolution 80, paragraph 2.
[80] Program Subcommittee, verbatim minutes 17th meeting, remarks of Roger W. Jackling (United Kingdom member), 26 January 1946.
[81] Monograph, Polak, "Ability to Pay," *passim*.

mittee decided that the Director General could undertake emergency relief in certain cases even though the government of the area concerned had not applied to be adjudged unable to pay.[82] This decision, taken in March 1945 in connection with the provision of emergency relief for countries in Northwest Europe, became a precedent for emergency relief programs subsequently undertaken in Finland, Hungary, Korea, and the Philippines.

It was an inherent assumption of the Financial Plan that goods supplied by UNRRA would generally be sold by the receiving governments through normal commercial channels,[83] and that the receiving governments would make the proceeds of sale available to the Administration for its administrative needs and for further relief and rehabilitation activities.[84] This principle was incorporated in the Financial Plan.[85] The wording of the two relevant clauses was, however, sufficiently ambiguous to provoke considerable doubt, when the time came to formalize policy in agreements and understandings with receiving countries, as to what their exact meaning was intended to be.[86]

Two further points bearing on the conservation of UNRRA resources were discussed in the Committee on Finance and Supplies: one related to the taxation of UNRRA supplies; the other, to insurance. The United States representative proposed that the Committee might wish to recommend to the Council the waiver of taxation of UNRRA supplies.[87] He emphasized, however, that he did not wish to suggest the surrender by member governments of their sovereign fiscal powers. Numerous difficulties were foreseen: the Greek representative felt that the Council was not competent to make recommendations to member governments on their national financial policies and stressed the importance of indirect taxes in national revenue systems; representatives of Latin America were concerned at the prospect of serious loss of government revenue if the Administration's purchases were exempted from export taxes; the French representatives, on the other hand, advocated that no import taxes be levied on relief goods during the relief period and that all European nations should follow that policy.[88] Fi-

[82] Central Committee (CC) (45)9, minutes 12th meeting, 14 March 1945 (Compilation of the Documents of the Central Committee [CC Doc.], I, 100–105).

[83] Resolution 7.

[84] Committee III, Subcommittee 1, Secretary's notes, 18 November 1943.

[85] Resolution 14, Section 20.

[86] See Part Four, Chapter IV, Section 1.

[87] Committee III, Subcommittee 1, Secretary's notes, 18 November 1943.

[88] Committee III, Subcommittee 1, Secretary's notes, 20 November 1943.

nally, a permissive resolution was adopted.[89] Its effect was more beneficial to the Administration than was apparent from the Committee discussions since numerous governments passed special legislation exempting their contributions to UNRRA from export duties, and import taxes were generally remitted in the receiving countries.

On the question of insurance, the Committee recognized that the two courses open to the Administration were to insure or not to insure. Each laid the Administration open to criticism: on the one hand, to the charge that UNRRA funds were being used extravagantly if the Director General decided to insure; and, on the other hand, to the charge of dereliction of duty if he omitted to protect UNRRA supplies by insurance, and losses occurred.[90] In the Committee discussions it was noted that the United Kingdom Government, which had a large volume of government-procured imports, used private insurance facilities whereas United States Government practice was self-insurance. It was finally decided that, if the Director General elected to carry his own risks, he should be permitted to do so, and a permissive resolution to this effect was adopted,[91] the main argument in favor of self-insurance being that, in a condition of world shortages, if supplies were lost the loss was absolute and could not be made good by insurance cover.[92] In line with this policy, the major risks, that is, ocean marine risks, of the Administration were self-insured.[93]

### 4. *THE SECOND CONTRIBUTION*

It was not until the Third Council Session in August 1945 that delegates were really able to assess the size of UNRRA's task. Financially, the outlook was unpromising. It was only some five months since supply operations had started, and UNRRA was operating substantial relief and rehabilitation programs in only five countries.[94] The Director General, however, in presenting his Report, had to inform the Council that the resources provided under the resolutions adopted by the First Council Session were far from adequate to bring even a minimum of re-

[89] Resolution 16.
[90] Committee III, Subcommittee 1, Secretary's notes, 20 November 1943.
[91] Resolution 15.
[92] Acheson in Foreign Affairs, *Hearings on H. J. Res. 192*, p. 173.
[93] *Ibid.*; monograph, Ralph Boyer, "Division of Finance at Headquarters," pp. 10–11.
[94] Albania, Czechoslovakia, Greece, Poland, Yugoslavia.

lief and rehabilitation to the countries in need of UNRRA's assistance.[95] The Report revealed that over $1,500 million of additional funds would be needed to continue operations during 1946,[96] and even that sum did not include a request from the USSR, received after the Report had been drawn up, for assistance to the extent of $700 million for a twelve-month period. Indeed, even without allowing for this last request, unless there were an assurance of additional funds, substantial alterations would have to be made in the program of operations in Europe for 1945, as a large part of the resources remaining would have to be used in the Far East where operations were only just beginning. Even so, China would not be provided with adequate aid, and the European recipients would be left, in the words of the Director General, "without substantial assistance in the middle of a winter of dire need and suffering." He urged members of the Council to consider carefully "the implication of a further pledge of assistance to UNRRA." [97] In speeches on the adoption of the Report, William L. Clayton (United States; a newcomer to UNRRA affairs, fresh from the Potsdam Conference), Philip J. Noel-Baker (United Kingdom), and Lester B. Pearson (Canada) all indicated approval of the Director General's plea that further support be given in order to continue UNRRA's work.[98]

The issue that faced UNRRA was thus whether it was to carry on, or dissolve itself, owing to lack of funds, at the end of 1945.[99] A resolution proposing a further contribution was not, however, put to the Council until the last day of the Session—when the Council had been in conference for twenty-three days and delegates were impatient to get home.

The United States representative was prepared to support a further contribution, but only on his own terms, that is to say, on terms which would be likely to be acceptable to the United States Congress.[100] It would have been idle for him to try to do otherwise, particularly since the second part of the first contribution from the United States was

[95] *Journal*, Third Council, Director General's Report, 3d plenary meeting, 8 August 1945, pp. 21–25.

[96] Part Three, Chapter II, Section 5.

[97] Council III Document 5, C(45)4.

[98] *Ibid.*; *Journal*, Third Council, 5th plenary meeting, 10 August 1945, pp. 39–43; 6th plenary meeting, 11 August 1945, pp. 58–59.

[99] Harold E. Caustin (Special Assistant to Director General), "Notes on Third Council Session," 12 August 1945.

[100] William L. Clayton (United States Assistant Secretary of State) in United States Congress, 79th, 1 Session, House Committee on Foreign Affairs, *Hearings on H. R. 4649* (Washington, D.C., 1945), pp. 2–5.

not yet appropriated. The United States conditions, as they developed in the course of the Third Council Session, were: [101]

(1) That the needs of all liberated areas not under the continuing control of the military authorities and without sufficient foreign exchange resources to purchase essential relief supplies abroad should be met through UNRRA. It was therefore proposed to seek the extension of UNRRA operations to Austria, Korea, and Formosa, and the enlargement of the Italian program.

(2) That assistance should be given to displaced persons even without the consent of their governments of origin, but that UNRRA funds should not be used to acquire basic supplies for the operations in Germany.[102]

(3) That the proposed program of assistance through UNRRA to the USSR should be reduced from the $700 million figure, suggested by the Soviet Union, to one which could be included in the UNRRA budget without serious penalty to other receiving countries.[103]

(4) That it would be desirable for the Director General to have the advice and assistance of the Council, through the Central Committee, in determining the equitable distribution of UNRRA's resources among the various receiving countries.[104]

(5) That, in order to allay the concern in some quarters that UNRRA might be undertaking rehabilitation responsibilities for a longer term than that originally envisaged, terminal dates for UNRRA operations should be established—the end of 1946 for shipments to Europe and the end of March 1947 for shipments to the Far East.[105]

It was in the discussion on the resolutions covering a relief program for Austria and a full-scale relief program for Italy (which at the Second Council Session had been granted limited aid) that the first specific reference was made to the nature and size of the second contribution.[106] Clayton informed the Council that, should the program of operations adopted be satisfactory to the United States Congress, he believed it would be possible to get another appropriation on the same basis as before, namely, one per cent of national income in the fiscal year ended

101 *Ibid.*
102 Resolution 71, paragraph 4; see *infra*, Part Seven, Chapter I, Section 6.
103 See Part Three, Chapter II, Section 5; Part Five, Chapter VII, Section 2; Appendix Nine, Section II, Document 2.
104 See Part Three, Chapter II, Section 6.
105 See Part Three, Chapter II, Section 5.
106 *Journal*, Third Council, 7th plenary meeting, 14 August 1945, pp. 66–68.

30 June 1943.[107] Noel-Baker, in seconding the resolutions, added that the United Kingdom would also be ready to make a further contribution.[108] The resolutions bringing Austria and Italy within the full scope of UNRRA [109] were finally adopted by the Council, and at the same time a resolution covering aid to Formosa and Korea was voted.[110]

Regarding the displaced persons operation, the policy laid down by the United Kingdom and United States representatives as a condition for their support of a second contribution was, despite opposition, accepted.[111]

Negotiations with the Soviet delegation concerning a relief program for the USSR took place outside the Council Session, in private discussions among the Soviet, United States, United Kingdom, and Canadian Governments on a political level, the Director General himself not being consulted.[112] As a result of these discussions, the amount of relief agreed upon for the USSR was reduced from $700 million to $250 million and confined to specific amounts for the Ukraine and Byelorussia.[113]

The resolution recommending a second contribution, on the same terms as the first, was introduced by Clayton and provided for increased responsibility of the Central Committee in determining the distribution of UNRRA's resources among the receiving countries through supervision by it of the Administration's program of operations.[114] Thus the United States representative's requirement that greater responsibility should be exercised by the Central Committee in determining the distribution of UNRRA's resources was achieved. The last of the United States representative's five conditions—that relating to the termination of UNRRA's activities—was included in the preamble to Clayton's resolution. It acquired, however, the same force as if it had been incorporated in the body of the resolution, and was interpreted by the Administration as a directive.[115]

[107] *Ibid.*, p. 66. [108] *Ibid.*, p. 69. [109] Resolutions 73, 74.

[110] Resolution 76.

[111] *Journal*, Third Council, 10th plenary meeting, 20 August 1945, pp. 87, 92; Resolution 71; see *infra*, Part Seven, Chapter I, Section 6.

[112] Subcommittee of the Committee on Supplies (on Ability to Pay) (CS-CFC/AP), verbatim minutes 10th meeting, 25 September 1945; see *infra*, Appendix Nine, Section II, Document 2.

[113] Caustin, "Notes on Third Council Session," 21 August 1945; *infra*, Part Five, Chapter VII, Section 2; Clayton in Foreign Affairs, *Hearings on H. R. 4649*, p. 4.

[114] Resolution 80, paragraphs 2, 4.

[115] *Report of the Director General to the Council* (DGR) 7, p. 2.

The draft resolution was approved without amendment.[116] Considering its far-reaching provisions, discussion was surprisingly brief.[117] Some delegates doubted if their governments would be economically in a position to support the new levy; the member for Mexico complained that the resolution lacked elasticity in providing no opportunity to contribute in any proportion other than that recommended by the resolution. His views were an echo of similar opinions expressed at the First Council Session, when the one per cent of national income basis for contribution was proposed. This basis had, in fact, proved unsatisfactory so far as the Latin American countries were concerned; the same arguments applied in August 1945 as in November 1943; but the main thing was still to get the big contributions, and a contribution based on national income was satisfactory to the big contributors.

Delegates from receiving countries emphasized their need to know more specifically what supplies they could hope to get during 1945 and 1946 so that they could plan their own rehabilitation and reconstruction programs accordingly.[118] Had their anxiety not been so real nor their fears of insufficient help so well founded, they would appear to have shown somewhat grudging appreciation of the efforts being made to help them.

The Director General, in his concluding speech, tried to reassure the receiving governments by emphasizing his desire to meet their wishes to have advance and detailed information on their supply programs. More important, he warned the Council that the funds available would be insufficient to meet the new obligations as well as those already imposed and that there would have to be a scaling down of existing programs if equitable distribution among all the receiving countries was to be achieved.[119]

### 5. *INADEQUACY OF FUNDS TO COMPLETE UNRRA'S TASK*

In August 1946, at the Fifth Council Session, it was evident that further provision would have to be made to meet the needs of the

[116] Resolution 80.
[117] *Journal*, Third Council, 13th plenary meeting, pp. 123–130.
[118] *Ibid.*, speeches by S. Jedrychowski (Poland) and R. Bicanic (Yugoslavia), pp. 128–129, 129–130.
[119] *Journal*, Third Council, address by the Director General, p. 134.

liberated countries in 1947.[120] During this Session, however, the Council determined that no further contributions in addition to those contemplated under Resolution 80 would be recommended. Delegates from receiving governments—Poland, Yugoslavia, Czechoslovakia—and the observer from the Italian Government—pleaded for the continuance of UNRRA.[121] Delegates from contributing governments—the United States, Canada, and the United Kingdom—while recognizing that the task of relief and rehabilitation was not finished, argued the case for the completion of UNRRA's work by other means. As at the First and Third Council Sessions the United States delegate had taken the initiative in recommending to member governments the support of UNRRA, so at the Fifth Council Session it was he who took the initiative in advocating the abandonment of UNRRA. Clayton reminded the Council that UNRRA had been organized primarily to provide essential supplies to those countries which themselves lacked the means to pay for imports; that most of the liberated countries were gradually regaining their export trade; and that, in addition to this normal method of acquiring foreign exchange to pay for imports, the United States and other governments had by loans and otherwise added enormously to the foreign exchange resources of the world [122]—the total in loans and credits made by the United States Government alone already amounted to no less than $20,000 million to assist in restoring and stabilizing the economies of other countries. Clayton added that he did not suggest that further assistance in obtaining foreign exchange with which to pay for essential imports would not be required.[123] He thus, in effect, admitted that his prophecy at the Third Council Session that a second contribution would make possible "the completion of UNRRA's great task" had not been fulfilled.[124] He added that, to the extent that assistance could not be supplied by the International Monetary Fund and the International Bank for Reconstruction and Development, the solution lay in bilateral arrangements between countries requiring assistance and those able to provide it.[125] The arguments which had been adduced three years earlier against the use of loans to

[120] *Journal*, Fifth Council, 5th plenary meeting, 7 August 1946, speech by Clayton, pp. 27–29.

[121] See, for example, *ibid.*, 6th plenary meeting, 8 August 1946, speeches by Hilary Minc (Poland), X. Zolotas (Greece), Vaclav Majer (Czechoslovakia), pp. 31–34.

[122] *Journal*, Fifth Council, pp. 28–29.

[123] *Ibid.*

[124] *Journal*, Third Council, p. 124.

[125] *Journal*, Fifth Council, p. 29.

finance essential relief imports apparently, in his view, no longer applied.[126]

In the course of the Council Session, however, piecemeal arrangements were made in an endeavor to alleviate the hardships which would necessarily follow the cessation of UNRRA supplies and services. These included the relaxation of the stringency of Resolution 80 by extending the final dates for the procurement and shipment of supplies to receiving countries; [127] the continuance of the displaced persons operations until 30 June 1947; [128] and, "since no organization now exists or has been designated which, after the termination of UNRRA can advise the United Nations of the means to provide further financial assistance," the recommendation that the General Assembly of the United Nations should review the needs in 1947 for financing urgent imports of the basic essentials of life after the termination of UNRRA programs.[129] Without further funds the task of relief and rehabilitation could not be finished through the mechanism of UNRRA.

[126] See above, Section 1.
[127] Resolution 101.
[128] Resolution 99.
[129] Resolution 100.

# V. Contributions

## 1. *THE FINANCIAL PLAN IN OPERATION*

THE TOTAL contributions to UNRRA included operating contributions made by thirty noninvaded member governments; revenue from the six assessments made on all forty-eight member governments toward administrative expenses; operating contributions made voluntarily by eight invaded member governments in addition to their administrative contributions; contributions from five nonmember governments; and donations from nongovernmental sources.

The commodities and currencies derived from these various sources were valued as follows:

TABLE 4

CONTRIBUTIONS TO UNRRA

| | |
|---|---|
| Operating contributions from noninvaded member governments | $3,593,957,773 |
| Operating contributions from invaded member governments | 22,014,232 |
| Administrative contributions from member governments | 44,976,450 |
| Contributions from nonmember governments | 1,905,189 |
| Donations from nongovernmental sources | 209,895,377 |
| Total | $3,872,749,021 |

The Administration had no powers to compel member governments to make available the contributions recommended by the Council. It had, however, a duty to insure, so far as lay within its power, that contributions were made to the full amount, that they were made in the most useful form, and that they were made promptly. The extent to which the operation was affected by a failure to carry out one or more of these conditions depended, of course, on the size of the contribution involved. Thus, if a small contributing government were dilatory in voting funds for UNRRA, the work could still go on. On the other


GREENLAND
ALASKA (U.S.)
CANADA
UNITED STATES
MEXICO
CUBA
HAITI
DOMINICAN REP.
GUATEMALA
HONDURAS
EL SALVADOR
PANAMA
NICARAGUA
VENEZUELA
COSTA RICA
COLOMBIA
ECUADOR
BRAZIL
PERU
BOLIVIA
URUGUAY
CHILE
PARAGUAY
ARGENTINA
UNRRA
= CONTRIBUTING MEMBER
= CONTRIBUTING & RECEIVING MEMBER
= RECEIVING NON-MEMBER
= CONTRIBUTING NON-MEMBER
= CONTRIBUTING & RECEIVING NON-MEMBER
= ALL OTHERS

# MAP I. COUNTRIES CONTRIBUTING TO UNRRA



hand, when the United States Government delayed its appropriations, the whole operation was placed in jeopardy.[1]

The United States operating contribution amounted to 73 per cent of the total operating funds. Contributions made by the United States, United Kingdom, and Canada accounted together for 94 per cent of the total operating contributions. It might, therefore, be argued that the remaining 6 per cent was relatively unimportant. In practice, however, the small contributions attained a significance which could hardly have been anticipated when the Financial Plan was being discussed. Sources of supply for many commodities were limited. Hence it was important to the Administration to obtain, for example, contributions of cane sugar from Cuba, of nitrates from Chile, and of jute from India. In addition, since the deficiencies in essential relief and rehabilitation imports which the Administration had hoped to provide were found to be almost twice as great as it was able to meet—even if all contributing governments paid their contributions in full—every contribution became vital.[2]

In practice, the collection of contributions through the application of the one per cent of national income formula presented numerous difficulties. Out of the thirty noninvaded member governments which made operating contributions, only about half had an officially recognized national income.[3] A few did not know what national income was. The formula was, therefore, applicable only to a limited extent.[4] Moreover, the recognition in the Financial Plan that the basic one per cent contribution might be, in certain cases, too heavy a burden on contributing governments, was, in effect, tantamount to giving each government the right to determine the amount of its contribution as it saw fit, thereby vitiating to some extent the effectiveness of the formula.[5] Under ideal operating conditions, contributions would have been pro-

[1] See, for example, letter, Lehman to Thomas B. McCabe (Foreign Liquidation Commissioner), 14 November 1945.

[2] Program Subcommittee of the Central Committee (CC/P) (45) 12, "Consideration of the Procedure Followed by the Administration in the Development of Specific Country Budgets," 14 December 1945; and see *infra*, Part Three, Chapter II, Section 7.

[3] *Report of the Director General to the Council* (DGR) 14, Table 2, p. 55, "Contributions of Non-invaded Member Governments as a Percent of Official National Income Estimate."

[4] See, for example, Committee on Contributions, draft, "Latin American Contribution in Relation to National Income," 8 January 1945.

[5] Resolution 14, Section 4.

vided by member governments in the form of (1) a credit in local currency amounting to 90 per cent of the contribution for the purchase of indigenous supplies to be selected by the Administration, and (2) a transfer of the remaining 10 per cent in foreign exchange.[6] In fact, this seldom happened. Both the size of the contributions and the form they should take, became, therefore, a matter for negotiation by UNRRA with the government concerned.

In these circumstances, the Administration adopted the practice of arranging for small delegations to visit member governments to discuss with them how they could most usefully coöperate in UNRRA's work.[7] This type of consultation had been contemplated in the UNRRA Agreement.[8] In practice, however, these delegations did more than that. Frequently, it was through influence exercised by them on member governments that legislation was passed authorizing funds and supplies for UNRRA. A somewhat paradoxical position was reached wherein the Administration—the instrument created by the UNRRA Council to carry out the task of relief and rehabilitation to which it had pledged itself—became itself the instrument to bring pressure on its creators to fulfill their pledge.

The delegations were small—generally two or three persons. They had sufficient status to conduct negotiations with heads of governments, and included a member qualified to discuss technical supply problems.[9] When a delegation was successful in agreeing with a member government on the size and character of its contribution, responsibility for carrying out the agreement was generally left to UNRRA representatives established in the country.

Responsibility for arranging these delegations rested with the Diplomatic Adviser at Headquarters,[10] Francis B. Sayre, formerly Assistant Secretary of State in the United States Government, in which capacity he had been responsible for the American trade agreements program.[11] He personally led delegations to no less than twenty-one different countries in Europe, Asia, Africa, and South America. His

[6] Nathan Taflove (Office of the Controller), "Preliminary Note for Monograph."
[7] See, for example, Committee on Supplies (CS) (45) 16, "Report of the Bureau of Supply, Fourteenth Meeting of the Committee on Supplies, 21 June 1945."
[8] Article V.
[9] Monograph, Cornelius Van H. Engert, "Historical Sketch of the Diplomatic Adviser's Office (1 January 1944–15 March 1947)," *passim.*
[10] *Ibid.*
[11] Press statement by Sayre, Lisbon, 25 July 1946.

faith in the cause for which he was working and his deep sincerity were characteristics which were probably almost as valuable as his professional qualifications for this particular work.

By the time the Third Council Session was held in August 1945 the Administration had, however, achieved only moderate success in its efforts to induce member governments to make good the recommendations of the Financial Plan. Outstanding was the fact that the United States Congress had yet to appropriate $550 million of the authorized United States contribution of $1,350 million.[12] Many of the smaller member governments had failed to make their contributions available. In several countries only preliminary approval of a contribution had been given; [13] some governments had authorized contributions which were not to become available until later.[14]

Soon after the Third Council Session, a program of operations was drawn up based on two assumptions: first, that member governments would meet in full their financial obligations to UNRRA; secondly, that the Administration would complete its shipments to receiving countries in Europe not later than the end of 1946 and to the Far East not later than the end of March 1947.[15] It became all the more necessary, therefore, that contributing governments should make prompt and full payment of the second contribution and of any balances outstanding on the first so that programs could be fulfilled by the dates laid down.[16] The appropriation of the outstanding portion of the first United States contribution in December 1945 and a further appropriation in the same month enabled the Administration's operations to continue,[17] but the general response from member governments was still inadequate.

The urgency of UNRRA's need was recognized outside as well as within the Administration. In February 1946 the General Assembly of the United Nations Organization in London adopted a resolution establishing a committee:

(*a*) To consult with states signatory to the UNRRA Agreement who have not made or arranged to make the further contributions to UNRRA

[12] Council III Document 5, C(45)4, Program of Operations, July 1945, p. 5.
[13] *Ibid.*
[14] *Ibid.*
[15] "Summary Statement on Program of Operations" presented to the Central Committee by the Director General, 29 January 1946; see also *infra*, Part Three, Chapter II, Section 7.
[16] For subsequent extensions to these termination dates see Part Three, Chapter II, Section 11.
[17] See below, Section 2.

recommended in Council Resolution No. 80 of August 1945, and to urge upon them that they make such contributions with the least possible delay; and

(*b*) To urge upon Members of the United Nations who are not signatories to the UNRRA Agreement to join that organization and thereby to make their contributions to this great humanitarian task.[18]

The General Assembly appointed a committee consisting of representatives of eleven nations [19] which, after preliminary meetings in London, met at Atlantic City during the Fourth Council Session. Under the chairmanship of Congressman Sol Bloom, Representative of the United States, it discussed with Director General LaGuardia and R. G. A. Jackson (Senior Deputy Director General) "the means by which the utmost good to the whole UNRRA program might be accomplished." [20] On 19 March the committee adopted a resolution authorizing the chairman:

(1) To communicate with each member of UNRRA who has not yet contributed the full amount of the contributions recommended by the UNRRA Council in order to secure the prompt availability of these contributions.

(2) To approach the members of the United Nations who are not now members of UNRRA . . . and to inform them of the manner of election to membership of UNRRA.[21]

At the time the resolution was passed, five members of the United Nations were not also members of UNRRA—Argentina, Lebanon, Saudi Arabia, Syria, and Turkey.[22] Three days later, however, on 22 March, Turkey's application for membership was accepted by the Council, and Turkey became the forty-eighth and final member government.[23] Bloom's committee communicated with the remaining four governments. The Argentine Government's reply was that it was now too late for Argentina to become a member, but that this would not prevent her from continuing to give aid to the best of her ability. None of the other three governments elected to apply for membership. An appeal was sent to all member governments which had not at that time made the contributions recommended by the Council, urging them to do so promptly; the appeal was sent to all but three—France,

[18] Report of Chairman Sol Bloom to the United Nations Committee on UNRRA.
[19] Canada, China, Dominican Republic, France, Greece, New Zealand, Norway, Poland, USSR, United Kingdom, United States.
[20] Report of Chairman Sol Bloom to the United Nations Committee on UNRRA.
[21] *Ibid.* [22] *Ibid.* [23] Resolution 84.

Canada, and the United Kingdom. Invaded member governments were asked to make operating contributions to the extent they were able to do so.[24]

The Administration was itself at this time making every effort—as indeed it did throughout the existence of UNRRA—to persuade member governments to make their contributions. It is not possible, therefore, to estimate how far the response made by member governments during the spring and summer of 1946 was the result of the direct efforts of the Administration and how far it was due to the Bloom committee. Undoubtedly, the work of the latter, with the prestige of the United Nations behind it, and under a chairman who had already shown himself to be a good friend of UNRRA,[25] gave real support to the Administration. But perhaps the frank discussion of the food crisis at the Fourth Council Session, and the sober realization of the formidable difficulties under which the Administration was working, had more effect on member governments at that time than any campaign either within or outside the Administration. Even so, the response from member governments was, numerically, disappointing: only thirteen member governments made the second contribution recommended under Resolution 80, and some of these did not make it in full. Fortunately, among those which did were the three largest contributors.

## 2. *OPERATING CONTRIBUTIONS FROM NONINVADED MEMBER GOVERNMENTS*

### The United States

The United States contribution was made available to UNRRA by seven public laws, passed over a period of nearly two and a half years, under which contributions recommended by the United States Congress were authorized and appropriated. These are explained in Table 5. As the United States contributions amounted to nearly three quarters of the total made to UNRRA, it was through them, more than all the other contributions put together, that UNRRA's task was accomplished. The passage of each of the bills marked a climacteric in UNRRA's affairs.

[24] Report of Chairman Sol Bloom to the United Nations Committee on UNRRA.
[25] See Sol Bloom, *Autobiography of Sol Bloom* (New York, 1948), pp. 267–268, 279–280.

TABLE 5

UNITED STATES CONTRIBUTIONS TO UNRRA

| | *Public Law* | *Congress* | *Date* |
|---|---|---|---|
| First one per cent authorization, $1,350 million | 267 | 78th | 28 March 1944 |
| Appropriation, $800 million | 382 | 78th | 30 June 1944 |
| Appropriation, $550 million | 259 | 79th | 14 December 1945 |
| Second one per cent authorization, $1,350 million | 262 | 79th | 18 December 1945 |
| Appropriation, $750 million | 269 | 79th | 28 December 1945 |
| Appropriation, $135 million | 381 | 79th | 27 May 1946 |
| Appropriation, $465 million | 521 | 79th | 23 July 1946 |

5.900.000.008

On 15 November 1943 Joint Resolution 192 "to enable the United States to participate in the work of the United Nations Relief and Rehabilitation Administration" was introduced into the House of Representatives. It was referred to the House Committee on Foreign Affairs which held hearings during November and December. The chief witnesses were Acheson, Leo T. Crowley (Foreign Economic Administrator), and Lehman. Sol Bloom, chairman of the Committee, has indicated some of the misconceptions about UNRRA which these witnesses tried to overcome:

> One of these errors was the idea that the United States was committing itself to a vast and undefined expenditure abroad, while other nations were shirking their corresponding responsibilities for the relief of people in liberated territories; and that the countries liberated would not help to relieve their own peoples. It was soon made clear that the object of UNRRA is to help people to help themselves; that 90 per cent of the expense of relief and rehabilitation would be borne by the nations overrun by the enemy; that UNRRA would operate through governments, and not by distributing alms to individuals . . .[26]

Lehman's testimony, which obviously had a profound effect on the Committee, included a statement in which he set forth the guiding

[26] Sol Bloom, *Our Heritage* (New York, 1944), p. 52.

principles and aims of UNRRA. It concluded with the following remarks:

> UNRRA is . . . the first great test of the capacity of the present world partnership of the United Nations and associated governments to achieve a peacetime goal. It represents a first bold attempt of the free peoples to develop efficient habits of working together. It is now up to all of us to prove that it is not only for war and destruction but also for help and healing that nations can be united to act for the common good. Then will peace have her victory no less than war.[27]

On 28 March 1944 the United States Government authorized the appropriation to the President of such sums "not to exceed $1,350 million in the aggregate, as the Congress may determine from time to time to be appropriated for participation by the United States in the United Nations Relief and Rehabilitation Administration." [28] This measure contained two reservations added to the original Joint Resolution: [29] (1) A section explaining the UNRRA Council resolution on the scope of rehabilitation, which specified that "the task of rehabilitation must not be considered as the beginning of reconstruction—it is coterminous with relief," [30] and meant that rehabilitation "is confined only to such activities as are necessary to relief." This section was inserted on the recommendation of the House Committee on Foreign Affairs, which had shown some distrust of the word "coterminous" in the UNRRA resolution on industrial rehabilitation.[31] (2) The so-called "India" clause. This amendment, which originally contemplated that India should receive benefits through UNRRA, was added in the first instance on the floor of the House and was subsequently amended by the Senate.[32] The amendment, as finally incorporated in the UNRRA authorization act, contained no specific reference to India, but recommended that,

[27] United States Congress, 78th, 1 and 2 Sessions, House Committee on Foreign Affairs, *Hearings on H. J. Res. 192* (Washington, D.C., 1944), p. 127.

[28] Public Law 267, 78th Congress, Joint Resolution to Enable the United States to Participate in the Work of United Nations Relief and Rehabilitation Administration.

[29] House Joint Resolution 192, Joint Resolution to Enable the United States to Participate in the Work of the United Nations Relief and Rehabilitation Administration.

[30] Resolution 12.

[31] *Congressional Record*, 20 January 1944, p. 488.

[32] Memo, Grace W. Tellier (General Counsel's Office, HQ), "Legislative History of Amendments to the Joint Resolution Authorizing United States Appropriations for UNRRA," p. 20.

in so far as funds and facilities permit, any area (except within enemy territory and while occupied by the enemy) important to the military operation of the United Nations which is stricken by famine or disease may be included in the benefits to be made available through the United Nations Relief and Rehabilitation Administration.[33]

Neither of the reservations was found by the Council at its next Session to be incompatible with the Agreement or resolutions. However, lest there should be any doubt, confirmatory resolutions were adopted.[34] These had no appreciable effect on the UNRRA operation. That on rehabilitation was no more than an underscoring of the resolutions already adopted on the scope of rehabilitation.[35] The "India" resolution had no effect so far as the country for whose benefit it was intended was concerned; on the contrary, India became herself the sixth largest contributor to UNRRA funds.[36]

The first appropriation of funds under the United States authorization was made three months later. On 30 June 1944 the UNRRA Participation Appropriation Act was passed, providing that $450 million of the $1,350 million of the authorization be made available immediately for the work of UNRRA.[37] Out of this total, stated sums were to be used for the procurement of domestic raw cotton and raw wool.[38] Provision was also made for the transfer of a further $350 million from funds available for disposition under the Lend-Lease acts,[39] but this transfer was not to become effective until the United States Joint Chiefs of Staff had certified that the state of the war permitted the utilization of Lend-Lease supplies or funds for UNRRA purposes.[40] This certification was not given until 27 June 1945—almost a year after the first appropriation.

In his Report to the Third Council the Director General, referring to contributions still unpaid, mentioned particularly the balance due from the United States Government.[41] By the end of the Session, amounts authorized but not appropriated and amounts yet to be

[33] Public Law 267, Section 4.
[34] Resolutions 53, 54.
[35] Resolutions 12, 13.
[36] See Appendix Ten, Section IV, Document 2.
[37] Public Law 382, 78th Congress.
[38] *Ibid.;* Public Law 259, 79th Congress, Title II; see also *infra,* Part Three, Chapter VI, Section 6, 7.
[39] Act of 11 March 1941 as amended (22 U.S.C. 411–419) and acts supplementary thereto.
[40] Public Law 382, Section 202.
[41] Council III Document 5, C(45)4, p. 5.

authorized by the United States Government totaled $1,900 million ($550 million outstanding from the first contribution and $1,350 million to be paid on the second).

During the next few months, emphasis in the Administration's affairs was almost as much on a pressure campaign to induce the United States Congress to appropriate funds as on the provision of relief. Voluminous reports on every aspect of UNRRA's activities were prepared to answer criticism from wherever it came: elaborate data were submitted to FEA, the agency through which the Administration's case was presented to the Bureau of the Budget. Arrangements were made for the appearance of witnesses before the House Committee on Appropriations for the remaining $550 million and before the House Foreign Affairs Committee on the second authorization bill. Equally important was the active campaign carried through by the Director General and the Senior Deputy Director General to mobilize political feeling in the United States in favor of the fulfillment of the United States obligations to UNRRA.[42] The urgency of the matter was clearly demonstrated by Lehman's testimony before the Foreign Affairs Committee:

> We are completely broke at the present time and we just cannot, out of the funds that are now available, make any additional purchases from American funds. . . . We have had to suspend a number of our orders for urgently needed goods merely because we needed the money that was involved in paying for those goods, to place orders intended to meet more urgent needs, such as food supplies.[43]

He did not exaggerate. As additional funds were not forthcoming in the autumn of 1945, the Administration had to hold up the procurement of large quantities of United States military surpluses abroad in order that there might still be funds available to buy wheat.[44]

The appropriation of the $550 million remaining from the first contribution was secured by the passage of the United Nations Relief and Rehabilitation Administration Participation Act, 1946, on 14 December. Two amendments which had been added in the House of Representatives—the Dirksen-Brown "Free Press" Amendment, re-

[42] Interview, Grace E. Fox and Thomas J. Mayock with Jackson, 15 May 1947; see *infra*, Part Two, Chapter VI.

[43] Lehman in United States Congress, 79th, 1 Session, House Committee on Foreign Affairs, *Hearings on H. R. 4649* (Washington, D.C., 1945), p. 70.

[44] Letter, Lehman to McCabe, 14 November 1945.

quiring freedom to United States journalists to enter any country receiving UNRRA assistance and to report on UNRRA relief operations; and the Hester Amendment providing for UNRRA to retain title to certain transport equipment [45]—were stuck out by the Senate after an outcry in the press against UNRRA appropriations being subjected to crippling amendments; [46] and the law as finally adopted contained no restrictive clauses.[47]

During the same week, the Senate Foreign Relations Committee reported favorably on the bill authorizing the second United States appropriation of $1,350 million,[48] and before the Congress dispersed for Christmas the bill had passed into law.[49] The first portion of the second contribution was made available by a provision for $750 million for UNRRA [50] in the First Deficiency Appropriation Act, 1946, which was signed on 28 December 1945.

The cables from Headquarters to regional offices and missions conveying tidings of the appropriations [51] and a message of gratitude from the Director General to members of the staff who were concerned with the presentation of UNRRA's case to the United States Congress bear witness to the profound relief experienced throughout the Administration that the grave risk of a break in the UNRRA supply line to the receiving countries had been averted.

There remained $600 million still to be appropriated out of the second authorization. The Administration naturally wanted the remaining appropriation to be made quickly. The United States Department of State supported it, and on 16 April Byrnes wrote to Harold D. Smith (Director, Bureau of the Budget) requesting the appropriation of the $600 million to complete the authorized United States contribution.[52] He emphasized the urgent need for funds and added that UNRRA "in these most critical days of human suffering should not be put in a position of living from hand to mouth by delay in making this appropriation." [53] In spite of the efforts of the State De-

[45] Cable, Washington to London 6923, 15 November 1945.
[46] Memo, Alastair M. Taylor (Public Information Division, HQ) to Joseph Lilly (Director, Public Information Division, HQ), 26 June 1946.
[47] Public Law 259, 79th Congress.
[48] Cable, Washington to London 8383, 14 November 1945.
[49] Public Law 262, 79th Congress.
[50] Public Law 269, 79th Congress.
[51] For example, cable, Washington to London 8476, 18 December 1945.
[52] Letter, James F. Byrnes (Secretary of State) to Smith, 16 April 1946.
[53] *Ibid.*

partment and the Administration, however, the funds were provided in two appropriation bills instead of one. The amount of $135 million was made available in May,[54] and the final appropriation of $465 million in the Third Deficiency Appropriation Act, dated 23 July 1946.[55] The latter provided that the funds presently made available and those provided earlier could be utilized up to 30 June 1947, thereby extending by a year the previous appropriations. An echo of the Dirksen-Brown Amendment was found in the provision that none of the funds appropriated should be used for the procurement or distribution of supplies for any country which refused to allow a reasonable number of properly accredited representatives of the American press to "enter, observe and report on the distribution and utilization of relief and rehabilitation supplies and services furnished to such country." The determination of whether a country had violated this provision was placed with the Department of State, thus relieving UNRRA of responsibility. Further, the Act provided that none of the funds appropriated should be used for the transportation, delivery, or distribution of supplies for any receiving country until the Director General of UNRRA had advised the Secretary of State that that country had arranged for the prompt distribution of the supplies.

### The United Kingdom

During the war the United Kingdom Government suspended normal budgetary procedure and operated on a Vote of Credit system, under which Parliament gave the Government block appropriations for defraying war expenses.[56] The first United Kingdom Government contribution to UNRRA was made by including within the scope of the Vote of Credit presented to Parliament on 25 January 1944 a provision "for relief and rehabilitation in areas brought under the control of the United Nations." In explaining this "small but important and significant addition to the Vote of Credit," Sir John Anderson, Chancellor of the Exchequer, informed the House of Commons that, on the best available estimates of the national income for the year ended 30 June 1943, a one per cent contribution to UNRRA would be somewhere between £75 million and £76 million, and that the Government proposed that a round figure of £80 million should be adopted as the

[54] Public Law 381, 79th Congress. [55] Public Law 521, 79th Congress.

[56] See monograph, J. E. Lejeune, "The Use of the United Kingdom Contribution to UNRRA," pp. 8–9.

contribution of the United Kingdom. The debate which followed showed how warmly the House welcomed the proposal.[57] Such criticism as there was, concerned mainly the limitations placed on reconstruction work by the UNRRA resolutions. The Vote of Credit was adopted after a short debate, and no further legislative action was necessary.

Parliamentary approval for the second contribution also was obtained by Vote of Credit procedure which was still in operation in the autumn of 1945. As the sum of £80 million previously agreed upon had been in excess of the amount payable under the one per cent formula, the second contribution was fixed at £75 million. From 1 April 1946 the United Kingdom Government reverted to its normal budgetary procedure. As a result, the balance of the contribution which had not been taken up by the end of the preceding fiscal year was included in the Foreign Office Vote for 1946–1947 and for 1947–1948.[58]

### Canada

Provision for Canadian participation in the UNRRA Agreement and resolutions was made in a measure [59] introduced into the House of Commons on 20 March 1944 by the Prime Minister, Mackenzie King. It provided for ratification of the Agreement for UNRRA and for the interim expenditure of a sum not exceeding $10 million out of moneys provided under the War Appropriation (United Nations Mutual Aid) Act, 1943. The purpose of the preliminary financial legislation was to enable Canada to make a cash contribution at once for the administrative expenses of UNRRA and to finance any orders for supplies that might be placed in Canada before the following year's Mutual Aid appropriation was voted.[60] The bill was passed in April. In June, when the United Nations Mutual Aid bill was introduced, it contained a new element—as was the case in the Supplementary Vote of Credit introduced in the United Kingdom House of Commons—in the form of a provision for funds for UNRRA, stipulating

[57] *Great Britain, Parliament, House of Commons, Debates,* CCCXCVI, 25 January 1944, 567–632.

[58] Monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," pp. 11–12.

[59] Bill No. 84.

[60] *Canada, Parliament, House of Commons, Debates,* 1944, II, 17 April 1944, 2123.

that sums not exceeding 800 million dollars be granted to His Majesty for the purpose of making war supplies available to any of the United Nations other than Canada and of fulfilling any obligations arising out of the United Nations Relief and Rehabilitation Agreement.[61]

The national income of Canada—compiled as nearly as possible by the same method as that employed by the United States Department of Commerce in calculating the United States national income—was estimated to be $7,615 million.[62] On the basis of this estimate Canada proposed to authorize a contribution to UNRRA of $77 million, including the $10 million already voted. The Minister of Finance, J. L. Ilsley, in concluding his speech on the introduction of the Mutual Aid bill, said:

> In extending our Mutual Aid to include the provision of relief supplies to our liberated allies we shall be extending the purpose for which supplies are furnished under Mutual Aid to include not only the effective prosecution of the war, but also the securing of a just and enduring peace. Already Mutual Aid has contributed and is contributing to the winning of a victory. We can look forward with hope and confidence to the role which Mutual Aid will play, through our contributions to UNRRA, in relieving the human suffering which the war has caused, and in helping by constructive measures truly to secure a just and enduring peace.[63]

The third reading took place on 13 June 1944, and the bill passed into law.

The second Canadian contribution was authorized by legislation during the autumn of 1945, and on 22 December it was announced that a contribution of $77 million, equal to the first, had been approved by the Government of Canada.

### Australia, New Zealand, and South Africa

The Australian Parliament authorized in November 1944 the appropriation of £A12 million ($38,400,000) to UNRRA. In December 1944 the Government of New Zealand passed legislation, retroactive to December 1943, approving the UNRRA Agreement and making available to UNRRA £NZ2,600,000 ($8,476,000) out of the War Expenses Account. In both these cases the sums appropriated represented one per cent of the national income. In the spring of 1946 the Australian and New Zealand Governments authorized further amounts

[61] *Ibid.*, 1944, IV, 12 June 1944, 3738. [62] *Ibid.*, p. 3743.
[63] *Ibid.*

bringing their total contributions to the 2 per cent recommended by the UNRRA resolutions.[64]

South Africa's participation in UNRRA was complicated by the requirement, under the South African constitutional system, that there should be actual expenditure on an appropriation before the close of the fiscal year, otherwise it lapsed. It was therefore originally intended by the Union Government to obtain Parliamentary approval to allocations against a total contribution as and when UNRRA required to take them up.[65] Limited allocations were made in 1944 and 1945, but the Administration's urgent need for funds led the Union Government to agree to secure Parliamentary approval to the whole of the balance in 1946. The total contribution amounted to $18,112,500: unfortunately, owing to bad economic conditions in South Africa, caused by a severe drought, the South African Government decided not to ask Parliament for a second contribution.[66]

### The Latin American Republics

*Brazil.*—Brazil's contributions ranked in size behind only those of the United States, United Kingdom, Canada, and Australia, and totaled nearly 2 per cent of her national income. Negotiations for a contribution from Brazil began in July 1944 when Arthur de Souza Costa, Finance Minister of Brazil, was in Washington. In company with the Brazilian Ambassador to the United States, he discussed the question of Brazil's contribution to UNRRA with the Director General.[67] De Souza Costa suggested a figure of $30 million (more than one per cent of the national income of Brazil).[68] In mentioning so generous a sum, he belied his reputation that, "as behoves all good Ministers of Finance, he cherishes money as his favourite son and could not but regard the marriage of this well-beloved child to UNRRA as anything but a shocking misalliance." [69]

It was decided that a small UNRRA mission should go to Brazil

[64] Monograph, N. O. P. Pyke, "Leading Aspects of the United Nations Relief and Rehabilitation Administration in the Southwest Pacific Area," Chapter IX, pp. 8, 12; "Desk Book of Statistics," Table K-4: Contributions of Noninvaded Member Governments as of 29 February 1948.

[65] Memo of meeting, Secretary for Finance (Union of South Africa) and Secretary of South African Legation with UNRRA senior officers, 3 August 1944.

[66] Memo, Engert to R. G. A. Jackson, 27 April 1946.

[67] Memo, meeting in Director General's office, 25 July 1944.

[68] *Ibid.*

[69] Letter to Hendrickson, 24 July 1944.

to find out the amount and kinds of supplies available and to agree upon prices. The proposed mission went to Rio de Janeiro in September, and in the same month decree laws were promulgated, providing for a contribution of the amount mentioned by the Finance Minister—600 million cruzeiros ($30 million).[70] News of the signing of the decree laws reached Montreal, where the UNRRA Council was in session, in time to be warmly acclaimed at the final plenary meeting.[71] The only unwelcome provision in the decree laws was that the contribution was to be made available in three annual installments.

A few months after the UNRRA Council had recommended a second contribution, a new government came into power in Brazil, following an election in which President Vargas was defeated by General Dutra. The new President was considered a "living symbol" of the country's desire to coöperate with the United Nations; the prospects seemed good for a second contribution.[72]

The immediate reaction of the new President was not what the Administration had hoped; he did not think Brazil could afford to make a second contribution. He yielded, however, to persuasion when Sayre visited Brazil in March 1946,[73] and a decree law, published on 2 August 1946, provided for a further contribution of 200 million cruzeiros ($10 million).[74]

*Other Latin American Countries.*—The method by which, under decree law, Brazil made her contribution available to UNRRA was typical of that used by other Latin American Republics, and the provision in the Brazilian decree law that the contribution should be realized in installments [75] became a precedent to be followed by nearly all the Latin American Republics.[76] The Administration deplored such provisions; [77] they slowed down procurement, and, if the government changed or economic conditions deteriorated, there was a risk that contributions would not be completed.

Latin American representatives at the First Council Session had made

[70] Decree Law 6903.
[71] *Journal*, Second Council, pp. 118–119.
[72] Memo, David Weintraub (Bureau of Supply) to Sayre, 3 January 1946.
[73] Sayre, "Report on UNRRA Mission to Brazil, 7–25 March 1946."
[74] Decree Law 9541.
[75] Cable, Rio de Janeiro to Washington A-821 (United States State Department series), 21 August 1946.
[76] For example, Colombia, Costa Rica, Dominican Republic, Haiti, Mexico, Panama, Venezuela.
[77] Council III Document 5, C(45)4, p. 5.

clear that the Financial Plan adopted for UNRRA had many disadvantages in its application to their countries.[78] In the end, nearly all the Latin American Republics had recourse to the provision that contributions might be less than one per cent of the national income if a one per cent contribution proved too burdensome. That some of them, at least, were justified in adopting this attitude was evident from the reports of the UNRRA delegations which visited them, though, on the other hand, some of them had benefited from wartime business.[79] Many of them had no indigenous supplies which could be used by the Administration. One, anxious to contribute, had no commodities to offer but bananas. The result of this state of affairs was that contributions were sought from the Latin American Republics on a more or less *ad hoc* basis, the Financial Plan being little more than a shadowy background for discussion.[80]

The Administration's policy of sending delegations to discuss the form that contributions should take was followed more consistently in Latin America than in any other area. The terms of reference of the early missions to these countries were: (1) to increase knowledge and understanding of UNRRA among government officials and citizens of the Latin American Republics; (2) to develop closer relations between the Latin American Republics and UNRRA; and (3) to negotiate the amount and composition of the contributions, to institute procurement procedures, and to handle other aspects of the supply situation.[81] The first two purposes of the missions were, in fact, the means of achieving the third.

The great majority of the missions to Latin American countries were under the leadership of Sayre, who visited fourteen, many of them more than once.[82] Other missions were led by Eduardo Santos, former President of Colombia (whose appointment as a Deputy Director General in the Administration was primarily to insure that the Latin American member governments should play the largest possible part in UNRRA's activities), and by Ricardo J. Alfaro, former President of Panama.[83]

[78] See Part One, Chapter IV, Section 2.

[79] Memo, Dimitry Varley (Bureau of Supply), "Latin American Contributions in Relation to National Income," 5 January 1945.

[80] *Ibid.*

[81] Committee on Contributions, HQ, minutes of meeting, June 1944.

[82] Monograph, Engert, "Historical Sketch of the Diplomatic Adviser's Office."

[83] *Ibid.*

In negotiating with these countries, Sayre found it necessary to modify the provision that 90 per cent of the contribution should be realized in supplies and 10 per cent in convertible currency. Discussions were focused on the most urgent needs of the Administration in relation to the commodities or funds available. Thus the Chilean contribution was finally realized wholly in nonconvertible funds since the full amount was earmarked for the procurement of sodium nitrate.[84] Similarly, in Nicaragua [85] and Peru [86] the whole operating contribution was realized in local products. In contrast to these cases were others where the whole of a contribution was realized in convertible funds. The Honduran Government made operating contributions—generous in relation to its economic condition—wholly in United States dollars; [87] the Panamanian Government also made its operating contribution (payable in three installments) in United States currency.[88]

In all, eighteen of the Latin American Republics made operating contributions. Most of them made one contribution only, but a few, including Uruguay,[89] the Dominican Republic and its neighbor Haiti, Honduras, and Guatemala, were able to respond to the recommendation of the Council for a second contribution. On the average, the contributions realized were small in relation to the recommendations of the Council resolutions, but there was real evidence of a desire to be associated with UNRRA's work, even though in numerous cases there was no simple legal or budgetary procedure through which funds could be provided. For instance, in one case an attempt was made to provide funds for UNRRA by increasing the tax on spirits. This was unsuccessful, but the Haitian Government was enabled to raise funds to make a contribution of coffee largely through the sale of a five centime (one cent) stamp, authorized by a Presidential decree of August 1944 which stipulated that the revenues thus raised were to be dedicated to the relief of victims of war.[90] The contributions of the

[84] Letter, Rooks (Director General) to Felix Nisto del Rio (Chilean Ambassador to the United States), 5 April 1947.

[85] Agreement between UNRRA and Nicaragua, July 1945 (no official document prepared).

[86] Memo, R. Torres Mazzoranna (Bureau of Supply, HQ) to Sayre, 18 October 1946.

[87] Letter, Sayre to Don Julian R. Casenas (Honduran Ambassador to the United States), 8 July 1946.

[88] Cable, Panama to Washington unnumbered, 29 January 1946.

[89] Letter, Colonel Alfred G. Katzin (Chief Executive Officer) to Mateo Manquez Castro (Minister of Foreign Affairs, Uruguay), 29 March 1947.

[90] Decree-Loi, *Le Moniteur, Journal Officiel de Gouvernement.*

Dominican Republic—proportionately among the largest from Latin America—were provided by increasing the export tax and devoting the proceeds to UNRRA.[91]

### India and the Middle East

India's contribution to UNRRA was not based upon the one per cent formula, since no reliable statistics of national income existed,[92] but her single contribution of eight crores of rupees—equivalent to $24,042,072 [93]—ranked sixth among the contributions made by member governments. Provision for this sum was included in the budgetary allocations for 1945 and was approved by the Indian Legislative Assembly in May of that year. India had, however, before this time paid its first administrative contribution and, in anticipation of an operating contribution being voted by the Legislative Assembly, had agreed to put into production supplies for later delivery to UNRRA.[94]

At the Third Council Session, in the discussion on the resolution recommending a second contribution, the member for India, Sir Samual Rangahadhan, informed the Council that he would have to abstain from voting since, although India was not insensitive to the pressing needs of relief in the countries which had endured occupation by the enemy, its own internal economy had been severely strained by the war and by the help given to refugees from Burma and other countries overrun by the Japanese.[95] Against this background, he did not think the contribution of $24 million already voted by the Indian Legislature ungenerous.

The doubts expressed by the Indian member were later confirmed by the Indian Government, when the Minister for Commerce informed the Director General finally that India could not support a further contribution to UNRRA since the Government was averting famine in India only by heavy subsidies on food imports.[96]

The Egyptian contribution was a disappointment to the Administration both as to its size and the conditions on which it was finally given.

[91] Sayre, "Report on Negotiations with the Dominican Republic, 16–19 December 1945."
[92] Letter, R. K. Nehru (Government of India) to G. Stewart Mason (Bureau of Supply, HQ), 28 July 1945.
[93] Letter, Agent General of India to Director General, 29 May 1945.
[94] Letter, H. Trevelyan (Government of India) to Director General, 29 June 1944.
[95] *Journal*, Third Council, 13th plenary meeting, p. 126.
[96] Cable, New Delhi to Washington unnumbered (signed Chundrigav, Minister for Commerce), 17 January 1947.

There was substantial hope that UNRRA would receive full support from Egypt when, in January 1944, it was among the earliest of the supplying governments to pay its administrative contribution. This hope was appreciably diminished by the Government's contention shortly after, that, owing to the poverty of the country and the low per capita income, Egypt would be among those member governments which would have to contribute on a lower scale than that recommended by the Council resolutions.

A diplomatic mission under the leadership of Sayre visited Egypt in June 1945 for discussions with the Egyptian Prime Minister, Nokrashy Pasha, and the Minister of Finance, Makram Ebeid Pasha, on the ratification by the Egyptian Government of the UNRRA Agreement and Egypt's operating contribution. The Prime Minister agreed that the Egyptian Government would wish to help UNRRA, but that it had other obligations which it could not neglect; he referred particularly to the Moslems in Yugoslavia and Syria.[97] Eventually, however, Sayre received his assurance that Parliament would be asked to appropriate at least one million pounds. This promise was confirmed publicly two months later, at the Third Council Session, when, although the Egyptian member abstained from voting on the resolution recommending a second contribution,[98] he announced that the Egyptian Government would "present a resolution to meet its maximum contribution to the UNRRA fund at the next session of Parliament," and added: "This figure has been fixed at one million pounds sterling." [99]

Parliament convened, but the appropriation was not made. In the spring of 1946 there was a change of government. In the following July the Egyptian Parliament authorized a contribution of £E350,000 ($1,446,667), inclusive of administrative contributions. Two thirds of the balance of £E297,000 was, moreover, to be spent on new cotton purchases in Egypt. This further reduced the value of the contribution, for the Administration had hoped to offset previous sterling purchases of cotton in Egypt against the contribution, in order to release the sterling involved for other procurement in the United Kingdom.

Within two months after Turkey was admitted to membership in UNRRA, a bill was introduced in the Turkish Parliament to ratify the

[97] Cornelius Van H. Engert, "Report on UNRRA Mission to the Middle East."
[98] *Journal*, Third Council, 13th plenary meeting, 25 August 1945.
[99] *Ibid.*, 9th plenary meeting, 17 August 1945.

UNRRA Agreement and to authorize a contribution.[100] The Grand National Assembly passed this bill on 8 May 1946 and appropriated six million Turkish pounds.[101] Shortly afterwards an UNRRA mission, composed of Cornelius Van H. Engert, Assistant Diplomatic Adviser, Roscoe Herbert (Deputy Chief of Supply, ERO), and G. Stewart Mason (Bureau of Supply, Headquarters), visited Ankara to discuss the size of the contribution and the supplies in which it might be realized.[102] The members of the mission were hospitably welcomed by the Turkish authorities and made guests of the Government during their visit. The Turkish Government's operating contribution was provided in the form of wheat (at a price reduced for UNRRA by 30 per cent[103]), coal, and barley, the last being substituted, at the request of the Administration, for salt which had formed part of the original offer.[104] The Iranian Government discharged its obligations to UNRRA by a gift of 10 million rials ($307,600) to be realized in the form of 4,000 tons of barley.

### Iceland

Iceland can claim to have financed UNRRA's earliest activities.[105] Immediately after the First Council Session the Icelandic Government remitted to the Administration $55,000 covering administrative contributions for 1943 and 1944 and an advance payment on account of its operating contribution.[106] Subsequent negotiations between the Icelandic Government and UNRRA resulted in the bulk of the supply portion of the contribution being provided in fish and cod-liver oil, under an arrangement by which the Administration paid 75 per cent of the price and the remainder was credited to the Icelandic contribution.[107] In 1946 Iceland offered a gift of wool, which was credited to it as a second contribution. Apart from the distinction of being UNRRA's first contributor, Iceland ranks with the few member gov-

[100] Central Committee (CC) (46)61, minutes 29th meeting, 17 May 1946 (Compilation of Documents of the Central Committee of the Council [CC Docs.], III, 25).

[101] Laws 4881 and 4883, published in *Official Gazette*, 10 May 1946.

[102] Engert, "Report on UNRRA Mission to the Middle East," *passim.*

[103] Letter, Engert to Prime Minister of Iran, 5 July 1945.

[104] Memo, Karl Borders (Bureau of Supply, HQ) to Harry E. Howell (Controller), 27 December 1946.

[105] Letter, Thor Thors (Icelandic Legation) to Lehman, 29 December 1943; see also Section 5 below.

[106] *Ibid.*

[107] Letter, Hendrickson to Thors, October 1944.

ernments which gave their support to an amount equaling or approaching 2 per cent of their national income.[108]

### 3. *OPERATING CONTRIBUTIONS FROM INVADED MEMBER GOVERNMENTS*

Both in the Financial Plan and in Resolution 80 the Council urged that invaded member governments should make operating contributions in addition to their administrative contributions.[109] The Administration made no formal appeal to "nonpaying" member governments to respond to these recommendations. By the time the Third Council Session was held, however, Czechoslovakia had already made a contribution of sugar,[110] and during the course of that Session the member for Czechoslovakia announced that the Czechoslovak Government was anxious to help "the great and noble work of UNRRA" by being a supplying country.[111] By the end of the UNRRA operation, the contributions of commodities made by Czechoslovakia, mostly in the form of food, amounted in value to $4,852,000.

Poland, toward the end of 1945, made a contribution of 100,000 tons of Silesian coal—an invaluable contribution at a time when the Administration was unable to meet from other sources urgent demands from Austria and Yugoslavia.[112] This contribution was valued at $900,009.

At about the same time, a request from Albania for cement, which it was unable to produce for itself owing to lack of anthracite to keep the cement works going, was met by a gift of 2,000 tons from Yugoslavia.[113]

Six paying governments made operating contributions: Belgium, Denmark, France, Luxembourg, the Netherlands, and Norway. Most of these contributions were negotiated by visiting missions, constituted similarly to those which sought contributions from the smaller non-

[108] Letter, Icelandic Government to Director General, August 1946.
[109] Resolution 14, Section 7; Resolution 80, paragraph 3.
[110] *Journal*, Third Council, 5th plenary meeting, p. 43.
[111] *Ibid.*, 10th plenary meeting, p. 86.
[112] *Ibid.*; monograph, Philip Boulasse, "The History of Solid Fuel," ERO.
[113] Memo, Borders to Howell, 27 December 1946; for manner of treatment of voluntary contributions of commodities in program of operations, see *infra*, Part Three, Chapter II, Section 13. For fiscal purposes this contribution was considered a direct gift to Albania; no mention, therefore, is made of it in *The Financial Report of the United Nations Relief and Rehabilitation Administration* (*Ninth and Final Financial Report*) (Washington, D.C., 1949).

invaded member governments. The Diplomatic Adviser's policy in approaching these governments was to try to achieve two things: to increase the resources of the Administration by obtaining gifts of commodities of which the government had a surplus; and to help the economy of the contributing country by arranging to buy from it, with foreign exchange, commodities needed for the Administration's program of operations.[114] The negotiations with Denmark illustrate the result of this policy. Early in February 1946 the Diplomatic Adviser, accompanied by Herbert, visited Denmark. After discussions with the Prime Minister and other members of the Government, it was agreed that Denmark would contribute 24 million kroner ($5 million) for the purchase of 10,000 horses and a quantity of salted fish.[115] In addition, it was agreed that a small supply mission should be established in Denmark to arrange, in coöperation with the Danish Government, for the shipment of the contributed supplies and also to buy in Denmark products which the Administration needed.[116] Thus was the dual purpose achieved.

Somewhat similar arrangements were made shortly afterward as a result of a mission to Norway led by Roy F. Hendrickson, Deputy Director General of Supply, Headquarters. This resulted in a contribution of supplies which, with additions made later, amounted to $4,028,821, and included fish and fish products, vegetable seeds, cod-liver oil, and miscellaneous surplus military supplies captured from the Germans.[117]

In August 1946, in response to a message from the Director General to Paul-Henri Spaak, Belgian Minister of Foreign Affairs, the Administration was invited to send a small delegation to Brussels to examine the possibilities of a contribution of commodities. Sayre and Herbert negotiated a contribution which amounted in value to $1,042,308.[118] This was made available mainly in heavy trucks which were sent to Czechoslovakia, and in copper wire which was needed for the China program.[119] The amount of the contribution was rather less than the

[114] See, for example, Sayre, "Report on UNRRA Mission to Belgium, 15–31 August 1946."

[115] Sayre, "Report on Mission to Denmark, 6–16 February 1946."

[116] *Ibid.*

[117] "Notice of Contribution," 30 June 1947.

[118] See Sayre, "Report on UNRRA Mission to Belgium, 15–31 August 1946."

[119] Memo, I. Bains (Records and Control Division, Supply Department, ERO) to J. Robbie (Accounts and Audit Division, ERO), 13 June 1946.

mission had hoped it would be, though the commodities in which it was realized were valuable. About this time, informal inquiries were made into the possibility of a contribution from Luxembourg,[120] and later in the year, at the invitation of the Prime Minister, Pierre Dupong, a small mission visited that country.[121] The Grand Duchy contributed about 217 tons of foodstuffs, valued at $159,830. Finally, France and the Netherlands, though unfortunately unable to provide commodities, were able to help UNRRA by contributions in local currency.

### 4. *CONTRIBUTIONS FROM NONMEMBER GOVERNMENTS*

In all, five nonmember governments contributed to UNRRA. Of these contributions the most important was made by the Argentine Government under the International Wheat Agreement, which provided for a relief pool of wheat to be contributed by the several signatories of the Agreement.[122] In January 1944 the Executive Committee of the International Wheat Council passed a resolution designating UNRRA as the distributing agency for this relief pool. Thereupon it was agreed that 150,000 tons of wheat and corn (valued at $10,778,768) contributed to the pool by the Government of Argentina should be made available to UNRRA. In addition, a gift of 100,000 tons of wheat was made by the Argentine Government to Italy.[123] Warehousing costs and ocean freight were borne by the Administration for both the contribution of grain to UNRRA and the outright gift to Italy.[124]

Eire made a gift to UNRRA of 285 tons of bacon, valued at $257,086. In addition, it gave 8,000 beef cattle valued at $1,289,600 to Austria, Czechoslovakia, Hungary, and Poland.

The Portuguese Government made a contribution of 25 million escudos ($1 million) for the purchase of supplies in Portugal and her colonies.[125] Since Portugal was a member of neither UNRRA nor the

120 R. Miller, "Report on Visit to Luxembourg, 28–29 August 1946."

121 R. Herbert, "Report on UNRRA Mission to Luxembourg, 12–19 November 1946."

122 In *Ninth and Final Financial Report*, the Argentine contribution is recorded under "other contributors" rather than under "non-member governments."

123 Resolution passed by Executive Committee of International Wheat Council, 31 January 1944; see also Council III Document 5, C(45)4, "Program of Operations."

124 Memo, Andrew Cairns (Director of Food Division, HQ) to R. R. Boyer (Finance Division, HQ), 5 December 1946.

125 ERO Supply Memorandum 13, 16 August 1946.

United Nations, the Administration sought the approval of the Canadian, Soviet, United Kingdom, and United States Governments before approaching the Portuguese Government. After receiving their approval, a telegram was sent to Antonio de Oliveira Salazar, President of the Portuguese Council, asking if his Government would be agreeable to UNRRA sending a mission to Lisbon. Salazar replied graciously that his Government would gladly receive an UNRRA mission "which may be assured of the goodwill of the Portuguese Government up to the limit of its powers, which are unhappily restricted." [126]

In response to this invitation, a mission composed of Sayre, Herbert, and Mason went to Lisbon in July 1946. The mission reached agreement with the Portuguese Government for a contribution to be made in fish, wolfram, and cod-liver oil. The Portuguese Government expressed the wish that the Administration would direct the Portuguese supplies "to those countries with which Portugal enjoys particular sentimental and economic ties." The Administration accordingly sent the supplies to Italy.[127]

Southern Rhodesia remained outside UNRRA membership but agreed to assist UNRRA, not on the basis of a contribution of a specified amount, but in certain commodities.[128] These took the form mainly of manufactured articles and amounted in value to $582,945.

Italy, the only ex-enemy country to contribute, gave 10,000 tons of salt valued at $65,500.

### 5. *ADMINISTRATIVE CONTRIBUTIONS*

In accordance with the requirements of the Agreement, the Administration prepared annual budgets covering the administrative expenses. These budgets were submitted to the Committee on Financial Control and, with the recommendation of that Committee, were put before the Council for approval, or, when the Council so decided, before the Central Committee. Four annual budgets, covering the years 1944–1947, were drawn up and, in addition, a supplementary budget in 1946 and liquidation budgets in 1947 and 1948.

[126] Sayre, "Report on Mission to Portugal, 23 July–3 August 1946."
[127] *Ibid.*
[128] Sayre, "Report on Negotiations with Southern Rhodesia, 29 September 1945."

TABLE 6

UNRRA ADMINISTRATIVE BUDGETS [a]

| *Year* | *U.S. Dollars Equivalents* |
|---|---|
| 1944 | $10,000,000 |
| 1945 | 7,500,000 |
| 1946 | 13,000,000 |
| 1946 (supplementary) | 3,200,000 |
| 1947 | 9,500,000 |
| 1947 (supplementary) | 1,000,000 |
| 1948–1949 | 2,000,000 |
| 1948–1949 (supplementary) | 1,821,000 |
| Transferred at suggestion of Council's auditors to operating budgets | —446,000 |
| Total | $47,575,000 |

[a] CC (48)34, 17 September 1948.

The figure of $10 million for the first administrative budget, which provided for the unelapsed period of 1943 as well as for 1944, was inevitably more or less arbitrary since there was no clear knowledge at the time it was compiled what would be the extent of the demand for UNRRA's services during that period.[129] The Director General was, however, anxious to keep the estimate as low as possible in relation to the potential expenditure on operations.[130] In transmitting the administrative budget to the Council, the Director General said, "I am not sure that the experience during any year of the life of UNRRA will ever be a good guide as to what may be expected in the next." [131] This remark proved true in regard to administrative budgets and could, indeed, have been applied to practically every phase of the UNRRA operation. When the Council had approved the budget and the amount of the assessments, the Director General appealed to all member governments to pay without delay their apportioned share of the administrative contributions for the year 1944.[132] The response to this request was prompt enough to enable the Director General to begin on 1 January 1944 the establishment of administrative offices and to embark upon the preparatory stages of the Administration's work,

[129] See Part One, Chapter IV, Section 2.
[130] "Memorandum on UNRRA Budget—1944."
[131] *Journal*, First Council, p. 119.
[132] Resolution 38.

financed in the first days by some half dozen administrative contributions [133] and by a general contribution from the Icelandic Government, which expressed itself as "happy to have been in a position to be the first country to pay a part of its contribution to UNRRA's noble and great activities." [134]

At the time the first budget was drawn up, only very rough estimates of the probable administrative expenses could be made. It was not possible to say definitely either what items should properly be included or what amounts should be allocated to cover them. They were based, however, on the premise that expenditures for "personal services and related costs" in Headquarters and in the regional offices and in the field missions would all be classified as "administrative expenses." [135]

During the early months the organization was largely confined to Headquarters and ERO, the activities of which were obviously administrative in character. It was only with the evolution of plans for the field missions and displaced persons camps that the proper demarcation between operating and administrative activities became clear. It was then evident that, in the camps, the whole expense was "operating" in character. Such "administrative" activities as were necessary were only by-products of the operation of the camp. The services of the field missions, like those of the camp staffs, were "operating" services. The port officers, the warehousemen, the field officers who supervised distribution, the engineers and accountants, and the chief of mission who directed their work served in the mission only for services to be rendered to the area to which they were accredited.

By the time the Second Council was held, therefore, it was possible to take into account the experience gained in the preceding nine months. The Director General accordingly drew up his second Administrative budget on the principle that all so-called "personal services" and related costs within a country served by UNRRA should be classified as "operating expenses" and that "administrative expenses" should be confined to costs incurred for the administration of Headquarters, the regional offices, and any other offices whose functions

[133] Committee on Financial Control (CFC) (43)6, minutes 2d meeting, 20 December 1943. Governments concerned included Belgium, Ethiopia, French Committee of National Liberation, Guatemala, Norway.

[134] Letter, Icelandic Government to UNRRA, 14 December 1943.

[135] Council II Document 51, C(44)11.

were administration and policy-forming rather than the direct relief of the peoples of the area in which they worked.[136]

This budget for the year 1945 was approved by the Committee on Financial Control and by the Council.[137] The adoption of the Administration's demarcation between operating and administrative expenses meant, in practice, that the amount of the budget allotted to cover administrative expenses was henceforth much lower than it would have been if the Administration had included the administrative costs of the field missions and displaced persons camps. This did not have any appreciable effect on the supplying governments, since administrative and operating contributions were usually included in one general contribution, but it did affect the amount of the assessments made on invaded member governments.

The administrative budget for 1945 amounted to $11,500,000, of which, after allowing for a carry-over of $4 million from the previous administrative budget, $7,500,000 was allocated among member governments.[138] The percentage assessments were much the same as for the 1944 budget, the most important alteration being a reduction in that made on the USSR from 14 to 10 per cent, after the Soviet Government had represented to the Administration that its assessment was beyond its means owing to the devastation it had suffered.[139]

The administrative budget for 1946 was submitted to the Central Committee for approval, in accordance with the decision taken at the Third Council Session that, if no further session were held in 1945, the Central Committee should act for the Council,[140] subject, however, to reconsideration by the Council.[141] This budget provided for administrative expenses for the year 1946 amounting to $17,209,078. The report of the Committee on Financial Control recommended a reduction of $2 million in this sum, on the grounds that the estimates were too high, particularly in their provision for staff requirements in 1946.[142] After an inconclusive discussion in the Central Committee at which the Director General expressed the view that UNRRA was doing, in spite of the complexity, difficulty, and enormous range of its operations, "the cheapest relief job in history," the matter was

136 *Ibid.*
137 Resolution 43.
138 *Ibid.*
139 *Journal*, Second Council, p. 76.
140 Resolution 81, paragraph 4*a*, *b*.
141 *Ibid.*, paragraph 5.
142 CFC(46)24, "Administrative Budget for 1946," 12 March 1946.

referred to an *ad hoc* subcommittee of the Central Committee and Committee on Financial Control.[143]

The Subcommittee's report was, in effect, confirmation of the recommendations of the Committee on Financial Control. It recommended the reduction of the budget from $17,209,078 to $15,209,078.[144] Of this sum, at least $2,209,078 was expected to be available from the 1945 budget, leaving a balance of $13 million to be allocated among member governments for 1946.[145] The report proposed, however, that the Committee on Financial Control should review the position in April 1946 and report to the Central Committee any modification which might be necessary, and that should a supplementary budget be required, it should be submitted by the Director General to the Central Committee for action.[146] Approval was given to these recommendations at a meeting of the Central Committee on 14 March.[147] The allocations included an assessment of 0.5 per cent of the administrative budget on Denmark, which had been admitted to membership at the Third Council Session. The recommendations by the Committee on Financial Control on the size of assessments on new members were made on the basis which governed those made on the original members.

It so happened that the Administration's first estimate of $17,209,078, far from being excessive, was inadequate. The review of the budget occupied some three months: [148] the Administration requested a supplementary budget of $4,700,000.[149] The request was backed by detailed information on the activities of every branch at Headquarters, and the various administrative offices: its validity rested almost entirely on the fact that because of program delays, beyond the control of the Administration,[150] the peak of operations would not be reached until the third quarter of 1946 and would be maintained until the first quarter of 1947. Some 42.7 per cent of the total supply program still remained to be shipped; some $547,300,000, or about 14 per cent of

[143] CC(46)17, minutes 20th meeting, 4 February 1946 (CC Docs., II, 84–92).
[144] CC(46)24, "Report of Committee on Financial Control," 12 March 1946 (CC Docs., II, 149–154).
[145] *Ibid.*
[146] *Ibid.*
[147] CC(46)41, minutes 25th meeting, 14 March 1946 (CC Docs., II, 166).
[148] CFC(46)44, "Second Review of Administrative Budget for 1946," 28 May 1946; CFC(46)48, "Third Review of Administrative Budget for 1946," 10 July 1946.
[149] CFC(46)53, "Third Review of Administrative Budget for 1946," 15 July 1946.
[150] For further details see Part Three, Chapter II, Sections 6–8.

the total operating contributions, had not yet been received. This meant that staff reductions, which it had been hoped would be possible by the latter part of 1946, could not be put into effect.[151] The Committee on Financial Control, however, recommended the reduction of the supplementary budget to $3,200,000, on the grounds that provision had been made in the Administration's request for some $1,400,000 to cover unpaid portions of administrative contributions, and this shortfall could be met, under the provisions of the Financial Plan, out of general resources.[152] The report of the Committee on Financial Control was considered by the Central Committee on 23 July and accepted by a majority vote, after the Controller had informed the Committee that, in the absence of an authorization for a supplementary budget, the Administration would be compelled to cut its staff on 30 September by 50 per cent.[153]

The 1947 administrative budget of $9,500,000 was approved at the Sixth Council Session. It was also decided that the Committee on Financial Control should make at least quarterly reviews of the position of the administrative budget and report to the Central Committee, which was empowered to make any modification necessary.[154] In preparing the 1947 administrative budget, the Administration had predicated the figures on a rundown plan which, however carefully worked out, could not be exact. Such outside factors as a maritime strike in the United States, just ended, or a coal strike, just beginning, would inevitably retard the completion of UNRRA's programs. Without allowance for these imponderable factors, the budget proposed for 1947 provided sufficient funds for an orderly liquidation under the existing forecasts of operations.[155] Thus, for the first time the budget exhibited characteristics of an agency in process of liquidation: average salary costs were higher since high-grade personnel tended to be retained and key positions to remain filled while the number of subordinate employees was decreased; an incentive bonus plan, to prevent employees from seeking the security of permanent employment before the need for their services had been satisfied, was in operation.[156]

151 CFC(46)51, "Status of UNRRA Accounts as of 15 May 1946," 23 May 1946.
152 Resolution 14, Section 14.
153 CC(46)85, minutes 33d meeting, 23 July 1946 (CC Docs., II, 92–101).
154 Resolution 110.
155 CFC(46)76, "Statement of Administrative Budget for 1947," 7 December 1946.
156 *Ibid.;* for further details see *infra,* Part Two, Chapter VII, Section 7.

In the spring of 1947 the Committee on Financial Control, having examined the status of the administrative budget, recommended to the Central Committee a liquidation budget of $5 million.[157] This included a supplementary budget for 1947, plus an amount for the calendar year 1948 and for subsequent years.[158] The budget was approved by the Central Committee at its meeting on 23 May 1947.[159]

Later, the Council member for the USSR proposed to the Director General that, since the Administration had residual funds which were being handed over to other organizations, it was inconsistent that further funds should have been approved for liquidation, and that the resolution relating to the liquidation budget should be repealed.[160] This recommendation was referred to the Committee on Financial Control. The matter was twice deferred because the Soviet member was unable to be present, but on 23 March 1948 the Committee decided it could be postponed no longer, although the Soviet member was still absent. The Committee referred the question to the Central Committee on the understanding that the Soviet member would have an opportunity to present his comments when the matter was taken up.[161] When it came before the Central Committee on 8 April 1948, the Soviet member asked that it be deleted from the agenda as he had not received instructions from his Government. It was finally settled at a meeting of the Central Committee on 2 June, when the Soviet member's proposal was rejected by a majority vote.[162] At the time when the liquidation budget was approved by the Central Committee and the assessments made on member governments, there was a possibility that the Administration would be faced with a deficit, since various revenues had not then been realized. Later, as it turned out, these outstanding matters were settled favorably, and a potential deficit was changed to a surplus. The Administration had throughout taken the view that it would be inadvisable to become involved in all the complications incidental to reopening the budget just because a possibility

157 CFC(47)16, "A Resolution relating to the Liquidation Budget covering Administrative Expenses," 24 April 1947.

158 CFC(47)15, minutes 42d meeting, 2 April 1947.

159 CC(47)70, "A Resolution relating to the Liquidation Budget covering Administrative Expenses (as approved by Central Committee at its 53d meeting, 23 May 1947)," 26 May 1947.

160 CC(47)110, letter, J. I. Krasiuk (Council member for USSR) to Director General, 10 September 1947.

161 CC(48)21, minutes 64th meeting, 8 April 1948.

162 CC(48)29, minutes 65th meeting, 2 June 1948.

of a surplus—which had always existed—had become a fact.[163]

At this time some eight member governments were in arrears in making their administrative contributions, and the Administration was doing all it could to collect the sums outstanding.[164] To support this action, the Central Committee passed a formal resolution instructing the Administration to communicate with the governments concerned, informing them that the Central Committee had requested the Administration to do so, and urging them to pay their administrative contributions.[165]

The result of this final effort was that administrative contributions were realized almost to the full amount of the allocations. Only two governments out of UNRRA's total membership failed to complete their payments—the USSR and Iraq. Whether the latter country was, in fact, a member of UNRRA was uncertain after October 1946, when the Iraqi Minister of Foreign Affairs informed the Director General that Parliamentary sanction could not be obtained to the UNRRA Agreement and that therefore the Iraqi Government could not make an operating contribution or continue to share in administrative expenses.[166] Although perhaps technically Iraq, in the absence of ratification of the Agreement, was not a member, the Administration, nevertheless, continued to include it as such in official reports and accounts.[167]

In spite of the Soviet protest over the liquidation budget, both the Ukrainian and Byelorussian Republics paid the amounts allocated to them.[168] Four defaulting governments took advantage of the option they had not hitherto exercised to charge their administrative dues against their operating contributions.[169]

### 6. *CONTRIBUTIONS FROM NONGOVERNMENTAL SOURCES*

The Financial Plan contemplated that contributions would be received from "nongovernmental sources" and provided that such contributions might be accepted in accordance with "the rules and

[163] CFC(47)30, "Resolution Submitted by the Member for the USSR with Reference to the Liquidation Budget," 21 October 1947.
[164] CC(48)29, minutes 65th meeting, 2 June 1948.
[165] *Ibid.*
[166] CFC(46)78, "Administrative Contribution and Membership of Iraq," 10 December 1946.
[167] See DGR 14; *Ninth and Final Financial Report*, p. 16.
[168] CC(48)38, minutes 67th meeting, 6 October 1948.
[169] *Ibid.*

regulations" established by the Director General.[170] The formulation of these "rules and regulations" was slow and gave rise to conflicts of view within the Administration over the conditions which should govern the acceptance of voluntary contributions. One body of opinion considered that the provisions in the resolution against discrimination in distribution [171] prevented the Administration from accepting contributions to which conditions were attached; [172] the other held that the resolution did not apply, since the question of discrimination arose only when undesignated supplies were distributed inequitably; [173] further, that if the Administration refused to accept voluntary gifts designated to particular countries or groups of people, it would probably lose valuable contributions which it otherwise might have had.

No final conclusion had been reached on this point when the Contributed Supplies Branch was created at Headquarters in June 1944, with the primary function of instituting national drives in the United States for the collection of used clothing to supplement the inadequate supplies of finished clothing then available from United States production.[174] The newly formed Branch evolved *ad hoc* plans for the acceptance and handling of all types of voluntary contributions.[175] In this process, the argument against accepting conditional gifts gradually lost practical force, and the Administration's policy, as finally developed, laid down that, in addition to outright gifts, it would accept voluntary contributions to which conditions were attached, provided that the contributions were of "such a nature and value as to justify the expense involved in handling and shipping," and that the "conditions attached by the donor are feasible and acceptable." [176]

Most of the larger gifts, contributed in the form of cash and commodities by voluntary societies in the United States and elsewhere, were designated for use in specified countries. Among these were:

[170] Resolution 14, Section 9.
[171] Resolution 7.
[172] Note, meeting between Lehman and representatives of Agudas Israel, 14 December 1944.
[173] Memo, Oscar Schachter (Assistant General Counsel, HQ) to Weintraub, 19 February 1945.
[174] CS(44)31, "Report of the Bureau of Supply, Tenth Meeting of the Committee on Supplies, 7 September 1944."
[175] Memo, Elaine Carr (Contributed Supplies Branch, HQ) to Mary T. Featherstonhaugh (Bureau of Areas, HQ), 17 April 1945.
[176] *Basic Headquarters Manual*, Part IV, Section 124.31.

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| Greek War Relief Association | $3,331,193 |
| American Relief for Czechoslovakia | 485,036 |
| The Rebuilders of Poland Association | 613,475 |
| Overseas Chinese Relief Committee of Siam | 1,961,885 |
| Polish Supply and Reconstruction Mission | 410,965 |
| State of Mississippi (for Greece) | 304,069 |
| American Hungarian Relief | 50,000 |
| Greek War Relief Fund (Australia) | 41,424 |
| American Committee for Yugoslav Relief | 273,656 |
| Brethren Service Committee | 523,836 |

Many of these gifts included livestock which, of all supplies, were among the most welcome in the UNRRA countries. Of the total contribution made by the Greek War Relief Association, $1,208,028 was designated for the purchase of cattle, horses, and mules.[177] This contribution alone increased by one-eighth the total value of livestock delivered to Greece during the UNRRA period. The contribution from the State of Mississippi was made entirely in livestock which had been collected through a campaign instituted by the Governor, Thomas L. Bailey, for the purchase of pedigreed dairy cattle for Greece. At a ceremony at Gulfport Pier, Mississippi, when the first shipload was being embarked, the Chief Executive Officer accepted the animals on behalf of the Administration; priests of the Greek Orthodox Church attended the ceremony and blessed the ship before it sailed.[178] Poland received 8,000 draft horses bought with the contribution of $613,475 from the Rebuilders of Poland Association,[179] and heifers given by the Brethren Service Committee "for the glory of God, not ourselves." [180] In addition, the Brethren Service Committee made gifts of livestock to Czechoslovakia, Greece, and Italy.[181]

The greater part of the voluntary contributions was in the form of used clothing, collected through clothing drives which were instituted on a large scale in the United States, Canada, Australia, and New Zealand. The total value of the contributions through organized collections amounted to $184,984,792.[182]

177 Monograph, Robert Lintner, "UNRRA Livestock Program," HQ, section on Greek War Relief Livestock Program.

178 Press Release 474, "UNRRA in Greece," 20 July 1946.

179 Monograph, Lintner, "UNRRA Livestock Program."

180 Letter, Lehman to M. R. Zigler (Executive Secretary, Brethren Service Committee), 31 January 1946.

181 Press Release 461, 12 July 1946.

182 It was decided that a uniform evaluation of $1.00 per pound should be placed

The first United States clothing drive was organized in the autumn of 1944. Various denominational groups—Roman Catholic, Protestant, and Jewish—undertook the physical collection of the garments. Baling, warehousing, and transport to shipside were handled by Treasury Procurement. The Administration arranged shipment. Some 5,000 tons of clothing were collected and sent over within the next few months to various destinations in Europe, mainly to Greece and Yugoslavia.

This drive was succeeded in the spring of 1945 by a more ambitious scheme, the United National Clothing Collection, planned on the scale of a War Loan Drive. It was decided that responsibility should rest on a national committee of prominent public men, under a chairman to be appointed by the President of the United States. The Administration asked President Roosevelt to appoint Henry J. Kaiser as National Chairman. An appeal was made informally to Mrs. Roosevelt for her support which, characteristically, she gave in full measure. Kaiser accepted the appointment, and the scheme was launched. It resulted in the collection of over 50,000 tons of clothing which was sent to no less than twenty liberated countries in Europe and Asia. Paying and nonpaying countries alike were allowed to receive a share. A third drive, known as the Victory Clothing Drive, was organized early in 1946 and realized a total of over 20,000 tons.[183]

Two clothing drives were conducted in Canada which resulted in collections valued at $17,310,174. In Australia, although clothes rationing was in force, plans were made in the summer of 1945 for a drive, patterned on the United National Clothing Collection, which realized $4,830,973 worth. In New Zealand a clothing drive which brought in $1,497,559 of contributed goods was made by the New Zealand Council of Organization for Relief Service Overseas. The New Zealand Government assumed all expenses incidental to shipment.[184]

Some of the garments included in the clothing collections were not of a practical kind. Some of them (particularly those derived from the

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on used clothing (memo, Rooks to Lawrence J. Lismer [Accounts and Audits Division, HQ], 28 June 1946). This evaluation is, in fact, higher than that of the new clothing acquired by the Administration through government procurement agencies. In the result, therefore, it would appear that the Administration inflated the value of this commodity in its accounting records.

183 Monograph, Henrietta Shaw, "Comments upon the History of Clothing Drives," HQ.

184 *Ibid.*

first United States drive) were not fit for use in the condition in which they were received, with the result that complaints from the receiving countries were numerous. As the Administration gained more experience in handling this type of supply, and the receiving countries in utilizing it to the best advantage, however, supplies of used clothing came to be greatly appreciated. Every country to which contributed clothing was sent asked for a second allocation, and every country requested larger quantities than the Administration had to give.[185]

Apart from clothing drives, the most important effort made by the Administration to increase its resources from voluntary contributions was through the Victory Food Program. It was begun during the summer of 1945 and had as its target the collection of 10 million cans of fruit and vegetables to be prepared in community canning centers in the United States.[186] Later it was decided to extend the project to include the collection of commercially canned products and also of money to be used for further purchases.[187] The provision for cash collections was perhaps the soundest part of the whole scheme. When LaGuardia became Director General, after the campaign had been running for some ten months and some 700,000 cans had been shipped, he recognized the extravagance of the canned vegetable scheme:

> People out of the goodness of their hearts purchase all kinds of canned food not suitable such as soups, vegetables containing considerable water and we would be shipping water instead of food, and there is plenty of water in all these countries. . . . The cost of boxing alone is eighty to ninety cents for every twenty-four cans. In addition, contributors pay retail prices and we are shipping in wholesale quantities. This makes a difference of some 30 per cent. Therefore a cash contribution is desirable because meats, fish, milk, dehydrated food is acquired all ready for shipment.[188]

Inevitably, there was some embarrassment within the Administration at the disappointment caused to the many people [189] who had generously

[185] *Ibid.*

[186] Memo, Harry Howell (Controller) to C. Tyler Wood (United States State Department), 26 March 1946.

[187] UNRRA Weekly Bulletin 62, 13 October 1945; memo, Burton E. Palmer (Acting Deputy Director General, Finance and Administration) to Lehman, 28 January 1946.

[188] Telegram, LaGuardia to Walter F. Fitzpatrick (chairman, Emergency Food Collection Committee, Providence, R.I.), 29 May 1946.

[189] For example, letter, Mariano A. Lucca (local chairman for campaign, Buffalo, N.Y.) to W. F. Straub (Director, Department of Agriculture Emergency Food Program), 27 May 1946.

responded to the original appeal for canned fruit and vegetables, but the wisdom of the Director General's view could hardly be disputed. Henceforth, for the remainder of the Victory Food Program, emphasis was on contributions of money, and ultimately cash gifts amounted to $2,836,150—as much as the whole operating contribution of many of the smaller member governments—in addition to the canned foods already collected, which were valued at $2,156,852.

In addition to the contributions of cash and food from the Victory Food Program, of clothing from the United States, Canadian, Australian, and New Zealand clothing drives, and of livestock from numerous voluntary societies, there were countless other types of gift which came from private individuals, brotherhoods, voluntary societies, and charitable organizations in over thirty countries.[190] They included such diverse items as ambulances, razor blades, crutches, soap, brewers' yeast, garden seeds, and sodium nitrate.

In total, the contributions from nongovernmental sources amounted to $209,895,377, or one-third more than the contribution of the Canadian Government—the third largest contributor. From the United States alone came voluntary contributions amounting to almost one dollar per head of the population. Altogether, these contributions made up about 6 per cent of UNRRA's total resources and were a tangible proof of the spontaneous recognition of people all over the world of the value of the work which UNRRA was doing.

[190] DGR 14.

# PART TWO

# The Operating Administration

# I. Structure

## 1. *THE ORGANIZATION*

THE ADMINISTRATION of UNRRA at the peak of operations in mid-1946 included five types of offices and missions with a staff totaling nearly 25,000: [1]

(1) The Headquarters Office in Washington was the administrative center for the entire organization, where the major policies in all fields were formulated. It was also the center for the direct administrative supervision of the offices and missions in the Far East, and for recruitment of personnel and procurement of supplies from the United States and Canada.

(2) The European Regional Office (ERO) in London, by delegation of authority from the Director General,[2] bore the responsibility for administration and supervision of all offices, missions, and displaced persons operations in Europe and the Middle East, and for recruitment of personnel and procurement, but not for control of supplies, within the region.

(3) Twenty-nine [3] servicing offices and missions, scattered over the globe, in varying degrees or at various times recruited personnel, procured supplies, provided governments with services in health, welfare, and displaced persons operations, expedited the shipment of UNRRA goods, served as a channel for public information, and arranged billets, travel, etc., for transient UNRRA personnel.

(4) Sixteen missions to receiving countries [4] carried out the duties of advising the governments on the preparation of requests for

[1] As of 31 August 1946: Class I, 12,166; Class II, 11,427; Class III, 1,383; total, 24,976.

[2] Directive, Director General to all bureau and division heads, 3 May 1945.

[3] Two area offices in Cairo and Sydney; 10 liaison offices and missions in Belgium, Denmark, France, Italy, Luxembourg, the Netherlands, Norway, Sweden, Switzerland, Trieste; 12 procurement offices in Argentina, Brazil, Chile (later in Peru), Cuba, India, Mexico, South Africa, Southern Rhodesia, Turkey, Uruguay, Venezuela; 6 offices for procurement of surplus military supplies in Caserta (later in Rome), Honolulu, Manila, New Delhi, Paris, Shanghai.

[4] Albania, Austria, Byelorussian SSR, China, Czechoslovakia, the Dodecanese Islands, Ethiopia, Finland, Greece, Hungary, Italy, Korea, the Philippines, Poland, Ukrainian SSR, Yugoslavia. The small program for San Marino was handled by the Italy Mission.

UNRRA supplies and their use and distribution within the country, and the provision of technical advice and services in the fields of agricultural and industrial rehabilitation, health, welfare, and displaced persons.

(5) The Displaced Persons Operations in Germany, with its Central Headquarters at Arolsen, zonal headquarters in the three Western zones, district offices, and assembly center teams, dealt with the care and repatriation of displaced persons in coöperation with the military authorities and under the supervision of ERO.

## 2. *THE DIRECTOR GENERAL*

The Agreement and the resolutions passed at the First Council Session at Atlantic City defined the Council and its standing committees [5] but, beyond vague reference to regional offices and an outline of the duties of the Director General, made no attempt to determine the administrative structure of UNRRA. In the hands of the Director General was placed the direction of the total activities of the Administration within the limits of the "broad policies" laid down by the Council or its Central Committee and the resources available to UNRRA. Most sweeping of the powers bestowed upon him was the unqualified right to select his deputies and the staff of the Administration including the field missions and the secretariat to service the Council and its committees, and to delegate to them such powers as he deemed advisable.[6] The Director General was, therefore, the only direct link between the policy-making bodies and the Administration which, under his direction, was to carry out their decisions. As Dean Acheson had frequently pointed out during the negotiation of the Agreement, "this organization must be set up and run along efficient business lines, . . . therefore it must have a single directing head responsible for the organization's operations." [7]

Since it had been generally accepted that the Director General was to be an American,[8] his appointment, for all practical purposes, became the prerogative of the President of the United States, although the UNRRA Central Committee and Council cast the confirmatory votes

[5] See Part One, Chapter II–III.

[6] Agreement, Article IV.

[7] Conversation, Acheson with Barons Boel and de Gruben (Belgium), 23 June 1943, used as a basis for conversations with other potential member governments in the summer of 1943.

[8] See Part One, Chapter I, Sections 3, 4.

and each of the three Directors General zealously maintained his status as head of an international organization, however much their individual interpretations varied.[9]

The development of a workable organization on a global scale in the brief months between 2 January 1944, when Lehman was its only official employee, and the summer of 1946, when UNRRA operations were at the peak, was a tremendous task. No precedents existed, for UNRRA was the first large operating international agency. This evolution had to be accomplished, moreover, in the midst of the dislocation, confusion, and devastation attendant on a world war and its immediate aftermath and with due regard to the priorities of military requirements for personnel and supplies. The wonder is, not that there were groping beginnings and structural defects, but that an adequate and reasonably efficient organization was built from the ground in so short a time.

### 3. *HEADQUARTERS*

The location of the Headquarters Office in Washington was predetermined by the presence of the Combined Boards and the Combined Chiefs of Staff and the fact that the bulk of supply procurement had to be done through the national supply agencies of the United States. Few efforts were made to forecast the organizational form of UNRRA prior to the determination of its scope by the member governments at the First Council Session. The original layout of offices and of major positions within them grew from conversations with government representatives,[10] from plans drafted by former staff members of the Office of Relief and Rehabilitation Operations (OFRRO) (notably Luther Gulick and Hugh Jackson [11]), the Senior Deputy Director General, Sir Arthur Salter,[12] and Sir Frederick Leith-Ross,[13] and from adjustments required to meet the special qualifications of available candidates for key posts or the conditions they exacted when accepting

[9] See Part One, Chapter II.

[10] Hugh Jackson, "Diary of First Council," 17 November 1943.

[11] Draft plan, Jackson, Roy Veatch (Chief, Division of International Relations, Office of Relief and Rehabilitation Operations [OFRRO]), and Walter R. Sharp (Program and Requirements Division, OFFRO), 29 July 1943; charts, Luther Gulick (Chief, Program and Requirements Division, OFRRO), October 1943–January 1944.

[12] Salter, drafts of "Note on UNRRA Organization," January–March 1944.

[13] Memo, Sir Frederick Leith-Ross, 17 November 1943.

appointment.[14] Salter's draft "Note on UNRRA Organization," 9 March 1944, defined the major divisions of Headquarters and their jurisdiction in the light of these preliminary discussions and arrangements and became the unofficial basis for the initial structure.

To assist the Director General there was a Senior Deputy Director General who acted as principal adviser and the channel of authority from the Director General to the other sections of the Administration. It was largely Lehman's own decision that the Senior Deputy Director General should be British inasmuch as the United Kingdom had had the major share with the United States in establishing UNRRA and was the second largest contributor. The first incumbent, Sir Arthur Salter, had been a member of the Allied Shipping Board in the first World War and had just retired from heading the British Merchant Shipping Mission to the United States. He accepted the post on a temporary basis and resigned in October 1944.

Attached to the Office of the Director General was a small staff of advisers in special fields—the Diplomatic Adviser (Francis B. Sayre, former United States Assistant Secretary of State), the Financial Adviser (Mieczyslaw Sokolowski, former Secretary of State for Commerce in Poland), the General Counsel, and the Director of Public Information.[15] Most influential of these was the General Counsel, Abraham H. Feller, erstwhile Deputy Director and General Counsel of the United States Office of War Information, succeeded in November 1945 by Alfred E. Davidson, former General Counsel of the Foreign Economic Administration (FEA). Since the duties of the General Counsel included advising on the legal aspects of all UNRRA policies and drafting all UNRRA agreements, he was inevitably drawn into discussion of all phases of UNRRA activities and eventually assumed much of the responsibility for displaced persons policies, and alone of the senior officers could maintain a general view of the work of the Administration without bearing the burden of operating responsibility.[16]

In the next layer of authority at Headquarters were the Deputy

[14] For example, the position of "Economic Adviser" was changed to that of "Financial Adviser" when Mieczyslaw Sokolowski, a Polish banker, was appointed; monograph, Mary Sue Whitman and Edith Watkins, "Headquarters Recruitment of Non-United States Nationals for UNRRA," p. 18.

[15] See Part Two, Chapter VI.

[16] Monograph, Harold E. Caustin, "Notes on the Development and Functions of the Director General's Office," p. 36.

Directors General in charge of the administrative sections [17]—the Bureau of Supply, the Bureau of Finance and Administration, the Bureau of Areas, the Secretariat, and the Office of Regional Liaison. Coequal were the Directors of the Divisions of Health, Welfare, and Displaced Persons—commonly called in UNRRA the "functional" Divisions.

The Deputy Director General for Supply, Roy F. Hendrickson, was the first appointed. He had been Director of the Food Distribution Administration of the United States War Food Administration, Deputy United States member of the Combined Food Board, and a member of the United States delegation to the First UNRRA Council. His detailed and broadly inclusive description of his new duties was accepted by Lehman and Salter with little change.[18] He was responsible for all supply arrangements, with power to delegate in accord with his own plans to regional or other offices. In his jurisdiction fell the collation of supply requirements of receiving countries, the representation of UNRRA before the Combined Boards, arrangements for procurement, shipment, and delivery of supplies to the governments at the agreed transfer points in receiving countries. Responsibility for planning distribution and observation of distribution he was not able to wrest from the Bureau of Areas during the first eighteen months. Lehman habitually regarded Hendrickson as the senior of the Deputy Directors General and for various periods when there was no Senior Deputy Director General or when the incumbent was absent from Washington he served as Acting Director General.[19]

The work of the Bureau of Supply was handled by six Branches [20] (subsequently titled Divisions): [21] Requirements Coördination, Allocations Coördination (these two were later combined [22]), Procurement Coördination, Statistical Records and Reports, Ocean Shipping,[23] Con-

[17] The Deputy Director General for Liaison with American Republics, Eduardo Santos, was concerned only with the collection of contributions from certain member governments.

[18] Administrative Memo 2, 1 December 1943.

[19] For example, during Lehman's absences in November–December 1944 and in July–August 1945.

[20] Bureau of Supply Order 8, 15 April 1944, and Supplements.

[21] The change in title was made in the summer of 1945. Previously, the heads of branches had reported to the Deputy Chief of the Bureau, the heads of the commodity divisions to the Deputy Director General; thereafter all reported to the Assistant to the Deputy Director General.

[22] Bureau of Supply Order 8, Supplement 7, 12 October 1944.

[23] Bureau of Supply Order 8, Supplement 3, 26 June 1944.

tributed Supplies; [24] and by five commodity divisions: Agricultural Rehabilitation; Food; Clothing, Textiles, and Footwear; Medical and Sanitation Supplies; Industrial Rehabilitation.[25] In September 1944 a branch office of the Bureau in New York City was officially authorized, serving primarily as a headquarters for shipping control and the contributed clothing campaigns.

To the Deputy Director General for Finance and Administration was allotted responsibility for all the financial and administrative services of the organization. Under his supervision were the Office of the Treasurer, Division of Finance, Budget, Accounting, Auditing; Personnel, Administrative Analysis, and Administrative Services (travel, communications, property control, records and registry). The post of Deputy Director General of Finance and Administration was held briefly (February–May 1944) by H. P. Van Gelder, a Canadian and an international banker, by John J. Corson (May 1944–March 1945) and Corrington Gill (March 1945–March 1946), both of whom had held a succession of administrative posts in the United States Government.[26]

The duties of the Deputy Director General in charge of the Bureau of Areas were least well defined [27] and continually productive of controversy until the abolition of the Bureau in May 1945. The original idea of the Bureau of Areas had been adopted from the organizational setup of the United States FEA and the Office of Lend-Lease Administration.[28] Whereas in these agencies, however, Areas served as the focal point of authority for field operations, in UNRRA the Bureau was given only an ill-defined advisory responsibility for coördinating communications to and from the field missions, the plans of the functional divisions, and the composition of the individual missions. From the original version of the plans for the UNRRA Bureau of Areas the Bureau of Supply claimed the right to deal with supply requirements, the Office of Regional Liaison encroached on the supervision

[24] Bureau of Supply Order 5, 6 July 1944.

[25] Industrial Rehabilitation, at first set up as a separate functional division reporting to the Senior Deputy Director General, was in June 1944 incorporated with the Industrial Equipment and Raw Materials Divisions in the Bureau of Supply, Bureau of Supply Order 8, Supplement 2, 26 June 1944.

[26] Gill's term of service officially ended in March 1946, but he had been obliged by ill health to give up active service in the preceding November.

[27] See Appendix Nine, Section I, Document 1*a*.

[28] Interview, Grace E. Fox with Caustin (Special Assistant to the Director General), 16 February 1945.

of communications with field missions, while the functional divisions succeeded in establishing a degree of autonomy which made their coördination by Areas largely ineffective. The only operational responsibilities reserved to Areas—and these were frequently contested—were the administration of semipermanent refugee camps, and the instruction of mission chiefs on methods of distribution, rationing, price-fixing, and inland transport. The Deputy Director General appointed to head the Bureau of Areas was Michail A. Menshikov, erstwhile member of the board of directors of Arcos, Ltd., Trading Corporation in London, president of the All Union Export Timber Organization in Moscow, and a member of the Soviet delegation to the First UNRRA Council Session.

The Secretariat was set up primarily to service the Council and its standing committees. On the promise of the Chinese Government to furnish a distinguished candidate for its head, the position was dignified with the title of "Deputy Director General." The Chinese nominee, P. W. Kuo, Vice-Minister of Finance, was appointed in February 1944 but was not released to UNRRA until the end of July. By that time the offices of the Diplomatic Adviser and of the General Counsel and the Intelligence Liaison Branch of the Bureau of Areas had annexed some of the work of correspondence and liaison with member governments which might have been considered the province of the Secretariat. Its Deputy Director General, moreover, was never able to establish himself within the circle of policy-making advisers.[29] Even within its recognized sphere, the Secretariat was allowed little scope, for the committees which it serviced were, for the most part, held by the Administration to a minor advisory position, and the work of preparation for Council sessions had to be shared with the General Counsel and the Bureau of Finance and Administration.[30]

A fifth Deputy Director General, for Regional Liaison, was created to form a suitable position for Lehman's personal adviser, Hugh R. Jackson,[31] who had been his Special Assistant in OFRRO and had previously been associated in various capacities with planning and administration of relief and welfare programs for the State of New

[29] Monograph, P. W. Kuo, "Introductory Notes . . . regarding the Functions and Activities of the Secretariat," HQ, pp. 6, 17.

[30] Monograph, Jane Plimpton and Eleanor Merrick, "The UNRRA Council—Its Sessions and Its Secretariat," HQ, pp. 132–133, 136, 151.

[31] Memo, Salter to Lehman, 7 January 1944.

York. As the title suggested, he was to maintain effective relationships between Headquarters and regional offices. Overlapping of functions, particularly with the Bureau of Areas, was obviously inevitable.[32]

The three Directors of the functional Divisions of Health, Welfare, and Displaced Persons were placed on the same hierarchical level as the Deputy Directors General, and were given wide powers, being specifically entrusted with "main and primary responsibility for policy within their respective spheres." [33] They were also to select and instruct their technical experts in regional offices and field missions and prepare supply estimates for the specialized needs of their field programs.

The Director of Health who served throughout the existence of the Division was Dr. Wilbur A. Sawyer, just retired from directing the International Health Division of the Rockefeller Foundation. The Director of Welfare who served until the post was abolished in April 1946 was Mary Craig McGeachy, a Canadian, First Secretary of the British Embassy in Washington and previously a member of the Secretariat and Acting Director of the Information Section of the League of Nations. For Director of Displaced Persons, Lehman, after an unsuccessful effort to secure a prominent European,[34] appointed Fred K. Hoehler, who had had wide experience in public welfare in the United States before serving in OFRRO as Chief of Mission in North Africa and then as head of the London Office. On his resignation in December 1945, he was succeeded by Myer Cohen who since June 1944 had served in the Bureau of Areas both in Headquarters and ERO and had initiated the organization of the UNRRA Displaced Persons Operations in Austria.

The small group who were most active as Lehman's advisers on policy during the first year and a half, both *ex officio* and because of their personal compatibility, included the Senior Deputy Director General, the Deputy Directors General for Supply, Finance and Administration (especially Corson), and Regional Liaison, the General Counsel, and in the earlier months, the Treasurer, Kenneth Dayton, who had held the same post in OFRRO and had previously been Director of the Budget in New York City.

The defects in the Headquarters structure and particularly in the

[32] Memo, Hendrickson to Salter, 16 February 1944.
[33] Salter, "Note on UNRRA Organization," 9 March 1944.
[34] Letter, H. Jackson to Leith-Ross, 20 January 1944.

vague definition of duties became rapidly apparent. The Bureau of Supply had the lion's share of authority; the Bureau of Finance and Administration was a loose collection of many uncorrelated sections; the Bureau of Areas was weak and uncertain of its prerogatives; the functional divisions lacked the necessary control from above.

In retrospect it might appear that a few arbitrary and forthright decisions would have sufficed to settle these difficulties. It must be remembered, however, that when UNRRA was established no one could foretell the course of the war or how, when, or where UNRRA was to operate. Intertwined with the whole problem, too, was an unpredictable complex of national sensibilities and individual incompatibilities and ambitions. Flexibility to allow for any of a wide range of possible developments seemed to Lehman and Salter in the early months of 1944 the prime requisite. "The team spirit is essential," Salter maintained, "and the 'jurisdictional' mind is its greatest danger. . . . Administrative orders may be practicable later, but these will aim at consolidating arrangements which have already been worked out by those concerned." [35] The early definitions of the duties of organizational sections and their interrelations were, therefore, intentionally left vague with the hopeful expectation, which was, however, but slowly realized, that men and events would determine the final details in satisfactory fashion.

While there were additions and rearrangements in the subsections of these Headquarters bureaus, divisions, and offices as the Administration grew, no major changes in the pattern were made for a year and a half. In February 1945, however, a new Senior Deputy Director General was appointed after an interim of four months following the resignation of Sir Arthur Salter. The new incumbent was R. G. A. Jackson, Commander, Royal Australian Navy, who had been head of the Middle East Supply Center in Cairo. Jackson was in the field and at ERO for the first eight months, however, and did not take up residence in Washington until the following October.

When the administration and supervision of the missions and offices in Europe and the Middle East were delegated on 3 May 1945 to ERO, an adjustment in Headquarters organization seemed desirable to accord with its somewhat lessened duties. The changes made, however, being

[35] Salter, "Note on UNRRA Organization," introduction to draft, 21 February 1944.

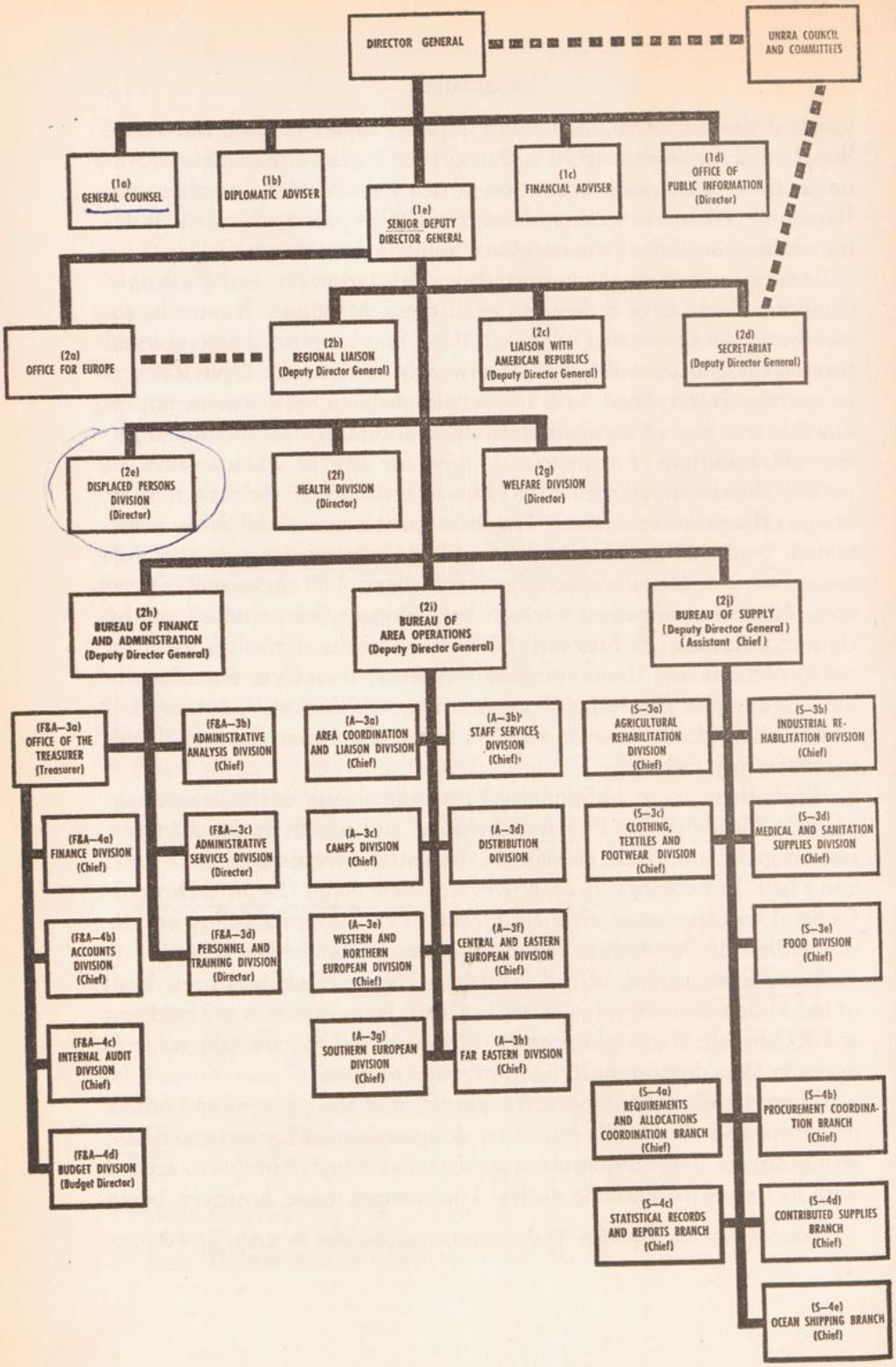



CHART I

HEADQUARTERS ORGANIZATION, DECEMBER 1944

## KEY TO CHART I

1a *General Counsel.* Adviser on legal and legislative matters, and liaison officer with military authorities on all matters except those concerning requirements and supply.

1b *Diplomatic Adviser.* Adviser on relations with governments and international organizations.

1c *Financial Adviser.* Adviser on financial problems and contributions and ability of countries to pay.

1d *Office of Public Information.* Responsible for public information aspects of the Administration's operations.

1e *Senior Deputy Director General.* Advises the Director General on matters of general policy and coördinates the work of the Deputy Directors General and the Directors of Functional Divisions.

2a *Office for Europe.* Initiates recommendations concerning relief and rehabilitation requirements for liberated areas in Europe, develops plans for distribution of supplies, assembles data on economic developments affecting the Administration's operations, supervises those field missions for which it is assigned responsibility on direction from Headquarters, provides secretariat for Council Committee for Europe.

2b *Regional Liaison.* Coördinates activities of regional offices with those of the Headquarters Office.

2c *Liaison with American Republics.* Responsible for the development of close relations with member governments of South America, Central America, and the Caribbean.

2d *Secretariat.* Organizes and directs the Secretariat for the Council, its committees and subcommittees; acts as liaison with Council and its committees; performs certain over-all secretarial and general intelligence functions for Director General and Administration; operates library, compiles historical record, drafts periodic reports to the Council.

2e *Displaced Persons Division.* Develops policies on and is responsible for arrangements for the identification and registration of displaced persons, and for their care and repatriation or return to place of former residence.

2f *Health Division.* Responsible for the health and medical program and assists Director General in negotiations with governments with reference to controlling the spread of disease.

2g *Welfare Division.* Responsible for planning programs for special classes of dependent persons, including children, pregnant women and nursing mothers, the destitute, the disabled and the aged; and for enlisting the coöperation of voluntary relief organizations.

2h *Bureau of Finance and Administration.* Plans, organizes, and directs all policies and activities relating to budget, accounting, finance, auditing, personnel, administrative analysis, and administrative services. Responsible for the financing of UNRRA activities and relations with member governments essential to such financing, also responsible for continuous appraisal of administrative effectiveness of the organization.

F&A-3a *Office of the Treasurer.* Advises and assists the Deputy Director General for Finance and Administration, and other officials of the Administration in developing and executing the fiscal policies, administration and operations of UNRRA. Responsible for administration and performance of functions of the four fiscal divisions.

F&A-4a *Finance Division.* Official custodian of all UNRRA funds and all documents evidencing ownership of property; handles and records receipts and disbursements; assists in the handling of financial contributions to UNRRA.

F&A-4b *Accounts Division.* Operates an integrated system of financial accounts for Headquarters, regional offices and a unified system of reports covering all financial and accounting activities of the Administration.

F&A-4c *Internal Audit Division.* Internal auditing agency of the Administration.

F&A-4d *Budget Division.* Responsible for all budgetary activities and controls.

F&A-3b *Administrative Analysis Division.* Advises on administrative structure of organization, conducts management studies and assembles and analyzes reports reflecting efficiency and results of operations.

F&A-3c *Administrative Services Division.* Provides all administrative services for the Administration and the UNRRA Council.

F&A-3d *Personnel and Training Division.* Recruits, investigates, and processes appointments of Headquarters and field personnel; responsible for the UNRRA personnel program, including development of policies and standards, classifications and salary administration, training, personnel utilization, and provision for employee welfare and services.

2i *Bureau of Area Operations.* Supervises field operations on behalf of Director General directly or through delegation to Regional Offices, including: formation of field missions and development of field budgets; development of instructions for field missions for approval of Director General; integration of area operating plans and provision for coördinating facilities and channels for communications between Headquarters and the field. Assists Director General in review of policy decisions on field operations. Develops programs for assisting in distribution of supplies and management of camps.

A-3a *Area Coördination and Liaison Division.* Assists in development of over-all policy for the Bureau, and reviews area programs for conformity to policy. Furnishes intelligence liaison service between Administration and outside agencies, and effects program coördina-

tion on matters outside the scope of a single area division.

A-3b *Staff Services Division.* Responsible for administrative management of the Bureau, for overseas clearance of field personnel, receipt and dispatch of communications from field missions, and review of field personnel. Reviews administrative procedures affecting field missions.

A-3c *Camps Division.* Reviews camp management operations and provides technical advice on the management of camps; determines the supply requirements of camps, and policies affecting camps.

A-3d *Distribution Division.* Develops through consultation with Governments a distribution policy, develops plans and provides technical advice on distribution facilities and methods.

A-3e-h *Western and Northern European, Central and Eastern European, Southern European, and Far Eastern Divisions.* Review development of field operations; develop integrated plan of operations; assist in organization of and review instructions to field missions; assemble area information; coördinate communications to field and assure prompt action on communications from the field.

2j *Bureau of Supply.* Plans, organizes, and directs all activities relating to determination of requirements, allocation, procurement and shipment of supplies; is responsible for technical advice and services, and related supply planning required for agricultural and industrial rehabilitation operations within liberated areas, and acts as liaison with the military authorities and member governments on all matters concerning requirements and supply.

S-3a *Agricultural Rehabilitation Division.* Plans agricultural rehabilitation programs in coöperation with governments of liberated nations; ascertains requirements, develops specifications and standards for commodities to be procured or purchased and conducts negotiations for the allocation and procurement of supplies necessary for the agricultural rehabilitation of liberated areas; directs such programs.

S-3b *Industrial Rehabilitation Division.* Ascertains requirements, develops specifications and standards for commodities to be procured or purchased, determines priorities, and conducts negotiations for the allocation and procurement of equipment, raw materials, and supplies required for the industrial rehabilitation of liberated areas; directs such programs.

S-3c *Clothing, Textiles and Footwear Division.* Ascertains requirements, develops specifications and standards for commodities to be procured, and conducts negotiations for the allocation and procurement of clothing, textiles, and footwear required in liberated areas.

S-3d *Medical and Sanitation Supplies Division.* Ascertains requirements, develops specifications and standards for commodities to be purchased, and conducts negotiations for the allocation and procurement of medical and sanitation supplies required in liberated areas.

S-3e *Food Division.* Ascertains requirements, develops specifications and standards for commodities to be procured or purchased, and conducts negotiations for the allocation and procurement of food supplies required in liberated areas.

S-4a *Requirements and Allocations Coördination Branch.* Coördinates the activities of the Bureau with respect to supply requirements and allocations and promotes and establishes effective liaison with the Combined Boards, military authorities, and allocation agencies of member governments on these matters.

S-4b *Procurement Coördination Branch.* Coördinates the activities of the Bureau with respect to procurement and establishes and maintains effective liaison with procurement agencies, including agencies concerned with the disposition of war surpluses and salvage.

S-4c *Statistical Records and Reports Branch.* Maintains a centralized system of records and reports on commodity requirements, allocations, procurement and deliveries which reflects over-all progress of the supply program.

S-4d *Contributed Supplies Branch.* Explores and develops sources of contributed supplies, fitting them into an integrated UNRRA program, recommends policies; conducts negotiations with outside agencies; coördinates activities of Administration and directs UNRRA participation in collection of such supplies.

S-4e *Ocean Shipping Branch.* Advises with respect to shipping requirements and facilities, secures necessary allocations of space and makes ocean shipping arrangements, including provision for storage, packaging, inspection and forwarding.

less immediately pressing than those impending within the London Office, were less sweeping and less thoroughly carried out. Indeed, the successive emergencies of the reorganization in ERO, the United States appropriation bills in late 1945, and the world food crisis in the first half of 1946 preserved the Washington Office from any such thorough revision as took place in the London Office in the summer of 1945.

The directive of 3 May 1945 did, however, eliminate in Headquarters the Bureau of Areas and the Office of Regional Liaison, both of which had had a somewhat illusory concern with the supervision of missions. The functions of Areas were variously distributed: the Division of Staff Services was transferred to Finance and Administration; the Camps Division, to the Displaced Persons Division; the Bureau of Supply now acquired the Distribution Division to complete its control of all phases of supply operations. To replace the Areas country desks the Requirements and Allocations Coördination Branch in the Bureau of Supply was reconstituted as a Country Programs Division with "customer's men" for the receiving countries, and residual duties of an advisory and informational character relating to European country missions, which had not been delegated to ERO, were entrusted to a separate Office of Country Mission Affairs reporting to the Senior Deputy Director General. An Office for Far Eastern Affairs [36] was established, also under the Senior Deputy Director General, to handle administration of the offices and missions in that area, responsibility for which remained with Headquarters.

Menshikov, the former Deputy Director General of Areas, reluctantly [37] became Deputy Director General of a new Bureau of Services. To him the Directors of the functional divisions now reported. No further official definition of his duties was ever achieved, however, and the relationship of the divisions to the Bureau was subsequently worked out more or less satisfactorily on a purely personal basis. He resigned in June 1946 to return to the USSR and was succeeded by Mikhail A. Burinski, who had been Special Assistant to the Personal Representative of the Director General in London.

In place of the Deputy Director General for Regional Liaison, who now resigned from UNRRA, the Senior Deputy Director General became the focal point for communications with ERO and the missions,

[36] Later called the Office for the Far East.

[37] Minutes, meeting between Lehman, R. G. A. Jackson, Hendrickson, Menshikov, Caustin, 30 April 1945; memos, Menshikov to Lehman, 2 May 1945, 6 June 1945.

and during Jackson's absence in ERO this duty fell to the Deputy Director General for Supply. Lehman at the same time delegated to Hendrickson as chief executive officer "the full administrative load of work" in order to free himself to develop political contacts looking to the completion of the first United States appropriation and the grant of the second one per cent contribution.[38] This was official recognition of what had long been the fact, the dominance in Headquarters of the Deputy Director General for Supply. He alone of the three Deputy Directors General had secured at the outset a clear and wide jurisdiction, and he had built up his Bureau into "an empire within an empire." With the entrance of UNRRA into large-scale procurement and delivery of supplies to receiving countries at the end of the war in Europe, the Bureau of Supply now further increased in size and importance. In so far as Hendrickson, warmly supported by his staff, was able to influence the rest of the Administration (and his influence was great) UNRRA profited from a clear sense of purpose—the provision of relief and rehabilitation supplies as expeditiously as possible to meet the needs of certain war-torn countries. Since UNRRA had, however, also been created to provide relief services, the divergent interests of the Supply Staff and the divisions devoted to health, welfare, and displaced persons remained unreconciled.

One of Jackson's first organizational changes after his return to Washington in October 1945 was to secure the appointment of Major General Lowell W. Rooks as Chief Executive Officer. Following a visit to the missions, Rooks took office in Headquarters on 15 February 1946. Reporting to the Senior Deputy Director General, he was commissioned "to secure the smooth and efficient operation of the Headquarters office by coördinating the work of the bureaus, offices and divisions, referring only major policy differences to the Senior Deputy Director General, or the Director General." [39]

Hendrickson, who since Jackson's return had been increasingly concerned with his duties as the Director General's personal representative supervising UNRRA's activities in the Far East,[40] resigned from Headquarters in March 1946. His successors as Deputy Director General for Supply (David Weintraub, followed by Karl Borders [41]) de-

[38] Letter, Lehman to A. H. Feller (General Counsel), 3 May 1945.
[39] General Bulletin 202, 26 November 1945.
[40] General Bulletin 199, 19 October 1945.
[41] Borders refused the title of Deputy Director General and was known as Deputy Chief of the Bureau of Supply.

voted themselves exclusively to the work of the Bureau of Supply.

With the advent of Colonel Alfred G. Katzin [42] in Headquarters in March 1946 as Special Assistant to the Chief Executive Officer (subsequently Deputy Chief Executive Officer, Deputy Director General and Chief Executive Officer), another layer was added to the administrative hierarchy. Thus during the peak of operations the heavy burden of executive command was no longer carried by one person, and it was possible for one or another of the senior officers to absent himself from Headquarters for visits of inspection in the field. On the whole, they made a good team. Not only were they able to work effectively with such diverse personalities as Lehman and LaGuardia but they worked well together, Jackson supplying a wide grasp of the whole range of UNRRA's activities and Rooks adding a respectful attention to orderly routine which might otherwise have suffered under the purely personal approach often used by Jackson and Katzin.

It is a testimony to the personal loyalty which these senior officers inspired and to the *esprit de corps* which had developed in Headquarters that the Washington Office was able to carry out operations effectively and preserve administrative and organizational efficiency despite the sometimes hasty, ill-considered, and often ill-tempered actions of the second Director General, whose strength lay rather in his energy and ability to arouse public enthusiasm and to stir his subordinates to rapid action than in the conduct of day-to-day business and the needs of sound organization and administration.

The last major organizational element in UNRRA to be revised—the accounting and auditing phase of Finance and Administration—had long stood in dire need of improvement. The problem was particularly acute in Headquarters where the prime responsibility for policy lay, although the financial sections in ERO, and especially in the missions, reflected the general lack of attention and definition in this field.

By March 1945 the suggestion had been forcefully made by the Committee on Financial Control, the Audit Subcommittee, and the Council's Auditors [43] that the Bureau of Finance and Administration encompassed far too broad a field for effective control by one Deputy Director General. The financial sections were, moreover, too far removed from the Director General and policy-making levels in the

[42] See below, Section 4, for previous work in ERO.

[43] Committee on Financial Control (CFC), verbatim minutes 15th meeting, 16 March 1945; CFC(45)10, 12, 13; see *infra*, Part Two, Chapter III.

official hierarchy. They recommended, therefore, a separation of finance from administration with a Director of Finance reporting to the Director General. Lehman, however, fearing a multiplication of senior officers responsible directly to him, and having just appointed Corrington Gill as the new Deputy Director General for Finance and Administration, believed such a move impracticable.[44]

For a year the Administration struggled with more or less unsatisfactory palliative measures. The post of Treasurer was abolished in July 1945, and Dayton resigned. The new position of Director of Accounts and Audits, reporting to the Deputy Director General of Finance and Administration, was not filled until September when Lawrence J. Lismer, a British chartered accountant released from the Canadian Army, was appointed. By that time the Financial Adviser,[45] all the senior accounting staff, and the Chief Internal Auditor had resigned, and Lismer was obliged to tackle a staggering backlog with such new and inexperienced personnel as could hastily be recruited.[46] The Administration had been, in fact, from the beginning hampered by inability to secure a sufficient staff of trained accountants for the administrative offices or the field and by a lack of agreement on methods or objectives in accounting and auditing both within the Administration and among the Administration, the Audit Subcommittee, and the Council's Auditors. The unfortunate result was the very slow development of uniform procedures.[47] Throughout this period, moreover, the Administration lived in dread that some malicious spirit would seize upon the uncompleted accounts and twist an honest if inadequate effort into a major scandal.[48]

In January 1946, a competent candidate having been found in Harry E. Howell, Assistant Director of the Production and Purchasing Division of the United States War Department, the Director General decided to create the post of Controller, the incumbent of which would report directly to him and be responsible for the financial aspects of the Administration. At the same time he established a separate Bureau of Administration, headed by Burton E. Palmer, who had been Acting

[44] CFC(45)14, Lehman to CFC, 26 March 1945; CFC, verbatim minutes, 17th meeting, 29 March 1945.

[45] The post was filled by J. J. Polak, who served in an acting capacity until the summer of 1946 when he was given the title of Economic Adviser.

[46] Monograph, Lawrence J. Lismer, "Bureau of Accounts and Finance," HQ, p. 3.

[47] See Part Two, Chapter III.

[48] For example, memo, R. G. A. Jackson to Lehman, 1 January 1946.

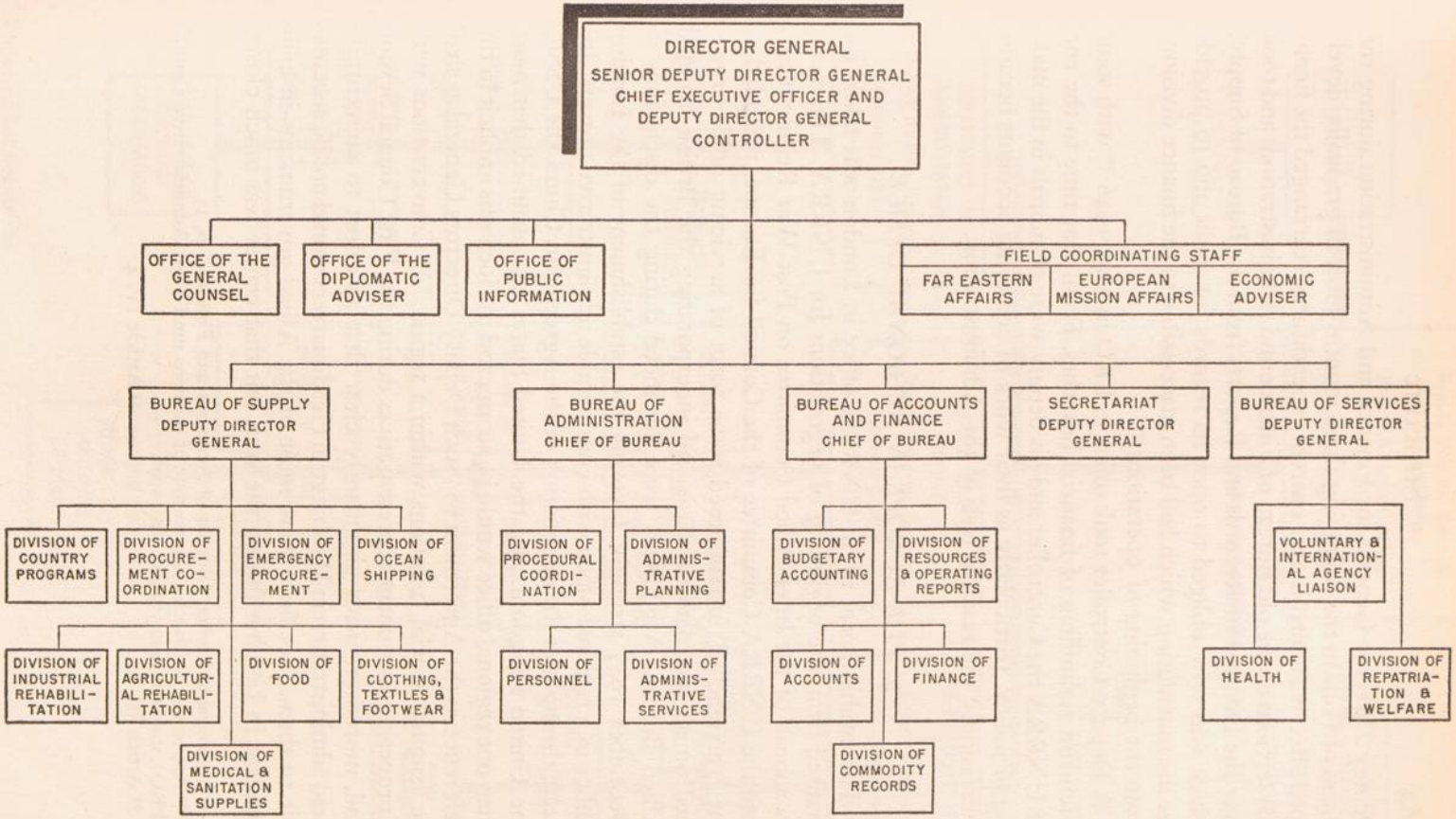



CHART II

HEADQUARTERS ORGANIZATION, JULY 1946

Deputy Director General for Finance and Administration during the illness of Gill. In the following three months Howell gradually developed effective controls over current expenditures, rearranged the financial sections of the old Bureau of Finance and Administration, and took over the Division of Records and Reports from the Bureau of Supply, which was now obliged to open its records for audit and to provide the documentation which had been inaccessible to the finance divisions from the beginning of operations.[49]

A Deputy Controller took office in ERO in May 1946 [50] with some attendant reshuffling of financial branches. From that time to the end of UNRRA the Controller and his deputy were principals in the making of policy, particularly as their work of achieving accounts became increasingly the residual task of the Administration.

### 4. *THE EUROPEAN REGIONAL OFFICE*

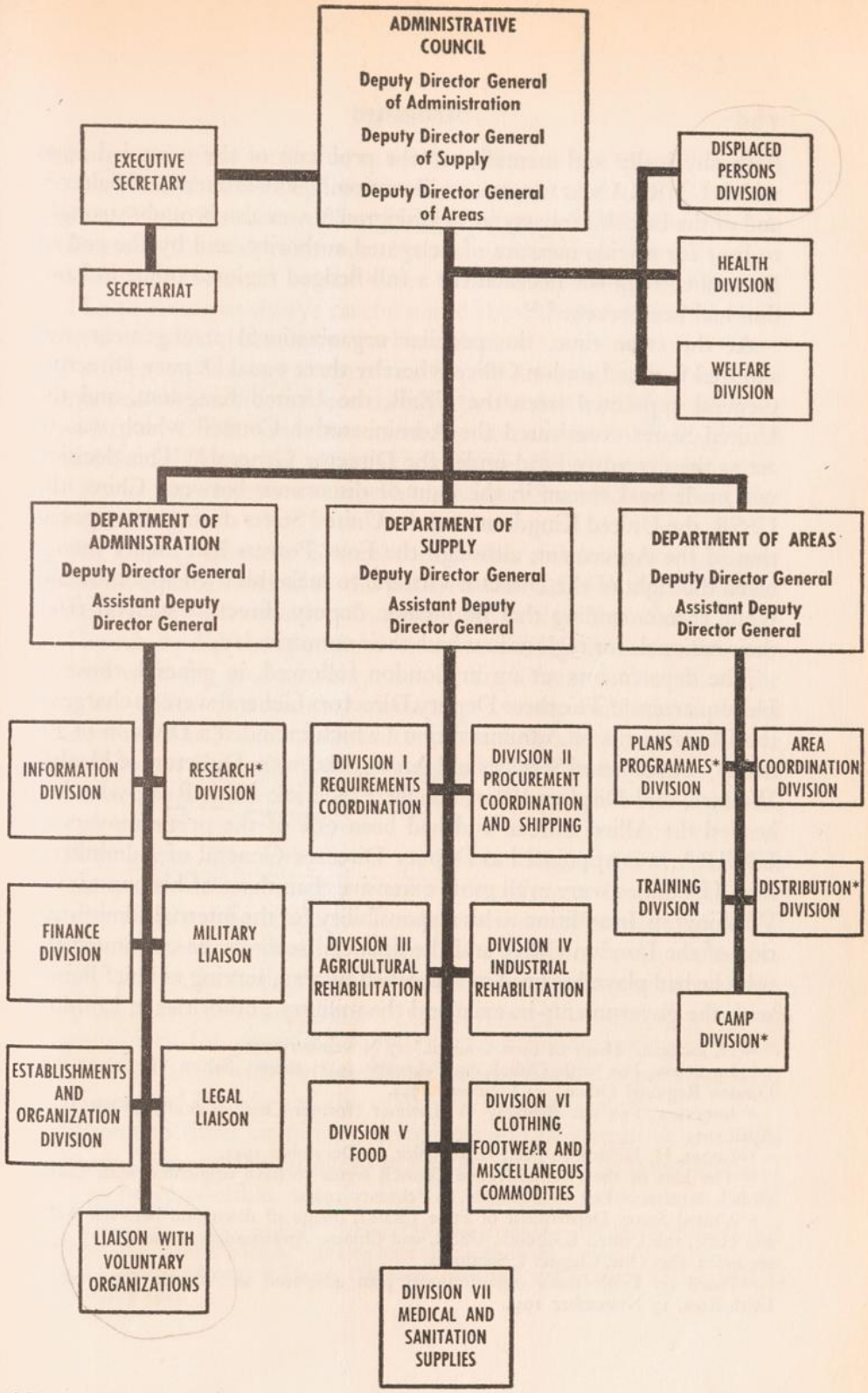
The establishment of an UNRRA office in London was taken for granted from the beginning of negotiations for UNRRA. The metamorphosis of the Inter-Allied Committee on Post-War Requirements into the UNRRA Committee of the Council for Europe, provided in the Agreement,[51] presupposed some form of servicing office organized on an international basis and incorporating the British-manned Allied Bureau. Arguments were advanced during the discussions in December 1943 strongly favoring the establishment of the London Office as a regional office with considerable administrative powers. Indeed, throughout the negotiation of the Agreement, China, the USSR, the United Kingdom, and the United States had assumed that more than one regional office would be set up, and the idea was implicit in the reference in the Agreement to "such Deputy Directors General as shall be assigned special functions within a region." [52] Conversations with European government representatives during the First Council Session had, moreover, made abundantly clear that an effort to concentrate field administration in Washington Headquarters would not be acceptable to them. Not only were most of the Allied governments-in-exile resident in London during the war, but that center was much closer,

[49] Monograph, Lismer, "Bureau of Accounts and Finance," p. 13.

[50] Appointed 20 March 1946, on tour of missions until May; Administrative Council (ERO), minutes, item 5698, 11 May 1946.

[51] Article III, 5.

[52] Article IV, 4.




* Projected but not staffed.

CHART III

EUROPEAN REGIONAL OFFICE, NOVEMBER 1944

both physically and mentally, to the problems of the occupied areas which UNRRA was to serve on liberation.[53] The influence of Salter [54] and of the British Embassy in Washington [55] was also brought strongly to bear for a wide measure of delegated authority, and by the end of December 1943 the decision for a full-fledged regional office in London had been reached.[56]

At the same time, the peculiar organizational arrangement was adopted for the London Office whereby three equal Deputy Directors General appointed from the USSR, the United Kingdom, and the United States constituted the Administrative Council which was to act as the executive head under the Director General.[57] This decision was made by Lehman in the light of discussions between China, the USSR, the United Kingdom, and the United States during the negotiation of the Agreement, although the Four Powers had finally recognized the right of the Director General to make his own appointments while recommending that he include deputy directors general from their nationals for regions in which their countries lay.[58]

The departments set up in London followed, in general, those of Headquarters.[59] The three Deputy Directors General were in charge of the Departments of Administration (which included a Division of Finance), Supply, and Services and Areas; there were Directors of Health, Welfare, and Displaced Persons. Sir Frederick Leith-Ross, who had headed the Allied Bureau and had been one of the prime movers of UNRRA, was appointed as Deputy Director General of Administration. His duties were even more extensive than those of his opposite in Washington. In addition to his responsibility for the internal administration of the London Office and the financial sections, he continued the roles he had played as head of the Allied Bureau, serving as chief liaison with the governments-in-exile and the military authorities in London,

[53] H. Jackson, "Diary of First Council," 17 November 1943.

[54] Interview, Fox with Gulick, 19 February 1945; memo, Salter, "Relations with London Regional Office," 21 February 1944.

[55] Interview, Fox with Murray W. Latimer (former Chief of Staff, OFRRO), 21 April 1945.

[56] Letter, H. Jackson to Fred K. Hoehler, 24 December 1943.

[57] The idea of the Administrative Council seems to have originated with Luther Gulick, interview, Fox with Caustin, 16 February 1945.

[58] United States Department of State (State), memo of discussion between Acheson (US), the United Kingdom, USSR, and Chinese Ambassadors, *et al*, 4 May 1943; see *supra*, Part One, Chapter I, Section 2.

[59] Based on Leith-Ross's organizational plan advanced at Atlantic City, memo, Leith-Ross, 17 November 1943.

and supervising the secretariat to the Committee of the Council for Europe. Attached to his Department, moreover, were the Legal Adviser and the Public Relations Office. He also acted as chairman of the Administrative Council. Although this post carried no additional power beyond that exercised by the other two Deputy Directors General, and Leith-Ross was always careful not to abuse his position, it involved substantial additional routine work on his part.

For Deputy Director General for Supply Lehman interviewed and confirmed the candidate recommended by the Soviets, Nicolai I. Feonov, Deputy USSR Trade Representative in London, 1938–1943, head of the Soviet delegation on the Anglo-Soviet Transport Committees, and Soviet representative on the International Sugar Council and Tea Committee.[60]

The Deputy Director General for Services and Areas was Lithgow Osborne, former Chief of the OFRRO Special Relief Problems Section and previously Conservation Commissioner in New York State.

The subsequent changes in the structure of ERO were closely interrelated with the gradual delegation by the Director General to the London Office of additional administrative responsibilities for field operations. The Salter memorandum of 21 February 1944, "Relations with London Regional Office," supplied the basis on which subsequent developments rested. All executive authority, it was recognized, lay ultimately with the Director General, whose headquarters were in Washington. The authority of the London Regional Office, in turn, rested on the delegation of powers by the Director General. Certain powers could not be delegated. Headquarters must "remain responsible for the initial determination of principles of policy"; the center for supply policy, including coördination of requirements with available supplies, allocation of supplies between East and West, and allocation of responsibility for providing supplies between contributing countries after consultation with the Committee on Supplies and negotiation with the Combined Boards; and the center for financial policy.

Subject to these limitations, delegation and decentralization to the London Office were to proceed as rapidly and as far as possible. ERO was to be responsible, specifically, for collecting information about

[60] Monograph, Whitman and Watkins, "Headquarters Recruitment of Non-United States Nationals for UNRRA," quoting interview with Hugh Jackson, June 1947, p. 14; memo, Lehman to Joseph P. Harris (Director, Personnel and Training Division, HQ), 26 February 1944.

the European region, liaison with European member governments and the military authorities in Europe, and with the Committee of the Council for Europe and its subcommittees, for ascertaining requirements and subsequently adjusting them to supply availabilities indicated from Headquarters, and for issuing operational instructions to European field missions. To perform these delegated duties, the London Office was to be organized to operate as a unit, through coördination by the Administrative Council.

Although the specific division of responsibility for missions to receiving countries between Headquarters and ERO was to await the gradual development of actual operations, the principle was laid down that the chief of each mission should report to a single center and "where and when possible he should look to London." [61]

Despite the fact that Salter had declared decentralization to be a "cardinal principle," full delegation to ERO of authority for missions and offices in Europe and the Middle East did not for many reasons take place until May 1945. One cause for delay was the Director General's belief that, until the liberation of Europe had been accomplished and the subsequent period of military occupation ended, the control of negotiations with potentially recipient governments and, more particularly, the Allied military authorities should remain in Washington where the Combined Chiefs of Staff maintained their headquarters.[62] He long remained uncertain, moreover, of the ability of the London Office to assume major responsibility in view of the extreme difficulties of recruitment in the United Kingdom in wartime and the apparent disadvantages of the three-headed Administrative Council as an executive control.

With the primary intent of bolstering up the London Office, the Director General and his principal advisers dispatched to London at the end of May 1944 the Headquarters directors of the functional divisions who were to remain for a few months to set up these sections in ERO,[63] and the Senior Deputy Director General who was to establish himself, if he thought advisable, as resident deputy to the Director General and hence as the superior of the three Deputy Directors Gen-

[61] Memo, Salter, "Relations with London Regional Office," 21 February 1944.
[62] Administrative Council, report by Leith-Ross in minutes, 29 September 1944.
[63] Minutes, meetings of Lehman with senior staff, 3, 10, 11 May 1944; Annex to staff meeting minutes, 11 May 1944.

eral in London who would no longer meet as the Administrative Council.[64]

Preliminary soundings taken by Sir Arthur Salter on his arrival in London at once indicated, however, that the three resident Deputy Directors General and the Soviet representative on the Committee of the Council for Europe would regard any assumption of authority over them by the Senior Deputy Director General as an abrogation of the arrangements made when the London Deputy Directors General had accepted appointment in UNRRA.[65] Sir Arthur Salter did not, therefore, attempt to carry out his full powers [66] during the few remaining months of his incumbency. The developing machinery of the Administrative Council had, nevertheless, in the opinion of Leith-Ross, been seriously disturbed,[67] and it was subsequently further upset by a series of unsuccessful efforts by Headquarters to improve its effectiveness.

The arrival of the functional directors (for Health, Welfare, and Displaced Persons) from Headquarters also had unfortunate results. Although their appearance was a recognition that London was to be the effective center for work with Allied governments, Supreme Headquarters Allied Expeditionary Force (SHAEF), and the UNRRA technical advisory committees,[68] the authority of the London Office was in no way increased, since the functional directors were instructed to report direct to the Director General and not to anyone in ERO.[69] Until the arrival of the functional directors, the Deputy Director General for Services and Areas in London had been responsible for "the administrative supervision and coördination of the technical divisions." [70] Faced with the three heads of these divisions over whom he was to have no control,[71] Osborne returned to Washington. The authority of the Department of Services and Areas was now reduced to a shadowy obligation to coördinate the London functional divisions,

[64] Memo, "'Washington and London': Pre-operational Planning and Operational Direction for Europe," 11 May 1944; letter, Salter to Lehman, 2 June 1944.
[65] Memo, telephone conversation between Leith-Ross and H. Jackson, 9 June 1944.
[66] Letter, Salter to Lehman, 19 June 1944.
[67] Letter, Leith-Ross to Lehman, 6 July 1944.
[68] Annex to staff meeting minutes, 11 May 1944.
[69] *Ibid.*
[70] ERO Regional Order 2, 17 March 1944.
[71] Memo, Salter to Osborne, 30 June 1944.

and it was rechristened the "Department of Areas" to accord with the like Bureau in Washington.[72] This was but one episode in a long and dreary controversy which continued in both Offices over the relations of Areas with the functional divisions.

All signs in the summer of 1944 seemed to point to the emergence in London and Washington of "two headquarters and two main office organizations." [73] This was indeed the natural result of the establishment of parallel organizational structures, operating on no clear definition of their individual responsibilities, and prevented from frequent consultation by the wartime restrictions on travel and communications then (because of the invasion of Normandy) at their height. By the time of the Second Council Session in Montreal in September 1944 the member governments had become well aware of these difficulties:

> It is easy [Acheson pointed out in plenary session], when there are conflicting demands of various nations, to create offices with equal power. That is not harmful if the organization is a contemplative one. It is destructive if the organization is one which calls for action. Therefore I ask and urge that the Administration with vigor and courage and whatever ruthlessness is necessary review its scheme of organization to see whether it is adapted to action.[74]

The Director General spent most of the months of November and December 1944 in London, trying to reach a more specific agreement on the work to be done by Headquarters and by the London Office and attempting to improve the internal operation of ERO.[75] The resulting decisions, while tentative and "clearly a compromise," [76] led directly if slowly to the 3 May 1945 directive which formed the basis for the final solution of both problems.

Immediate "supervision of administration and operations" was delegated to ERO in November 1944 by the Director General for all missions in Northwest Europe [77] and shortly after for the Displaced Per-

[72] ERO Services and Areas Order SA1, [August 1944].

[73] Letter, Salter to Richard Law (United Kingdom Minister of State and member of Central Committee), [late June 1944].

[74] *Journal*, Second Council, plenary session, 20 September 1944, p. 55.

[75] Letter, Lehman to Leith-Ross, 20 October 1944.

[76] Letter, Lehman to Leith-Ross, 19 February 1945.

[77] Cable, London to Washington 1206, 30 November 1944; memo, William Lacy (Office of Regional Liaison) to all bureau and division chiefs, reporting telephone conversation with H. Jackson (then in ERO), 5 December 1944; memo, Lacy to top staff, 7 December 1944.

sons Operations in Germany, and its eventual responsibility for all European missions including the Balkans was confirmed.[78]

It was clear to all concerned that the organization of ERO must be markedly tightened if the Office was to be able to assume these added duties. Indeed, the three Assistant Deputy Directors General themselves protested to the Director General:

> The organization of ERO is not of a pattern likely to reassure even the well-disposed. . . . Top direction of the office is, or may be, shared among as many as half a dozen people, each possessing executive functions and inevitably involving an overlap and blurring of responsibility. And as if this were not enough, there are several distinct channels of responsibility running back to a city over 2,000 miles away. The relief and rehabilitation of the dense and socially advanced populations of the Continent of Europe after one of the cruellest wars in history cannot be achieved by a sort of sub-branch organization of a diffused type which would bring to disaster the business of a minor commercial company.[79]

The establishment of an effective executive control was clearly a prime necessity. It was decided that the Deputy Director General for Administration, who had long been overburdened by the multiplicity of his duties, should be freed as far as possible for his increasing tasks as the principal liaison with European governments and Allied military authorities. The Executive Secretary of the Administrative Council was, accordingly, given an additional share in the internal administration of ERO, while the Department of Areas was reconstituted as the Department of Operations with full responsibility for the increased field activities now resting with the London Office.[80] The functional directors were also, at least in theory, subordinated to its control. This was a particularly pressing necessity since the large-scale participation by UNRRA field personnel in Displaced Persons Operations in Germany had been developing with great rapidity under the energetic but largely uncoördinated leadership of the Headquarters Director of the Displaced Persons Division.[81] Even now the Department of Opera-

[78] Memo, "Comparison of Original Headquarters Draft and Headquarters Suggested Changes," second draft, 19 February 1945.

[79] Memo, "European Regional Office Organization," 5 December 1944, discussed with Director General at *ad hoc* meeting, 7 December 1944.

[80] Memo, Lehman to Administrative Council, 18 December 1944; ERO Administration Order A.67, 23 January 1945.

[81] Conference between Kenneth Dayton and Myer Cohen (Department of Areas, ERO), 15 November 1944; conversation between Dayton and Fred Daniels (Welfare Division, ERO), 15 November 1944; memo, Corson to Lehman, 1 December 1944.

tions was not, however, given full authority over this phase of field activities, for the Director of the Displaced Persons Division was still entrusted with control of all units working in liaison with military authorities—a category which at this stage included all UNRRA field personnel dealing with displaced persons. To head the new Department, Lehman appointed Edward A. Rhatigan, a young American public welfare specialist, who had been Acting Deputy Director General of the old Department of Areas since Osborne's departure from London.

The Director General and the visiting group from Headquarters discussed the problems of the London Office in detail with the British Foreign Office.[82] Lacking the express permission of the Governments of the USSR, the United Kingdom, and the United States to abandon the ineffective three-headed Administrative Council, Lehman felt himself obliged to continue to "make the best of a situation which has been foisted on UNRRA." [83] He again pressed for the nomination by the United Kingdom Government of a suitable candidate for the vacant post of Senior Deputy Director General.[84] He had, in fact, initiated the search in June 1944 when Sir Arthur Salter had first expected to withdraw, but the candidates proposed had either refused to serve or proved not acceptable. The United Kingdom Government, at this point deeply concerned lest UNRRA fail and ruin any plans for further international organizations,[85] now released R. G. A. Jackson as Senior Deputy Director General. The Foreign Office made the express stipulation, however, that Jackson "should be armed with your [the Director General's] full authority when he is visiting either the London Office or any UNRRA posts abroad." [86] Here, then, was the germ of the solution to the problem of administrative control in ERO later developed in the Personal Representative of the Director General in London.

The new Senior Deputy Director General at once set out with Hendrickson to survey the Administration with a view to putting the whole house in order. Following a tour of the missions already in the

[82] Minutes, meeting at British Foreign Office, 21 November 1944; memo, Hendrickson to top staff on telephone report from London, 22 November 1944; minutes, meeting at British Foreign Office, 24 November 1944, mentioning Lehman's conference of the preceding day with the Secretary and the Minister of State.

[83] Memo, Corson to Lehman, 22 November 1944.

[84] Letter, Richard Law to Lehman, 3 February 1945.

[85] The Dumbarton Oaks Conference had been concluded in October 1944, and plans were under way for the San Francisco Conference of April–June 1945.

[86] Letter, Law to Lehman, 3 February 1945.

field in the Mediterranean area, and surveys of the Displaced Persons Operations in Germany and of ERO, they returned to Washington with a series of suggestions which, together with proposals developed from Lehman's discussions in London, resulted in the Director General's directive of 3 May 1945.[87]

Now, at length, the decision was made on the status of ERO in relation to Headquarters on the one hand and the missions on the other, which remained in force thereafter. "Through my Headquarters Office," the Director General stated in this directive, "I will retain responsibility for UNRRA's policies and operations globally . . . ; the Office will retain relations with the Council and the Central Committee and, except as otherwise assigned, relationships with contributing countries." Control of all phases of supply thus rested with Headquarters, in accordance with the often-reiterated wishes of the Deputy Director General of Supply in Washington and with the acquiescence of his opposite in London. Hendrickson had, indeed, long regarded with suspicion lists of requirements developed in London away from the realities of supply availabilities, fearing lest overoptimistic requests developed in ERO might be interpreted as commitments by receiving governments.[88] The preparation of import programs in London, during the period when Allied governments were in exile there, had been, he conceded, a necessary expedient. Now that the governments had returned home and UNRRA missions were being established in the field, however, logic seemed to require that the preliminary requests for supplies be prepared within the receiving countries and submitted to Washington where final determination could best be made on the basis of advice concerning commodity and shipping availabilities from the resident supply and shipping authorities, the pool of information from all the missions, and Headquarters' knowledge of the resources available to UNRRA.[89]

These arguments prevailed, and ERO and the Committee of the Council for Europe, while believing that this was "an explicit declaration that the views of the givers should carry greater weight than those of the recipients," [90] were now obliged to abandon all claims to an authoritative voice in the final determination of supply requirements

[87] Directive, Director General to all heads of bureaus and divisions, 3 May 1945.
[88] Caustin, "Notes on Lehman's Visit to London."
[89] Letter, Hendrickson to Feonov, 8 February 1945.
[90] Caustin, "Notes on Lehman's Visit to London."

of receiving countries. Instead, the missions were to state the countries' requirements to both Headquarters and ERO, but the latter retained only the right of comment. The specific duties assigned to ERO in the field of supply were: to report to Headquarters how much of these programs could be met by procurement from the United Kingdom, the British Colonies, the Middle East, and Continental Europe; to execute the procurement approved by Headquarters; and periodically to review the distribution of UNRRA supplies between receiving countries, consulting with the latter as necessary. Implicitly, control of financial policies also remained with Headquarters, as did the administrative responsibility for offices and missions outside the region assigned to ERO.

Effective immediately, ERO was made the focal point for the administration of all UNRRA operations in Europe and the Middle East including Ethiopia and the Middle East refugee camps. This delegation of authority included responsibility for planning, organization, and direction of all UNRRA missions, services, and activities in these regions, and the determination of the total administrative funds required, subject to Headquarters' approval, and their subsequent reallocation between the missions. All mission chiefs in these regions were to report to ERO, which would review their requests for personnel, receive their regular and special reports, and approve visits to the missions.

Organizational changes in ERO were once again clearly necessary if the Administration was successfully to carry out this further shift in administrative responsibility. The revisions in the London Office which had grown out of the Director General's visit to London had, it was obvious, been insufficient. Speed was the prime essential. The war in Europe was over; supplies and shipping, heretofore almost unavailable, were now to be had in ever-increasing quantities; the countries which UNRRA was to serve were rapidly being opened up, and their needs were pressing. If the major supplying countries were to agree at the approaching Third Council Session to a continuation of UNRRA through a second contribution, concrete evidence of a revised organization capable of effective action must at once be shown.

To provide the long-needed executive control the Office of the Director General was established in London. As its head, with the title of Personal Representative of the Director General, the Senior Deputy Director General went to London for temporary residence during the period of reorganization. Jackson returned to Wash-

ington in October 1945, leaving, as the permanent Personal Representative of the Director General, Lieutenant General Sir Humfrey Gale, K.B.E., C.B., C.V.O., M.C., who had been Administrative Officer in SHAEF. The powers allotted to the Personal Representative of the Director General by the Director General were sweeping:

> In this appointment you will carry the same functions as those which I myself would perform, if I were occupying my office in London. I delegate my power as Director General to you in all matters concerning the ERO and the missions under the control of ERO. I know you will refer to me, when time permits, on all matters of major policy, proposals for the appointments of officials to senior posts, and matters in which large financial commitments are concerned.[91]

Thus not only the executive control of the London Office itself but also coördination and direction of all field operations in the region were placed in the London Office of the Director General. Subject to its supervision the actual control of operations in the field was delegated to the mission chiefs and to Central Headquarters (Germany).

Jackson, in establishing his authority over the resident Deputy Directors General, avoided the difficulties experienced by Sir Arthur Salter partly because Sir Frederick Leith-Ross had just resigned as Deputy Director General of Administration to become chairman of the Committee of the Council for Europe, and partly because he (Jackson) was listed on the Headquarters staff and his stay in London announced as temporary. In fact, the permanent Personal Representative of the Director General was also accepted without comment, and it was only after Ivan A. Iliuschenko succeeded Feonov in January 1946 as Deputy Director General for Supply that Gale's authority was occasionally questioned. In accordance with the Director General's request,[92] the Personal Representatives of the Director General continued to call the Administrative Council in regular meetings although they also invited to its sessions a few of their own advisory staff. In effect, however, the London Office was now controlled by a single executive head.

Attached to the Office of the Director General, in line with Headquarters structure, were the General Counsel and the Offices of Public Information and of Economic Adviser.

Of the major departments of ERO, the Department of Administra-

[91] Letter, Lehman to Sir Humfrey Gale, 2 October 1945.
[92] *Ibid.*

tion was most in need of revision, not only because it had from the beginning included far too many diverse functions, but also because the relations of its various branches had never been well defined. Nor had the effort to share its duties with the Department of Operations proved successful.

The new Department of Finance and Administration assumed many of the miscellaneous duties of the old Department of Operations. Its Division of Administrative Services took over communications, travel, and accommodations; the processing of personnel for the missions and displaced persons operations; and the supervision of registries, cables, and typing pools. Part of the old Division of Establishments and Organization became the Personnel Division,[93] while others of its former duties were assigned to a new Division of Organization and Management which prepared personnel budgets, took over the Budget Control Branch from the Division of Finance and Accounts, worked on job classification in ERO and the missions, prepared and issued official orders, and circulated reports.[94] In addition, the Department of Finance and Administration included the Divisions of Finance, Accounts and Audit, the Secretariat, and the Office of the Financial Adviser.

The Department of Operations, shorn of all operating responsibilities, emerged as the Department of Relief Services, with Mary L. Gibbons, former Chief Deputy Commissioner of the New York State Department of Social Welfare, presently appointed as its Deputy Director General.[95] Its main sections were the Displaced Persons, Health, and Welfare Divisions, and the Voluntary Agency Liaison Unit. Its principal duties were to formulate policies and programs for these activities, maintain liaison with governments, intergovernmental and military authorities, and voluntary societies, provide the field with technical consultants, and coöperate with the Division of Organization and Management in the preparation of field administrative plans and budgets.[96]

Least changed because the most efficiently managed, the Department of Supply was divided into two Procurement Divisions (Industrial Rehabilitation, Clothing and Footwear; and Food, Agriculture, and

[93] ERO Administration Order A.133, 27 July 1945.
[94] ERO Administration Order A.125, 20 July 1945.
[95] Acting Deputy Director General, July–September 1945; Rhatigan continued to hold the title until September 1945 but was principally occupied with Displaced Persons Operations in Germany through the summer.
[96] ERO Administration Order A.128, 25 July 1945.

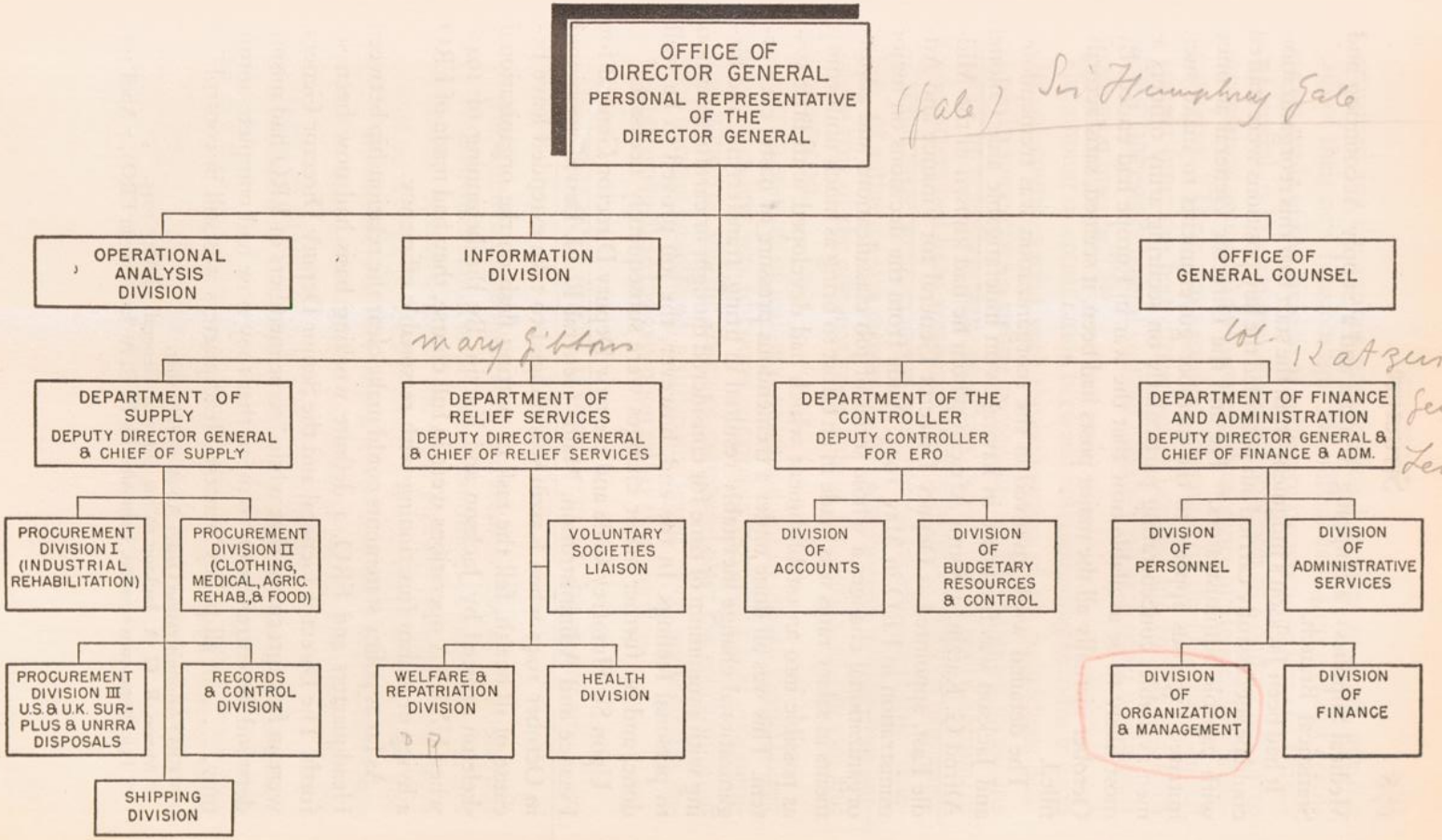



CHART IV

EUROPEAN REGIONAL OFFICE, JULY 1946

Medical Supplies); a Shipping Branch; and a Supply Accounting and Statistical Branch.[97]

It had been Jackson's judgment from the start that this reorganization could be successfully carried out provided the key positions were staffed with capable administrators.[98] He and the Director General at once initiated vigorous appeals to the member governments to make such men available, concentrating particularly on securing army officers as most likely to be available now that the war in Europe had ended. By October virtually all the major posts had been, it seemed, satisfactorily filled.

The detailed work involved in the reorganization was tremendous, and Jackson was fortunate in having as an indefatigable aide Colonel Alfred G. Katzin, a South African whom he had known in the Middle East, appointed as Deputy Director General for Finance and Administration in ERO in May 1945. Aside from the decisions on major organizational changes a whole series of job classifications and adjustments in salary rates was made in an effort to bring as much uniformity as possible into an establishment which had developed with little system. This was all done under a tremendous pressure of haste; each organizational change inevitably resulted in firing, transferring, and hiring with a minimum of time for considered thought or careful attention to personal feelings. In the end, however, the job proved to be well done, and no further major changes were subsequently necessary.

Upon Sir Humfrey Gale and the new Deputy Director General for Finance and Administration, Major General R. G. Lewis, appointed in October 1945 when Katzin was obliged to take extended leave because of ill health, fell the task of putting flesh on the organizational skeleton created by Jackson and Katzin. By the beginning of 1946, when UNRRA operations were in full course, they had made of ERO a living organism functioning with reasonable efficiency.

As far as policy statements could make clear the relationship between Headquarters and ERO, a definite working basis had now been set forth. The Director General and the Senior Deputy Director General were in full agreement that while "some members of ERO had misunderstood decentralization to mean that they now had complete autonomy, . . . in all policy matters Headquarters was still in control." [99]

[97] ERO Administration Order A.126, 20 July 1945.
[98] Memo, R. G. A. Jackson to the Director General, 29 May 1945.
[99] Telephone conversation, Lehman with R. G. A. Jackson (in ERO), 7 April 1945.

It remained for the various organizational sections to work out the details of their new relationships. No official definition was, for example, ever made of the division of authority between the Deputy Directors General in Washington and their opposites in London, but there was conscious or unconscious general acceptance of Hendrickson's earlier analysis: "There was a specific delegation by the Director General of certain functions best carried on in London and for the rest both Deputy Directors General worked closely with each other on subjects of common interest." [100]

The amount of consultation between corresponding sections in each Office, of course, varied with the inclination of the individuals concerned. In some cases a strong personality in ERO tended to assume the lead in policy-making, especially when the opposite section in Headquarters had been weakened by frequent turnover of personnel. As a result there were recurrent murmurs in Headquarters that "delegation" of authority was proving to be "abdication." [101] This was particularly true of the administration side of the Bureau of Finance and Administration.

A certain amount of jealousy, operation out of channels, and honest misunderstanding was, of course, inevitable. Fortunately, as communications improved and the chains of command after the reorganization in 1945 became established, a sufficient degree of coöperation was developed to make these the exception rather than the rule.

### 5. *ORGANIZATIONAL STRUCTURE OF OFFICES AND MISSIONS*

All offices and missions supervised and administered by Headquarters and ERO, whether liaison or procurement offices or missions to receiving countries, operated under the same guiding principles and were organized on a single general pattern. These principles were brief and simple: "All members of each Mission will take their instructions from the Chief of Mission";[102] "Chiefs of Mission will decide when they are

[100] Director General's staff meeting, minutes, 11 May 1944.

[101] For example, letter, Irving Posner (Classification Branch, Bureau of Finance and Administration) to Malcolm Catlin (Director, Division of Management and Budget, Bureau of Finance and Administration) and Buell Randolph (Classification Branch, Bureau of Finance and Administration), 29 August 1945; interviews, History Office staff with Joseph Joseph (former Chief, Division of Organization and Management, ERO), 18, 19 December 1947.

[102] Salter, "Note on UNRRA Organization," 9 March 1944.

prepared to delegate authority to particular heads or divisions, but generally speaking all communications to and from Missions will be handled through Chiefs of Mission"; [103] "Each Chief of Mission should look to one center for all his instructions." [104] The 3 May 1945 directive provided the final necessary clarification by determining that the offices and missions in Europe and the Middle East were to report to London and all others to Washington.

The one authorized exception outside this chain of command was the transmission of instructions to the mission chief for the supply staff in the field. In this case, since the Bureau of Supply in Washington continued to bear the responsibility for administration of all supply operations, it sent its instructions direct to its officers even within those offices and missions otherwise administered by ERO.

The internal organizational structure of offices and missions was determined at the conference in Caserta in March 1945 between Hendrickson and the chiefs of mission then stationed in the Mediterranean area.[105] The pattern was drawn to accord with the major sections planned for Headquarters and ERO. There were to be three separate departments—Supply and Distribution, Relief Services (including health, welfare, and displaced persons staffs), and Finance and Administration—with subsections as in the Washington and London Offices. Reporting directly to the mission chief were the heads of these three departments, a Legal Adviser, Economic Adviser, Public Information Officer, and Reports (later Operational Analysis) Officer.

This general form prevailed in all types of office or mission, although, of course, with variations to fit individual cases. In the liaison missions with staffs of but two to five people there was no formal organization, each individual reporting directly to the chief and performing separate functions or even a combination of functions. Procurement offices, of course, had no need for supply transport and distribution staff or relief services personnel. In the larger offices and missions, the subsections and the number of persons employed in each varied widely both in accord with the purposes for which the office or mission was established and with the adequacy of recruitment.

The appointment of mission chiefs was a prerogative which the

[103] Airgram, Caserta to Washington 92, 19 March 1945.
[104] Memo, Salter, "Relations with London Regional Office," 21 February 1944.
[105] Airgram, Caserta to Washington and London 82, 19 March 1945.

Director General reserved for himself, and, at least for the larger missions, he customarily took a personal share in their selection as well as in their confirmation.[106]

### 6. *AREA OFFICES*

In the early planning for UNRRA it was expected that regional offices in addition to that in London would be needed; [107] in the end no others were set up. Instead, area offices, with much more limited authority and relatively small staffs, were established. The Balkan Mission in Cairo approached the status of a regional office. It was, however, from its beginning on 1 May 1944 generally regarded primarily as a center to contain and administer temporarily the UNRRA Missions to Greece, Yugoslavia, and Albania until these countries should be opened to UNRRA personnel. Although this development was delayed for many months owing to conditions entirely beyond the control of UNRRA, there was still no general intent to continue a large Cairo office beyond the entry of most of its component staffs into actual operations.[108] In the middle of March 1945 the Balkan Mission was accordingly succeeded by the Middle East Office in which a small staff administered the Middle East camps, carried out the repatriation of their occupants and of displaced persons living outside camps in the Middle East and India, and handled limited procurement of supplies in the area.[109]

There were many discussions at Headquarters throughout the second half of 1944 regarding a regional office for the Far East, where the Committee of the Council for the Far East should be based. The wide extent of the Japanese occupation had at first put the solution of the problem into the indeterminate future, and the Committee of the Council for the Far East continued to meet in Washington. By August 1944, however, some members of the Committee with Sir Owen Dixon, of Australia, as spokesman began pressing for the transfer of the Com-

[106] Monograph, Mary Sue Whitman and Edith Watkins, "UNRRA's Personnel Division," Section 1, p. 18.

[107] For example, memo, Gulick to OFRRO Preparatory Committee VIII, 27 October 1943.

[108] Letter, Menshikov to Sir William Matthews (Chief, Balkan Mission), 9 March 1944; letter, Matthews to Lehman, 2 November 1944, enclosing memo, "Location of Balkan Mission," 21 October 1944; notes, meetings of Administrative Council, 8, 13 December 1944.

[109] See Part Five, Chapter I; Part Seven, Chapter II, Sections 1, 6.

mittee to Sydney.[110] At the same time, the Chinese member of the Council was urging the immediate establishment of an UNRRA office in unoccupied Chungking with the expectation that the Committee of the Council for the Far East would continue in Washington until it could conveniently be transferred to China.[111] The Administration, for its part, had no enthusiasm for another regional office where the same three-headed executive control which was proving to be the curse of the London Office would almost inevitably be required.[112] The compromise was made, therefore, to convene the Committee for the Far East in Sydney as soon as possible but to transfer its headquarters to China when the course of the war with Japan made this practicable, and to open immediately area offices in Sydney and in Chungking.[113]

Although the UNRRA staff in Chungking and the subsequent headquarters in Shanghai continued to be called "the China Office," these centers constituted an area office only in the sense that the Shanghai headquarters eventually controlled fifteen regional offices scattered throughout an enormous country; the organization and duties were those of a standard UNRRA mission to a receiving country.

Following a preliminary visit from two Washington officials in the late summer of 1944,[114] the Southwest Pacific Area Office in Sydney was established in December [115] with Frank S. Gaines, erstwhile Mayor of Berkeley, California, as its Director,[116] under the supervision first of the Headquarters Bureau of Areas [117] and, from May 1945, of the Headquarters Office for the Far East.[118] In accordance with the original plan that the Southwest Pacific Area Office should be headed by an

[110] Note, meeting with the Director General on location of Far Eastern Committee and regional office, 29 August 1944.

[111] Notes, Director General's meetings with T. F. Tsiang, 25 August 1944, 7 September 1944.

[112] Memo, Francis B. Sayre (Diplomatic Adviser) to Lehman, 25 May 1944; interview, Grace E. Fox with Harry K. Herwitz (former Chief, Administrative Analysis, Bureau of Finance and Administration, HQ), 15 October 1945.

[113] Draft note, meeting between the Director General and Sir Owen Dixon, 8 September 1944; *Journal*, Second Council, p. 26; Committee of the Council for the Far East (CCFE) (44) 15, minutes 6th meeting, 12 October 1944.

[114] Report, Lithgow Osborne and Rolf Nugent (Bureau of Supply, HQ) to Lehman, 24 October 1944.

[115] Monograph, N. O. P. Pyke, "Leading Aspects of the United Nations Relief and Rehabilitation Administration in the South-west Pacific Area," Chapter III, p. 60.

[116] Appointed 12 October 1944.

[117] The Areas Far Eastern Division developed without benefit of official order.

[118] Directive, Director General to all bureau and division heads, 3 May 1945.

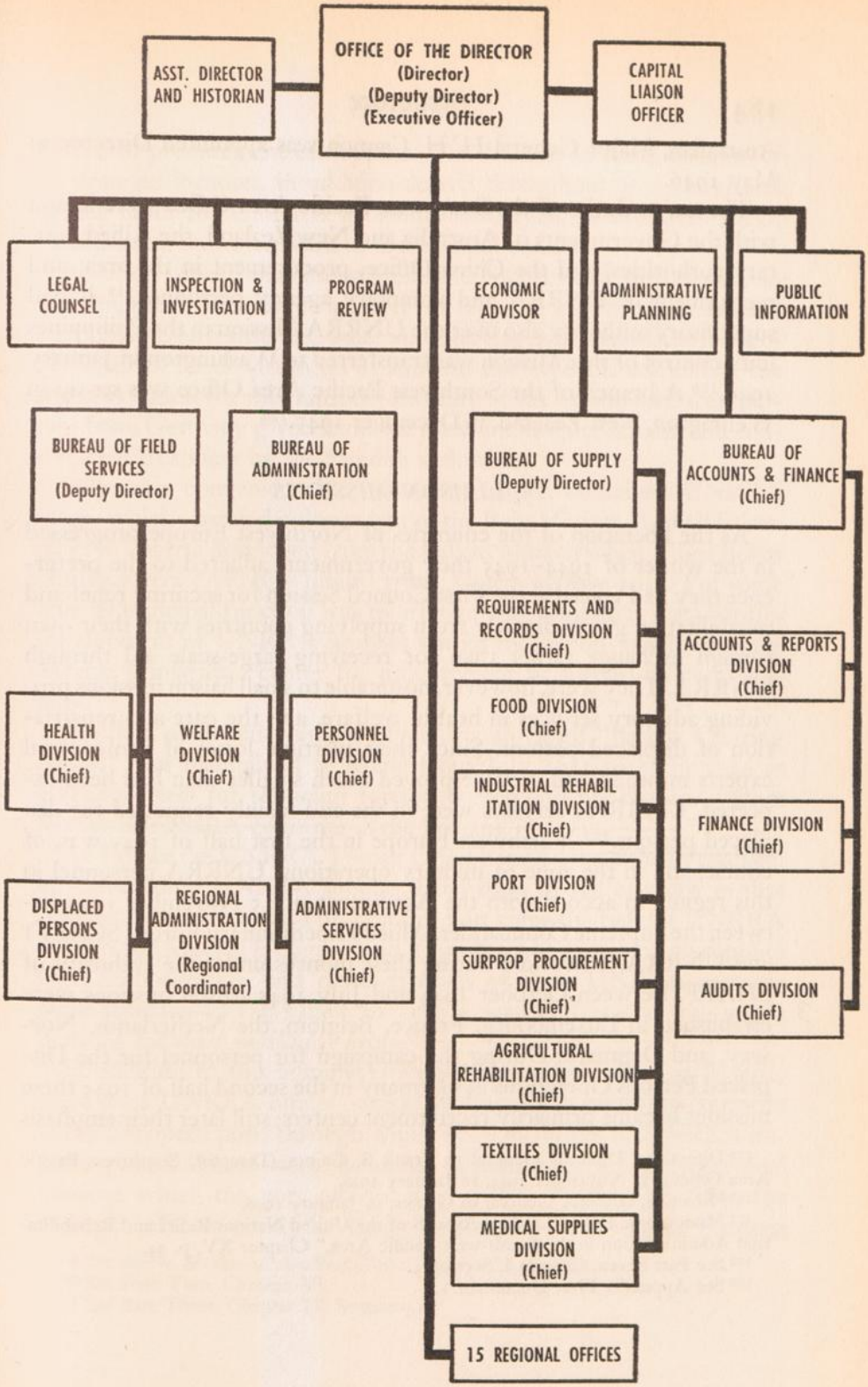



CHART V

CHINA OFFICE HEADQUARTERS ORGANIZATION

JANUARY 1947

Australian, Major General H. H. Cannon was appointed Director in May 1946.

The major duties of the Southwest Pacific Area Office were liaison with the Governments of Australia and New Zealand, the Allied military authorities, and the China Office; procurement in the area; and recruitment of UNRRA and voluntary agency personnel.[119] It had supervisory authority also over the UNRRA Mission in the Philippines until control of that Mission was transferred to Washington in January 1946.[120] A branch of the Southwest Pacific Area Office was set up in Wellington, New Zealand, in December 1945.[121]

### 7. *LIAISON MISSIONS*

As the liberation of the countries of Northwest Europe progressed in the winter of 1944–1945 their governments adhered to the preference they had voiced at the First Council Session for securing relief and rehabilitation goods directly from supplying countries with their own foreign exchange rather than for receiving large-scale aid through UNRRA. They were, however, hospitable to small liaison missions providing advisory services in health, welfare, and the care and repatriation of displaced persons. Since their wartime losses of professional experts in health and welfare proved much smaller than had been expected, UNRRA's services were in the end mainly requested for displaced persons.[122] Northwest Europe in the first half of 1945 was, of course, still in the zone of military operations. UNRRA personnel in this region, in accord with the Agreement of 25 November 1944 between the Supreme Commander, Allied Expeditionary Force (SCAEF) and UNRRA,[123] worked during these months under the authority of SHAEF. Between October 1944 and July 1945 liaison missions were established in Luxembourg, France, Belgium, the Netherlands, Norway, and Denmark. During the campaign for personnel for the Displaced Persons Operations in Germany in the second half of 1945 these missions became primarily recruitment centers; still later their emphasis

[119] Directives, Director General to Frank S. Gaines (Director, Southwest Pacific Area Office), 11 November 1944, 16 January 1946.

[120] Directive, Director General to Gaines, 16 January 1946.

[121] Monograph, Pyke, "Leading Aspects of the United Nations Relief and Rehabilitation Administration in the South-west Pacific Area," Chapter XV, p. 44.

[122] See Part Seven, Chapter I, Section 3.

[123] See Appendix Five, Document 1.

shifted to procurement of supplies. The Mission in Paris, because of its strategic location, in addition served throughout as a travel and staging office for UNRRA personnel journeying to and from ERO, Washington, and their various Continental stations.

A liaison officer was also stationed in Switzerland and another in Sweden, the first serving as a center for relations with the International Red Cross, Don Suisse, and other voluntary agencies, and later for procurement of small quantities of supplies not available elsewhere; the latter, as liaison for the transport and care of the 10,000 displaced persons from Germany given temporary asylum, hospitalization, and convalescent treatment by the Swedish authorities.

Italy, as a convenient Mediterranean center, contained UNRRA offices which operated independent of the Italy Mission. A small liaison office in Caserta developed from the Balkan Mission when Allied Force Headquarters (AFHQ) moved from Algiers in July 1944. For some time its principal function was to arrange with the military authorities for shipment of UNRRA supplies within the region; it subsequently became primarily a center for procurement of surplus military supplies.[124]

Another small independent office, the so-called "Balkan Clearing Office," was maintained at Rome from July 1945 to early 1946 as a headquarters for servicing foreign correspondents reporting from Rome on UNRRA countries in the Balkans.[125]

At Trieste the UNRRA Transit Office handled the difficult problem of transloading UNRRA supplies from ships to rail or truck in that turbulent frontier zone. Through this port came the bulk of UNRRA imports for Austria, Hungary, and Yugoslavia, and some of the supplies for Czechoslovakia, and representatives of these UNRRA missions were attached to the Office to keep a watchful eye on the goods destined for their particular areas.[126]

In addition to this administratively independent office at Trieste, there were UNRRA offices outside the borders of receiving countries in the European ports through which large quantities of UNRRA imports passed. These were, however, administered by the individual missions which the port officers represented. At Brindisi, Italy, for example, officers from the Italy, Yugoslavia, and Albania Missions

[124] See below, Section 9; also Part Three, Chapter IX, Section 7.
[125] See Part Two, Chapter VI.
[126] See Part Three, Chapter IX, Section 7.

maintained three separate headquarters, while, in northern Europe, staff members from the Displaced Persons Operations in Germany supervised the transit of amenity supplies through Antwerp and later through Hamburg, and representatives of the Czechoslovakia Mission kept watch over goods for that country in Bremen, Hamburg, Rotterdam, and other ports.

### 8. *PROCUREMENT OFFICES*

UNRRA's wide-flung supply procurement activities were carried on, not only in offices also entrusted with other duties—Headquarters, ERO, the area offices, and European liaison missions—but also through offices set up primarily for the purpose.[127] Following UNRRA diplomatic missions to arrange for government contributions, offices were opened in Central and South American countries and by mid-1946 were operating in Argentina, Brazil, Chile,[128] Cuba (covering the Dominican Republic and Haiti as well), Mexico (covering also El Salvador, Guatemala, and Honduras), Uruguay (also responsible for Paraguay), and Venezuela [129] (covering Colombia, Costa Rica, Ecuador, and Panama). These offices were under the direct control of the Headquarters Bureau of Supply. Since there were in these countries no government procurement agencies such as existed in the United States, the United Kingdom, and Canada, the Administration inaugurated in several [130] the ingenious and effective device known as the "Mixed Commission." On this board, which bore the responsibility for translating the government's contribution to UNRRA into supplies, sat two government officials and the head of the UNRRA procurement office for the region.[131]

Procurement offices were also established in New Delhi, India [132] (covering Burma and Malaya), under the Headquarters Office of the Far East; and in Ankara, Turkey, responsible operationally to ERO and administratively to the Middle East Office. In South Africa and

[127] These procurement offices also performed some minor recruiting and public information functions.

[128] The office in Chile was moved to Peru in November 1946.

[129] The office was originally opened in Colombia but moved to Caracas in May, 1946.

[130] Brazil, Cuba, Dominican Republic, Haiti, Mexico, Peru, Uruguay, Venezuela.

[131] See Part One, Chapter V, Section 2; Part Three, Chapter III, Section 4.

[132] See monograph, Henry R. Atkinson, "UNRRA Office in India, December 20, 1945–October 31, 1946."

Southern Rhodesia, procurement for UNRRA was delegated to an official in a government supply agency.[133]

### 9. *MILITARY SURPLUS PROCUREMENT OFFICES*

Offices for procurement of military surplus supplies were set up in Shanghai, Paris, New Delhi, Honolulu, and Manila during the winter of 1945–1946.[134] As early as July 1945 the Mediterranean Liaison Office, SACMED (Supreme Allied Commander, Mediterranean Theater of Operations), at Caserta (moved to Rome in April 1946) had also become largely a center for United States and United Kingdom army surplus procurement. This type of procurement was at first handled by entirely separate staffs under operational instructions from the Procurement Coördination Branch of the Headquarters Bureau of Supply. In centers where there was also another UNRRA office or mission, however, they shared common billets, messes, and similar administrative services. Since these other UNRRA offices were controlled by ERO or some different section of Headquarters, the maintenance of two offices, at once separate and combined, produced confusion. On 15 March 1946 the Paris Surplus Property Procurement Office was merged with the regular UNRRA Mission to France,[135] and eight months later the Director of the China Office assumed responsibility for the Manila and Shanghai Surplus Procurement Offices.[136]

### 10. *MISSIONS TO RECEIVING COUNTRIES*

The UNRRA staff in all these offices, engaged in the struggle to secure supplies and suitable personnel from scattered sources around the world, sometimes tended to concentrate on the means and to forget that the purpose of all these activities was to bring assistance to the nonpaying countries and displaced persons in Germany and the Middle East. It is to the credit of the senior officials in Headquarters and ERO

[133] Monograph, G. Stewart Mason, "Problems of UNRRA Procurement in South Africa, India, Southern Rhodesia, Turkey, Iraq, Iran, and Portugal."

[134] Report of the Director General to the Council, 1 January–31 March 1946 (DGR) 8; monograph, Harold T. Morris, "The History of the Surprop Department of the French Mission, September 1945–March 1947," p. 1; monograph, Dewey T. Jones, "The Hawaii Surprop Mission"; see Part Three, Chapter III, Section 2.

[135] Monograph, Morris, "The History of the Surprop Department of the French Mission," p. 5.

[136] Cable, Washington to Manila 1077, 22 November 1946.

that they labored constantly to remind their staffs that the present existence and hopes for the future of the people in the receiving countries and the displaced persons camps depended on the arrival of supplies and expert services from all quarters of the globe—Peru, Iceland, the United States, South Africa—and this, in turn, on the diligence of a secretary in Headquarters, the wisdom of a consultant on health in ERO, or the persistence of a procurement officer in Buenos Aires. They fully recognized, too, that the greatest burden rested on the UNRRA missions to the receiving countries and the displaced persons. When supplies or guidance from other parts of UNRRA failed to arrive, it was the mission staffs who had to cope with disappointment and confusion; when supplies and instructions were provided, it was they who must struggle to expedite creaking government machinery and interpret policies in order to insure the widest and wisest utilization of UNRRA assistance. These country missions were the heart of the UNRRA organization.

Although, under the principle of decentralization, each mission was largely a self-contained unit which worked out its individual problems under the controlling hand of the mission chief, all missions operated under certain common terms of reference, performed like duties, and followed in varying degree the standard pattern of internal organization. Each mission chief was furnished with certain general guides: the UNRRA resolutions; the decisions of the Council and Central Committee; his specific directive from the Director General or the Personal Representative of the Director General, which followed a common form but included sections applying to the peculiar conditions in the country in which he was stationed; [137] general policy directives from Headquarters and, in the case of the European missions, from ERO; and the terms of the UNRRA agreement with the government of the country.[138]

Missions in receiving countries performed certain common functions. In general:

(1) They constituted the final link in the UNRRA administrative chain of command.

(2) They acted as liaison between the receiving government and the UNRRA Administration.

[137] See Appendix Nine, Section I, Document 3*b*, for a typical directive.
[138] See Part Four, Chapter I.

In accord with UNRRA's mandate laid down in the Agreement and resolutions to provide relief and rehabilitation supplies,

(3) They assisted the receiving government, in the light of their knowledge of availabilities of various commodities, the limitations of UNRRA funds, and conditions within the country, to prepare detailed lists of, and justifications for, supply requirements for submission to UNRRA Headquarters.

(4) Since UNRRA imports to almost all receiving countries were consigned to the missions, they were charged with collecting the necessary receipts at point of transfer to the government.

(5) They advised the government on all matters relating to the distribution and use of UNRRA supplies within the country: inland transport, warehousing, methods of distribution through wholesale and retail channels, allocation plans, rationing, pricing, and arrangements for dispensing free relief goods to the needy.

(6) They observed all stages of distribution to insure equitable and nondiscriminatory treatment of all types of consumer, urging the governments to suppress black markets and prosecute cases of maldistribution, and reporting to Headquarters and ERO the results of their observations so that supplying countries might be reassured as to the proper use of their contributions.

(7) They stimulated the government to provide adequate public information to its citizens as to the international character of UNRRA, its methods and policies, and the imports and services it supplied, and also sent periodic reports and news stories to the Administration for the information of supplying countries.

(8) They sent regular and special narrative and statistical reports to Headquarters and ERO on the work of the mission, the status of UNRRA supply deliveries, and local economic conditions, as well as comments and suggestions on policies and programs.

To carry out UNRRA's obligation to provide the receiving government with services in agricultural and industrial rehabilitation, health, welfare, and displaced persons:

(9) Experts on the mission staffs made surveys of, and advised on, varied problems in these fields, and, in some countries, to the extent requested by the government, carried out actual operations.

(10) Mission staffs in many countries promoted or conducted, often with the aid of visiting UNRRA consultants, training courses in

modern technical methods in the above fields, and implemented the Headquarters plan for fellowships designed to give technical instruction to selected nationals of receiving countries in other countries of their choice.

(11) The missions, finally, coördinated the programs of foreign voluntary societies working within UNRRA receiving countries.

Missions in receiving countries in general followed the major organizational structure of Headquarters and ERO, with the heads of the three Departments of Supply and Distribution, Relief Services, and Finance and Administration serving as deputy chiefs of mission.

Regional offices were set up in provincial centers in seven of the receiving countries.[139] Their small staffs were principally commissioned to observe and report on the distribution of UNRRA supplies.[140] They advised local government officials on transport difficulties, warehouse congestion, and uneven allocations of supplies both as to areas and categories of recipients, and sometimes, when all else failed, took matters into their own hands. They traveled widely, making spot checks in their districts and incidentally serving to explain the work of UNRRA and to bring cases of need to the attention of local authorities. They reported regularly to the chief of mission, detailing not only the status of UNRRA supplies but also economic conditions in their districts and the degree of enforcement of price control and rationing. These reports not only supplied material for the monthly report of the chief of mission to Headquarters or ERO but also supplied bases for representations to the central government when it was evident that conditions could not be corrected at a local level.

Actually, each mission developed a multitude of minor organizational differences to suit the peculiar conditions within the country, the size of the mission, and the personal preferences of the chief or the individual qualifications or limitations of his staff. In Czechoslovakia and Yugoslavia, for example, where no operational relief services were requested, the Department of Relief Services did not exist, and the few technical advisers in health, welfare, and displaced persons reported directly to the Mission Chief. In the very small missions, such as those to the two Soviet Republics, Finland, and Ethiopia, no formal departments were set up. Each member performed his own specialized

[139] Austria, China, Czechoslovakia, Greece, Italy, Poland, Yugoslavia.

[140] For example, Greece Mission, Policy Series G P-7, "Field Organization and Operation," 3 April 1945.

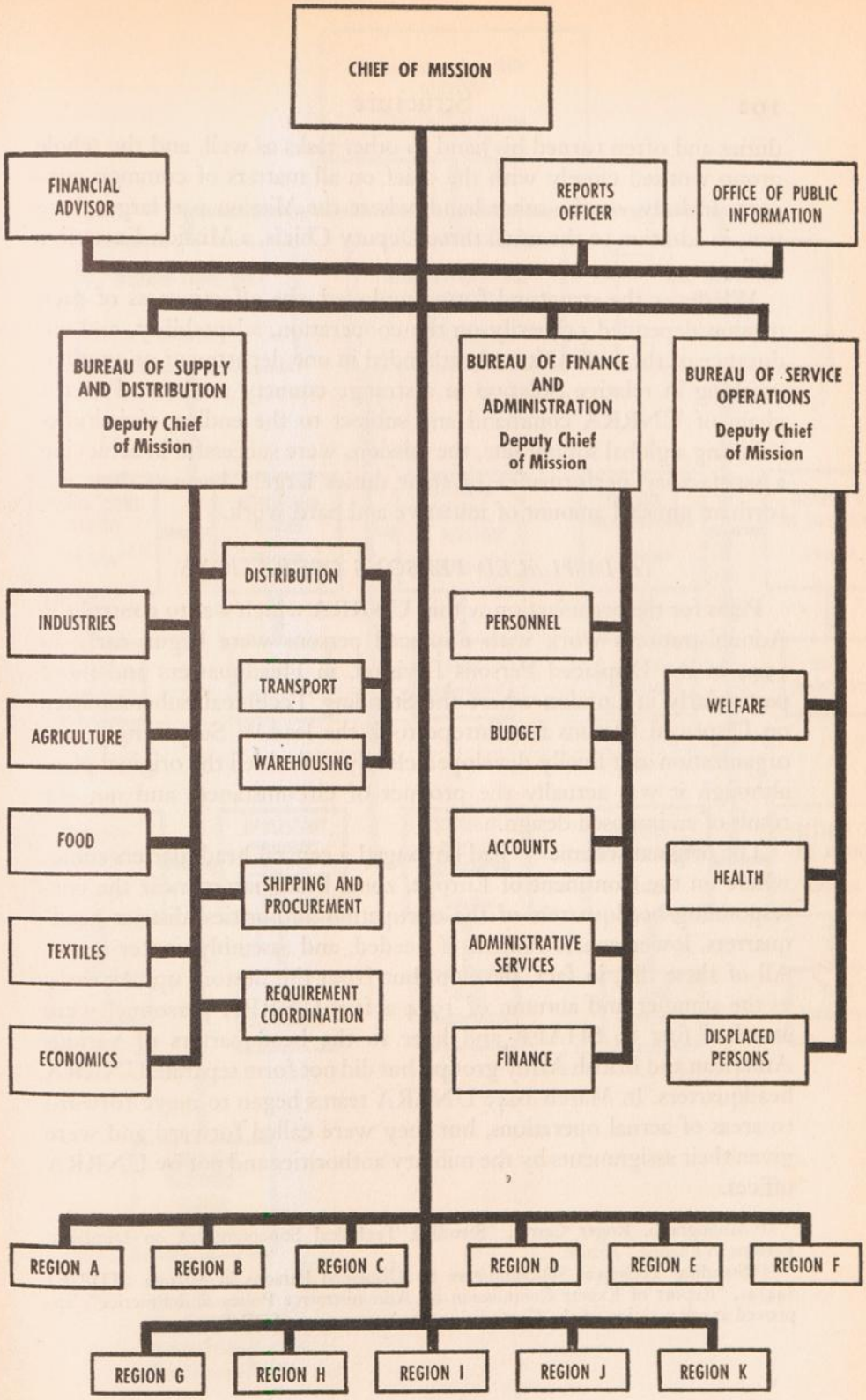



CHART VI

GREECE MISSION, MARCH 1945

duties and often turned his hand to other tasks as well, and the whole group worked closely with the chief on all matters of common concern. In Italy, on the other hand, where the Mission was large, there was, in addition to the usual three Deputy Chiefs, a Mission Executive Officer.

Whatever the structural form employed, the effectiveness of each mission depended primarily on the coöperation, adaptability, and endurance of the staff. Often shorthanded in one department or another, working in relative isolation in a strange country at the end of the chain of UNRRA command and subject to the endless vicissitudes befalling a global supply line, the missions were successful in achieving a satisfactory performance of their duties largely because they put forth an unusual amount of initiative and hard work.

## 11. *DISPLACED PERSONS OPERATIONS*

Plans for the organization within UNRRA which was to control the Administration's work with displaced persons were begun early in 1944 in the Displaced Persons Division, in Headquarters and more particularly in London where the Standing Technical Subcommittee on Displaced Persons for Europe took the lead.[141] Surprisingly, the organization as it finally developed closely resembled the original plan, although it was actually the product of circumstances and not the result of an imposed design.

The original scheme [142] had envisaged a central headquarters somewhere on the Continent of Europe, zonal headquarters near the corresponding headquarters of the occupation authorities, district headquarters, lower echelon offices if needed, and assembly center teams. All of these did, in fact, develop, but from the bottom up. As early as the summer and autumn of 1944 a few UNRRA personnel were attached first to SHAEF and later to the headquarters of various American and British Army groups, but did not form separate UNRRA headquarters. In March 1945 UNRRA teams began to move forward to areas of actual operations, but they were called forward and were given their assignments by the military authorities and not by UNRRA offices.

[141] Monograph, Roger Carter, "Standing Technical Subcommittee on Displaced Persons in Europe," *passim.*

[142] Standing Technical Subcommittee on Displaced Persons in Europe (TDP/E)(44)41, "Report of Expert Commission on Administrative Policy and Practice"; approved at 9th meeting of the Commission, 11 August 1944, TDP/E(44)42.

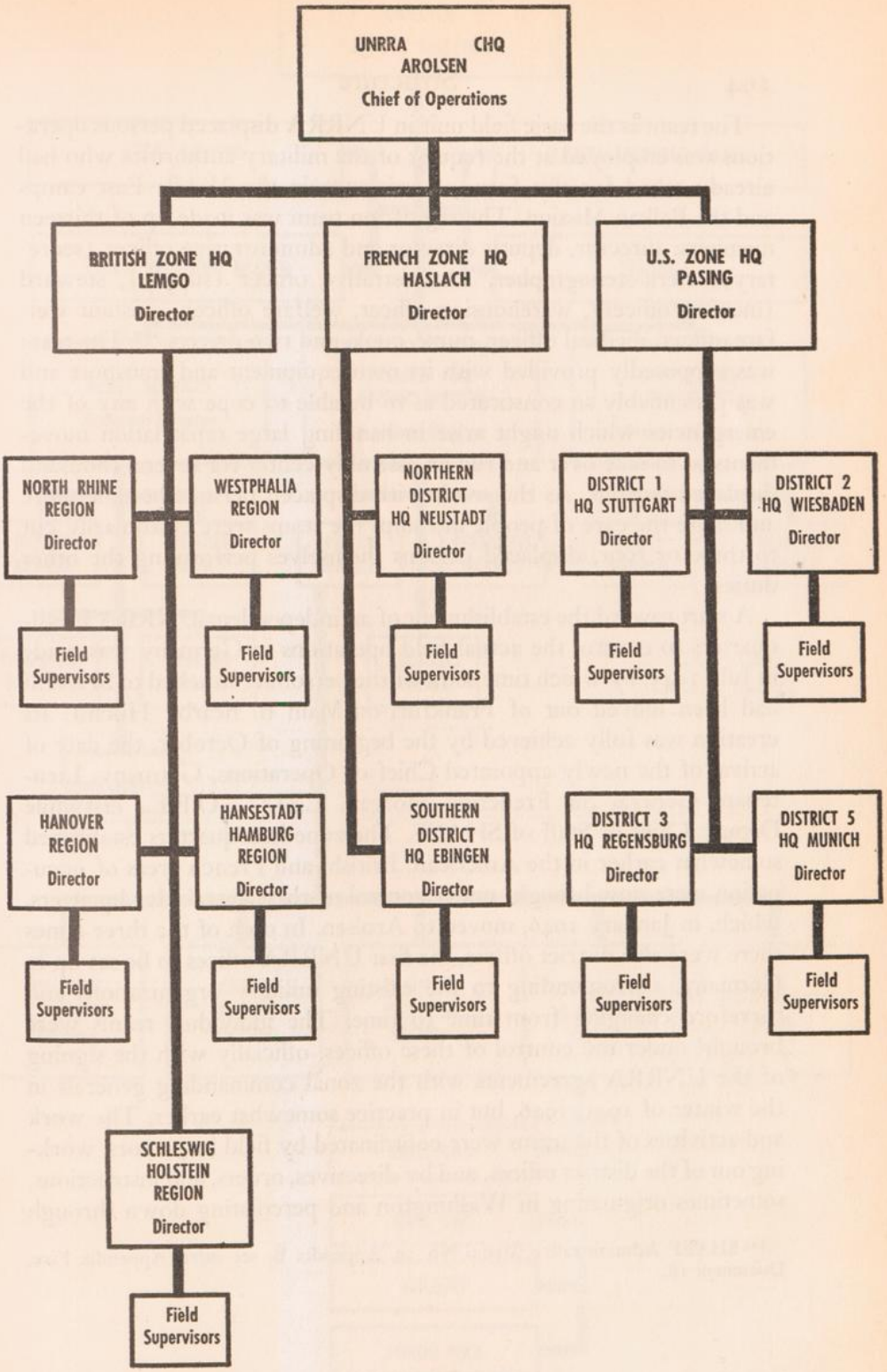


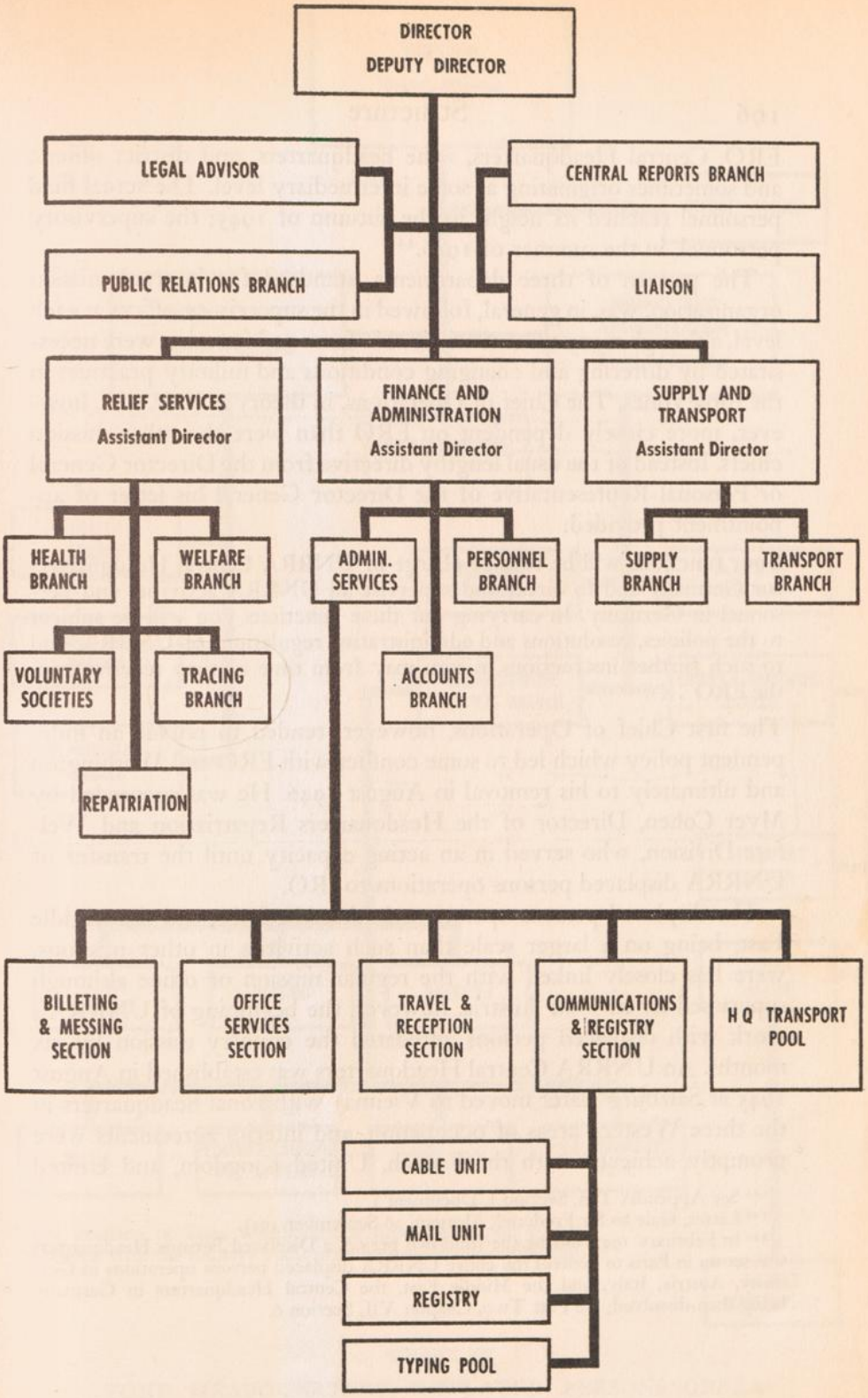

CHART VII

FIELD ORGANIZATION CHART, DISPLACED PERSONS OPERATIONS, GERMANY

The team as the basic field unit in UNRRA displaced persons operations was employed at the request of the military authorities who had already asked for this form of assistance in the Middle East camps and the Balkan Mission. The regulation team was made up of thirteen members: director, deputy director and administrative officer (secretary), clerk-stenographer, administrative officer (supply), steward (messing officer), warehousing officer, welfare officer, assistant welfare officer, medical officer, nurse, cook, and two drivers.[143] The team was supposedly provided with its own equipment and transport and was presumably so constituted as to be able to cope with any of the emergencies which might arise in handling large repatriation movements or to take over and run an assembly center for several thousand displaced persons. As the work with displaced persons became more and more the care of people in camps the teams were customarily cut to three or four, displaced persons themselves performing the other duties.

A start toward the establishment of an independent UNRRA Headquarters to control the actual field operations in Germany was made in July 1945, by which time some of the personnel attached to SHAEF had been moved out of Frankfurt-on-Main to nearby Höchst. Its creation was fully achieved by the beginning of October, the date of arrival of the newly appointed Chief of Operations, Germany, Lieutenant General Sir Frederick Morgan, C.M.G., O.B.E., erstwhile Deputy Chief of Staff of SHAEF. The zone headquarters established somewhat earlier in the American, British, and French areas of occupation were now brought under control of the Central Headquarters, which, in January 1946, moved to Arolsen. In each of the three zones there were also district offices, the first UNRRA offices to be set up in Germany, corresponding to the existing military organizations and therefore changing from time to time. The individual teams were brought under the control of these offices, officially with the signing of the UNRRA agreements with the zonal commanding generals in the winter of 1945–1946, but in practice somewhat earlier. The work and activities of the teams were coördinated by field inspectors, working out of the district offices, and by directives, orders, and instructions, sometimes originating in Washington and percolating down through

[143] SHAEF Administrative Memo No. 39, Appendix B; see *infra*, Appendix Five, Document 1*b*.




CENTRAL HEADQUARTERS, DISPLACED PERSONS OPERATIONS, GERMANY

CHART VIII

ERO, Central Headquarters, zone headquarters, and district offices, and sometimes originating at some intermediary level. The actual field personnel reached its height in the autumn of 1945; the supervisory personnel, in the summer of 1946.[144]

The pattern of three departments, standard for internal mission organization, was, in general, followed in the supervisory offices at each level, although many minor variations in form and function were necessitated by differing and changing conditions and military practices in the three zones. The Chief of Operations, in theory at least, was, however, more closely dependent on ERO than were the other mission chiefs. Instead of the usual lengthy directive from the Director General or Personal Representative of the Director General his letter of appointment provided:

> Your functions will be to take charge of UNRRA Central Headquarters for Germany and to direct and supervise all UNRRA activities and personnel in Germany. In carrying out these functions you will be subject to the policies, resolutions and administrative regulations of UNRRA, and to such further instructions as you may from time to time receive from the ERO . . .[145]

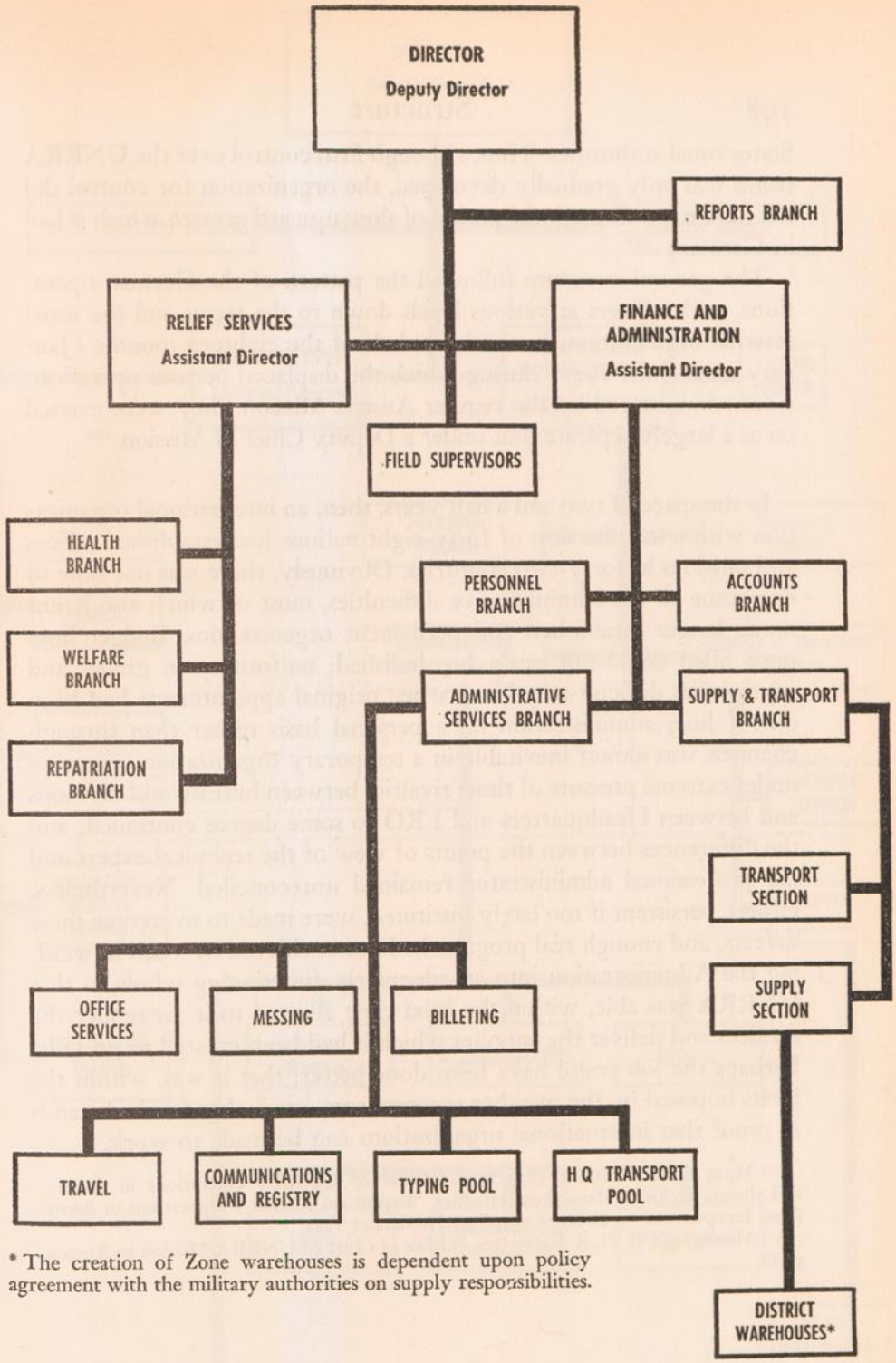
The first Chief of Operations, however, tended to pursue an independent policy which led to some conflict with ERO and Washington and ultimately to his removal in August 1946. He was succeeded by Myer Cohen, Director of the Headquarters Repatriation and Welfare Division, who served in an acting capacity until the transfer of UNRRA displaced persons operations to IRO.

The displaced persons operations in Austria, Italy, and the Middle East, being on a larger scale than such activities in other missions, were less closely linked with the regular mission or office although supervised by it.[146] In Austria, however, the beginning of UNRRA's work with displaced persons antedated the country mission by six months. An UNRRA Central Headquarters was established in August 1945 at Salzburg (later moved to Vienna) with zonal headquarters in the three Western areas of occupation, and interim agreements were promptly achieved with the French, United Kingdom, and United

144 See Appendix Ten, Section I, Document 1.

145 Letter, Gale to Sir Frederick Morgan, 26 September 1945.

146 In February 1947, during the rundown period, a Displaced Persons Headquarters was set up in Paris to control the entire UNRRA displaced persons operations in Germany, Austria, Italy, and the Middle East, the Central Headquarters in Germany being then dissolved; see Part Two, Chapter VII, Section 6.




* The creation of Zone warehouses is dependent upon policy agreement with the military authorities on supply responsibilities.

CHART IX

ZONE HEADQUARTERS, DISPLACED PERSONS OPERATIONS, GERMANY

States zonal authorities. Thus, although firm control over the UNRRA teams was only gradually developed, the organization for control did not have to go through the period of slow upward growth which it had in Germany.[147]

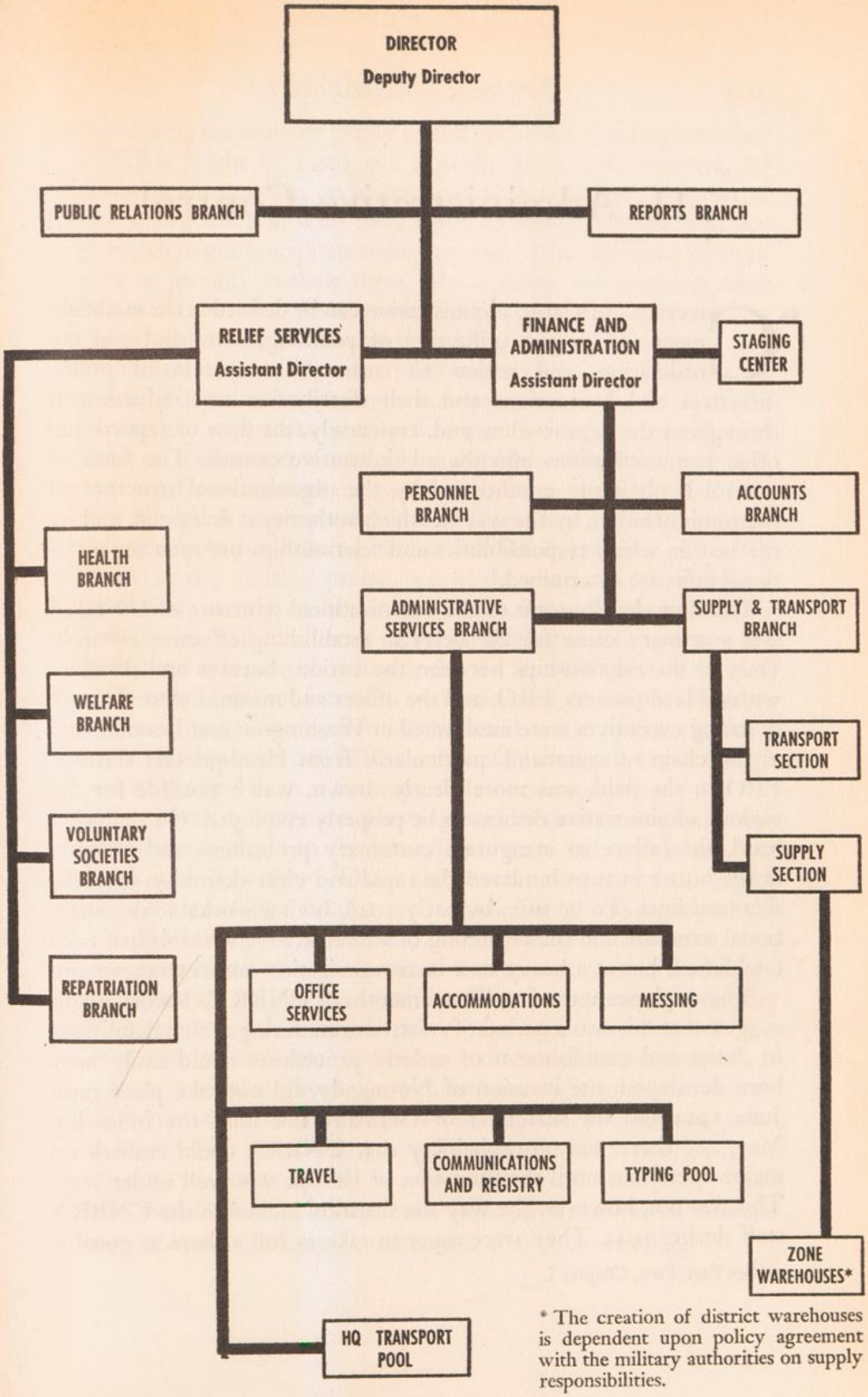
The general structure followed the pattern of the German operations, with officers at various levels down to the teams and the usual internal organization. In the latter half of the eighteen months (January 1946–June 1947) during which the displaced persons operations were administered by the regular Austria Mission, they were carried on as a largely separate unit under a Deputy Chief of Mission.[148]

. . .

In the space of two and a half years, then, an international organization with a membership of forty-eight nations had established offices and missions in forty-two countries. Obviously, there was not time to overcome all the administrative difficulties, most of which also haunt much longer established and permanent organizations. Budget lines once filled could not easily be abolished; uniformity in grades and salaries was difficult to achieve when original appointments had been out of line; administration on a personal basis rather than through channels was almost inevitable in a temporary organization operating under extreme pressure of time; rivalries between bureaus and divisions and between Headquarters and ERO to some degree continued; and the differences between the points of view of the technical expert and the professional administrator remained unreconciled. Nevertheless, efforts, persistent if too lately instituted, were made to overcome these defects, and enough real progress had been achieved by 1946 in welding the Administration into an adequately functioning whole so that UNRRA was able, within the brief time allotted to it, to render the services and deliver the supplies which it had been created to provide. Perhaps the job could have been done better; that it was, within the limits imposed by the member governments, creditably finished stands as proof that international organizations can be made to work.

[147] Myer Cohen (Acting Director in Chief of UNRRA Operations in Austria) to Lehman, Jackson, Menshikov, Hoehler, "Report on UNRRA Operations in Austria from Inception to 15 October 1945," 21 November 1945.

[148] Monograph, R. H. R. Parminter, "Office of Chief of UNRRA Mission to Austria," p. 28.




* The creation of district warehouses is dependent upon policy agreement with the military authorities on supply responsibilities.

CHART X

DISTRICT HEADQUARTERS, DISPLACED PERSONS OPERATIONS, GERMANY

# II. Administrative Control

"Control" in a large administration can be defined as the establishment and proper utilization of planning, command and coordination, and review to ensure the creation of policy directives and instructions and their distribution and enforcement throughout the organization, and, conversely, the flow of reports and other communications into the administrative centers. The form of control is obviously conditioned by the organizational structure of the administration, by the way in which authority is delegated, and by the way in which responsibilities and relationships between organizational units are determined.[1]

The slow development of the organizational structure of UNRRA was a primary cause for the delay in establishing effective controls. Only as the relationships between the various bureaus and divisions within Headquarters, ERO, and the offices and missions were defined, as strong executives were established in Washington and London, and as the chain of command, particularly from Headquarters through ERO to the field, was more clearly drawn, was it possible for the various administrative devices to be properly employed. On the other hand, the failure to inaugurate customary procedures and routines at the outset in turn hindered the rapid and clear definition of jurisdictional lines. To be sure, by early 1946, both a workable organizational structure and the beginning of administrative controls had been established, but at a heavy cost in reorganization and rearrangement.

A hasty glance at the first fifteen months of UNRRA's history might suggest that this was a period of relative calm during which definitions of duties and establishment of orderly procedures could easily have been developed; the invasion of Normandy did not take place until June 1944 and the surrender of Germany not until the following May, and there was no probability that UNRRA could embark on major operations until the liberation of Europe was well under way. This was not, however, the way the situation looked to the UNRRA staff during 1944. They were eager to take as full a share as possible

[1] See Part Two, Chapter I.

in relief during the military period so that the transfer of responsibility to UNRRA might be rapid and smooth. They had, however, no authoritative information on military plans or the actual progress of military operations and were daily beset by rumors of new developments which might precipitate them into active participation overnight or quite as possibly exclude them. The military authorities in some theaters were, in turn, anxious that UNRRA be ready at as early a date as possible to assist them in the immediate postwar months and to assume full responsibility for relief when they were ready to relinquish it. They therefore brought constant pressure on the Administration during 1944 to be prepared to put the Balkan missions into the field, to staff a reserve camp for refugees at Philippeville, North Africa, and from September 1944 to take an active and substantial share in displaced persons operations in Germany. Actually, through events entirely beyond the control of UNRRA, the part played by UNRRA in the military period was slight and brief, the Missions were not permanently established in Greece, Yugoslavia, and Albania until the spring and summer of 1945, the Philippeville camp was not fully used and was soon abandoned, and the first UNRRA field teams were not called forward for work with displaced persons in Germany until March 1945. These eventualities could not, however, be foreseen, and Headquarters and ERO continued to live each day as though the next might find them in the midst of full-scale operations.

Under these circumstances planning was focused on what the Administration was to do in the immediate future rather than on how the work was to be done. The initial pronouncements of the Senior Deputy Director General, supported by the Director General, set the pattern. According to Sir Arthur Salter's theory of administration, only the broad bases of organizational structure were to be established at the beginning; the precise definition of functions was to be left for future development. It was his hope that team spirit would prevail over personal and departmental ambitions and his belief that orders and procedures worked out by the participants under the pressure of events would prove more effective than arbitrary regulations initially imposed from above.[2] This was a democratic concept which was, as subsequent events showed, better suited to a permanent organization in which jurisdictional lines were already well drawn and pressure of time not

[2] Salter, "Note on UNRRA Organization," draft of 21 February 1944, pp. 1–2.

a factor than to a new and temporary administration in which men of diverse background, suffering from uncertainty both as to their own duties and the nature of the work which UNRRA was to do, labored in a wartime atmosphere of extreme urgency.

The executive officers who had the authority to impose controls were overburdened with questions of UNRRA's relations with external authorities. The Director General himself was of necessity primarily involved in the clarification of UNRRA's relationships with governments and military authorities looking toward the fulfillment of its obligations to provide relief supplies and services. Salter, after his initial contributions to the establishment of the organization, spent the remaining months of his incumbency as Senior Deputy Director General in London, working to strengthen the United Kingdom Government's support of UNRRA.[3] No one else had full authority to initiate and enforce internal administrative policies.

The few officials who made determined efforts in this direction were continually thwarted by their own inability to enforce control and the reluctance of other bureaus or divisions voluntarily to accept it. The Division of Administrative Analysis within the Bureau of Finance and Administration in Headquarters, for example, although commissioned to analyze the administrative structure and procedures of the organization and evaluate their effectiveness, lacked any semblance of authority, and such analysis as was done was accomplished by the Budget Division which was better able to enforce its ideas through its control over personnel actions.[4] John J. Corson, Deputy Director General for Finance and Administration (May 1944–March 1945), would have accomplished the task of establishing administrative procedures if the production of detailed plans alone had sufficed. He was, however, hampered by an unwieldy combination of "housekeeping," financial, and management units within his Bureau; he was increasingly involved in the making of external policies; and he was, moreover, unable to win the coöperation of the Bureau of Supply and the functional divisions. These units, in turn, drew their own jurisdictional lines as broadly as possible and set up their own more or less independent methods of procedure.[5]

[3] Letters: Salter to Lehman, 28 June 1944; Lehman to Salter, 28 August 1944.
[4] Monograph, Linton Smith, "UNRRA Budgeting," HQ, pp. 72, 74.
[5] For example, Bureau of Supply Orders; memo, T. M. Cooley (Deputy Director,

In ERO much the same situation prevailed. The Administrative Council furnished no effective executive control; the Deputy Director General for Administration was overburdened with his duties of liaison with governments and military authorities; and the organizational units tended to develop on uncorrelated lines.

Only when Jackson, the second Senior Deputy Director General, began in the summer of 1945 in ERO the reorganization which Gale and Lewis continued, were line budgets and classification set up and the procedures governing administrative orders and staff meetings systemized; and not until the winter of 1945–1946 when the executive staff in Headquarters was buttressed by Jackson, Rooks, and Katzin were these devices to some degree regularized in Washington. Thus, when at last a strong executive was established in UNRRA, control rapidly improved. Instead of *ad hoc* and frequently inconsistent decisions on specific cases, procedures and policies of general application were developed and enforced; necessary and timesaving routines came into use in place of haphazard and highly personal methods; the lines of responsibility and authority crystallized; organizational units knew what they were supposed to do and why. In a word, the Administration began to be well managed. Even then, however, the Division of Organization and Management in ERO, with the advantage of strong support from its Deputy Director General of Finance and Administration, was more successful in securing the coöperation of the rest of the Office than the comparable units of Procedural Control (later Procedural Coördination) and Administrative Planning in Washington, which suffered from the frequent turnover of personnel and reorganization within the Bureau and tended to rival rather than complement each other.

From the beginning of UNRRA, formal administrative orders were recognized as an essential device for making known the jurisdictional boundaries and major internal administrative policies. The systematic development of such series was, however, long delayed in Headquarters. The distinction between General Bulletins [6] and Administrative

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Displaced Persons Division, HQ) to J. J. Corson (Deputy Director General, Finance and Administration), 5 July 1944; memo, Corson to Luther Gulick (Acting Chief, Secretariat, HQ), 10 July 1944.

[6] Another series, called "General Announcements," was inaugurated on 1 September 1945.

Orders was, for instance, not clearly drawn and, in the former, statements of major policy were often intermingled with items of passing interest.[7]

During the first eighteen months of UNRRA, orders both in Headquarters and ERO were initiated by the unit most concerned, which secured its own clearances from other sections.[8] In the unlimited free debate then prevalent in Headquarters, agreement on controversial issues was achieved after long delay, if at all. Some organizational sections, therefore, notably the Bureau of Supply, issued a separate series of orders defining to their own satisfaction the structure and duties of their divisions and branches.[9] As a result, many organizational responsibilities were never officially prescribed, and such important regulations as the conditions of service for Headquarters personnel were not given authoritative statement until after the recruitment of most of the staff.[10] Again, orders were sometimes issued without prior concurrence of all concerned, and remained controversial and unenforced.[11]

With the delegation to ERO in May 1945 of responsibility for the administration of missions and offices in Europe and the Middle East, the problem of administrative orders grew more complex. It was the understanding of the London Office that "administration and supervision" included the issue of authoritative orders to the field. Although Headquarters continued to send out Field Administrative Orders, ERO consistently screened and edited them, fitting its own versions of these into the series of orders which it initiated.[12] For the policies developed after ERO assumed responsibility, its orders were adequate. Little effort was made, however, to cover decisions reached earlier but not authoritatively stated to the field.

[7] For example, General Bulletins 48 and 87, defining the organization and functions of the Personnel Division; General Bulletin 85, "General Policy Statement on UNRRA Welfare Operations in the Field."

[8] Administrative Order 1, 2 February 1944; monograph, Joseph D. Cooper, "The Bureau of Procedural Coördination," HQ, pp. 34–35.

[9] See Bureau of Supply Orders, Bulletins, Memoranda.

[10] *Basic Headquarters Manual*, Part II, 3 January 1946–27 May 1948.

[11] For example, Administrative Order 38, 9 December 1944, establishing the Bureau of Supply as the administrative center for contributed supplies. This was not cleared with the Welfare Division, memo, Conrad Van Hyning (Welfare Division) to Bernard Gladieux (Bureau of Finance and Administration), 12 December 1944; memo, Corson to Van Hyning, 12 January 1945.

[12] Monograph, Joseph Joseph, "Division of Organization and Management," ERO, p. 39.

A further complication lay in the fact that the Bureau of Supply in Headquarters remained in control of supply matters throughout the Administration, issuing its own directives to supply officers in all offices and missions, even to those in Europe, thus by-passing ERO. This was a necessary arrangement, however, which was understood and accepted by all concerned, and consequently worked well.

By early 1946 Headquarters became convinced that some codification of general policies, particularly in the realm of personnel regulations, was advisable to fill the gaps not previously covered by formal orders and to clarify recurrent questions. A *Basic Headquarters Manual* and a *Basic Field Manual* were, therefore, instituted. In theory, the latter was cleared with ERO. In actuality, when clearance was delayed or concurrence seemed difficult to achieve, sections were sent by Headquarters directly to the European missions. The mission chiefs, therefore, in the summer of 1946, when they had been many months in the field, were confronted with statements on policy which in some cases contradicted orders from ERO or the *ad hoc* decisions which they had long since been obliged to make in the absence of authoritative directions.[13] The whole problem of ill-defined and divided responsibilities and the resultant misunderstandings and irritations was nowhere more marked than in the long struggle at all levels and in all parts of the Administration over the issue and interpretation of official orders. Particularly in the field, delays or conflicting instructions bred confusion and a sense of isolation from home offices, and placed an additional premium on the good judgment of the mission chief. It was not until the beginning of the rundown period that the prompt issue of clear and comprehensive orders was achieved, and on this improvement much of the success of the liquidating process rested.[14]

Customarily, the financial elements of an organization play an important part in its management—budgeting as part of the planning process, accounting as part of the current records of operation and as a means of reviewing the relation of actual to budgeted expenditures. In UNRRA, because the accounting was begun late and was never current, it was of little service as an administrative control, while budgeting was used only to a limited extent.[15]

The administrative and operating budgets were from the beginning of UNRRA handled separately.[16] In so far as the operating budget was

[13] Monograph, *ibid.*, p. 39.
[14] See Part Two, Chapter VII, Section 7.
[15] See Part Two, Chapter III.
[16] See Part One, Chapter IV, Section 1.

concerned, no consolidated set of procedures for the guidance of the Administration was ever developed. This was the result of the overwhelming emphasis on the procurement and delivery of supplies, jurisdictional rivalries, and the resistance of the operating divisions to what they considered to be obstructive and unjustified red tape imposed by inexperienced theorists. Furthermore, the organizational control of budgeting was extremely confused. The Budget Division along with the other financial sections was long buried deep in the administrative hierarchy. While the full responsibility for both budgets was originally placed in the Bureau of Finance and Administration, from June 1945 the entire budgetary control of procurement and distribution of supplies was turned over to the Bureau of Supply, which maintained statistical records satisfactory neither for management nor for accounting purposes. After the appointment of the Controller, emphasis was placed on the use of budgets for management purposes. In May 1946 responsibility for commodity accounting was removed from the Bureau of Supply to the Controller's Office, and by a series of improvisations the existing records plus relatively reliable estimates were brought to the point of providing a sufficiently dependable statement of the Administration's financial status to permit a reasonable degree of control during the complex and crucial process of realizing UNRRA's remaining resources.[17]

Only the personnel section of the administrative budget, which remained the responsibility of the Bureau of Finance and Administration and later of the Bureau of Administration, was fully developed as an administrative control. The so-called "line budget" was used in Headquarters and the offices and missions under its direct control throughout the life of UNRRA,[18] and in ERO and its dependent missions from the latter part of 1945. In the line budget, each position in each unit within the organization was recorded with a grade (ranging from 1 to 15), a corresponding salary set within precise limits, a title, a job description, and, when the position was filled, the name of the incumbent. The great virtue of the line budget for a new organization was the tight control which it enforced on the employment of personnel by the various units, since each appointment had to be cleared

[17] See Part Two, Chapter III; monograph, Smith, "UNRRA Budgeting," *passim;* monograph, Robert D. McRae, "Monograph on Budgets and Budgetary Problems in UNRRA," HQ, *passim.*

[18] Except for a brief period at the beginning of 1945.

with the Budget Division. It had a certain flexibility, moreover, because a change could be initiated at any time.

The alternative was the more usual lump-sum budget in which each administrative unit is assigned a quarterly monetary allotment for each category of expense (personnel, communications, etc.) to be spent as the head of the unit may choose. This system was used throughout the life of UNRRA for administrative expenses other than personnel—travel, communications, equipment, and the like—and worked well since it allowed ample flexibility to meet the rapid changes in UNRRA's operational needs.[19]

The line budget, to be accurate and effective, requires a careful classification of jobs to make sure that salary and grade assigned accord with actual duties performed and responsibility assumed. Although the need for job classification was early recognized in Headquarters,[20] attempts to work out a system which could be embodied in an administrative order were thwarted by the lack of clarification of functions between and within the major organizational divisions which, in turn, hindered the definition of individual positions.[21] Efforts in the first half of 1945 to work out between Headquarters and ERO a standard classification guide for the use of mission chiefs also foundered.[22]

The first authoritative move toward a uniform classification system came from Jackson in June 1945 when in the course of reorganizing the London Office he instituted the line budget for that Office and its dependent missions. Although the team of trained analysts from Headquarters arrived too late to take part in the classification of positions in ERO itself, they produced a Classification Manual which was distributed to the missions in the autumn of 1945, and they did yeoman service in assisting the missions to set up line budgets on a basis of sound job classification. This could have been much more easily accomplished had the work been done as the missions were set up. Nevertheless, the system had been successfully installed by early 1946,[23] except in the

[19] Monograph, Smith, "UNRRA Budgeting," p. 20.

[20] Memo, H. P. Van Gelder (Deputy Director General, Finance and Administration) to all bureau and division heads, 7 April 1944.

[21] Monograph, Mary Sue Whitman and Edith Watkins, "Development of Personnel Policies," HQ, pp. 130–133, 135–138.

[22] *Ibid.*, pp. 144–146.

[23] *Ibid.*, p. 149; monograph, Joseph, "Division of Organization and Management," p. 29.

Displaced Persons Operations in Germany where the complex organizational structure already developed in accord with military organization made the satisfactory imposition of such standards very difficult.[24]

To the end a uniform system of classification was never achieved throughout the Administration since the widespread downgrading it would have necessitated in Headquarters and its directly dependent offices and missions was not achieved. The Classification Branch in Headquarters made conscientious efforts to secure uniformity, but the resultant bottlenecks which developed on personnel actions discredited the whole idea in the eyes of the operating divisions, and the firm support from the top, necessary for ruthless enforcement, was not forthcoming. Grades remained, therefore, about one level higher than in ERO and the European missions.[25]

Because the Administration developed too rapidly to permit a smooth coördination of all the movements and assignments of its staff, there was from time to time inefficient utilization of personnel in one center or another or in organizational units within various offices and missions. Although this phenomenon was in no way peculiar to UNRRA but common to all organizations in which the job to be done in a hurry is of more importance than the husbanding of manpower (witness the traditional military practice of "hurry up and wait"), it was provocative of discontent and disillusionment among the staff who experienced or witnessed these bottlenecks, and of frequent critical comment from the general public. In a measure, but far less than its critics charged, the Administration was responsible for the concentration of personnel awaiting definite assignments in Cairo in the winter of 1944–1945, in the Granville, Normandy, staging center for displaced persons workers in the spring and summer of 1945, and in Shanghai in the early months of 1946. In each of these cases, however, the principal causes lay outside the control of UNRRA.

In the first instance, the Administration had provided the personnel as and when requested by the Allied military authorities. For example, the Annex to the Cairo Agreement of 3 April 1944 specified the pro-

[24] Monograph, Joseph, "Division of Organization and Management," pp. 27–28; interview, History staff with Joseph, 18, 19 December 1947.

[25] Monograph, Whitman and Watkins, "Development of Personnel Policies," pp. 155–161; monograph, Mary Sue Whitman and Edith Watkins, "UNRRA's Personnel Division," Section I, p. 18.

vision by UNRRA of 1,005 operating personnel for the Balkans in addition to such administrative officers as the Administration might wish to appoint,[26] and Headquarters was constantly beset during the summer and autumn of 1944 by insistent demands from the Combined Committee on Civil Affairs, the United States Department of State, and military authorities in Cairo that these "bodies" be dispatched in haste.[27] By the end of December UNRRA had sent 957 people to Cairo.[28] The Administration could not in any way influence the slow development of negotiations and military operations which meant that the Balkans were not opened for UNRRA operations until the spring of 1945, nor was it in the least responsible for the fact that the military estimates of the personnel needed proved to be far too high.

Again, in the case of Granville, the Administration had provided the personnel for work with displaced persons in Germany which the military authorities had requested; it could not foresee the slow rate at which individual Army groups would utilize them. Yet again in China, the Administration suffered from the slow and vacillating development by the Chinese National Relief and Rehabilitation Administration (CNRRA) of plans for its organization and its use of personnel seconded from UNRRA.

As for unequal staffing in units of the Administration, opinions varied widely. Virtually every accusation of overstaffing can be matched by an outcry from the unit in question that it suffered from inadequate members. The fair conclusion in retrospect seems to be that, although there were instances in most of the larger offices and missions of a few overpeopled units, the Administration as a whole was somewhat understaffed.

Inevitably, in the absence of well-established regulations and routines, much of the business of UNRRA was accomplished on a direct personal basis. If the senior personnel were often unable to concur on formal orders setting forth major policies, they did succeed in reaching agreement on the day-to-day decisions which made the organization work. Under these circumstances, the influence of a few dominant

[26] See Appendix Six, Section I, Document 1*b;* also Part Five, Chapter I.

[27] Letter, George Xanthaky (Bureau of Areas) to Sir William Matthews (Chief, Balkan Mission), 15 June 1944; *Journal*, Second Council, p. 63; cables: Cairo to Washington 1087 (United States Department of State series), 27 April 1944; Algiers to United States War Department, 9 June 1944; memo, Kenneth Dayton (Treasurer, HQ) to Corson, 3 November 1944.

[28] Memo, "Organization of Balkan Mission."

personalities such as Hendrickson, Jackson, Katzin, and Lewis was great. These decisions were often worked out in staff meetings, held frequently and at many levels, in Headquarters, ERO, and the missions. In Headquarters the Director General met the senior officers, usually once a week, until Hendrickson assumed this responsibility in May 1945. Full discussions of contemplated policies gave the Director General the consensus of his advisers' opinions, and detailed notes were circulated to the small group usually present.[29] Jackson, on his return to Headquarters in the fall of 1945, substituted daily staff meetings attended by the heads of the main administrative and advisory offices, at which he or, later, the Chief Executive Officer presided. There was little discussion in these meetings; the presiding officer presented for information or action a list of current items ranging from major policy announcements to redistribution of cables. Detailed notes indicating the person to whom action on each item had been assigned were given wide circulation. During the period of full operations most of the actual policy decisions in Headquarters were taken in informal meetings of the senior staff particularly concerned with the problem in question. The results of these discussions were usually embodied in an order, memorandum, cable, or letter. No minutes were kept, however, and the bases on which the decisions were reached were not only unavailable to the rest of the staff but often forgotten by those present. These *ad hoc* meetings were a quick and effective method of meeting a particular situation; they were less contributive, however, toward building up a consistent development of policy or toward thoughtful long-range planning.

In ERO for the first year and a half the regular meetings of the Administrative Council dealt with the more formal aspects of internal and external policy while the Assistant Deputy Directors General and the deputies of the functional Directors made most of the day-to-day decisions in frequent informal meetings. Jackson, and after him Gale and Lewis, continued the meetings of the Administrative Council with the addition of other major officers. Detailed minutes were kept, and it was the practice to assign action for each item to the position responsible rather than to the specific individual occupying the post—an indication of the greater emphasis in ERO on organizational re-

[29] No records were kept of the meetings over which Hendrickson presided in the summer of 1945.

sponsibility as opposed to the personal basis on which Headquarters operated. Staff meetings were also held regularly in various bureaus and divisions of Headquarters and ERO, and were conducted by mission chiefs in most of the missions.

To counteract in some measure the feeling of remoteness and lack of contact experienced by the mission staffs, periodic conferences were held at some central point, initiated by the meeting of Hendrickson with the mission chiefs of the Mediterranean area at Caserta in March 1945. Most of these brought together the mission chiefs and supply officers primarily for the formulation of country supply programs, but conferences were also called for the senior mission staffs in Finance and Administration, Relief Services, and Public Information.[30] In addition, the mission chiefs and their deputies attended the meetings of the Council whenever possible and thus had opportunities of meeting the principal officers of Headquarters and ERO and their colleagues in other missions.

The consensus, at least in retrospect, seems to be that there was insufficient personal contact between the administrative centers and the field. During and immediately after the war, travel was, of course, difficult and necessarily governed by military restrictions. Moreover, for the greater part of 1945, while the reorganization of ERO and the establishment of the missions was in process, visits from Headquarters to the field were deliberately discouraged as a possibly disruptive factor. Nevertheless, the Directors General each made at least one extensive trip to the European missions, and from the autumn of 1945 one or another of the executives in Headquarters was continually on tour, usually in company with senior officials from ERO, who also made independent visits of inspection.

By far the major share of the visits from Headquarters and ERO were made for specific purposes—to clear up a particular trouble-spot within the organization or in its relations with some external authority, to observe and report on the distribution of UNRRA supplies in response to allegations of irregularity,[31] to collect firsthand information needed as a basis for policy decision, or to install and give instruction in the use of complex agricultural or industrial equipment.[32]

Visits from officials in the field to Headquarters or ERO were far

[30] See Chronology for dates and places of conferences.
[31] See Part Four, Chapter III.
[32] See Part Four, Chapter II, Section 4.

less frequent and were usually undertaken in an effort to solve some major problem which had defied resolution by correspondence and cable. These visits were, in general, so productive of increased understanding that the mission staffs believed additional personal contacts of this sort would have been desirable. Particularly, the mission staffs would have welcomed the opportunity, rarely available to them, to visit other UNRRA missions dealing with problems comparable to their own. It is probable that a more thorough personal interchange of ideas and experience might have been worked out had UNRRA been longer in operation. As it was, the pressure of day-to-day activities necessarily held such travel to a minimum.

In the opinion of Director General Rooks the establishment of a regular traveling inspectorate would have been desirable. Such officials, unburdened by other duties, well versed in UNRRA policies and procedures, and of sufficient rank to carry authority, could have given sufficient time to each mission to grasp its particular problems without the necessity for haste or for the formalities of protocol which lessened the value of the visits of directors general. Their reports to Headquarters or ERO would have carried much weight, and the resultant tightening of control and the exchange of views between the field and the administrative offices would have been valuable. The possibility of such an inspectorate was at times discussed, but it foundered on the general reluctance to encroach in any way on the authority of the mission chiefs [33] and even more on the difficulty of securing suitable men and the length of time required for training them. The only approach to realization of the idea was the establishment in the Displaced Persons Operations in Germany and in the Austria, Italy, and China Missions of a protective service reporting to the mission chief and charged with the investigation of malpractices in liaison with civil and military police.[34]

Adequate and accessible records are obviously a useful control device, not only in such a specialized form as accounting, but in general as a reference point for the background of policy decisions and a check to prevent the repetition of past errors or to ensure the continuation of successful methods. In a new organization such as UNRRA, without established traditions and with a very rapid turnover of personnel,

[33] Administrative Council 183 (X), minutes of meeting, 7 January 1946.
[34] See Part Four, Chapter III.

a well-organized system of records established from the beginning would seem to have been essential. There was, however, in UNRRA at no time a general appreciation of the need for centralized, widely accessible, and complete records, although individuals here and there waged an unremitting but futile battle for this cause.

Plans were made early in 1944 for a Central Registry in Headquarters,[35] but an adequate, trained staff was not provided; a classification system was not adopted until the summer of 1945; and the central depository was never fully developed. In practice, individual office files were the prevailing custom. Even these departmental files were often poorly organized and maintained. The Bureau of Supply in particular suffered from the inadequacy of its own records,[36] while a long-standing disagreement between Supply and the financial sections over the division of responsibility for record keeping was only resolved in May 1946 when the Controller took over the Division of Records and Reports from the Bureau of Supply.

In ERO the Central Registry was rather more effectively built up, and even the records maintained in individual offices were usually organized under a uniform classification system.[37] Official guidance from either Headquarters or ERO to the offices and missions on the establishment of registries or the classification of records was almost entirely lacking. Each field unit was, therefore, a law unto itself and reflected only the system or lack of system of its principal officers or their secretaries.[38]

The entire Administration throughout the life of UNRRA, therefore, was in varying degree hampered by a lack of readily convenient information with the results of wasted time, confusion, and error. Improvement was made, however, as the beginning of the rundown period brought to general notice the necessity for preserving an UNRRA archive; and in this field, also, the beginning made in systematic record keeping would undoubtedly have matured had UNRRA continued longer in operation.

Aside from the usual correspondence and cables from the offices and

[35] Memo, Corson to John C. Weigel (Director, Division of Administrative Services), 3 June 1944.

[36] Monograph, F. C. McMillen, "Organizational History of Bureau of Supply," p. 17.

[37] Monograph, Colonel J. C. Gain, "Report on Administrative Services Division, ERO," pp. 46–57.

[38] *Ibid.*, p. 97.

missions, a regular series of reports from the field served to channel to ERO and Headquarters the various types of general and statistical information required by the administrative offices. Standard forms were set up in the summer of 1945, principal of which was the monthly report from the chief of each mission, which followed a prescribed outline and embodied information from all sections of the mission. Special reports to meet particular needs in Washington and London were also frequently requested, although the senior officials in these Offices were continually on the alert to curb the tendency to oblige the field offices and missions to serve as statistical bureaus. How serious was this tendency may be inferred from the protest of a regional office in Greece that it was required in September 1945 to make 1,033 separate reports to the Mission Headquarters,[39] most of which were, of course, in turn incorporated in reports to Headquarters and ERO.

Admittedly, the system of controls in UNRRA was established late and could have been improved in all departments, but the many instances of inefficiency, confusion, and delay, which inevitably resulted in complaints and dissatisfaction, must be weighed against the actual accomplishments which were achieved without comment or fanfare. The real test of the effectiveness of controls is whether or not the organization can be made to work. By this criterion UNRRA did achieve an adequate system of controls by the time it was in full operation.

[39] Monograph, "Region ABJ, Supplies and Distribution Division," Greece.

# III. Financial Control

ADEQUATE financial control—that is, practices and procedures ensuring the proper management of the resources of UNRRA in accord with its financial policies—was vital if the Administration was to use its resources most effectively. The Agreement provided that all contributions "received by the Administration shall be accounted for" [1] and that "the Director General shall submit to the Council an annual budget, and from time to time such supplementary budgets as may be required, covering necessary administrative expenses of the Administration." [2] The Council added that "all financial transactions of the Administration shall be audited annually by an auditor selected by the Council." [3]

At the Second Session the Council appointed Deloitte, Plender, Griffiths & Co. as its Auditors and resolved that:

> The Auditors' examination of the balance sheet, the statement of revenue and expenditure and the supporting statements be directed towards
> (*a*) establishing that due authority exists for all kinds of expenditures incurred;
> (*b*) reporting whether or not the balance sheet and the said statements and supporting statements fairly present the financial position of the Administration as at the date of the statements and the results of the operations of the Administration for the period covered by such statements.[4]

The Administration then had to submit its administrative budget to the Council for approval, account for its resources, and submit financial statements to outside auditors.

Its resources consisted principally of the varied contributions, given by member and nonmember governments and by private individuals and institutions,[5] to which many conditions were attached,[6] and also of local currency supplied by the governments of the receiving countries from the proceeds of sale of UNRRA goods [7] and of local (oc-

[1] Article V.
[2] Article VI.
[3] Resolution 14, Section 25.
[4] Resolution 44, paragraph 5.
[5] *Supra*, Part One, Chapter V.
[6] *Ibid.*
[7] *Infra*, Part Four, Chapter IV.

cupation) currency supplied by the military authorities of France, the United Kingdom, and the United States.

TABLE 7

RESOURCES OF UNRRA

| *Contributions and Receipts* | *U.S. Dollar Equivalents* | *Percentage of Total* | *U.S. Dollar Equivalents* | *Percentage of Total* |
|---|---|---|---|---|
| Supplies, services, and facilities contributed by | | | | |
| Member governments | $3,062,098,114 | 77.16 | | |
| Nonmember governments | 1,905,189 | | | |
| Private individuals and organizations | 22,492,696 | 5.20 | | |
| Organized collections | 182,094,255 | | | |
| Total | | | $3,268,590,254 | 82.36 |
| *Cash from contributions* | | | | |
| Member governments (convertible funds) | $317,872,393 | 8.00 | | |
| Member governments (nonconvertible funds) | 280,977,948 | 7.09 | | |
| Private individuals and organizations; organized collections | 5,308,426 | 2.55 | | |
| Receiving governments (local currency) | 51,513,738 | | | |
| Military authorities (local currency) | 2,836,021 | | | |
| Other sources | | | | |
| Governments and agencies for acquisition of commodities, etc. | 41,293,945 | | | |
| Total | | | 659,802,481 | 17.64 |
| Grand Total | | | $3,968,392,725 | 100.00 |

It expended or requested the expenditure of these resources for three main purposes: (1) administrative expenses (principally headquarters, regional, and procurement offices); (2) operating administrative expenses (principally receiving country missions and the displaced persons operation); and (3) supplies and services for the receiving countries. Budgets covering the first of these had to be and were regularly submitted to the Council (or Central Committee) for ap-

proval. Budgets for the other expenses were prepared but were not subject to approval outside the Administration itself.

Only 17.64 per cent of the cash involved in these expenditures was ever handled by the Administration (about half of it could only be spent subject to severe restrictions), and much was returned to the governments for purchase by government agencies of supplies for UNRRA. Almost all the remainder (82.36 per cent) was disbursed by the contributing governments as requested by the Administration (but again subject to conditions which restricted the requests).

Certain problems inherent in the establishment of financial controls were clearly foreseen by a leading firm of accountants when in 1944 the Treasurer of UNRRA consulted with them regarding UNRRA's proposed practices and asked if they wished to serve as the Council's Auditors:

> The question of auditing is closely related to that of accounting, record keeping, and the control of cash and materials, and each has distinguishing features. From the viewpoint of an auditor, the existence of adequate controls of materials and cash are vital. However it is realized that whether or not the controls are provided and made effective, the actual administration of relief or the rehabilitation of essential services will have to be carried out; and whether or not competent personnel is available to prepare records, the work of the organization must proceed. Therefore while any plan of orderly procedures for material distribution and control, and of accounting therefor, must be adapted to the circumstances and conditions which exist at the time and in the place that relief and rehabilitation are needed, the necessary sacrifice of such procedures and controls may, and probably will, result in a situation that will not be susceptible of audit . . .
>
> A very broad question arises as to the scope of the audit to be made by independent accountants. If the auditors were to accept the contributions of cash and the contributions of supplies at values as stated and follow these only to the major points of distribution, the audit would cover only that portion of the transactions in which there was the least likelihood of irregularities, and any report or certificate thereon would be so qualified and restricted as to be of little, if any, value. In fact it is doubtful if an accounting firm could or should issue a report thereon.
>
> If the scope of the auditors' work were to include verification of the purchase of supplies at one end and the ultimate distribution of the cash and the supplies at the other end, the audit would require a large force of auditors skilled in the usual accounting practices and versed in the languages of all of the countries in which operations are conducted. Even with such a force of auditors available, it is problematical whether, under the condi-

tions that will probably exist in many of the presently enemy-occupied areas after their liberation, tests of records or of transactions would be effective or there could be provided the normal safeguards essential as a basis of audit. An audit presupposes records, system, controls, safeguards, competent personnel, and responsible field management.

If the responsibility of the Administration begins with the receipt of currency and the taking of title to materials and supplies, would it be possible to fix the responsibility on the contributing governments for the accounting for purchases under the credits and for certificates from such governments as to the supplies and materials delivered and the values at which delivered?

In the same way, if the distribution of supplies is to be under the control of the government or recognized national authority which exercises administrative control within an area, could not the responsibility be placed on such government or authority to account for the supplies and materials, the Administration accepting such reports without further audit or check? This would cover not only the distribution of supplies but the sale of supplies and the control and accounting for the proceeds of such sales.[8]

The establishment and exercise of financial control over the activities of the Administration and the preparation of accounts and financial records developed in two stages: (1) There was insufficient financial control, and, as a result, the maintenance of accounts was unsatisfactory; (2) financial control was introduced and made effective, and the maintenance of accounts was improved and reports fairly presenting the operation of the Administration were prepared.

The undoubtedly poor results obtained in the first stage stemmed from certain structural defects in the organization as a result of which control was scattered rather than concentrated; from inappropriate orders and instructions; and, perhaps most of all, from an attitude only too well expressed by the second Director General when, in apologizing for the poor state of accounts, he said:

> I consider it rather complimentary to the zeal and enthusiasm and courage of the UNRRA personnel that they got supplies delivered immediately on liberation of a country, rushing in supplies at the risk of cutting red tape.
>
> I think the UNRRA personnel are to be commended for their disregard

[8] Committee on Financial Control (CFC)(44)6, letter, Arthur B. Foye (Haskins & Sells) to Kenneth Dayton (Treasurer), 1 April 1944, pp. 7–9. It is interesting to compare the comments in this letter with those written under similar conditions by the firm that became the Council's Auditors: CFC(46)6, letter, Deloitte, Plender, Griffith & Co., to Dayton, 30 March 1944, pp. 3–5.

of paper-work in their effort to get food delivered in time—when it was needed, and where it was needed.[9]

Such disregard was, of course, not satisfactory, but it was at the time in accord, not only with the attitude of the Administration personnel, but also with that generally adopted. Progressively, however, the committees concerned with UNRRA finances set higher and higher standards, which were applied both to current operations and also to the transactions which had taken place before the new standards were established.[10] Thus the recording done in 1944 was unsatisfactory, but unsatisfactory in terms of the standards of later years.

While much time and thought was devoted, in the first weeks of the existence of the Administration, to accounting, relatively little was given to control. No order in 1943 or 1944 clearly established responsibility either for the authorization of the use of the resources of the Administration or for the recording of transactions involving use.[11] Certain responsibilities were vested in the Bureau of Supply:

> To maintain at all times a current overall balance sheet of requirements and supplies of all commodities for which UNRRA is responsible. . . .
> To develop and maintain such program accountability, statistical and other records as necessary for carrying out the functions and responsibilities herein assigned.[12]

On the other hand, three divisions were established under the Treasurer:

(1) The Division of Finance, to handle "all matters, including correspondence or requests for information, having to do with the Administration's bank accounts and finances, including all payments for the Administration."

(2) The Budget Division, to handle "all matters including correspondence and requests for information, regarding the budgets of the Administration."

(3) The Division of Accounts, to handle "all transactions relating

[9] *Journal*, Sixth Council, p. 17.

[10] Official correspondence, Auditors with the Administration, *passim;* Audit Subcommittee, minutes of meetings, and communications between that committee and the Administration, *passim.*

[11] General Bulletin 109, 15 January 1945, "Index to Orders, Bulletins and Procedural Instructions."

[12] Administrative Memorandum 2, 1 December 1943.

to the payment of salaries, advances, purchases, and other administrative and operating expenditures, allotments for employees transferred to field offices and all other matters of accounting for the Administration, including correspondence and requests for information having to do with these subjects." [13]

Authority and responsibility were certainly not clearly defined. This unsatisfactory situation was accentuated by the fact that the Deputy Director General in charge of the Bureau of Supply was high in the highest councils of the Administration, whereas the Treasurer was not. In practice, the Bureau of Supply assumed the authority to dispose of the bulk of the resources of the Administration while not fully recognizing the need for accounting for such dispositions. Although some of the orders of the Bureau provided at least a procedure for sending necessary information to the Division of Finance,[14] others did not.[15] In practice, however, the members of the Bureau, particularly the senior members, made commitments, even heavy commitments, without informing the Division of Finance. Inevitably, therefore, records and accounts were incomplete and did not fully represent the financial position of the Administration. More serious even than this were the resultant lack of control and the inability of the Administration to know the extent to which its resources were being used.

Since accounting may be said to follow from control and since the control was ineffective, it is hardly surprising that the accounts also were unsatisfactory, particularly in view of the tendency within the Administration to think of accounts as something quite by themselves, altogether apart from operations. Furthermore, the actual accounting operation, apart from the fundamental disability under which it suffered, was not so effective as it might have been.

When in the spring of 1945 the accuracy of the accounts was being questioned, the Administration reported to the Committee on Financial Control (CFC) that:

An Accounting Plan was developed during the first sixty days of the Administration's existence. This plan set forth the basic principles of ac-

[13] General Bulletin 38, 3 May 1944.

[14] Bureau of Supply Order 13, Supplement 8, 12 March 1945, "Procedure for Requesting Supplies from U.S."; Bureau of Supply Order 13, Supplement 5, 30 September 1945, "Adoption of Form for Direct Purchase."

[15] Bureau of Supply Order 13, Supplement 9, 10 May 1945, "Procedure for Requesting Supplies and Equipment from Australia and New Zealand."

counting and reporting and, in broad outline, the systems to be followed. That plan was based upon the then prevailing concepts of the types of activities that the Administration would be called upon to perform. The plan provided for those fiscal reports which it was believed the Council members would desire.

That plan was submitted to representatives of the governments of the United States of America, the United Kingdom, and of the Union of South Africa. It was submitted also to technicians of the United States Treasury, of the Foreign Economic Administration, and to the American Institute of Accountants. Various suggestions were received as the result of the above consultations and they were embodied in a refinement of the Accounting Plan which the Treasurer presented to this committee at its Third Meeting in March 1944. Members of the committee were requested to study the plan and to offer any criticisms within a specified period of time. As no adverse criticism was received, the Accounting Plan as presented to the committee at that meeting was adopted. It has been followed by the Administration as the basic plan for accounting and reporting . . .

To implement the Accounting Plan specific procedures are required. Such procedures are issued by the Treasurer's Office in the form of Accounting Procedural Instructions. Each contains a complete procedure for a group of transactions of a related type. In addition, Treasurer's Procedural Orders are issued containing procedures for specific types of transactions. The latter are used also as interim instructions pending the completion of Accounting Procedural Instructions consolidating the instructions into a manual.[16]

The basic system established was sound enough. Of it the Auditors, who certainly did not hesitate to criticize, were able to say: "The accounting system of Headquarters and Regional Offices is, in our opinion, satisfactory . . . [and] will produce effective control of the funds and property of the Administration, *providing it is adequately carried out.*" [17] The trouble lay with the implementation, and the Auditors were forced to add that "the operation of the system had been inadequate and uneconomical." [18]

The failure lay partly with the Procedural Instructions, which were much too detailed and lengthy in respect of minor details but vague and imprecise with respect to basic principles.[19] Furthermore, they were considered, as the Administration's report indicated, merely

[16] Committee on Financial Control CFC(45)5, report, Administration to CFC, 15 March 1945, pp. 2–4.

[17] CFC(45)12, letter, Auditors to Audit Subcommittee, 26 February 1945, p. 3; italics added.

[18] *Ibid.*

[19] Monograph, Harry E. Howell, "Notes by the Controller," p. 9.

interim instructions pending the distribution of final instructions, which, more than a year after the establishment of the Administration, had not been prepared.

The Auditors and the Audit Subcommittee considered the structure of the organization ineffective and wished the Division of Finance to be separated from the Administration sections and placed directly under the Director General.[20] With this the Administration did not agree,[21] but from March through August of 1945 it repeatedly assured the Committee on Financial Control that certain structural changes, which at least met the suggestion of the Auditors half way, had been carried out,[22] though in fact they were not made effective until September.

The Administration considered that the failure successfully to implement the system stemmed largely from its inability, due to wartime conditions, to obtain adequate personnel.[23] This view the Audit Subcommittee and the Auditors endorsed.[24] It may nevertheless be suggested that the difficulties arose, not because the personnel was insufficient, but because it was not well balanced; that is, there was too much emphasis on so-called "high-level" accountants and not enough on clerks to do the routine work.[25]

Implementation, then, failed because of lack of good written instructions and staff training, structural weaknesses in the organization, lack of adequate personnel, but most of all, perhaps, because of lack of energetic direction,[26] which could hardly be exercised by the Division of Finance due to the divided responsibility and the fact that authority to make commitments and even the responsibility for recording them rested, not with the Division of Finance, but rather with the Bureau of Supply, which had adopted an attitude that may be expressed as: "Get the supplies and let the records take care of themselves."

The poor state of the accounts was called to the attention of the

[20] CFC(45)12, p. 5; CFC(45)13, report, Audit Subcommittee to CFC, 23 March 1945, p. 2.

[21] CFC(45)14, letter, Director General to CFC, 26 March 1945.

[22] CFC(45)5, pp. 13–14; CFC(45)26, letter, Acting Director General to CFC, 17 July 1945; CFC(45)38, minutes 21st meeting, 13 August 1945, p. 6, and statement by Burton E. Palmer, representing the Director General.

[23] CFC(45)5, pp. 5–6.

[24] CFC(45)13, p. 3; CFC(45)40, report, Auditors to the Council, 10 July 1945, p. 1.

[25] Monograph, Howell, "Notes by the Controller," p. 12.

[26] CFC(45)40, p. 1.

Administration, which indeed fully recognized the situation,[27] by the Auditors, the Audit Subcommittee, and the Committee on Financial Control from February 1945 through the Third Council Session (August 1945).[28] The Committee on Financial Control, taking into consideration the structural changes which the Administration had said it had made, the announcement that the services of a "competent" individual had been obtained to direct the Accounts Division [29] (his competency was endorsed by the Auditors [30]), and especially an undertaking by the Administration to satisfy the Auditors by 1 November 1945 that the system installed and its implementation would by 31 March 1946 produce proper accounts for 1945,[31] recommended to the Council qualified approval of the 1944 accounts.[32] To this the Council agreed.[33]

The changes and improvements, which the Administration was supposedly introducing, did not, however, touch the real root of the trouble: the lack of effective, over-all financial control. As a result, the Auditors were not satisfied by 1 November 1945,[34] and the Administration asked for an extension of time in which to meet their requirements.[35] The Audit Subcommittee, adopting a sympathetic attitude, recommended that this be granted and indicated that it was "impressed with the efforts made by the Administration." [36]

There were, it should be said, some extenuating circumstances. The great bulk of supplies shipped for the Administration was not purchased by it but by various national government purchasing agencies. Until bills were received from the governments, the Administration's records were bound to be incomplete. As late as the summer of 1946 the Audit Subcommittee reported:

A further important point which we believe should be clearly recognized is that all financial statements, until the final one after liquidation of the

[27] CFC(45)5, p. 5.
[28] CFC(45)12; CFC(45)13; CFC(45)25, report, Audit Subcommittee to CFC, 14 July 1945; CFC(45)40.
[29] CFC(45)38, statement by Palmer, representing the Director General.
[30] CFC(45)38, statement by George Cochrane, representing the Auditors.
[31] CFC(45)40, p. 5; CFC(45)41, minutes 22d meeting, 14 August 1945, p. 5, statement by Palmer.
[32] *Journal*, Third Council, pp. 97–98.
[33] Resolution 78.
[34] CFC(45)51, letter, Auditors to Audit Subcommittee, 1 November 1945, p. 9.
[35] CFC(45)51, letter, Palmer to Audit Subcommittee, 1 November 1945, pp. 7–8.
[36] CFC(45)51, report, Audit Subcommittee to CFC, 15 November 1945, pp. 4–5.

Administration, will contain substantial items which will be the result of informed estimates based on such information as the Administration itself has been able to accumulate. The necessity for this procedure is best illustrated by a few examples of the conditions which still exist. The status of billing for contributions and acquisitions up to 31 December 1945, as of 10 May 1946, was as follows: from U.S. agencies, about 50% of the total is covered by firm invoices; O.F.L.C. and surplus property acquisitions, no invoices have been received; for special Army deals, such as the take-over of the Balkan stockpile, the Dodecanese stockpile, furnishing of displaced persons supplies by occupation armies, take-over of supplies of armies of occupation in Austria, etc., no invoices to date and for acquisitions and contributions from British Government agencies, firm invoices have been received for only 7% of the supplies which have been delivered. It will be obvious, therefore, that if statements are to be compiled within a reasonable time after the close of a given period, estimates for the balance of the acquisitions mentioned above must be compiled. The Administration will make these estimates on the basis of the most complete information which it can accumulate.[37]

It is also true that, although the early inadequacy of the accounts seriously endangered the reputation of the Administration, contributed to poor staff morale, and made the final accounting operation more expensive than it might otherwise have been, it had not by the end of 1945 hampered or otherwise injured the acquisition, shipment, and distribution of supplies.

In December 1945 the Administration and the largest contributors were seriously concerned by the situation.[38] Harry E. Howell, Assistant Director, Production and Purchases Division, United States Army Service Forces, was asked by the Department of State to review the situation. In January 1946 he discussed the problems with the Director General and the Senior Deputy Director General. He pointed out certain deficiencies already known to them but indicated that in his judgment the proposed remedies were insufficient:

His recommendations were for the appointment of a man in charge of the entire finance, statistics, accounting, and auditing operations, with full recognition granted to the importance of this function by the fact that he reported only to the Director General; that all heads of divisions and employees of whatever rank be informed that they could not enter into financial transactions or commitments without the Controller being informed of the negotiations, approving them as to the availability of funds

[37] CFC(46)51, 22 July 1946, p. 2.
[38] Memo, R. G. A. Jackson to Lehman, 1 January 1946.

and arranging for the necessary documentation. It was further pointed out that cash system of keeping the accounts with a haphazard inventory of unpaid bills was not a satisfactory method of accounting and that the accounting should be placed immediately on a full accrual system. It was also pointed out that a serious problem would develop if some attempt was not made to bring the administrative properties, supplies in warehouses, and equipment under better control, preferably financial control. It was recommended that London be abolished as a regional accounting office and that the missions send in their accounts directly to Washington for consolidation.[39]

His plans were accepted by the Director General, and he was appointed Controller. The administrative reorganizations which he introduced were formally consummated by 16 April 1946.[40] At the same time it was announced:

> As part of our policy of insuring that our financial control is effective, it is the Director General's instruction that every official initiating action which may lead to the expenditure of the Administration's funds, whether for supplies, for shipping, for work in connection with displaced persons, health or welfare, or for administrative expenses, etc., is to insure that approval is obtained in advance from the Controller.
>
> In addition, the Controller is authorized and directed to examine into, require advance approval for, and direct accounting for, any or all transactions having financial implications to the extent, and in such manner as he thinks necessary to accomplish proper financial control.
>
> The Controller has been requested to issue immediately an order indicating the detailed procedure which he desires should be followed in carrying out these instructions.[41]

The basis for the establishment of effective control and the preparation of adequate accounts was thus laid. In practice, the full authority which the Controller expected to receive was not fully established in ERO [42] and, apparently because of pressure from the auditors, the work of consolidating mission accounts was maintained in London longer than he deemed desirable.[43] Where considered absolutely essential, changes were introduced; [44] but, because it was believed that UNRRA activities would soon end, an effort was made, wherever

[39] Monograph, Howell, "Notes by the Controller," p. 15.
[40] HQ Administrative Order 92, see *infra*, Appendix Nine, Section I, Document 1*b*.
[41] General Bulletin 224, 23 April 1946.
[42] Monograph, Howell, "Notes by the Controller," pp. 16–19.
[43] *Ibid.*, pp. 22–24, 29.
[44] CFC(46)51, Attachment 1.

possible, to improve and strengthen existing methods.[45] The basis of the financial operation, including both the practices established before his appointment and those introduced afterward, have been described by the Controller:

> It was the aim of the . . . financial control system, instituted in 1946, to ensure the fullest and best use of these multiform contributions, to obtain the greatest possible amount of desirable supplies from many sources and to deliver them for use in diverse and changing programs. It was essential to develop, for the full deployment of resources, a flexible plan which would provide adequate safeguards against over-commitments as well as against incomplete utilization of the contributions.
>
> To maintain such controls, separate budgets were established to cover the relief and rehabilitation programs, the work of the missions and the administrative activities. . . . Within each budget separate controls were established for significant units. For administration and mission operations, budgets were established for each office and subsequent control was maintained by means of administrative measures which particularly emphasized budget limitations on personnel. For the supply programs, budgets were established for each of the five major commodity groups and for ocean transport.
>
> Funding was then established and the type of resource to be used to provide the total amount for each purpose was specified in detail. These specifications included an indication of the national origin of the cash or credit as well as the extent and type of limitations thereon. In funding mission budgets, allowances were made for the maximum use of local currency which was made available by each receiving government from the proceeds of the sales of UNRRA supplies. This was done in order to have available the maximum amount of general resources for the acquisition of supplies.
>
> Restricted resources were assigned to those areas of operation in which they could be fully utilized, thus conserving the more flexible types. As procurement opportunities changed and as the programs for receiving countries were modified to meet new conditions, the assignment of funds for particular purposes was changed. The funds also were re-allocated each time a new contribution was made so as to utilize total resources most effectively . . .
>
> The so-called free funds were not entirely free from restrictions as to the geographic area in which they could be spent and the types of currencies into which they could be converted. They were, nevertheless, a major factor in the management of UNRRA finances because they were used to ensure full utilization of the less flexible resources. This was done by using them as a global reserve to guarantee payment if other resources proved inadequate to meet specific commitments. The contributing gov-

[45] Monograph, Howell, "Notes by the Controller," p. 3.

ernments, knowing this reserve was available, authorized a greater commitment of their contributions, without establishing reserves, than might otherwise have been permitted. The entire amount of convertible funds was not actually converted into other currencies. In many cases, these funds remained in the contributing country and were used with the nonconvertible funds to buy available commodities, usually through the procurement agencies of the government.

Since supplies were, for the most part, procured during a period of scarcity and at a time when producers, though willing to accept contracts, could not guarantee delivery, large amounts of resources would have been immobilized if procurement budgets had been fully funded. These resources could not then have been utilized, due to the time limits placed on UNRRA's operation. To avoid this, it was the Administration's practice to under-fund procurement budgets and to use its global reserves to cover the excess commitments when procurement shortfalls were not as great as had been expected . . .

There were three separate and distinct types of contributions for which an accounting was required. The problems and the extent of the Administration's control was different for each one.

In the first category was the cash received as contributions from the member governments and from other sources. Other than difficulties inherent in world-wide operations, the restrictions upon the free movements of funds and the limited facilities for foreign exchange transactions, the accounting problems in connection with this category were not unusual.

In the second category were the funds turned over to the missions by the receiving governments under agreements which provided that, from the proceeds of the sale of UNRRA supplies, the governments were to provide the necessary currency to meet local expenses. At the same time, an accounting by the government was required for the proceeds of sale and its utilization thereof. No special problems were involved in the accounting for the receipt and expenditure of the local currency by the mission. Expressing these transactions in terms of U.S. dollar equivalents, however, presented considerable difficulty because of wide exchange fluctuations, lack of exchange rates or the disparity between the official exchange rates and rates which were suitable to be used to express a fair equivalence in U.S. dollars. Insofar as the accounting for the proceeds of sales by the governments is concerned, the matter has been discussed in the Director General's report dated April 1948 and, while the Administration could advise in regard to these matters, it did not have control of this accounting. Credit has been given in the statistical schedules in this report for the services and facilities provided without charge to UNRRA by the receiving governments and paid for by them out of proceeds of sales. These expenses have not been recorded in the accounts of UNRRA because the monies were not disbursed by UNRRA and it had no control over them.

The third category presented the greatest difficulties. It comprised more

than 80 per cent of the total resources and was in the form of commodities and services made available to the Administration by the contributing governments. The extent to which the Administration was informed of the details of these transactions, including price and source of supply, differed in each contributing country and varied from knowledge that a specific contract had been entered into for the item requisitioned, to the information that a requisition had been accepted by the government, followed by notice at a later date that the goods were ready for delivery.

Because it was necessary for the Administration to document the receipt of the contribution and then to document the delivery of the commodities to the receiving countries, the inability to obtain prompt invoicing of the contribution caused very grave difficulties. The Administration was able to bring its accounting for commodity contributions and their distribution to a current basis by the use of internal documentation in the absence of official government records, which practice was recognized by the Council in Resolution 109.[46]

Some of the practices which were developed to achieve these goals were as follows:

Expenses are controlled initially through the issuance of an allotment advice which contains the following information: Individual responsible for the expenditure of the funds, purpose, date issued, identification symbols, budget to be charged and budget period, expense classifications, and types of currencies to be used. Each allocation is accompanied by a brief justification indicating the scope of the authorization and the reason for its approval. Allocations issued for operating offices are issued to the head of the office and it is his responsibility to establish the proper method of insuring that expenditures do not exceed allotments. As the largest item of expenditure is personal services, the control is established by line budget which gives the maximum manpower authorized by position, grade, and salary. Through appropriate personnel technique, the number of employees is restricted to this maximum.

Where other items of expense are of sufficient importance, the commitment document, for example, the purchase order is cleared through the accounts department where the accumulating total is checked against the budget allotment and the commitment certified as to availability of funds.

Where one office requests another to obligate funds against its allotment, the request must be clearly certified for availability of funds within the allotment . . .

The system of internal check has been strengthened by the familiar means of division of duties, multiple routing of papers and documents, requirements for pre-audit, certification, and approval, and similar cross-checks

[46] *The Financial Report of the United Nations Relief and Rehabilitation Administration (Ninth and Final Financial Report,* Washington, D.C., March 1949), pp. 8–10.

and devices. This is supplemented by post-audits in the field offices by an auditing staff responsible to the Controller, and also post-audit on a selected basis at the regional offices and at Headquarters. Pre-auditing of disbursements is substantially established.[47]

Other practices were elsewhere explained by the Controller:

In order to bring about quickly some degree of coordination and understanding, the method of using flow and procedure charts had started in early 1946; systems and procedures men had reviewed and charted the work and corrections and improvements were made. Later in 1946, written instructions were issued covering the procedures that had been developed.

During this time, accountants were given the whole picture and the restricted instructions to the field were amplified—particularly also by talks in the field designed to enlist the aid of the competent technical men in accomplishing the over-all objective as well as their immediate task.

It had not been possible to issue accounting instructions as a separate series of orders as was proper and they had been embedded in Administrative Orders. The time needed to amend these, particularly in ERO, made them useless for the purpose of quickly correcting faults.

In early 1947, the task of writing a complete Accounting Manual was commenced and, as sections of this work were completed, the prior Administrative Orders and instructions were amended, to the fullest extent of available data, in accordance therewith.[48]

In May 1946 the Controller was able to report not only on the changes introduced but also that some progress had been achieved.[49] These views were endorsed by the Auditors, who reported that:

The Controller has submitted to you a report covering his activities since his appointment on 15 January 1946. In this report he outlines the changes he has effected and is in the course of making, both in the organization of the Administration and in its financial methods and policy.

We have much pleasure in stating that, provided the Controller is able

[47] Harry E. Howell, "Financial Control Operations and Accounting for UNRRA," *Journal of Accountancy*, LXXXIII, No. 3 (March 1947), 239, 244.

[48] Headquarters Accounting Conference, January and February 1948, HAC-24, minutes of meeting, 20 February 1948, Sheets 3 and 4. For further details see, for example, *Basic Headquarters Manual*, Part IV; various orders, such as HQ Administrative Order 112, 6 January 1947, Supplement 1, 12 June 1947, Supplement 2, 12 August 1947; Field Administrative Orders: 89, 31 January 1946; 90, Revision 2, 6 January 1947; 96, 11 June 1946, Supplement 1, 1 July 1946, Supplement 2, 15 August 1946; 102, 8 November 1946, Supplement 1, 6 December 1946; papers of the UNRRA Accounting Conference (London), November 1947, and of the Headquarters Accounting Conference, January and February 1948; *Eighth Financial Report* (Washington, D.C., 1948), pp. 5–9; monograph, F. M. Bellows, "The Administration of UNRRA's Accounts and Finances."

[49] CFC(46)51, Attachment 1, "Controller's Report," 21 May 1946.

to retain his existing personnel, it is our opinion that the measures now being taken should enable the achievement of prompt and adequate accounting and the compilation of reliable financial reports.[50]

The Audit Subcommittee also agreed and reported to the Committee on Financial Control that:

Both the Controller of the Administration and the Council's Auditors, in presenting their reports, discussed them in detail and satisfied the Audit Subcommittee with respect to the questions raised by them.

As a result of this discussion, the Audit Subcommittee can report for the first time new conditions which should accomplish the desired results. It is of the opinion, confirmed by the Council's Auditors, that the Administration has taken those measures which, when implemented, should assure the Council that the accounts of the Administration will be satisfactory.[51]

The Administration's troubles were by no means over. The Controller, strongly supported by LaGuardia, who realized the importance of his work,[52] concentrated primarily on the establishment of control over current activities. This he officially explained during the summer of 1946:

Concentration upon the sole objective of producing audited financial statements has, meanwhile, deprived the Administration of current accounting and financial controls necessary for the efficient management of its affairs. Audited financial statements are not used by business to manage day-to-day affairs for the reason that they cannot be timely. Reliance is placed upon accounting reports, which include estimates and provisions for unliquidated transactions and for contingent assets and liabilities, produced by a coördinated accounting system supported by an appropriate system of internal check.

The Administration clearly should be informed promptly each month of its current position by reports which are based upon the best available information. Such reports, while prepared in accordance with recognized accounting techniques and procedures, may include estimates for transactions in process of settlement and for contingent liabilities and be based on unconfirmed unilateral documentation to a degree not satisfactory to meet the standards for audit clearance and thus require their submission as estimates rather than as financial statements. They are nonetheless the sole

[50] CFC(46)51, Attachment 2, letter, Auditors to Audit Subcommittee, 23 May 1946, p. 2.

[51] CFC(46)51, 23 May 1946, p. 1.

[52] CFC(46)72, Exhibit B, report, Director General to the Council, 3 December 1946; monograph, Howell, "Notes by the Controller," pp. 19–20.

available means of reflecting currently known facts and providing essential information for efficient management.[53]

As a result of this, policy reformation of the pre-1946 accounts somewhat lagged. In the autumn the Auditors noted this concentration but were quite critical of the accounts.[54] It was the view of the Administration that the delays were caused, at least in part, by certain not entirely reasonable demands made by the Audit Subcommittee and the Auditors. Be that as it may, the Administration spent much effort on preparing information for, or answering questions asked by, the Committee. The Audit Subcommittee, toward the end of 1946, submitted to the Administration forty questions regarding accounting practices.[55] The Subcommittee testified later that the Administration "investigated each one thoroughly" and that it had "received a great deal of coöperation from the Controller" and other officials.[56] Even the Auditors sometimes made demands for documenting evidence on certain transactions, which seemed to indicate that they did not fully understand the nature of the operation being conducted by the Administration. One only, but one of the more important examples, of the requirements placed on it, which the Administration considered to be a waste of time and money, involved the check of funds spent by the United States Government for supplies furnished by the Government to UNRRA. The Administration's view, expressed also on other occasions, was given to the Audit Subcommittee in connection with the forty questions:

Vendors' invoices are now under audit by qualified supply people. The Administration is charged on Treasury invoices, and these are presumably subject to further check against microfilm copies or the equivalent original record, since the Administration is charged against Treasury invoices and not vendors' invoices. This is a colossal task, being done following reluctance of the Audit Subcommittee to endorse the Administration's contrary recommendation and is of doubtful value in practical terms, having regard to the original audit of these accounts through U.S. Departments. Well

[53] *Report of the Controller for the Period 9 November 1943 to June 1946* (Washington, D.C., 1946), p. 5.

[54] CFC(46)72, Exhibit A, report, Auditors to the Council, 12 November 1946.

[55] CFC(47)13, report, Audit Subcommittee to CFC, 20 March 1947, and memo, Director General to Audit Subcommittee, "Forty Points," 14 March 1947.

[56] CFC(47)15, minutes 42d meeting, 2 April 1947, statement by Fred L. Preu, chairman, Audit Subcommittee.

over two hundred thousand invoices have to be checked and the work is necessarily proceeding slowly having regard to the current work of those engaged in it. At the closure phase of the Bureau of Supply at Headquarters the work will be accelerated due to the release of Supply's staff to work on a full time basis, but the Administration questions forcibly the wisdom of continuing the work beyond the stage where any amounts which might be recovered from errors disclosed in favor of the Administration could be utilized in furtherance of the Administration's functions.

The Administration's funds are applied on the basis of requisitions. These requisitions are amended when the contract price shows a marked difference, and they are further amended whenever the quantities shipped or the prices charged on the invoice show that the requisition is substantially incorrect. Internal invoices are prepared upon shipment on the basis of the shipping wants and the amended requisition prices. It is believed that these internal invoices represent a reasonably accurate basis for the primary charge to country programs. In any event, due to the tardiness in receiving Government invoices, they are the only means for controlling programs. It is apparent, therefore, that subsequent differences discovered between internal invoices and Government invoices can have no effect on the funds available for programming. Furthermore, the valuation of the programs to recipient countries will not be an accounting addition because many adjustments will be made for world average pricing, etc., and the final distribution report by countries will be a statistical report taken on to the books by a single entry. This, of course, will not prevent the ultimate adjustment of the total United States contribution to the final agreed and audited figure —it merely means that after the programs are closed, the differences will be carried in a general adjustment account.

The foregoing represents the practical viewpoint of the Administration, in the sense of the utility to it of the practice requested by the Committee, but from a practical auditing viewpoint the reservations of the Auditors are fully appreciated by the Administration, as are those of the Audit Subcommittee. It is solely a question of the economic justification. The Administration will shortly present a report outlining some practical limitation of what is theoretically required having regard particularly to the considerable audit costs, internal and external, and lack of financial benefit to be derived.[57]

In spite of all difficulties, however, the Audit Subcommittee, after examination of the *Eighth Financial Report* and the Auditors' comments thereon, was able to report: "Encouraging progress has been made. This is very satisfactory." [58] The Auditors had indicated that the *Report*, subject to certain comments, fairly presented the operation

[57] CFC(47)13, item 23, pp. 4–5; see also monograph, Howell, "Notes by the Controller," pp. 4–5, 36.

[58] CFC(49)1, report, Audit Subcommittee to CFC, 19 January 1949, p. 3.

of the Administration and its financial position. One of their comments was that "expenditures have generally been duly authorized by responsible officials, except that some expenses incurred in the field were not adequately supported by documentation, although otherwise appearing reasonable." [59] The Audit Subcommittee reviewed the undocumented expenses and was "satisfied that the expenditures were reasonable and may be accepted." [60]

In connection with the *Ninth and Final Financial Report*, the Audit Subcommittee reported:

> The Audit Subcommittee has had the preparation of these accounts under review on numerous occasions. At these meetings the various problems were discussed with the Council's Auditors and with the Administration and in all cases satisfactory solutions were reached . . .
>
> In their previous reports the Council's Auditors have drawn attention to defects in the Administration's accounting procedures. The Council's Auditors report that "the unsatisfactory accounting . . . has been so far corrected that it does not affect to any relative material extent the general integrity of the statements covered by this report . . ."
>
> In the opinion of the Audit Subcommittee the form of the financial report conveys clearly the results of the various operations carried out by UNRRA throughout the whole period of its operations. The Audit Subcommittee has reviewed the Ninth Financial Report with the Council's Auditors and the Administrator for Liquidation and has received all the information and explanations it has requested.
>
> In its comments on the Eighth Financial Report the Audit Subcommittee referred to the progress that the Administration was making in remedying its accounting problems. The Audit Subcommittee is pleased to learn that the Auditors can now report that these defects have been remedied to such an extent that the accounts presented as the Ninth Financial Report reflect in a most satisfactory manner the financial operations of UNRRA.
>
> The Audit Subcommittee wishes to draw special attention to the satisfactory nature of these final accounts resulting from the able and intensive efforts of the Administration during the last two years.[61]

The Administration was able to produce a financial report that, if not perfect, did fairly record its operations. The effort which made this result possible was not inexpensive.[62] The Council, however, wanted carefully audited accounts. The cost might have been less had the Administration made a better start and also, in the opinion of the

[59] *Eighth Financial Report*, p. 30. [60] CFC(49)1, p. 3.
[61] CFC(49)2, pp. 1–2.
[62] The Auditors' fee alone amounted to nearly $1 million, Controller's Office.

Administration, if certain unnecessary requirements had not been placed on it.[63] The important thing is that the Council did, in the end, get what it wanted. This, under the circumstances, was no mean achievement by the Administration.

As important as good accounts may have been, even more important was the proper control and use of the resources. They were made available for relief and rehabilitation purposes. Did the Administration use them well? Here judgment can be made, not in terms of the views of a committee or of outside commentators, however valuable such views may be, but in terms of the record. The resources were used as follows:

TABLE 8

DISBURSEMENT OF UNRRA RESOURCES

| *Use* | *U.S. Dollar Equivalents* | *Percentage of Total* | *U.S. Dollar Equivalents* | *Percentage of Total* |
|---|---|---|---|---|
| Commodities and services | $3,069,639,621 | 77.21 | | |
| Transportation, warehousing and ocean freight | 597,721,074 | 15.21 | | |
| Total | | | $3,667,360,695 | 92.42 |
| Administrative expenses | $46,751,255 | 1.18 | | |
| Operating expenses | 189,819,327 | 4.78 | | |
| Expenses of procurement agencies of contributing governments and expenses of organized campaigns | 16,221,544 | 0.41 | | |
| Total | | | 252,792,126 | 6.37 |
| Contribution to Board of Trustees for Rehabilitation Affairs of the Republic of China | | | 5,000,000 | 0.13 |
| United Nations International Children's Emergency Fund | $34,501,065 | 0.88 | | |
| Other international organizations | 8,738,839 | 0.20 | | |
| Total | | | 43,239,904 | 1.08 |
| Grand Total | | | $3,968,392,725 | 100.00 |

Administrative expenses in the narrow sense amounted to only 1.18 per cent. In the widest sense, including expenses of national govern-

[63] Monograph, Howell, "Notes by the Controller," p. 36, and *passim.*

ment agencies and mission operations (which, in fact, included services performed and even the purchase of commodities for the receiving countries and the displaced persons), they still amounted to only 6.37 per cent. Actual misuse of funds by UNRRA personnel—this based on the careful check of the Auditors—was negligible. The sums not used directly by the Administration for relief and rehabilitation purposes (of course, these sums turned over to other international organizations have been used to further work begun by UNRRA) amounted to only 7.58 per cent. In spite of all the difficulties—short supply of desired commodities, restrictions placed on the use of contributions, a time limit on the largest contribution—92.42 per cent of the resources was used for the acquisition and distribution of commodities and services for countries in need. The goal of the Administration—"to ensure the fullest and best use of . . . multiform contributions, to obtain the greatest possible amount of desirable supplies from many sources and to deliver them for use in diverse and changing programs" [64]—was achieved.

[64] *Ninth and Final Financial Report*, p. 8.

# IV. Personnel

## 1. *THE FRAMEWORK*

THE EFFECTIVENESS of UNRRA, a large and hastily created organization without long-established policies and procedures and without clearly defined areas of operation, depended primarily on the effectiveness of its staff. Therefore, the principles and policies which governed the selection, management, and organization of the staff were of paramount importance, for these determined the quality of the personnel; and these people in turn were "the Administration" of UNRRA and gave life and reality to the principles and objectives laid down by the member nations through the Council.[1]

For many months before it came into existence, the organizational and personnel problems of UNRRA were considered in OFRRO. It was largely to this early work that the First Council's Subcommittee on Personnel Policies owed its frame of reference, and it is here and in the practice of the United States Civil Service [2] that one must seek most of the origins of UNRRA's personnel policies.

In addition to drafting the resolution on personnel policies and securing its approval by the United States Government,[3] the OFRRO staff also prepared for Herbert H. Lehman, as Director General Designate, the personnel section of the *Handbook* [4] for the First Session of the UNRRA Council. This contained a valuable section summarizing the major problems likely to be encountered by an international organization.

The other formal step OFRRO took to assist UNRRA in its per-

[1] This chapter draws largely on the comprehensive series of monographs, "History of the Personnel Division," HQ, by Mary Sue Whitman and Edith Watkins. Except where otherwise specified, this chapter deals only with Class I personnel.

[2] Memo, Lehman to members of former staff of the Office of Foreign Relief and Rehabilitation Operations (OFRRO), 17 December 1943 (indicating that conditions of service in UNRRA would be based on United States Civil Service practice).

[3] Resolution 37 was developed at the First Council by Committee I, Subcommittee 3 (on Personnel Policies), largely on the basis of drafts prepared by OFRRO Preparatory Committee XVIII on Personnel Policies under the chairmanship of Philip Jessup.

[4] United States Department of State (State), *Handbook, United States Delegation* (First Session of the Council, Atlantic City, N.J., 1943), section E, especially Document II, "Memorandum on Personnel Policies."

sonnel problems was the establishment of the so-called "Boudreau Committee." [5] This Committee was composed of well-known United States nationals with international interests and experience who served without compensation as an advisory committee to Lehman in suggesting "men of outstanding qualifications from different countries who might be considered for the staff of UNRRA." [6]

By November 1943 the Boudreau Committee had prepared a list of 793 names—all non-Americans.[7] So sketchy was the biographical information supplied, however, that little use could be made of the recommendations, and within six months the report had been pigeonholed.[8]

In the UNRRA Agreement, Article IV, paragraph 4, authorized the Director General to "appoint such Deputy Directors General, officers, expert personnel, and staff at his Headquarters and elsewhere, including field missions, as he shall find necessary, and he may delegate to them such of his powers as he may deem appropriate." In giving the Director General a free hand, the Council at the same time imposed upon him and upon the senior members of his staff the grave responsibility of establishing personnel policies to govern the future staffing of the organization.

To guide the Director General and to lay the basis for an "international civil service," the Council made three main points: [9]

People of all nationalities were eligible for the UNRRA staff; and although the staff was to be "recruited upon as wide a geographical basis as is possible," there was no attempt to set nationality quotas or to interfere in any way with the Director General's complete freedom to comply with the clause governing the principles of selection of staff, namely, that this should be "compatible with efficient administration."

Secondly, the Council laid down that the remuneration of the staff

[5] Frank Boudreau, then of the United States Foreign Economic Administration (FEA), was chairman of the Advisory Committee. Vera Micheles Dean (Foreign Policy Association), Laurence Duggan (United States Department of State, specialist on Latin American affairs), Raymond Fosdick (President of the Rockefeller Foundation), and Jacob Viner (United States Government economic consultant) were its leading members.

[6] Letter, Lehman to Boudreau, 14 September 1943.

[7] "Report for Governor Lehman from Frank G. Boudreau, Chairman, Advisory Committee, Giving Classification of Personnel for UNRRA."

[8] Monograph, Mary Sue Whitman and Edith Watkins, "Personnel Administration in OFRRO," p. 22.

[9] Resolution 37.

be at a "sufficiently high level" to attract the best people available. This guidance was not very precise, but it at least protected the Director General's remuneration policy against unfair attack. Obviously, the salary policy of UNRRA, which was conceived as essentially a relief organization, would be very vulnerable should its conditions of employment seem too liberal.

The "special problems" arising from the "varying salary standards that will prevail in the different countries in which the Administration will operate" were recognized at this early stage, and it was thought at the time of the First Council Session that these could effectively be met by some system of living allowances or other adjustments based on the geographical location of the employee.[10]

The third point made by the Council was an appeal and an exhortation to its members and to other international agencies to release personnel for temporary duty with the Administration.

## 2. *PERSONNEL MANAGEMENT*

The Central Committee took much the same view as the Council in regarding personnel policy and management as outside its scope.

The Committee on Financial Control discussed at length "the personnel policies of the Administration as they affect finance—salary scales and related matters" [11] from 20 December 1943 to 25 April 1944. They came to the conclusion that it was a "most complicated" [12] subject, expressed their "confidence in the wisdom of the Administration," [13] and washed their hands of it. Thereafter, except for justifying to the Committee on Financial Control the number of personnel employed, the Administration was not called upon to do more than keep the Council and its Committee informed of developments in the field of personnel policy.

The memorandum on UNRRA Organization dated 9 March, 1944 [14] established the Personnel (later Personnel and Training) Division as one of the five divisions under the Deputy Director General for Finance and Administration. Its functions were to be the determination of

[10] State, *Handbook, United States Delegation,* Section E, Documents XII, XIV.
[11] Committee on Financial Control (CFC) (43)6, minutes 2d meeting, 20 December 1943.
[12] CFC(44)1, minutes 3d meeting, 14 March 1944.
[13] CFC(44)8, minutes 4th meeting, 25 April 1944.
[14] Sir Arthur Salter, "Note on UNRRA Organization," 9 March 1944.

"scales of pay; conditions of service; general recruitment of personnel and verification of credentials." The Personnel Division was also to be responsible "(in consultation with the Deputy Director General as to the kind of training needed) for the training of field personnel."

The functions and organization of the fully established Division in Headquarters were outlined in November 1944.[15] The Employment Branch had Sections for Resources, Placement and Personnel Utilization, Investigation, and Appointments and Employee Records. The Classification and Training Branches and the Employee Counseling and Services Section completed the unit. Despite many changes in detail, this organizational pattern remained throughout, except that the Classification Branch was transferred within the Bureau of Finance and Administration to the Division of Organization and Management when the latter was formed, and an Outplacement Branch was added during the Administration's rundown period.

The Personnel Division at Headquarters became involved in the time-wasting and bitter jurisdictional conflict between the Bureau of Areas and the Bureau of Supply; in their struggle for power, both were seeking control over personnel appointments, especially those to missions. Fortunately, however, the confusion which this conflict bred reached such a point that eventually the Director General had to make a decision.

Thus, when the battle of the giants was settled, the Personnel Division found itself with the following responsibilities:

> The Personnel and Training Division will assist functional bureaus and divisions in developing staffing plans, preparing position descriptions, and determining qualification standards, and will work with the bureaus and divisions in securing and considering qualified candidates. The Personnel and Training Division will be responsible for (1) the recruitment of qualified candidates and recommendation of the best available candidates to the bureaus and divisions for their consideration, (2) the investigation of the qualifications of candidates, (3) the observance of all personnel policies of the Administration, including salary standards, (4) the maintenance of qualification standards of persons appointed, and (5) the final approval and processing of all appointments. This Division will also be responsible for determining the suitability for field assignment of all native born United States and Canadian nationals.[16]

[15] General Bulletin 87, 14 November 1944.
[16] Administrative Order 57, 27 March 1945.

In July 1945 a second order on "Control of Recruitment for European Region" further strengthened the hand of the Personnel Division by ordering that "no recruitment of personnel for appointment to a position in the ERO or a mission or office reporting to the Regional Office shall be undertaken by any organizational unit at Headquarters except at the specific request of ERO for the assistance of Headquarters," and that all such requests be "immediately routed to the Personnel and Training Division" which "shall, in consultation with the appropriate bureau or other office at Headquarters, recruit such personnel and . . . further process all such personnel actions." [17]

Personnel and training functions for the European region were almost entirely delegated to ERO in May 1945. In the early days the two Offices had gone their own ways, and there was a painful period of adjustment in the first half of 1945 when the different practices which had developed during the era of mutual indifference had to be coördinated. Katzin's surgical methods, in the course of his reorganization of ERO under Jackson, though perhaps arbitrary, resolved the crisis quickly if not painlessly. ERO, with its dependent missions, nevertheless, in the main formulated its own personnel policies until near the end of 1945. In fact, it was not till the rundown began—an operation which was carefully planned ahead, which was agreed upon between Headquarters and ERO, and which was promulgated in clear and definite orders [18]—that the Administration achieved a world-wide personnel policy and procedure. The efficient accomplishment of this operation and the fact that it was generally acknowledged by most members of the staff to be successfully carried out are sufficient proof that in personnel management it is, above all things, essential to have clearly defined policies and procedures which can be understood by the personnel, which are uniform in application, which enjoy the support of the head of the agency, and which are strictly applied by the organizational unit whose function it is to apply them.

### 3. *COMPOSITION OF THE STAFF*

The UNRRA staff was divided into three classes. A Class I employee was defined as "one liable to service within or without his home country, subject to the terms and conditions of international employ-

[17] Administrative Order 68, 11 July 1945.
[18] See Part Two, Chapter VII, Section 7.

ment," [19] whereas a Class II employee was "one locally recruited by a mission or office, who serves only in a country where he is recruited, who is not subject to the terms and conditions of international employment of the Administration." [20] The so-called "Class III" employees, or voluntary agency personnel, were not paid by the Administration but were "those employees of voluntary agencies who are administratively responsible to UNRRA." [21]

As soon as the Administration set up its first field office in Cairo, the practical problem of two categories of employees arose. It was clearly unnecessary, and impracticable in view of the travel difficulties alone, to bring drivers, office cleaners, messengers, and the like from the United States or United Kingdom. These could easily be employed in Cairo, and were.

In remunerating these local employees the Administration followed the practice of the Allied military and civilian authorities in Egypt and paid at the prevailing rates, which in turn were based on local costs and standards of living. Thus the pattern was set; and as UNRRA's field offices opened in the Balkans, in Italy, and in other areas it became the practice for locally employed staff to be employed in accordance with whatever conditions prevailed on the local labor market. Indeed, in several countries [22] the terms of remuneration for local employees were determined in the first place, and varied subsequently, only in agreement with the government.

Had the Administration paid its local employees at rates higher than those being paid for the same type of work by other public services, UNRRA would not only have encountered strong objections from the local government and from any Allied military or civilian agencies in the country, but it would also have disturbed the local labor market and laid itself open to justifiable criticisms on the score of wasteful spending.

In fact, the Administration's policy of following the practices of the labor market in each country led in China to the creation of what were virtually two categories of Class II employees: the Chinese proper, and Europeans resident in China—the so-called "resident foreign employ-

[19] *Basic Headquarters Manual*, Part II, Section 040*c*; *Basic Field Manual*, Part II, Section 040*h*.

[20] *Basic Headquarters Manual*, Part II, Section 040*d*; *Basic Field Manual*, Part II, Section 040*i*.

[21] *Basic Field Manual*, Part II, Section 040*j*.

[22] Italy, for instance.

ees." In China, and especially in Shanghai, there was a significant number of people of European origin, uncertain citizenship, and local domicile. By reason of the higher cost of maintaining a European standard of living, of their generally good command of languages, and of their familiarity with European methods and procedures, they had always been placed in a preferential [23] category by the *quondam* Shanghai municipality and the large European and United States commercial houses operating there. To the Administration these people were a valuable source of trained clerical and administrative staff ready to hand. Past precedent and their own insistence inevitably forced the Administration to give these Class II employees more favorable conditions of service than those applied to Chinese employees. Equally inevitably, this provoked complaints from the Chinese employees—especially the educated ones—that the Administration was practicing racial discrimination, as was, strictly speaking, the case.[24]

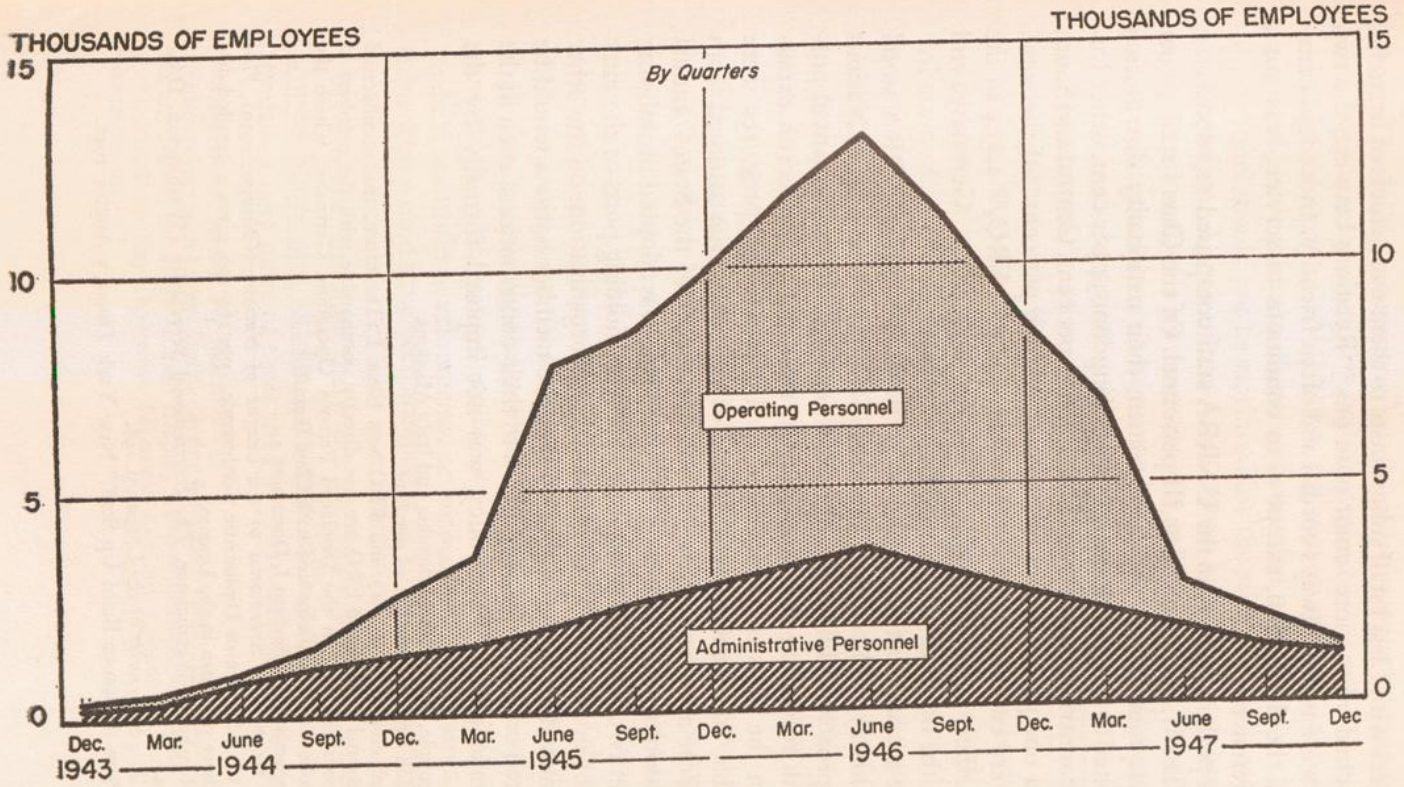
The Administration was much criticized for the apparent discrimination between the Class I and Class II employees, and it was unfortunate that the nomenclature used to differentiate the two groups seemed to carry a derogatory implication toward the Class II staff. On the other hand, it is hard to see how the Administration could have avoided discriminating in the conditions of service of the two categories which differed so widely.

It is difficult, even in retrospect, to offer a practical solution to the problem. On the one hand, the Administration was pledged not to discriminate "on the grounds of sex, race, nationality, or creed"; on the other hand, it needed staff and would have been open to justifiable criticism had it ignored the reservoir of suitable labor at hand and imported labor at far greater expense from the United States or Europe. There was perhaps no satisfactory solution to the problem since it is not easy for an organization to profess efficiency and simultaneously to implement policies politically or socially in advance of the customs of the society in which it functions.

It may, however, be recorded that, despite the difficulties caused by "class distinction," the Class II employees contributed very considerably to the Administration's achievements. In several missions, Class II

[23] The differential was about 30 per cent; see China Office Personnel Division, Circular to Regional Offices, "Wage Policy," April 1946.

[24] Monograph, Hsu Kuan-san, "UNRRA China Office Class II Personnel Policies and Practices," *passim*.




GRAPH I

UNRRA ADMINISTRATIVE AND OPERATING PERSONNEL
DECEMBER 1943–DECEMBER 1947

employees with Class I staff subordinate to them were chiefs of branches and reached other more senior positions.[25] Relations between the two groups were nearly always cordial and often friendly. Indeed, in many missions the distinction, except as to conditions of service, was not a real difference.

At its peak in June 1946 the UNRRA staff comprised 12,889 Class I, 9,962 Class II, and 1,398 Class III personnel. Of the Class I staff 58 per cent were men and 42 per cent women; their nationality distribution was United States 35 per cent, United Kingdom 34 per cent, other European countries 22 per cent,[26] Dominions 7 per cent, Central and South America one per cent, and other countries one per cent. Of the total, 1,823 were employed at Headquarters, 1,601 at ERO,[27] 1,214 in the China Office, 5,191 in Displaced Persons Operations, Germany, and 2,519 in the missions in the European region.[28]

In the recruitment and make-up of its Class I staff UNRRA stood about midway between the League of Nations and the United Nations in its approach. While the League did not follow a mathematical proportion in recruiting and promoting its staff, nor did it recruit exclusively on the basis of professional qualifications, the pressures were such [29] that "the national composition of the Secretariat assumed from year to year a closer relationship to the amount of the States' annual contributions to the League"; [30] in 1932 a rule was adopted prohibiting more than two nationals of a given state from holding posts of the rank of director or above.[31] The United Nations organization, on the other hand, assumed from the beginning that the member nations would be represented on its staff in proportion to their contributions, even in the lower grade jobs.[32] This policy was not imposed formally by the

[25] For example, in the Czechoslovakia and Italy Missions.

[26] Of which France provided 30 per cent.

[27] All staff employed at HQ and ERO was Class I. Therefore, the numbers of Class I personnel at HQ and ERO are not directly comparable with the numbers in receiving countries and in the Displaced Persons Operation, Germany, where the Class I personnel was supplemented with Class II staff.

[28] See Appendix Ten, Section I, Document 1.

[29] Helen Moats, *The Secretariat of the League of Nations* (Chicago, 1939), "International Civil Service or Diplomatic Conference," pp. 164–199, gives a detailed discussion of these pressures in the League.

[30] E. F. Ranshofen-Wertheimer, *The International Secretariat* (Washington, D.C., 1945), p. 354.

[31] Moats, *The Secretariat of the League*, p. 196.

[32] "UN Plans Action to Build Up Staff," New York *Times*, 5 August 1946.

General Assembly but stemmed presumably from the indirect pressures brought to bear by member governments.

The general policy of UNRRA was that an international organization should have an international staff, but that quality and competence of personnel should not be sacrificed for the sake of a wide nationality representation. Appointments were not to be made by governments, but the approval of a government was recognized as desirable when one of its nationals was chosen for a key position. The Director General in all cases, however, maintained his right to make final decisions on appointments,[33] and in some cases he rejected nominations made by member governments.[34]

Putting this policy into practice was not easy. Manifestly, if the coöperation of member governments was to be maintained, the distribution of key posts among their nationals was "a matter of balance and discretion." [35] The Director General and his close associates in Headquarters were, moreover, anxious to avoid either the reality or the appearance of undue United States dominance of the senior appointments. Lehman pressed the member governments to make staff available and to suggest candidates.

The governments in the early months of UNRRA, however, had little from which to choose. While European countries were still under the domination of Germany, the only Europeans available were refugees in the United States or United Kingdom. The exiled governments and their supply missions were themselves seriously shorthanded. Following liberation, the situation was scarcely improved. Of the relatively few technically and professionally qualified personnel who had survived the war, many were broken by privation, out of touch with modern scientific developments, or suspect as collaborators. Most of those who would have been acceptable to UNRRA were badly needed for the reconstruction of their own countries.

As a result, although there was no policy of giving preference to United States and British Commonwealth personnel—in fact, the reverse—many more of these than of other nationalities were perforce

[33] Agreement, Article IV; Resolution 37.

[34] Interviews with Luther Gulick (acting head, Secretariat), Francis B. Sayre (Diplomatic Adviser), and Hugh Jackson (Deputy Director General, Regional Liaison).

[35] Letter, Ruth Ray (Executive Secretary, Advisory Committee) to Boudreau, 19 November 1943.

employed since they were more readily available. Another consideration which put a premium on American and British Commonwealth personnel was the fact that English was the official language of the Administration and, in most cases, it was virtually essential for staff members to have a working knowledge of it. The Administration, as it developed, made every effort to widen the international composition of its personnel; and its recruiting staff ranged far and wide, covering North, South, and Central America, the Southwest Pacific, South Africa, India—and Europe as soon as its countries were liberated.[36]

In the USSR, however, direct recruitment was clearly an impossibility, and it was recognized from the beginning that the Administration would be obliged to rely on the Soviet Government to recommend candidates for the list of positions supplied by the Administration. The candidates proposed were in all cases accepted by the Administration, usually without preliminary interviews.[37] The actual appointments eventually assigned were, however, not infrequently adjusted in the light of the requirements of the offices to which they reported, and it must in all fairness be noted that the Soviet Government made a real effort to supply competent and suitable candidates. The total number of Soviet citizens employed was never great,[38] which is not surprising in view of the pressing needs for relief and reconstruction within the USSR itself.

The Council in no way limited the Director General to the selection of staff from the nationals of member governments.[39] The question of employing stateless persons, ex-enemy nationals, nationals of nonmember governments, and neutrals was, however, for months the subject of almost continuous discussion in Headquarters and ERO. Nondiscrimination was a fundamental UNRRA policy; on the other hand, it was obviously unrealistic to employ personnel who would not be acceptable to the governments with which they would have to work. On the insistence of the USSR member, who opposed their employment,[40] the problem was posed to the Central Committee, which concluded that

[36] See below, Section 4.

[37] M. A. Menshikov (Deputy Director General, Areas, HQ) and N. I. Feonov (Deputy Director General, Supply, ERO) were interviewed at Headquarters before being employed.

[38] Forty-nine at the maximum in September 1946.

[39] See Committee I, Subcommittee 3, minutes of meeting, 15 November 1943.

[40] Note, meeting between Director General and V. A. Klentsov, 5 January 1945; memo, Menshikov to Lehman, 8 January 1945.

it "was a matter within the administrative competence of the Director General." [41] In November 1945 Headquarters finally decided that "where qualified nationals of member nations are not available, other candidates including stateless, may be appointed," subject to the approval of the Deputy Director General of Finance and Administration in Headquarters or ERO, or the chief of mission.[42] Actually, however, very few nonmember nationals or stateless persons were ever employed.[43]

### 4. *RECRUITMENT*

It was one thing to lay down policies on the desired composition of the UNRRA staff, but it was another thing to implement them. The Council's recommendation [44] that remuneration be at a "sufficiently high level" was not only an explicit statement that the member governments considered the Administration's task sufficiently important to warrant the expense of employing the best possible people; it was also an implicit recognition of the unfavorable conditions in the labor market. Indeed, in the spring of 1946, in his valedictory address to the Fourth Council, Lehman said that "the recruitment of an international staff has probably been the most important and difficult single problem with which the Administration has been confronted." [45]

This state of affairs prevailed and, if anything, worsened through 1944 and most of the first half of 1945. It was not until the achievement of victory in Europe in May 1945 that the situation developed more favorably: the start of demobilization speeded the release of men and women from the armed forces; war industries too began to release personnel, and the labor market generally became much easier. Fortunately, it was not until this period that the Administration began to experience its greatest need for personnel for the displaced persons operations in Europe, the UNRRA activity in which the largest number of staff was employed.

The recruiting problem in the beginning was, however, not only made difficult by the shortage of available personnel of all grades and

[41] Central Committee (CC) (45) 3, minutes 10th meeting, 18 January 1945 (Compilation of Documents of the Central Committee of the Council [CC Docs.], I, 71–74).

[42] Administrative Order 82, 8 November 1945.

[43] Monograph, Whitman and Watkins, "Headquarters Recruitment of Non-United States Nationals for UNRRA," p. 165.

[44] See Resolution 37.

[45] *Journal*, Fourth Council, p. 30.

skills, but was complicated by the impossibility of planning and estimating the exact staff requirements for an operation which had not yet taken anything like definite shape. In short, the Director General had to collect a staff appropriate, both in numbers and skills, to undertake an unknown number of undefined relief and rehabilitation operations in an unknown number of countries at unknown dates.

One of the main problems in recruitment was posed by the need for a widespread recruiting machine in order to encourage the widest possible geographic distribution of UNRRA staff appointments. The recruiting machine was of necessity physically scattered, but Headquarters tried for too long to keep its detailed control centralized.[46] On the other hand, when authority for recruitment was eventually decentralized and dispersed, it necessarily took the form of allotting groups of vacancies to particular recruiting offices. This, at least theoretically, conflicted with the principle of selection by merit because it meant that, although all the recruiting offices were working on the same broad lines, a particular applicant for a specific job in, say, Australia was in effective competition only with other candidates in Australia.

The main responsibility for recruitment of personnel was naturally placed on the Personnel and Training Division. This, however, was, in the beginning at least, somewhat theoretical, and in practice most of the key employees—executive, administrative, professional, and technical—were recruited by the functional units responsible for their work. Governor Lehman selected the deputy directors general and other employees on that level, who in turn selected their own principal assistants—and so the process went on. Thus, the Personnel Division's main recruiting tasks were to deal with the applications for employment that the general publicity surrounding UNRRA brought in, to process candidates selected by other parts of the Administration, ensuring as far as possible that such appointments conformed with the Administration's policy, and to recruit the middle and lower grade employees[47]—that vast army of workers who were just as essential to the success of the Administration as were their more highly paid and prominent colleagues.

[46] For example, monograph, N. O. P. Pyke, "Leading Aspects of the United Nations Relief and Rehabilitation Administration in the South-West Pacific Area," Chapter III, pp. 14, 75, 77; Chapter XVIII, p. 9.

[47] Salter, "Note on UNRRA Organization," 9 March 1944.

With its Headquarters in Washington its only office in the beginning, UNRRA's organized recruitment naturally started in the United States. Recruitment by Headquarters was not, however, confined to United States citizens; the war had brought to the United States an appreciable number of people of all nationalities who had lost their normal occupations by reason of the war and who were eager to work for UNRRA.

As far as United States citizens were concerned, a large proportion of the recruits came in the early stages from United States Government agencies, particularly from the temporary war agencies. Recruitment was handled by a contingent of personnel officers on the Headquarters staff, together with personnel borrowed from the divisions, or recently recruited field staff awaiting transportation overseas. The United States Civil Service Commission also helped with the loan of representatives in nine major cities of the United States to locate and screen recruits from their areas.[48]

The heavy initial flow of applications pressed hard on the still small staff. Eight personnel officers had to cope with applications at the rate of seventy-five a day in the six months up to February 1945.[49] Most of these applicants were people already employed and therefore frequently not available; others were in the armed services; and yet others were obviously unsuitable for employment by UNRRA. It was necessary, however, to screen this flood of candidates in order to achieve the average of 159 professional and 65 clerical appointments made monthly in 1944 by Headquarters.[50] Although form letters and other such administrative devices were developed to deal expeditiously with these candidates, there is no doubt that in the early days the Personnel Division fell behind in its work and tended to give inadequate attention to individual applications, with the result that some suitable recruits were lost and, conversely, some unsuitable candidates were employed.[51]

The Administration's real problem was that, although it did not know exactly what it would be required to do and when, it did know that it would be required to act quickly when called upon. In many ways its position was similar to that of an army, but an army has unallocated

[48] Monograph, Whitman and Watkins, "Recruitment of United States Nationals," p. 1.

[49] Monograph, Whitman and Watkins, "UNRRA's Personnel Division," Section I, p. 39.

[50] *Ibid.*, p. 43.

[51] *Ibid.*, p. 39.

reserves of trained manpower in reinforcement depots and therefore does not have to start *ab initio* every time there is a call for personnel. The Administration, working on the thrifty principle that personnel should not be employed until they were actually wanted, was not prepared to accept the necessity for such a "reinforcement depot," although it did, of course, keep records of possible future candidates. Moreover, the Administration recognized that, in a civilian organization, personnel employed and then kept waiting for assignment lose interest and enthusiasm and become a morale problem as well as a subject for outside criticism.

The successful landings in Normandy on D-Day in 1944 and the advance of the Allied Expeditionary Forces through France and Belgium, together with the fall of Rome and the advances of the Soviet armies on the Eastern front, all occurring during the summer of 1944, no doubt influenced the Headquarters decision [52] to speed up recruitment. The time for field operations was obviously approaching.

The subsequent slowing down of military operations in Europe in the autumn gave rise to second thoughts. Headquarters took stock [53] and found out that ERO had also been recruiting for the displaced persons operations.[54] No doubt, too, in addition to the statistics, there was other pressure, both internally from the idle and disgruntled recruits [55] and externally from critics accusing the Administration of wasting money.[56] The results were consternation and a decision to curtail recruitment at once. This decision was made as suddenly as the decision to step up recruitment, and pursued as vigorously.[57]

It was perhaps understandable in the circumstances that Headquarters refused to go ahead on the displaced persons recruitment budget

[52] Director General's staff meetings, minutes, 7, 14 August 1944; monograph, Mary Sue Whitman and Edith Watkins, "Recruitment of a European Mission Personnel Reserve," pp. 7–8.

[53] Memo, Richard R. Brown (Chief, Staff Services Division, Bureau of Areas) and William G. Welk (Chief, Western European Branch, Bureau of Areas) to Menshikov, "Recruitment of Field Personnel," 11 October 1944.

[54] Monograph, Whitman and Watkins, "Recruitment of a European Mission Personnel Reserve," pp. 17–18; letter, Frank Munk (Personnel Division, HQ) in London to Harry M. Cassidy (Personnel Division, HQ), 13 October 1944.

[55] Monograph, Marion Clausen, "The Training Program," p. 19; Headquarters Training Branch staff meeting, minutes, 17 August 1944, p. 1.

[56] Notes by Treasurer's Office staff on meetings of Committee on Financial Control during Second Council Session in Montreal, September 1944.

[57] Monograph, Whitman and Watkins, "Recruitment of a European Mission Personnel Reserve," pp. 18–26; memo, Hendrickson (Acting Director General) to Bernard L. Gladieux (Bureau of Finance and Administration), 13 December 1944.

sent by ERO in September 1944.[58] The London Office, however, started recruiting for this program in that month; [59] the Headquarters Personnel Division was not authorized to proceed until February 1945, nearly six months later.[60]

Thus, the early history of recruitment by Headquarters provided a classic example of "order, counterorder, disorder." Apart from the administrative confusion which ensued and the great strain placed on the Personnel Division, this had an unhappy effect on the staff. It gave them every reason to doubt the efficiency of the Administration and gave rise to much discontent and subsequent dissatisfaction. As personnel recruited for unspecified posts in the so-called "European Mission Personnel Reserve" were reassigned and shuffled about, they became convinced that the Administration did not know what it was doing, as indeed was temporarily the case!

After the spring of 1945, however, recruitment proceeded at a more even tempo. By the time the displaced persons recruitment program was tapering off, recruitment became necessary for China. These needs were, however, to some extent met by the reassignment of staff from Europe—possible because some of the older European missions began to slow down before the operations in China had reached their peak.

ERO, in addition to recruiting the bulk of its own staff of over 1,500 persons, was responsible for the recruitment of most of the British and other European staff of the Administration, especially the large numbers used in the Displaced Persons Operations in Germany and Austria. The UNRRA offices in Paris, Brussels, the Hague, Copenhagen, Oslo, and Cairo were very active in recruiting not only nationals of the countries they were in, but also personnel from the Allied armed forces in those countries. In London and elsewhere in Europe the cooperation of the government and military authorities concerned was of the greatest assistance.[61] A few Continental countries were no doubt partially influenced in making facilities available for UNRRA recruitment by their understandable desire to better the condition of some of their citizens.[62] There was a tendency to regard UNRRA appoint-

[58] Monograph, Whitman and Watkins, "Recruitment of a European Mission Personnel Reserve," pp. 21, 26.

[59] *Ibid.*

[60] *Ibid.*

[61] Monograph, Whitman and Watkins, "Headquarters Recruitment of Non-United States Nationals for UNRRA," p. 134.

[62] *Ibid.*

ments as rewards for wartime services with the underground movements; it was only in its recruitment of French nationals, however, that the Administration was injured by the employment of a large proportion of unsuitable individuals.[63]

In Canada the Administration established Citizens' Panels in various important cities to stimulate interest in UNRRA's recruiting campaign. The Personnel Division also had a Canadian representative in Ottawa, and it enjoyed the willing coöperation of the armed service authorities. Through its Embassy in Washington, the Canadian Government urged that its nationals be represented on the staff of the Administration, and it made every effort to facilitate recruitment in Canada. Moreover, the Canadian Government was one of the most responsive when asked to assist the Administration by making higher level people available: [64] Andrew Cairns [65] was made available to head the Food Division at Headquarters early in 1944; Jackson's request for "two or three Canadians with general administrative experience" [66] resulted in the addition of Brigadier Charles M. Drury,[67] Major General Charles Stein,[68] and Captain Lawrence J. Lismer [69] to the staff.

Within the Administration the impetus for Latin American recruitment came from Francis B. Sayre, Diplomatic Adviser to the Director General, who was conscious of the fact that getting contributions for UNRRA from the not very affluent Latin American countries would be influenced significantly by their representation on the staff.[70]

Until late in 1944 the Administration had no office in South America, but the Personnel Division tried to obtain through the United States State Department, the United States Department of Labor, and other similar bodies, names of suitable Latin Americans to be approached with offers of employment. The Boudreau Committee recommendations were also considered in this connection.[71] Eduardo Santos, who had been President of Colombia from 1938 to 1942 and was Deputy

[63] *Ibid.*, p. 135.
[64] *Ibid.*, pp. 55–72.
[65] See Part Three, Chapter IV, Sections 1, 5.
[66] Letter, Jackson to L. B. Pearson (Canadian Ambassador to the United States), 25 August 1945.
[67] Chief, UNRRA Poland Mission, see Part Five, Chapter VI.
[68] Deputy Chief, Finance and Administration, ERO.
[69] Director, Accounts and Audits, Bureau of Finance and Administration, HQ; see Part Two, Chapter II.
[70] Memo, Sayre to Harris, 22 June 1944.
[71] Monograph, Whitman and Watkins, "Headquarters Recruitment of Non-United States Nationals for UNRRA," pp. 39–40; memo, Walter A. Chudson (Bureau of Supply) to Corson, 7 June 1944.

Director General for Liaison with American Republics, also advised that Latin American candidates should be sought among those residents in the United States, since it was among these Latin Americans that the necessary technical and language qualifications would be found, and also because he thought it unlikely that the Latin American Governments would be prepared to release suitable personnel from the limited number resident in their own countries.[72]

Accordingly, when the first UNRRA mission to Latin America[73] set off in August 1944, one of its subsidiary tasks was to explore the possibility of recruiting Latin American personnel for the Administration. It was not anticipated that the mission would make any actual appointments or take any action that might commit the Administration, but it was hoped that it would be able to establish contact with local organizations and agencies which might provide recruitment assistance. At the same time, Headquarters tentatively reserved certain positions for eventual Latin American applicants.[74]

The mission found that public information concerning UNRRA was extremely scanty, that few people outside government circles had ever heard of the Administration, and that the governments themselves knew very little about it. The mission did not have much time to devote to recruiting questions. They concluded that, owing to the shortage of suitable personnel, together with the general lack of interest in UNRRA in the Central American countries visited first, there would be little to be gained by setting up any elaborate recruiting organization and that it would be undesirable to rob the Latin American countries of the few qualified persons available.[75] Apart from limited trips for the recruitment of medical and welfare personnel, it was only in Brazil that, for some months in 1945, a resident recruiting officer (a Brazilian civil servant[76] on loan from the Government) was used.[77]

By the end of July 1945, the various recruiting efforts in Latin America, especially the medical recruiting missions under Dr. Herbert

[72] Memo, Harris to Corson, 12 July 1944, on conference with Santos.

[73] Headed by Santos and Laurence Duggan (Assistant Diplomatic Adviser, HQ; formerly Adviser on Political Relations with the American Republics in the State Department), this mission was primarily responsible for sounding the Latin American Republics regarding the possibility of their contributing to UNRRA.

[74] Memo, Milton P. Siegel (Assistant Treasurer, HQ) to Corson, 9 August 1944.

[75] Report, Duggan to Sayre, 19 October 1944.

[76] Murillo Braga de Carvalho.

[77] Monograph, Whitman and Watkins, "Headquarters Recruitment of Non-United States Nationals for UNRRA," pp. 44–47.

Abrams and Dr. Ricardo Alfaro,[78] had resulted in 107 appointments.[79] After that, with the peak of recruitment over, the amount of effort needed was not thought to justify any further recruitment in Latin America.

The Administration's apparent indifference to the possibilities of recruitment in India was thought to be one of the factors contributing toward the hostile attitude Hendrickson encountered when passing through that country in November 1945. There was also some feeling that the failure to employ more than one Indian was due in part to racial discrimination.[80] In January 1946 a personnel officer was, therefore, sent to New Delhi for nearly two months of intensive recruiting. The Government invited civil servants to apply, and approaches were made to the general public through various organizations, learned societies, universities, and press advertisements. The result was disappointing: some 250 applications, about 70 through Government channels; and only 18 appointments.[81]

The Australian Government wanted to take an active part in the work of UNRRA and was very anxious to be represented adequately on its staff. Herbert Evatt, Minister for External Affairs, was the leading spirit in the formation of the Australian Council for UNRRA [82] of which he was chairman. As early as July 1944 the Australian Embassy in Washington asked the Administration what its plans were regarding recruitment in Australia, and suggested that a representative be sent to deal with this matter on the spot.

A preliminary mission from Headquarters in the autumn of 1944 initiated the Administration's recruitment campaign which was continued by the Southwest Pacific Area Office after its establishment.[83] In New Zealand, the Government gave the Administration's representative very active support during the several recruiting trips made there from the Southwest Pacific Area Office, and the Government itself bore the main share of the burden of recruitment before the

[78] *Ibid.*, pp. 47–48.

[79] *Ibid.*, p. 49.

[80] Cable, Chungking to Washington 1371, 9 November 1945.

[81] Monographs: Hiram Milton, "India Recruitment"; Rajaram V. Gogate, "India"; Henry R. Atkinson, "UNRRA Office in India, December 20, 1945–October 31, 1946."

[82] See Part Four, Chapter V.

[83] For further details on recruitment in Australia see monographs: Whitman and Watkins, "Headquarters Recruitment of Non-United States Nationals for UNRRA," pp. 72–93; Pyke, "Leading Aspects of the United Nations Relief and Rehabilitation Administration in the South-West Pacific Area," especially Chapter XVIII.

Administration's liaison office was established in New Zealand in December 1945.[84]

In general, the South African Government seems to have been less interested than the other members of the Commonwealth of Nations in being represented on the UNRRA staff. Early in 1945 the Government, while pointing out that it was "not expected that the Union would be able to allow a large number of persons to leave for service abroad," suggested the Union Public Service Commission, with an *ad hoc* selection committee, as the agency for the recruitment of UNRRA staff in South Africa.[85] The Administration gladly accepted this proposal as being on the same lines as those developed satisfactorily in New Zealand.[86]

The Legal Adviser of the International Labor Office had warned that it was

> specially important to avoid at all costs the recruitment of any substantial number of people who gravitate to an international center because they cannot find a place in any community with more established standards. People with dubious academic qualifications, people whom other people want to get rid of, and failures with frustrated outlooks seeking for some new start are all too apt to appear on the international doorstep. It is important that the door should be kept firmly barred against their entry.[87]

Despite this good advice, however, the pressing sense of urgency, the lack of clear-cut personnel policies, and the impossibility of planning and estimating the exact staff requirements for an operation which had not yet taken definite shape gave the early recruiters of UNRRA staff every excuse for making mistakes, and mistakes they inevitably made.

Unfortunately, some of the unsuitable individuals employed in the first rush of the early days were sent abroad, and especially to Cairo, where the UNRRA Balkan Mission, the Administration's first—and

[84] For further details on recruitment in New Zealand see monographs: Whitman and Watkins, "Headquarters Recruitment of Non-United States Nationals for UNRRA," pp. 94–100; Pyke, "Leading Aspects of the United Nations Relief and Rehabilitation Administration in the South-West Pacific Area," especially Chapter XVIII.

[85] Letter, S. F. N. Gie (South African Minister in Washington) to Lehman, 28 February 1945.

[86] Monograph, Whitman and Watkins, "Headquarters Recruitment of Non-United States Nationals for UNRRA," pp. 100–104.

[87] C. Wilfred Jenks, "Some Problems of an International Civil Service," *Public Administration Review*, III, No. 2 (Spring 1943), 96.

possibly most unhappy—overseas venture, was taking shape.[88] In a sense, these people were the ambassadors of UNRRA. The Administration had still had no chance to operate on any important scale and there was, therefore, a natural tendency to judge it by the attitudes and behavior of its representatives. It was regrettable that these people were employed at all. It was even more to be regretted that they were sent abroad and allowed to catch the public eye. Ordinarily they would have done no great harm before being weeded out, but this was no ordinary state of affairs; the very hopes and ideals and the concept of international coöperation which attracted support and interest to UNRRA led to the expectation of a high standard from its staff and a corresponding intolerance of human weaknesses. It is, of course, impossible to make any quantitative assessment in such an intangible field, but there is no doubt that some of the good will with which UNRRA was endowed at first, and which was its due, was dissipated by the employment of a relatively small number of unsuitable individuals at the start.

The more positive advice implied in Jenks's warning, namely, that an international civil service should do everything possible to attract people of the best type from national government and private appointments, from the professions, and from the academic world, was even more difficult to implement. It was one thing to keep the unwanted people out, it was another thing—and one less within the control of the Administration—to get the needed people in.[89]

### 5. *TRAINING*

Although candidates were expected to have the qualifications required by the job for which they were applying, it was recognized that many of the UNRRA staff—especially those going overseas—would be faced with special problems by virtue of their status as international officials; accordingly, it was decided, whenever possible, to give employees a short period of training and orientation which would include brief service in a related division.

The first training course started at the Headquarters Training Center at the University of Maryland just outside Washington on 1 May

[88] See Part Five, Chapter I.

[89] This difficulty was repeatedly brought to the attention of the Council, see *Journals:* Second Council, p. 54; Third Council, p. 22; Fourth Council, p. 30.

1944. This first course was eight weeks long, but increasing pressure from the field as staff requirements developed later reduced the normal period to two weeks. Training centers were also operated at various times in the United Kingdom and at Granville in France. The latter was primarily a center for training personnel for the displaced persons operations, and served also as a center for the mobilization and organization of displaced persons teams.

There can be little doubt that the training provided for field staff was of value. It could have been more useful if circumstances had permitted attendance at the courses to be more complete, if more instructors with field experience had been available at the Headquarters Training Center in 1944 and 1945, and if the staffs had not been handicapped by never knowing when courses would be broken up because unexpectedly early development of travel opportunities prematurely took "students" away.

A secondary but important function of the Headquarters training course was to serve as a probationary period for further evaluation of the new recruits. Unfortunately, it was not until October 1945,[90] when practical experience had demonstrated all too clearly the dangers of posting unsuitable staff to field appointments, that this really became effective; during the earlier period the operating units of the Administration had successfully contested the competence or authority of the Personnel Division to weed out recruits from the Training Center.

### 6. *CONDITIONS OF SERVICE*

The conditions of service for Class I employees were supposed to be the same throughout the Administration, and by the middle of 1946 the desired uniformity had very nearly been reached. With regard to Class II employees, however, uniformity could not be and never was sought. One important factor that all Class II terms of employment had in common was that payments could be made only in local currency, except on the few occasions when Class II employees were required to travel and then received money for their travel expenses in the currency of the countries being visited.[91]

Costs and standards of living in the many different countries in which

[90] Administrative Order 80, 31 October 1945.

[91] For example, the journey of F. Consolo (Chief, Programs Branch, Italy Mission) in May 1946 to attend the third Headquarters Supply Conference in Washington.

the Administration employed local staff varied widely. The additional variations introduced by local customs and various legal requirements made standardization impossible, even in principle. The conditions of service and terms of remuneration of Class II employees were determined separately for each country, generally by the missions in consultation with the governmental authorities and subject to approval by ERO or Headquarters.

### Nature and Duration of Contracts

As a temporary organization which did not in the earlier part of its existence know what its personnel requirements would be, the Administration made its contracts with its employees as flexible as possible. Class I staff were normally employed indefinitely on the basis of one month's notice on either side.[92] Employees required to go overseas were protected, however, by repatriation rights.[93]

In certain special cases, the Administration also entered into time contracts with individual employees: technical consultants, for instance, who were required to do a specific job, were generally employed for a specified period agreed upon beforehand. This arrangement enabled the Administration to have the benefit of the services of individuals needed for specific short-term tasks without encumbering its permanent staff with specialists who were required only temporarily.[94]

### Salary Scales

The first salary scale was issued on 16 February 1944 at Headquarters, and in effect followed fairly closely the United States Federal Government salary scales and gradings.[95] There were fifteen [96] grades—from grade 1 up to the top—and all except a few of the most senior employees, who were paid special salaries above grade 15, were remuner-

[92] *Basic Headquarters Manual*, Part II, Sections 303*a*, 511, and 521.2; *Basic Field Manual*, Part II, Sections 040*k*, 511.1, and 521.3.

[93] *Basic Field Manual*, Part II, Sections 551–557.

[94] *Basic Headquarters Manual*, Part II, Section 303*d*; *Basic Field Manual*, Part II, Section 303.

[95] This is borne out by the fact that the salaries of the UNRRA staff prior to 16 February 1944 (when they were being paid on the United States Government scale as OFRRO officials) totaled $1,400,659.12 per annum, whereas the salaries of the same staff on the first UNRRA scale amounted to $1,423,080 per annum; see monograph, Whitman and Watkins, "Development of Personnel Policies," p. 65; General Bulletin 7, 17 February 1944.

[96] Initially, there were only fourteen grades, as in the United States Civil Service; see General Bulletin 6, 15 February 1944.

ated in accordance with their grade and the national salary scale applicable to their home station. The grading of each appointment was determined in accordance with a classification system developed by the Organization and Management Division after the summer of 1945.[97]

Soon after the establishment of the Administration, it became clear that the salary problem in an international organization, employing staff of many nationalities and using them in many countries, differed fundamentally from that of a national government service. The Administration faced two main problems: that of making temporary employment with UNRRA attractive; and, secondly, that of coping with the varying salary standards that prevailed in the different countries in which the Administration would operate.

On the first problem the Council suggested that the terms of remuneration should be "at a sufficiently high level." The second was also recognized by the Council, but no guidance was given as to how it should be met. In fact, it consisted of two sets of problems: those arising from the international composition of the staff; and, secondly, those arising from the necessity for this international staff to operate in different countries under different conditions and with different costs of living.

The first set arose from the fact that salary scales in the countries from which the staff were recruited, when equated at official rates of exchange, varied very widely. In the United States, for instance, salary scales for Government employees and for all categories of workers in commerce, industry, or the professions were substantially higher than similar scales obtaining in, for example, France or the United Kingdom. Salary scales were, in fact, related to costs of living, and as long as the cost of living varied from one country to another it was inevitable that scales of remuneration would also vary. To have given all employees the same scale would have meant, in effect, giving all of them the highest scale, and it is safe to say that to have done so would have given rise to considerable criticism.

The temporary nature of the Administration provided the solution to this problem. As a temporary employee, it was assumed that an UNRRA employee would retain his roots in his country of domicile, which would generally be his country of origin. Accordingly, different

[97] The ERO Classification Manual, issued in October 1945, was the first standard handbook in UNRRA on the subject.

salary scales were ultimately developed, on the basis of "home stations," [98] for the different nationalities or groups of nationalities that made up the UNRRA staff.

The first salary scale was issued by Headquarters in February 1944.[99] In July of the same year ERO independently published an entirely unrelated schedule of salaries and wages.[100] In the absence of clear instructions, in March 1945 the Middle East Office in Cairo developed its own salary scales for United States, United Kingdom, and local personnel.[101] There followed a period of confusion during which Cairo received a United Kingdom salary scale from Headquarters,[102] another from ERO,[103] and a visit from the Headquarters Director of Personnel who, on his own authority, produced yet another.[104] Conflicting instructions and inconsistent practice produced similar confusion in the other field offices then operating.[105] It was not until July 1945 [106] that the first specifically United States and United Kingdom salary scales came into being and paved the way for the development of the system of twenty-seven related national scales. Salaries were payable, at the employee's option, either in the currency of his home station or in that of his duty station.

The salary scales and the salary policy ultimately developed were admirably suited to UNRRA's requirements and fair to the staff. Unfortunately, however, they did not come into being until nearly two years of often pointless argument, misunderstanding, and delay had created an unnecessary number of anomalies, individual injustices, and general confusion.

### Living and Quarters Allowances

The problems arising from the assignment of staff away from their home stations were held to affect all of them equally, regardless of nationality, and were met by developing a system of living allowances

[98] See below.

[99] General Bulletin 6, 15 February 1944.

[100] ERO Staff Regulations Handbook, July 1944.

[101] Monograph, Whitman and Watkins, "Development of Personnel Policies," p. 84.

[102] Cable, Washington to Rome 223, 31 March 1945.

[103] Letter, G. S. Mooney (Executive Secretary, ERO) to Sir William Matthews (Chief, Balkan Mission), 20 February 1945.

[104] Monograph, Whitman and Watkins, "Development of Personnel Policies," p. 87.

[105] See, for instance, letter, R. J. Downie (Greece Mission) to Lewis H. Rohrbaugh (Greece Mission), 22 June 1945.

[106] ERO Administration Order A.109, 3 July 1945 (effective 1 July 1945); Administrative Order 37 (Revised), 4 July 1945.

which applied to all such employees, but which varied in amount from one country to another in accordance with local conditions. From the earliest days, indeed in OFRRO, it had been forseen that international staff members would require some subsistence allowance when away from their ordinary places of residence.[107] United States Government practice was to give employees allowances in accordance with their salary group, with the conditions in the country in which they were stationed, and according to whether they had dependents. While this type of arrangement may well have been satisfactory for an established organization like the United States Civil Service, it proved rather too involved to suit UNRRA's requirements. A further complication lay in the fact that, owing to the conditions obtaining in many of the receiving countries when UNRRA started its operations, it was necessary for the Administration to provide its Class I employees with actual accommodations and mess facilities. Living allowances, therefore, were necessarily provided wholly or partially in kind.

As in the case of salaries, the first two years represented a period of discussion and argument. Eventually, however, the sensible policy that living allowances should compensate employees for additional expenses incurred through having to live abroad was adopted. The interpretation, however, was left to the individual missions which generally tended to construe it somewhat generously so that in practice, in most receiving countries, Class I employees were provided either in local currency or in kind with allowances which enabled them to have board and lodging at a reasonable standard free of cost. In the case of personnel employed overseas, but not in a receiving country (for example, United States citizens at ERO in London), the allowances were more in keeping with the Administration's policy and did not cover the total cost of the employee's living, but merely the additional expenditures incurred.

As part of the legacy from the United States Government practice, UNRRA provided for a dependents' or so-called "separation" allowance for its personnel stationed overseas. At first, the dependents' allowance was linked to the living and quarters allowance. In keeping with United States Government practice, the living and quarters allowance varied according to whether the employee had any dependents as well as in accordance with his salary scale. Thus, the maximum rate of

[107] State, *Handbook, United States Delegation,* Section E, Document XIV.

$7.50 established for Cairo in 1944 was divided into $4.00 per diem as the "separation allowance" and $3.50 as the "living allowance"; the latter was to vary in accordance with cost of living, but the former was to remain constant. The basis of the separation allowance of $4.00 cannot be ascertained, but most personnel recruited for overseas service regarded it as part of their salary. Furthermore, owing to loose administrative practices at the time, many employees were given the full $7.50 per day allowance, regardless of their dependency status, and were naturally reluctant to forego it later.[108]

With effect from October 1945 the dependents' allowance had been abolished [109] and was replaced by the simpler policy of providing free food and lodging at a reasonable standard, or a cash allowance in local currency in lieu thereof, to all employees stationed in receiving countries or in Germany. It was considered, and rightly, that this protected employees, regardless of their dependency status, against shouldering any additional expenses due to service overseas.[110] Of couse, it did give more benefit to those employees who did not have to maintain homes at their home stations. The Administration has been criticized for being overgenerous in the matter of allowances, but it is difficult to frame regulations and procedures that will avoid creating individual cases of hardship or of undue advantage, and there was a natural and proper tendency in UNRRA to legislate for the majority of cases, although this inevitably meant that particular individuals sometimes benefited unjustly.

### Home Station

Although the concept of a home station for each employee may have been artificial, it was very important to the employee. His home station determined the salary scale on which he would be paid and the currencies in which his salary would be payable; [111] it affected his

[108] Monograph, Whitman and Watkins, "Development of Personnel Policies," pp. 182–214.

[109] ERO Administration Order A.152, 27 September 1945; cable, London to Washington 4117 (repeated to all European missions), 22 September 1945. Employees drawing dependents' allowances at that date were given six months' grace to adjust themselves to the change, and continued to draw allowances through 31 March 1946.

[110] Monograph, Whitman and Watkins, "Development of Personnel Policies," pp. 211–212; cable, London to Washington 4117 (repeated to all European missions), 22 September 1945.

[111] In a world where currencies were not freely interchangeable and where some could not command the same purchasing power as others, the currency in which an employee could draw his salary often had an important bearing on its effective worth.

repatriation rights and it determined his entitlement to living and quarters allowance, since only employees assigned to duty away from their home stations were entitled to such allowances. By November 1944 [112] the problem of defining "home station" was worrying the Administration. Seemingly, the simplest solution would have been to take citizenship as determining home station. That, however, would not have covered the case of a citizen of one country normally resident in another. Domicile was also considered as a definition, but was itself not very clearly defined. The suggestion that the home station should be the country in which the employee was recruited was quickly discarded because it would clearly have been unfair to the many British and United States employees recruited directly from the Allied forces stationed in all parts of the world. When the Administration was doing its recruiting, large numbers of people found themselves, as a result of the war, in countries other than their own and in some cases with little possibility or desire to return to their own country. Determining the home station of a Czechoslovak citizen temporarily residing in Bolivia, who intended to take up permanent residence in England after his period of service with the Administration, or of a Polish citizen resident in London, who intended to become domiciled in the United States, was indeed difficult, and it is not surprising that the definition of "home station" led to much discussion and controversy.

Administrative Order 36, issued by Headquarters on 13 November 1944,[113] generally accepted citizenship as determining home station. It was fortunate that in most cases the determination of home station was easy and not subject to argument because, since the decision in doubtful instances was left to a variety of officials and organizational units, the result in borderline cases was a series of individual and not necessarily consistent decisions. The final interpretation was as follows:

> At the time of appointment of each employee, the Division of Personnel and Training shall determine his home station, which is the city to which the employee will be returned on the termination of his appointment. The determination of the home station of an employee shall conform to the following provisions:
>
> *a.* If the employee is residing in the country of which he is a national, the home station will ordinarily be a city in that country. If the Adminis-

[112] Administrative Order 36, 13 November 1944.
[113] *Ibid.*, Appendix A.

tration has an office in that country, it will be the capital or principal city of the country of which he is a resident. Washington, D.C. shall be designated as the home station for employees who are citizens of the United States or Canada.

*b.* Persons recruited from the armed forces or other agencies of member governments who are temporarily stationed abroad because of their employment, will be entitled to have a city in their home country designated as their home station.[114]

As with so many things relating to personnel administration, a satisfactory procedure was eventually worked out, but the lack of a clear policy, and especially the lack of consistency in dealing with the difficult cases during the first two years of the Administration's existence, created many problems and necessitated sometimes painful adjustments in individual instances.

### Provident Fund, and Pension Rights of Employees on Loan

The Council recommended [115] that member governments make available to the Administration suitable persons in their own civil service and "take proper steps to ensure that the establishment rights and status of such persons shall be in no way adversely affected by their temporary employment by the Administration." As a temporary organization, UNRRA obviously could not adopt any sort of pension scheme, but in the case of employees loaned, or "seconded," by another organization, care was taken to ensure that their pension rights with their parent government or organization would be retained.

To meet the requirements of the bulk of the employees, those not seconded from other organizations, a Provident Fund was set up into which all employees automatically paid 5 per cent of their current salaries. To this 5 per cent the Administration added 7.5 per cent, making a total of 12.5 per cent. At the end of an employee's service this accumulated 12.5 per cent of total salary was paid to him as part of his emoluments, except in the case of an employee discharged for misconduct, who was refunded only the total of the deductions made from his salary. Employees with less than six months' service also received only the refund of the deductions, except in special cases.[116]

[114] *Basic Headquarters Manual,* Part II, Section 320; see also *Basic Field Manual,* Part II, Section 320.

[115] Resolution 37.

[116] *Basic Headquarters Manual,* Part II, Sections 830–837; *Basic Field Manual,* Part II, Sections 840–847.

TERMINATION

Employees could be "terminated" by dismissal, for reasons of reduction in force, for health reasons, or by resignation. Some of the most difficult problems of personnel administration in the field arose out of the provisions concerning termination by dismissal [117] for "unsatisfactory or unsuitable performance" or for "misconduct." [118]

The Administration took every possible precaution to protect its employees from being victimized by dismissal for inadequate reasons. The only protection the ordinary employee in the field had against the whims and prejudices of an often untried mission chief were the regulations. In effect, they provided that an employee could be dismissed only when he had been proved guilty of misconduct or had been demonstrably unsatisfactory or unsuitable.[119] Except in very flagrant cases, these charges were extremely difficult to prove. The attempt to define "misconduct" furnishes a good example of the type of regulation which, by hampering the discretion of men on the spot with too much detailed prescription, is so difficult to administer in practice:

> An employee may be discharged without notice and returned to his home station for serious misconduct involving but not limited to such actions as: (*a*) dishonesty, (*b*) violation of the military or the civil laws of the country where stationed, (*c*) lack of neutrality, (*d*) intoxication, (*e*) violation of official confidence, (*f*) speculation or improper dealings in foreign exchange, (*g*) use of official position, authority or property for personal pecuniary gain or advantage, (*h*) abuse of authority, misfeasance or malfeasance of office or trust, and (*i*) conduct of such character as to bring the reputation of UNRRA into disrepute . . .[120]

The necessity of trying to fit misconduct within the terms of this by no means comprehensive catalogue of human sins often led to charges of misconduct not being pressed because it was easier to allow the accused to resign or to terminate his employment on the ground of reduction in force—with all the attendant benefits. Too much time of mission chiefs and other senior employees was wasted in laborious

[117] *Basic Field Manual*, Part II, Sections 521–522.

[118] Similar provisions were applicable to dismissals in Headquarters, see *Basic Headquarters Manual*, Part II, Section 520.

[119] One mission chief was himself dismissed both for "unsatisfactory performance" and "misconduct."

[120] *Basic Field Manual*, Part II, Section 522.1.

documentation and meticulous observance of the interviews and appeals procedure even in flagrant cases; experience showed that, failing such careful attention to the letter of the regulations, persons dismissed in the field tended to be reinstated by Headquarters or ERO. Perhaps even more important quantitatively than the cases of delinquency were those of inadequacy: the employee who was doing his best or something near his best, but was just not good enough for the job, was practically irremovable.

Another aspect of the dismissal procedure was that, in effect, dismissal was the only disciplinary measure which could be applied against an UNRRA employee. Dismissal, apart from the loss of employment, involved a considerable monetary loss for the employee dismissed: he lost thirty days' notice and the Administration's share (7.5 per cent) of the Provident Fund; furthermore, the dismissed employee was not entitled to any payments under the Bonus Plan.[121] These reasons made chiefs of missions and other heads of offices somewhat reluctant to apply the sanction of dismissal except in the worst cases. Various artifices were used to get round these provisions: some employees were allowed to resign instead of being dismissed; in other cases they accepted "voluntary" reductions in grade for a period of months or were passed on to other missions. The maintenance of adequate discipline was inevitably made more difficult by the fact that supervisory officials had practically no sanction between dismissal, with its severe monetary penalties, and mere remonstration.[122]

The Administration reserved the right to require periodical physical examinations of employees serving in field missions, and if an employee was considered physically unfit for continued service in his mission he could either be reassigned to a position for which his physical condition was considered to be adequate or, if no such position were available, his service could be terminated with entitlement to the same rights as those of an employee whose service was terminated for reduction in force.

Employees could, of course, resign, and normally they were required to give thirty days' notice. Heads of major organizational units could decide, however, whether there were good and sufficient reasons in any particular case for accepting resignations to become effective immediately or in less than thirty days.

[121] See Part Two, Chapter VII, Section 7.

[122] See, for example, monograph, R. H. R. Parminter, "Office of Chief of UNRRA Mission to Austria," pp. 35–36.

### Uniforms

Recognizing that many of its employees, especially those employed in connection with the Displaced Persons Operations, Germany, would be working in close contact with the Allied military forces, the Administration authorized its employees to wear UNRRA uniform, and provided such uniforms free of charge to employees going into areas where the wearing of uniform would be desirable or was required. The actual determination as to whether uniform should be worn in any particular area was left to the chief of the UNRRA mission or office in that area.[123]

Uniforms worn by UNRRA employees were stripped of military insignia and badges of rank, although medal ribbons continued to be worn. In the place of military insignia, scarlet shoulder flashes carrying the letters "U.N.R.R.A." in white were worn, together with a cap badge embodying a replica of the Administration's seal [124] in white on a scarlet ground. This seemingly simple matter aroused considerable controversy: many employees recruited from the Allied forces were anxious to keep their own military insignia. There was even more controversy concerning the voluntary society personnel attached to UNRRA as Class III employees; they had been in the habit of wearing military-type uniforms with the insignia of their own organizations, and they objected strongly to the wearing of UNRRA shoulder flashes.[125] Lehman had intervened personally [126] but without overcoming the objections of the British voluntary societies. At the end of March 1945, however, it was at last agreed that when wearing uniform and working as individuals, voluntary society personnel would wear the UNRRA shoulder flash, but voluntary society personnel working in teams need not.[127] The British workers were usually in teams and had therefore won their point.

[123] *Basic Field Manual*, Part II, Sections 280–287. [124] Resolution 49.

[125] For example, cable, London to Washington 485, 14 July 1944; radiogram, Sir William Goode (Chairman, Council of British Societies for Relief Abroad [COBSRA]) and Lady Falmouth (British Red Cross Society) to Lehman, 20 October 1944; letter, Hugh Jackson to Lehman, 23 October 1944; letter, W. D. Hogarth (Secretary of COBSRA) to Dudley Ward (General Counsel, ERO), 8 February 1945.

[126] Transatlantic telephone conversation, Lehman to Lady Falmouth, 13 October 1944; remarks by Lehman at meeting of COBSRA, December 1944.

[127] Memo, Keith Aickin (General Counsel's Office, HQ) to Max Silverstein (Welfare Division, HQ), 22 March 1945, reporting agreement reached with COBSRA on terms of service for voluntary societies; formally issued by COBSRA in June 1945 (see cable, London to Washington 1616, 20 June 1945).

### Miscellaneous Provisions

Every member of the UNRRA staff was required at the time of employment to sign an oath of loyalty in the following terms:

> I solemnly undertake to exercise in all loyalty, discretion and conscience the functions entrusted to me as an (officer or employee) of the Administration, to discharge my functions and regulate my conduct with its interest alone in view, and not to seek or receive from any government or other authority external to the Administration any instructions controlling me in my performance of my official duties.[128]

In connection with public statements and publications, it was provided that:

> No employee shall publish or cause to be published any book, article, or document for public distribution, make any speech or radio broadcast, or grant any press interview with respect to matters of Administration policy or operations, except with the approval of the Office of Public Information, or of the Chief Historian . . . whichever is appropriate.[129]

An employee's entire time was considered to be at the disposal of the Administration, and no full-time employee was permitted to engage in any outside employment without the written permission of the head of the UNRRA office in which he was employed; such permission could be granted only if the outside employment in question in no way interfered or conflicted with the fulfillment of the employee's official duties.[130] Provision was also made for an Employees Compensation Plan and a Bonus Plan; [131] and there were detailed regulations covering repatriation rights,[132] promotion, [133] annual leave,[134] overtime and compensatory leave,[135] sick leave,[136] and travel allowances.[137]

[128] In effect, this wording is a combination of phrases from the declarations of loyalty of the League of Nations and the International Labor Office; see also State, *Handbook, United States Delegation*, Section E, Document II, pp. 2 and 3.

[129] *Basic Headquarters Manual*, Part II, Section 871; see also *ibid.*, Section 875; *Basic Field Manual*, Part II, Section 881.

[130] *Basic Field Manual*, Part II, Section 886.

[131] See *infra*, Part Two, Chapter VII, Section 7.

[132] *Basic Field Manual*, Part II, Sections 551–557.

[133] *Basic Headquarters Manual*, Part II, Sections 411–412; *Basic Field Manual*, Part II, Sections 411–416, 421–422.

[134] *Basic Headquarters Manual*, Part II, Sections 721–725; *Basic Field Manual*, Part II, Sections 721–726.

[135] *Basic Headquarters Manual*, Part II, Sections 291–295, 741–742; *Basic Field Manual*, Part II, Sections 741–742.

[136] *Basic Headquarters Manual*, Part II, Sections 731–736; *Basic Field Manual*, Part II, Sections 731–735.

[137] *Basic Headquarters Manual*, Part III, Sections 541–545; *Basic Field Manual*, Part III, Sections 541–545.

Most organizations numbering their staffs in thousands, dealing, in terms of billions of dollars, with almost infinitely variegated functions, and with world-wide scope, develop gradually. UNRRA, a temporary organization designed to cope with vast problems that would arise with clamant urgency on the cessation of hostilities, had to start as a large organization and grow overnight. It did not have the time to develop empirically; policy, practice, and procedure could not be evolved in the light of experience; before it could sort itself out it had to plunge into operations. The individual staff members did not join an organization which had basic policy directives, fully understood and accepted definitions of functions, established routines, and experienced and senior colleagues on whom to lean. They were all new together, they were all rather uncertain as to their precise functions and powers, their rights and duties.

This unavoidable state of affairs inevitably put an additional strain on their capabilities and, even more, was a test of their temperamental qualities, their decisiveness, their powers of selfless coöperation, their loyalty, and their resilience and adaptability in the face of frustration.

The UNRRA staff included both a Director General and messenger boys. It included experts and specialists in everything from ichthyology to railway operation, from economic analysis to maxillofacial surgery. It was scattered from Buenos Aires to Helsinki and from Tientsin to Algiers. Fifty-one nationalities were represented among the 12,889 Class I staff members employed by the Administration at its peak.[138]

In civil life a worker expects to be given the tools before being asked to do the job. In highly organized countries especially, a person generally does not expect to have to do his work without the equipment, staff, materials, transportation, and so on, that the best technical considerations demand. In UNRRA, the job had to be done in the best way possible with whatever resources could be made available. Where conditions were unsuitable and resources lacking, people had to improvise, had to adapt themselves to do the best job they could in the conditions as they found them. It is not easy for older and experienced people to adapt themselves. Sometimes they feel that their expert knowledge is being wasted; sometimes they suspect that violence is being done to the standards of their profession.

Both its friends and its critics expected a great deal of UNRRA. It was the means—a temporary and improvised means—of succoring

[138] 30 June 1946.

many millions of needy people. It was also the instrument for recharging the rundown economies of the countries overwhelmed by the tide of war. The burden of all this hope, responsibility, and plain hard work fell on the staff of UNRRA—the Administration. They had their faults and their shortcomings, they had their successes and their achievements, "wherefore by their fruits ye shall know them."

# V. Communications and Travel

## 1. *COMMUNICATIONS*

IT WAS OBVIOUS when UNRRA was planned that rapid and efficient communications would be necessary to its operations. With this in mind, Sir Frederick Leith-Ross in September 1943 proposed a protocol establishing the legal status of UNRRA and the facilities and immunities it would be accorded by its member governments.[1] The United States Government, however, took the view that these matters could best be taken up individually with each government,[2] and so there followed more than two years of wearisome negotiation.

Instead of the protocol, the Council in its First Session recognized "the need for expedition, economy, and secrecy in the transmission of the official correspondence of the Administration" and recommended that the member governments afford to the Administration "the same treatment as is accorded by them to the official correspondence of other member governments." [3] The Council also recommended that the member governments provide UNRRA with technical facilities for communicating with neutrals.[4] It was left to the Director General to initiate negotiations with the individual governments in order to secure the facilities accorded in principle.

In the early months, the Administration had offices only in Washington, London, and Cairo; consequently, its immediate communications problem was solved when the United Kingdom and United States Governments agreed, for the time being, to allow UNRRA to use Foreign Office and State Department facilities (including official courier for transmission of cables and correspondence). By February 1944 the Director General had formally requested all member governments to grant UNRRA the privileges and immunities specified by the Council against the time when Foreign Office and State Department facilities would no longer be available.[5]

[1] Cable, Winant to Hull 6449, 25 September 1943.
[2] Cable, Hull to Winant 6227, 2 October 1943.
[3] Resolution 34.
[4] Resolution 35.
[5] Monograph, Marion Clausen, "Personnel Policies and Problems," HQ, p. 6.

The United Kingdom Government had moved quickly. On 7 March 1944 the Foreign Office notified ERO that the Government was in favor of exempting UNRRA bag correspondence from censorship, granting facilities for the use of a code and of cable addresses, and according a priority for overseas cables similar to that given Allied governments. For overseas telephone calls it recommended a priority next after those of the United Kingdom and United States Governments.[6] Moreover, less than a week later, the Foreign Office advised that, anticipating favorable action by Parliament, the United Kingdom would grant all the various exemptions and facilities which could be made available by administrative action, including all the requisite communications facilities.[7] Nevertheless, with D-Day in the offing, certain of these courtesies went temporarily into abeyance, UNRRA communications becoming subject to the rigid scrutiny applied to all other communications leaving the United Kingdom.[8]

On 1 June 1944, when Sir Frederick Leith-Ross notified Headquarters of the communications privileges obtained from the United Kingdom Government, the Headquarters Committee on Communications had achieved so little with the United States Government that an answer to ERO was held up until more progress could be reported.[9] An appropriate telephone priority had been secured from the United States Board of War Communications,[10] but little progress had been made toward securing United States Government rates for cables, either for the messages currently going through the State Department or those to be sent in the future directly through the commercial companies.[11]

The United States Army Signal Corps undertook to prepare for

[6] United Kingdom Foreign Office (FO) letter, 7 March 1944 (ref. U.1538/41/73), cited in monograph, Colonel J. C. Gain, "History of Division of Administrative Services, ERO," p. 21.

[7] FO letter, 12 March 1944 (ref. U.1272/41/73) cited in monograph, Gain, "History of Division of Administrative Services, ERO," p. 25.

[8] Memo, John C. Weigel (Director, Division of Administrative Services) to Director General, 15 May 1944; Washington *Post*, 18 April 1944.

[9] Letter, Leith-Ross to Director General, 1 June 1944; memo, Weigel to Harold E. Caustin (Special Assistant to the Director General) *et al.*, 22 June 1944.

[10] Memo, Oscar Schachter (General Counsel's Office) to Weigel; Committee on Communications, minutes 8th meeting, 10 May 1944.

[11] Memo, Schachter to Abraham H. Feller (General Counsel), 27 March 1944; letters: Weigel to A. K. Mitchell (Western Union), 10 April; Mitchell to Weigel, 27 April 1944; memos: Schachter to E. G. Miller (State Department Liaison with UNRRA), 9 May; Schachter to Philip G. Hammer (Division of Administrative Services), 18 May 1944.

UNRRA a so-called "one-time pad" [12] code. Before allowing UNRRA to employ this code in messages sent through the State Department, however, the United States Office of Censorship required that a copy be deposited with it. This the Administration would never consent to do, despite the fact that the Office of Censorship made compliance a condition for the granting of pouch and courier privileges.[13] The Office of Censorship maintained its position throughout the war; not until 19 August 1945 was Headquarters able to advise its overseas stations that the United States censorship was lifted and UNRRA could now employ code in messages sent through the State Department if it so desired.[14]

By mid-1944 UNRRA had made little progress in obtaining Government rates for its cables in the United States, although one company, the Radio Corporation of America Communications Incorporated, granted them from the outset and for some time carried the bulk of UNRRA's traffic through the State Department.[15] In August, Headquarters obtained a facility which went a long way toward solving the problems of code and rates—the United States Army Signal Corps agreed to send all UNRRA's messages free, either in Army or UNRRA code, to and from Algiers, Cairo, London, and Naples.[16] Headquarters continued to send a small number through the State Department, however, largely to ensure the availability of the Department's services.

Partly because it was able to use the United States and United Kingdom Government systems, UNRRA was slow in developing its own communications procedures, although cipher officers were established overseas to deal with coded UNRRA messages transmitted through Allied military channels.[17] This delay became more serious as time went on and UNRRA correspondence grew to a point where it became a burden to the United States and United Kingdom Governments; it

[12] Memos: Caustin to Weigel, 18 May 1944; Hammer to Schachter, 19 May 1944; minutes of meetings on UNRRA code, 31 May, 2, 6 June 1944.

[13] Letter, E. G. Miller to Francis B. Sayre (Diplomatic Adviser), 18 March 1944, and enclosures; memos: Hammer to Schachter, 19 May 1944; Frank G. Handy (Communications Officer) to Weigel, 28 June 1944; Handy to Maurine Mulliner (secretary to John J. Corson, Deputy Director General, Finance and Administration), 5 October 1944.

[14] Cable, Washington to Chungking 459, 19 August 1945.

[15] Monograph, Daniel J. Stakem, Jr., "The Story of International Cable Communications within UNRRA."

[16] J. G. Johnson (General Counsel's Office), "Memo for Files," 15 August 1944; memo, Handy to Weigel, 15 August 1944.

[17] Memo, Weigel to Corson, 23 August 1944.

could be foreseen, moreover, that the availability of military channels would decrease as the Allied armies contracted. Early 1945, indeed, brought a series of crises as one facility or another was threatened with withdrawal; UNRRA perforce had to make its own arrangements.

Meanwhile, the governments' response to the Director General's request for action on privileges and immunities had not been altogether satisfactory. Eight months after the Director General's February 1944 letter had gone out, twenty-five replies had been obtained,[18] and only in the cases of Cuba [19] and Belgium [20] had definite action been taken. By the end of 1944 United Kingdom [21] and Canadian [22] legislation had also fulfilled the recommendations in the Council resolutions, and Egypt, important because of UNRRA's Cairo office, followed in April 1945.[23] United States Government action did not come until almost a year later when it became apparent that the United Nations organization would settle in United States territory. The "International Organization Immunities Act," which extended to UNRRA the communications privileges accorded to member governments, applied to international organizations generally; it was introduced on 24 October and became law on 29 December 1945.[24] Executive Order 9698, of 19 February 1946, implemented the Act and relieved UNRRA of travel and communications taxes. By that time, playing one United States company off against another, Headquarters had begun to secure cable rates equivalent to, and in some cases lower than, those enjoyed by the United States Government.[25]

The Communications organizations at Headquarters and ERO eventually handled a very large volume of traffic. Sixteen thousand cables and telegrams flowed in and out of Headquarters in May 1946 while the Code and Cable Section, still expanding, struggled with a chronic

[18] Monograph, Mary Sue Whitman and Edith Watkins, "Personnel Policies and Problems," HQ, p. 6.

[19] Presidential Decree 3152 of 30 September 1944 implemented Resolution 36 on travel facilities. At that time legislative and administrative steps were being taken to implement Resolutions 32 and 34.

[20] Decree law, 3 August 1944, provided for implementing Resolutions 32, 34, 36.

[21] Diplomatic Privileges (Extension) Act, 17 November 1944, 7 and 8 George 6, Part 2.

[22] Canadian Order-in-Council 9132, 19 December 1944.

[23] Proclamation 571, April 1945; see cable, Cairo to Washington 473, 12 April 1945.

[24] Monograph, Whitman and Watkins, "Personnel Policies and Problems," p. 6; Public Law 291.

[25] Monograph, Stakem, "The Story of International Cable Communications within UNRRA."

backlog, caused at least in part by Headquarters' continued penchant for a large number of information copies and for improvidently cabling when letters would serve.[26] In the same month, ERO's Communications Branch handled 13,450 incoming and outgoing cables.[27]

By its agreements with the Allied armies and with the receiving countries, UNRRA gained such communications facilities as the respective authorities could afford. In the case of the United States and United Kingdom military authorities, these included the use of Army postal facilities, generally far superior to other mail service in any given area. Without the Army mail privilege, morale problems in many UNRRA field operations would have been aggravated.[28] The communications facilities made available to UNRRA by the receiving governments were often bad, but they improved as the effects of war wore off. At the peak of UNRRA operations in July 1946 a schedule of communications channels and transmission times from ERO to various European and Asiatic points showed communications generally slowest in Central and Eastern Europe: Belgrade, Budapest, Kiev, Minsk, Tirana.[29] The Mission at Kiev, although it had the use of the Soviet Government diplomatic pouch, for five weeks after its arrival in March 1946 received no official mail. The slowness of mail was the more serious because Headquarters and ERO, in fits of economy which were in general rare enough in Washington at least, persisted in mailing information which the Mission had asked to be cabled. As a result, the Government and the Mission representatives at Odessa were recurrently troubled by ships making port without sufficient advance notice. Cables to Kiev were generally reasonably rapid.[30]

The UNRRA code was never employed at Minsk, on the theory that its use might jeopardize the Government's good will. For the same reason, it was at first made a matter of policy to use the Soviet diplomatic pouch; later, because of the really impressive slowness (seven to eleven weeks) of this medium, the Mission switched to United States and United Kingdom diplomatic channels and, in the last few weeks of

[26] Interview, T. J. Mayock with Edward R. Garvey and George J. Gould (both in Administrative Services, HQ), 7 November 1947; Monthly Activities Report, HQ Code and Cable Section, May 1946. [27] ERO Progress Report, May 1946.

[28] Memos: Handy to Weigel, 28 June 1944; J. G. Johnson to Feller, 27 June 1944; Johnson to Handy, 10 July 1944.

[29] ERO Office Notice 276, 31 July 1946.

[30] Monograph, V. J. Tereshtenko, "Relations with the Government," Ukrainian SSR, pp. 47–58.

its operations, to international airmail.[31] In Yugoslavia, where, when the Mission entered, the telephone and telegraph system had been entirely disrupted, UNRRA was fortunately able to retain for communications with the ports the services of British military signals units which had entered with Allied Military Liaison, and to use United Kingdom and United States Embassy cable facilities for outside traffic. By the autumn of 1945, however, adequate commercial channels were available.[32]

At Tirana, the prevailing poor communications contributed to the Mission's feeling of isolation and lack of rapport with Headquarters and ERO. For a long time it used the British Military Mission's cable facilities and dreaded the day that it would have to employ the official Albanian Telegraph Agency. Although the Government had said it would not accept code messages, and the effectiveness of the channel was doubted, to the Mission's surprise, the channel proved to be good and the Telegraph Agency accepted code—for what reason the Mission had sense enough not to inquire.[33]

In Italy the Administration actually operated scheduled communications services of its own. The withdrawal of Allied military courier facilities early in 1946 as the Allied forces left Italy caused a gap in the Mission's communications with its regional offices. Since the postal facilities were not thought by the Mission to be yet able to provide a sufficiently rapid and reliable service, the Mission itself operated a system of regular jeep or truck-borne couriers from Rome to the five regional offices on the mainland. Until it became apparent to the Mission at the end of the year that the postal services were able to meet its needs, the courier service carried both official and personal mail, office equipment, canteen supplies, and—not least—personnel between Rome and the Mission's outstations.

## 2. *TRAVEL*

Apart from the problem of transmitting correspondence, the Administration was faced with another important communications problem—moving its staff. Unlike the armed forces, the Administration did

[31] Monograph, Theodore Waller, "Mission Administration," Byelorussian SSR, p. 11.

[32] Monograph, Michael Barratt-Brown, "Office of Chief of Mission," Yugoslavia, pp. 35–36; monograph, John D. Denison, "Division of Administrative Services," Yugoslavia, pp. 12–14.

[33] Monograph, Edna Boorady, "Mission Administration and Finance," Albania, Section E, *passim.*

not operate its own travel services, nor did it move its people in organized and disciplined bodies. Inanimate objects like letters are very much easier to transmit—as UNRRA soon found—than articulate and individual human beings. When one realizes that there was an international (Class I) staff of 12,889 [34] and offices in forty-two countries, the magnitude of UNRRA's travel problem can easily be appreciated. The destruction and disruption of war, the formidable number of travel documents required, the shortage of plane and train seats and shipping berths, the problems of securing the priorities without which travel would have been practically hopeless, all these were additional obstacles that made a task which would have been difficult in peacetime almost impossible during the years when the bulk of UNRRA's field personnel was deployed.

To deal with this problem the Administration in effect operated a travel agency. Every UNRRA outpost of any importance had a travel office that kept in touch with the civil and military travel services in its area, courted the various authorities who had priorities in their gift, sought visas and other clearances, advised and briefed travelers, and listened with comforting patience to those who went to them with grievances. Although traveling in UNRRA often seemed like a battle, it is to the credit of both contestants, the travelers and the travel organization, that most of the inconvenience was accepted—perhaps not always cheerfully, but accepted—and that most of the mistakes were unavoidable.

### 3. *THE UNRRA AIRLINE*

During and immediately after the war UNRRA was able to use the air communication facilities of the United States Army Air Force and the Royal Air Force (RAF). Toward the end of 1945, however, it became evident that the quick movement of passengers and urgent freight would become more difficult because the civil air services had often not been re-established by the time the military services were withdrawn. Largely to meet this gap, ERO's air service was established.[35] If all the factors could be costed out, it could probably be shown that, in addition, this air service saved the Administration sub-

[34] As of 30 June 1946; see Appendix Ten, Section I, Document 1.

[35] This section is based on memo, H. D. O'Neill, "Memorandum on the Operation of the UNRRA Aircraft Known as the European Regional Office Air Lines, April 1946–November 1947," and Appendixes A-E, November 1947.

stantial sums of money, for instance, in the salaries of highly paid personnel stranded or awaiting repatriation.

Three C47A DC3 Dakota aircraft in RAF Transport Command, due for return to the United States under Lend-Lease arrangements, were purchased through the United States Office of the Foreign Liquidation Commissioner. Obviously, it would have been most uneconomical for a temporary organization to set up self-contained operating and maintenance facilities, including air and ground crews. A contract was, therefore, signed with the British Overseas Airways Corporation,[36] whereby the Corporation became responsible for the provision of crews, maintenance, and for the general operation of the aircraft on behalf of the Administration.

UNRRA was faced with a problem of registration for which there was no precedent. On the advice of the British Ministry of Civil Aviation it was decided to register the aircraft in the name of the Personal Representative of the Director General; this met the problem of the international ownership of the aircraft because the Personal Representative of the Director General, by virtue of his appointment, was an international official. In fact, these aircraft, easily distinguishable by the "UNRRA" painted along their fuselages in prominent red lettering, enjoyed special treatment and could get prompt clearances for countries like Yugoslavia and Albania that were not normally accessible to United States or Western European aircraft. With the suspension of the RAF Transport Command Service to Tirana, the UNRRA planes became the only practicable means of carrying mail—both official and personal—and personnel to and from Albania. During the last few months of 1946 and until the Mission withdrew on 30 June 1947, although there was no regularly scheduled flight to Tirana, ERO generally succeeded in sending an aircraft to Tirana at least once a month and often fortnightly.[37] Among the urgent supplies carried by UNRRA planes were canteen supplies destined for the isolated Missions in Kiev, Minsk, and Warsaw, anti-locust gammaxene to Sardinia and Vienna, and, from time to time, emergency spare parts and tires, and medical supplies to most of the European missions.[38]

Although, on the whole, the member governments were slow in

[36] Later taken over by British European Airways when the latter came into existence following the reorganization of the United Kingdom's civil air services.

[37] Monograph, Boorady, "Mission Administration and Finance," p. 81.

[38] Memo, O'Neill, "ERO Air Lines," Appendix E.

formally extending communications privileges to UNRRA, in practice they afforded the Administration all sorts of communications courtesies without which it could not have operated, and various United States and United Kingdom agencies exhibited commendable patience in handling the flood of UNRRA correspondence and travelers. Such restrictions as were applied to UNRRA were mostly applied out of wartime necessity, and since a United Nations victory was the inescapable prerequisite for United Nations relief, UNRRA's protests could only be, and mostly were, halfhearted.

# VI. Public Information

THE UNRRA Public Information program had two distinct tasks: to provide the contributing countries with reports of the diverse and world-wide activities of the organization which they were supporting; and to make sure that the receiving countries understood and appreciated the nature of UNRRA and the sources of the relief supplies which it was providing.

The interrelation of these purposes was clear. Without public understanding within the contributing countries of the functions and operations of UNRRA, and without general knowledge and public recognition in the receiving countries of the Administration's role in providing relief and rehabilitation supplies and services, continued financial support of UNRRA by the contributing countries could not be secured. Since over 70 per cent of UNRRA's financial support derived from the United States, it became, therefore, a major object of the public information staff throughout the organization to channel material from the field to Headquarters to supply this most sensitive area.[1]

The formal organization of the Headquarters Public Information Division began in April 1944 with the appointment of Morse Salisbury as Director,[2] brought in from a like position in the United States Department of Agriculture. Throughout 1944 the Division remained small, and not until early the following year was a limited expansion begun. Sections were set up for editorial work, visual media, organized groups, and radio, and a public information officer was sent out to UNRRA's one field operation, the Balkan Mission.[3]

Two fundamental policies were at once adopted, originating with the Director General and in accord with Salisbury's own judgment; these remained the guiding principles until the autumn of 1945: [4]

[1] Memo, Morse Salisbury to W. B. Phillips (Public Information Division, HQ), 20 October 1944; cables: Washington to London 4837, 22 September 1945; 7217, 21 November 1945; 7368, 26 November 1945; circular cable, London to missions 46, 20 October 1945; cable, London to Vienna 369, 20 December 1945.

[2] Interview, Alastair M. Taylor (Public Information Division, HQ), with Phillips, 15 November 1946.

[3] Interviews, Taylor with Salisbury, 28, 29 October 1946.

[4] Interview, T. J. Mayock with Salisbury, 21 October 1948.

(1) It was first of all decided that UNRRA should supply public information in the literal sense of factual reporting. This was not to be expanded into "publicity" in the sense of dramatization and self-advertisement. UNRRA, Lehman believed, should be seen before being heard, and with this Salisbury concurred, realizing the danger of words without deeds and appreciating that the United States Congress had a deep-seated distrust of press agents nourished on Congressional appropriations.[5]

The UNRRA press releases issued from Headquarters during 1944 and the first part of 1945, aside from a few texts of speeches by the Director General, the Diplomatic Adviser, and the Deputy Director General for Supply, therefore, simply announced the appointments and resignations of senior officers and reported on the work of UNRRA committees and the signing of agreements with military authorities and governments.[6]

(2) UNRRA's public information work was, as far as possible, to be done in coöperation with the appropriate agencies of the member governments. This was in accord with the First Council recommendation "that member governments, consistently with such measures as they consider necessary to regulate the dissemination of information while hostilities or other military necessities exist, afford the Administration opportunity to make public information with regard to its operations." [7]

The degree to which this coöperation developed depended upon the government concerned. In countries with a state-controlled press and radio UNRRA obviously was entirely dependent upon these facilities for informing the public of its activities. To what extent the governments in countries with a free press had a responsibility for explaining and interpreting UNRRA remained an unsolved question. In general, the receiving governments took greater responsibility for ensuring adequate publicity for UNRRA since the effect of its activities on their countries was more immediate and vital. The amount of support given by governments of contributing countries in informing the public about UNRRA varied widely. In the United States the responsibility within the Government lay with the State Department and, during the war, within the Office of War Information. The

[5] *Ibid.*

[6] In 1944, 102 press releases were issued; in January–May 1945, 60.

[7] Resolution 4.

latter was generous, for example, in providing wire service for UNRRA press stories through its centers in London and Paris,[8] but the collection of news and writing of releases remained the job of UNRRA.

The State Department was throughout the life of UNRRA neither willing nor adequately staffed to provide much public information service in behalf of UNRRA. The Administration had, therefore, to prepare the President's quarterly *Report to Congress on Operations of UNRRA;* collect material for members of Congress; reply to a constant barrage of requests for information, many of them trivial or even impertinent, from Government officials and members of Congress; and in the end plead its own cause before Congressional committees. All these types of public information were, on the other hand, supplied in the United Kingdom by the Foreign Office, in the British Dominions by the Departments of External Affairs, and in the Latin American countries by similarly appropriate government departments.[9] In any case, whatever the degree of coöperation between the government public information agencies and UNRRA, it was clear that UNRRA's activities in this field could not run counter to, or compete with, the information policies of the governments concerned and hope to succeed.[10]

The UNRRA public information staff as they began their work ran at once into several difficulties originating both outside and within the Administration. These were, for the most part, beyond their control but seriously limited their efforts to inform a wide segment of the public within the contributing countries, and particularly within the United States, as to the duties allotted to UNRRA and the ways in which it was to carry on its work.

Throughout the life of UNRRA the Administration suffered from the unreasoning and implacable hostility of nationalists and isolationists of all types who saw in international organizations at best futility and at worst mortal danger.[11] At the opposite extreme the Administration also suffered from the well-meant enthusiasm of perfervid but not very understanding supporters who tended to regard UNRRA as the panacea for all the world's postwar economic and social woes and

[8] Interview, Taylor with Phillips, 15 November 1946.

[9] Monograph, Alastair M. Taylor, "Preliminary Draft of UNRRA Headquarters Public Information Monograph," pp. 26–28.

[10] Interviews, Taylor with Salisbury, 28, 29 October 1946.

[11] For example, the Chicago *Tribune*.

whose disappointment and criticism when it failed to live up to their impossible expectations were correspondingly violent and unreasoning.[12] It was hoped in the early months of UNRRA's existence that a steady flow of facts about the organization and its work might educate all but the lunatic fringes of both extremes.

Unfortunately, the steady flow of facts about UNRRA was, for many months, difficult to provide. The First Council Session, to be sure, received wide and detailed press coverage,[13] since, in contradistinction to the methods used at the earlier international Conference on Food and Agriculture at Hot Springs, Virginia, and to the prevailing wartime secrecy, many of its meetings were open to the press, and careful arrangements were made for its convenience.[14] In fact, the sessions at Atlantic City drew too much attention,[15] since, until the war in Europe ended eighteen months later and the release of shipping and supplies made actual relief programs possible, UNRRA had nothing to report of magnitude comparable to its natal ceremonies; the only field activity in 1944 was the work in the Middle East camps. Moreover, stories of relief operations would have run a poor second against the competition of daily war news. Descriptions of how UNRRA was to function, its plans for postwar activities, and explanations of its current inactivity lacked either the immediacy or the emotional appeal to make them newsworthy. The high hopes raised at its inception gradually gave place to apprehension lest it fail,[16] and to murmurs about "UNRRA the Unready," and the "muscle-bound colossus." [17] Moreover, such concepts as the basis and form of government contributions, and many other ways in which UNRRA broke new ground in the field of aid between nations, were difficult to explain. Many of these policies were as novel as the problems they were intended to solve; to understand them it was also necessary to understand the reasoning underlying them. It was not to be expected that newspapers

[12] Memo, H. R. Cummings (Director, Public Information Division, European Regional Office [ERO]), "Public Relations Policy," 23 May 1945.

[13] See, for example, New York *Times Index*, November, December 1943; UNRRA Clipping File.

[14] Monograph, Alastair M. Taylor, "Resumé of the Functions and Operations of the Division of Public Information, OFRRO," p. 18.

[15] Sir Arthur Salter's remarks in the House of Commons, 16 November 1945, *The House of Commons Debates, UNRRA*, ERO, p. 3.

[16] *Journal*, Second Council, pp. 46–48, 52–56.

[17] Marquess of Reading in the House of Lords, quoted in London *Times*, 15 December 1944.

would give much space to such matters, which were not news in the usual sense.

Furthermore, some of the major policies of the Administration which were most often misunderstood by the general public and which later gave rise to much uninformed criticism were not fully agreed upon within the Administration itself until after the end of 1944—notably, the use of local currency from the sale of UNRRA goods within a receiving country, and the extent of the Administration's actual participation in distribution of UNRRA supplies within a receiving country. Confusion within the Administration was reflected outside.

The UNRRA public information staff did what they could within their restricted frame of reference against this background of obstacles. Although the three-to-five months advance scheduling required for magazine articles made these necessarily a minor outlet for a temporary organization in which changes were frequent and drastic, a substantial number of pieces did appear in magazines of wide circulation.[18] Similarly, the time involved in producing and distributing films precluded their creation by UNRRA on any large scale. The Administration, nevertheless, had considerable success in persuading Canadian, United Kingdom, and United States national agencies to make films explaining and describing UNRRA and its operations.[19] The Headquarters public information staff also maintained a speakers' bureau and attempted both to stimulate and satisfy the interest of the many charitable, church, educational, and "political pressure" groups who were concerned with international problems and relief work overseas. They were somewhat handicapped, however, both by the fact that the senior officials of the Administration, and particularly the Director General, were far too busy to devote much time to speechmaking [20] and by the nature of the UNRRA program which, aside from the contributed clothing and similar campaigns, gave little opportunity

[18] For example, twenty-two articles appeared in United States magazines in July 1945, including *Life, Time, Nation, Weekly Digest,* and *Foreign Policy Bulletin.*

[19] Notably, United Kingdom Ministry of Information film on UNRRA El Shatt Camp, Egypt, *The Star and the Sand;* National Film Board of Canada, *Out of the Ruins* and *Suffer Little Children;* United States Army, *Seeds of Destiny; The Russians Nobody Knows,* produced by UNRRA and first released in the United States by "March of Time"; see H. R. Cummings, "Monograph on the Information Division of ERO," Annex.

[20] Interview, Mayock with Salisbury, 21 October 1948.

for active participation by individuals or private groups.[21] In addition, informational pamphlets, such as, *UNRRA: Organization, Aims, Progress; Fifty Facts about UNRRA;* and *The Story of UNRRA*, reached widely representative mailing lists in the United States and the United Kingdom, and many radio broadcasts were arranged and material supplied to commentators on local and national networks.[22] In all the contributing countries, however, the newspaper press was UNRRA's main reliance. Much of the work of the UNRRA public information staff in Headquarters and ERO was, therefore, devoted to the preparation of press releases, arranging press conferences, and establishing contacts with reporters and columnists.

By mid-1945 a considerable expansion of UNRRA public information work was necessary since, with the end of the war, UNRRA had now at last become news as a result of substantial shipments of relief supplies and the establishment of field missions in Eastern Europe and presently in the Far East. Concomitant with this additional activity, the public information staff at Headquarters faced a new dilemma: how to inform the American public that UNRRA was carrying on a large supply operation without at the same time giving support to the charge that UNRRA was taking "bread out of U.S. mouths." [23]

The most pressing reason for immediate expansion of the UNRRA public information program was the urgent necessity to obtain from the United States Congress the final appropriation to complete the first United States contribution and the authorization and appropriation of the second. By the autumn of 1945 it had become evident that, although this was primarily a responsibility of the Government, the cause was lost unless the Administration assumed the leading role in the battle.[24] The Headquarters Public Information Division performed yeoman service in the struggle. Factual reporting was now supplemented by publicity. The prime objective became the securing of increased press coverage in the United States. The UNRRA missions were accordingly urged to supply voluminous reports of all actual operations, stressing the need for relief, and substantiating the organization's ability to do its task by emphasizing the steady flow of

[21] Interview, Taylor with Phillips, 15 November 1946.
[22] Monograph, Margery R. Cunningham, "UNRRA Radio Branch."
[23] Minutes, meeting of Senior Deputy Director General with HQ public information staff, 20 June 1945.
[24] Interviews, Taylor with Salisbury, 28, 29 October 1946.

UNRRA shipments, the mechanisms employed in recipient countries for ensuring impartial distribution of UNRRA supplies, and the steps taken by receiving governments with the advice of UNRRA missions toward rebuilding their economies.[25] To this end, and with the vigorous support of the Senior Deputy Director General [26] and the Deputy Director General for Supply at Headquarters, the public information staffs in the receiving countries were augmented, personnel being shuttled to sensitive spots from Headquarters and ERO.[27] Also, at Headquarters' instigation, statements of appreciation were issued by prominent officials in receiving countries on the occasion of the second anniversary of UNRRA's founding (9 November), with a markedly desirable effect on opinion in the United States.[28] These included enthusiastic testimonies from Generalissimo Chiang Kai-shek, Regent Archbishop Damaskinos of Greece, President Eduard Benes of Czechoslovakia, President Boleslaw Bierut of Poland, Prime Minister Ferrucci Parri of Italy, Nikola Petrovic, Minister of Commerce and Supply, Yugoslavia, and General Colonel Enver Hoxha, Prime Minister of Albania.[29]

The astonishing amount of editorial opposition to the subsequently eliminated Dirksen-Brown Amendment, which would have prevented the use of United States funds for relief in countries where freedom of information did not obtain, was compiled by the Headquarters staff and inserted in the records of the House Subcommittee on Appropriations.[30] A series of press conferences with mission chiefs then in Washington was organized. A statement by the Pope, released exclusively to the Catholic press in the United States, helped to gain the support of Roman Catholic opinion.[31] The battle for the major portion of the United States contributions was won in December 1945.

[25] Cables: Washington to London 4045, 4 September 1945; Washington to London (to be repeated to missions) 3681, 10 September 1945; Washington to London 4837, 22 September 1945.

[26] Interviews, Taylor with Salisbury, 28, 29 October 1946.

[27] Cables: Washington to London 5836, 17 October 1945; Washington to Rome 780, 20 October 1945.

[28] Circular cable, London to missions 48, 24 October 1945; draft cable, Salisbury to Cummings, 20 November 1945.

[29] Press Release 398, 10 November 1945.

[30] Interview, Taylor with Phillips, 15 November 1946.

[31] Cable, Rome to Washington 879, 23 October 1945; memo, Salisbury to Lehman, 25 October 1945.

There was a substantial body of opinion both within [32] and outside the Administration which held that UNRRA had brought upon itself the difficult struggle for the appropriations by failing to supply an adequate flow of news prior to the autumn of 1945.[33] Lehman, however, although he had acquiesced in the increased scope of UNRRA's public information activities during the fight for the appropriations and to their continuation in preparation for the final bills in the spring of 1946,[34] nevertheless held to his original premise that member governments were under obligation to provide active domestic support for international organizations of which they were members. At the Fourth Council Session in March 1946, just before leaving UNRRA, he made his position clear:

> We have learned in UNRRA that member Governments should unreservedly acknowledge their domestic responsibilities towards an international organization which they have created. As an international organization, its policy and its actions need domestic explanation and defense; the national interest in its work deserves stimulation and it should have solid official public support for it. I should not be candid if I did not say here that I believe member Governments could have done much more to explain UNRRA to their people and to strengthen the support and respect given to it by the national agencies.[35]

The new Director General had an acute appreciation of the uses of publicity, and thereafter for all practical purposes UNRRA became LaGuardia to a large part of the world press.[36] Joseph Lilly, who had served him in New York, became Director of Public Information at Headquarters on 1 March 1946, Salisbury's resignation having preceded Lehman's by a week.

Lilly, inheriting Salisbury's problems, discovered that the American public had an astounding ignorance of the nature of UNRRA and its work but that it was now too late to put forward the basic in-

[32] For example, memo, Sydney Morrell (Public Information Division, ERO) to E. R. C. Cullen (Public Information Officer, Albania Mission), 1 December 1945; memo, Sylvia Brooks (Public Information Division, HQ) to Taylor, 17 December 1946.

[33] Cable, Washington to Chungking 1487, 6 December 1945, quoting the managing editor of the Washington *Post*.

[34] Cable, Washington to London 9488, 10 January 1946.

[35] *Journal*, Fourth Council, p. 34.

[36] See, for example, monographs: "Public Information," France, p. 11; Harold E. Caustin, "Notes on the Development and Functions of the Director General's Office," p. 7.

formation necessary for public understanding and expect it to be accepted as news, if indeed this had ever been possible. In retrospect he defined the main activities of his tenure as the fight for food in the spring of 1946, in which LaGuardia's plain speaking contributed to public awareness of the crisis; and, thereafter, the defense of UNRRA against reiterated allegations, some of which took much time to answer and many of which, once disproved, cropped up afresh as if they had never been dealt with.[37] There was, on the other hand, some reassuring evidence that a substantial sector of the American press had come to know and appreciate what UNRRA was accomplishing, and the allegations were somewhat offset by well-informed articles stimulated by concern as to how the task of relief begun by UNRRA and as yet unfinished was to be continued.[38]

Following the decision at the Fifth Council Session in August 1946 that UNRRA was to cease operations in a few months, it was no longer in a position to exert even a slight influence on the deteriorating international situation. The Administration began to find its best defense in silence. When its Yugoslav program came under attack from private sources in the United States, it was thought best to issue no releases on the subject.[39] LaGuardia's fight in the winter of 1946 for continued relief on an international basis was carried on almost entirely through his own speeches and press conferences and fared ill against the opposition of the United States Department of State.[40] It served to raise again within the Administration the question of how far an international organization deriving its funds mainly from one country should attempt to use these funds to influence that country's national policy.[41]

As operations diminished, Rooks, LaGuardia's successor, lessened the number of press releases[42] and conferences.[43] With the termina-

[37] Monograph, Joseph Lilly, "Material for Public Information Monograph," pp. 5–6; for example, New York *Times*, 8 August 1946, and refutation, 9 August 1946; Washington *Times-Herald*, 24 August 1946; St. Louis *Post Dispatch*, 4 September 1946.

[38] For example, Philadelphia *Record*, 4 August 1946; Washington *Post*, 9 August 1946; New York *Herald Tribune*, 9 August 1946; Arthur Krock in New York *Times*, 10 September 1946; New York *Post* editorial, 10 September 1946; *Christian Science Monitor*, 12, 13 September 1946.

[39] Interview, Taylor with P. H. Stitt (Public Information Division, HQ), 14 December 1947.

[40] Baltimore *Sun*, 9 December 1946; Arthur Krock in New York *Times*, 12 December 1946.

[41] Interview, Mayock with R. G. A. Jackson, 21 May 1947.

[42] Fifty were issued in 1947.

[43] 8 January, 12 March, 4 June 1947.

tion of UNRRA approaching and criticism of aid to Eastern Europe running high, "Let sleeping dogs lie" became the watchword. Phil Stitt, who had been Acting Director of Public Information in Headquarters since the autumn of 1946 and who became Director on Lilly's departure at the end of the year, believed this policy to be fundamentally sound. Because its work had ended, the Public Information Division at Headquarters was liquidated at the close of 1947.[44]

UNRRA's achievements in public information within the United Kingdom were considered satisfactory by all three Directors of the Public Information Division at Headquarters.[45] Under Leonard Ingrams, who resigned in May 1945, and after him under H. R. Cummings, the Division worked closely with the United Kingdom Government's information agencies, although, as was the case at Headquarters, it had to develop its own news outlets. Especially sympathetic and important was the coöperation of the British Broadcasting Corporation, which could reach a much wider public in the United Kingdom and on the Continent than could the greatly abbreviated newspapers.[46] Salisbury reported that by March 1945, after the difficult months when Parliament, Government, and press had been bitterly critical of UNRRA's inaction, Ingrams had managed to convey to British opinion some inkling of UNRRA's dependence on the member governments, with the result that criticism was more justly apportioned. Leith-Ross, who had some skill at meeting the press, helped substantially,[47] and Cummings continued the work to such good purpose that the expressions of regret within the United Kingdom at the discontinuance of UNRRA were numerous.[48] The United Kingdom press, however, printed its share of unjustified charges, many of which grew out of the Displaced Persons Operations in Germany and were not easily handled for fear of alienating the authorities there with whom UNRRA had to deal.[49]

[44] Interview, Taylor with Stitt, 14 December 1947.

[45] Interviews: Taylor with Morrell, 12 November 1946; Taylor with Salisbury, 28, 29 October 1946; Taylor with Stitt, 14 December 1947; monograph, Lilly, "Material for Public Information Monograph," p. 2.

[46] Monograph, Cummings, "Monograph on the Information Division of ERO," pp. 17–19; interviews, Taylor with Salisbury, 28, 29 October 1946.

[47] Memo, Salisbury to Lehman, 4 March 1945.

[48] For example, letter, Prime Minister Clement R. Attlee to Director General, 30 June 1947, quoted in Press Release 34, 1 July 1947.

[49] Monograph, Cummings, "Monograph on the Information Division of ERO," pp. 4–6.

With information flowing in several directions—from the missions to the contributing countries, from the missions to the local press, and, less frequently, from one mission to another—the administration of the public information program was complicated but was developed without serious defects.[50] In view of the dominant importance of securing good press coverage in the United States, the Headquarters Public Information Division retained a control over public information policies and personnel in ERO and the missions beyond that exercised by most Headquarters units.[51] The need for this was, however, soon understood and accepted by the Division in ERO, and, throughout the life of UNRRA, relations between the two offices remained cordial and coöperative.[52]

UNRRA's public information program in the receiving countries was, by and large, successful, although it seems clear that the public information staffs should have been earlier in the missions, and it was unfortunate but unavoidable that the difficulty in securing photographic supplies in some cases delayed the arrival of photographers in the field until the end of 1945 and seriously hampered their work.[53]

The public information staffs within the missions had certain definite tasks, although local conditions, the often very small number of personnel, and individual inclination dictated varying emphases: (1) they furnished stories of UNRRA operations within the receiving countries for distribution by Headquarters and ERO for publication in the major contributing countries; (2) they provided information to foreign correspondents and aided them in obtaining visas, transportation, billets, and other facilities; (3) they encouraged receiving governments to give full information and acknowledgment through the press and the use of identifying posters and labels about the origin, purpose, and use of UNRRA supplies and services, and, as far as time and means allowed, combated misrepresentations and inaccuracies in statements made by government officials or major publications.

Most of the public information staffs in the missions tended to regard the first objective as being, except for brief periods of pressure, the

[50] Interviews: Taylor with Morrell, 12 November 1946; Taylor with Phillips, 15 November 1946; Taylor with Stitt, 14 December 1947; monograph, Cummings, "Monograph on the Information Division of ERO," p. 12.

[51] Letter, Salisbury to Leonard Ingrams, 8 December 1944; cables: London to Vienna 369, 20 December 1945; London to Washington 5602, 8 May 1946.

[52] Interviews, Taylor with Salisbury, 28, 29 October 1946.

[53] A collection of UNRRA photographs is in the possession of the United Nations.

least important as well as the most difficult to carry out.[54] Headquarters and, to a less degree, ERO, they complained, were never satisfied either with the quantity or nature of the stories they sent,[55] while, on the other hand, providing little information as to the types of publications in which the mission stories appeared or the specific audiences for which the stories were intended.[56] The material which they sent was, therefore, largely determined by the interests and energy of the individual writers.

Certain UNRRA field operations suffered particularly from lack of understanding and resultant misrepresentation in the press of contributing countries. This, in part, came about from errors in judgment or failure by UNRRA public information personnel in the field to realize that what was everyday knowledge to them was unknown elsewhere and, more often, from snap judgments by foreign correspondents and visiting celebrities on the basis of inadequate information and observation.

Some of the bad press in the United States and the United Kingdom on UNRRA's operations in China, for example, was unquestionably deserved, but some of it undoubtedly arose from a prevalent confusion of UNRRA with CNRRA. This organization, to be sure, worked very closely with UNRRA, was partially staffed by UNRRA personnel on loan, and was charged with the distribution of UNRRA supplies and assistance to UNRRA relief services programs, but it was an organ of the Chinese Government which was alone responsible for its policies and its personnel. In the Western press, however, this distinction was seldom grasped, and UNRRA was obliged to bear the brunt of most of the criticism.[57]

The UNRRA Displaced Persons Operations in Germany received an amount of publicity disproportionate to its importance in relation to the whole UNRRA program, largely because the displaced persons as human beings with hopes, fears, and sometimes incredible experi-

[54] For example, monograph, Sutherland Denlinger, "History of Public Information Activities in the Czechoslovakia Mission," section 1*d*, p. 1.

[55] For example, monograph, Arthur Fletcher, "History of the Office of Public Information," Greece, pp. 8, 9, 14; letter, Morrell to Cummings, 21 May 1946.

[56] For example, monograph, Leo Fuller, "Historical Monograph on the Office of Public Information," Yugoslavia, p. 4; monograph, R. D. Mockler, "US Zone Germany, Public Information," p. 6; monograph, Robert L. Cook, "Public Information," China, p. 10.

[57] For example, Washington *Post*, 12 August 1946, quoting Senator Hugh Butler; Denver (Colo.) *Post*, 31 July 1946; Los Angeles (Calif.) *Times*, 26 July 1946.

ences were far more appealing copy than tractors or sacks of wheat. Much of this publicity was critical of the Administration. Some of this was justified; a great deal more proceeded from ignorance often colored with sentimentality or political bias. UNRRA's public information staff were never able to make clear the limits of UNRRA's responsibility for Displaced Persons Operations in Germany and Austria.[58] Although it was not responsible for all the displaced persons in Germany and Austria, UNRRA was criticized for conditions in camps over which it had no control.[59] In the camps it did administer, UNRRA was not responsible for transport, shelter, or basic supplies—yet it was often criticized for the lack of all three.[60] The authorities actually responsible in these cases, humanly enough, did not step forward and acknowledge their stewardship. UNRRA was authorized by the Council both to encourage repatriation of displaced persons and to care for those awaiting repatriation. It was blamed in the West for repatriating displaced persons to what was described as an uncertain fate in Eastern Europe; [61] it was excoriated in Eastern Europe for caring for collaborationists and quislings.[62] The public found the displaced persons operations too complicated to understand but easy to criticize; and too often the public approach was emotional, whereas, to the Administration, the work with displaced persons was a job to be performed humanely but efficiently and in keeping with the Council's directives.

In all UNRRA missions the servicing of foreign correspondents within receiving countries absorbed much time and energy, although the success in furnishing aid in securing visas, transport, accommodations, and other facilities necessarily varied with local conditions. The Poland Mission, for example, could not in ruined Warsaw give the

[58] Monograph, Cummings, "Monograph on the Information Division of ERO," pp. 4–6.

[59] For example, *PM* (New York, N.Y.), letter from reader, 17 September 1945; New York *Times*, 31 July 1945, citing statement in Red Army newspaper, *Oesterreichische Zeitung*.

[60] For example, *PM*, letter from reader, 17 September 1945; New York *Post*, 24 September 1945; Marion (Ill.) *Evening Post* editorial, 11 March 1946; New York *Times* editorial, 17 April 1947.

[61] For example, Washington *Times-Herald*, 12 August 1946; cable, London to Washington 14143, 20 December 1946, reporting debate in House of Lords; Director General's press conference refuting charges of Refugee Defense Committee of New York, Press Release 30, 4 June 1947.

[62] For example, *PM*, 9 January 1946; New York *Herald Tribune*, 24 March 1946; St. Louis *Post-Dispatch*, 16 June 1946.

assistance which in Greece and Italy helped to win for those UNRRA operations a good press in the contributing countries.[63]

The cordial relations developed between the missions and the resident corps of foreign correspondents bore fruit for UNRRA not only in an increase of informed reporting but also in specific instances, such as the arrest of an UNRRA American employee in Yugoslavia, when the correspondents delayed their stories until all the facts were known, thus saving the Mission from the embarrassment of premature publicity.[64]

Strictly speaking, the arrangements for entry of foreign correspondents to receiving countries may not have been the concern of UNRRA but, in the opinion of the Director of Public Information in the Poland Mission, the charges of misuse of UNRRA supplies were in direct proportion to the inconvenience suffered by the foreign press in entering, or attempting to enter, the country in question; [65] and the Missions in the countries in which these difficulties most often occurred—Poland,[66] Yugoslavia,[67] and the two Soviet Republics [68]—took an active part in urging the Governments to issue the visas requested. A majority of the United States Congress also linked UNRRA with the free admission of United States correspondents to receiving countries—with these four particularly in mind [69]—by adding a proviso to the last UNRRA appropriation in June 1946 specifying that none of the funds thereby made available was to be used to benefit any country which did not allow a reasonable number of American correspondents to observe and report, uncensored, the distribution and utilization of UNRRA goods.[70] An earlier version of this amendment caused the resignation of the UNRRA Mission Chief at Kiev in protest,[71] and only the insertion of a saving clause, leaving it to the United

[63] Monograph, Guy C. Hickok, "Public Information Division," Poland, p. 4.
[64] Fuller, "Historical Monograph on the Office of Public Information," Yugoslavia, p. 13; see *infra*, Part Five, Chapter III, Section 8.
[65] Monograph, Hickok, "Public Information Division," Poland, p. 3.
[66] *Ibid.*
[67] Monograph, Cummings, "Monograph on the Information Division of ERO," p. 11.
[68] Monograph, Theodore Waller, "Office of the Chief of Mission," Byelorussian SSR, pp. 10–11; cable, Washington to American Embassy, Moscow, 31 August 1946.
[69] Letter, William L. Clayton to Senator Kenneth McKellar, 3 July 1946, in United States Congress, 79th, 2 Session, Senate Subcommittee on Appropriations, *Hearings on H. R. 6885* (Washington, D.C., 1946), p. 221; monograph, Hickok, "Public Information Division," Poland, p. 3.
[70] United States Public Law 521, 79th Congress, 23 July 1946.
[71] Cable, Berlin to Washington unnumbered, 29 June 1946.

States State Department to determine when this condition existed, prevented serious embarrassment to the Administration.

The UNRRA Balkan Clearing Office was established in Rome in mid-1945 for the sole purpose of ensuring additional news coverage through the simultaneous issue of releases emanating from UNRRA Missions in Greece, Yugoslavia, and Albania to the more than one hundred war correspondents accredited to AFHQ who, because of the difficulties of travel in the Balkans, were infrequently present within those countries to receive the stories directly. When the military center of gravity moved to Vienna early in 1946, the Balkan Clearing Office was closed and its residual duties taken over by the Public Information Director in the Austria Mission.[72] An UNRRA public information officer also was assigned to service the correspondents attached to SHAEF, at first in London and later in Paris, although no formal office was ever set up.[73]

The majority of the UNRRA public information staffs in the field conceived it their chief duty to secure within the country in which they were stationed as widespread an understanding as possible of the international character of UNRRA, the contributing countries from which the supplies came, and the nature of the programs being carried on by UNRRA. Indeed, the UNRRA agreements with all receiving governments contained specific provision, derived directly from Resolution 4, that

> The Government will afford the Administration opportunity for, and will coöperate with the Administration in, making public information regarding deliveries and distribution of relief and rehabilitation supplies furnished by the Administration, and will permit the use of special labels or other designations on supplies and equipment belonging to or furnished by the Administration.[74]

Individual staffs faced different problems in carrying out this objective. In Austria, for example, the weak civil Government, anxious to assure its people of its capacity to govern despite the restrictions imposed by the four occupying Powers, tended tacitly to assume

[72] Interview, Taylor with Morrell, 12 November 1946.
[73] Interview, Taylor with Phillips, 15 November 1946.
[74] Agreement between UNRRA and Government of Czechoslovakia, Article III*e*; see *infra*, Appendix Seven, for texts of Agreements with receiving countries. The Agreements with the Byelorussian and Ukrainian Soviet Socialist Republics contained the clause on labels but the remainder was covered by more general terms.

credit for relief supplies through repeated failures to give acknowledgment to UNRRA. At one point almost three weeks passed after the Administration had added an extra $20 million to the food budget for Austria before the Chancellor, and only then in response to a prod from the Mission, made mention of it, with thanks, in a speech. Not until the spring of 1947 did this attitude change to one of gratitude and regret at the passing of UNRRA.[75]

In Greece, the UNRRA Mission in endeavoring during the civil war to aid both sides found itself suspect, not only by both contestants, but also by many of the neutral Greeks who, disregarding the terms of the Agreement between UNRRA and the Greek Government, expected UNRRA to continue the full responsibility for distribution of relief supplies previously vested in the Allied military authorities. Although such crosscurrents continued to make difficult the task of the public information staff, they were, nevertheless, successful in making UNRRA known, trusted, and appreciated by the Greek people, the actual recipients of UNRRA aid.[76]

In all missions the public information staffs made an effort to keep check on the articles mentioning UNRRA which appeared in the major newspapers of the country. In Yugoslavia, for instance, most often charged in the Western press with ingratitude for UNRRA aid, material on UNRRA in the eight daily newspapers averaged in their four small pages 500 single-column inches monthly and rose to a maximum of 1,360 inches. This was a coverage greater proportionately than could have been hoped for in the press of the main contributing countries, and was mainly friendly in tone.[77] In Czechoslovakia the number of press clippings about UNRRA never fell below a thousand in any month of 1946 and at the peak in August, when LaGuardia visited the country, totaled 2,430.[78]

When material about UNRRA was too infrequent or contained serious inaccuracies or misrepresentations, the missions took action at the necessary level to urge the publication of additional articles or corrections, although the Public Information Division in Poland once

[75] Monograph, R. H. R. Parminter, "Office of Chief of Mission," Austria, p. 30.
[76] Monograph, Fletcher, "History of the Office of Public Information," Greece, pp. 1–9.
[77] Monograph, Fuller, "Historical Monograph on the Office of Public Information," Yugoslavia, pp. 6–7.
[78] Monograph, Denlinger, "History of Public Information Activities in the Czechoslovakia Mission," section 1*c*.

explained, in answer to a protest voiced by the United Kingdom Foreign Office concerning an article in *Zvei Warzawy*,[79] that they simply did not have the staff to correct all the misstatements about UNRRA in the Polish press.[80] On the other hand, when a particularly damaging statement was made during the 1946 food crisis by the Polish Vice-Premier Gomulka, even the Director General joined in protesting, with the result that the Government thereafter allowed the Mission to review before publication all statements regarding UNRRA supplies.[81]

Even the very small Mission to the Ukrainian SSR, which included no public information officer as such, managed by constant hammering to secure very creditable public recognition of UNRRA through the exclusively government-controlled newspapers, newsreels, and radio.[82]

In Albania, however, where the problem looked simple since the Government controlled the one newspaper, *Baskimi*, and the one radio station, Radio Tirana, the Government proved not merely reluctant to give credit to the Mission but suspicious of its motives. The Government used these channels more frequently to criticize the Administration than to praise it, and no amount of pressure by the Mission effected improvement for long. In July 1946, therefore, Headquarters transferred the public information officer elsewhere.[83]

Certain misapprehensions were common in most receiving countries, especially in the early days of the UNRRA Missions: for instance, UNRRA supplies were not actually being given free to receiving governments and a bill or a *quid pro quo* might be looked for in the future; [84] UNRRA was withholding supplies in order to influence one side or the other in national elections; [85] the proportion of UNRRA

[79] Letter, Brigadier K. J. Gabbett (United Kingdom Foreign Office) to J. D. Wraight (Special Assistant to Personal Representative of the Director General, ERO), 5 June 1946.

[80] Letters: Gilbert Redfern (Chief, Public Information Division, Poland Mission) to J. D. Mugford (Public Information Division, ERO), 24 June 1946; C. M. Drury (Chief, Poland Mission) to L. G. Holliday (Commercial Counselor, British Embassy, Warsaw), 15 June 1946.

[81] See Part Five, Chapter VI, Section 4. [82] See Part Five, Chapter VII, Section 3.

[83] Monograph, P. C. Floud, "Publicity," Albania, *passim;* see *infra*, Part Five, Chapter IV, Section 1.

[84] Monograph, Denlinger, "History of Public Information Activities in the Czechoslovakia Mission," p. 6; monograph, B. Ashford-Russell, "History of Division of Information, Italy," p. 5; monograph, M. E. Hays, "Early History of the Mission," Poland, p. 5.

[85] Monograph, Denlinger, "History of Public Information Activities in the Czechoslovakia Mission," pp. 11–12.

supplies allocated to the country concerned had been unfairly determined by the Administration.[86] These repetitions gradually diminished, however, as the public information staffs labored to correct them.

In some countries where the regular local channels were inadequate or the responsible ministries weak, the public information personnel took the lead in conducting public information programs. In Greece, for example, when the Greek Press Ministry proved unable to handle the Mission's press releases, the Public Information Division assumed the task.[87] The Greek Mission was also for a long time unique in having a regular radio program in the language of the receiving country: "Answers on UNRRA" ran through twenty-six shows on the Government's Radio Athens.[88] In Italy, the Public Information Division supplemented the extensive publicity provided by the Government by undertaking to explain the proper use of various UNRRA goods, by conducting successful campaigns exhorting port and other transport workers to expedite the movement of supplies, and by urging the recipients of fuel and processors of UNRRA raw materials to make the maximum use of these precious commodities. The Mission's weekly *Economic Notes*, issued in English and Italian, moreover, quickly gained public confidence as an authoritative source on the country's economy.[89]

A phase of public information which from the beginning attracted much interest and concern in the contributing countries, and particularly in the United States Congress,[90] was the endeavor to inform the public in the receiving countries both as to the country of origin of UNRRA supplies and the international character of the Administration which made them available. The First Council had, in fact, in the resolution on publicity drafted by the United States Delegation,[91] recommended that member governments "permit the use of special

[86] Monograph, Floud, "Publicity," Albania, p. 1.
[87] Monograph, Fletcher, "History of the Office of Public Information," Greece, p. 10.
[88] *Ibid.*
[89] Monograph, Ashford-Russell, "History of Division of Information, Italy," p. 5.
[90] For example, United States Congress, 78th, 1 and 2 Sessions, House Committee on Foreign Affairs, *Hearings on H. J. Res. 192* (Washington, D.C., 1944), p. 43; "Republican Congressional Food Study Committee Report to the Honorable Joseph W. Martin, Jr.," 29 October 1945, p. 5; proposed amendment to United States appropriation of $550 million for UNRRA, United States Congress, 79th, 1 Session, House Subcommittee on Appropriations, *Hearings on a House Joint Resolution Making Appropriations for UNRRA* (Washington, D.C., 1945), *passim.*
[91] Interview, Taylor with Phillips, 15 November 1946.

labels or other designations on supplies and equipment belonging to or furnished by the Administration," [92] although it had sidestepped the controversial issue of whether the national flag of the contributing country should be used as a label.[93] The opinion evolved within the Administration, however, was that the responsibility for ensuring that its contributions were made known rested with the government concerned, which might prescribe its own labels or issue explanatory pamphlets or statements.[94] In practice, goods were shipped to receiving countries with "UNRRA" clearly marked on crates and boxes or painted on the sides of locomotives and assembled machinery, and usually also the United States or United Kingdom flag or the Canadian maple leaf appeared on goods from those countries. When outer wrappings were removed, attribution to UNRRA no longer appeared, however, unless the receiving governments could be persuaded to provide a distinguishing mark or, in the case of bulk goods such as coal or wheat, some official explanation of their origin at points of distribution.

On this task of persuasion the mission public information staffs spent much time and effort, in most countries with considerable success. In Czechoslovakia, for example, the Government put up in the food shops posters, "UNRRA Speaks to You," containing the most important facts about the Administration, and printed a similar statement on the ration cards.[95] Notes, leaflets, posters, and explanations on ration cards were employed in most receiving countries, although sometimes, as in Austria,[96] only after long-continued pressure from the UNRRA Mission. "UNRRA" was also painted on the sides of trucks and tractors and even branded on cattle, horses, and mules. In the two Soviet Republics, however, the Governments never agreed to the use of posters in the ration stores, explaining that UNRRA was already well known to the people.[97]

There was, in fact, ample testimony not only from the missions but

[92] Resolution 4.

[93] Interview, Taylor with Phillips, 15 November 1946.

[94] Letter, Cummings to Gilbert Redfern (Information Division, Czechoslovakia Mission), 31 July 1946, reporting ruling of Administrative Council.

[95] Monograph, Denlinger, "History of Public Information Activities in the Czechoslovakia Mission," section 1*b*, p. 8.

[96] Monograph, Parminter, "Office of Chief of Mission," Austria, p. 30.

[97] Monograph, V. J. Tereshtenko, "Relations with the Government," Ukrainian SSR, pp. 84–90.

from possibly less prejudiced visitors [98] that the majority of the people in the receiving countries did know that the relief supplies came from UNRRA and were genuinely grateful and appreciative. As the Polish Minister of Labor and Social Welfare said, when unveiling a plaque commemorating the country's gratitude to UNRRA: every child and old person knew that UNRRA meant bread, milk, sugar, and clothing; to the sick it meant medical assistance; to the peasant it meant tractors; to the factory worker it meant machines.[99] It is less certain that there was a widespread clear understanding of the international character of UNRRA or of the principles under which it operated. Indications were, in fact, encountered in all receiving countries of a frequent tendency to regard UNRRA as "help from the American people," [100] although, be it said to their credit, United States nationals in the Administration did not encourage this belief.[101] It arose primarily rather from the fact that such commodities as canned goods, drugs, and equipment assembled within the receiving country, being shorn of their "UNRRA"-labeled outer wrappings, revealed only the brand or manufacturer's markings which included the country of origin—and the largest portion of UNRRA supplies came from the United States. The major contributing country had, therefore, little cause for concern that its generosity was not well known.

The type of public information work proper for an international organization and the division of responsibility for such work between the organization and its member governments remain unsolved problems. UNRRA was criticized both for not doing enough to advertise itself and for using funds contributed by member governments to publicize its activities.[102] If UNRRA could not claim to have solved these problems, some of the member governments could not claim to

[98] For example, testimony of C. Tyler Wood (United States State Department), 5 June 1946, United States Congress, 79th, 2 Session, House Subcommittee on Appropriations, *Hearings on the Third Deficiency Bill for 1946* (Washington, D.C., 1946), pp. 231–232.

[99] Quoted in monograph, Cummings, "Monograph on the Information Division of ERO," p. 10.

[100] Testimony of C. Tyler Wood, 5 June 1946, United States Congress, 79th, 2 Session, House Subcommittee on Appropriations, *Hearings on the Third Deficiency Bill for 1946* (Washington, D.C., 1946), p. 231.

[101] *Ibid.*, pp. 231–232; W. L. Clayton to Senator Kenneth McKellar, 3 July 1946, in United States Congress, 79th, 2 Session, Senate Subcommittee on Appropriations, *Hearings on H. R. 6885* (Washington, D.C., 1946), p. 221.

[102] For example, notes by Treasurer's Office staff on meeting of Committee on Financial Control, Second Council, 22 September 1944.

have made much progress either. Especially was this true of the United States, in which public understanding of UNRRA was of most importance but which of all the great powers had had least experience prior to the second World War of the responsibilities attending membership in international organizations. These problems, which at their heart touch national sovereignty, continue to trouble the international organizations which came after UNRRA. In any case it is clear that UNRRA, even with the best possible public information policies and practices, could not alone have overcome the rising tide of opposition to international action of which it was one of the first victims.

# VII. Transfer of Functions and Liquidation

## 1. *PLANS FOR LIQUIDATION*

THE LIQUIDATION of a large organization is never easy, even when, as in the case of UNRRA, it has been foreseen from the very beginning and is inherent in its temporary status. For UNRRA the problem was complicated by the fact that the organization had to be terminated with various important parts of its work unfinished—notably in connection with the care of displaced persons, agricultural rehabilitation, health services, and certain long-term economic development plans as, for instance, in China. Therefore, UNRRA's liquidation had to be arranged and phased in such a way as to permit the orderly transfer of its unfinished tasks and residual responsibilities to appropriate international or national agencies.

The approach of liquidation was foreshadowed by the adoption of Resolution 80 at the Third Council Session in London in August 1945. The preamble contemplated "that UNRRA will complete its shipments to the receiving countries in Europe not later than the end of 1946 and in the Far East three months thereafter." These dates were also given much prominence during the winter of 1945–1946 in the course of the United States Congress's consideration of the second United States contribution.[1] Indeed, the general publicity given to these dates created a real personnel problem for the Administration: existing staff began to look for new employment, and it became increasingly difficult to recruit new staff needed in connection with the programs that were started late—Austria, China, and the full supply program for Italy, for example.

[1] United States Congress, 79th, 1 Session, Subcommittee of House Committee on Appropriations, *Hearings on House Joint Resolution Making Appropriations for UNRRA for Fiscal Year 1946* (Washington, D.C., 1945), p. 19; United States Congress, 79th, 1 Session, House Committee on Foreign Affairs, *Hearings on H. R. 4649* (Washington, D.C., 1945), p. 65; cable, London to Washington 1394 (PP 282), 2 February 1946.

Even before the Fifth Session of the UNRRA Council in August 1946 it appeared very unlikely that any further contributions would be forthcoming from the member governments; it followed that UNRRA's future activities would have to be planned within the limits of the Administration's existing resources. Liquidation, therefore, became a subject for immediate planning. The most pressing problem was to study measures to maintain morale and retain the staff already unsettled by the apparently imminent end of the Administration. ERO, early in 1946, had begun to press for the planning of an orderly liquidation. In Headquarters, however, there was a feeling that any such planning would inevitably become generally known to the staff and would give rise to further uneasiness and uncertainty about the future. Probably this reluctance to tackle the liquidation problem stemmed from various hopes that, contrary to expectations, UNRRA might be given a new lease on life at the Fifth Council Session. As a result, by May 1946 little progress had been made.[2]

ERO continued to insist on the need for careful preliminary plans which, by dispelling uncertainty, would serve materially to steady the staff. After discussion by the Administrative Council in July 1946, a cable was sent to Headquarters proposing that a small committee be formed jointly by Headquarters and ERO to discuss the liquidation.[3] Both Headquarters and the Senior Deputy Director General, accompanying LaGuardia on his tour of European missions, agreed.[4] The Special Committee on Reorganization, which was to do such valuable work in organizing the liquidation of UNRRA, then came into being, with a membership of five from ERO and Colonel Alfred G. Katzin, Special Assistant to the Chief Executive Officer, representing Headquarters.[5]

The Fifth Council Session confirmed expectations and by failing to call for a third contribution from member governments determined

[2] Monograph, Donald P. Brown, "The Liquidation Planning Program of UNRRA," HQ, pp. 1–4; cable, Washington to London 3848, 8 April 1946; Major General Lowell W. Rooks (Chief Executive Officer) to Malcolm B. Catlin (Acting Chief, Bureau of Administration), 19 April 1946; Administrative Council Documents (46)11, 15 July 1946.

[3] Administrative Council Documents (46)11, 15 July 1946; Administrative Council 313 (X), minutes of meeting, 17 July 1946.

[4] Cables: London to Athens 1718, 18 July 1946; London to Washington 8816, 18 July 1946; Washington to London 10963, 20 July 1946; Athens to London 2603, 20 July 1946.

[5] Monograph, Brown, "The Liquidation Planning Program of UNRRA," p. 12.

the end of UNRRA. Thereafter, "rundown" (the term used to denote the liquidation of the Administration itself) and "handover" (the transfer of responsibilities to other agencies) proceeded as one operation with two aspects, the interdependence of which was emphasized by the fact that the rundown of staff generally had to wait on the handover of functions.

## 2. *HANDOVER OF HEALTH SERVICES*

As early as the first quarter of 1945 UNRRA was dealing with two matters, the care of displaced persons [6] and the administration of the International Sanitary Conventions, of a long-term nature and clearly requiring to be handed over to other international agencies.[7] It was with these requirements particularly in mind that UNRRA sent its General Counsel to the United Nations Conference for International Organization held in San Francisco April-June 1945. Feller was able to have the draft Charter so amended as to facilitate the handover of UNRRA functions to the United Nations Economic and Social Council.[8]

Resolutions [9] passed at Geneva covered the entire UNRRA transfer program. They were considered by the United Nations General Assembly in the autumn of 1946, and by the end of the following year the Administration had secured the transfer of each of the functions concerned. Probably the least difficult, yet one of the most important, of these transfers covered certain of the UNRRA health functions which, by the first quarter of 1947, had been taken over by the World Health Organization—Interim Commission (WHO-IC).

When the United Nations Economic and Social Council held its first session in January 1946, it set up a Technical Preparatory Commission to prepare the agenda for an international health conference; [10]

[6] Memo, F. K. Hoehler (Director, Displaced Persons Division, HQ) to Director General, 25 April 1945.

[7] Memo, Abraham H. Feller (General Counsel) to Director General, 30 March 1945.

[8] *Ibid.;* Feller, "Report on Activities at the San Francisco Conference," 21 May 1945; Carl B. Spaeth (Assistant Diplomatic Adviser), "Report on Activities at San Francisco Conference," 20 June 1945.

[9] Resolutions 94, 95, 97, 99, 100, 103. Resolution 97 is treated in Part Four, Chapter IV, Section 4. The sequel of Resolution 100 is covered in Part Three, Chapter IV, Section 6.

[10] Ruth D. Masters, *International Organization in the Field of Public Health* (Washington, D.C., 1947), advance print of chapter in Manual of International Organization

Dr. Wilbur A. Sawyer, Director of the Headquarters Health Division, was present at the Commission's meetings in a consultative capacity.[11] Meanwhile, draft protocols, extending the International Sanitary Conventions [12] and UNRRA's administration of them, had been circulated, and in March 1946 the UNRRA Council at its Fourth Session authorized the Director General to continue the work "until such time as the Council or Central Committee shall determine." [13] The International Health Conference sat in New York from 19 June to 22 July 1946, and drew up a Constitution which was signed by sixty-one nations; this provided for the WHO-IC, which was thus already in being by the time the Fifth Session of the UNRRA Council convened in August.[14]

During the Council's deliberations, Dr. Sawyer indicated that the epidemiological intelligence service of UNRRA could be handed over as soon as WHO-IC was ready to receive it, probably the following November; that displaced persons health services would pass logically to the International Refugee Organization (IRO); and that residual purchase and delivery of medical supplies could after 1946 be performed by the Headquarters Bureau of Supply. He thought that, by and large, the national health authorities needed no further technical assistance.[15] The Committee on Procedure, however, considered that some of UNRRA's other health functions might be transferred to WHO-IC, and the Council accordingly instructed the Director General to consult with WHO-IC with a view to transferring not only the epidemiological intelligence service provided for by the International Sanitary Conventions but also "such other functions of UNRRA in the field of health" as WHO-IC might be willing to take over. Moreover, the Director General could, subject to Central Committee approval, transfer "from the available resources of UNRRA, such funds as may be necessary for the performance of the transferred functions." [16]

In October 1946 a tripartite committee (UNRRA, WHO-IC, and United Nations) reviewed plans already drafted by the Health Division at UNRRA Headquarters. On 22 October, by an exchange of

of the Division of International Law of the Carnegie Endowment for International Peace (in preparation), p. 23.

[11] Dr. Wilbur A. Sawyer, Diary, 1 June 1946.

[12] See Part Four, Chapter II, Section 2. [13] Resolution 85.

[14] Council V Document 6, C(46)4, 8 July 1946.

[15] Council V Document 71, *Ad Hoc* Committee on Procedure (*Ad Hoc*/Pr)2, 10 August 1946. [16] Resolution 94.

letters, it was agreed that UNRRA's work and financial responsibility under the Sanitary Conventions would pass to WHO-IC on 1 December 1946.[17]

The committee also agreed on the transfer to WHO-IC of certain other UNRRA health functions: the fellowship and public health education program; the program for Ethiopia; tuberculosis and malaria control; and the dispatch of experts to countries with special needs—all programs in which continuity was important.[18] The Agreement between UNRRA and WHO-IC, signed on 9 December 1946, provided for the handover of programs in Europe and Ethiopia on 1 January 1947 and in China on 1 April 1947, and for certain UNRRA assistance to WHO-IC, particularly in obtaining local currency.[19] Three successive grants were voted by the Central Committee, totaling $4 million, to enable WHO-IC and WHO to carry on the functions taken over from UNRRA until the organization had secured adequate contributions from its own member governments.[20]

The handover of UNRRA's important responsibilities in the field of public health was greatly facilitated by the fact that there was a recognized tradition of international coöperation in health matters and that political issues, national or international, did not arise in this context. Consequently, the Administration did not have to struggle for the establishment of a permanent international health organization as it had to in the case of the Preparatory Commission, IRO (PCIRO). The administration of the International Sanitary Conventions, moreover, had been assigned to UNRRA in 1945 only as a temporary means of giving the permanent organization—already recognized as essential—time to get started. UNRRA, both as an organization and through the efforts of individual staff members, contributed greatly to the establishment of WHO and without UNRRA's financial support WHO-IC would have been obliged to curtail many important activities it inherited from UNRRA. This work was, moreover, in several cases continued under the guidance of senior officials who had served in the

[17] Committee of UNRRA, WHO-IC, and United Nations, minutes of meetings, 12, 16, 22 October 1946; letters: Director General to G. Brock Chisholm (Executive Secretary of WHO-IC); Chisholm to Director General, 22 October 1946; see *infra*, Appendix Eight, Document 2.

[18] Central Committee (CC) (46) 112, Appendix I, 30 October 1946 (Compilation of the Documents of the Central Committee of the Council [CC Docs.] IV, 70–72).

[19] Agreement between WHO-IC and UNRRA, 9 December 1946; for text, see *infra*, Appendix Eight, Document 3.

[20] See Appendix Ten, Section IV, Document 6.

UNRRA Health Divisions. Dr. N. M. Goodman, for example, who had been Director of Health in ERO became Director of Field Services for WHO-IC with supervision of the transferred UNRRA programs in Europe and Ethiopia, and Dr. Berislav Borcic, Chief UNRRA Medical Officer in China, assumed charge of the WHO-IC Mission in China.

### 3. *HANDOVER OF CHILD WELFARE FUNCTIONS*

It was evident in August 1946 that it still lay beyond the means of many governments to provide adequately for the welfare of the least fortunate children in their countries. The UNRRA Council, meeting then in its Fifth Session, also recognized that "the rehabilitation of the children and adolescents of countries which were the victims of aggression is of paramount importance for the achievement of recovery." [21]

Largely on the initiative of Dr. Ludwik Rajchman, of Poland,[22] the Council recommended the creation of an International Children's Fund which would be the residuary legatee of the Administration's assets and funds. It was also hoped that, in addition to these resources, the Fund would receive gifts from "Governments, voluntary agencies, individuals and other sources." [23]

The fourteen-nation Standing Committee on the Rehabilitation of Children and Adolescents, created by the Council, began its work at once. After it had drawn up a draft constitution for the Fund, in consultation with the United Nations Economic and Social Council and the Secretariat of the United Nations, LaGuardia officially presented the case in September to the Economic and Social Council. Upon its recommendation the General Assembly of the United Nations approved the plan on 11 December 1946.[24]

The International Children's Emergency Fund (ICEF) which thus came into existence was recognized by the UNRRA Council as its protégé; because of the general agreement by the Central Committee members on the desirability of grants to ICEF, the new agency was given by far the largest share of UNRRA's residual resources.

[21] Resolution 103.

[22] Council V Document 150, *Ad Hoc* Committee on Policy (*Ad Hoc*/P)37, 15 August 1945; Council V Document 153, *Ad Hoc*/P 40, 15 August 1946; *Journal*, Fifth Council, pp. 105–106, 121.

[23] Resolution 103.

[24] John J. Charnow, "The International Children's Emergency Fund," United States Department of State Bulletin, 16 March 1947.

The General Assembly resolution creating ICEF contemplated that it would utilize such staff, records, and equipment as might be transferred from UNRRA during the latter's existence. On 22 December 1946 the Director General agreed to lend the Fund up to twenty UNRRA employees to serve until mid-1947; as of 14 June 1947 fifteen persons were so employed.[25] Certain experienced UNRRA personnel were employed by ICEF, among them Alfred E. Davidson (General Counsel), who became Director of Operations in Europe; S. M. Keeny (Chief, Italy Mission), who became his Deputy; and Karl Borders (Deputy Chief of the Bureau of Supply) who became Chief Executive Officer. UNRRA missions were instructed to cable information to help in planning the ICEF program and to emphasize ICEF needs when transferring surplus UNRRA property to governments. UNRRA receiptors at various European ports acted as consignees for ICEF's initial shipments.[26]

Although the first request for funds for ICEF had to be rejected by the Central Committee on 11 December 1946 because of the Administration's uncertain financial position,[27] two days later the Director General assigned to it $486,150 of the unexpended funds of the Famine Emergency Food Collection, Inc., an American organization which had authorized the Director General to allocate over $3 million which it had collected.[28] In a series of later grants, $34,461,065 was turned over to ICEF, as well as such claims, rights, and residual funds as might subsequently be realized.[29]

### 4. *HANDOVER OF SOCIAL WELFARE SERVICES*

In April 1946 the United Nations Temporary Social Commission interested itself in the future of UNRRA's social welfare activities.[30] After considering a document proposed by the Headquarters Welfare Division summarizing certain features of the UNRRA program, the

[25] Letter, Richard R. Brown (Chief Executive Officer) to Maurice Pate (ICEF), 21 July 1947.

[26] Cable, Washington to London 19046, 8 January 1947; savingram, London to missions A-3233, 25 April 1947; cable, London to Washington 18481, 8 August 1947.

[27] Council VI Document 88, CC(46)135, minutes 42d meeting, 11 December 1946 (CC Docs., IV, 164).

[28] *Journal*, Sixth Council, pp. 55–56.

[29] See Appendix Ten, Section IV, Document 6.

[30] Letter, Katharine Lenroot (United States Representative, Temporary Social Commission) to Charles H. Alspach (Acting Director, Welfare Division, HQ), 10 April 1946; memo, Alspach to Senior Deputy Director General, 9 April 1946.

Commission recommended to the United Nations Economic and Social Council that the subject be referred to the Permanent Social Commission for special attention.[31] Whereupon in July UNRRA instructed its missions to ask the receiving governments to survey their welfare programs (whether UNRRA, indigenous, or performed by foreign voluntary agencies) and determine wherein they were inadequate and what outside assistance would be needed. The missions were to suggest that this information be given to the countries' representatives on the Economic and Social Council or on the Permanent Social Commission.[32]

The Council at its Fifth Session agreed that such of UNRRA's social welfare activities as the member governments desired to have continued should be transferred to the United Nations Secretariat until the Permanent Social Commission was prepared to undertake them.[33] The Council specified [34] particularly for turnover the functions connected with undernourished, handicapped, and orphaned children, the training of welfare personnel, and the furnishing of materials and equipment for community services. It was necessarily rather vague because the desires of the receiving countries were as yet unknown.[35]

The authorized consultations with the United Nations [36] were handicapped by the lack of government interest in the project; but after repeated cables enough information was gleaned to enable the Secretary General's report of 7 November 1946 to the General Assembly to propose a tentative budget of nearly $900,000. The replies from receiving countries, however, stressed the desirability of supplies rather than services,[37] and, following a bitter debate in the Third Committee, the Fifth Committee cut the budget down to $670,186.[38]

A General Assembly resolution of 14 December 1946 [39] provided for the continuance by the United Nations through 1947 of UNRRA welfare functions. The following lines of activity were approved:

[31] Memo, Mary Craig McGeachy (Director, Welfare Division, HQ) to Michail A. Menshikov (Deputy Director General, Bureau of Services), 11 May 1946.
[32] Letter, Director General to Buell Maben (Chief, Greece Mission), 16 July 1946.
[33] Following the recommendations in Council V Document 7, C(46)5, 8 July 1946.
[34] Resolution 95.
[35] *Ad Hoc* Committee on Procedure, verbatim minutes 1st and 2d meetings, 9, 13 August 1946.
[36] Resolution 95.
[37] United Nations Document A/132, 7 November 1946.
[38] United Nations Document E/275, 24 February 1947.
[39] United Nations General Assembly Resolution 58, 14 December 1946.

sending welfare workers to countries requesting their services; establishment of a fellowship program in the administration of social welfare programs; providing advice, demonstration, and instruction in connection with the manufacture of prosthetic devices and the vocational education of the handicapped; sending technical welfare publications to devastated countries. Requests for aid would be referred to the Office of the Secretary General for decision, subject to review by the next session of the Permanent Social Commission.

UNRRA agreed to retain its welfare staff in Europe so far as possible through February 1947, to preserve continuity in such programs as the receiving countries wished continued; and by 24 February, Greece, the Ukrainian SSR, China, Czechoslovakia, Yugoslavia, and Poland had applied for some or all of the categories of assistance.[40] Further continuity was also assured by the appointment of senior UNRRA officials to relevant posts in the United Nations. Sir Raphael Cilento, for instance, formerly Director, British Zone, Germany, became Director of the Division of Social Activities in the Secretariat's Department of Social Affairs, while Charles H. Alspach, former Deputy Director, Welfare Division, Headquarters, became head of the Social Service Section of the same United Nations Division. No transfer of UNRRA funds had been authorized, however, and in November 1947 the Central Committee refused to sanction financial aid.[41]

### 5. *HANDOVER OF AGRICULTURAL REHABILITATION FUNCTIONS*

In October 1946 UNRRA approached the Food and Agriculture Organization (FAO) with the suggestion that it take over certain of the UNRRA agricultural rehabilitation services.[42] A number of receiving countries had expressed a desire for the continuation of UNRRA technical assistance in agriculture, and the Administration hoped that it would be able to persuade the Central Committee to finance FAO in the continuance of such functions. A large quantity of agricultural supplies and machinery was still in process of procure-

[40] United Nations Document E/275, 24 February 1947.

[41] CC(47)137, 12 November 1947; CC(47)141, minutes 62d meeting, 17 November 1947.

[42] Letters: E. R. Henson (Director, Agricultural Rehabilitation Division HQ) to Sir John Boyd Orr (Director General, FAO), 22 October 1946; Rooks to Orr, 29 October 1946.

ment and shipment, and the world food shortage could be significantly eased by the good use of these supplies. It seemed, therefore, worthwhile to invest a relatively small amount of money to increase the effectiveness of the considerable resources already expended on agricultural rehabilitation.

After some hesitation, FAO proved agreeable, and the Director General presented the arrangements for the Central Committee's approval on 4 December 1946 with a recommendation that $600,000 be furnished to finance the program through 1947.[43]

While agreeing with the Administration's reasoning, the Central Committee did not believe that the money ought to be found from UNRRA's general reserve.[44] It recommended, instead, that the Administration ask the receiving governments to accept this service as a charge against their UNRRA supply budgets. The response from the governments provided $635,000.[45]

Central Committee approval having been gained on this basis on 5 February 1947,[46] the Administration concluded an Agreement with FAO on the nineteenth whereby UNRRA personnel needed by FAO were to be released as far as possible by 31 March in Europe, and by 30 June in China.[47] Actually, however, the turnover did not take place in China until the end of 1947 since UNRRA's activities there were extended.[48] E. R. Henson, Director, Division of Agricultural Rehabilitation, Headquarters, who had been instrumental in planning the transfer to FAO, had gone to China in the spring of 1947 to make arrangements for the comparatively large program the Government wished continued, and in December FAO offered contracts to twenty-seven of the fifty advisers whom the Government had requested.[49]

By the summer of 1947 the continuation program in Europe had been successfully launched. Three international schools were held: one on hybrid corn at Bergamo, Italy; one on artificial insemination

[43] CC(46)127, 27 November 1946 (CC Docs., IV, 135–137).
[44] CC(46)130, minutes 41st meeting, 4 December 1946 (CC Docs., IV, 150–153).
[45] See Appendix Ten, Section IV, Document 6.
[46] CC(47)18, minutes 46th meeting, 5 February 1947.
[47] Agreement between FAO and UNRRA, 19 February 1947; for text, see *infra*, Appendix Eight, Document 4.
[48] CC(48)35, 17 September 1948, Appendix B, "Summary of Work Conducted by Food and Agriculture Organization of the United Nations under the Fund Transferred from the United Nations Relief and Rehabilitation Administration"; "Summary of Activities under FAO-UNRRA Agreement."
[49] *Ibid.*

at the Spallanzani Institute in Milan; and one for veterinary laboratory technicians at Weybridge, England. In all cases, the benefiting nations agreed to pay within-country expenses.[50]

In September 1947 the Central Committee voted $500,000 of the Administration's residual funds to continue the UNRRA functions through 1948, FAO's budget being unable otherwise to support the program.[51]

Certain senior officials brought to FAO the benefit of their earlier experience with UNRRA. Frank Weisl (UNRRA Headquarters Chief Executive Officer), for example, became Director, Administrative Division; Irving Posner (Director, Personnel and Management) became Assistant Personnel Officer; and James McAnsh (Deputy Director, Food Division), a member of the Economics and Statistics Division in Geneva.

### 6. *HANDOVER OF DISPLACED PERSONS OPERATIONS*

As early as the spring of 1945, even before UNRRA had started full-scale operations, it was already clear that there would be displaced persons who would not willingly allow themselves to be repatriated. The care and resettlement of these people were obviously beyond the resources of the Intergovernmental Committee on Refugees (IGCR), the prewar organization charged with such responsibility. UNRRA had, therefore, to find an organization to take over this "hard core" and the Administration believed that this was a proper problem for the nascent United Nations.[52]

When the United Nations General Assembly met for its first session early in 1946, the refugee problem was referred to the Economic and Social Council for examination and the appointment of a special committee.[53] On the Special Committee on Refugees and Displaced Persons (SCRDP) [54] sat representatives of twenty nations with the Director General of UNRRA present in a consultative capacity. By this time the turnover of the displaced persons operations had become a matter of some urgency, for UNRRA's resources were limited and unlikely to be replenished; and, in the time remaining before 31 December 1946,

[50] *Ibid.* [51] CC(47)115, minutes 59th meeting, 15 September 1947.
[52] Memo, Hoehler to Director General, 25 April 1945.
[53] United Nations General Assembly Resolution, 12 February 1946.
[54] Created by Resolution of the Economic and Social Council, 16 February 1946.

interpreted as the terminal date for UNRRA's European operations, little margin existed for the creation of an international organization, especially since not all governments were agreed on the necessity for any such successor organization. In these circumstances the Fourth Session of the UNRRA Council (March 1946) recommended that all UNRRA member governments do their utmost to expedite the establishment of a new agency.[55]

In June the majority of the Special Committee recommended that a specialized international agency be organized, to be known as the International Refugee Organization.[56] The Committee had worked largely from UNRRA data and with the warning from the Personal Representative of the Director General about the importance of continuity and a smooth takeover from UNRRA very much in mind.[57]

Because the Administration felt a real concern for the future of the displaced persons, it early recognized the necessity for careful planning for the continuance of the operations and the orderly transfer of UNRRA's activities in the field to whatever successor might assume the responsibility. Because it wished to preserve, in at least one important field, the concept of international endeavor, it worked for the establishment of an effective IRO and made a very considerable effort to have that organization ready in time to take over.

By the end of June 1946, the United Nations Economic and Social Council had approved a draft IRO constitution for circulation among the United Nations and had set up a ten-government Committee on the finances of IRO, with UNRRA and IGCR serving in a consultative capacity.[58] While on paper it seemed possible for IRO to be operating by 1 January 1947,[59] the UNRRA Fifth Council Session realistically decided to authorize the continuance of displaced persons operations until 30 June 1947.[60] For this purpose, a fund was to be set aside which, or any residual part of it, together with the appropriate records, equipment, and personnel, could, subject to Central Committee

[55] Resolution 92.

[56] Department of Relief Services, ERO, "Progress Report on Activities of the United Nations regarding Refugees and Displaced Persons," 6 August 1946.

[57] Sir Humfrey Gale, "Statement to the Special Committee on Refugees and Displaced Persons," 24 April 1946.

[58] United Nations Document E/203/Revision 1, 21 June 1946.

[59] Memo, Alfred E. Davidson (General Counsel) to Director General, 25 June 1946.

[60] Resolution 99.

approval, be transferred to IRO or other appropriate successor organization.

The proposed IRO constitution was approved by the United Nations General Assembly in December 1946,[61] but the progress of the organization thereafter was uncertain, so much so that UNRRA had, at least at one point, to prepare a Contingency Plan to meet the eventuality of IRO's not being able to take over on 1 July 1947.[62] Fortunately, the proposed IRO constitution had received sufficient ratifications before the end of December 1946 to permit the establishment of PCIRO.[63] Even before, UNRRA had begun to rearrange its displaced persons operations with a view to a smooth transfer on 1 July 1947.[64]

From the beginning, the major share of the preparatory work was borne by ERO,[65] which had jurisdiction over the greater part of UNRRA's displaced persons operations. In the final stage before the transition ERO in this connection virtually placed itself under PCIRO's orders.[66] UNRRA's Central Headquarters in Germany was dissolved, and in February 1947 an UNRRA Displaced Persons Headquarters was set up in Paris, wherein, to conform with PCIRO's structure, control of all UNRRA displaced persons operations in Europe and the Middle East was finally centralized.[67]

The insufficiency of PCIRO's prospective budget necessitated drastic pruning of personnel and the elimination of certain UNRRA services to the displaced persons. Late in 1946 there were over 3,000 Class I employees in Germany; by mid-1947 this number had been reduced to 1,620, who were then transferred to PCIRO. This heavy reduction

[61] *Report of the Director General to the Council* (DGR) 14, p. 324.

[62] Note, meeting on reorganizing displaced persons operations in Europe, 4 December 1946; note, meeting, Robson (auditor, PCIRO), Senior Deputy Director General, and Chief, Finance and Administration, ERO, 15 April 1947.

[63] DGR-14, p. 324.

[64] Washington (D.C.) *Evening Star*, 17 August 1946, quoting LaGuardia; memo, Keith A. Aickin (General Counsel's Office, ERO) to Gale, 7 October 1946, appending his "Report on Policy and Administrative Direction of D.P. Operations—Europe" and detailed reports on Germany, Austria, and Italy, prepared by Aickin and Colonel Alfred G. Katzin.

[65] Note, meeting with Senior Deputy Director General on reorganization of displaced persons operations in Europe, 23 October 1946; cable, London to Washington 16782, 17 April 1947.

[66] Letter, A. J. Altmeyer (Executive Secretary, PCIRO) to Deputy Director General and Chief, Finance and Administration, ERO, 11 April 1947; Coördinating Committee on Handover to PCIRO, minutes 2d meeting, 11 April 1947.

[67] Coördinating Committee on Handover to PCIRO, minutes 1st meeting, 17 March 1947.

was accomplished partly by the simplification of the organizational structure, and even more by the substitution of displaced persons for Class I workers in running the camps, a change rendered possible by UNRRA's deliberate policy over the previous two years of training and preparing the displaced persons for self-government.[68] In Italy considerable savings were achieved by concentrating the displaced persons in a smaller number of larger camps,[69] by eliminating the care of displaced persons out of camps, and by changes in the arrangements for the supply of food and other requirements.

In transferring this large bloc of personnel to PCIRO, UNRRA also transferred funds covering their unused annual leave and their costs of repatriation. In addition, UNRRA arranged for the transfer of over 2,000 Class II personnel to PCIRO.[70]

In the realm of administrative assistance to the new organization, UNRRA's contributions were manifold. A Coördinating Committee set up in ERO took action on all operational aspects of the turnover,[71] and Headquarters prepared various studies, especially on personnel and budget, for PCIRO's information and guidance. UNRRA staffs were loaned to PCIRO to plan the transfer; UNRRA undertook to notify some thirty voluntary relief agencies of the new state of affairs; UNRRA provided accommodations and housekeeping and the services of its Chief Executive Officer for a PCIRO office in Washington.[72] It turned over to the successor agency certain classes of supplies, and arranged to procure and ship others on a reimbursable basis to keep the pipe lines full until PCIRO could undertake these functions. This, in turn, necessitated the setting up of a joint accounting plan.[73]

In May 1947 it could at last be assumed that PCIRO would be able to operate, and UNRRA took action accordingly to effect the transfer on 1 July 1947.[74] In June 1947 the Administration obtained the Central Committee's approval of the general arrangements [75] and of a loan of

[68] See Part Seven, Chapter II, Section 9.

[69] The progressive withdrawal of the Allied military forces now released suitable premises that had not been available before the end of 1946.

[70] Monograph, J. J. Joseph, "Division of Organization and Management," ERO, p. 50.

[71] Coördinating Committee on Handover to PCIRO, minutes of meetings, *passim*.

[72] Cable, Washington to London 21445, 7 March 1947.

[73] Monograph, S. K. Jacobs, "Transfer of UNRRA's Displaced Persons Operations to the Preparatory Commission for the International Refugee Organization," pp. 27–30.

[74] *Ibid*.

[75] CC(47)86, minutes 55th meeting, 16 June 1947.

$2 million to PCIRO.[76] On the twenty-ninth, the Agreement between PCIRO and UNRRA was signed,[77] and on 1 July UNRRA relinquished further responsibility for the care of displaced persons.[78]

The transfer to PCIRO of UNRRA displaced persons activities in the Far East took place simultaneously with the transfer of displaced persons operations in Europe. There was not, however, a period during which the Far Eastern operation came under the jurisdiction of UNRRA Displaced Persons Headquarters in Paris, as the China Office, with the Office of Far Eastern Affairs and the Bureau of Services at Headquarters, effected the transfer.[79] PCIRO took over enough food supplies to last until 1948,[80] as well as the majority of the staff of the China Office Displaced Persons Division for its own Far East Office.[81]

A total of $3,603,839 was transferred to the Preparatory Commission and IRO by UNRRA. Of this, $1,603,839 was the unspent balance of allocations set aside for UNRRA displaced persons operations in Europe and the Far East, and the remainder was granted for supplementary child-feeding programs and the employment of additional child welfare staff.[82]

### 7. *RUNDOWN*

It has been said, and rightly, that the rundown of UNRRA was one of the most orderly administrative operations conducted by the Administration and in marked contrast to the fumbling and confusion of the build-up. It is not, however, fair to compare the two activities directly because, although the rundown deserved all the praise it received, many of the mistakes made during the early days of the Administration were due, as has been shown elsewhere, to factors beyond its control.[83]

The Special Committee on Reorganization, sitting in Geneva during the Fifth Council Session in August 1946, met in an atmosphere of

[76] *Ibid.*; CC(47)85, minutes 54th meeting, 13 June 1947.
[77] Agreement between PCIRO and UNRRA, 29 June 1947; *infra*, Appendix Eight, Document 5.
[78] Monograph, Jacobs, "Transfer of UNRRA's Displaced Persons Operations to the Preparatory Commission for the International Refugee Organization," p. 10.
[79] *Ibid.*, pp. 35–36.
[80] CC(47)75, 12 June 1947.
[81] UNRRA China Office Status Sheets, 39, 2 June 1947; 40, 4 July 1947.
[82] See Appendix Ten, Section IV, Document 6.
[83] Monograph, Joseph, "Division of Organization and Management," ERO, p. 47.

urgency. Erroneous newspaper reports forecasting the close of UNRRA in October [84] had influenced many of the staff to seek other employment, and the Administration realized that the orderly liquidation of UNRRA would be severely handicapped, and perhaps made impossible, if employees left, not when their work in UNRRA ended, but when accidents of circumstance offered them opportunities of new employment.

Accordingly, the Committee quickly approved the Bonus Plan, subsequently promulgated by Headquarters with effect from 1 September 1946.[85] In addition to any other emoluments, this plan gave each employee whose service was terminated by the Administration between 1 September and 31 December 1946 because of the rundown, thirty days' salary at the rate applicable at the end of his employment. For employees terminated because of the rundown after 1 January 1947, a further 20 per cent of a month's salary, up to a maximum of 100 per cent of a month's salary, was payable for each month or part of a month served in 1947. Together with the thirty days' salary payable under already existing regulations to those whose employment was terminated by the Administration, the Bonus Plan offered an inducement up to a maximum of three months' salary to employees who finished their work in UNRRA instead of resigning at their own convenience. It is impossible, of course, to estimate the proportion of untimely resignations prevented by the Bonus Plan, but there can be little doubt that it did make an important contribution to holding the staff together during the liquidation period.

Other matters dealt with by the Special Committee on Reorganization included arrangements for the preparation of the history of UNRRA; [86] outplacement; [87] repatriation of employees; [88] and the disposal of administrative property.[89] Headquarters, on the Acting Director General's authority, confirmed the Committee's recommendations regarding the European rundown [90] and delegated the necessary authority and responsibility to ERO.[91]

[84] HQ General Announcement 154, 9 August 1946; Press Release 493, 9 August 1946.
[85] HQ Administrative Order 104, Field Administrative Order 100, 4 September 1946.
[86] Special Committee on Reorganization (SCR) 32.
[87] SCR 30.
[88] SCR 38.
[89] SCR 39.
[90] SCR 34.
[91] Closure Plan—European Region (CE) (1–10), 2 September 1946.

Major General Lewis was thus enabled to go ahead with his phased plan for the reduction and closure of the missions in the European region. He had already taken the opportunity of explaining it to the mission chiefs at the Fifth Council in Geneva and getting their general agreement and support.[92] Two periods, or phases, were envisioned: the first, while relief and rehabilitation activities were being completed, would be the responsibility of the mission chief; the second period would begin with the appointment of a closure staff.

ERO sent out detailed instructions to the missions and kept progress under review by means of a Reduction and Closure Committee which began its meetings on 20 January 1947.[93] UNRRA's Displaced Persons Headquarters in Paris took over the home accounting functions of the Missions in Norway, Denmark, Holland, Belgium, and France which had all been closed before the end of March 1947. On 30 June 1947, when the remaining ten European missions closed and responsibility for the displaced persons operation passed to PCIRO, the operating phase of the UNRRA missions in Europe came to an end. Thereafter, there remained the closure staffs in the missions and a number of receiptors at various ports.[94]

By mid-1947 ERO was reduced to half the personnel it had had a year before,[95] and only the Deputy Controller's Office had departmental status. Lewis succeeded Gale as Personal Representative of the Director General on 16 July 1947 [96] and directed the residual ERO activities until the end of May 1948. Four months thereafter ERO closed.[97]

Because of the general dislocation of the post-war world, UNRRA was not able to complete its shipments on the schedule suggested by Resolution 80; and the Council and the member governments, therefore, had repeatedly to relax the original deadline.[98] The determination to complete as far as possible the supply program delayed the liquidation of the Administration, but, considering the size and complexity

[92] SCR 31.

[93] Committee on Reduction and Closure, minutes of meetings, *passim.*

[94] Monograph, Ruth Walder, "Historical Outline of the Work of the Finance and Administration Department, ERO," p. 10.

[95] European Region Order 74, 18 October 1946.

[96] Cable, Washington to London 24449, 8 July 1947.

[97] CC(48)29, minutes 65th meeting, 2 June 1948.

[98] Resolutions 101, 114; Committee of the Council for Europe (CCE)(47)33, minutes 37th meeting, 24 June 1947.

of the operation, UNRRA was wound up with at least the same degree of dispatch as other comparable agencies.

Like ERO, Headquarters had to oversee the rundown of a large number of subordinate offices, including the China Office, which, instead of closing in June 1947 as had earlier been hoped, was not turned over to its closure staff until January 1948. Inadequate transport for distribution over vast areas of China, and the time required to put into effective use the more complex types of rehabilitation equipment provided, bulked large among the factors contributing to the delay.[99] The procedures employed by Headquarters to close the missions under its control closely resembled those used by ERO. Instructions and check lists emanated from Washington, and in October 1947 a Headquarters Committee on Closure was established under the chairmanship of the Chief Executive Officer, who had been granted broad liquidation powers for the whole Administration by the Director General as early as the autumn of 1946.[100]

All the Far Eastern missions and offices were closed by the end of 1947, with the exception of the UNRRA Office in New Delhi, India, which terminated on 31 January 1948, and the Southwest Pacific Area Office in Sydney, which closed on 30 June 1948. As far back as the last quarter of 1946, UNRRA had begun to close its South American procurement offices, the chief problem in this connection being whether Mixed Commission property belonged to UNRRA or to the respective governments. A common-sense rather than a legalistic solution was found, and the property was left to the governments. All the procurement offices were liquidated under the supervision of the Division of Procurement Coördination of the Headquarters Bureau of Supply which sent out closure personnel from Washington.[101] The last office, in Rio de Janeiro, Brazil, was closed on 25 October 1948.

The Headquarters staff became progressively smaller as function after function was eliminated and the structure was modified with the eventual appointment of an Administrator for Liquidation in view. The

[99] Operational Analysis Papers 53, *UNRRA in China, 1945–1947* (Washington, D.C., 1948), Chapter XIII; see *infra*, Part Six, Chapter III, Section 5, for arrangements for completion of long-term projects.

[100] HQ Administrative Order 118, 6 October 1947; directive, Senior Deputy Director General to Chief Executive Officer, 1 October 1946; monograph, Brown "The Liquidation Planning Program of UNRRA," p. 26.

[101] Monograph, Brown, "The Liquidation Planning Program of UNRRA," pp. 18–19.

Controller's Office, however, underwent expansion and reorganization as the final accounting became the main residual function of the Administration. With the departure of Jackson in October 1947, the office of the Senior Deputy Director General was abolished,[102] and the Administration entered its final phase when the Controller, Harry E. Howell, was appointed as Administrator for Liquidation to take effect from 30 September 1948. On that date the office of the Director General was abolished and Major-General Rooks left the Administration.[103]

### 8. *OUTPLACEMENT*

The Administration very properly felt a certain responsibility toward its employees and considered that it should do all it could to find new employment for its staff, recognizing, moreover, that an effective outplacement service would encourage employees to stay until the Administration was ready to dispense with their services. The Council recommended [104] to the international agencies generally and especially to those inheriting UNRRA functions that they take advantage of the experienced staff of the Administration. At its Sixth Session the Council asked that regular reports on the implementation of this recommendation be submitted to the Central Committee and proffered the good offices of the Central Committee to aid the Director General in his negotiations with the various international agencies.[105]

It was manifestly impossible to ensure employment for all of UNRRA's many thousands of employees, and the Administration never undertook any such obligation.[106] Both Headquarters and ERO, however, organized and carried out considerable outplacement programs for Class I staff, and many of the missions were gratifyingly successful in the outplacement, mainly to government service, of their Class II employees. As was to be expected, the Administration was most successful in placing its employees with those agencies which took over UNRRA's functions. PCIRO took almost 1,700. As of 31 May 1948, FAO had employed 92, WHO-IC 62, and ICEF 26.

In connection with placement in other international agencies, ob-

[102] HQ Administrative Order 103, Supplement 14, 15 October 1947.
[103] CC(48)38, minutes 66th meeting, 24 September 1948; HQ Administrative Order 103, Supplement 27, 30 September 1948.
[104] Resolution 106.
[105] Resolution 111.
[106] SCR 30; CE(3), 2 September 1946.

stacles were encountered. Nationality quotas, uncertain budgets, and a natural desire to have a free hand in selecting personnel, which expressed itself by denying ex-UNRRA staff any special priority, all played a part. Moreover, the recruitment periods for these organizations in many cases did not coincide with the Administration's liquidation, and the first candidates whom the Administration could provide were the first to be released and, therefore, often the least competent. As of 31 May 1948, the United Nations had employed 151; the International Bank for Reconstruction and Development, 55; the International Monetary Fund, 19; and the United Nations Educational, Scientific, and Cultural Organization, 26.[107]

The bulk of UNRRA's international staff was dispersed to all the different fields of human endeavor—commerce, government, the professions, industry, and agriculture—from which they came. Understandably, reliable statistics are not available, but it can be claimed that the Administration's outplacement service was, in a significant number of cases, able to facilitate the transition of its employees to other employment after their brief interlude as members of UNRRA.

[107] Monograph, Kathryn Malloy, "Outplacement of UNRRA Personnel in Successor International Organizations"; CC(48)30, 12 July 1948, and Annex 1.

# PART THREE

# The Supply Operation

# I. Establishment of Bases of Requirements

## 1. *THE SUPPLY OPERATION*

THE DEVELOPMENT and fulfillment of the UNRRA supply operation passed through two phases. The first began in November 1943 and continued until August 1945. During this period no one could tell the extent to which the occupied countries would need UNRRA assistance. There could be no certainty about what resources UNRRA would have since the recommendations of the Financial Plan could only be carried out by legislative action by the member governments. Military needs for supplies and shipping had to take priority, and there could be no certainty, in the flux of war conditions, what volume of supplies and shipping could ultimately be made available to UNRRA. During this preparatory period the bases of relief requirements for Europe were agreed upon, and policies for the procurement of relief and rehabilitation supplies were worked out with the supplying governments. Toward its end, operations were begun in the five European countries then accessible to, and eligible for, UNRRA aid.

The second phase began in August 1945 and continued through September 1948. With the end of the war, the former uncertainties were resolved. The needs of the countries UNRRA was to aid were determined, and the resources made available to UNRRA were divided among them in accordance with a carefully developed broad program of operations. By the end of the period, despite difficulties and crises of many kinds, UNRRA's full-scale supply responsibilities for ten countries and smaller programs for seven countries had been fulfilled to more than 90 per cent of the deliveries planned in the program of operations.

## 2. *POLICIES RELATING TO PROCEDURES FOR ESTIMATING AND MEETING IMPORT REQUIREMENTS*

Various estimates of postwar import needs of the occupied countries had been prepared, or were in course of preparation, by both the civil and military authorities in the United States and the United Kingdom at the time UNRRA was formed; as many different sets of conclusions on these needs were developed as there were groups calculating them.[1] Of the estimates prepared, those contained in the *Report of the Inter-Allied Committee on Post-War Requirements to the Allied Governments* (commonly known as the Leith-Ross Report) were the most comprehensive, covering in detail the import requirements of nine European countries.[2] This Report was presented to the First Council Session by Sir Frederick Leith-Ross, chairman of the Inter-Allied Committee and alternate United Kingdom delegate to the Council.[3] The Report was not, however, formally discussed. Under the UNRRA Agreement the Inter-Allied Committee was replaced by the Committee of the Council for Europe and the records of the Inter-Allied Committee were to be made available to it.[4] Thus the Leith-Ross Report automatically passed to the successor Committee. The recommendations made in the Leith-Ross Report were used extensively in the calculation of the UNRRA bases of relief and rehabilitation requirements, but no recommendation was made at Atlantic City to this effect.[5]

At the First Council Session it was agreed that the procedures for estimating and meeting import requirements of liberated territories fell

[1] For example, Inter-Allied Committee on Post-War Requirements, established in London, following the St. James's Palace Conference in September 1941; estimates prepared by the Interdepartmental Committee on Relief and Rehabilitation, organized by the United States Department of State, October 1942; Young-Sinclair estimates, prepared by United Kingdom civil and military authorities, 1942–1943; "Plan A," "Plan B," etc., in course of preparation by United States military authorities; Office of Foreign Relief and Rehabilitation Operations (OFRRO), 1943 estimates; Foreign Economic Administration (FEA) estimates, 1943–1944 (FEA inherited the functions of OFRRO in so far as relief and rehabilitation planning affected United States supplies); estimates of Combined Supply Committee, set up in autumn of 1943 within the State Department, to facilitate reconciliation of requirements estimates prepared in London and Washington and to coördinate with the Combined Civil Affairs Committee (CCAC).

[2] Belgium, Czechoslovakia, France, Greece, Luxembourg, the Netherlands, Norway, Poland, and Yugoslavia.

[3] *Journal*, First Council, pp. 24–26. [4] Agreement, Article III, 5.

[5] See discussions in Committee III (Finance and Supplies), Subcommittee 2, Secretary's notes, 17, 18 November 1943.

into four successive stages: [6] (1) agreement by the Committee of the Council for Europe and the Far East on the bases or standards of relief for their respective areas; (2) submission of these recommendations to the Council; (3) compilation by the Administration of over-all estimates of requirements for all areas in conformity with the bases approved by the Council; (4) presentation of these estimates to the Combined Boards in order that they might be considered together with those from other sources. It appeared logical that the establishment of bases of requirements should precede the submission of requests for allocation founded on them.[7] The Director General was, however, in the same resolution, required to "consider it one of his first and most important tasks to arrange for necessary allocations and procurement of supplies." [8] Because the establishment of bases took time, it became necessary, therefore, for the Director General to submit to the Combined Boards preliminary bids for supplies, based on the best information available, before bases of requirements were agreed.[9] An amended procedure was, therefore, adopted at the Second Council Session.[10]

The exact function of the Committee of the Council for Europe and for the Far East [11] in regard to the establishment of bases of requirements was defined: "With the advice of such technical or special subcommittees as may be created, to recommend . . . whatever basis or bases for overall requirements the committees think appropriate for the whole or part of their respective areas." [12]

At preliminary meetings of the regional committees, held during the First Council Session,[13] resolutions were adopted, requesting the Standing Technical Committees on Agriculture, Health, and Industrial Rehabilitation to appoint subcommittees to advise the regional committees on technical matters connected with the establishment of bases of requirements.[14]

The first problem of the Committee of the Council for Europe, as

[6] Resolution 17, A, I.
[7] See discussion in Committee III, Subcommittee 2, 17 November 1943.
[8] Resolution 17, A, III.
[9] See Part Three, Chapter II, Section 1.
[10] Resolution 42.
[11] For further discussion of the regional committees, see Part One, Chapter III, Sections 6, 7.
[12] Resolution 20, paragraph 1.
[13] Committee of the Council for Europe (CCE) (43)1, minutes 1st meeting, 30 November 1943; Committee of the Council for the Far East (CCFE) (43)2, minutes 1st meeting, 30 November 1943.
[14] See Resolutions 27, 29, 30.

described by the chairman, was connected with the Leith-Ross Report: did the Committee wish to accept the principles adopted by the Inter-Allied Committee and its technical subcommittees and panels, or to revise them? [15]

The United States representative, John G. Winant, Ambassador to the United Kingdom, proposed the second alternative.[16] He argued: (1) that further information on conditions in liberated areas might have become available since the Report was drawn up; (2) that, because the Inter-Allied Committee had been unable to deal with the needs of the Soviet Union, modifications in some of the general principles on which the work of the Inter-Allied Committee had been based might prove necessary; (3) that the Report had been drawn up before the First Council Session had defined the scope of UNRRA; (4) that, according to word received by the Committee from the Director General,[17] the United States and British military authorities were expecting shortly to advise the Administration on the supplies which they would make available during the military period of responsiblity, and this information was likely to influence the Committee's own recommendations. Winant's resolution provided: [18] "that the Committee of the Council for Europe should approve bases of requirements for the twelve months' period succeeding the six months' military period"; and for the establishment of two further technical subcommittees: an *Ad Hoc* Food Subcommittee and an *Ad Hoc* Textile Subcommittee. These two subcommittees, together with the three technical subcommittees, which had already been created, were to:

> examine the bases adopted by the Inter-Allied Committee and recommend . . . how far these bases need modification . . . in light of:
> (*a*) the resolutions adopted . . . at Atlantic City;
> (*b*) the estimates of requirements employed by the Military Authorities for the first six months;
> (*c*) other information available since the bases were originally agreed, [including anything that the Director General might] be able to supply arising out of the provisional requirements which he has already submitted.[19]

[15] CCE(44)5, minutes 2d meeting, 14 March 1944.
[16] CCE(44)10, minutes 3d meeting, 28 March 1944, Appendix B.
[17] CCE(44)5, minutes 2d meeting, 14 March 1944, Appendix B.
[18] CCE(44)10, minutes 3d meeting, 28 March 1944.
[19] *Ibid.*

The resolution was seconded by the Canadian and supported by the United Kingdom and Soviet representatives. Many of the Continental European representatives, however (especially those for France, the Netherlands, Norway, and Poland), would have preferred to adopt the Leith-Ross estimates, at least provisionally. To this Winant was not prepared to agree, and the resolution was passed without alteration.[20]

The five technical subcommittees began work in May 1944. Their recommendations were completed by July.

Two of the arguments in support of the revision of the Leith-Ross estimates, which had been valid when advanced by Winant, proved, in the light of events, groundless. The needs of the Soviet Union were never particularly mentioned in the subcommittees' discussions, and no information regarding the military supply programs was made available to the subcommittees while they were preparing their recommendations.[21] Moreover, such "other information" as the Director General was able to supply was confined to a statement that supplies were likely to be short.[22]

The task resolved itself, therefore, into a re-examination of the bases previously recommended by the Inter-Allied Committee in order to limit them strictly to the scope of relief and rehabilitation as defined by the Council resolutions. The Director General requested that the subcommittees confine themselves to recommendations on general principles rather than that they should draw up detailed estimates of the bases on which requirements should be assessed, since the changing supply availabilities and lack of accurate information on conditions in the Allied European countries would make any rigid estimate unrealistic and hampering in his negotiations with the Combined Boards.[23] He further requested that the subcommittees should suggest alternatives and substitutes in case particular supplies were unobtainable.[24]

[20] *Ibid.*

[21] CCE(44)24, "Bases of Food Requirements," 29 June 1944; *Ad Hoc* Textile Subcommittee for Europe (*Ad Hoc* T/E)(44)27, "Report of the *Ad Hoc* Textile Subcommittee for Europe," 5 July 1944.

[22] CCE(44)18, "Procedure for Settlement of Requirements and Allocation of Supplies," 18 May 1944; CCE(44)23, minutes 5th meeting, 9 June 1944.

[23] CCE(44)18, "Procedure for Settlement of Requirements and Allocation of Supplies," 18 May 1944; CCE(44)19, "Preparation of Programmes for Relief and Rehabilitation," 31 May 1944.

[24] CCE(44)23, minutes 5th meeting, 9 June 1944.

### 3. *BASES OF REQUIREMENTS FOR FOOD*

In considering bases of requirements for food for Europe,[25] the *Ad Hoc* Food Subcommittee was concerned with the three principal dietary zones of Europe: (1) Northwestern Europe and Scandinavia—in this zone Belgium, the Netherlands, and Norway were large importers of food, but France was almost self-sufficient; (2) Central Europe—here, Czechoslovakia and Poland were normally able to provide enough food for themselves and also to export it; (3) Southeastern Europe—here, Yugoslavia was normally self-sufficient, though the standard was low, and was able to export food, whereas Greece customarily imported most of its main food requirements, including more than one third of the total cereals, 100 per cent of sugar, and 15 per cent of meat.[26]

One of the main difficulties which faced the *Ad Hoc* Food Subcommittee was how to formulate bases which could be applied to countries in which, even under peace conditions, food consumption and living standards differed widely. The main discussion turned on whether an attempt should be made to raise the liberated countries to a uniform minimum level, or to their various prewar levels. A compromise was adopted, and the Subcommittee recommended both the bases on which requirements should be estimated and the principles to be used in allocating supplies if the bases could not be fully met.[27]

The basis adopted by the Subcommittee was 2,650 calories per capita per day, with a supplementary provision for special groups (children, pregnant and nursing mothers, the sick and aged) and others in dire need. This calorie level was the same as that adopted by the Inter-Allied Committee in its "Minimum Imports Programme" and was related to current wartime British consumption. The average per capita calorie requirement for each Allied country was estimated by applying the British calorie scale for each sex, age, and occupation group to the number of persons in each such group in the population of the Allied country concerned. It was considered that the commodities to make up the 2,650-calorie level could be reached in consultation with individual

[25] For text of agreed bases, see Appendix Four, Section II, attachments to Resolution 55.

[26] Monograph, R. Walder, "The Work of the *Ad Hoc* Food Subcommittee of the Committee of the Council for Europe."

[27] CCE(44)24, "Bases of Food Requirements."

governments; also it was feared that if minimum nutrient levels were included they might, in practice, become maximum levels.

In allocating the supplies available, it was recommended that if a 2,650-calorie level (including 75 grams of fat and 60 grams of protein) could not be obtained immediately,

> Relief supplies should be directed so that the areas which are already at, above or slightly below those levels of calories and nutrients would receive a minor part of the total relief supplies available if the allocation to them of more than this quantity would prevent others from being brought up to these levels.[28]

Meticulous care was taken in the wording of this recommendation to ensure that, though the Eastern and Southeastern European countries, which were likely to be most short of food, would get the major allocations, the Western European countries would not be denied the possibility of improving their existing diet.[29]

The Subcommittee observed that such information as was available on food conditions in occupied countries revealed that at times even rationed foods had not been obtainable. There was, moreover, an almost total lack of unrationed foods in the open market since increased consumption in the rural districts and German requisitions had tended to force these items and surpluses of rationed food into illegal channels. To combat this tendency and to induce hoarders to unload their stocks, the Subcommittee stressed the importance of effective administrative machinery (including a rationing system) which should be maintained by the reinstated national authorities, or established where it did not exist.[30]

### 4. *BASES OF REQUIREMENTS FOR CLOTHING, TEXTILES, AND FOOTWEAR*

The recommendations of the *Ad Hoc* Textile Subcommittee [31] were also based on the current British rationing system. The Subcommittee recognized that the import requirements of different countries would vary, both in extent and in nature (i.e., raw materials or finished products), but it considered that the minimum standard to which all countries should, if possible, be raised and at which they should be maintained should broadly be the same.

[28] *Ibid.* [29] *Ibid.* [30] *Ibid.*

[31] See Appendix Four, Section II, attachments to Resolution 55.

The standard proposed was "the minimum required for health, warmth and working efficiency." [32] Expressed in British clothing coupons it was as follows:

TABLE 9

BASE FOR CLOTHING [a] (IN BRITISH COUPON UNITS)

| | *Adult (14 Years and Over)* | *Child (1–13 Years)* | *Infant (under 1 Year)* |
|---|---|---|---|
| For clothing | 61 | 34 | 29 |
| For household textiles | 14 | 8 | 8 |

[a] *Ad Hoc* T/E(44)27, "Report of the *Ad Hoc* Textile Subcommittee for Europe."

Sample minimum wardrobe lists were compiled, showing the coupon value of individual articles.[33] It was recommended that the Administration, in consultation with expert representatives of each of the Allied countries, should assess each country's needs of imported supplies by reference to the recommended standards. For maintenance, a level of 42 coupons per adult per year was adopted. This figure was equivalent to the British clothing ration under the 1941–1942 rationing scheme, and was agreed on the argument that, although British experience was not directly applicable to relief conditions under which it was reasonable to expect the maximum wear and tear to be extracted from each garment before it was discarded, the British ration (of about one-half prewar consumption) was not sufficient to cover wear and tear, and wardrobes were gradually deteriorating either in quality or quantity. The recommendation had unexpected results. By the time the clothing program was being carried out, the British clothing ration had been reduced, and the UNRRA standards were higher than those current in the United Kingdom, which was not only receiving no relief, but was contributing substantial amounts of raw materials and finished clothing to UNRRA.[34]

For footwear the standard was similar to that for other clothing. The minimum required for health, warmth, and working efficiency was modestly estimated as one pair of wearable shoes or boots per person. The footwear requirements could be expressed in numbers of pairs of

[32] *Ad Hoc* T/E(44)27, "Report of the *Ad Hoc* Textile Subcommittee for Europe."

[33] For example, *Man:* overcoat, 18 coupons; pair of trousers and jacket, 21; 2 shirts, 10; 2 vests, 8; 2 pants, 8; 2 pairs of socks, 4; total, 69.

[34] See Part Three, Chapter VI, Section 3.

footwear, or in leather or substitute materials, or in raw materials, according to the needs of the individual country as agreed with the Administration. The basis for replacement needs was the amount of footwear and raw materials necessary to maintain the standard of one wearable pair of shoes or boots per person.[35]

In drawing its recommendations in broad terms, providing for the import of raw materials rather than finished products, if more appropriate to the needs of individual countries, the Subcommittee was helping to carry into effect the Council's policy of rehabilitating industries engaged in the production of relief supplies.[36] The carrying out of this policy was to have an important bearing on the import programs of, for example, Czechoslovakia,[37] and to contribute substantially to industrial recovery.

Finally, the Subcommittee recommended that a general clothing and footwear reserve be established to enable the Administration to alleviate quickly the most acute needs.

### 5. *BASES OF REQUIREMENTS FOR MEDICAL SUPPLIES*

The Technical Subcommittee on Health confined its recommendations [38] to the method by which requirements of medical supplies should be estimated [39] and did not recommend "bases of requirements." The method proposed was in principle identical to that used by the Inter-Allied Committee: Lists of medical requirements were to be compiled covering the essential medical needs for an average population of 100,000 persons living in a temperate climate. The requirements of these population units were then to be adjusted for individual countries,[40] taking into account the population, the prewar medical standard, and the degree of destitution of the country concerned.

The gauge used in the Inter-Allied Committee to measure the prewar medical standards of individual countries was the number of hospital beds per 1,000 of the population.[41] In the Subcommittee on Health,

[35] *Ad Hoc* T/E(44)27, "Report of the *Ad Hoc* Textile Subcommittee for Europe."
[36] See below, Section 7. [37] See Part Five, Chapter V, Section 6.
[38] Technical Subcommittee on Health for Europe (THE/E)(44)NC/4; see *infra*, Appendix Four, Section II, attachments to Resolution 55.
[39] THE/E(44)20, "Statement on Method of Calculating Medical Requirements," 26 June 1944. [40] THE/E(44)5, "Medical Requirements."
[41] For Belgium and Luxembourg the figure was 4.5, Czechoslovakia 6, France 3, Greece 2, Netherlands 7.5, Norway 8.5, Poland 2, Yugoslavia 2, Report of the Medical Advisory Committee to the Inter-Allied Committee.

however, some of the representatives considered that, although this gauge might have the virtue of simplicity, it was too restricted in its application to be accurate in the case of countries where prophylactic treatment played an important part in medical practice.[42] The Subcommittee, therefore, agreed that in assessing a country's level of medical development the number of doctors, polyclinics, dispensaries, and institutes of preventive medicine, as well as the number of hospital beds, should be taken into account. This recommendation was rather more flexible than the proposals made by the Inter-Allied Committee which had included special provisions for Greece, Poland, and Yugoslavia (the countries most likely to be affected) allowing a 20 per cent increase in the estimated number of hospitals.[43]

Requirements for the control of epidemics were to be considered separately, according to the individual needs of the countries affected, but with allowance for a pool of supplies to be held for distribution as required.[44]

### 6. *BASES OF REQUIREMENTS FOR AGRICULTURAL REHABILITATION SUPPLIES*

At the request of the Committee of the Council for Europe,[45] the Technical Subcommittee on Agriculture went to work on a revision of the bases used in the Inter-Allied Committee. It covered a wider sphere than recommendations on bases, however, and included advice and general information on agriculture in Europe.[46] Expert Panels were appointed to make recommendations on specific groups of commodities: crops (including seeds, fertilizers, and pesticides); agricultural machinery installations and food processing plants; livestock (including feeding stuffs and veterinary supplies); fisheries.[47] The Panels drew extensively from the Inter-Allied Committee recommendations which formed the foundation of their own reports and of the final

[42] In Yugoslavia, for instance, it was estimated that about two million people were treated annually in preventive institutions, THE/E(44)17, minutes 4th meeting, 26 May 1944.

[43] Report of the Inter-Allied Committee: "Minimum Import Programme."

[44] THE/E(44)20, "Statement on Method of Calculating Medical Requirements."

[45] Technical Subcommittee on Agriculture for Europe (TAG/E)(44)4, minutes 1st meeting, 12 May 1944.

[46] TAG/E(44)8, minutes 2d meeting, 18 May 1944.

[47] TAG/E(44)30, "Bases of Agricultural Requirements," revised 10 June 1944.

report of the Technical Subcommittee on Agriculture to the Committee of the Council for Europe.

The guiding principle in the report to the Committee was that "the basis of requirements of all supplies of materials for the rehabilitation of agriculture and fisheries in the first year of relief is the fulfillment of a programme of optimum food production." [48] It was proposed that this should be achieved (1) by the provision of agricultural materials, such as seeds, fertilizers, machinery, feeding stuffs, breeding and utility livestock; (2) by counteracting hoarding and illegal trading among farmers by offering them sufficient equipment and supplies in return for produce already held in reserve by them.[49]

The recommendations of the Expert Panels were all directed toward the fulfillment of the program of food production. In their efforts to achieve this relief purpose, not only rehabilitation was involved, but—in some fields of production—reconstruction, if reconstruction can be defined as activities which tend to change the economy rather than to bring it to the level at which it formerly stood. This tendency could be discerned in numerous cases, including the substitution of tractor for animal power; the introduction of artificial insemination methods into countries where they were not customary, and the use of chemical fertilizers in countries which had been accustomed to depending on animal manures.[50]

The basis of requirements for the production of crops was a "cultivation program adapted to the nutritional needs of Europe and the necessity of helping liberated countries to feed themselves and so reduce their abnormal dependence on imported food." The program proposed by the Expert Panel on Crops included the full maintenance of cereal, potato, sugar beet, and vegetable cultivation; reseeding worn-out pastures, and sowing fresh areas necessary to maintain and gradually increase milk production.[51]

For seeds, the basis was the fulfillment of the proposed cropping program. Although Europe is, as a whole, normally self-supporting in seeds (though there is a considerable movement between different climatic zones), the Panel considered it probable that, as a result of military

[48] *Ibid.*, p. 1; see *infra,* Appendix Four, Section II, attachments to Resolution 55.
[49] *Ibid.*
[50] See Part Three, Chapter VIII, Section 8.
[51] TAG/E(44)30, pp. 1–2.

operations, the destruction of crops and stocks, interruption of agricultural work, and the consumption of seeds as food, there would be severe and widespread local deficiencies which would have to be made good by imports.[52]

The supply of fertilizers was also to be based on the fulfillment of a program of maximum food production, taking into consideration soil deterioration due to excessive cropping and insufficient supplies of fertilizers during the war years. The Panel considered it necessary, however, in a short-term relief program, that fertilizers should be sent in larger quantities to those countries in which farmers were accustomed to them. It was, therefore, recommended that the basis for estimating requirements of fertilizers should be the levels of consumption of the three main fertilizer groups (nitrogenous, phosphatic, and potassic) in 1935–1937, calculated in terms of chemical content. A higher consumption level was provided for Greece and Yugoslavia on account of the very low prewar consumption, and the need to promote the maximum yield of food crops.[53]

The prewar utilization of pesticides was recommended as the standard, but, in addition, it was advised that a pool of lead or lime arsenate should be created to be ready in case of outbreak of Colorado potato beetle in any of the liberated countries.[54]

For agricultural machinery, implements, and tools, and accessories such as fuel, lubricants, and binder twine, machine tools, and raw materials for the production of such agricultural machinery and implements, the basis recommended by the Expert Panel on Agricultural Machinery Installations and Food Processing Plants was "the efficient execution of a programme of optimum food production and the transfer of such food to the consumer in its most convenient and wholesome form." [55] In calculating the imports of agricultural machinery, the Panel recommended that among the factors to be taken into consideration should be depreciation, including that resulting through excessive use and lack of materials for repair; facilities for proper utilization, such as, for example, the adequacy of trained drivers, mechanics, and engineers; and the need for replacement by tractors of draft animals lost during the war.[56]

In making recommendations on livestock, the Expert Panel on Live-

[52] *Ibid.*, pp. 2–3. [53] *Ibid.*, pp. 4–5. [54] *Ibid.*, pp. 5–6.
[55] *Ibid.*, p. 7. [56] *Ibid.*, pp. 7–12.

stock recognized that the bases for estimating needs for live animals must be related more closely to supply and shipping conditions than to real need,[57] since the losses of draft and milch animals were so large that no attempt to make them good would be possible.[58] The basis recommended for imports of breeding stock was the provision of such numbers as could be handled efficiently and used to the best advantage in rebuilding dairy herds. The maximum use of artificial insemination was recommended. For imports of utility stock, the basis recommended was the replacement during the first year of approximately 10 per cent of the estimated losses of dairy and draft cattle; of these, 80 per cent were to be allocated for the provision of milk supplies and 20 per cent to meet the needs of Eastern European countries for draft beasts. Needs of veterinary products were based on the number of animals to be treated, and the number of veterinary surgeons available.[59]

For estimating quantitative requirements of feeding stuffs, the Panel recommended that the basis should be such quantities of oil cake and offals as, when added to home production, would bring consumption up to 75 per cent of the prewar level.[60]

The Expert Panel on Fisheries recommended that requirements for the rehabilitation of fisheries be the supplies needed to enable the fishing fleets to secure the largest possible catches of fish during the first year of relief when proteins and edible oil in other forms would be in restricted supply. To this end, the Panel recommended that imports of capital equipment and consumable stores should be based on the numbers, size, and class of vessels assumed to be available to the country concerned.[61]

### 7. *BASES OF REQUIREMENTS FOR INDUSTRIAL REHABILITATION SUPPLIES*

In formulating bases of requirements,[62] the Subcommittee on Industrial Rehabilitation adopted no objective consumption criterion such

[57] *Ibid.*, pp. 12–15. The Subcommittee did not, of course, take price into consideration. Shipping costs later became a serious limiting factor on the inclusion of livestock in country programs, as, for example, in the program for Poland.

[58] According to estimates of livestock population in 1943, the fall in numbers, as compared with the prewar population, was: cattle, 16 per cent; horses, 29 per cent; pigs, 38 per cent; poultry, 48 per cent; TAG/E(44)30, p. 14.

[59] TAG/E(44)30, pp. 15–16. [60] *Ibid.*, pp. 12–14. [61] *Ibid.*, pp. 16–17.

[62] Technical Subcommittee on Industrial Rehabilitation for Europe (TIR/E)(44)20; see *infra*, Appendix Four, Section II, attachments to Resolution 55.

as the calorie basis used for food, or the maximum food production program to which bases of requirements for agricultural rehabilitation could be related. The possible range in demand for materials and equipment was, moreover, on account of varying degrees of devastation, probably wider than in any other field.

Numerous unsuccessful attempts were made in the early meetings of the Subcommittee to interpret the scope of industrial rehabilitation as defined in the First Council Session.[63] The United States and United Kingdom representatives leaned toward a narrow interpretation, such as "the repair of existing basic industries and not the reconstruction of undertakings whose production had ceased as a result of war conditions." [64] At the request of the Subcommittee the Administration stated its own views. It divided UNRRA's responsibilities in this field into two main classes: [65]

(1) "Industries . . . producing goods of a kind needed for relief—i.e. food, fuel, clothing, medical supplies, shelter and other basic industries, medical and other essential services," including ancillary industries—for example, raw materials production. The objective should be to enable these "to produce goods in the quantities needed to satisfy the various relief levels established by UNRRA."

(2) Industries "concerned with the provision of public services—i.e. water, sanitation, electricity, gas, transportation, communications," including those producing necessary raw materials for such services. For this group, UNRRA's responsibility was "limited to repair and restoration to meet immediate basic needs and" did "not involve new construction or reconstruction work." Transportation services included the restoration of facilities "to make possible the proper distribution of relief goods or equipment for industries producing relief goods."

The statement was a disappointment to some members of the Subcommittee, who considered that the scope of industrial rehabilitation had been too narrowly interpreted by the Administration and that in practice it would be impossible to isolate the production of minimum relief goods from production carried out to meet the national reconstruction programs.[66]

The Subcommittee, unlike the Technical Subcommittee on Agri-

[63] Resolutions 1, 12, 13.
[64] TIR/E(44)6, minutes 1st meeting, 26 May 1944.
[65] TIR/E(44)5 (revised), 30 June 1944.
[66] TIR/E(44)13, minutes 3d meeting, 14 June 1944.

culture, decided that to constitute technical panels and await their recommendations would take too long. The Director General had, moreover, expressed a preference for broad, general recommendations. It was, in addition, feared that the recommendation of specific bases, such as had been made by the Inter-Allied Committee, would result in too rigid a program. The Subcommittee accordingly decided to adopt a general statement of principles within the framework of which the actual calculation of requirements could be undertaken by the Administration in consultation with the governments.[67]

The Subcommittee recommended that first priority should be given to the restoration of inland transport and communications, to public utilities, and to services essential for general industrial maintenance and repair.[68] For these activities the estimates of requirements were to be based on: (1) the prevention of further deterioration by the provision of the necessary maintenance; (2) the repair of damage to the extent necessary to enable the transport systems and public utilities and services to meet the urgent needs of the relief period.[69]

Second priority was accorded to consumer goods industries and to capital goods industries engaged in producing raw materials, equipment, and other supplies necessary for the production of essential goods, fuels, and services. Raw materials and equipment were to be provided for the production of such consumer goods as clothing, shoes, soap, medical and health supplies, and materials for emergency shelter, essential building repair, and basic household equipment. Capital goods industries were to be assisted to the extent that they contributed to the over-all relief level.[70]

The recommendations of this Subcommittee were unique in one respect. It was here alone that members saw the problem with which they were concerned as affecting Europe as a unit, transcending national interests. The Subcommittee recommended that UNRRA should normally treat the problem of industrial rehabilitation as one large problem of the combined liberated territories. It was recognized that certain exceptions to this approach might be desirable if decentralization appeared to offer advantages, but "the interest of the family of United Nations should always over-ride the national interest." [71] This recom-

[67] TIR/E(44)17, minutes 4th meeting, 23 June 1944; TIR/E(44)20, "Statement on Bases of Requirements for Industrial Rehabilitation."
[68] TIR/E(44)20, p. 5. [69] *Ibid.*, pp. 8–9. [70] *Ibid.*, pp. 6–7.
[71] TIR/E(44)21, Appendix A.

mendation—proposed, incidentally, by the Canadian [72] and not by a European member of the Subcommittee—was included in the Subcommittee's report, and accepted without comment by the Committee of the Council for Europe and by the Council. Buried in Resolution 55, it was never heard of again, and each individual country program, for industrial rehabilitation supplies as well as for other supplies, was drawn up and vigorously defended on a strictly national basis.

### 8. *ADOPTION OF BASES OF REQUIREMENTS FOR EUROPE*

The Committee of the Council for Europe accepted the technical recommendations in the reports of its Subcommittees on Agriculture, Health, and Industrial Rehabilitation, and of the *Ad Hoc* Food and Textile Subcommittees,[73] and they were approved by the Council in its Second Session in September 1944.[74]

In addition to the technical recommendations, the subcommittees' reports contained a proposal that:

> It is recognised that UNRRA's primary responsibility is to secure relief supplies in the first place for the liberated territories of the United Nations, and that in judging the degree of urgency of the needs of particular countries (as provided in resolution No. 17) priority and most considerable relief should be given to the countries whose populations suffered to the greatest extent from enemy occupation, and who actively participated in fighting and resisting the enemy.

In each of the technical subcommittees a recommendation to the above effect had been proposed by the Soviet representative.[75] The reactions of the subcommittees to this resolution varied; in some it was accepted and included as an integral part of the subcommittees' recommendations; [76] in some, notably in the Subcommittee on Industrial Rehabilitation, where the subject achieved some prominence, numerous arguments were made against the inclusion of a "political" resolution in a technical report.[77] Some representatives considered the point al-

[72] TIR/E(44)21, minutes 5th meeting, 7 July 1944.
[73] CCE(44)33, minutes 6th meeting, 14 July 1944.
[74] Resolution 55.
[75] For example, TIR/E(44)12, "Bases for Estimating Requirements for Industrial Rehabilitation," 12 June 1944.
[76] For example, Report of the Subcommittee on Health for Europe (THE/E)(44)20 and the *Ad Hoc* Textile Subcommittee for Europe (*Ad Hoc* T/E)(44)27.
[77] TIR/E(44)21, minutes 5th meeting, 7 July 1944.

ready sufficiently covered in Council resolutions, some that it went beyond the subcommittees' competence, some that it would be a mistake to put forward a resolution which was impracticable inasmuch as need could be calculated in quantitative terms, but merit and the degree to which countries were deserving of help were incalculable.

In the Committee of the Council for Europe it was decided that the principle involved should be put before the Council as a separate issue, though the United States representative, on instructions from his Government, dissociated himself from it.[78] It came before the Second Council on the resolution of Vasili A. Sergeev, the Soviet representative, who proposed

> that special weight and urgency shall be given to the needs of those countries in which the extent of devastation and of the sufferings of the people in a part of their respective areas is greater and has resulted from hostilities and occupation by the enemy and active resistance in the struggle against the enemy.[79]

Richard Law, the British representative, seconded it, and the United States representative supported him. The resolution was carried,[80] members of the Council evincing considerably less interest than had been shown by any of the committees.[81] It was subsequently frequently invoked by representatives of receiving countries, and the Director General stated that he had considered it in drawing up the program of operations for the Third Council Session,[82] but there is no substantial evidence that it ever influenced programs.

### 9. *BASES OF REQUIREMENTS FOR THE FAR EAST*

At the second meeting of the Committee of the Council for the Far East it was agreed that, although the common purpose of the Committees of the Council for Europe and for the Far East was to satisfy the absolute necessities of the peoples coming within their respective spheres, it would be useless to try to achieve complete uniformity in the method of carrying out this function.[83] In London, the Committee

[78] CCE(44)33, minutes 6th meeting, 14 July 1944.
[79] Council II Document 257, *Ad Hoc* Committee on Policy (*Ad Hoc*/GP) 31, minutes 7th meeting, 24 September 1944.
[80] Resolution 56.
[81] Council II Document 254, *Ad Hoc*/GP 29, minutes 5th meeting, 22 September 1944.
[82] Council III Document 5, C(45)4, p. 29.
[83] CCFE(43)4, minutes 2d meeting, 10 December 1943.

of the Council for Europe had the benefit of the work and experience of the Inter-Allied Committee and its advisory panels; the Committee of the Council for the Far East had no such accumulation of statistical and economic data covering the countries within its region, and would probably of necessity have to use more empirical methods than could be adopted in the European Committee. It was doubtful, moreover, whether, in view of the wide variation in conditions in the countries in the Far Eastern region, it would be possible to develop or apply common bases of requirements. In these circumstances, the Committee of the Council for the Far East postponed for the time being the question of bases and recommended that individual member governments should submit to the Director General statements setting forth estimated relief and rehabilitation needs of their respective countries.[84] In this the Administration concurred, despite the fact that it had urged the Committee of the Council for Europe to confine itself to recommendations on bases and leave to the Administration the function of estimating the requirements which would follow from them.[85]

At the Second Council Session no resolution was proposed on bases of requirements for the Far East. The Chinese representative, T. F. Tsiang, suggested, however, the addition of the following paragraph to the resolution on bases for Europe: "The Council authorizes the Committee of the Council for the Far East to adopt similar bases of supply which, while varying the kind of supplies to suit local habits of living and consumption, should have the same standards." [86] His purpose was to avoid creating the impression that UNRRA was adopting one standard for Europe and another for the Far East rather than, for example, adopting a world-wide calorie level which would be met with varying foods appropriate to the diet of different regions.[87]

To this it was objected that the amendment would put the Council in the position of proposing to the Committee of the Council for the Far East what bases it should adopt, whereas the Council had previously empowered the regional committees to recommend the bases for their areas.[88] The Norwegian delegate further pointed out that a

[84] *Ibid.*

[85] CCE(44)18, "Procedure for Settlement of Requirements and Allocation of Supplies," 18 May 1944; CCE(44)19, "Preparation of Programmes for Relief and Rehabilitation," 31 May 1944.

[86] Council II Document 254, *Ad Hoc*/GP 29, minutes 5th meeting, 22 September 1944.

[87] *Ibid.*

[88] Resolution 20.

common standard for all regions was, in fact, impracticable since to put a Chinese on as large a diet as, for instance, that customary for a Canadian would kill him. This example served to impress on the Committee the dangers of meddling with technical matters, and the Chinese delegate withdrew his motion on assurance that relief for the Far East would not be delayed because bases of requirements had not been formulated.[89]

Estimates of needs for Far Eastern countries, including Australian New Guinea and Papua, British Borneo, British Malaya, Burma, China, French Indo-China, Hong Kong, Netherlands East Indies, and the Philippine Islands, were drawn up by their Governments and submitted to the Administration.[90] The Administration, in commenting on them, pointed out that, even if bases were not established for the Far East, some general uniformity of approach would have to be provided for certain classes of supplies.[91] The problem was considered by the Committee of the Council for the Far East and its subcommittees, and it was agreed that the establishment of uniform bases was impracticable for the Far Eastern countries; that the principles upon which the individual governments had based their programs should be accepted for each country; but that, in order to arrive at an equitable allocation, an attempt might have to be made to correlate the standards adopted by the various countries for items in critically short supply.[92] These recommendations were adopted by the Council at its Third Session in August 1945.[93]

### 10. *EVALUATION OF BASES OF REQUIREMENTS*

Thus, after lengthy and careful deliberations, the member governments through their representatives on the subcommittees of the Committee of the Council for Europe determined the bases according to which the supply requirements of the European receiving countries were to be formulated. The bases were at the most targets. Although they had been at first regarded as defining the minimums essential for

[89] Council II Document 254, *Ad Hoc*/GP 29, minutes 5th meeting, 22 September 1944.

[90] Council III Document 5, C(45)4, "Program of Operations," p. 12. In the end, however, UNRRA undertook programs only for China and the Philippines.

[91] CCFE(44)7, minutes 5th meeting, 5 May 1944.

[92] CCFE(45)5, minutes 7th meeting, 15 February 1945, p. 29, Appendix 9.

[93] Resolution 65.

relief and rehabilitation, they were, in the face of grim realities, seldom achieved. The resources of UNRRA were too limited and the amounts of supplies available, for example, of food, were too small. As a result, the country requirements had to be planned to meet a lower level. The bases, however, provided a standard against which equitable reductions could be made. The discussions which had led up to their formulation had done much to clarify for the Administration and the member governments the scope and nature of the task UNRRA was to perform, and these discussions, with the bases themselves, served as a useful guide, not only in the preparation of the program of operations, but in the determination of the types and quantities of supplies to be provided.

# II. Development and Fulfillment of Supply Programs

## 1. *EARLY ATTEMPTS TO ASCERTAIN IMPORT REQUIREMENTS*

One of the first tasks of the newly formed Headquarters Bureau of Supply was to prepare for the Committee on Supplies a rough appraisal comparing the resources prospectively available to the Administration and the requirements for relief and rehabilitation supplies that would have to be met.[1] Such a statement, however tentative, would, it was agreed, be useful in providing the supplying governments with an idea of the types of supplies in which they could most usefully make their contributions available and in helping them to understand the size and nature of the relief and rehabilitation supply program.

The estimates which were presented to the Committee on Supplies on 27 January 1944 covered the needs for imports and selected staple commodities from outside Continental Europe into nine Allied and nine other European countries—Belgium, Czechoslovakia, France, Greece, Luxembourg, the Netherlands, Norway, Poland, and Yugoslavia; Albania, Austria, Bulgaria, Denmark, Finland, Germany, Hungary, Italy, and Rumania—during three successive periods of six months.[2] The figures were based on the work of various United States, United Kingdom and inter-Allied technical committees and staffs,[3] to which the UNRRA staff were permitted access. In preparing this statement, the Bureau of Supply gained its first experience in estimating conditions in the receiving countries which would affect the degree of need for UNRRA supplies—the amount of indigenous production and stocks, the efficiency of rationing and distribution controls, the effectiveness of European transport services, and the degree of destruction wrought

[1] Committee on Supplies (CS) (43)4, minutes 2d meeting, 10 December 1943.

[2] CS(44)7, "Estimate of Selected Relief and Rehabilitation Imports into Seventeen European Countries from Outside Continental Europe," 20 January 1944. Belgium and Luxembourg were treated as a unit.

[3] See Part Three, Chapter I, footnote 1.

through enemy action.[4] No attempt was made at this time to estimate the financial aspects of the supply problem, since, as the Director General pointed out to the Committee on Supplies, most of the questions bearing on the ability of liberated countries to pay for their supplies could not yet be answered, and moreover, the cost of operations among displaced persons and in other fields of the Administration's activities was still subject to "the wildest kind of guessing." [5]

Although the Director General expressed his conviction that the needs of the receiving countries would be of such magnitude as to strain to the utmost the supply resources of the world and the financial potentialities of UNRRA, the document reflects the optimism which prevailed at that time. It was assumed, for instance, that trade within each country would have revived substantially by the close of the first six months' period covered by the Bureau's estimate and that trade between countries would be relatively restricted for "perhaps a year longer." [6] Regarding specific commodities, it was expected that, for example, some two million tons of fertilizers would be transported from surplus to deficit areas within Europe during the eighteen months' period. In fact, this tonnage was almost twice what UNRRA was able to provide [7] throughout its operation, and the great bulk of it had to be procured in areas outside Continental Europe.

Figures based on these estimates were submitted to the Combined Boards as preliminary bids for liberated areas for specified periods of 1944–1945, qualified by the statement that they represented partial requests which would be sufficient only to begin relief and rehabilitation operations.

### 2. *INFLUENCE OF PAYING COUNTRIES ON THE UNRRA SUPPLY OPERATION*

Among the countries covered in the preliminary statement of requirements were the six Northwestern European paying countries—Belgium, Denmark, France, Luxembourg, the Netherlands, and Norway.[8] Early in 1944, however, the governments of these countries began to submit to the Combined Boards on their own account estimates of supplies they would require on liberation, and it became clear that

[4] CS(44)7, 20 January 1944. [5] CS(44)9, minutes 5th meeting, 27 January 1944.
[6] CS(44)7, 20 January 1944.
[7] Total UNRRA shipments amounted to 1,266,881 long tons of fertilizer.
[8] See Part One, Chapter IV, Section 3.

they would not call upon UNRRA for financial help.[9] Their needs gradually ceased to concern the Administration directly, although UNRRA made available to them a share of over-all allocations—including footwear, fertilizers, trucks and farm machinery—recommended by the Combined Boards for use in all liberated areas.[10]

In one respect, however, it turned out that the Northwest European countries influenced the pattern of the UNRRA supply operation. In February 1945, shortly after the Ardennes offensive, application was made to UNRRA on behalf of all these countries, except Denmark, for assistance in meeting immediate relief needs. The Director General was authorized, under a resolution passed by the Central Committee, to make limited grants of supplies and services "although the government of the area concerned had not applied to be adjudged unable to pay under the provisions of Resolution 14 of the Council." [11] This resolution served as the basis upon which emergency programs were carried out, not only in Northwest Europe, but subsequently in Finland,[12] Hungary,[13] Korea [14] and the Philippines.[15] The effect of the resolution was that, as the program of operations reached a developed form, there were two types of country programs: major relief and rehabilitation programs calculated in most cases in accordance with the UNRRA bases on behalf of countries which had been adjudged "unable to pay," and minor *ad hoc* programs for the provision of particular supplies and services. In the end the Central Committee approved the recommendation of the Director General that payment for the supplies to Northwest Europe should be made in local currencies and that no attempt should be made to obtain payment for the emergency programs carried out elsewhere.[16]

### 3. *FIRST ATTEMPTS TO ASSESS INDIVIDUAL COUNTRIES' NEEDS*

In July 1944 the Director General invited European member governments to submit to the Administration, in a prescribed form, an estimate

[9] See Part Three, Chapter III, Section 1.

[10] See Part One, Chapter V, Section 6; Part Three, Chapter VI, Section 4; Chapter VIII, Section 2.

[11] See Part Five, Chapter XII.

[12] See Part Five, Chapter XIII.

[13] See Part Five, Chapter XIV.

[14] See Part Six, Chapter IV, Section 2.

[15] See Part Six, Chapter IV, Section 1.

[16] Central Committee (CC) (47) 29, "Payment for Emergency Programs under Central Committee Resolution of 26 February 1945," 20 February 1947; CC(47)46, minutes 50th meeting, 12 March 1947.

of essential relief and rehabilitation imports for the six months following the period of military responsibility, and to indicate the extent to which they would require UNRRA's financial help in the procurement and shipment of these essential supplies. As the bases of requirements for UNRRA supplies had not been adopted at this time, the governments were asked to take into account, in estimating their requirements, the relevant Council resolutions and the current work of the Committee of the Council for Europe on bases. The invitation, known as the "2*A* Questionnaire," was addressed to all the member governments of Continental Europe.[17] Four of the governments—those of Czechoslovakia, Greece, Poland, and Yugoslavia—indicated that they would need very substantial assistance from UNRRA. Requirements during the six months for these countries alone were estimated to be about $2,400 million in terms of landed cost.[18] The total estimated resources of UNRRA for all purposes were less than that figure by some $600 million.[19] The programs as submitted were obviously not a satisfactory basis for operations.

In spite of the potential deficiency in funds, at its Second Session the Council accepted two additional responsibilities: the first provided for limited relief operations in Italy;[20] the second provided that the "benefits of the Administration should be extended to the inhabitants of the Dodecanese." [21] Financially, however, the increase in supply responsibilities was comparatively small: the program for Italy was limited to $50 million, and the total programs authorized for the Dodecanese, by the end of the UNRRA operation, amounted to no more than $3,900,400.

In the light of the bases and policies for the calculation of import requirements adopted at the Second Council Session,[22] the Administration was able to review the estimates submitted by European governments in response to the 2*A* Questionnaire. The adjustment of the estimates to the UNRRA bases had the effect of reducing them by approximately 46 per cent in terms of dollars and nearly 50 per cent in terms of tonnage.[23]

[17] Memo, Lehman to the member governments of Continental Europe, [July 1944].
[18] Memo, Norman Leon Gold (Bureau of Supply) to Hendrickson, 6 September 1944.
[19] *Report of the Director General to the Second Session of the Council* (DGR) 1, p. 8.
[20] Resolution 58. [21] Resolution 59. [22] Resolutions 55, 56.
[23] Letter, Hendrickson to N. I. Feonov (Deputy Director General and Chief of Supply Department, European Regional Office), 14 November 1944.

The next stage was the development of country budgets based on a definite program of expenditure. Member governments had been pressing for information on what they might expect from UNRRA so that they could plan their own national policies for the postliberation period. The Administration was reluctant to make any commitment at this time, since lack of precise information on conditions in Europe meant that any estimates must be crude, and subject to many changes. It was decided, however, that the member governments' need for information more than offset the risks inherent in providing it.[24]

A tentative allocation of resources based on a $1,000 million budget was drawn up, 75 per cent of which was to be disclosed to member governments in terms of quantities of supplies, and the balance held in a contingency reserve.[25] The tentative allocations were as follows:

TABLE 10

TENTATIVE ALLOCATION OF UNRRA'S RESOURCES, NOVEMBER 1944[a]

| *Country* | *Amount* |
|---|---|
| Albania | $ 13,000,000 |
| Czechoslovakia | 149,000,000 |
| Greece | 160,000,000 |
| Italy | 25,000,000 |
| Poland | 214,000,000 |
| Yugoslavia | 214,000,000 |
| Unallocated | 225,000,000 |
| Total | $1,000,000,000 |

[a] Letter, Hendrickson to Lehman, 9 November 1944.

No provision was made for China at this time, since the representatives of the Chinese Government thought it unlikely that any considerable operation in China would be possible before the latter part of 1945.[26] The figure of $25,000,000 tentatively proposed for Italy was arbitrary. The budgets for Albania, Czechoslovakia, Greece, Poland, and Yugoslavia were achieved by the application of the "equalization of deficiencies" technique,[27] further refined in the autumn of 1945

[24] *Ibid.*

[25] Letter, Hendrickson to Sir William Matthews (Chief, Balkan Mission), 15 November 1944.

[26] Letter, Hendrickson to Feonov, 14 November 1944.

[27] Memo, Gold to Hendrickson, 3 November 1944.

when the first broad program of operations covering the whole UNRRA period was drawn up.[28]

Since it was obvious that UNRRA lacked the resources necessary to bring all the receiving countries to the level of the bases adopted by the Council, the essential purpose of the "equalization of deficiencies" technique was to bring each country to approximately the same level of deficit. The first component of a country's budget was the amount required in addition to its indigenous supplies to equalize its per capita deficiency in each major commodity with that of the country having the least deficiency.[29] Once the budgets of the five countries were equalized, remaining supplies were distributed on a per capita basis.

In preparing the tentative commodity budgets for each country priorities were established in the following order: medical and sanitation supplies, food, agricultural rehabilitation, clothing and footwear, and industrial rehabilitation. Preferences indicated by the governments in their lists of requirements were also taken into consideration so that priorities varied somewhat in each country budget.[30]

The distribution of the $1,000 million budget among the receiving countries according to these principles was not intended as a fixed allocation, nor did it result in equal financial assistance per capita to each country: it was simply an attempt to appraise the relative need for relief and rehabilitation supplies.

The tentative programs for the first six months' period were conveyed to the receiving governments through Mission Guides to Import Requirements which were developed early in 1945.[31] These represented an embryonic stage in the formulation of a program of operations in which the receiving governments began to have an active share. The Guides explained that UNRRA intended to base future programming (that is, requests for allocations, filing of requests to supply, purchasing of supplies, and forwarding to shipside) upon statements from the receiving governments. The Administration had, however, been obliged to anticipate various categories of need for all liberated countries requiring financial assistance and to develop procurement schedules in order to ensure an adequate flow of supplies when UNRRA took over supply responsibility from the military authorities. Finally, the

[28] See below, Section 7.

[29] Airgram, Washington to London A-8, 20 January 1945.

[30] *Ibid.*

[31] For example, "Mission Guide to Import Requirements and Priorities for Czechoslovakia" (February 1945); also for Albania, Greece, Poland, and Yugoslavia.

Guides explained, $750 million had been budgeted tentatively for immediate relief and rehabilitation supplies. Attached to the Mission Guides was a tentative detailed schedule of supplies which would be available for shipment and subsequent delivery during the first three months of UNRRA responsibility, and a list of the basic tonnage and composition of supplies which would be available during succeeding months.

Missions were asked to advise the governments on the form, time, and necessary justification of requirements, to review these in regard to the bases, and to request the governments to screen the proposed program of shipments, indicate any changes necessary, and inform the Administration regarding comparative priorities. In addition, they were requested to obtain from the governments a statement of detailed requirements for the six months' period beginning July 1945. As had been expected, the policies set out in the Mission Guides required amendment as time went on; [32] but the part which the missions were to take in regard to the supply operation remained substantially constant, though the influence exercised by an individual mission was either greater or less according to whether the government to which it was accredited was weak or strong.[33]

### 4. *FIRST SHIPMENTS TO RECEIVING COUNTRIES*

Early in 1945 UNRRA advanced from the preparatory phase to the beginning of the operational work of relief and rehabilitation for which it had been created. Under arrangements with the Anglo-American military authorities, negotiated on behalf of the Administration by Roy F. Hendrickson, Deputy Director General, Bureau of Supply, Headquarters, the military authorities relinquished responsibility for relief supplies on 1 April 1945 in Greece,[34] and on 15 April 1945 in Yugoslavia.[35] The basic Agreement between Czechoslovakia and UNRRA was concluded on 26 February 1945.[36] In March shipments for the Czechoslovak Government and the Polish Provisional Government began through the Black Sea port of Constanza.[37]

[32] For example, "Instruction for Preparation of SS-34 Form," issued to missions in May–June 1945.

[33] See, for example, Part Five, Chapters II, V.

[34] See Part Five, Chapter II, Section 2.

[35] See Part Five, Chapter III, Section 2. [36] See Part Five, Chapter V, Section 1.

[37] See Part Five, Chapter V, Section 3; Chapter VI, Section 2.

In sending relief supplies as the various receiving countries were opened up, the Administration adopted the policy of utilizing its available resources, as long as they should last, to meet as far as possible the needs of the liberated areas to which supplies could be shipped.[38] For example, since the war in Europe was won earlier than the war in the Far East, UNRRA was able to begin shipments of substantial amounts of essential supplies to European liberated areas and to Italy, while it was able to send only small quantities of emergency supplies to China. So long as pressing needs existed in the areas first liberated, it appeared unwise to hold in idleness reserves of UNRRA resources to meet requirements of areas still to be liberated. The factors which in the early operations determined the distribution of supplies were in part a reflection of the fortunes of war and in part a reflection of other circumstances outside UNRRA's control.[39] UNRRA's assumption of responsiblity in Greece, for example, involved not the initiation of operations, but the continuance and expansion of the already sizable Military Liaison procurement and shipping operation, carried on since the liberation of the country in October 1944. The Greek ports could receive upward of 200,000 tons of cargo per month.[40] On the other hand, at UNRRA's assumption of supply responsibilities, only two ports in Yugoslavia were open for ocean shipping with an estimated combined monthly capacity of 65,000–95,000 tons. Inland clearance was, however, the most important limiting factor in the handling of supplies.[41] The Black Sea port of Constanza, furthermore, was geographically far from ideal for shipments to Czechoslovakia and Poland, and, in addition, its berthing and storage capacities were inadequate. The amount of supplies which could reach these two countries prior to the opening of the Baltic ports was thereby severely limited.[42]

By the end of May 1945, shipments to European receiving countries, for which UNRRA was responsible, amounted to 262,653 tons, distributed as follows:

[38] Council III Document 5, C(45)4, "Program of Operations Presented by the Director General to the Third Session of the Council," pp. 21, 26.
[39] CS(45)16, "Report of the Bureau of Supply," 21 June 1945.
[40] See Part Five, Chapter II, Section 2.
[41] See Part Five, Chapter III, Section 5.
[42] See Part Five, Chapter V, Section 4; Chapter VI, Section 6.

TABLE 11

GOODS SUPPLIED BY UNRRA [a]

(PERIOD ENDING 31 MAY 1945)

| *Receiving Country* | *Tons* |
|---|---|
| Albania | .. |
| Czechoslovakia | 32,833 |
| Greece | 119,861 |
| Italy | 57,454 |
| Poland | 36,322 |
| Yugoslavia | 16,133 |
| Total | 262,653 |

[a] Committee of the Council for Europe (CCE) (45)73, "UNRRA Operations in the European Region during May," 14 June 1945.

The circumstances which had caused this disparity in UNRRA shipments were given little recognition by the Committee of the Council for Europe, and the discrepancies were much resented by the representatives of those governments which had received only a small share of the total. The Committee member for Yugoslavia proposed in July 1945 what amounted to a vote of censure on the Administration for political discrimination in favor of Greece,[43] and charged the Administration with failing to observe the provisions of the resolution regarding fair and equitable distribution.[44] On a second presentation in a milder form, the resolution was lost by five votes to three: the Soviet, Yugoslav, and Czechoslovak members of the Committee supporting it.[45] There is no doubt that the Yugoslav representative was incorrect in his allegations that the Administration was seeking to send supplies to Greece to the detriment of other areas. But there is also no doubt that in the Central Committee the United Kingdom and United States representatives were anxious that, when UNRRA took over the responsibility for relief supplies for Greece, every effort should be made to augment, as far as possible, the austere level of supplies which the military authorities had already procured for shipment to Greece during the period between 1 April and 1 June.[46] Certainly, the food deficiency

[43] CCE(45)84, minutes 17th meeting, 26 June 1945.
[44] Resolution 7.
[45] CCE(45)86, minutes 18th meeting, 2 July 1945.
[46] CC(45)14, minutes 13th meeting, 27 March 1945 (Compilation of the Documents of the Central Committee of the Council [CC Docs.], I, 131–132).

in Greece was comparatively higher than in any other of the liberated countries, and the great bulk of the early shipments to Greece was in the form of food.[47]

### 5. *THE PROGRAM OF OPERATIONS AND THE THIRD COUNCIL SESSION*

At the Third Council Session the Director General presented a program of operations covering the proposed activities of the Administration to 31 December 1945,[48] planned on the basis of the most effective use of the available resources in accordance with the requirements of the member governments adjusted to the bases adopted by the Council.[49] Its main objective was to enable the Council to look at the work which lay ahead. Its main message was that UNRRA's ability to continue toward the completion of the relief and rehabilitation task depended on whether it was given additional funds.

Briefly, the program of operations revealed that the expected contributions available for operations up to 31 December 1945 would amount to $1,819,106,815, after deducting administrative allocations for 1944 and 1945. Against this amount, the estimated total of expenditures and obligations to 31 December 1945 came to $1,643,854,000. If the program of the Administration was to be carried out according to this plan, therefore, there would remain at the end of 1945 a balance of $175,252,815.

The question, then, was whether the completion of that program would bring the Administration within sight of the ultimate goal which the member governments wished UNRRA to reach. The answer was clearly that large needs would continue in 1946 in Europe, and in the Far East as soon as China should be liberated.

Provisional estimates of additional resources which would be necessary for operations in 1946 totaled about $1,500 million. This amount included an estimate of over $800 million for China for the first six months of 1946 and a program for Europe for the first half year based on the same rate of expenditure as for the second half of 1945. For the

[47] Out of a total in value of $56,800,000 shipped to Greece through May 1945, $39,200,000 was food, Council III Document 5, C(45)4, "Program of Operations," Table 6, p. 22.

[48] Letter of Transmittal to the Members of the Council, 19 July 1945, Council III Document 5, C(45)4, p. v.

[49] Council III Document 5, C(45)4, p. 11.

latter part of 1946 it was expected that food requirements of most of the European countries would be met from their own resources; that the revival of the textile and leatherworking industries would result in a further substitution of raw materials for the more expensive finished and semifinished goods; and that the rehabilitation of essential industries and of agriculture would have progressed sufficiently to reduce these requirements substantially. If these objectives were realized—and no sure prophecy could be made in view of changing conditions—the end of 1946 should bring the Administration close to its goal.

The alternative, if additional funds were not forthcoming, was a substantial change in the program of operations for 1945, since a large proportion of the remaining resources would have to be diverted from Europe for operations in the Far East. This would inevitably result in a drastic lessening of assistance to Europe although UNRRA's aid to China would still be grossly inadequate.[50] The need for decision was driven home during the Council Session by the sudden ending of the war in the Far East.

The result of the resolutions passed at the Third Council Session was, in fact, a compromise between the alternatives. The approximate termination date of UNRRA was forecast by the provision that shipments to Europe should cease by 31 December 1946 and to the Far East by 31 March 1947. The recommendation of a second contribution, equal in amount to the first,[51] was coupled with the imposition of further supply responsiblities, including a program for Italy "adequate to meet the urgent needs of the Italian population," [52] a program for Austria,[53] and for Korea and Formosa "should they make application for assistance," [54] and programs of $189 million and $61 million for the Ukrainian and Byelorussian SSR.[55]

### 6. *THE CREATION OF THE PROGRAM SUBCOMMITTEE*

The resentment of the Slavic group, ventilated earlier in the Committee of the Council for Europe, over what they considered to be discrimination against them in the distribution of supplies, was carried aggressively into the discussions at the Third Council Session.[56] The

[50] *Ibid.*, p. 46. [51] Resolution 80. [52] Resolution 73.
[53] Resolution 74. [54] Resolution 76.
[55] See Part One, Chapter IV, Section 4; Part Five, Chapter VII, Section 2.
[56] For example, *Journal*, Third Council, remarks by member for Poland, p. 44; remarks by member for Yugoslavia, p. 45.

Council's decisions to extend the membership of the Committee on Supplies to include receiving countries,[57] and to give the Committee authority to "discuss with the Director General broad programs . . . for securing the equitable distribution of supplies," [58] appeared to meet in some measure the wishes of the receiving countries to influence the distribution of UNRRA supplies. The Council had, however, also included in Resolution 80 a reference to "the broad programs of operations of the Director General as approved from time to time by the Central Committee." The Central Committee, at first undecided as to the mechanism to be employed for review of the programs, eventually adopted [59] the proposal of its United States member [60] for the establishment of a Program Subcommittee of the Central Committee, with the understanding that the Canadian chairman of the Committee on Supplies interpreted his Committee's reviewing role as minor and advisory.[61] The new Subcommittee was to be responsible "for the review of projected country programs submitted by UNRRA and for making recommendations to the Central Committee as to their acceptance or revision, consulting the Committee on Supplies and the Resolution 23 Committees whenever desirable, in making such recommendations." [62] Since the country representation on the Program Subcommittee was the same as that on the Central Committee, control over the allocation of UNRRA supplies was maintained by the supplying countries, and the ambitions of the receiving countries were largely negated.[63]

A secondary effect of the creation of the Program Subcommittee was that it weakened potentially the executive powers of the Administration over the allocation of UNRRA supplies.[64] In practice, however —owing largely to the forcefulness and personality of David Weintraub (Deputy Chief, Bureau of Supply),[65] who represented the Director General on the Program Subcommittee—the influence of the Sub-

[57] Resolution 68.

[58] Resolution 69.

[59] CC(45)38, minutes 18th meeting, 29 November 1945 (CC Docs., II, 40–42).

[60] CC(45)36, letter, W. L. Clayton to Roger Makins (United Kingdom Member of Central Committee), and attachment (CC Docs., II, 36–39).

[61] CS(45)35, "Memorandum Submitted by the Chairman as a Basis for the Discussion of Possible Changes in Procedures or Organization Required to Implement Council Resolution No. 69," 23 October 1945 (CC Docs., II, 5).

[62] CC(45)38, minutes 18th meeting, 29 November 1945 (CC Docs., II, 44–45), see *infra*, Appendix Four, Section III, Document 2.

[63] Monograph, Addison Brandon, "History of the Program Subcommittee of the Central Committee," p. 18.

[64] *Ibid.*, p. 98.

[65] *Ibid.*, pp. 98–99.

committee was not so strong as it might have been, and its recommendations and decisions ran counter to those of the administration with comparative infrequency.[66]

### 7. *DEVELOPMENT OF THE FIRST BROAD PROGRAM OF OPERATIONS*

As a result of the decisions at the Third Council Session, the Administration was able in the autumn of 1945 to develop for the first time a long-range program of operations. Many of the uncertainties which had made it impossible to do so earlier had been removed. UNRRA's geographic area of responsiblity had been defined. The total financial resources were ascertainable. The duration of the operation was measurable.

The distinguishing feature between this period of the supply operation and the period which preceded it was that it was now possible to make estimates and inform each country of the total value of supplies, within each of the five commodity groups, which it could hope to receive.[67] The recipient countries were anxious for such an allocation to be made, so that they could plan the best use of the funds available to them and could know in advance which of their import requirements would be met by UNRRA and which would have to be obtained from other sources. From the Administration's point of view the allocation was helpful because the various commodity divisions could plan their procurement with greater precision. Also, from the standpoint of the restoration of normal trading relationships between countries, it was advantageous that the size and character of UNRRA's supply program for each country should be established.[68]

The following procedure was proposed by the Administration and approved by the Central Committee for submission of a program of operations to the Committee, as required under Resolution 80:

> The Administration will prepare a draft of its broad program of operations. This program will show the amount of its total resources which it proposes to devote to relief and rehabilitation operations in each country. It will be predicated on an additional 1% contribution. It will be in the form of physical quantities of generally specified commodities, presented by country of

[66] *Ibid.*, p. 98.
[67] For standard form of program of operations see Appendix Ten, Section III.
[68] Memo, Weintraub to chiefs of missions in receiving countries, 12 November 1945.

destination and by time periods of delivery. These quantities will be based on the best information available to the Administration on the needs of each country for relief and rehabilitation commodities as defined by Council Resolutions, on the extent to which each country is herself able to meet those needs, and on the extent of the Administration's resources. The broad programs will be accompanied by the best estimates of the US dollar values of each country program that the Administration is able to prepare.[69]

During the period of four months which elapsed between the adoption of this procedure and the approval by the Central Committee of the program of operations there was no interruption in the flow of UNRRA supplies to the receiving countries. By the end of December 1945 nearly four million long tons of supplies, valued at $681,500,000, had been delivered; [70] by the end of March 1946 this amount was increased to a total of more than eight million long tons valued at $1,140,500,000.[71]

UNRRA's operating income was estimated at $3,766,600,000, on the assumption that each country which had authorized an initial contribution to UNRRA's operating fund would make that contribution available and would, in addition, make a second contribution of the same amount. From this, deductions were made for administrative expenses, mission operating costs, displaced persons operations, and shipping expenses, leaving an estimated balance of $2,998,200,000 for relief and rehabilitation supplies in liberated areas.[72]

Since the value of requirements substantially exceeded available resources, the Administration had, therefore, to draw up country budgets on a very much lower level.[73] In constructing the budgets, indigenous production of relief and rehabilitation goods was subtracted from the minimum consumption needs estimated under the UNRRA bases. The possibility that a country might be able to pay for part of its relief and rehabilitation supplies was not taken into consideration since this would still further curtail the admittedly inadequate supplies which UNRRA was able to provide.[74]

[69] CC(45)34, memo, Director General to Central Committee, "Procedure to be Adopted under Resolution 80 in Submitting Broad Programs of Operations by the Administration to the Central Committee," 2 November 1945 (CC Docs., II, 3–4).

[70] DGR 7, Table 1, p. 14. Tonnage includes contributed clothing for which no value was assigned.

[71] DGR 8, p. 6.

[72] Memo, Weintraub to chiefs of missions in receiving countries, 12 November 1945.

[73] *Ibid.*

[74] First Supply Conference, minutes general meeting, "Scope and Objectives of Program of Operations," 6 November 1945.

The program of operations was constructed at Headquarters, in consultation with representatives of the missions assembled for the First Supply Conference, by first determining the amount to be programmed for those countries which the Council had specifically considered when it made its recommendations for the second contribution: Austria, China, Italy, Korea, and Formosa, the two Soviet Republics. The remainder of the resources was then divided among those countries in which relief and rehabilitation operations were already in progress, taking into account the value of goods already delivered as well as those which the Administration proposed to supply.[75]

Tentative allocations to individual countries were reached as follows:

The proposed UNRRA program for Italy, which had been developed by United States military and civilian agencies, was reduced by eliminating items outside the scope of UNRRA and reducing low-priority items. The final figure of $409 million, exclusive of ocean shipping, represented a scaling down of requirements which, if calculated according to UNRRA bases, would have amounted to over $1,000 million.[76]

A figure of $75 million was tentatively budgeted for Austria. This was relatively arbitrary, since only very crude estimates of needs were available.[77]

Allocations of $50 million and $158 million were made to the Byelorussian and Ukrainian Republics, representing the agreed amounts for these countries minus ocean shipping costs.[78]

Since the Council had not established bases for the Far East, the Administration screened the requirements submitted by the Chinese Government on the basis of analyses made by the China Office and Headquarters.[79] The requirements originally submitted by the Chinese National Government amounted to some $945 million.[80] Later, this figure was revised upward to slightly more than $1,000 million. The re-

[75] Memo, Weintraub to chiefs of missions in receiving countries, 12 November 1945.

[76] Program Subcommittee of the Central Committee (CC/P)(45)12, 14 December 1945.

[77] *Ibid.*

[78] Memo, Weintraub to chiefs of missions in receiving countries, 12 November 1945.

[79] CC/P(45)9, minutes 3d meeting, 10 December 1945.

[80] Memo, Abraham S. Boykoff (Director, Country Programs Division) to heads of divisions, Bureau of Supply, 18 April 1946.

quirements included in this total were reduced to $562,500,000,[81] by eliminating certain items not admissible under the Council resolutions; by substituting raw cotton for cotton textiles; and by reducing items premised on a greater degree of destruction than had taken place. A supervening consideration in reducing this program was the uncertainty that the reception capacity of Chinese ports and inland clearance facilities would be adequate to enable a larger program to be handled within the time limit of 31 March 1947 imposed by Council resolution for the completion of the China program.[82]

When the sum of the amounts allocated to Austria, China, Italy, and the Byelorussian and Ukrainian Republics was deducted from the total resources available to the Administration there remained—after deducting further amounts for special and emergency programs—$1,539 million for distribution among the European countries in which the Administration was already conducting full-scale operations: Albania, Czechoslovakia, Greece, Poland, and Yugoslavia.[83] In allocating the available funds among these countries, the Administration applied the "equalization of deficiencies" technique which had been partially developed earlier in the year.

The first factor taken into account was that these countries had become accessible to UNRRA supplies at different times, the flow of a substantial volume of supplies to Albania, Czechoslovakia, and Poland having started considerably later than to Greece and Yugoslavia. The Administration adopted the principle that requirements for consumable supplies were not cumulative. The fact that people in one country were hungry and cold during the period when UNRRA supplies could not reach them did not increase the quantities of food and fuel necessary to keep them fed and warm during the subsequent period. Similarly, the fact that people of another country were accessible to UNRRA shipments of food and fuel during the earlier period did not reduce their needs for these commodities for the subsequent period.

In keeping with this policy, a common time-period—1 October 1945–31 December 1946—was used in measuring the requirements of the various countries for expendable goods such as food, fertilizers, pesticides, and fuel, and in these calculations, previous shipments of

[81] Memo, Weintraub to chiefs of missions in receiving countries, 12 November 1945.

[82] CC/P(45)9, minutes 3d meeting, 10 December 1945, Annex I.

[83] Memo, Weintraub to chiefs of missions in receiving countries, 12 November 1945.

expendable goods, or accumulated deficits in shipments, were not included.[84] Nonexpendable goods, such as railway rolling stock, steel rails, bridging equipment, trucks, agricultural equipment, hospital equipment, tools, and clothing shipped before 1 October 1945 were, however, considered as meeting part of the total requirements of each receiving country.[85] In reducing the total value of requirements for these five countries the total value of expendable goods shipped to each country before 1 October 1945 was subtracted from the sum available for distribution. After each country's share of the remainder was calculated, the value of previous shipments of expendable goods was added to the calculated share in arriving at the total budget allocation for each country.

The amount spent on expendable supplies to 1 October 1945 was carried temporarily in the Administration's books at $143 million. The final figure was to be decided by Canada, the United Kingdom, and the United States which had provided the supplies from the Balkan Stockpile in the Middle East, and the budgets of the countries concerned were to be adjusted accordingly when the final figure was determined.[86]

When the $143 million estimated for expendable goods was deducted from the funds available, there remained $1,395,832,000 to meet the needs of these five countries for the period following 1 October 1945. The reduced budgets, compared with those calculated to meet their deficiencies under the UNRRA bases, were as follows:

TABLE 12

REQUIREMENTS OF RECEIVING COUNTRIES, DECEMBER 1945

| *Country* | *Total Requirements Calculated According to Bases of Requirements* [a] | *Total Requirements Calculated According to Funds Available* [b] |
|---|---|---|
| Albania | $ 51,179,000 | $ 26,109,000 |
| Czechoslovakia | 492,342,000 | 256,163,000 |
| Greece | 476,756,000 | 291,325,000 |
| Poland | 888,066,000 | 416,372,000 |
| Yugoslavia | 764,517,000 | 405,863,000 |
| Total | $2,673,060,000 | $1,395,832,000 |

[a] CC/P(45)12, 14 December 1945, Annex 2, Table 1.
[b] *Ibid.*, Table 2.

[84] *Ibid.* [85] *Ibid.* [86] See below, Section 12.

The total funds available for these five countries were sufficient to meet 52 per cent of the total value of the requirements for all commodity groups.

In reducing the requirements to conform to the funds available, the Administration distinguished between food and other categories. For nonfood requirements, for which in the main the bases as adopted by the Council did not provide a detailed quantitative guide, a percentage distribution of the various commodities among the several countries had been made, based on numerous factors, since calculations on a per capita basis were impracticable.[87] Hence the Administration decided that the most equitable results would be achieved if the nonfood requirements based on these percentage distributions were reduced by the same proportion for all countries.[88]

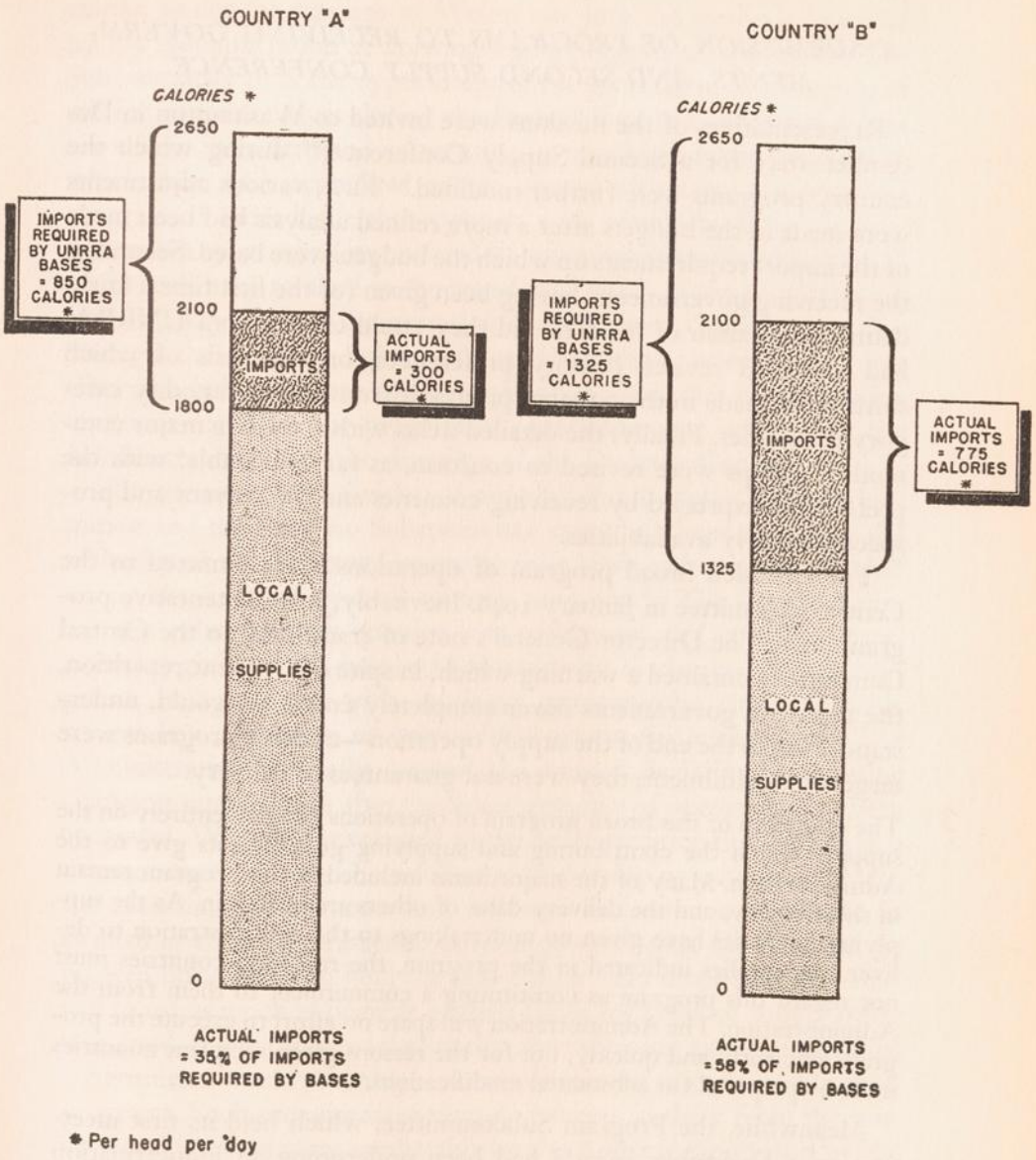
After these amounts had been determined, the residual sum was allocated for food in such a way as to produce for each country an equal per capita deficit below the standard set by the bases. To bring several countries to an equivalent level below the UNRRA food basis of 2,650 calories per head per day did not mean that each country necessarily underwent the same proportionate reduction in the total imports which it would receive according to the bases. A country with a larger indigenous supply would be allocated a smaller portion of its import requirements under the bases than a country with a relatively smaller indigenous supply of food.

This may be illustrated by the accompanying graph. In Countries A and B, locally available food supplies are assumed to provide respectively 70 per cent and 50 per cent of the amount needed to meet the bases. Country B would need to import a larger percentage of its total requirements to raise it to the same level as Country A. It is assumed that UNRRA could provide only enough food to bring consumption in the two countries to an average level of 2,100 calories per person per day instead of the 2,650 stipulated in the UNRRA bases. Country B would require supplies amounting to 58 per cent of its total import requirements and Country A only 35 per cent in order to reach this level.[89]

[87] See, for example, Standing Technical Committee on Industrial Rehabilitation (TIR)(45)12, "Report of the Industrial Rehabilitation Division on Methods Being Followed in Consideration of the Allocation of Supplies among Receiving Countries in Europe," 2 July 1945.

[88] CC/P(45)12, 14 December 1945.

[89] Council III Document 5, C(45)4, pp. 26–27.




GRAPH II

EQUITABLE FOOD DISTRIBUTION ACCORDING TO THE BASES ADOPTED BY THE COUNCIL

(Figures Hypothetical)

### 8. *SUBMISSION OF PROGRAMS TO RECEIVING GOVERNMENTS, AND SECOND SUPPLY CONFERENCE*

Representatives of the missions were invited to Washington in December 1945 for a Second Supply Conference,[90] during which the country programs were further modified.[91] First, various adjustments were made in the budgets after a more refined analysis had been made of the import requirements on which the budgets were based. Secondly, the receiving governments, having been given for the first time a fairly definite indication of the total aid they could expect from UNRRA, had indicated revised priority preferences, on the basis of which shifts were made in the country programs from one commodity category to another. Finally, the detailed items within the five major commodity groups were revised to conform, as far as possible, with the preferences expressed by receiving countries and the current and prospective supply availabilities.

The amended broad program of operations was submitted to the Central Committee in January 1946. Inevitably, it was a tentative program only. The Director General's note of transmittal to the Central Committee contained a warning which, in spite of frequent repetition, the receiving governments never completely could, or would, understand, even to the end of the supply operation—country programs were targets for fulfillment; they were not guarantees of delivery:

> The execution of this broad program of operations depends entirely on the support which the contributing and supplying governments give to the Administration. Many of the major items included in this program remain in short supply, and the delivery dates of others are uncertain. As the supplying countries have given no undertakings to the Administration to deliver the supplies indicated in the program, the receiving countries must not regard this program as constituting a commitment to them from the Administration. The Administration will spare no effort to execute the program efficiently and quickly, but for the reasons given recipient countries must be prepared for substantial modifications.[92]

Meanwhile, the Program Subcommittee, which held its first meeting on 1 December 1945,[93] had been undergoing an indoctrination

[90] Memo, Weintraub to chiefs of missions in receiving countries, 12 November 1945.

[91] "Summary Statement on Program of Operations," 29 January 1945.

[92] *Program of Relief and Rehabilitation Supplies Presented by the Director General to the Central Committee* (Washington, D.C., 29 January 1946), p. v.

[93] CC/P(45)1, 1 December 1945.

course, under the tutelage of Weintraub, into the methods followed by the Administration in drawing up its program of operations. The Subcommittee took the opportunity of the presence in Washington of mission representatives during the Second Supply Conference to receive from them firsthand information on conditions in the countries to which they were accredited and to discuss with them the proposed programs.[94] Indeed, the thoroughness with which the Program Subcommittee approached its task and its curiosity about matters of detail might well have resulted in the transfer of much of the programming responsibility of the Administration to the Central Committee, acting through the Program Subcommittee. Weintraub, however, did not allow the Subcommittee to lose sight of the fact that administrative functions regarding the program of operations were retained by the Administration under the direction of the Director General.

The question of the division of responsibility between the Administration and the Program Subcommittee came to a head regarding the authority of the Director General to shift kinds and amounts of relief within the limits of over-all country programs.[95] The Central Committee's ruling on this question was ambiguous and could be interpreted as giving the Administration authority to change country programs, in agreement with receiving governments, either *between* commodity categories, or only *within* commodity categories.[96] The Administration naturally wanted the utmost flexibility in meeting changing supply needs after the broad program of operations had been approved. Weintraub explained to the Subcommittee that, although a common technique had been followed in developing country budgets, the receiving governments had followed no common technique in estimating their requirements. Certain governments, for instance, he pointed out, "chose to hold the belt tighter than other governments" and to use as much as possible of their funds for types of supply other than food. It was expected that within the following months individual governments would probably, for various reasons, wish to modify their programs. Such requests were already pouring in daily from the missions and were no more predictable by the Administration than by the governments themselves. If, therefore, the Administration were not permitted to make changes among categories, they would be con-

[94] CC/P(45)20, 22 December 1945; CC/P(46)2, 3 January 1946.
[95] CC/P, verbatim minutes 12th, 13th, 14th meetings, 3, 4, 5 January 1946.
[96] CC(45)34, 2 November 1945 (CC Docs., II, 3–4).

tinually applying to the Committee for approval and, in fact, to the extent that the hands of the Administration were tied, the hands of the receiving governments were tied also.[97] The insistence of the Administration on the need for more freedom of action resulted in a compromise arrangement by which the Administration was free to make changes *within* categories, but only up to 15 per cent *between* categories, without reference to the Central Committee.[98]

The first and second reports of the Program Subcommittee to the Central Committee contained recommendations both on the principles followed by the Administration in drawing up the program of operations and on the specific country budgets proposed.[99] On matters of policy the Subcommittee recommended that approval of the program of operations be limited to the period ending 30 June 1946, since a longer forecast on data then available "might be unrealistic and tend to mislead the Administration and the countries concerned."[100] The necessity of advance procurement of supplies requiring a long period to manufacture was recognized, however, and it was recommended that the Administration should be authorized to use up to $250 million for procurement of items within this category. The Subcommittee also recommended that any funds allocated in the program of operations for expendable supplies and not spent by 30 June 1946 should be considered available for reallocation in the same manner as other funds available to the Administration at that date.[101] Moreover, the Program Subcommittee thus reserved for itself the power to recapture a portion of a budget if the receiving country concerned were so unfortunate as to program expendable items in such short supply that they could not be shipped by the end of June 1946. Had the receiving countries been fully aware of the possibility of this recommendation it is certain that some of them would have avoided certain expendables.[102]

Regarding individual country budgets, the main revisions to the Administration's proposals were recommendations that the program

[97] CC/P, verbatim minutes 12th meeting, 3 January 1946.

[98] CC/P(46)9, "First Report of the Program Subcommittee . . . to the Central Committee," 28 January 1946.

[99] *Ibid.*; CC/P(46)47, "Second Report of the Program Subcommittee . . . to the Central Committee," 1 March 1946.

[100] CC/P(46)47, "Second Report of the Program Subcommittee . . . to the Central Committee," 1 March 1946.

[101] *Ibid.*

[102] Monograph, A. T. Bonnell, "Development and Fulfilment of the UNRRA Supply Programs," Part III, p. 73.

for Austria should be increased by $5 million, in order to allow for a larger food budget, and that the total programmed for the two Soviet Republics should be approved and the supplies included in them delivered, if possible, before 1 July 1946.[103]

On 6 March 1946 the recommendations of the Subcommittee were approved by the Central Committee, subject only to the provision that the fulfillment of the programs for the Byelorussian and Ukrainian Republics was subject, as were the other programs, to adequacy of funds.

For the first time the Administration was provided with a firm program of operations, albeit covering a shorter period than it would have wished.

### 9. *APPROVAL OF A PROGRAM OF OPERATIONS UP TO 31 DECEMBER 1946*

The next phase was the preparation of a program of operations for the last half of 1946. By this time the total amount expected from contributions had diminished somewhat, with the result that the amount available for country programs for the whole period of operations was estimated at $2,904,296,000, compared with the figure of nearly $3,000 million on which the earlier program of operations had been based.[104]

It was the Administration's intention that the commodity programs for European countries other than those for food should remain substantially as first submitted, since requirements remained substantially the same.[105] The Program Subcommittee decided, however, that though this policy was acceptable for medical and clothing supplies, the agricultural rehabilitation programs in particular should be reviewed "with the object of making the maximum contribution possible to the autumn sowings of crops in 1946 so as to achieve the greatest possible production of cereals for human consumption in 1947." [106]

Nevertheless, the most significant revisions made at this time were in the food programs. The Administration's objective was to maintain the average level of food consumption provided in the earlier program of operations, namely, 2,000 calories per head per day (it had in prac-

[103] CC/P(46)47.
[104] CC(46)85, minutes 33d meeting, 23 July 1946 (CC Docs., III, 92–102).
[105] CC/P(46)53.
[106] CC/P(46)60.

tice been impossible to program on the level of 2,650 calories provided by the UNRRA bases).[107] The food resources of all receiving countries for the period after 30 June 1946 were reviewed with the object of bringing them, within the limits of available resources, to the same level in relation to the food bases. These calculations were made on the basis that UNRRA shipments to Europe would end in December, and that, of the receiving countries' total 1946 harvest of bread cereals, one twelfth would be available for use each month from October onward. Therefore, import requirements from October 1946 through 31 January 1947 (representing September to December shipments) were such quantities as, when added to indigenously available supplies for those three months, would provide the 2,000-calorie level.[108]

Detailed discussions on the size and content of their programs took place with mission representatives assembled for the Third Supply Conference. Mission representatives were asked to determine the priorities which they wished to assign to the various commodity categories, bearing in mind the fact that the resources of the Administration were by now comparatively inflexible; and, in addition, that commitments for long-lead items could seldom be set aside without heavy cancellation charges.[109] At the final general meeting, country supply budgets, broken down into commodity divisions as agreed with the mission representatives, were announced.[110] So fluctuating were the supply position and the needs of the receiving governments, however, that, even in the short period between the announcement to mission representatives of the country budgets and the submission of the programs to the Program Subcommittee, numerous modifications were made.

After exhaustive examination of the programs, the Program Subcommittee submitted its Third Report to the Central Committee [111] which was adopted on 23 July without amendment.[112] The Report provided for a further increase in the Austrian program amounting to $26,500,000, of which $19,500,000 was for an industrial rehabilitation program, since, when the Austrian program was originally drawn up, the details necessary for assessing the needs in this category of supplies

[107] CC/P(46)64, memo, Weintraub to Program Subcommittee, 26 June 1946.
[108] Third Conference with mission representatives on program of operations, PO/III/Document 53, minutes 3d general meeting, 18 May 1946.
[109] *Ibid.*
[110] PO/III/Document 68.
[111] CC/P(46)77, 22 July 1946; text as approved by Central Committee, CC/P(46)79.
[112] CC(46)85, minutes 33d meeting, 23 July 1946 (CC Docs., III, 92–102).

were not available; and $7,300,000 in order that the Austrian program might be placed on a parity with those of other countries. The latter part of the increase was challenged by the representatives for the USSR and China, but was strongly supported by the representatives of the United States and United Kingdom—who consistently "rooted" for Austria—and was passed by a majority vote.[113]

A program for Ethiopia for $700,000, drawn from the general supply reserve, was recommended, plus approximately $300,000 of supplies, currently charged to Middle East Relief and Refugee Administration camps and found to be surplus.[114]

The programs proposed for Albania, Greece, and Yugoslavia were approved on the reaffirmed understanding that the Administration would adjust them subsequently to reflect the finally determined value of the Balkan Stockpile.[115]

The Report left various matters for future determination. Among these were a program for China for the period 1 January–31 March 1947, a program for Korea, and also further emergency programs for Finland and Hungary, requested by their Governments[116] but for which at the time it was uncertain whether funds would be available.[117]

### 10. *THE "TWO PER CENT FREEZE"*

In September 1946 the Administration submitted to the Program Subcommittee a statement regarding additional supply programs for China, Finland, Hungary, and Korea, referred to in the Third Report of the Program Subcommittee. It was revealed that, within the limits of the total resources which now appeared to be available, the Administration not only could not undertake any further programs, but would have to reduce those which had already been approved.[118] The reasons adduced by the Administration were threefold: contributions from member governments had yielded a smaller amount than had been estimated; shipping costs were higher than had been expected; and the costs of relief and rehabilitation services, through the extension of

[113] CC(46)85, minutes 33d meeting, 23 July 1946 (CC Docs., III, 93).
[114] CC/P(46)73, Annex II.
[115] CC(46)85, minutes 33d meeting, 23 July 1946 (CC Docs., III, 98–99); CC/P(46)79.
[116] *Ibid.*
[117] CC(46)77, minutes 31st meeting, 3 July 1946 (CC Docs., III, 47); CC(46)80, minutes 32d meeting, 11 July 1946 (CC Docs., III, 67–69).
[118] CC/P(46)81, "Status of UNRRA Resources and Additional Programs of Relief and Rehabilitation Supplies," 24 September 1946.

the displaced persons operation to 30 June 1947,[119] had increased.

The Administration's analysis of the China program had revealed that, if port congestion in China did not decrease, it was unlikely that the program already approved could be completed earlier than 30 June 1947. Thus further funds could not be utilized within the shipping deadlines by now laid down. In any event, it would be impossible to finance a further program without curtailing other country programs already approved.

Although there appeared to be justification, had resources been available, for additional emergency programs for Finland and Hungary, in the circumstances a program for Finland was impossible and a further $1 million for Hungary was recommended only because its Government had agreed to accept this small amount in discharge of an original claim of $12 million for transshipment of UNRRA supplies from Constanza. The most that the Administration could recommend for Korea was an increase of the emergency program from $833,300 to $1 million since the occupying military authorities had agreed to bear shipping costs.

The report included a statement on what was believed to be the final settlement of the valuation of the Balkan Stockpile. This was at a lower figure than had been expected, and the budget for Albania was accordingly reduced by $1,300,000, for Greece by $8 million, and for Yugoslavia by $4,700,000.

In conclusion, the Administration stated that the Director General, in order to ensure that funds were available to meet prospective liabilities, had found it necessary to hold uncommitted 2 per cent of each country program—totaling some $51,500,000—until the fiscal position became more definite. It was expected that the status of uncollected contributions and the increase in shipping costs would be known more accurately by 30 November, when the Director General would recommend to the Central Committee what part, if any, of the country programs could be restored. Meanwhile, the "2 per cent freeze" was being put into effect immediately.

No more provocative set of recommendations could have been injected into the discussions of the Program Subcommittee: the representative of the USSR was concerned over the Korean situation; the representative from China, over the fact that a further program for

[119] Resolution 98.

his country might not be forthcoming; and the representative for Yugoslavia, over the reduction in the Yugoslav budget.[120] The Greek Government put forward a case for the preservation of the Greek budget against the Balkan Stockpile cut.[121] Members of the Committee found it difficult to understand a paragraph in the report referring to an authorization of a further emergency program for the Philippines out of the general reserves of the Administration; nor could the Administration offer any logical explanation of this arbitrary action taken by the Director General.[122]

The Controller was interrogated by the Program Subcommittee on the whole fiscal position of the Administration. It was suggested that perhaps too pessimistic a view had been taken of its contingent liabilities and unrealized contributions. The Controller defended the necessity of the "2 per cent freeze" and added that the surest way of becoming insolvent was to spend money which one hoped to get. Moreover, the Controller pointed out, the fact that contributions to UNRRA were mostly in commodity credits militated against flexibility in their use: it was not possible, for example, "to pay United States payrolls in Bolivian beans." [123]

In its Fifth Report to the Central Committee, the Program Subcommittee stated that "it cannot at the present time pass judgment either upon the magnitude of the freeze or on the manner in which it should be funded." [124] Meanwhile it recommended, and the Central Committee agreed, that the additional emergency program for Hungary and the small increase in the Korean program should be approved.[125] The Program Subcommittee also recommended that the 2 per cent freeze should not be applied to the programs of the Byelorussian and Ukrainian Republics.[126] In this decision it ran counter to the views of the Administration, which had decided that there was no juridical ground for exempting these programs.[127] In the Central Committee the Soviet representative argued the case of the nonapplicability of the "freeze" to the Soviet programs on the grounds that, had they

[120] CC/P(46)82, minutes 40th meeting, 27 September 1946.
[121] CC/P(46)92, letter, Xenophon Zolotas (Council member for Greece) to Director General, 8 October 1946, and attached note.
[122] CC/P(46)88, attached to CC(46)103 (CC Docs., IV, 17); see *infra*, Part Six, Chapter IV, Section 1.
[123] CC/P(46)82, Annex I.
[124] CC/P(46)94, 10 October 1946.
[125] CC/P(46)88, 3 October 1946.
[126] CC/P(46)94, 10 October 1946.
[127] CC/P(46)97, minutes 44th meeting, 11 October 1946.

been fulfilled by 30 June 1946 in accordance with the Central Committee's recommendations, the "freeze" could not have been applied.[128] The Soviet representative consistently failed to recollect that the Central Committee had made it clear that the fulfillment of the Byelorussian and Ukrainian programs by 30 June depended on the physical ability of the Administration to procure and ship the supplies by that date and that this had not been possible. The Central Committee upheld the decision of the Program Subcommittee in face of the Director General's comment that to do so was a departure from UNRRA's policy of according identical treatment to all member governments.[129]

During this crisis in the Administration's affairs, representatives of the missions were invited to Washington for a Fourth Supply Conference in October 1946. Its main purposes illustrate the principal problems of supply programming at this stage:

> To review the status of UNRRA resources and liabilities and to make adjustments in supply programs to meet:—
> (*a*) the two per cent procurement freeze;
> (*b*) the increasing inflexibility of the supply operation as sterling and United States and Canadian dollar balances diminished;
> (*c*) the limited procurement possibilities of certain contributions and time limits for commitments;
> (*d*) the imminent liquidation of UNRRA operations.[130]

Uppermost in the minds of the mission representatives was the effect on individual commodity programs of the "2 per cent freeze." Every effort was made to ensure that the "freeze" should be applied equitably, and every endeavor was made to give to the governments the fullest freedom of choice in selecting where the blow was to fall. The full impact of the 2 per cent program cut was, however, never felt. On 29 November, the Administration circulated a further review of the status of UNRRA resources and its relationship to country programs,[131] from which it appeared that, although some of the Administration's previously uncollected contributions had been realized, and it had been possible to revise downward the estimate of shipping costs, this had been largely offset by increased supply programs amounting

[128] CC(46)102, minutes 37th meeting, 5 November 1946 (CC Docs., IV, 27–28).
[129] CC(46)107, minutes 38th meeting, 15 November 1946 (CC Docs., IV, 62).
[130] PO/IV/Document 1, 9 October 1946.
[131] CC/P(46)106, "Review of the Status of UNRRA Resources and Its Relationship to Country Programs," 29 November 1946.

to some $3,000,000 [132] and by increased estimates for administrative and operating expenses. Since, however, the estimated total contributions and expenditures were now relatively stable, the Administration concluded that the "freeze" on country budgets could be reduced to one per cent. Under this arrangement $26,463,000 was still to be withheld from the country budgets and $25,037,000 was to be restored to them.

In addition, it was proposed that, in accordance with the decision of the Fifth Council Session [133] which placed additional responsibilities on the Administration for displaced persons in Germany and China, $1,125,000 should be used for amenity supplies for displaced persons in Germany. No additional program for basic rations and clothing supplies for displaced persons in China was, however, proposed; nor were the former disappointing decisions relating to the China and Korean programs, and the emergency programs for Finland and Hungary, amended.

### 11. *FINAL EFFORTS TO COMPLETE THE PROGRAM OF OPERATIONS*

At the Sixth Council Session it was resolved that, within the approved programs, the Administration should make every effort to complete procurement and shipments to Europe not later than 31 March 1947 and to the Far East before 30 June 1947.[134] The Administration was authorized, where procurement of supplies was not fully completed, or supplies were not ready for shipment by the dates laid down:

(*a*) To make arrangements with supplying governments to the extent such governments are prepared to do so, to assign contracts for undelivered supplies to the receiving countries and provide for their payment, including cost of transportation;

(*b*) When such arrangements are unattainable, to complete, subject to any limitations applicable to the contribution of each country, as early as possible after the dates set forth above, the procurement and shipment of supplies against the approved programs.[135]

[132] For Korea, for reimbursement for shipping, $166,700; $1,000,000 for Hungary as repayment for transportation charges; $1,000,000 for Poland as repayment for transportation charges; $250,000 emergency program for Albania; $500,000 supplementary program for Dodecanese Islands; total, $2,916,700.

[133] Resolution 99.

[134] Resolution 114.

[135] *Ibid.*

The Administration interpreted this to mean that procurement would be initiated for supplies only where it appeared that they would be available for delivery by 31 March 1947 for Europe and 30 June 1947 for the Far East.[136] There were two exceptions to this:

(*a*) With the concurrence of the supplying governments, commodities under allocation such as food, fertilizer, coal, and seed may be purchased for all countries where available for delivery by the supplier by 30 June 1947; and

(*b*) By agreement between the supplying government concerned and the Administration, essential agricultural equipment and spare parts and accessories for equipment specifically manufactured for particular countries or purchased from surplus may be procured for delivery by or very shortly after 30 June 1947.[137]

Where these deadlines could not be met, the policy of the Administration was to cancel requisitions, except where cancellation charges would be heavy, or where supplying governments objected, or where the supplies involved were of vital importance and were manufactured articles which took a long time to make and deliver. Where exceptions to the deadlines were involved, the Administration was to assign uncompleted contracts to receiving governments, setting aside a sum to cover the value of the contract and estimated shipping costs to such governments, in full discharge of its responsibilities. In cases where the Administration was unable to secure the approval of the supplying governments to transfer uncompleted contracts to receiving governments, it would continue to accept and ship supplies under such simplified procedures and for such a period as the Central Committee might approve.

### 12. *FULFILLMENT OF COUNTRY PROGRAMS*

As the UNRRA programs for the European countries approached their end, it became clear that there would be urgent food needs in the UNRRA countries during the first quarter of 1947 for which there was no provision in the UNRRA budgets. After exhaustive discussion within the Bureau of Supply and in the Program Subcommittee and the Central Committee it was decided that an Emergency Food Fund, amounting to $35 million, should be created and that it should be used

[136] DGR 11, Appendix I, "Statement of Director General's Policy on Procurement of Supplies (Revised)."
[137] *Ibid.*

for the benefit of Austria, Poland, and Greece.[138] The scheme was sharply criticized by various country representatives both on the grounds that Yugoslavia, which had some claim to a share, was not included, and that the Czechoslovak program was to be cut back by $6 million to help finance the fund.[139] The size of the fund was small in relation to the size of UNRRA's operating funds, the cut in the Czechoslovak budget was not more than 0.3 per cent, the share which Yugoslavia might have had was itself almost negligible: nevertheless, these considerations did not decrease the vigor with which the scheme was attacked by those country representatives who considered it was unfair.

It was not until the spring of 1947 that the numerous questions arising from the creation of the Emergency Food Fund were finally settled. From this period onward the main preoccupation of the Administration was to equalize as far as possible the degree of fulfillment among the least and most advanced programs. Most of the programs were by the first quarter of 1947 over 80 per cent fulfilled, but the China program, because of its late start and the procurement and shipping difficulties it had encountered, had reached only 71 per cent of completion.[140]

In February 1947 the Administration found it necessary to increase the shipping reserve by $35 million. Rather than use expected substantial recoveries from various reserves and contingent debts to increase country programs, it was decided, in view of the deadlines for supply deliveries, to apply these funds to offset the shipping deficit.[141]

In view of possible further substantial deficits from the as-yet-unsettled Balkan Stockpile and a threatened $15 million shortfall in the United States contribution, the Administration in the following month canceled most of the outstanding requisitions in the United States Federal Bureau of Supply.[142] Many of the requisitions which were canceled and a substantial part of the funds which had not yet been obligated by requisitions were intended for the China program. In accordance with the wishes of the Government of China, it was agreed that any funds available (ultimately $19 million) should be used for the

[138] See Part Three, Chapter IV, Section 6.
[139] For example, CC(47)16, minutes 45th meeting, 3 February 1947.
[140] DGR 12, p. 47.
[141] CC(47)12, 30 January 1947; CC(47)23, 13 February 1947.
[142] CC(47)42, minutes 49th meeting, 4 March 1947; DGR 12, p. 15.

purchase of cotton.[143] Subsequently, the Balkan Stockpile was finally valued at the amount earlier expected, $105 million,[144] and successful negotiations with the State and War Departments enabled the Administration to realize the $15 million from the United States contribution.[145]

By the end of the second quarter of 1947 the European programs as a group had reached 96.7 per cent of completion and the China program, 83.7 per cent. During this period, and until 30 September 1947 when all new procurement stopped,[146] every effort was made through additional procurement, diversions, and funding arrangements to bring all receiving country budgets to the same percentage of fulfillment. By the time the Bureau of Supply issued its *Final Operational Report* in March 1948, it was clear that 99.8 per cent of the total supply program would be fulfilled.

### 13. *EQUITY IN CARRYING OUT THE SUPPLY PROGRAMS*

The fact that funds were inadequate to meet the essential needs of the receiving countries and that many of the commodities needed to meet the programs were in short supply imposed upon UNRRA a supreme responsibility to ensure that the funds and supplies contributed by member governments were distributed fairly. Ethically, the measure of the success of the supply operation was the degree to which this objective was achieved. There were two broad aspects of equity—equity as affecting the policies followed by the Administration in the physical disposal of supplies, and equity as observed in the policies laid down by the Council and the Central Committee governing the distribution of resources between the various receiving countries. The one can be regarded as a matter of domestic policy, the other reflects the extent to which the programs were affected by political influences.

The effort made by the Administration to achieve equity in carrying out the approved program of operations is revealed in every phase of the supply operation, but it can be illustrated by showing the policy adopted in relation to the pricing of supplies charged to country pro-

[143] CC(47)42, minutes 49th meeting, 4 March 1947; DGR 13, p. 22.
[144] CC(47)61, minutes 52d meeting, 29 April 1947, p. 8.
[145] DGR 13, p. 1.
[146] CC(47)122 amended, "Policy relating to Future Procurement and Shipment of UNRRA Supplies," 2 October 1947.

grams, in the distribution of different types and qualities of supplies, and in the policy adopted in regard to shipping charges.

Prices paid by the Administration varied according to the source from which particular commodities came and the period at which they were bought. The objective in pricing supplies was to ensure that the cost of commodities shipped under the program of operations should be charged as fairly as possible to the budgets of the receiving countries. To this end three forms of pricing were used: "world average" prices; "lot purchase" prices (mainly military surpluses); and actual invoice cost.[147] Most of UNRRA's supplies were charged against country budgets at world average prices, or, more specifically, the average of invoice costs of actual past shipments. This method of pricing was applied to supplies which were common to all or most of the supply programs; to supplies which were purchased at different prices—either because they were procured from various sources or at fluctuating price levels, or for both reasons—and to supplies which were shipped in substantial quantities and lent themselves readily to the establishment of an average price.[148]

For bulk food shipments—the most substantial made by UNRRA—two sets of world average prices were used; the first was applied to commodities shipped from the beginning of the supply operation to 31 August 1946; the second covered the period from 1 September 1946 to 31 December 1946. Food prices after 31 December 1946 were based on invoice prices. The first cutoff date was adopted to enable receiving countries to know as early as possible their budget position. The thirty-first of August was chosen because the cost of grain increased substantially after 1 June; the period between June and August coincided with heavy grain shipments to some countries but not to others. An earlier date than 31 August, therefore, would have favored those countries whose food programs were completed before June as against those which received a substantial portion thereafter.[149] Prices for all other commodities subject to world average pricing, for example, raw wool, raw cotton, hides, trucks, bulk shipments of fertilizers, pesticides, and coal, were based on the total invoice prices for the entire operation divided by the total tonnages distributed to all recipients.[150]

[147] Third Conference with mission representatives, PO/III/Document 43, Assembly 4, 1st and 2d general meetings, 10 May 1946, p. 8. [148] *Ibid.*

[149] CS(46)38, "Report of the Bureau of Supply," 20 September 1946.

[150] *Bureau of Supply Final Operational Report* (Washington, D.C., 1948), p. vi.

In the case of lot purchases, such as United States Army Quartermaster food, where the circumstances of procurement made it impracticable to establish cost prices of individual items, the total cost was distributed among the programs of the various receiving countries in proportion to the physical distribution of the particular lot. Actual invoice costs were charged for individual types of equipment shipped in response to specific requests from receiving countries.

From the total funds available for the program of operations, reserves were established for shipping and inland transport charges; these costs were not charged against country programs. Thus, whether shipments originated in New York, Rio de Janeiro, or London did not affect the cost to the country to which the supplies were shipped. This policy of pooling shipping costs, initiated to ensure equity, on occasion had the reverse effect when a country program included a disproportionate amount of supplies on which freight charges were high. The large coal program for Italy, for instance, amounting to some twelve million tons, resulted in Italy receiving a greatly disproportionate benefit from the operation of the shipping pool, since the ocean shipping costs on coal were over seven times as high, per ton, as the average for all other commodities.[151]

Again, equity was preserved in providing for shipping losses, against which it was the Administration's policy not to insure. When a major shipping loss occurred, the total budgets for the commodities affected were debited with the amount of the loss, and the unprogrammed balance of the receiving country concerned was credited with the total value of the cargo lost. Thus the loss was spread evenly among all receiving countries.

The means by which UNRRA realized its contributions meant that in some cases the Administration had to accept supplies which were not commodities which receiving countries would have preferred. The Administration attempted to achieve an equitable distribution among countries of items which occupied a relatively low priority in most programs, but which represented the only means of realizing the contributing countries' contributions in full. In some cases these were not charged against the program of operations, nor, in extension of this policy, were most of the voluntary gifts from nongovernmental sources.

[151] CC(47)38, "Proposal of Program Subcommittee with Reference to the Accessorial Charge on Coal," 1 March 1947.

These items were distributed equitably among the receiving countries, but were not added to their budgets.

Was equity observed in the allocation of funds among the ten major receiving countries? These countries can be divided into two categories: those which were automatically entitled to relief on the grounds of enemy invasion and "inability to pay," including Albania, China, Czechoslovakia, Greece, Poland, and Yugoslavia; and those which were included on what can be described as political grounds, i.e., Austria and Italy, and, in view of the method adopted by the principal supplying countries in securing for them UNRRA relief, Byelorussia and the Ukraine.

For the five invaded European countries in the first category, identical methods of computing requirements were followed to ascertain the deficiencies to be met under the UNRRA bases. If equity can be said to have been achieved among them, was China, whose needs were calculated by different means, given fair treatment in relation to them? Discussions in the Program Subcommittee reveal that, in the opinion of the China representatives, it was not, and the impression given by the record of the meetings suggests that the Program Subcommittee was more arbitrary in its attitude toward China than toward other receiving countries.[152] The China program was, nevertheless, substantially larger than any other—$535 million compared with $474 million for Poland, the largest of the European programs. The original estimate of requirements submitted by the China Government amounted to $940 million; the original estimate of requirements submitted by the Polish Government amounted to $946 million.[153] When the Polish program had been adjusted to the UNRRA bases and reduced to fit into the funds available, the result was comparable with that achieved for China, though the methods used were dissimilar. Neither country received much more than half its estimated requirements.

As between the countries whose programs were provided on "political" grounds, was there equity? In the opinion of the Soviet representatives on the Program Subcommittee and the Central Committee, there was no equity between the programs for the Ukraine and Byelorussia

[152] Monograph, Brandon, "History of the Program Subcommittee of the Central Committee," p. 100.

[153] Memo, Gold to Hendrickson, 6 September 1944.

and the other UNRRA programs, and it was recognized by the Administration and the Program Subcommittee that the amount of relief given to these two Republics represented "only a small part" of their relief needs.[154] Within the limits of the amounts agreed, however, UNRRA can be said to have done well by the two Republics: the programs of $61 million and $189 million adopted for the Byelorussian and Ukrainian Governments respectively were valued at the full amounts, exclusive of shipping costs, thus increasing by $42 million the value of the supplies which would have been sent to them had the original proposal for a program totaling $208 million been adhered to; it was decided by the Central Committee that the Soviet programs should, if possible, be completed by 30 June 1946, thus distinguishing them from the other UNRRA programs for which no such provision was made; and further, the Soviet programs were preserved from the "2 per cent freeze" imposed on other UNRRA programs.[155]

The Italy program was calculated as nearly as possible according to the UNRRA bases, and equity as between it and the five original European programs was, in the opinion of the Administration, achieved.[156] The British representative on the Program Subcommittee was, however, not satisfied that Italy had received fair treatment in relation to these countries, since the cut in Italy's requirements in relation to the bases was higher than the 48 per cent applied to other countries. Nor did the Administration's explanation that Italy's food deficit was less than that of other European countries convince him that his opinion was incorrect.[157]

Finally, did the ten countries receive equitable treatment at the hands of the Administration in the changes made in their total budgets? This question came to a head over the Emergency Food Program. Was it equitable that the Czechoslovak program should be cut back by $6 million because Czechoslovakia's immediate needs at that time were considered to be less than those of other receiving countries? In the opinion of the Czechoslovak Government, it was not, since Czechoslovak economy had been planned on the understanding that the full program would be carried out. In the opinion of the Central Committee it was

[154] CC/P(46)9, 28 January 1946.

[155] See Part Five, Chapter VII, Section 2.

[156] CC/P(45)22, Annex V, "Statement by Rolf Nugent, Deputy Chief, Bureau of Supply, on the Computation of Requirements for Italy," 31 December 1945.

[157] CC/P, verbatim minutes 7th meeting, 19 December 1945.

equitable that Czechoslovakia's lesser needs should be sacrified to meet the greater needs of others.[158]

Was it equitable that Greece should receive supplementary food under the Emergency Food Program when, in the opinion of the Administration, it should not be required? In the opinion of the United States and United Kingdom representatives of the Central Committee, political conditions in Greece had affected its ability to make the best use of UNRRA supplies, and therefore it was equitable that Greece should share in the distribution of emergency food.[159]

On the other hand, was it equitable that Yugoslavia, of whose need the Administration, but not the Central Committee, was convinced, should not share in the Emergency Food Program? [160]

Some of these questions cannot be answered. UNRRA operated in a real world, the exclusion of all political bias could not be expected. There is, however, no reason to doubt the sincerity of the remarks of the Director General and the United States representative regarding their attitude toward the incursion of politics into UNRRA affairs when, at a meeting of the Central Committee in September 1946 they replied to the Yugoslav member's question whether, in view of the deterioration in relations between his country and the United States, UNRRA shipments to Yugoslavia would continue.

"The United States Government," its representative said, "had not made any request upon the Administration that any action be taken by it in respect of the Yugoslav situation . . . his Government regarded the negotiations as being between the Yugoslav and United States Governments and therefore outside UNRRA's province." [161] The Director General, in turn, replied that he regarded the Administration as having no concern with the state of international relations; it was charged with a responsibility by the UNRRA Agreement and it had in the resolutions of the Council and the Central Committee explicit directions for the carrying out of that responsibility. These were the only directions which he, as Director General, could obey.[162] The Yugoslav shipments continued.

[158] CC(47)16, minutes 45th meeting, 3 February 1947.
[159] CC/P(47)13, minutes 49th meeting, 29 January 1947.
[160] See Part Five, Chapter III, Section 6.
[161] CC(46)97, minutes 36th meeting, 12 September 1946 (CC Docs., IV, 6).
[162] *Ibid.*

# III. Procurement Policies

## 1. *BASIC PROBLEMS AND POLICIES*

THE SUPPLY operations of UNRRA began on a substantial scale when the Administration assumed responsibility for relief for Greece and Yugoslavia in April 1945.[1] The supplies with which early deliveries were made were mainly from the Balkan Stockpile, built up by the Anglo-American military authorities in the Mediterranean Theater.[2] Thus it was with military, not UNRRA, supplies that large-scale relief began.

These conditions were very different from those visualized almost eighteen months previously when the Council had imposed upon the Director General responsibility "to arrange so that there will be created as promptly as possible balanced reserves which shall be available at the request of the Director General, wherever and whenever the need arises," to meet the needs of the liberated areas.[3] When UNRRA was created it had no funds with which to accumulate reserves of stocks.[4] The Administration early decided that its obligations to the Council would be fulfilled, so far as goods in abundant supply were concerned, if the stocks of normal producers were regarded as a reservoir to be drawn upon when the need arose.[5] Many of the commodities which would be necessary for the UNRRA operation were, however, in short supply. In regard to these, it was decided that stockpiles created by the supplying countries, by the Allied military authorities, or by UNRRA should be regarded as available for use in any of the liberated areas.[6] Goods stockpiled by the United States Foreign Economic Administration (FEA) were not, for example, earmarked for specific claimants but were used for military civilian relief programs, for paying governments, Lend-Lease, or UNRRA, as the need arose.[7] Fol-

[1] See Part Five, Chapter II, Section 2; Chapter III, Section 2.
[2] See Part Three, Chapter II, Sections 7, 10, 12. [3] Resolution 20.
[4] Committee on Supplies (CS) (44)9, minutes 5th meeting, 27 January 1944.
[5] Memo, Hendrickson to Salter, 12 May 1944; Director General's staff meeting minutes, 24 June 1944. [6] CS(44)18, minutes 7th meeting, 9 March 1944.
[7] Memo, Harold Stein (FEA) to members of Planning and Control staff (FEA), 31 May 1944.

lowing these principles, UNRRA's early procurement was planned mainly to take advantage of nonrecurring or seasonal surpluses; to support efforts to increase production of goods in short supply which would be urgently needed; to assist in building up minimum stocks of supplies which would be needed in the first supply operations; and to initiate orders for production of goods requiring long periods of manufacture.[8]

During 1944 the Administration in its estimates of requirements of goods in short supply considered the needs of paying as well as nonpaying countries. To enable the Director General to carry out his responsibility under the Agreement and resolutions to secure the equitable distribution of supplies to all liberated areas, the governments of the paying countries provided the Administration throughout 1944 with advance copies of their applications for allocations from the Combined Boards. These the Administration actively supported when they did not seem to compete with its own requests. In fact, before the countries for which UNRRA had assumed supply responsibility were opened for substantial deliveries, the Administration turned over to paying countries some of its allocations and even some of the "common denominator" supplies procured in its behalf.[9]

In June 1945 the Administration agreed to forego, in advance of presentation to the Combined Boards, copies of requirements of paying countries, provided it was consulted by the allocating authorities on such requests as were for goods in short supply.[10] In practice this procedure did not always result, in the opinion of the Administration, in fair allocations between UNRRA and the paying countries, nor was the Administration regularly consulted; [11] actually, the import programs of the paying countries were carried out practically independently of UNRRA.

At the time Europe was liberated, UNRRA had no substantial stockpiles on which to draw. The great bulk of its supplies was procured for immediate delivery during its period of active operations. These shipments reached a peak in the second and third quarters of 1946 when a total of some nine million tons of supplies was shipped to receiving

[8] *Report of the Director General to the Council* (DGR) 1, Second Council, p. 21.
[9] For example, see Part Three, Chapter VIII, Section 2.
[10] CS(45)20, minutes 14th meeting, 21 June 1945; CS(45)26, minutes 15th meeting, 19 July 1945.
[11] See Part Three, Chapter IV, *passim.*

countries.[12] In the course of the entire operation more than twenty-four million tons of relief and rehabilitation supplies, valued at nearly $3,000 million, were shipped by UNRRA to seventeen receiving countries.

The Council resolutions instructed the Director General to "make use wherever possible of the established national agencies concerned with procurement, handling, storage, and transport of supplies," [13] and stated that "the member governments would agree on their part to put the services of such agencies at the disposal of the Administration." [14] The resolutions further provided that, "by consultation with the government concerned, or otherwise, every effort will be made to prevent any dislocation of the economy of a supplying country resulting from procurement by or on behalf of the Administration." [15]

It followed from these provisions that the type of procurement organization which the Administration created differed materially from that of a government or commercial buying agency. The Bureau of Supply at Headquarters, the European Regional Office (ERO), and the subsidiary supply offices and missions were set up primarily as administrative centers through which the Administration could make known to the government agencies of the supplying countries the form in which it was desired to take up their contributions, and through which arrangements could be made for the allocation and delivery of supplies to the receiving countries.[16] Thus there were no contracts, costing, or expediting departments.

Although, as the operation progressed, the Administration found it necessary to extend considerably its procurement of supplies directly through trade channels (direct procurement), the great bulk of UNRRA procurement was carried out, as laid down in the resolutions, through government agencies of the supplying countries. An inevitable feature of this policy was that UNRRA could claim no higher priority for the delivery of supplies than contributing governments chose to allow. Nor was it altogether surprising that contributing governments, faced with reduced stocks of consumers' goods, scarcity of raw materials, and overloaded production capacity, subordinated UNRRA's

[12] DGR 9, Table 4, p. 41; DGR 10, Table 3, p. 55.
[13] Resolution 1, III, paragraph 3. [14] *Ibid.*
[15] Resolution 17, III, paragraph 1.
[16] R. H. Robertson, "Report on Review of Direct Procurement Transactions of the Department of Supply, ERO," p. 6.

claims to those of their domestic needs and of their export trade. Late deliveries were a recurrent difficulty in the supply operation.[17]

Many of the contributing governments had also been forced to institute severe foreign exchange and commodity controls to protect their own economies: this meant that, in many cases, the procedures necessary to translate operating contributions into supplies for receiving governments were, in practice, complex.[18] The supplying governments were not unaware of the difficulties with which the Administration had to contend. Speaking in the British House of Commons in November 1945, Philip Noel-Baker, Minister of State, remarked that it had been said that UNRRA accumulated the red tape of forty nations; he thought it would be truer to say that "forty nations tied UNRRA in their red tape." [19]

To the receiving governments the Administration had a responsibility to deliver as promptly as possible the supplies for which provision was made in the country budgets. To carry out this task, in a period of continued shortage and rising prices, the utmost ingenuity and resource were needed to ensure that, so far as possible, "contributions were married to supplies." Thus if a contributing country could offer only a limited number of commodities, procurement was adjusted to ensure that the maximum use was made of what could be offered. Hence, in utilizing the United Kingdom contribution, since food and many consumables were in short supply, almost 42 per cent was spent on industrial supplies,[20] compared with about 16 per cent from the United States contribution.[21] Sometimes the whole operating contribution, both the nonconvertible portion and the convertible or "free" 10 per cent,[22] was used for the purchase of some commodity urgently needed by the Administration which the country could supply in abundant quantity. Thus in Chile, although it was originally intended to utilize the contribution for rice, eventually the whole contribution

[17] Department of Supply, European Regional Office, minutes 1st monthly meeting, June 1946.

[18] Nathan Taflove (Office of the Controller), "Preliminary Note for the Monograph."

[19] Great Britain, *Parliament, House of Commons, Debates,* CCCXV (16 November 1945), 2610.

[20] Monograph, J. E. Lejeune, "The Use of the United Kingdom Contribution to UNRRA," Appendix G.

[21] *12th Report to Congress on Operations of UNRRA, as of June 30, 1947* (Washington, D.C., 1948), Table A-2, p. 29.

[22] See Part One, Chapter IV, Section 2.

was used for the purchase of nitrate of soda.[23] In Canada, supplies in excess of the Canadian contribution were available, hence the entire operating contribution, including the convertible portion, was used for procurement within the country.[24] Again, when supplies were found to be available in the United Kingdom and the sterling area in excess of funds remaining in the United Kingdom contribution, dollars were transferred from Headquarters to London, and it was arranged that Brazil should make part of its convertible contribution available in pounds sterling.[25] Every effort was exerted to ensure that the best possible use was made of the funds and resources available to fulfill the country budgets.

Some of the items procured were not what the Administration would have chosen but rather what were available to realize a government's contribution—for example, the expensive barley from Iran which was all that Government had to offer.[26] Other scarce but essential items had to be purchased where they could be found—for instance, silk gauzes needed in Yugoslavia for flour milling and obtainable only in Switzerland with United States dollars.[27] This sort of thing was, however, inevitable in the type of operation which UNRRA had to carry out.

The procurement operation was an integrated whole, directed, as were all phases of the supply operation, by the Bureau of Supply at Headquarters. Under its direct control were the procurement activities in Canada, the Latin American offices, the Southwest Pacific Area Office, and, for many months, the procurement of United States military surpluses in Europe and the Far East. In the spring of 1946, however, the military surplus procurement offices in Paris and Rome were transferred to the supervision of ERO and, later in 1946, those in Manila and New Delhi to the China Office. From the beginning, procurement in the United Kingdom, Europe, and the Middle East was delegated to ERO, subject to general direction from Headquarters.[28]

[23] Letter, Rooks to Felix Nisto del Rio (Chilean Ambassador to the United States), 5 April 1947.

[24] Memo, Louis Swenson to Colonel Alfred G. Katzin (Chief Executive Officer), 3 April 1947.

[25] Supplement to monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 32.

[26] Four thousand tons valued at $307,600.

[27] Monograph, Barbara Kerr, "Division of Industrial Rehabilitation," Yugoslavia, p. 33; cable, Geneva to Washington 14, 4 May 1946.

[28] See Part Two, Chapter I.

The mechanisms which the Administration developed for procurement within the supplying countries varied, of course, in accordance with the practices of the government agencies already functioning or subsequently established. In some cases UNRRA was able to influence these developments; in other cases the Administration was obliged to adapt its practices to accord with the changes in governmental structure.

### 2. *REALIZING THE UNITED STATES CONTRIBUTION*

#### Procedures

When the first appropriation of $450 million from the United States contribution had been made in June 1944, the President, in accordance with earlier plans,[29] vested all functions and authority with respect to the expenditure of funds and the provision of supplies and services out of the United States contribution in the Foreign Economic Administrator.[30] In charging him with this responsibility, the President said that he was relying upon him to serve "as guide, counsel and friend" to UNRRA. The only qualification which the President attached to United States support of the UNRRA program was that UNRRA's requests for supplies and services should not unduly dislocate the other supply programs with which FEA was concerned.[31]

In spite of support from the President and from the most senior members of the Government,[32] however, neither the procedures established within the United States Government agencies nor the policies adopted for the utilization of the contribution were calculated to make the way smooth for the Administration. This was particularly unfortunate since the United States furnished 72.8 per cent of the contributions from member governments ($2,668,269,449).

At the beginning of UNRRA procurement FEA decided to apply to UNRRA the procedure it was using for Lend-Lease.[33] This req-

[29] See United States Congress, 78th, 1 and 2 Sessions, House Committee on Foreign Affairs, *Hearings on H. J. Res. 192* (Washington, D.C., 1944), pp. 106–107.

[30] Executive Order 9453, "Participation of the United States in the Work of the United Nations Relief and Rehabilitation Administration," 6 July 1944.

[31] Letter, Roosevelt to Leo T. Crowley (FEA Administrator), 6 July 1944.

[32] For example, *ibid.*; letters: President Truman to Crowley, Julius A. Krug (Chairman, War Production Board), Marvin Jones (Administrator, War Food Administration), Harold L. Ickes (Administrator, Solid Fuels Administration), 21 May 1945; letter, Charles P. Taft (Department of State) to William L. Batt (Vice-Chairman, War Production Board), 17 June 1944.

[33] Letter, S. H. Lebensburger (Director, Requirements and Supply Branch, Bureau of Supplies, FEA) to Hendrickson, 20 October 1944.

uisitioning procedure, involving the clearance of perhaps twenty Government officials (both within and without FEA), unfortunately proved to be cumbersome for UNRRA purposes. There were many processing steps through which UNRRA requisitions had to pass which, though necessary in the clearance of Lend-Lease requisitions, were totally inapplicable to UNRRA procurement.[34] As the operation continued, however, some success was achieved in overcoming these initial disadvantages, through the establishment of an UNRRA Liaison Office within FEA.[35]

At the end of October 1945 the United States Government dissolved FEA and transferred much of the staff handling UNRRA requisitions and the custodianship of UNRRA funds to the Department of State,[36] which henceforth became the focal point within the United States Government for supply as well as for general liaison with the Administration. The procurement machinery was thereafter somewhat simplified, in part because the problem of presenting allocation requests greatly diminished in importance with the dissolution of the Combined Raw Materials Board and the Combined Production and Resources Board in December 1945. The simplification was, however, only comparative, as can be shown by tracing the tortuous path of a preliminary requisition through its many processes until it emerged as an "Authority to Procure, Transfer and Export": [37]

(1) The requisition (S-33) was prepared by the appropriate commodity division in the UNRRA Bureau of Supply, either as a "closed requisition" listing the complete specifications of each unit requested, or as an "open-end requisition" requesting a general category of commodities valued at a specified amount, against which subsequent purchase authorizations were issued for specific items.

(2) The requisition was cleared within the Administration by the Procurement Coördination Division, Bureau of Supply, and the Division of Commodity Records, Bureau of Accounts and Finance.

(3) The requisition was cleared by the UNRRA Division, Procurement Operations Branch of the Department of State, for format, adherence to policy embodied in Congressional appropriations to

[34] Monograph, William L. Parks, "Evaluation of Procedures Governing Procurement and Procurement Problems Encountered in the United States," p. 2.

[35] Memo, Swenson to Andrew Cairns (Chief, Food Division) *et al.*, 26 July 1945.

[36] Department of State, Office of Foreign Liquidation Commissioner (OFLC), Administrative Order 1, 25 October 1945.

[37] *Basic Headquarters Manual*, Part VII, Sections 210–218.

UNRRA, and approval by the Department of Commerce of all items subject to export control.

(4) The requisition, with preliminary approval of the State Department, was returned to the Administration for any needed corrections.

(5) It was then processed within the Administration for availability of funds.

(6) When checked by the Budget Control Branch and mimeographed, it became Form FEA-536 (final).

(7) It was then distributed to the UNRRA Divisions concerned, to the State Department, and the Treasury Department (Treasury Procurement, later Bureau of Federal Supply) which might begin preliminary negotiations for procurement but could not yet commit funds.

(8) It was reviewed in the Department of State for adequacy of preparation, and budget approval was secured from the Office of Budget and Finance, International Organizations Branch of the Department of State.

(9) The UNRRA Division, Department of State, then prepared the Department's direction to the purchasing agency—"Authority to Procure, Transfer and Export."

(10) The completed requisition and its supporting documents were forwarded to the procuring agency, which might be the Treasury Procurement Division, or the Department of Agriculture or the Interior, the Navy or War Department, or the War Shipping Administration.

Some of the stages in this tedious procedure, however, had the effect of accelerating rather than retarding procurement. For instance, the preliminary clearance of requisitions by the Department of State before the submission of the final requisition was found in practice to save time since mistakes in format and content which would subsequently have held up procurement were immediately detected. As a result of the energetic efforts of the UNRRA Liaison Office in the Department of State, the entire draft requisitioning clearance process could be accomplished in no more than twenty-four hours.[38] Again, the provision that an advance copy of the final requisition be sent to Treasury Procurement at the time the action copy was submitted to the

[38] Monograph, Parks, "Evaluation of Procedures Governing Procurement and Procurement Problems Encountered in the United States," p. 6.

Department of State for processing enabled preliminary arrangements for procurement to be made before final approval was given.[39]

Finally, the writing of open-end requisitions was a valuable device for saving time, since it enabled the Administration to secure initial blanket approval for a general category of commodities valued at a specified amount. This particular technique enabled the Administration to submit purchase authorizations directly to the procurement agency without specific prior clearance by the Department of State.[40]

It is hardly surprising that in so complex a system errors and delays occurred many times, both within the Administration and within the United States agencies.[41] As organization and control improved in Headquarters, as informal consultation increased among all the individuals concerned, and as routines became established, these hindrances gradually lessened.[42] A determined though not entirely successful effort was made by the Administration, moreover, in the early months of 1946 to streamline procedure in the Government agencies,[43] and the situation was in considerable measure improved through the lifting by mid-1946 of most of the wartime allocation and export restrictions.[44] Counterbalancing this improvement in routines, however, was the increasing insistence by the Department of State on a very detailed screening of UNRRA requisitions in the light of Congressional appropriations. Despite the fact that the Department, in the spring of 1946, had found among more than 2,000 requisitions submitted only thirteen items which it felt "did not conform to the strictest criteria of relief and rehabilitation requirements," [45] the Department continued to insist on making detailed and time-consuming investigations of the "appropriateness of their end use." [46]

The unrestricted $450 million of the first United States appropriation to UNRRA was used principally for advance procurement to cover estimated needs against the time when the Administration could begin active operations. The supplies included were mostly of a "common denominator" character, useful regardless of which areas were liberated first.[47] It was not until the winter of 1945–1946, when receiving governments were able to estimate more accurately their needs

[39] *Ibid.*, pp. 5–6. [40] *Ibid.*, p. 5. [41] *Ibid.*, pp. 13–14.
[42] *Ibid.*, pp. 21–23. [43] *Ibid.*, p. 15. [44] *Ibid.*, p. 14.
[45] Letter, Weintraub to C. Tyler Wood (Department of State), 9 May 1946.
[46] Letter, Wood to Weintraub, 26 April 1946.
[47] DGR 1, pp. 27–28.

and UNRRA its resources, that the Administration's procurement operation developed on the basis of a program of operations.

The most critical period of the UNRRA supply operation occurred in the last two months of 1945 when the last $550 million of the first United States contribution and authorization and appropriation of the second were under debate in the Congress.[48] By November 1945 the funds already appropriated had been fully committed. The flow of vital food supplies was only maintained by diversion of $50 million intended for industrial rehabilitation supplies from military surpluses.[49] Within a week of the appropriation of the $550 million in early December the whole amount was committed; indeed, requisitions had been prepared beforehand and were only awaiting availability of funds.[50] Fortunately, the authorization of the second contribution and the appropriation of $750 million were passed in the same month, and no break in the UNRRA supply line occurred.

### Procurement of United States Military Surpluses

The first United States appropriation to UNRRA included $350 million of supplies and funds which were to be transferred from Lend-Lease resources when, in the judgment of the United States Joint Chiefs of Staff, the state of the war permitted their utilization for UNRRA purposes, and provided the FEA Administrator approved the transactions.[51] This part of the appropriation was released on 27 June 1945.[52]

The Administration immediately initiated procurement of the large quantities of military surpluses which were becoming available both in the United States and in Europe. A substantial portion of the second contribution was also used to acquire surpluses from these sources and from the Pacific area, available following the end of the war in the Far East. In all, some $350 million was spent on military and Lend-Lease surpluses located in the United States and abroad.[53] There were obvious advantages both to the United States Government and to

[48] See Part One, Chapter V, Section 2.

[49] Letters: Lehman to Thomas B. McCabe (Foreign Liquidation Commissioner, Department of State), 14 November 1945; McCabe to Robert Patterson (Secretary of War), 15 November 1945.

[50] Material prepared for United States Congress, Table IV, Part 2.

[51] Public Law 382, 78th Congress, Title II, Section 202.

[52] Letter, Admiral William D. Leahy to FEA Administrator, 27 June 1945.

[53] UNRRA, *The Contribution of the Government of the United States to the United Nations Relief and Rehabilitation Administration* (Washington, D.C., 1949), *passim.*

UNRRA in using as much as possible of the United States contribution in this way. The United States Government benefited in meeting part of its obligations to UNRRA by what amounted to a bookkeeping transfer rather than a release of new funds. Moreover, it found in UNRRA a ready purchaser for the overseas goods which, according to the Surplus Property Act, could not be returned to the United States for disposal.[54] The Administration, for its part, could secure immediately manufactured goods which were otherwise unavailable or subject to long delay in new production; prices for surplus items were much lower than for new goods; and the utilization of supplies already in Europe and the Pacific area meant a substantial saving in time and in transport charges.[55]

Within the Administration a Surplus Property Branch in the Procurement Coördination Division of the Bureau of Supply supervised both domestic and overseas surplus procurement,[56] and to its Chief the surplus procurement offices scattered about the world [57] for the most part reported. A portion of each commodity division's budget was allocated by the Deputy Director of Supply for acquisition of surplus supplies.

To secure surplus commodities located within the United States the Administration placed open-end blanket requisitions with the Treasury Procurement Division (later the Bureau of Federal Supply). The commodity divisions in the meantime submitted "shopping lists" to the various Government disposal agencies or the War Assets Corporation (later War Assets Administration [WAA]). When, by direct negotiations between the divisions and the agencies or WAA, goods were declared available, authorizations to purchase against the requisitions were issued, with the usual clearance by FEA or later the Department of State, to Treasury Procurement which then contracted for the supplies with the disposal agencies or WAA.[58]

WAA was organized on a regional basis, which necessitated the appointment of UNRRA regional surplus property agents to investi-

[54] Public Law 457, 78th Congress.

[55] Monograph, Nathan Brodsky, "UNRRA's Procurement of Surplus United States War Goods," pp. 5, 13.

[56] Monograph, Frederick C. McMillen, "Organizational History of the Bureau of Supply," p. 25, Exhibits 16, 17.

[57] See Part Two, Chapter I, Section 9.

[58] *Basic Headquarters Manual*, Part VII, Sections 252–253; Bureau of Supply, "Standard Operating Procedure Manual" [for acquisition of surplus property], 16 June 1945; memo, Swenson to Charlotte Lloyd (General Counsel's Office), 8 October 1945.

gate supply availabilities in various parts of the United States.[59] Although UNRRA was in February 1946 officially accorded the same priority as United States Government agencies,[60] the operating levels of WAA, subject to local pressures, tended to favor domestic purchasers.[61] Following passage of the Monasco bill giving high priority to veterans, WAA on 29 June 1946 assigned to UNRRA fifth priority in the acquisition of domestic surpluses.[62] Very little was thereafter procurable from this source.

The most significant items procured by UNRRA from United States domestic surpluses were some $138 million of food,[63] mainly Army Quartermaster foods,[64] and the so-called "Plan A" clothing and footwear.[65] Disposal of United States overseas surpluses was at first vested in the Army-Navy Joint Liquidation Commission [66] and later in the Office of the Foreign Liquidation Commissioner (OFLC) in the Department of State, except for supplies located in United States territories and possessions which were handled by the Department of the Interior.[67]

Detailed lists of requirements, approved by the Surplus Property Branch in Headquarters, were sent to the UNRRA Area Surplus Procurement agents in Europe, the Middle East, and the Pacific area who discovered from Foreign Liquidation Commission representatives whether the items were available in the region. Each agent reported immediately to Headquarters the items not available. Since each list contained all items needed from all areas, each agent was required to review the whole list to determine if any items assigned for purchase in other regions were to be found in his region so that, if necessary, a reallocation of procurement could be made. Each agent was required to inform Headquarters weekly of the total dollar value of supplies

[59] Monograph, Brodsky, "UNRRA's Procurement of Surplus United States War Goods," p. 14; "Operating Procedure Applicable to UNRRA Regional Surplus Procurement Agencies Procuring Surplus Property in the United States."

[60] Meeting of representatives of UNRRA, Surplus Property Branch, War Assets Corporation, Office of War Mobilization and Reconstruction, and Treasury Procurement, minutes, 15 February 1946.

[61] Monograph, Brodsky, "UNRRA's Procurement of Surplus United States War Goods," pp. 15–18.

[62] Surplus Property Regulation 14, Order 2, 29 June 1946.

[63] *Contribution of the United States Government to UNRRA*, p. 37.

[64] See Part Three, Chapter IV, Section 7.

[65] See Part Three, Chapter VI, Sections 3, 4.

[66] Memo, Swenson to Lloyd, 8 October 1945.

[67] *Basic Headquarters Manual*, Part VII, Section 251.22.

procured and the dollar value of gross long tons of supplies shipped during the week.[68]

Arrangements for the establishment of Surplus Property Procurement Offices in Italy and France were made by a Joint UNRRA–United States Army mission, under the direction of Major General Donald Connolly, Deputy Commissioner of the Army-Navy Liquidation Commissioner, and Karl Borders, Deputy Chief, Headquarters Bureau of Supply, sent to Europe in August 1945.[69] Although the Administration had originally arranged for procurement of $150 million of surpluses in Europe,[70] the actual sum spent was about $85 million, largely because the delay in the United States appropriations obliged the diversion of funds to keep the food pipe line full, and because some of the expected items were not available.[71] By far the greater part of this sum was spent for trucks and for railway rolling stock.[72]

The procurement of United States overseas surpluses was the most complicated and difficult aspect of the procurement operation. The purpose was to acquire the largest possible quantities of essential goods as rapidly as possible, both because of the extremely pressing needs of the receiving countries and in view of the deadlines established for realization of the United States contribution. Within the Administration the undertaking was for some months confused by jurisdictional uncertainties, insufficient and in some cases inadequate personnel, and the difficulty in securing the prompt communications needed to prevent loss of supplies to other bidders or duplicate purchasing in various areas.[73] Even more, the undertaking was handicapped both in Europe and in the Pacific area by frequent changes in policy and personnel in the United States liquidation agencies and by the rapid demobilization of the United States Army and Navy following the end of the war.[74] When, for example, the initial UNRRA mission inspected the vast depots of Navy matériel on the islands of Manus and Samar early

[68] *Ibid.*, Sections 254.1–254.62.

[69] Letter, Hendrickson to Borders, 29 August 1945.

[70] Letter, Crowley to Secretary of War, 1 September 1945.

[71] Monograph, Brodsky, "UNRRA's Procurement of Surplus United States War Goods," p. 27.

[72] *Ibid.*, p. 34.

[73] For example, cables: Washington to London 974 (PP 209), 17 February 1946; London to Washington 2083 (PP 292), 19 February 1946; Washington to Paris 958, 11 March 1946; Washington to Manila 1077, 22 November 1946; monograph, Brodsky, "UNRRA's Procurement of Surplus United States War Goods," *passim.*

[74] Cable, Frankfurt to Washington, War Department 97725, 16 August 1946.

in 1946, they reported the supplies "practically all new and well warehoused," and the Samar base manned with some 105,000 men. These sources seemed a gold mine for the China program.[75] Some five months later, conditions had changed radically:

> Authorized cannibalization became necessary for the maintenance of base facilities. Some pilferage occurred. Wooden crates and boxes deteriorated, fell apart and left spare parts scattered and exposed to the elements. Jungle over-growth encroached on the depots, obscured equipment and complicated inventorying and supply selection.[76]

Navy personnel at Samar available for work on delivery of goods purchased by UNRRA numbered less than 300,[77] a staff too small even to handle the preparation of inventories and shipping documents. The UNRRA staff was also inadequate and suffered from the difficulty of communications and resultant uncertainty as to the terms under which the purchase had been arranged. A Philippine stevedoring company, hired by the Navy, loaded the ships for China. The net result was that many items had been damaged or had deteriorated, goods not requested by UNRRA were included, stowage was haphazard, spare parts became separated or were not shipped, and documentation was inadequate, incorrect, and in some cases entirely lacking.[78]

On the other hand—and this was true of all UNRRA overseas surplus procurement—along with the relatively small percentage of damaged and less desirable supplies, great quantities of essential equipment —trucks, machine tools, hand tools, cranes, watercraft, prefabricated and fully equipped hospitals, medical supplies, etc.—were delivered in the space of a few months, which must have been long delayed if procured from new production, if indeed some of the items could have been secured at all.

Procurement was effected with the understanding that prices were subject to later adjustment. Incomplete or unsatisfactory deliveries were taken into consideration in the final settlements achieved after many months of negotiation between Headquarters officials and United States Government authorities. Thus the original UNRRA-OFLC

[75] Monograph, Brodsky, "UNRRA's Procurement of Surplus United States War Goods," pp. 45, 47.

[76] George St. Louis (Chief, Surplus Office, Manila), quoted in *ibid.*, p. 60.

[77] Cable, Manila to Washington (Surprop Davis 228), 3 July 1946.

[78] Monograph, Brodsky, "UNRRA's Procurement of Surplus United States War Goods," pp. 60–75.

contract for $100 million for Pacific area surpluses [79] was renegotiated in December 1946, and UNRRA was allowed a credit of $4,600,000 [80] against total purchases of more than $46 million [81] made through the UNRRA Surplus Procurement Offices in Manila, New Delhi, Shanghai, and Honolulu.

### Direct Procurement in the United States

In the early stages of the supply operation, direct procurement by the Administration through trade channels in the United States was limited to purchases of small quantities of urgently needed goods which it would be uneconomical in time or money to procure through the normal machinery of the United States Government; procurement, with convertible funds, in markets outside the sphere of normal United States Government activities (such as purchase of veterinary supplies); and procurement with funds contributed by voluntary agencies.[82] The Department of State was at no time favorable toward direct procurement by the Administration. An initial limit of $500 for a single transaction without prior approval by FEA [83] was eventually raised to $1,000 [84] but was not afterward increased in spite of requests from the Administration for a higher limit.[85] In the end, nearly $10 million was committed by direct procurement from 11 August 1944, when the first allotment was made for this purpose, to 30 June 1947, the final date for expenditure of nonconvertible funds from the United States contribution.[86] The purchases were more significant than the amount would indicate, however, since they included vaccines and other medical supplies to meet emergencies, and scarce items in small quantities which would probably have ceased to be available had the usual procurement machinery been used.

[79] Agreement, signed by Swenson for UNRRA and Central Field Commissioner for the Pacific and China for OFLC, 18 March 1946.

[80] Stetson-Lamberton Agreement, 18 December 1946.

[81] As of 31 December 1947, monograph, Brodsky, "UNRRA's Procurement of Surplus United States War Goods," p. 112.

[82] Monograph, G. E. H. Marshall, "Direct Procurement Division," pp. 1–2.

[83] Letter, Rupert Emerson (Director, Liberated Areas Branch, FEA) to Borders (Chief, Procurement Coördination Branch, Bureau of Supply), [December 1944].

[84] Letter, Crowley to Lehman, 27 April 1945.

[85] Letters: Hendrickson to W. L. Clayton (Assistant Secretary of State), 26 October 1945; Wood to Hendrickson, 17 December 1945.

[86] Monograph, Marshall, "Direct Procurement Division," p. 7.

## 3. *PROCUREMENT THROUGH THE UNITED KINGDOM GOVERNMENT*

### Realizing the Contribution

In establishing its procurement policies, the Administration was not only concerned to work out effective mechanisms with the agencies of the contributing governments, but to make sure that the contributions were realized to the full and for supplies most needed by the receiving countries. In working toward these ends, UNRRA was, of course, subject to changing domestic and international conditions as these affected the procurement policies of the contributing countries. As the Administration's supply operations increased in magnitude, moreover, actual billing and documentation from the supplying countries lagged behind, and estimates of expenditures had to be covered to some degree by reserves; when these reserves could safely be somewhat lessened, the end of UNRRA was at hand and the sums released had to be committed for supplies very rapidly if no part of the contributions was to be lost. Of this, the course of procurement in the United Kingdom serves as a striking example.

When UNRRA was established, and for a long time after, the whole economy of the United Kingdom was under a close wartime control exercised mainly by the Ministries of Food and Supply and by the Board of Trade, the relatively small Ministry of Production having certain coördinating and planning duties. In such circumstances and quite apart from the resolutions of the UNRRA Council, procurement on any large scale could be done effectively only through the machinery of government.[87]

Before the formation of UNRRA, the British Government had already established within the Ministry of Production an organization functioning under the Supplies to Liberated Areas (Official) Committee (SLAO), which included representatives of the Supply Ministry, the Foreign Office, and the Treasury. This coördinating unit had obvious convenience both for the British Government and for UNRRA. Following the dissolution of the Ministry of Production some few months after the end of the war, SLAO was transferred to the

[87] Monograph, R. Herbert, "Procurement through HMG," p. 1.

Board of Trade, and that Department henceforth became UNRRA's central supply contact with the British Government.[88]

Shortly after the establishment of the Supply Department in ERO in March 1944, discussions began with representatives of the British Government supply departments to establish the general principles on which UNRRA should acquire its supplies against the United Kingdom contribution.[89] These conversations eventually culminated in an agreed memorandum,[90] of which the main provisions were:

(1) Following the determination of the U.K. as a source of supply, UNRRA will consult the competent department . . . regarding availabilities, and submit to it a Firm Request for procurement action to proceed. On receipt of a Firm Request the Department will forward copies as necessary for action to the procurement Department, confirm that funds and production capacity will be available, and advise UNRRA of approval or otherwise . . .

(2) The prices for relief goods to be charged against the U.K. contribution will be agreed with UNRRA. They will be equal to the cost to the procurement Department (after adjustment of any Government subsidy or . . . any Government taxes) plus the cost of warehousing, transport, etc. . . . The prices for relief goods to be charged against the U.K. contribution will not include any element in respect of any form of U.K. or British Colonial taxation. It is understood that cost prices need not apply in special cases such as sale of surplus stores or goods obtained in connection with preclusive buying . . .

(3) Funds will be made available to UNRRA under arrangements agreed between the Administration and H.M.G. for the purpose of making cash purchases where this is more convenient than procurement through a U.K. Supply Department.

The position thus reached was highly advantageous to UNRRA. It secured the benefit of Government prices, placed at the service of the Administration the contracts and other technical staffs of the Government supply departments, and gave to UNRRA the option to buy goods in the market.[91]

The formal procedure for procurement through United Kingdom Government departments, which was developed in accordance with

[88] Monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 10.

[89] *Ibid.*, pp. 10–11.

[90] "U.K. Government Procedure—Post Military Period Relief and Rehabilitation Goods," 18 September 1945.

[91] Monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 11.

these principles, was simple. An order, or "Firm Request," for supplies was submitted by ERO to the Board of Trade which, after formal clearance as to availability of supplies with the supply department concerned, sponsored the demand as a Government order.[92]

The utilization of the United Kingdom contribution fell into four distinct periods. During the opening phase (to November 1945) UNRRA requirements were thrust upon a production program in the United Kingdom already overloaded with military and essential civil needs. UNRRA stood last in the queue, but by patience and impatience availabilities were established and claims on production marked out. During this period the authorizations from Headquarters were essentially in the nature of "hunting licenses"; that is, ERO Supply Department officials were briefed by their Washington counterparts as to the nature of requirements in broad terms, and then made their own investigations of the possibilities of securing goods from United Kingdom sources or by purchases elsewhere with United Kingdom funds.[93] Methods of approach necessarily varied among the different commodity categories. In the case of finished clothing, textiles, and footwear, for instance, it was possible to define with precision the categories of garments which would be acceptable for UNRRA programs. Headquarters could, therefore, safely give to ERO a procurement ceiling up to which ERO was authorized to purchase, with the certainty that there would be no duplication in buying.[94] In the case of agricultural supplies, ERO officials were thoroughly familiar with the concept of the agricultural rehabilitation programs and could, in the light of their own technical knowledge, judge in some detail the type of supplies required. It was possible for them, while Headquarters officials were similarly engaged, to hunt the markets in their area for supplies in the categories concerned. As supplies were located, the buying opportunities were reported to Headquarters, which accepted or rejected them according to whether they could do better elsewhere.[95]

[92] ERO Supplies Order S.5, "Procedure for Procurement of Supplies through the U.K. Government," 27 November 1944.

[93] Monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 17.

[94] Memo, Tom Taylor (Director, Clothing, Textiles, and Footwear Division, Bureau of Supply, HQ) to George H. Marshall (Director, Clothing, Textiles, and Miscellaneous Commodities Division, ERO), 16 November 1945.

[95] Monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," pp. 16–17.

The opening of the second phase (November 1945–May 1946) coincided with the establishment of country programs for the receiving governments. Once the programs were established, ERO brought considerable pressure on Headquarters to agree that, when a particular commodity was available from more than one source, the United Kingdom should be the preferred buying area, so long as any price differential was within reasonable bounds.[96] In large measure this policy was adopted, and price differentials which had hitherto been used to determine the source of procurement were applied much less rigidly.[97] Another significant development in this period concerned the use of the convertible portion of the United Kingdom contribution. Up to this point there had existed considerable difference of view between UNRRA Headquarters officials and the United Kingdom on the use of convertible funds. UNRRA Headquarters had regarded the convertible portion of the United Kingdom contribution as a reserve of hard cash, available for procurement in any part of the world. The United Kingdom Government had made it clear that it was not able to contribute dollars to UNRRA either directly or indirectly. On the other hand, it not only had no objection to the free use of its contribution in the sterling area (including countries with which it had payment agreements),[98] but was willing to make use of more than 10 per cent of its contribution in this way.[99] There were obvious advantages to the Government, for example, in making sterling available to UNRRA to buy rice from Siam rather than to permit additional demands on the already short steel supplies in the United Kingdom. Once this position had been accepted, there was no further impediment to the use of the 10 per cent, and ERO was henceforth allowed wide freedom to make the most tactical use it could of the whole of the United Kingdom contribution. As a result of the extensive drive on procurement—intensified by the shipping deadlines established at the Third Council Session—the problem was no longer how to utilize the United Kingdom contribution, but how to establish

[96] Letter, Roger W. Jackling (United Kingdom member of Program Subcommittee) to Weintraub, 11 December 1945.

[97] Monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 18.

[98] Belgium, France, the Netherlands, and their colonies; Denmark, Finland, Italy, Norway, Spain; and countries receiving UNRRA assistance, monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 71.

[99] Memo, J. J. Polak (Acting Financial Adviser) to B. B. Greidinger (Finance Division, Bureau of Finance and Administration), 4 December 1945.

the relative priorities of the claims on the limited sum available.[100]

The third phase (June 1946–March 1947) began with the realization that the absorption of the whole United Kingdom contribution no longer presented a problem; on the contrary, it appeared that actual and contingent liabilities might well result in its being overspent. A substantial contributory factor to this state of affairs was a potential liability, at one time estimated to be as high as £30 million,[101] for electrical power stations and similar equipment for the Byelorussian and Ukrainian Soviet Socialist Republics. In fact, substantial contracts were in the hands of British manufacturers through the agency of the British Government under a wartime protocol, and the problem of how the Soviet Republics were to finance the transactions had arisen between the Governments. The proposal was therefore made that some of these supplies appropriate for inclusion in the UNRRA program should be provided to the two Republics as part of their programs.[102]

A conference of ERO and Headquarters officials was held in Washington in April 1946.[103] First, the highest priorities were settled so that procurement could continue within the limits of available funds. Secondly, plans were made to relieve the United Kingdom contribution of certain charges. In part this was done by the cancellation of contracts in cases where cancellation was acceptable both to the receiving country concerned and to the British Government. The principal modification in plans, however, was that relating to the charge for wool. The British Government owned considerable stockpiles of wool and had been anxious that substantial tonnages should be included in their contribution to UNRRA. In the new situation, however, the British Government agreed to allow the Governments of the Dominions which had produced the wool, namely, Australia, New Zealand, and South Africa, to count it as part of their own contributions to UNRRA so that the United Kingdom contribution was freed for use for supplies less easily secured from other sources.[104] In addition, the

[100] Monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," pp. 18–20.

[101] Monograph, W. Kulka, "Activities of Branch 'A' in the Industrial Rehabilitation Division," ERO, p. 14.

[102] See Part Three, Chapter VII, Section 6; Part Five, Chapter VII, Section 4.

[103] Memo, Richard L. Funkhouser (Bureau of Supply) to Harold W. H. Burrows (Assistant to Controller), 25 April 1946.

[104] Memo, Director General to I. A. Iliuschenko (Deputy Director General, Supply, ERO), 10 July 1946.

Administration transferred to ERO free sterling from sources other than the United Kingdom contribution: this included £2,783,605 derived from the convertible portion of the Brazilian Government's contribution, and some £750,000 made available by the Greek Government for fuel supplied in excess of the UNRRA program.[105] Most important of all, large amounts of dollars (totaling at one time some $42 million )were transferred from Headquarters.[106]

The new conditions also called for a number of procedural and accounting changes to improve coördination between the supply and financial sections of ERO and of Headquarters—coördination which had been lacking before the institution of the Office of the Controller and the tightening of the budget controls which followed Howell's appointment. Under the amended procedure an accurate estimate of the exact status of procurement could be made at any time.[107]

In the fourth period (April–October 1947), budget estimates were progressively refined to make sure that all funds likely to be available for the procurement of supplies were used. The anxiety of Headquarters officials to press this policy derived in a large measure from the decision of the Government of the United States that no shipments of supplies from the United States contribution could be sent to Europe after 31 March 1947.[108] Fulfillment of European country programs depended, therefore, on the fullest possible realization of contributions from other supplying countries. To this end the United Kingdom Government assumed shipping responsibility for all supplies procured from its contribution not called forward by 31 October 1947.[109] The final figure for the United Kingdom contribution was £153,193,602 [110] ($617,370,219) as against the £155 million originally appropriated.[111]

### Direct Purchase in the United Kingdom

Before the autumn of 1945 the use of direct procurement in ERO was exceedingly limited. After the end of the war, however, the con-

[105] Letter, J. E. Lejeune (Director, Supply Reports and Control Division, Supply Department, ERO) to K. R. Miller, 1 April 1948.

[106] Supplement to monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 32.

[107] *Ibid.*, p. 7.

[108] In some exceptional cases this was extended to 30 April 1947. The deadline for shipments to China was 30 June 1947.

[109] Supplement to monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 24.

[110] Letter, H. E. Howell (Controller) to Sir Edward Bridges (United Kingdom Treasury), 28 September 1948.

[111] See Part One, Chapter IV, Section 2.

traction of United Kingdom supply departments and the differences in type between supplies included in the UNRRA programs and those with which Government departments were concerned forced a greater reliance on this type of procurement.[112] There was, moreover, a growing conviction on the part of the technical staffs in ERO that they could better ensure prompt and timely delivery in the receiving countries if they worked in direct contact with suppliers rather than through a bureaucratic machine.[113]

The procedure which was evolved was calculated to minimize any risk to the Administration. The principles were clearly defined, and precise operating instructions for the guidance of procurement officers were laid down. Direct procurement was limited to cases in which a Government department was either unwilling or unable to procure on behalf of the Administration, or in which direct procurement would be quicker or cheaper.[114]

Approval from the Government department concerned with the type of supplies to be bought was to be obtained before any direct purchase was initiated. Advice on suitable suppliers was to be sought from the appropriate Government department or, failing such advice, from the appropriate trade association.[115] Indeed, coöperation with Government departments was indispensable to enable the Administration to overcome the restrictions arising from Government controls on the distribution and export of supplies, and also on prices.[116] Price control was established essentially by placing orders against competitive tender, though in some cases this provision had to be relaxed.[117]

In all, about 3,600 separate transactions totaling over $56 million were effected by direct procurement, the values of individual items varying in size from under $200 to well over $800,000. Of this total, by far the largest amount (over $44 million) was expended on industrial rehabilitation supplies.[118]

[112] R. H. Robertson, "Report on Review of Direct Procurement Transactions of the Supply Department, ERO," p. 6.
[113] *Ibid.*, p. 7.
[114] ERO Department of Supply Memorandum 6, 18 February 1946.
[115] *Ibid.*
[116] Robertson, "Report on Review of Direct Procurement Transactions of the Supply Department, ERO," p. 13.
[117] *Ibid., passim.*
[118] *Ibid.*

## 4. *PROCUREMENT IN OTHER AREAS*

### Australia and New Zealand

Discussions on procedures for procurement of supplies in Australia and New Zealand were begun by the UNRRA supply mission which visited the Southwest Pacific area in the autumn of 1944 and were continued after the Southwest Pacific Area Office had been established at the end of the year.[119] Informal agreements later corroborated the practices already in use,[120] and were amended following the termination of the Combined Boards.[121] According to these amended procedures, under which most of the supplies from Australia and New Zealand were procured, these Governments indicated to UNRRA the goods they were able to supply. On authorization from Headquarters the Southwest Pacific Area Office issued a Firm Request to the Department of Supply and Shipping (Australia) or the Commissioner of Supply (New Zealand). These departments then arranged the placing of contracts either through government procurement agencies or commercial agencies.

Of the Australian contributions totaling $76,800,000, one half was used for raw wool [122] and a substantial proportion for locomotives and auxiliary equipment and for fishing boats—all destined for China. Of the $16,629,772 contributed by New Zealand, almost three-quarters was spent for clothing and raw wool.[123]

### Canadian Procurement Policies

Under arrangements made between the Canadian Government and the Administration in the summer of 1944,[124] requests for supplies were

[119] Monograph, N. O. P. Pyke, "Leading Aspects of the United Nations Relief and Rehabilitation Administration in the South-west Pacific Area," Chapters II, III, *passim.*

[120] Letters: F. Picot (Commissioner of Supply, New Zealand) to Walter A. Chudson (Deputy Director for Requirements and Supply, South-west Pacific Area Office), 7 March 1945; Acting Minister, External Affairs, Australia, to G. C. Remington (Acting Director, South-west Pacific Area Office), 3 November 1945; Remington to Minister, External Affairs, 3 November 1945.

[121] Bureau of Supply Memorandum 13, Supplement 13, "Procedure for Procurement of Supplies in Australia," 7 March 1946; Supplement 14, "Procedure for Procurement of Supplies in New Zealand," 7 March 1946.

[122] Monograph, Pyke, "Leading Aspects of the United Nations Relief and Rehabilitation Administration in the South-west Pacific Area," Chapter XVI, 24; see above, Section 3.

[123] Cable, Sydney to Washington 3857, 17 December 1947.

[124] Letters: Hendrickson to G. R. Heasman (Canadian Mutual Aid Board), 17 May 1944; Elgin E. Wasson (Canadian Mutual Aid Board) to Hendrickson, 15 June 1944.

submitted to the Canadian Mutual Aid Board,[125] which reviewed and transmitted them to the procurement agency, usually the Canadian Export Board. After the dissolution of the Mutual Aid Board in September 1945 the Export Board doubled as screening and procurement agency until the Canadian Commercial Corporation assumed screening functions in July 1946.[126]

Since there were available in Canada substantial quantities of scarce commodities not obtainable elsewhere, particularly before the end of the war, the Administration made large expenditures of free funds in addition to the almost $139 million contributed by Canada. Next to the United States, Canada was the largest source of food, nearly half its contribution being spent for this commodity. In addition, the trucks which it supplied, mainly from military surpluses in Europe, were particularly valuable both because of their excellent condition and their opportune availability.[127] In the words of one of the senior members of the Administration who served in the Bureau of Supply throughout the life of UNRRA, "The entire history of the relations between the Bureau of Supply and the Canadian governmental purchasing agencies stands out in the minds of the Bureau staff as a shining example of complete and happy coöperation." [128]

### Procurement in the Latin-American Republics

No well-established government procuring agencies such as those in the United States, the United Kingdom, and Canada existed in the Latin-American countries. The Administration, therefore, established in most of these countries contributing substantial quantities of goods [129] a "Mixed Commission" with sole authority for UNRRA supply operations within the country. The Mixed Commission was composed of three directors, two appointed by the government and one by UNRRA. Usually it was under the jurisdiction of the Minister of Finance. By formal agreement between the government and UNRRA and by the law of the country the Commission was em-

[125] Bureau of Supply Order 13, Supplement 3, 28 July 1944.

[126] CS(45)36, "Report of the Bureau of Supply," 30 October 1945; memo, Wade Davenport (Bureau of Supply) to Herbert S. Schenker (Bureau of Supply), 11 December 1945.

[127] See Part Three, Chapter VII, Section 2.

[128] Monograph, Karl Borders, "Notes on the Operation and Policies of the Bureau of Supply," p. 11.

[129] Brazil, Cuba, Dominican Republic, Haiti, Mexico, Peru, Uruguay, Venezuela.

powered to determine the availability of needed supplies, to arrange for their purchase, delivery, and shipment, and to take full charge of financial questions and operations involved. All decisions required the approval of at least one of the government's representatives and of the UNRRA member.[130] The latter was in each case head of the UNRRA procurement office in the country so that he received instructions from Headquarters as to supplies required and then, as a member of the Commission, acted upon the request. The Mixed Commission was a device decidedly advantageous for UNRRA.[131]

Under arrangements made by these Commissions and elsewhere in Latin America, UNRRA obtained supplies valued at nearly $60 million either by purchase or through contributions. Of particular importance were the large contributions of textiles by Brazil, of nitrates by Chile, and of food by Mexico and Peru.

### Procurement in Continental Europe

For procurement in Continental Europe, the principal source of funds was the United Kingdom convertible contribution. This meant, in practice, that procurement was restricted to countries coming within the sterling area. From 15 April 1947 onward, the list of countries in which convertible sterling could be used was steadily reduced until, on 15 July 1947, as a result of the Bretton Woods Agreement, sterling became freely convertible into dollars, and the United Kingdom Treasury was, therefore, unable to make it available for UNRRA procurement. Fortunately, this change affected only the very late stages of the operation, and meanwhile it had been possible to procure in Continental Europe—apart from the contributions in kind made by many of the liberated countries—substantial quantities of supplies which were not obtainable elsewhere or which could not be bought so advantageously from other sources.[132]

Negotiations for supplies in Continental Europe were generally initiated by senior representatives of the ERO Supply Department, or, if it was hoped to get supplies through a contribution, by a diplo-

[130] See, for example, "Agreement Concluded between the Government of the Dominican Republic and UNRRA for the Establishment of a Mixed Commission on Supplies," 23 March 1945.

[131] CS(45)36; monograph, McMillen, "Organizational History of the Bureau of Supply," pp. 24–25.

[132] Monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 38.

matic mission which included a technical supply representative. Generally, once the preliminary arrangements had been made, their implementation was the responsibility of the local UNRRA field mission. This was not entirely feasible, however, when the supplies to be purchased involved special technical knowledge. In these cases, an expert from the ERO Supply Department was temporarily stationed in the country—for instance, for the purchase of fishing vessels in Denmark, and fertilizer in Norway. For seed purchases—one of the most important agricultural items to be procured in Continental Europe—a technician from Headquarters (temporarily attached to ERO) made extensive journeys in some eight or nine European countries to negotiate on the spot for seeds suitable to the climatic and soil conditions of the receiving countries.[133]

Procurement in the Middle East was also under the general supervision of ERO. In the cases of Egypt and Turkey, however, responsibility was delegated to the Middle East Office, which, during the period of major activity, assigned a supply officer to work with the Turkish Government.[134]

Direct procurement in Continental Europe was effected in eleven countries and involved a variety of types of supply: in Norway, the Administration bought supplies including cod-liver oil, seeds, fertilizers, fishhooks, and fish; in Denmark, food supplies, seeds, fishing vessels, insulin, fishing boats, and artificial insemination outfits; in Germany, coal and potash; in the Netherlands, seeds; in Belgium, seeds, fertilizers, and palm oil; in Luxembourg, fertilizers; in France, seeds, fertilizers, and veterinary supplies; in Italy, seeds, cotton twine, cork, sulphur, and carbon bisulphide; in Czechoslovakia, Hungary, and Austria, seeds.[135]

In principle, the policies involved in European Continental procurement were broadly similar to those governing direct procurement in ERO, with the necessary reservation that since the transactions were somewhat more diversified both as to the commodities bought and the circumstances in which they were bought, procedure was considerably less formalized than was the case with United Kingdom purchases.[136]

[133] Monograph, R. K. Gaumnitz, "Continental Procurement," pp. 7–10.
[134] Monograph, G. Stewart Mason, "Problems of UNRRA Procurement in South Africa, India, Southern Rhodesia, Turkey, Iraq, Iran, and Portugal."
[135] Monograph, Gaumnitz, "Continental Procurement," p. 2.
[136] Monograph, Mason, "Problems of UNRRA Procurement in South Africa, India, Southern Rhodesia, Turkey, Iraq, Iran, and Portugal," *passim*.

### India

The form of procedure for procurement in India was drawn up by a mission under the Diplomatic Adviser from Headquarters, Francis B. Sayre, which visited India in the autumn of 1945. Negotiations were conducted with the Secretary of the Commerce Department, N. R. Pillai, and, as was the case in many of the countries which were visited by UNRRA missions, were concurrent with negotiations for a contribution.[137] At that time it was arranged that as and when supply availabilities were established, UNRRA was to furnish the Secretary of the Department of Commerce with Firm Requests and that Department would arrange for the placement of contracts with suppliers in collaboration with the appropriate governmental procurement agencies.[138] An UNRRA supply officer was stationed at New Delhi to expedite procurement.[139] In December 1945, when the UNRRA Procurement and Recruiting Office in India was set up, that Office became responsible for liaison with the Indian Government for procurement in India.[140] Out of the $24 million contributed, a large proportion was spent for jute and jute bagging, essential items not obtainable in quantity elsewhere.

### South Africa

Preliminary negotiation over procedural arrangements for procurement in South Africa began shortly after the first appropriation of £250,000 ($1,007,500) was made on account of South Africa's contribution to UNRRA.[141] Arrangements were finally concluded when Sayre was on a mission to South Africa in connection with the South African contribution in September 1945.[142] The arrangements regarding notification of availabilities and processing of documents were similar to those made with the Australian and New Zealand Governments: the main difference in South Africa was the absence of an

[137] Sayre, "Report on Negotiations with the Government of India, 11–28 July 1945," 29 July 1945.

[138] Bureau of Supply Memorandum 13, Supplement 12, 29 October 1945.

[139] Monograph, R. V. Gogate, "Monograph on India," pp. 16–17.

[140] Memo, Lehman to Director of UNRRA Procurement and Recruiting Office, "General Directive for Office in India," 28 March 1946; monograph, Henry R. Atkinson, "UNRRA Office in India, 20 December 1945–31 October 1946," *passim.*

[141] Memo, Borders to Weintraub, 21 March 1945.

[142] Letters: Secretary, Department of External Affairs to Sayre, 22 September 1945; Sayre to the Secretary, 22 September 1945.

UNRRA area office, through which Firm Requests were channeled to the designated government department.[143]

On the whole, UNRRA experience had been that however efficient the government's procurement agency and however willing the government was to fulfill its obligations to UNRRA, it was not possible to carry on communications at a long distance without delay and misunderstanding. In the case of South Africa a compromise arrangement was made.[144] The South African Government nominated a very able official, W. A. Horrocks, in the Department of Commerce and Industries, to conduct an UNRRA section within that Department. He and a secretary were on the UNRRA pay roll on a part-time basis so that as well as being a civil servant, Horrocks was, in fact, an UNRRA employee.[145] UNRRA through Horrocks placed firm procurement orders with the Department of Commerce and Industries, which arranged for the placement of contracts with manufacturers in collaboration with the appropriate governmental procurement agencies. Documents relating to procurement were channeled by Horrocks to UNRRA Headquarters in Washington.[146]

The hope that a second contribution might be made by the Union of South Africa was not realized. Appropriations totaling $18,112,500 were used to procure coal, copper, and other minerals, wool, and mules and horses.[147]

### 5. *EVALUATION*

The more than twenty-four million long tons contributed to UNRRA in terms of supplies or purchased with contributed funds were procured in some fifty countries and their territorial possessions. UNRRA, in accordance with the Council resolutions as well as the dictates of economy and efficiency, made use of the already existing government procuring agencies and mechanisms except in the direct purchase of a small percentage of goods for emergency needs or in

[143] "Procedure for Handling UNRRA Procurement in the Union of South Africa," 20 September 1945.

[144] Letter, Borders to J. R. Jordaan (Secretary, Legation of Union of South Africa), 24 February 1945.

[145] Sayre, "Report on Negotiations with Union of South Africa," 1 October 1945.

[146] "Procedure for Handling UNRRA Procurement in the Union of South Africa," 20 September 1945.

[147] Monograph, Mason, "Problems of UNRRA Procurement in South Africa, India, Southern Rhodesia, Turkey, Iraq, Iran, and Portugal," p. 6.

circumstances which these were not equipped to handle. Since the contributions were for the most part made in supplies, turned over to UNRRA at shipside in the ports of loading, most of the work of placing contracts, ensuring their fulfillment, and delivering the goods at the ports was done by the contributing governments. The Administration was, therefore, able to secure great quantities of supplies while employing only a small staff of its own to serve as liaison officers and expediters.

Although the Administration made every effort to secure for the receiving governments the supplies on which they placed first priority, this was not, of course, always possible. Some of the basic necessities, such as fats and oils, were everywhere in short supply, and there was simply not enough to go around. Contributing governments did not, in some cases, possess commodities which were particularly desired, and the Administration, in order to realize their contributions, was obliged to take what they had to offer. In any case, the needs of the receiving countries were so great that nothing was likely to be wasted. The marriage of contributions to supplies was not made in heaven, but it did very well by earthly standards. By ingenuity on the part of the Administration and flexibility on the part of most of the supplying governments, the contributions authorized were almost completely realized in supplies and services and the program of operations for receiving countries more than 99 per cent fulfilled.

# IV. Food

## 1. *THE STRUGGLE FOR FOOD*

NEARLY half (42.6 per cent) of the UNRRA supply program was devoted to the procurement of food. Over nine million tons, valued at $1,236,018,700 and consisting chiefly of grains, fats and oils, meats, dairy products, and fish, were shipped during the period of UNRRA operations. Food supplies in large quantities began to be delivered to UNRRA receiving countries in the spring of 1945. Peak shipments were reached in the summer of 1946. From then on they continued in diminishing quantities until November 1947, by which time budgets were exhausted and all food programs were virtually completed.[1]

It was the hope of the Administration to raise the per capita food consumption in the countries receiving its financial assistance to the standards adopted by the Council at its Second Session, namely, 2,650 calories—including 75 grams of fat and 60 grams of protein [2]—per person per day. This was not achieved. In 1946 the Administration was striving to maintain a level of 2,000 calories a day.[3] In 1947 there was a risk that some countries would fall so far short even of this level that it became necessary to adopt for them an Emergency Food Program.[4]

UNRRA's failure to reach the food levels at which it aimed, though in some measure due to crop failures and causes beyond the control of man, must to a certain extent be attributed to lack of adequate recognition by some of the principal supplying governments of their responsibilities, under the UNRRA resolutions, toward those of the liberated countries which were unable to provide for their own food imports. Thus, in 1944, when fat was abundant in the United States,

[1] *Report of the Director General to the Council* (DGR) 14, p. 3.

[2] Resolution 55; Council II Document 8, transmitting Committee of the Council for Europe (CCE) (44) 24, "*Ad Hoc* Food Subcommittee, Bases of Food Requirements," 29 June 1944; see also *supra*, Part Three, Chapter I, Section 3.

[3] *Journal*, Fifth Council, p. 64.

[4] Program Subcommittee of the Central Committee (CC/P) (47) 3, "Proposed Plan for Utilization of UNRRA's Resources to Meet Urgent Food Needs in First Quarter of 1947," 11 January 1947.

substantial quantities were used by the soap industry rather than for the accumulation of stockpiles for postwar relief.[5] In July 1945, when the first signs of a coming grain shortage were already visible, the Combined Food Board (CFB) removed wheat from formal international allocation.[6] In January 1946 it was the UNRRA countries which were called upon to bear the brunt of the current world food shortage.[7]

The procurement of food by the Administration was, from the beginning to the end of the program, a struggle—first to get allocations from CFB; secondly, to get the allocations turned into physical availabilities by the supplying governments; thirdly, to get sufficient funds to pay for what was bought. In these circumstances it was fortunate for the receiving countries that one of the natural characteristics of Andrew Cairns, Director of the Headquarters Food Division, was to fight. He fought CFB, he fought the Council, and he fought the Administration. He had little interest in advance programming, which he regarded as futile and academic owing to the changing supply conditions and the changing needs of the receiving countries.[8] He ran the Food Division, which in the interests of good administration should have been an integral part of the Bureau of Supply, practically as an autonomous body.[9] Orderly procedures meant nothing to him.[10] He was the despair of the Controller. He was a consistent rebel against the Administration's program of operations, since he considered that the whole UNRRA supply operation should have been predicated on the need for food.[11] He was not an optimist on food matters; this brought him into friction with others who regarded food needs of the UNRRA countries more philosophically than he did.[12]

[5] Memo, Andrew Cairns (Director, Food Division, HQ) to Hendrickson, 20 May 1944.

[6] Committee on Supplies (CS)(46)13, "Report of the *Ad Hoc* Subcommittee on Special Supply Problems to the Committee on Supplies, 9 February 1946," p. 3.

[7] See, for example, CS(46)4, "Report on Special Supply Problems," 20 January 1946, Appendix C.

[8] See, for example, memo, Cairns to Kate Tuckerman (Food Division), 29 July 1947.

[9] Monograph, Kate Tuckerman, "Requirements as a Basis for Operations until Dollar Ceilings Established," p. 23.

[10] *Ibid.*

[11] Memo, Cairns to LaGuardia, "The Problem of Financing Food Shipments," 30 May 1946.

[12] See discussions, *Journal*, Fifth Council, Committee on Policy, pp. 63–67.

## 2. *EARLY POLICIES REGARDING FOOD PROCUREMENT*

All the basic foods, with which UNRRA was concerned, were, at the time UNRRA was created, subject to allocation by CFB. In February 1944 the Administration submitted to the Board a request for allocations of foods, by groups of commodities, to cover the requirements of the liberated areas during the first half of 1945.[13] No specific allocations were made, and the Administration received a somewhat limping statement which included the following information:

> It will be appreciated . . . a flow of relief supplies to Europe will have begun during the period of military responsibility, and that since that flow, subject to the supply situation, could be continued, it should not be necessary for specific stockpiles to have been placed at the disposal of UNRRA in advance.[14]

That UNRRA should not stockpile became agreed policy. Though this was to a great extent forced upon the Administration, it was not without support inside the Administration: Hendrickson wrote in May 1944: "We must avoid at all costs becoming excessively enamoured of the stockpile for UNRRA theory," and continued, "most commodities are now under able Combined management and immobilized stocks send a shudder through these managers. They, understandably, want manoeuvrability: we should aid them in that objective." [15] The result of this policy, to which the Food Division was emphatically opposed, was that, to take one example, although at least 150,000 tons of lard were available in the United States in the second quarter of 1944 for stockpiling for postwar relief needs, UNRRA was able to ship from the United States, in the first half of 1945, no more than 11,000 tons against requirements of more than three times that amount.[16]

There were two further contributing factors which tied the Food Division's hands in 1944. The first was that FEA declined to authorize requisitions committing United States funds until the first appropriation was made in July 1944. Thus no effective procurement could be

[13] CS(44)17, "Progress Report of UNRRA Bureau of Supply, Seventh Meeting of the Committee on Supplies, March 9, 1944."

[14] Letter, Combined Food Board (CFB) to UNRRA, 11 April 1944.

[15] Letter, Hendrickson to Sir Arthur Salter, 12 May 1944.

[16] Monograph, Gustavus Tuckerman, "Procurement of Vegetable, Animal and Marine Oils and Fats and Their Allocation," pp. 22–31.

undertaken in the United States until after that time. The second was that when funds were made available, supplies were not allocated against United States production because the Administration had no storage space and, even if it had had, the War Food Administration (WFA), the United States allocating body, was averse to transferring title in supplies until shipment could be made. Obviously, since none of the receiving countries had at that time been liberated, the Administration could not meet this condition.[17]

Procurement in Canada was quite a different matter. The Administration sent to the Canadian Mutual Aid Board "Requests to Supply" covering supplies allocated to UNRRA by CFB from Canadian production. These Requests were accepted by the Canadian authorities. Goods were procured and stored in warehouses where they remained until such time as shipment could be arranged.[18]

In discussions in 1944 on UNRRA's food problems, emphasis lay mainly on stockpiling policy, storage capacity, and on the acquisition of seasonal surpluses; there is little evidence of any apprehension of the development of grave shortages. The opening sentence of the Report of CFB to the Second Council Session in September 1944 is indicative of the prevailing optimism: "The Board has confidence that, given the necessary coöperation between governments, the problem of meeting the overall requirements of the Allied countries in Europe during 1945 can be solved." [19] In light of this, Dean Acheson, Council member for the United States, commented:

> The significance of that . . . is that the time has come for UNRRA to put on one side worry about availability of supplies. Somebody else has undertaken to meet that responsibility. If they fail, as they will not, we will know where the responsibility lies.[20]

This statement, from someone who knew well the limitation of powers of CFB, is somewhat surprising. The Board had, in fact, no entity of its own. It was no more than a medium for discussion between representatives of the United States, United Kingdom, and Canadian allocating authorities on problems of common interest. Through these dis-

[17] CFB(44)331, 26 September 1947, requesting that UNRRA name the port at which it would take delivery.

[18] Cairns, draft note as basis for discussions between CFB, Foreign Economic Administration (FEA), the War Food Administration (WFA), and UNRRA, 2 November 1944.

[19] *Journal*, Second Council, "Report of Combined Food Board," p. 42.

[20] *Ibid.*, p. 54.

cussions, agreement was reached on the allocation of foodstuffs under the control of the three Governments, and the results were expressed in the form of "recommended allocations." The agreements were, however, seldom the result of unified food policy but rather of acquiescence by one party in decisions made unilaterally by another.[21]

By the Fourth Council Session, in May 1946, the Council had had some experience of the weaknesses of CFB allocating machinery: C. Tyler Wood, the United States Council member, advocated that it should be improved as strongly as his predecessor, at the Second Session, had urged confidence in the machinery as it existed.[22] Wood proposed and carried a resolution providing that:

> In view of the prospect of continuing serious world food shortages, the supplying and receiving governments concerned develop immediately plans for the improvement of international machinery for the allocation of foodstuffs in short supply.[23]

The results of the pressure to change the allocating machinery were realized too late, however, to have any profound influence on the UNRRA food programs. During the greater part of the UNRRA operation the Food Division had no alternative, therefore, but to get along as best it could through the good offices of CFB and its various subcommittees.

### 3. *THE BEGINNING OF SHIPMENTS OF FOOD*

Substantial shipments of food to Europe began in the second quarter of 1945. Almost immediately, however, shortages of protein foods became the most acute of the Administration's supply problems. Requests by the Administration for allocation of foods in short supply had been drastically curtailed, first by CFB and later by the national allocating agencies. For example, the Food Division could not obtain from United States production any cheese, dried eggs, or margarine, and obtained only small allocations against its requests for sugar, canned fish, and dry, skim, and condensed milk. A request for over 4,000 tons of canned pork resulted in procurement of only 175 tons.[24]

[21] Monograph, J. Wadleigh, "Efforts to Prepare for Food Relief before the Establishment of UNRRA," p. 13.

[22] *Journal*, Fourth Council, 18th plenary meeting, p. 156.

[23] Resolution 93.

[24] CS(45)16, "Report of the Bureau of Supply, Fourteenth Meeting of the Committee on Supplies, 21 June 1945."

Various excuses were given by WFA for this deplorable state of affairs, the principal one, and to the Food Division most ironical, being that UNRRA did not start shipping until the United States food barrel was empty.[25] In self-defense, WFA added that it was under instructions to reduce no further the now bare minimum United States diet.[26] To help meet the deficiencies in food from the United States, the Food Division drew heavily on Canadian supplies. This, however, could not continue indefinitely, and the outlook was bleak.

In contrast to shortages of protein foods, however, the supply of bread grains was plentiful throughout the early period of UNRRA shipments. Indeed, ocean transport rather than grain was the limiting factor on deliveries. At the Supply Conference in Rome in July 1945, David Weintraub, Deputy Chief of the Bureau of Supply, informed mission representatives that the only food supply of which there was an abundance was wheat: "Up to the extent that you want to take wheat, we can provide it." That was, however, one of the last occasions on which he, or anyone else in the Administration, was bold enough to give such an assurance.[27]

CFB's Report to the Third Council in August 1945 struck a somber note: The continuation of the war in Europe until the middle of 1945 had destroyed any hope of an early decline in military requirements of foodstuffs and, at the same time, had caused a serious decline in agricultural production in Europe, the harvest for 1945 being in most countries from 10 to 15 per cent below that of 1944.[28] Production elsewhere had declined owing to shortages of manpower and fertilizers combined with severe drought conditions in Australia and New Zealand, South America, and the Mediterranean and Caribbean areas.[29] Sources of supply for the provision of a proportion of the needs for fats and oils, cheese, sugar, and skim milk had been found, but it had not been possible to allocate meat in any substantial quantities for the UNRRA countries. Supplies of wheat in North America and Argentina were, on the other hand, considered adequate to meet all indicated requirements for human food.[30] This last statement, however, even when it was written, was overoptimistic.

[25] Memo, Cairns to Weintraub, "WFA's Commitment of Food for Shipment by UNRRA in July 1945." [26] *Ibid.*

[27] Supply Conference held in Rome, minutes of meeting, 8 July 1945.

[28] *Journal*, Third Council, p. 27. [29] *Ibid.*

[30] Council III Document 16, C(45)10, "Combined Food Board Second Report to United States, Canadian, and United Kingdom Members of the Council," 6 August 1945, p. 7.

In a report to the Director General shortly before this time, Cairns wrote:

> It is now possible to say that with the sole exception of wheat all foods are in acute short supply. But even that statement must be qualified by pointing out that because (*a*) the current movement of wheat from North America to Europe is so heavy that sufficient stocks may not be in an exportable position to meet European demands next winter; and (*b*) the lack of wheat in Australia, the diminished stocks in Argentina, the mediocre crop prospects in Canada and the possibilities of a large part of the United States crop being diverted to feed uses, partially to offset the expected shortages in corn, there is a danger that the world supply of wheat relative to the demand for it may be tight prior to the harvest of the 1946 crops.[31]

His forebodings were not reflected in the Director General's Report to the Third Council Session, but were given official recognition when, in September 1945, the International Wheat Council published its Ninth Report, written by Cairns in his capacity of secretary to that Council.[32] The warning, however, was not against an immediate danger, and the Administration succeeded in shipping, during the last half of 1945, 91.8 per cent of the grain requirements of the receiving countries, shipments totaling 1,246,088 tons of grain calculated on a wheat-equivalent basis.[33]

### 4. *THE 1946 FAMINE EMERGENCY*

By the end of 1945 the threat of famine in the UNRRA countries was imminent. The worst forebodings on the inadequacy of the 1945 food harvests had been realized. There had, indeed, been further deterioration in the world food position: India, as a result of the failure of the monsoon, had import requirements nearly three times as large as they had been three months earlier; an extremely serious food situation had developed in Japan.[34] It had also become clear that to maintain a tolerable level of nutrition in Germany substantial wheat imports would be necessary.[35]

[31] "First Draft of Food Section of Chapter 6 of the Director General's Report to the Third Session of the Council of UNRRA," 17 July 1945.

[32] Statement published by International Wheat Council, Ninth Session, London, 1 September 1945.

[33] Unit weight of wheat to a given weight of flour—usually expressed as 100 metric tons of wheat to 72 metric tons of flour.

[34] Council IV Document 19, C(46)13, "Combined Food Board Third Report to United States, Canadian, and United Kingdom Members of the Council," 15 March 1946.

[35] CS(46)4, "Report on Special Supply Problems," 21 January 1946.

It was estimated by the CFB Committee on Cereals that there would be a deficit of over five million tons for the period July 1945–June 1946,[36] estimated requirements for the first half of 1946 exceeding supplies available by about 42 per cent.[37] Practically the whole of this deficit was expected to occur in the January–June 1946 period, since stated requirements in the July–December 1945 period had already largely been met.

UNRRA requirements of wheat and wheat flour (expressed in terms of wheat equivalent) amounted to 4,200,000 tons. This figure remained the firm UNRRA requirement for the January–June period, though the Administration volunteered to accept up to 25 per cent in the form of coarse grains, or their products, and thereby to reduce its demand for wheat.[38] UNRRA, in fact, took the lead in promoting the consumption of grains other than wheat for direct human consumption and succeeded in overcoming prejudices, based on long-established food habits, in the receiving countries against the use of corn, oats, and barley.[39]

At an emergency meeting of the Committee on Cereals of CFB on 28 December, the United States representative tabled, as a basis for discussion, a balance sheet showing a world export availability of 12 million tons of bread grains against stated import requirements of 18 million tons.[40] The proposed allocation for UNRRA was 2,900,000 tons—a cut of over one-third. For no other claimants, except the British Zones of Germany and Austria, were such severe reductions contemplated.

The question of food deficits in 1946 was taken by the Administration to the Committee on Supplies which referred it to an *ad hoc* Subcommittee on Special Supply Problems. This Subcommittee considered the problem of grains, and also that of fats and rice, in consultation with executive members of CFB. A report by the Subcommittee was adopted by the Committee on Supplies, after discussions which revealed grave anxiety over the inadequacy of the UNRRA allocations

[36] Report by CFB Committee on Cereals to executive officers of Board, 30 December 1945.

[37] CS(46)4, 21 January 1946.

[38] Letter, Cairns to R. A. Furness (chairman, Statistical Subcommittee of CFB Committee on Cereals), 7 January 1946.

[39] Memo, Cairns to R. H. Allen (Food Division, HQ), 27 October 1947.

[40] Reproduced as CS(46)4, 21 January 1946, Appendix C, "Wheat and Flour: Stated Requirements and Suggested Distribution of Supplies by Sources during January–June 1946."

and the inequity of treatment between them and the allocations made to other claimants. It was disclosed in the report that, up to the end of January, the Administration had received, against a requirement already severely scaled down to 533,000 tons of grain a month for February and March, commitments of only 299,000 tons for February and 32,000 tons for March.[41]

The report drew attention to the Administration's conviction that the removal of wheat and flour from formal international allocation six months earlier had resulted in commitments being made—including forward sales—between individual exporting and importing countries. This meant that a large part of the available exportable supplies was already lost to the countries represented by UNRRA. It was recommended that: [42]

(1) The decision to remove wheat and flour from international allocation be reopened.

(2) Additional quantities of wheat, rice, flour, and fats be made available for countries receiving UNRRA's assistance.

(3) When UNRRA's requests for supplies were not met in full, the Administration be given an opportunity to discuss with the supply authorities the reasons for such action.

(4) The Director General inform immediately the United Nations Assembly, then meeting in London, of the problems facing UNRRA, stressing the grave implications of a failure to meet its requirements.

In accordance with the last recommendation, the Director General communicated with the United Nations Assembly. A resolution was passed by the Assembly urging economy in the use of food and maximum production in the coming season. Further, the resolution urged all governments and international organizations concerned with food and agriculture to publish full information regarding the world food situation, the future outlook, and steps being taken to meet the emergency.[43] It was a gesture of good will.

The Subcommittee's report was referred by the Committee on Supplies to the Fourth Council Session, at which the food crisis rendered

[41] CS(46)13, "Report of the *Ad Hoc* Subcommittee on Special Supply Problems to the Committee on Supplies," 9 February 1946.

[42] *Ibid.*

[43] Resolution adopted by the General Assembly of the United Nations, 14 February 1946, Council IV Document 19, C(46)13, "Combined Food Board Third Report to the United States, Canadian, and United Kingdom Members of the Council," 15 March 1946, Appendix 1.

all other items on the agenda relatively insignificant. The Report of CFB to the Council stated that there was no prospect that the wide gap between requirements and supplies could be filled and that starvation and hunger were inevitable for large groups of the populations of Europe and Asia. It described the steps which had been taken to help meet the emergency: [44]

In the United States, the President, in response to a personal appeal made to him by Lehman, had issued a nine-point food program designed to reduce the use of wheat. The program included provision for an increase in the extraction rate of flour to 80 per cent, for the discontinuance of the use of wheat in liquor manufacture, and for reductions in the amount of wheat to be fed to livestock.[45] In the United Kingdom, planned wheat stocks at the end of June 1946 had been substantially reduced, the extraction rate of wheat raised to 85 per cent, and a national economy campaign launched to prevent waste.[46] In Canada, it was proposed to continue to export wheat at the average rate of approximately one million bushels per working day.[47]

The impotence of the CFB Cereals Committee was, however, revealed by the admission of its inability to reach agreed allocations among claimants, and by the fact that it could do nothing more specific than repeat the general recommendations on conservation of grain which it had urged continually in the preceding months.[48] The complete inadequacy of existing international allocation machinery to deal with famine conditions was obvious.

Lehman, in a forthright address, informed the Council that, during the first quarter of 1946, the Administration would have shipped only about 53 per cent of its bread-grain requirements, 20 per cent of its rice needs, and less than 4 per cent of its requests for edible fats.[49] He added:

> It is my duty solemnly to inform you that on the 17th day of March the Administration had not, with the exception of 50,000 tons of flour from the United States and 10,000 tons of flour from Canada, received any assurance of the amount of bread cereals that will be available for it to ship in April.

[44] Council IV Document 19, C(46)13, 15 March 1946.
[45] *Ibid.*
[46] *Ibid.*
[47] Memo, Committee on Cereals to executive officers, Combined Food Board, "Cereals Position, January–June 1946," 11 March 1946.
[48] *Ibid.*
[49] Council IV Document 50, C(46)30, "A Statement by the Director General on the World Food Crisis," 18 March 1946, p. 2.

Wheat will be made available—I am certain of that—but the hand-to-mouth character of the allocations and commitments has the effect of piling crisis upon crisis. The Administration is in the dark regarding what it must arrange to ship; the receiving countries cannot be notified as to what they would be prepared to receive and distribute. In consequence, the whole situation is fraught with confusion and uncertainty.[50]

He recommended: (1) increased production; (2) intensification of food conservation measures; (3) the adoption by member governments of rigid control measures, justified by the continuance of wartime conditions; (4) effective measures to amass the 1946 harvest and increase extraction rates of bread grains and reductions in the use of cereals for nonfood purposes; and (5) the broadening of membership of CFB in order to carry into operation more effectively the pooling principle among the United Nations.[51] At later meetings he reiterated the importance he attached to the immediate widening of representation on CFB so that a central body, capable of dealing with the emergency on an international basis, could be developed quickly.[52]

The Administration's dissatisfaction with CFB lay in the fact that it (the Administration) had no knowledge of the standards used by other claimants when submitting their cases to CFB, nor of the standards used by the Board when recommending allocations. Thus the Administration was unable to assure any country, dependent for food on UNRRA, that it was getting fair treatment in relation to other countries not represented by UNRRA before the Board.

At the concluding meeting, which the Director General described as completing "the most important debate in the history of UNRRA," Lehman proposed a resolution covering numerous measures for the conservation and expansion of food supplies and for a revision of the allocating machinery. The resolution included a provision that allocating bodies should

use as their sole criterion of equitable distribution that the total supplies of food made available for export shall be allocated so as to result in each food-importing member of the United Nations attaining the same percentage of its 1935–39 level of consumption as every other importing member of the United Nations.[53]

[50] *Ibid.*, p. 3.

[51] *Ibid.*, pp. 5–6.

[52] Council IV Document 128, C(46)45, minutes 4th plenary meeting, 18 March 1946.

[53] Council IV Document 111, *Ad Hoc* Committee on Policy (*Ad Hoc*/P)16, verbatim minutes 6th meeting, 22 March 1946; *Journal*, Fourth Council, p. 70.

The resolution as finally adopted by the Council embodied most of the proposals regarding economy measures, but omitted any reference to the expansion of the allocating machinery, or to the proposal that food allocations should be made in accordance with an objective measure of need.[54] A clause was added to the effect that, in view of the gravity of the food position, the Council should remain in session and reconvene in Washington as soon as the Director General was able to report on the outcome of his consultations with the representatives of the supplying governments and CFB.[55]

At this juncture LaGuardia became Director General. He immediately concentrated his energy on overcoming the food crisis. His tactics were characteristic, and as different from those used by Lehman as he was different from Lehman. He used his flair for publicity to make people of all nations aware of the gravity of the emergency. Whereas Lehman's appeal had been directed to the intellect—for justice among the various claimants on world food stocks—LaGuardia's was to the emotions—for food for "millions of hungry, starving, dying people." [56]

Within twenty-four hours of assuming his new responsibility, he called on President Harry S. Truman to ask his assistance.[57] This visit was followed by a letter, concluding with the paragraph:

> My feeble voice is not enough, Mr. President. Please make an appeal to the farmers of the country and get the Department of Agriculture moving on this so that we will not have one day's delay. The situation is something that we cannot make up later on. Shipments in June will not save the lives of people who otherwise will die in May.[58]

In fact, it was too late to increase substantially the April and May arrivals of grain except by diversions of grain ships already afloat.

LaGuardia dispatched a personal cable to the Prime Minister of Canada, asking his help in the food crisis. He appealed to the Pope. He convened an emergency meeting to which he invited the United States Secretary of Agriculture and senior representatives of the Argentine, Australian, Canadian, and United Kingdom Embassies in Washington and requested that they should arrange that April grain shipments to

[54] Resolution 89.
[55] *Journal*, Fourth Council, p. 134; Resolution 89, paragraph 2*c*.
[56] Press Release 289, 5 April 1946.
[57] Monograph, R. W. Allen, "The 1946 Famine Emergency—Attempts to Meet Grain Needs," p. 15.
[58] Letter, LaGuardia to Truman, 2 April 1946.

UNRRA countries should be increased by 300,000 tons—the minimum required to permit the continued functioning of the bread-rationing systems during May and to provide a workable stock position on 1 June.[59] The assembled government representatives came to the conclusion that this embarrassing problem was properly for consideration by CFB.[60] A meeting of the Board was therefore arranged. It appointed a Subcommittee to consider proposals for diversions of ships afloat, or being loaded for countries with relatively favorable stock positions, to UNRRA countries.[61]

As a result of the Subcommittee's activities, 94,000 tons of grain and grain products were diverted; of this amount 60,000 tons came from diversions from United Kingdom allocations. The total shipments in April amounted to only 360,000 tons, but, in the opinion of the Director General, the diversion had saved the day.[62] The May position was still serious.

The Council was reconvened on 9 May for one day. The Director General gave an account of his doings and concluded with the following recommendations:

> All governments concerned be called upon to establish, for the duration of the existing food crisis, one broad international agency with adequate powers to make and implement allocations on an equitable basis of grain and all other basic foods in short supply. That for the duration of the present food crisis all purchases of grain and other basic foods in short supply be coördinated in a manner which will preclude competitive buying and speculative selling.[63]

Before the Council adjourned it adopted the long-awaited resolution recommending the immediate development of more adequate machinery for making effective all allocations.[64]

At the Food and Agriculture Organization (FAO) Conference in May 1946 agreement was reached that the three-member CFB should give way to a broadened internationl organization to be known as the International Emergency Food Council (IEFC).[65]

[59] Council IV Document 246, C(46)98, "Revision of Document 245, C(46)97, Report of the Director General to the UNRRA Council on the Developments in the Food Crisis," 8 May 1946; *Journal*, Fourth Council, "Report of the Director General on the Developments in the Food Crisis since the Recession of the Fourth Session of the Council at Atlantic City on 29 March 1946," pp. 135–141.

[60] *Ibid.* [61] *Ibid.* [62] *Ibid.*

[63] *Ibid.* [64] Resolution 93.

[65] Food and Agriculture Organization (FAO), *Report of the Special Meeting on Urgent Food Problems* (Washington, D.C., 1946), p. 35; see also *Journal*, Fifth Council, p. 60.

The 1946 harvest in Europe was somewhat earlier than usual. This fact, and the grain arrivals made possible by the April and May diversions, together with strenuous efforts, particularly in the United States, to increase the volume of grain exports, enabled the UNRRA countries to survive without a complete breakdown in the distribution of bread grains until the new harvests were gathered in. Grain shipments over the January–June 1946 period totaled 2,100,000 tons in wheat equivalent—fifty per cent of the stated requirement of 4,200,000 tons for the period.[66]

Distribution in the receiving countries was on a hand-to-mouth basis. There were ration cuts in most countries. In several there were local breakdowns in distribution which meant that some ration coupons were not honored punctually, if at all.[67]

### 5. *FOOD POLICY AFTER MAY 1946*

The easing of the immediate food crisis did not mean that the danger of food shortages was overcome. The contrary was the case. The total sum that had been allocated for food procurement up to the end of June 1946 was $1,100 million.[68] The Food Division's policy had been to buy all the basic foods it could get at the lowest possible prices, regardless of how quickly the sum allocated to it would be spent.[69] There remained, as a result, in May 1946 about $200 million. In order to take up food allocations as they were made, most of this sum had, by that time, been committed.[70]

The Food Division had expected that, in order to reap the benefit of Lehman's and LaGuardia's earlier efforts to get larger food allocations, the allotment of funds for food would have been substantially increased when the program of operations for the June–December 1946 period was drawn up. Instead, however, discussions with mission chiefs at the Third Supply Conference had resulted, owing to commitments for other items, in only $1 million additional funds being made available for food.[71] This meant that if the grains and fats essential to meet food needs till the end of the year were to be bought, tentative commitments which had been made for meat and dairy

[66] Monograph, Allen, "The 1946 Famine Emergency—Attempts to Meet Grain Needs," p. 22.
[67] *Ibid.*, p. 23.
[68] Memo, Cairns to LaGuardia, 30 May 1946.
[69] *Ibid.*
[70] *Ibid.*
[71] *Ibid.*; see also *supra*, Part Three, Chapter II, Section 9.

products (commitments which of necessity had to be made farther in advance than for other food commodities) would have to be canceled.

Cairns was disturbed not only about the immediate position but about the outlook for 1947. On 30 May he addressed a memorandum to the Director General which included the following remarks:

> The situation with respect to the last half of 1946 . . . is grave, but the position in the first six or eight months of 1947 is less grave only in the sense that there is more time to prepare for it. Several UNRRA countries will continue to need large imports of food at least until the 1947 harvests are available. It is manifestly impossible for the successor, if any, to UNRRA effectively to take control prior to 1 January 1947. And unless financial and other arrangements are made at a very early date to provide for a continuation of food shipments after the turn of the year the position of the countries now dependent upon UNRRA will be gravely prejudiced, irrevocable financial arrangements must be made at least three and in most cases six months in advance of the period of shipment.[72]

He urged that, unless action were taken quickly to increase the funds available for food procurement: (1) revocable contracts for basic foods, such as milk and meat, would have to be canceled; (2) allocations would be severely affected; (3) procurement activities in the supplying countries would have to be relaxed owing to reductions in effective requirements; (4) food that should have been shipped to UNRRA countries would go elsewhere; (5) UNRRA countries would be deprived of sorely needed food by the end of the third quarter; and (6) the case of these countries for an equitable share of the world's pool of food supplies in the last quarter of 1946 and in the first half of 1947 would be gravely prejudiced.[73]

The remedies he suggested were drastic. They included a proposal that, pending the completion of arrangements to finance food shipments during the third and fourth quarters of 1946, no funds should be committed for the procurement of any supplies other than food. He urged that the Director General should notify members of the Council that he intended to include on the agenda for the next session a proposal for an additional contribution, totaling not less than $750 million (about 0.5 per cent of the national incomes of the contributing countries), for food purchases during the period ending 31 August

[72] Memo, Cairns to LaGuardia, 30 May 1946.
[73] *Ibid.*

1947, as a prerequisite to the protection of the food position of the UNRRA countries.[74]

The Director General's reply was that nothing could be done to increase the funds available for food; that, therefore, the Food Division should proceed on the existing basis, as modified by receiving governments, and should, moreover, go as far as possible in canceling contracts and commitments for meat and other expensive foods.[75] This decision marked a turning point in the UNRRA food operation. The Food Division began immediately to curtail its food procurement operations and to seek to be relieved by the United States Department of Agriculture of commitments for meat and dairy products. From this time onward it could no longer be said that the Administration was buying and shipping all the staple foods available at reasonable prices.[76] The next food crisis was now beginning to take shape. It was to differ from the earlier one in that funds rather than supplies were to be the limiting factor on food procurement.

At the Fifth Council Session in August 1946, at meetings of the Committee on Policy, Cairns described calculations made by the Food Division which indicated that food import needs of Austria, Czechoslovakia, Greece, Italy, Poland, and Yugoslavia, before the 1947 harvest, would amount to some $1,000 million in addition to the balances of funds remaining in their respective UNRRA food budgets.[77] His figures were questioned by Council members, particularly by the member for the United Kingdom.[78] Cairns admitted that any calculations, involving a forecast for a twelve-month period, were likely to involve an error of some 15 per cent.

Although the precise outcome of the 1946 harvest could not be known in August, the area to be harvested was known, and, even if it were assumed that crops would be good, it was certain that large imports of grain and other staple foods would be necessary. Furthermore, it was possible, since livestock numbers were known, to make estimates, accurate enough for planning purposes, of the probable level of livestock products. Such predictions as these were, in fact, familiar exercises, and the commodity committees of IEFC were indeed engaged upon them at that time.

[74] *Ibid.*
[75] Memo, R. G. A. Jackson to Weintraub, 31 May 1946.
[76] Monograph, R. H. Allen, "Failure to Complete the Job," p. 5.
[77] *Journal*, Fifth Council, p. 63.
[78] *Ibid.*, p. 65.

Nevertheless, the United States and United Kingdom members maintained that it was too early to make forecasts. C. Tyler Wood, the United States member, said:

> The matter is not of such great urgency at this particular time, since the UNRRA programs are probably going to run into next year, and the stringency of food is certainly not going to become great until at least next spring. It seems to me that the United Nations . . . ought to have this problem laid before them.[79]

On 11 November 1946 LaGuardia addressed a meeting of the United Nations Assembly and presented to it a proposal for the creation of a United Nations Emergency Food Fund to help meet the needs in 1947 of such countries as were unable to finance their own food imports. The fund would consist of money and supplies totaling at least $400 million. All countries able to do so would be asked to contribute, but none should be called upon to contribute more than 49 per cent of the total.[80] No effort was made to put this plan into effect. A month later, however, the General Assembly of the United Nations set up a special technical committee to study relief needs after the termination of UNRRA.[81] The Committee found that Austria, Greece, Hungary, Italy, Poland, and Yugoslavia would need food and other essential supplies in 1947 amounting to $583 million more than they would be able to finance from their own resources.[82]

### 6. *THE EMERGENCY FOOD FUND*

In January 1947 Dallas Dort, the United States representative on the Program Subcommittee of the Central Committee, presented a "Proposed Plan for Utilization of UNRRA's Resources to Meet Urgent Food Needs in the First Quarter of 1947." The introductory statement was practically a denial of the remarks of the United States representative at the Fifth Council Session:

> A most serious problem faces a number of UNRRA countries in assuring the delivery of essential food supplies during the next few months. . . . It appears, however, that in any case no substantial assistance will be available

[79] *Ibid.*, p. 67.

[80] United Nations Assembly, Committee II, minutes of meeting, 11 November 1946; see also DGR 10, Appendix 1.

[81] United Nations Assembly, 56th plenary session, 11 December 1946, Document A/237.

[82] Monograph, Allen, "Failure to Complete the Job," p. 11.

during the first quarter of 1947. . . . The people of several countries will face real suffering unless UNRRA utilizes its remaining resources to meet this need. It seems essential therefore that the Central Committee recognize that the provision of needed foodstuffs should have the highest priority in the utilization of UNRRA's resources and that additional funds should be allocated to the programs of those countries which are urgently in need of food.[83]

The United States representative's proposal was that the uncovered food deficit for the first quarter of 1947, estimated at $123 million, should be met by a 4.6 per cent assessment against the total programs of all UNRRA receiving countries with the exception of those of Byelorussia and the Ukraine. The proposal had much in common with that made by Cairns eight months earlier.[84] The main difference was that it was now too late to be feasible. The Director General informed the Program Subcommittee that the Administration would be unable to release enough money to meet the needs for food imports, even if it were to take the most drastic measures to reduce nonfood programs.[85] Moreover, the items still not covered by firm contracts consisted, in the main, of supplies of the most critical importance, such as coal, medical supplies, feed, fertilizers, and spare parts and supplies essential to the utilization of equipment already furnished, to obtain which occupied countries were depriving themselves of much-needed food supplies.

The Administration made a counterproposal: that about $25 million in nonfood programs which was likely—owing to shipping deadlines and for other reasons—to be "nonexpendable" should be used to create an emergency food program; to this should be added $4 million from the Director General's reserve. A further $6 million could be obtained through a cutback in the program for Czechoslovakia.[86] In this way a total emergency food fund of $35 million might be provided.

In calculating how an available fund should be allocated, an estimate was made, for each of the UNRRA countries, of the total value of a food supply which would meet the FAO emergency subsistence

[83] CC/P(47)3, "Proposed Plan for Utilization of UNRRA's Resources to Meet Urgent Food Needs in First Quarter of 1947," 11 January 1947.

[84] See above, Section 5.

[85] CC/P(47)4, memo, Director General to Program Subcommittee, 21 January 1947.

[86] For further discussion on the equity of this proposal, see Part Three, Chapter II, Section 13.

standard, that is, 2,000 calories per head per day.[87] Dollar values of supplies available from indigenous resources for consumption during the January through April period were added to the balances of the funds then in each country's food budget. To these amounts was added any foreign exchange currently available to the governments of the countries for procurement of food during the period. The total of all these resources was then expressed for each country as a percentage of the total cost of the supplies needed. The food budget of the country with the lowest percentage would be the first to benefit from the fund. It would receive an allocation sufficient to raise it to the level of the country with the second lowest percentage. If additional funds were available, the country which was originally lowest would be allotted further funds, together with the country which was second lowest, in such proportions as to raise the levels in the two countries simultaneously toward the level of the third lowest country. This sequence would be continued as far as the available funds would permit.[88] The principle of allocation was, in fact, a variant of the "equalization of deficiencies" technique commonly used by the Administration in distributing commodities in short supply.

The Program Subcommittee agreed in principle to the statistical formula, but did not agree to its logical, practical application.[89] Under the Administration's proposal, Austria and Poland would have been the only beneficiaries unless the size of the fund were increased. The United States and United Kingdom representatives held the view that Greece should have a share. They argued that Greece was in urgent need of food imports during the period under consideration. The Administration maintained that, though this was true, it was largely because supplies had been poorly utilized in Greece. Moreover, since Greece had foreign exchange with which to pay for food shipments, it should be required to do so.[90]

By a majority vote it was decided that Greece should receive $4 million from the fund and that the formula should be applied to the distribution of the balance, Austria thus becoming entitled to $20 mil-

[87] The liberal UNRRA basis of 2,650 calories was thus abandoned in theory as it had long been in practice.

[88] CC/P(47)4, "Suggested Method of Distributing Additional Funds Which May Be Made Available for Food Procurement by UNRRA," 21 January 1947, Appendix 1.

[89] CC/P(47)13, minutes 49th meeting, 29 January 1947.

[90] *Ibid.*

lion and Poland to $11 million.[91] This proposal was endorsed, again by a majority vote, in the Central Committee.[92]

Subsequently, Yugoslavia, which had consistently opposed the scheme, put in a plea to be included.[93] The Yugoslav case was based on the argument that crop estimates for 1946 had been revised sharply downward in January, and that these revised figures had not been taken into consideration when the allocations had been made.[94] On the basis of the revised figures, Yugoslavia's food resources amounted to only 52 per cent of the FAO emergency subsistence standard, instead of 80 per cent as previously calculated. Yugoslavia would thus have been the next country after Austria to be included in the Emergency Food Fund.[95] The major question was whether it would be possible for the Administration to buy food for Yugoslavia if funds were made available.[96] As the question of the 1946–1947 grain allocation for Yugoslavia was then under review by IEFC, it was agreed that a decision should be delayed until this matter had been settled.[97] IEFC decided that the total bread-grain allocation for Yugoslavia for the year ending 30 June 1947 should be 30,000 tons; of this quantity Yugoslavia had already received 12,500 tons, and a balance of 17,500 tons thus remained.[98] Representatives on IEFC from the United States and Canada—the most logical suppliers—had stated that their countries should not be considered as sources of supply for even this small quantity.[99]

The Administration laid the decision of IEFC before the Program Subcommittee and recommended that the Subcommittee should authorize it to attempt to procure the 17,500 tons of bread grains or equivalent quantities of similar foodstuffs, using funds from the general resources of the Administration, without interfering with the emer-

[91] *Ibid.*

[92] CC(47)16, minutes 45th meeting, 3 February 1947; CC/P(47)23, "Eighth Report of the Program Subcommittee of the Central Committee to the Central Committee (as Amended and Approved by Central Committee, 3 February 1947)," 3 March 1947.

[93] Letter, Beno Habjanic (Commercial Attaché, Yugoslav Embassy, Washington) to Colonel Alfred G. Katzin (Deputy Director General and Chief Executive Officer, HQ), 28 March 1947.

[94] *Ibid.*

[95] CC(47)51, letter, Katzin to Habjanic, 28 March 1947.

[96] CC/P(47)26, minutes 52d meeting, 18 April 1947.

[97] CC(47)56, minutes 51st meeting, 3 April 1947.

[98] CC/P(47)28, letter, Secretary General of the International Emergency Food Council to Habjanic, 21 April 1947.

[99] CC/P(47)26, minutes 52d meeting, 18 April 1947.

gency food programs already in existence.[100] As it would be impossible, anyhow, to secure food for shipment in the first quarter of 1947, the decision turned on whether the Administration should, as a matter of principle, consider food emergencies arising in receiving countries after 31 March 1947, and whether—if the decision were in the affirmative—the needs of one country in the second quarter should be considered without reference to those of other countries.[101] A majority of the members of the Subcommittee was not satisfied that a food emergency existed which justified treating Yugoslavia more favorably than other UNRRA countries in respect of a provision for the second quarter.[102]

When the matter went before the Central Committee, it was decided, by majority vote, that the Administration should not engage in any food procurement for Yugoslavia beyond the limits of the existing budget.[103] This decision was made in face of a statement from Jackson, who had been in contact with Rooks—then in Europe—that food conditions in Yugoslavia were serious.[104] So the episode ended. The amount of food involved was small. It would probably in any case have had very little effect on the food supply position of Yugoslavia. On the other hand, it would have been a token of good will and would have shown a desire to do everything possible to relieve suffering. As it was, the political atmosphere in which the discussions were conducted marked a distressing departure from the objectivity which characterized the majority of the meetings of the Program Subcommittee and the Central Committee.[105]

### 7. *FOOD PROCUREMENT OTHER THAN OF BASIC FOODSTUFFS*

Two thirds of the UNRRA food programs consisted of four major commodities: grain, meat, dairy products, and fats. The remainder was composed of supplies which were obtained to make up deficiencies in basic foods (for example, soya flour), or which were offered by supplying governments as contributions, or which were available

[100] *Ibid.* [101] *Ibid.*
[102] *Ibid.;* CC/P(47)29, minutes 53d meeting, 22 April 1947.
[103] CC(47)61, minutes 52d meeting, 29 April 1947.
[104] *Ibid.*
[105] *Ibid.;* CC(47)56, minutes 51st meeting, 3 April 1947; see also monograph, Allen, "Failure to Complete the Job," pp. 29–30.

at particularly advantageous prices. The last consideration applied particularly to the procurement of horsemeat and of United States Quartermaster stores.

The inclusion of horsemeat in UNRRA food programs appeared to the Director of the Food Division to be an obvious way of increasing the amount of protein available to the receiving countries. Horsemeat is a familiar food in Northwest Europe and, though to a lesser extent, in Austria, Czechoslovakia, and Poland. It was available at about one-third to one-half the price of other meats.[106] Although it was not a product which receiving countries would have preferred, Cairns—never an optimist over prospective food supplies—would have bought it and stockpiled it in 1944 against future needs. By a strange coincidence, however, both Lehman and LaGuardia happened to have a personal prejudice against traffic in this form of food, and each in his time obstructed its procurement.[107]

It was not until the autumn of 1945, when definite agreement by the Czechoslovak, Italian, and Polish Governments to accept shipments of horsemeat had been obtained, that the Food Division was authorized to buy it. At this particular time, however, the Administration was temporarily short of money, pending the appropriation of further United States funds, so procurement was again delayed.[108] By the time LaGuardia became Director General, however, horsemeat procurement both in the United States and Canada was well advanced. As Mayor of New York the new Director General had campaigned aggressively against the delivery of horsemeat into New York City. His crusade against this commodity—on the alleged grounds that it was misrepresented as beef—however reasonable in New York City, was most unwelcome in the Food Division. For a few weeks the Bureau of Supply did not inform LaGuardia of its interest in horsemeat. It then disclosed to him that the Food Division had placed contracts, after firm commitments had been received from UNRRA countries that they would accept it.[109] The Director General's reaction was that the program should be curtailed as much as possible.[110] He

[106] Memo, Weintraub to LaGuardia, 18 April 1946.
[107] Monograph, David L. MacFarlane, "Horsemeat," pp. 5–7.
[108] Letter, Lehman to Senator O'Mahoney, 3 October 1945.
[109] Memo, Weintraub to LaGuardia, 18 April 1946.
[110] Monograph, MacFarlane, "Horsemeat," p. 7.

wrote to the Polish Economic Mission in Washington asking that the Administration be given authority to get for them other meats instead of horsemeat, and added that it could get some good South American corned beef at a reasonable price.[111] The Food Division did not regard the last statement as accurate.

In spite of these domestic difficulties, however, the Food Division procured some 27,000 tons of horsemeat in the United States, about 12,000 tons in Canada, and about 2,000 tons in Mexico. To obtain the last amount it took part in putting an idle meat plant into operation and attached an inspector for UNRRA supplies to the company's staff.[112]

A very different category of foodstuff, but one which the Food Division was able to buy at particularly advantageous prices, was surplus food from the United States Army Quartermaster. Over $135 million was spent on these supplies, which consisted mainly of canned meats, stabilized butter, cheese, sugar, jams, and peanut butter.[113] Certain of the products which formed part of these purchases—for example, ration packs, candy, fruit, and fruit and tomato juices—would not have been bought if offered at market rates. They were, however, included with the other more valuable supplies which were available very much below their cost prices. Most of these supplies were shipped in the spring of 1946 during the most critical period in the Administration's supply program.

Fish, to supplement the animal proteins in short supply, was procured from many sources including South America, Canada, Newfoundland, Iceland, Greenland, Norway, Denmark, and Portugal. Some of it was made available as contributions in kind, but most of it was procured by the Food Division out of food budget funds. A total of nearly 300,000 tons valued at $58 million was acquired.[114]

### 8. *THE EXTENT OF THE ACHIEVEMENT*

At the end of July 1946 the total UNRRA food budget was $1,121 million. At the end of May 1947 it was $1,243 million. Thus there had been an increase of $122 million in the intervening period. Of this

[111] *Ibid.*, p. 9.
[112] *Ibid.*, pp. 12–13.
[113] See Requisition UA-1240, 29 November 1945.
[114] See Appendix Ten, Section III, tables on food for individual countries.

$122 million, $35 million was accounted for by the Emergency Food Fund and the remaining $87 million by transfers from nonfood to food budgets upon the initiative of the various countries concerned.[115]

After the beginning of 1947, all UNRRA receiving countries, with the exception of Austria and Yugoslavia, procured some food with their own funds. Greece and Italy placed $20,150,000 and $12,600,000 respectively at the disposal of UNRRA to continue grain shipments on their behalf. In this way they had the benefit of UNRRA procurement facilities. Other countries made their own procurement and shipping arrangements.[116] UNRRA was able, with the aid of the funds furnished by Greece and Italy, to procure and ship all the bread grains available for them through the first quarter of 1947. The procurement of other foods continued in small volume during the first half of 1947, with emphasis on such relatively economical foods as horsemeat, fish, pulses, and soya flour.

By the time the food programs came to an end, in the last part of 1947, the food position in all the receiving countries, except Yugoslavia, was better than it had been in the previous year.[117] The UNRRA food standard had not, however, in any country, been reached.[118] In Austria and Yugoslavia the food outlook was precarious.

The position might have been different if a conscientious effort had been made by supplying governments to stockpile food for relief in 1943 and 1944; if the first United States appropriation had been made earlier than June 1944; if wheat had remained subject to international allocation; if the United States Office of Price Administration had continued to exist. These things did not happen; in the judgment of the Food Division, the contribution which UNRRA was able to make to the recovery of the liberated countries was diminished because they did not. The fact remains, however, that the movement, in a period of under two years, of over nine million tons of food supplies to Europe and China was a solid achievement. That it was not enough was because the need was too great.

[115] Monograph, Allen, "Failure to Complete the Job," p. 31.
[116] *Ibid.*
[117] *Ibid.*, pp. 32–33.
[118] *Ibid.*

TABLE 13

TOTAL FOOD SHIPMENTS BY MAJOR CATEGORIES

| *Categories* | *U.S. Dollar Equivalents* | *Gross Long Tons* |
|---|---|---|
| Grain and grain products | $468,990,200 | 5,716,295 |
| Soya products | 17,123,800 | 141,063 |
| Animal feeds | 4,839,300 | 97,014 |
| Meat and meat products | 146,629,900 | 352,677 |
| Dairy products | 143,413,800 | 473,763 |
| Soup, dried | 18,427,900 | 68,675 |
| Fish and fish products | 58,377,100 | 285,617 |
| Cod-liver oil | 2,951,400 | 4,020 |
| Fats, oils, and soap | 117,732,300 | 481,153 |
| Sugar | 25,451,000 | 187,404 |
| Pulses | 25,933,000 | 234,757 |
| Vitamins and minerals | 80,300 | 10 |
| Vegetables | 3,527,500 | 70,077 |
| Fruits and fruit products | 2,083,200 | 8,925 |
| Beverages | 14,008,900 | 46,677 |
| Other foods (including condiments) | 7,641,700 | 162,321 |
| Quartermaster Corps foods | 135,255,000 | 663,441 |
| U.S. Department of Agriculture surplus foods | 7,000,000 | 29,379 |
| Overseas surplus | 19,968,400 | 62,139 |
| Miscellaneous foods | 7,630,100 | 34,034 |
| Cigarettes and tobacco | 604,500 | |
| Red Cross parcels | 5,359,100 | 8,687 |
| Lend-Lease food | 1,170,300 | 1,332 |
| U.S. Army PX supplies | 428,600 | 1,570 |
| Miscellaneous accessorial and administrative charges | 1,441,400 | |
| Total | $1,236,018,700 | 9,131,030 |

# V. Medical and Sanitation Supplies

## 1. *NATURE OF PROGRAM*

After World War I more lives were lost by pestilence than had been lost in combat.[1] After World War II this disaster might well have been repeated had it not been for the preventive measures taken by the liberating armies and for the efforts made by UNRRA [2] to give to the liberated countries "aid in the prevention of pestilence and in the recovery of the health of the people." [3]

The medical and sanitation supply program [4] was planned to fulfill four main functions: (1) rehabilitation of hospitals, clinics, and laboratories; (2) prevention of epidemic diseases; (3) restoration of the drug industry; and (4) provision of specialized supplies for war victims.

The total medical and sanitation supplies provided were valued at almost $117,500,000—about 4 per cent of the entire supply program. The largest amounts were sent to China ($32,700,000), Poland ($25 million), and Yugoslavia ($20 million). Included in expendable categories alone were some 20,000 items ranging from narcotics to dental burrs.[5] With this material assistance and the health services rendered, UNRRA was able, in addition to meeting primary relief and rehabilitation needs, to make a definite contribution to medical development in many of the receiving countries.

The United States was responsible for over 80 per cent of the medical and sanitation supplies program, procured largely from domestic production but also from military surpluses at home and overseas.[6]

[1] Committee of the Council for Europe (CCE) (47) 28, "Survey of UNRRA Operations in Europe," June 1947, p. 10.

[2] See Part Four, Chapter II, Section 2. [3] Preamble, UNRRA Agreement.

[4] For sanitation supplies furnished as part of the industrial rehabilitation program, see Part Three, Chapter VII, Section 6.

[5] Monograph, Leslie Atkins, "Summary of Activities of the Medical and Sanitation Supplies Division," p. 4.

[6] Meeting on medical supply program, HQ, 19 March 1947.

Important contributions were also made by the United Kingdom, particularly of complete hospitals and drugs and equipment arranged in functional units; by Canada, notably radium and components of penicillin plants; and by Mexico, especially hospital textiles. Other items were procured in Australia, New Zealand, South Africa, India, and Latin-American countries.[7]

## 2. *EARLY PROCUREMENT POLICIES*

Programs of requirements for medical and sanitation supplies were, in the early days of procurement, drawn up, in accordance with usual military practice, in the form of units, classified either by function or by types of commodities.[8] Each unit was planned to cover, in correct proportion, the basic medical needs of a community. It was hoped, by employing this system, to achieve flexibility in planning both supply and distribution.[9] Principal types were: [10]

(1) Emergency units, containing drugs, dressings, and minor medical and surgical requisites to supply a group of 100,000 persons for one month.

(2) Hospital units, containing enough expendable supplies for the operation, over a considerable period, of 40-bed and 200-bed hospitals. The latter included equipment for a wide range of surgical and medical work.

(3) Dental units, designed on a simple scale for extractive and conservative work.

(4) X-ray units, containing apparatus and accessories for development and examination of films.

(5) Midwives' bags; confinement supplies for emergency needs of expectant mothers; and basic medical and domestic necessities for emergency homes, each accommodating six expectant mothers.

(6) Laboratories of six types (a hospital equipped with all six would be up to the standard of a medical school).

In both the United States (under the aegis of the Office of Foreign

[7] Monograph, J. B. Scott, "Medical and Sanitation Supplies Division: Overall View of Division Operations," p. 5.

[8] *Journal*, Second Council, "Status of Medical and Sanitation Supplies Program," Exhibit 2, p. 145.

[9] Standing Technical Subcommittee on Health for Europe (THE/E)(44)29, ERO Health Division, "Summary Report of Imports Schedule," 2 November 1944.

[10] *Ibid.*

Relief and Rehabilitation Operations [OFRRO]) and the United Kingdom the assembly of these functional units had been started in 1943, to be stockpiled against the future needs of liberated areas.[11] UNRRA continued the policy of stockpiling, and the first allocations proposed by the Combined Production and Resources Board (CPRB) for UNRRA were for such units, to be provided by the United States and the United Kingdom and supplemented from Canada with specific items needed to make up deficiencies in the assembled units.[12] As early as September 1944 advance procurement in the United Kingdom amounted to about $7 million, nearly seven-eighths of the total United Kingdom contribution in medical supplies to UNRRA.[13]

From these assembled units, and similar units prepared by the United States Army and procured by UNRRA from military surpluses, the first objective of the medical supply program—the restocking of hospitals, clinics, and laboratories—was achieved. From the United Kingdom, 503 complete 40-bed hospitals and 132 of 200 beds were provided.[14] Twenty-four 1,000-bed hospitals were procured from United States military surpluses in Europe and Asia and one 1,800-bed Navy-Fleet hospital for Greece, which required a train of 30 freight cars to transport it to shipside.[15] In addition, mobile dental units, mobile X-ray units, confinement supplies, and laboratories were provided under the unit policy.

Although many of the individual supplies assembled in the units were plentiful in the earlier months of UNRRA, a few items were extremely difficult to secure. For example, although responsibility for providing hospital textiles had been placed on the United States and the United Kingdom under a Combined Board allocation, neither country was able to provide them. As late as October 1946, the Administration's inability to procure hospital bed sheets, baby diapers, and other essential medical cottons was causing considerable anxiety.[16]

[11] Monograph, Scott, "Medical and Sanitation Supplies Division: Overall View of Division Operations," pp. 1–4.

[12] *Journal*, Second Council, Exhibit 2, p. 145.

[13] Committee on Supplies (CS)(44)31, "Report of the Bureau of Supply," 7 September 1944.

[14] CCE(47)28, "Survey of UNRRA Operations in Europe," June 1947, p. 11.

[15] Monograph, Scott, "Medical and Sanitation Supplies Division: Overall View of Division Operations," p. 6.

[16] Conference with mission representatives, Program of Operations (PO)/IV, Document 10, Assembly 1, 24 October 1946.

Ultimately, a contribution from Mexico of $1 million of sheetings, Canton flannels, and other hospital textiles went a long way toward meeting the needs.[17]

Though medical supplies in the form of units continued to be delivered until the programs reached completion—indeed, it was not until 1946 that those supplies from military surpluses became available—once the program of operations was drawn up, there was a departure from the functional unit approach. It had, in fact, been the subject of complaints from receiving countries because some of the drugs, surgical instruments, and equipment included were less needed than items from other sources.[18] Most missions consequently preferred to submit requirements in terms of individual items, and procurement was latterly for the most part effected on that basis.[19]

### 3. *EFFORTS TO PREVENT SPREAD OF EPIDEMICS*

The primary purpose of the medical program was to prevent the spread of pestilence. For this purpose, large quantities of drugs, including penicillin, sulfa drugs, aspirin, diptheria toxoid and antitoxin, and insulin were sent to the receiving countries. Some 3 million doses of typhus serum were provided for displaced persons in Germany.[20] Over 2,000 tons of DDT powder (100 per cent and 10 per cent) were provided in addition to over 1,200,000 gallons of DDT solution.[21] Technicians were sent to help in the spraying of malarial swamps, carried out by aircraft when the area was large.[22]

A threatened outbreak of diphtheria in Yugoslavia, in the autumn of 1946, was prevented from spreading by the provision of diphtheria toxoid in sufficient quantities to innoculate 3,500,000 children.[23] About 24,000 vials of the toxoid were sent by air from the United States to

[17] Monograph, Atkins, "Summary of Activities of the Medical and Sanitation Supplies Division," p. 5.

[18] For example, memo, C. M. Drury (Chief, Poland Mission) to Director of Health Division, 26 November 1945; letter, K. V. Olkhovsky (Director, Supply and Transport Department, Austria Mission) to Dr. J. G. Johnstone (Chief, Medical and Sanitation Supplies Section, HQ), 25 June 1946, and attachments.

[19] Minutes, meeting on program of operations, Medical and Sanitation Supplies Division, 7 November 1945.

[20] Cable, Frankfurt to Washington unnumbered, 9 October 1945.

[21] CCE(47)28, "Survey of UNRRA Operations in Europe," June 1947, p. 11.

[22] See Part Five: Chapter II, Section 8; Chapter IV, Section 2; Chapter VIII, Section 9.

[23] Memo, Leslie Atkins (Deputy Director, Medical and Sanitation Supplies Division) to W. G. Dominick (Director, Shipping Division), 29 November 1946.

meet the immediate emergency. These supplies were followed by further shipments by sea from the United States and the United Kingdom.[24]

To the Far East, cholera and plague vaccines were shipped by special aircraft and by sea. These, together with rat poisons and sanitation supplies, helped to keep in check an outbreak of cholera in the summer of 1946. In addition to UNRRA supplies, a contribution of sulfadiazine from the Lederle Laboratories, Inc., played an important part in checking the spread of the disease.[25]

As in all postwar periods, venereal diseases approached epidemic proportions. Large consignments of penicillin, arsenicals, and bismuth preparations were provided, but at the end of the UNRRA operation much yet remained to be done to check these diseases.[26]

An inevitable result of privation and hardship, especially in towns and cities, was the alarming increase in the incidence of tuberculosis. It was only toward the close of the medical supply programs that the antibiotic streptomycin was developed. Although streptomycin had hardly emerged from the category of a research drug, UNRRA succeeded in procuring in the United States—with the agreement of the Office of International Trade—small quantities to send to countries in Europe.[27]

In September 1945 an urgent appeal for iron lungs to help ameliorate the results of infantile paralysis was received in ERO from Czechoslovakia. Only one or two iron lungs could be bought. Arrangements were, therefore, made with the British Broadcasting Corporation for a message to be sent out, asking hospitals to inform ERO of any iron lungs they might be able to loan. Within twenty-four hours more than fifty offers were received. The required number were chosen and immediately dispatched to Prague by air, a doctor from the North West London Fever Hospital traveling with the equipment to ensure that it was properly installed and utilized.[28]

[24] Memo, Johnstone to Dr. J. Vesely (Health Division), 10 December 1946.
[25] Dr. Jerome S. Peterson, "Epidemiological Studies in Cholera," *Chinese Medical Journal*, LXIV, Nos. 9–10, pp. 271–295.
[26] Monograph, Atkins, "Summary of Activities of the Medical and Sanitation Supplies Division," p. 3.
[27] Memo, S. A. Dinaburg (Medical Supplies Division) to Atkins, 3 December 1946.
[28] Department of Supply, ERO, Report for September 1945.

### 4. *RESTORATION OF DRUG INDUSTRY*

By providing the receiving countries with raw materials and up-to-date equipment for manufacturing pharmaceutical supplies, the health program aimed to aid their medical development. X-ray equipment was procured for dental diagnosis, mass chest surveys, and therapeutic uses, together with spare parts and darkrooms. X-ray film was particularly difficult to locate but was finally procured late in 1947 in Belgium and the United Kingdom.[29] A 1–million volt X-ray machine for cancer treatment was included in the Czechoslovak program; [30] Poland received twenty-one X-ray machines of varying types from the United States and the United Kingdom [31] and 17.7 grams of radium. In all, through the generosity of the Canadian Government, the Medical and Sanitation Supplies Division procured 37.5 grams of radium, which, apart from the allocation to Poland, supplied hospitals in China, Czechoslovakia, the Ukraine, and Yugoslavia.[32]

Late in 1945 a plan was proposed for the provision of equipment and supplies for the production of penicillin within countries interested in the scheme.[33] Materials for plants capable of producing 40,000 million units of penicillin per month were to be provided.[34] Six countries—Byelorussia, China, Czechoslovakia, Italy, Poland, and the Ukraine—decided to devote part of their medical budgets to the project.[35] For Yugoslavia a complete plant already assembled was procured.[36]

The bulk of the larger items of equipment—motors, tanks, and compressors—was procured in Canada, but various component parts had to be secured in the United States and the United Kingdom. The projects continued slowly in 1946 and did not gain momentum until 1947. By the time UNRRA shipments came to an end, the full possibilities of the installations could not be known, but UNRRA had

[29] Monograph, Atkins, "Summary of Activities of the Medical and Sanitation Supplies Division," p. 5.

[30] Monograph, Scott, "Medical and Sanitation Supplies Division: Overall View of Division Operations," p. 6.

[31] Monograph, Mildred Frye, "Polish Medical and Sanitation Program History," p. 6.

[32] Monograph, Atkins, "Summary of Activities of the Medical and Sanitation Supplies Division," p. 6.

[33] Conference with mission chiefs on Program of Operations, 13 December 1945.

[34] Monograph, Eris M. Holland, "Penicillin Plant Project," p. 1.

[35] Memo, Atkins to World Health Organization.

[36] Monograph, Holland, "Penicillin Plant Project," p. 1.

left behind a permanent contribution to the medical development of the countries which took part in the scheme.

### 5. *SPECIALIZED EQUIPMENT FOR WAR WOUNDED*

Another type of medical equipment furnished to most of the receiving countries was machinery for the production of artificial limbs, partially completed prosthetic devices, and finished artificial limbs of modern design to rehabilitate the thousands crippled in the war or subsequently by exploding land mines and shells.[37] Complete factories for the manufacture of artificial limbs were supplied to China and Poland from the United States; [38] orthopedic tools for hospital use were furnished to China, Greece, Poland, and Yugoslavia; and materials were supplied for the maxillofacial surgery program sponsored by UNRRA in Yugoslavia.[39]

### 6. *EFFORTS TO COMPLETE MEDICAL PROGRAMS*

By the time the Fourth Supply Conference was held in October 1946, it was evident that a considerable number of items in the medical supplies program could not be obtained. Many countries, faced with the "2 per cent freeze," chose to cut their medical programs.[40] The total medical budget by November had been reduced from $153 million to $125 million [41] and by the end of the operation to $118 million.

Orderly planning and efficient execution were not characteristics of the medical program. The extent of its achievement, particularly in meeting promptly emergency appeals from receiving countries, is the more remarkable in view of the difficulties encountered in carrying out the program. Some of these the Administration could have avoided; others were out of its power to overcome. Some categories of pharmaceutical equipment, drugs, and chemicals were in chronic short supply. Items customarily furnished to the European market before the war from the highly developed German manufactories now had to be se-

[37] Monograph, Scott, "Medical and Sanitation Supplies Division: Overall View of Division Operations," p. 7.

[38] Letter, Atkins to Yugoslav Embassy, 22 January 1948.

[39] See Part Give, Chapter III, Section 4.

[40] For example, China, PO/IV Document 54, 7 November 1946, p. 4; Czechoslovakia, PO/IV Document 21, 22 October 1946.

[41] Program Subcommittee of the Central Committee (CC/P) (46) 105, 29 November 1946.

cured from United States and United Kingdom producers, already burdened by increased domestic demands.[42] UNRRA mission personnel and Government officials sometimes lacked sufficient technical knowledge or familiarity with United States and United Kingdom nomenclature and terminology to prepare usable lists of requirements. In other cases they were extremely slow in submitting their requests.[43] Within Headquarters, the program was to some degree delayed by lack of agreement and coördination between the Medical and Sanitation Supplies Division and the Health Division.[44] The former, moreover, proved inadequate in handling the multitude of medical requisitions, with the result that material was frequently lost to the Administration through being "no longer available." [45] Nor had the Medical Procurement Section of the United States Bureau of Federal Supply a much better record; substantial numbers of requisitions placed with it by the Administration in the autumn of 1946 were found not to have been processed or, in some cases, even opened, by March 1947.[46] Other difficulties arose from increasing prices, delays in shipping, procurement "freezes," and the imposition of a deadline on shipping from the United States.

The effect of this accumulation of misfortunes was that by March 1947 the China Medical Supplies program was only 47 per cent completed, and the European programs, while further advanced, were still far behind in relation to other commodity deliveries.[47] As late as April 1947 representatives on the Committee of the Council for Europe were expressing anxiety about the size of the programs still outstanding.[48]

Under the temporary direction of Dr. J. G. Johnstone and subsequently under Frederick C. McMillen, who remained until the close of the operation, an intense effort was made from the end of 1946

[42] CCE(47)22, minutes 36th meeting, 17 April 1947.

[43] Meeting on medical supplies program, 19 March 1947.

[44] For example, memo, Dr. W. A. Sawyer (Director, Health Division, HQ) to I. V. Sollins (Chief, Medical and Sanitation Supplies Division), 26 January 1946; Health Division staff meeting minutes, 16 April 1946; see monograph, F. C. McMillen, "Organizational History of the Bureau of Supply," pp. 19–22.

[45] Meeting on medical supplies program, 19 March 1947; monograph, Scott, "Medical and Sanitation Supplies Division: Overall View of Division Operations," pp. 6–7.

[46] Letter, Colonel Alfred G. Katzin (Deputy Director General and Chief Executive Officer) to Dallas Dort (United States Department of State), 10 April 1947.

[47] *Ibid.*

[48] CCE(47)22, minutes 36th meeting, 17 April 1947.

to bring the medical programs to fulfillment. In this effort the Director General and the Chief Executive Officer, Frank Weisl, were closely concerned. By the time all procurement had ended, the shortfalls, which had threatened particularly in the cases of China, Italy, and Poland, were almost completely eliminated.

# VI. Clothing, Textiles, and Footwear

## 1. *CHANGES IN EMPHASIS AND AVAILABILITY*

THE DEVELOPMENT of the clothing, textiles, and footwear programs provides striking instances of scarcity and abundance. Throughout the operation there was ample raw cotton and wool; [1] on the other hand, particularly in the early stages of the operation, there was a scarcity of woolen and cotton piece goods.[2] As the programs developed, there was a sufficient supply of footwear, but throughout there was a crucial shortage of leather and hides.[3] The supply of finished clothing, in the early part of the operation, appeared to be seriously deficient; in the later stages this was one of the few commodities of which the Administration had too much.

During the early period of the UNRRA operation a program was designed primarily to build a stockpile of clothing and footwear adequate to furnish a minimum wardrobe to the populations of the liberated countries.[4] The Administration fully recognized that the provision of raw materials to restore local clothing industries was an integral part of its responsibilities, but at this time it was regarded as secondary in importance to the provision of textiles and ready-made clothing.[5]

By the autumn of 1945 there was a radical change in emphasis as between finished goods and raw materials. The amounts of textiles and clothing which had been received through UNRRA shipments and through clothing drives sponsored by the Administration had gone a long way toward fulfilling the most urgent needs. In addition, in many of the liberated areas, it had been possible to put mills and fac-

[1] Memo, David Weintraub (Acting Deputy Director General, Supply) to Lehman, "Procurement Situation in Clothing and Textiles," 25 July 1944, pp. 10–11.

[2] *Ibid.*, pp. 1–4.

[3] *Report of the Director General to the Council* (DGR), 14, p. 184.

[4] Letter, Weintraub to William L. Batt (United States Deputy, Combined Production and Resources Board [CPRB]), 17 July 1944.

[5] *Ibid.*

tories back into operation, with the result that the governments were anxious to import raw materials for local processing rather than to receive the finished products.[6] Thus the Greece Mission asked for a larger quantity of raw wool and cotton and for the deletion of woolen piece goods from its program.[7] The Italy Mission asked for more hides.[8] The Poland Mission wanted raw materials in place of cotton piece goods, and reductions in the finished clothing program.[9]

Another and no less significant change in the clothing programs at this time was a substantial reduction in size. This development was forced upon the receiving governments in order to leave room in their programs for increase in other more urgent programs. The reduced sums available could be realized more economically by substituting raw materials for the more expensive fabricated products.[10]

The change in the nature of requirements was fundamentally a healthy one, representing as it did an emphasis on rehabilitation rather than on relief. It presented the Administration with no problem so far as the supply of raw wool and cotton was concerned. On the other hand, it presented serious problems in meeting the increased needs for hides required by the receiving countries and, conversely, in decreasing the size of the finished clothing program. These two problems characterized the later stages of the operation, just as difficulties in obtaining adequate allocations of finished and semifinished products characterized the early activities of the Clothing and Footwear Division.

## 2. *PROCUREMENT OF COTTON AND WOOLEN TEXTILES*

The Administration's attempts early in 1944 to obtain allocations of textiles did not meet with much success.[11] Textile supplies fell far short of requirements in all the producing countries, even before the needs of the liberated areas were taken into account. In these circum-

[6] DGR 14, p. 184.

[7] Conference with mission chiefs, minutes of meeting on clothing, textiles, and footwear, program for Greece, 20 December 1945.

[8] Conference with mission chiefs, minutes of meeting on clothing, textiles, and footwear, program for Italy, 19 December 1945.

[9] Conference with mission chiefs, minutes of meeting on clothing, textiles, and footwear program for Poland, 18 December 1945.

[10] DGR 14, p. 184.

[11] Letter, Weintraub to Batt, 17 July 1944.

stances, the only allocations made at that time by CPRB for liberated areas were to the Combined Civil Affairs Committee for supplies to be used during the military period of responsibility.[12] The Administration viewed this policy with concern, fearing that, if adequate allocations were not made in good time, UNRRA would find itself, when the period of military responsibility came to an end, without supplies to meet the continuing needs of the liberated countries.[13] Moreover, the military plans did not include Czechoslovakia and Poland; there was, therefore, a risk that no provision would have been made for these countries by the time they were liberated.[14]

CPRB was not itself, however, able to do more than make recommendations as to sources of supply and to issue what came to be known as "hunting licenses." Whether its recommendations were carried out depended on whether the supplying countries decided to do so. UNRRA was informed by the Board that if it wished to receive allocations out of, for example, United States production, it would first have to obtain a statement from the United States textile allocating body, the Textile Requirements Committee, as to the amount which it would make available.[15] Even with the support of the Committee, however, there was no guarantee that procurement would ultimately result.[16]

In these circumstances, efforts were made by the Administration to canvass individual governments which might be able to make textiles available. As a result of conversations initiated in the spring of 1944 with a Brazilian Textile Mission then in Washington,[17] the Administration reached an understanding that some part of the Brazilian contribution would be provided in cotton textiles. At one time it was hoped the amount would be as much as 90 million yards;[18] actually, however, it was considerably less. An agreement was reached with Canadian Government representatives which resulted in an allocation of 2,250,000 yards of woolen cloth from Canada with the provision that it should be fabricated by Canadian manufacturers.[19]

[12] Monograph, A. S. Boykoff, "Allocations of Clothing, Textiles, Blankets and Yarns," p. 4.

[13] Letter, Weintraub to Batt, 17 July 1944.

[14] Monograph, Boykoff, "Allocations of Clothing, Textiles, Blankets and Yarns," p. 5.

[15] *Ibid.*, p. 7.

[16] *Ibid.*

[17] *Journal*, Second Council, Exhibit 3, "Status of Clothing and Textile Program," p. 147.

[18] *Ibid.*

[19] Monograph, Boykoff, "Allocations of Clothing, Textiles, Blankets and Yarns," p. 8.

Discussions with the United States Textile Requirements Committee resulted in a contingent allocation of 300 million yards of cotton textiles, and a recommendation that the Administration should set aside a fund for the purchase of "distress and surplus stocks," provided the War Production Board agreed that they could be made available.[20]

These allocations were, however, entirely inadequate. A letter from Weintraub to Ogden White of CPRB illustrates the dissatisfaction of the Administration with the negative attitude of the Board:

> While the Administration has been charged by its forty-four members with the task of making supplies available to meet urgent relief needs in these areas, the CPRB . . . has assumed the responsibility on behalf of its member governments for so allocating the global supply that the Administration can proceed on its assigned task. . . . If after considering for four and a half months our request for allocations of apparel and household textiles, the CPRB finds itself unable to obtain more adequate allocations, we should appreciate a statement from you to that effect together with any reasons you may be able to advance in the light of the global requirements and supply situations so that we may take appropriate action before the Second Session of the UNRRA Council.[21]

This would appear to have been effective. A series of discussions, subsequently held between representatives of various bodies interested, concluded in firm allocations of textiles being made to UNRRA.[22] By the time the Second Council Session was held two months later, the prospect was considerably more hopeful.[23] Toward the end of 1944 and throughout 1945 sufficient allocations of textiles and yarns were made, principally from United States, Canadian, United Kingdom, and Brazilian contributions, to utilize the funds available for these commodities.

### 3. *PROCUREMENT OF FINISHED CLOTHING*

Most of the finished clothing provided by UNRRA was from what was known as "Plan A" stock, that is, civilian clothing and footwear procured originally for the Combined Civil Affairs Committee for

[20] Letter, Weintraub to Ogden White (CPRB), 17 July 1944.
[21] *Ibid.*
[22] Monograph, Boykoff, "Allocations of Clothing, Textiles, Blankets and Yarns," p. 16.
[23] *Journal*, Second Council, Exhibit 3, pp. 146–147.

distribution in occupied areas as and when they were liberated.[24] Supplies for this purpose had been built up in the United States and the United Kingdom over a considerable period.

In the United Kingdom, stocks included a certain amount of material rejected for service use because of faulty dyeing or for other cause, and of surplus supplies of cheaper qualities of civilian types of clothing.[25] The paradox of a surplus existing on a rigidly rationed and short-supply market is explained by the fact that people tended to spend their coupons on a more lasting quality of clothing than they would normally have bought.[26] These stocks were supplemented by additional supplies from pockets of capacity made available between runs of contracts for other purposes.[27]

By the time UNRRA began to procure, the United Kingdom Ministry of Supply had developed machinery through which it was able to buy clothing for relief requirements for the paying governments as well as UNRRA. These supplies obviously had to be acquired as the opportunity offered, and there was no scope for the adoption of an elaborate bureaucratic procedure. On the basis of somewhat informal arrangements between the Ministry and UNRRA officials, the Administration indicated its broad requirements for relief clothing and undertook to take up supplies in the categories described to certain ceiling figures. Shipments of supplies to UNRRA countries were made during 1945 and early 1946 to a value of some $14 million.[28] In the spring of 1946, however, it was realized that the United Kingdom Government believed a commitment had been made for nearly $8 million of additional clothing which had not been covered in the usual way by Firm Request and for which, therefore, the Administration had made no formal provision. It appears that, since the paying governments had made no definite commitment as to what quantities they would take, the United Kingdom Government regarded UNRRA as committed by unwritten agreement to take up any shortfalls in the requirements of those governments.[29] In this unhappy situa-

[24] Monograph, G. E. H. Marshall, "Procurement Policy and Activities of the Clothing, Textiles and Footwear Division, ERO," p. 1.
[25] *Ibid.*, pp. 1–2. [26] *Ibid.*
[27] *Ibid.*
[28] Supplement to monograph, J. E. Lejeune, "The Use of the United Kingdom Contribution to UNRRA," pp. 5–6.
[29] Letter, Marshall (former Director, Clothing, Textiles, and Footwear Division, HQ) to K. R. Miller, 16 February 1949.

tion, therefore, the United Kingdom Government was under no obligation to release the Administration from its alleged commitment; and, if delivery were insisted upon, the receiving countries would have to accept supplies, which, with the new orientation of the clothing programs, were not wanted.

It was not until May 1947 that the element of uncertainty surrounding the clothing stockpile was finally resolved. It was then agreed that the Administration should take delivery of about $1,600,000 of the supplies and that the United Kingdom Government would dispose of the remainder. The arrangement was more satisfactory than had at one time seemed possible. Ultimately, its most unfortunate aspect was that funds to provide for the stockpile were frozen over a long period, during which they could have been used to good advantage for procurement of other much-needed supplies.[30]

At Headquarters also the procurement of clothing was not without difficulties. Strenuous efforts were made to obtain in 1944 and 1945 a share of "Plan A" clothing (which included footwear) located in the United States. These efforts resulted, in July 1944, in contingent allocations which, as in the case of textiles, were not to be regarded as firm until military requirements were met and the supply position became easier.[31] Toward the end of 1944, however, substantial amounts of these supplies were released, and, by the end of 1945, OFLC, which had assumed responsibility for the "Plan A" clothing and footwear, was prepared to transfer to UNRRA the whole stockpile.[32] By now, however, the Clothing Division was reluctant to continue shipments of this material, since it was somewhat embarrassed by the quantities of clothing it already had.[33] Moreover, the condition of the material had somewhat deteriorated, and the price was regarded as high.[34] At this point, however, Hendrickson negotiated a settlement under which the Administration agreed to pay for "Plan A" clothing and footwear not yet shipped and further supplies in addition, a total of $11,500,000 against a previous valuation of over $26 million.[35] In the result, the

[30] Supplement to monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," pp. 5–6.

[31] *Journal*, Second Council, Exhibit 3, p. 146.

[32] Memo, M. Deane (Chief Supplies Branch, ERO) to Marshall, 6 March 1946.

[33] Letter, Marshall to Miller, 16 February 1949.

[34] Memo, Marshall to R. W. Ludlow (Assistant Controller, HQ), 10 June 1947.

[35] Memo, Hendrickson to Weintraub, "Agreement with OFLC on Clothing," 21 April 1946.

Administration obtained a large amount of clothing and footwear at a low price, and, in the opinion of the Clothing Division, in other circumstances it would have been a profitable bargain.

Six months later, at the Fourth Supply Conference, mission representatives were informed that, in spite of their reluctance to accept finished clothing, they would have to do so; the Administration had done its best to dispose of it, but had had little success.[36]

The most unfortunate aspect of the finished-clothing program was that a large part of the supplies became available too late. Both in the United Kingdom and in the United States the Administration would appear to have made every possible effort to ship them early in the operation, when the need was greatest. In this, however, it was only moderately successful.

A small but not unimportant feature of the clothing program was the provision of substantial quantities of needles, thread, sewing machines, and knitting needles. Most of the needles (amounting to some 115 million) were supplied from the United Kingdom and were procured early in 1945. Attempts to obtain further supplies were comparatively unsuccessful. Following the destruction of nearly a dozen needle factories in the bombing of Nagasaki, needle manufacturers elsewhere bent their efforts to capture the Far Eastern market and could spare little for UNRRA's needs.[37]

### 4. *FOOTWEAR*

In June 1944 UNRRA received an allocation from CPRB for 13 million pairs of shoes of which 12 million were to be produced in the United States and 1 million in the United Kingdom.[38] This allocation was to cover all liberated areas, and a portion of the production arising from it was subsequently transferred to the paying countries.[39]

All materials required for the manufacture of footwear were critically short and facilities for production limited.[40] As a result, there was no alternative, particularly during the early part of the

[36] Fourth Supply Conference with mission representatives, minutes of meeting, 17 October 1946.

[37] Letter, Marshall to Miller, 16 February 1949; monograph, Marshall, "Procurement Policy and Activities of the Clothing, Textiles and Footwear Division, ERO."

[38] *Journal*, Second Council, Exhibit 1, "Status of Footwear, Leather and Hides Program," p. 143.

[39] Monograph, Henrietta Shaw, "Procurement of Footwear," p. 8.

[40] *Journal*, Second Council, Exhibit 1, p. 143.

operation, but to accept large quantities of substitute footwear, including reconditioned military footwear, wooden-soled sandals, clogs, and canvas shoes. Some of the types provided, as, for example, footwear with canvas uppers and composition soles, although cheap were not entirely satisfactory, but, in the conditions prevailing at the time, the needs could not otherwise be met.[41]

In the United States much detailed work on footwear specifications for relief purposes had been done in OFRRO by staff members who were transferred to UNRRA on its formation. An arrangement had been made under which the United States Army was to allow OFRRO the use of a factory at Buford, Georgia, for the rebuilding of discarded Army shoes. This offer was transferred to UNRRA, and in the summer of 1944 production was started on the rebuilding of some 684,000 pairs of shoes from about 850,000 worn pairs. Unfortunately, the Buford plant was taken back by the Army just over a year later, but by this time over two million pairs of shoes had been produced.[42]

A further source of supply in the United States was from "distress and surplus stocks." As in the United Kingdom, where the rationing of clothing had had the effect of creating surpluses of certain types and qualities of clothing, so in the United States, where clothes rationing was confined to footwear, there was a surplus of shoes which, though acceptable in normal times, were of a type for which customers were unwilling to spend their stamps.[43] The Office of Price Administration refused to allow these shoes to be sold off the ration and they became available to UNRRA.[44]

The Army-rebuilt shoes were outstandingly succeessful, and the receiving countries were eager to obtain more of them. There was, however, little chance of another opportunity for their manufacture in the United States once the Buford plant was no longer available. Shortly thereafter, an opportunity arose to buy about 1,500,000 pairs of Army shoes at two and one-half cents a pound—about seven and one-half cents a pair.[45] It was considered too good an offer to miss, and a plan was evolved to set up, in the liberated countries, factories for the local production of built-up shoes. Four countries—Greece, Italy, Poland, and Yugoslavia—were immediately interested in the scheme.[46]

[41] Monograph, Marshall, "Procurement Policy and Activities of the Clothing, Textiles and Footwear Division, ERO," p. 5.
[42] Monograph, Shaw, "Procurement of Footwear," p. 11.
[43] *Ibid.*, p. 6. [44] *Ibid.* [45] *Ibid.*
[46] See, for example, cable, Rome to Washington 3097, 25 September 1946.

Arrangements were made with the United States Army Quartermaster Corps for a technician on the processing of Army footwear to be lent to UNRRA.[47] Specifications were drawn up and estimates made of the quantities of repair material—leather, eyelets, composition soling, nails, linen thread, shoelaces, cobblers' kits, and other items—which would be needed.

There were many problems. The shoes available as raw material were a miscellaneous collection, mostly unmated. In the factories that were set up in Greece, Italy, Poland, and Yugoslavia early in 1946 the shoes had to be mated and segregated into types, assembly lines for repair work had to be arranged, and the workers trained.[48] Out of the mixed assortment of footwear shipped, there was a return of 95 per cent of usable rebuilds expected to stand an average of fifteen months' hard wear; the remainder was cannibalized for repair material. The rate of production averaged 2,200–2,500 pairs daily in all four countries.[49]

The Footwear Section continued to procure all available supplies of discarded Army shoes. Unfortunately, however, shoe dealers in the United States had awakened to their possibilities, and the price went up. The Footwear Section bought them at the increased prices until WAA took over the sale of all used shoes surplus to the Army's needs. After this happened, UNRRA, owing to its low-priority rating, received very few.[50]

When country programs were developed and dollar ceilings established, the receiving countries were anxious to receive hides and leather rather than finished footwear. This new orientation of requirements was somewhat embarrassing to the Footwear Section, just as it was to the Clothing Division. Throughout most of 1945 the Section had made every effort to obtain large quantities of footwear from the "Plan A" stockpile in the United States, but the amounts released fell far short of the amounts requested. By the winter of 1945 the need for additional quantities had largely disappeared; moreover, reports received on the condition of footwear already delivered were not encouraging: "It was old stock which had deteriorated and in some cases rotted with age . . . it was cheaply manufactured according to styles now obsolete, with poor wearing qualities . . . and the greater part of it was too

[47] Memo, J. E. Lynch (Shoe Consultant and Reclamation Technician, Army Quartermaster Corps) to Director General, 19 January 1946.

[48] Monograph, Shaw, "Procurement of Footwear," p. 12.

[49] *Ibid.*

[50] *Ibid.*, p. 13.

narrow for European feet." [51] The amounts delivered had been invoiced to UNRRA at the price paid for them, plus accumulated charges. Discussions were in progress with OFLC at the divisional level on a reduction of the price of the footwear delivered, when Hendrickson, as part of the "Plan A" stockpile deal, agreed to accept the entire stockpile of footwear on condition that "the shoes covered by requisitions approved by the Clothing Division, totalling $6,500,000 will be reduced $1,700,000 through a revaluation of the shoes covered." [52] This settlement covered a total of some 3,500,000 pairs of footwear, including those already delivered.

With the fulfillment of this agreement, the work of the Footwear Section at Headquarters was virtually completed. With the exception of discarded Army shoes, no further supplies of footwear were required by the receiving countries.

### 5. *PROCUREMENT OF HIDES*

Hides were in short supply throughout the UNRRA operation, and the Administration had trouble almost to the end in securing adequate allocations.[53] To this difficulty was added the inconvenience of handling, storing, and shipping. Hides available in the United States were all the green-salted type and were highly undesirable cargo.[54]

By the end of 1945 the hides which had been allocated to UNRRA numbered some 500,000. Of these only about 280,000 had actually been procured. The remainder had been lost for various reasons: some because of cancellations of allocations; [55] some because the ponderous procedures which had been developed both within the Administration and FEA made it impossible to process requisitions within the thirty days allowed for taking up allocations; some because of budgeting difficulties within the Administration. Of the hides which had been successfully bought, a considerable number had been tanned into leather in the United States and the United Kingdom; the rest had been shipped. The position was, however, very unsatisfactory. Hides were now, more-

[51] *Ibid.*, pp. 17–18; see letter, Edward E. Kunze (Chief, Division of Procurement Control, State Department) to Marshall, 3 June 1947.

[52] Memo, Hendrickson to Weintraub, "Agreement with OFLC on Clothing," 4 April 1946.

[53] DGR 14, p. 186.

[54] Monograph, Henrietta Shaw, "Hides and Leather," p. 8.

[55] Memo, Marshall to Louis N. Swenson (Bureau of Supply, HQ), 7 January 1946.

over, the most urgently needed material in the clothing program.[56]

About this time George E. H. Marshall became Director of the Clothing Division at Headquarters. Realizing that the procurement of hides was one of his most urgent tasks, he concentrated his energies on trying to get adequate allocations of hides from the Hides, Skins, and Leather Committee, and to arrange that allocations should be taken up within the time limit of thirty days.[57]

A program was worked out with the Committee for UNRRA's hide requirements to be met at the rate of 30,000 per month from the United States and 30,000 from other sources during the succeeding seven months.[58] This plan worked successfully for a few months, though at one stage there was a threat to reduce UNRRA's allocation when it came to the attention of the Committee that, unknown to UNRRA, several of the UNRRA receiving countries were buying independently in South America.[59] The supply position became progressively worse, however, and in June 1946 the Hides, Skins, and Leather Committee was dissolved. This threw the market into chaos, and an embargo was placed on the export of all United States domestic hides.

The Clothing Division concentrated its efforts on buying, by direct procurement, hides in the South American market, and, in spite of many difficulties, succeeded in July 1946 in securing over 100,000—the largest single month's procurement since the operation started.

At the October 1946 meetings in Washington, the mission supply representatives urged the Clothing Division to exert every effort to get more hides.[60] Apart from the supply difficulties, there were budget difficulties, since most of the country budgets were fully committed. By the transfer of funds from other programs, and by utilizing all funds not yet spent in the Clothing Division, a further $4 million was made available for hides procurement.[61] These hides were bought in South America.[62] Thus, belatedly, the failure of the Administration's efforts

[56] See Conferences with mission supply representatives, minutes of meetings, November–December 1945, *passim.*

[57] Monograph, Shaw, "Hides and Leather," p. 17.

[58] *Ibid.*, p. 19.

[59] *Ibid.*, p. 20.

[60] See Conferences with mission supply representatives, minutes of meetings, October 1946, *passim.*

[61] DGR 14, pp. 186–187.

[62] Monograph, Shaw, "Hides and Leather," p. 24.

to obtain hides was remedied, and by the end of the operation all funds available for this commodity had been fully utilized.[63]

### 6. *RAW COTTON*

The first appropriation of funds made by the United States Congress stipulated that $43,200,000 was to be spent on raw cotton taken from stocks held by the Commodity Credit Corporation.[64] Subsequent appropriations did not carry any such stipulation but, in the event, cotton to the value of nearly $140 million, out of UNRRA's total cotton purchases of $150 million, was bought in the United States.[65] Cotton procurement presented little difficulty. The bulk of that bought in the United States was from the Commodity Credit Corporation stocks. Toward the end of the operation these stocks, owing partly to abnormal world demands and partly to a small 1946 crop, were exhausted, and the balance of UNRRA's purchases in the United States, amounting to some $24 million, was obtained through direct procurement on the cotton market. The Commodity Credit Corporation was employed by the Administration to handle these purchases at a rate of one per cent of the value of the cotton handled. This charge was, in the opinion of the Clothing Division, "very high—not to say unreasonable," but as it did not have staff experienced in the technicalities of cotton buying, there was no alternative but to agree.[66] Cotton bought in the United States was of lower and medium grades and staples, suitable for the manufacture of utility rather than luxury goods.

The remainder of UNRRA's cotton purchases was made in Brazil where $5 million of cotton was secured of a quality at least equal to that bought in the United States and at a slightly lower price. Long-staple cotton valued at $1,211,000, suitable for the manufacture of sewing thread, was obtained from Egypt; and short-staple types customarily used in China were bought in India at a cost of $3,500,000.[67]

Of the total of over 289,000 tons of raw cotton bought by the Administration, over half (79,607 tons) was for China. Most of this was

[63] DGR 14, p. 186.

[64] Public Law 382, 78th Congress; memo, Oscar Schachter (General Counsel's Office) to Hendrickson, 26 June 1944.

[65] Monograph, William B. Matthews, "Procurement of Raw Cotton and Raw Wool," Table IV.

[66] *Ibid.*, pp. 3–5.

[67] *Ibid.*, p. 6.

used, not directly for relief and rehabilitation purposes, but as security for financing internal distribution costs of UNRRA supplies in China.[68]

### 7. *RAW WOOL*

The receiving countries' raw wool requirements were met largely from supplies which had been accumulated during the war under an arrangement whereby the United Kingdom Government bought the Australian, New Zealand, and South African wool clips. The wool had been stockpiled in the United Kingdom and the United States and was subject to allocation by the United Kingdom Government through the Wool Control in the Ministry of Supply.[69] At the beginning of the UNRRA operation there was some doubt whether it would be possible to utilize in full the United Kingdom contribution, and the inclusion of raw wool among the supplies to be provided by the United Kingdom was regarded as a useful way of helping the Government to meet its dues to UNRRA.[70] Subsequently, however, under a fiscal arrangement, most of the obligation for raw wool was transferred from the United Kingdom contribution to those of the British Dominions.[71]

About 85,000 tons of wool from these stockpiles were shipped to receiving countries in Europe.[72] It was a good average selection of types suitable for use on the European Continent.[73] A large proportion of it was greasy; and where it was provided in this form the Administration supplied also the necessary chemicals for scouring. Italy, Poland, and Czechoslovakia were the largest recipients, about $2 million being spent on wool for Italy, about $1,600,000 for Poland, and $1,200,000 for Czechoslovakia.

In addition to purchases from British-owned stocks, the Administration obtained wool from Iceland, which made available 350 tons (valued at $617,000) as its second contribution to UNRRA,[74] and from the United States. About 10,500 tons of wool were bought in the United States, in accordance with a provision in the first appropriation

[68] See Part Six, Chapter III, Section 5.

[69] Monograph, Marshall, "Procurement Policy and Activities of the Clothing, Textiles and Footwear Division, ERO."

[70] Monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 10.

[71] See Part Three, Chapter III, Section 3.

[72] Monograph, Matthews, "Procurement of Raw Cotton and Raw Wool," Table I.

[73] Letter, C. M. Jones (Ministry of Supply) to Marshall, 29 May 1945.

[74] See Part One, Chapter V, Section 2.

of funds by the United States Congress that, in addition to a specified amount of cotton, $21,700,000 in raw wool should be taken from stocks held by the Government.[75] This consisted mainly of scoured or semi-scoured wool. It was highly priced in relation to world prices for comparable types, but the Administration had no alternative but to buy it. Under the policy of averaging prices to receiving governments, however, the effect of the high price for this wool was spread evenly over all countries, whether they received United States wool or not.[76]

### 8. *EVOLUTION FROM RELIEF TO REHABILITATION*

The clothing, textiles, and footwear program was probably one of the most satisfactory of the commodity programs in that it graduated from a relief to a rehabilitation operation. The transition would not have been possible to accomplish during the UNRRA period, however, if the Administration had not succeeded in meeting the receiving countries' requirements for clothing and footwear. Nevertheless, it was, to the Clothing Division, one of the ironies of the operation that clothing, which they wanted so much in 1945 and of which they could get so little, should have been available in such large quantities in 1946 when the need for it no longer existed. In spite of overcommitments for readymade clothing, over half of the total in value of the clothing program was spent on raw materials—raw cotton, raw wool, and hides —to be used for the production in the receiving countries of clothing and household supplies, thus promoting local industry, creating employment, and "helping people to help themselves." [77] Italy was perhaps the outstanding example of a European country whose indigenous production benefited from UNRRA raw wool and cotton imports, practically three-fourths of its clothing program consisting of these materials; [78] Czechoslovakia was able to spend nearly two-thirds of its budget for this program on raw materials; Yugoslavia and Poland, in spite of heavy wartime destruction to industrial plants, nearly one half.

[75] Public Law 382, 78th Congress.

[76] Monograph, Matthews, "Procurement of Raw Cotton and Raw Wool," p. 3; see *supra*, Part Three, Chapter II, Section 13.

[77] See memo, Weintraub to Lehman, "Procurement Situation in Clothing and Textiles," 25 July 1945.

[78] See Part Five, Chapter VIII, Section 11.

# VII. Industrial Rehabilitation

## 1. *GENERAL CHARACTERISTICS*

THE SUPPLIES provided by UNRRA in the industrial rehabilitation program can be divided into four broad categories: (1) highway, railway, and water transport equipment; (2) coal and other fuel, and lubricants; (3) materials for the restoration of public utilities, for the provision of shelter, and for the repair of highways; and (4) materials and equipment necessary for the restoration of essential industries.[1]

In carrying out this program there were few aspects of industrial economy which UNRRA did not touch. The principal transport supplies provided were trucks and spare parts, locomotives and wagons for railways, railway maintenance equipment and bridging materials, gasoline, oil, and lubricants. To restore public utilities, UNRRA supplied power stations; equipment for waterworks, gasworks, and sewerage; telephone and radio connections, cable insulators, and switchboards. For the building industry and for the repair of roads, thousands of hand tools were procured and, in addition, construction equipment including concrete mixers, welders, and bulldozers. The restoration of other essential industries necessitated foundry items such as lathes, milling machines, pneumatic tools, air compressors, and power hammers; mining machinery and equipment; and a wide range of raw materials including pig iron, steel, copper, nickel, magnesium, zinc, cobalt, and lumber.[2] Responsibility for the provision of this multifarious range of equipment and supplies rested primarily on Norman Leon Gold, Director of the Industrial Rehabilitation Division at Headquarters during the whole of the operating period. Many of the problems which he had to face—shortages of supplies, shortages of funds, and rising prices—were common features of most of the commodity programs, but the industrial rehabilitation program differed somewhat from the other commodity programs in that it included many types of

[1] *Report of the Director General to the Council* (DGR) 14, pp. 198–199.

[2] Committee of the Council for Europe (CCE) (47)28, "Survey of UNRRA Operations in Europe," June 1947, pp. 13–14.

equipment which had to be procured specifically for individual countries. "Common denominator" items were fewer in this program than in any of the others, with the result that procurement was complicated and switches from one country program to another not easy to arrange.

A large part of the industrial rehabilitation program was fulfilled from Allied military surpluses, located variously in North America, Europe, and Asia. There were many practical advantages in this, particularly when it was almost impossible to meet demands from new production, but administratively there were inevitably difficulties and complications involved in taking over supplies on the "as is, where is" basis which frequently applied to military surpluses.

### 2. *TRANSPORT SUPPLIES*

The essential element for the success of UNRRA's programs was adequate inland transport, particularly trucks. Without trucks, not only would UNRRA's food supplies have remained undelivered—especially to the remote areas which were often in the greatest need—but it would have been impossible to make effective use of indigenous resources which in every receiving country far exceeded those which UNRRA was able, or indeed was intended, to import. During the war, trucks were a primary weapon. As a consequence, the number that could be secured by UNRRA was very limited. It was not until after V-J Day, when large quantities began to be released by the Allied military authorities as surplus, that it became possible to meet the most pressing needs of the liberated areas.[3]

The imperative need for trucks was one of the main themes of the Third Council Session in August 1945. Lehman drew the attention of the Council to the "most urgent of all programs . . . yet the most difficult to fulfil—the provision of inland transport." He continued:

> Trucks and other motor vehicles have been our most constant anxiety, and for them we have made our most vigorous efforts. . . . Our efforts to date have yielded us about 20,000 lorries in procurement or in process of shipment. These are not enough, and not soon enough! Every day we shall continue to press for more and more, and we must get them much faster.[4]

[3] *Ibid.*, p. 13.
[4] *Journal*, Third Council, address by Lehman, 3d plenary meeting, p. 22.

The Director General's plea was taken up by Philip Noel-Baker, United Kingdom delegate:

A lorry is a lorry, but it is more than that: it is the life blood of organized society; it is, to the peoples of Europe, government stability, the maintenance by adequate policing of law and order, the hope of a return to democratic institutions. Transport for the peoples of Europe is food, clothing, coal, raw materials, work for people who have been hungry, ragged and unemployed.[5]

An analysis of truck requirements submitted by the various receiving countries resulted in the following tentative goals for total deliveries in 1945:

TABLE 14

TENTATIVE PROGRAM OF TRUCK DELIVERIES IN 1945 [a]

| *Country* | *Target Expressed in Terms of Ton-Load Lift* [b] |
|---|---|
| Albania | 750 |
| Czechoslovakia | 23,500 |
| Greece | 10,625 |
| Italy | 4,000 |
| Poland | 33,500 |
| Yugoslavia | 25,000 |
| Displaced persons operations | 3,000 |

[a] CCE(45)107, "Report on Operations of Administration to 15 September in Connection with Truck Transport," September 1945.
[b] *Ibid.;* a five-ton truck represents a three-ton load lift.

In the autumn of 1945 began what might be described as the "Battle for Trucks" [6]—a campaign to deliver as many as possible to the liberated countries before the winter set in.[7] A giant movement began: from the United States and Canada across the North Atlantic; from England a dual operation, across the Channel to Le Havre and thence overland to Czechoslovakia,[8] and across the North Sea to the Baltic ports of Gdynia and Danzig; [9] from Arnhem, in the Netherlands, over-

[5] *Ibid.*, statement by United Kingdom Delegate, p. 41.
[6] Monograph, Norman Leon Gold, "Surplus Procurement for Industrial Rehabilitation," p. 14.
[7] CCE(45)107, September 1945.
[8] For example, cable, London to Prague 290, 6 October 1945.
[9] Cable, Warsaw to London 276, 14 October 1945.

land to Czechoslovakia and Poland; [10] from Marseilles northeast to Czechoslovakia; from Italy by sea and overland to Greece and Yugoslavia; [11] from Iran, westward to Southeast Europe.[12]

As the convoys rolled on, messages from the missions emphasized the urgency of the need. From Yugoslavia it was reported that a supreme attempt must be made to provide enough road transport to enable reserves of food to be built up in the Sarajevo region against the needs of areas cut off by snow during the winter.[13] The target was 6,000 trucks to be delivered to Yugoslavia by the end of September,[14] so that "thousands of Jugoslavs would not starve." To approach this total the Administration shipped about 1,500 trucks from the United States to Trieste, some 150 trucks and jeeps from the United Kingdom, almost 4,000 trucks and gasoline tankers from Italy and Trieste, and about 430 trucks from Iran.[15] The exchanges of cables between Headquarters, ERO, and the Yugoslavia Mission show the intense effort made to integrate the various operations so that drivers should be provided, when necessary, from Yugoslavia to collect the vehicles, that adequate spare parts should be supplied, and that nothing should be allowed to interrupt the flow.[16]

Early in October, Gold was able to report to Michail A. Sergeichic, Chief of the Yugoslavia Mission, that the vehicles loaded on ships or traveling overland to Yugoslavia amounted to 5,743 trucks and trailers and, in addition, tankers, and automobiles and jeeps for staff use.[17] To the perfunctory listing of vehicles showing the extent of the achievement he added: "Believe all parts of organization deserve special praise and good friend Sergeichic should say O.K." [18] But Sergeichic was not to be satisfied till the last truck had been delivered. Even

[10] Memo, Elgin E. Wasson (Supply Department, ERO) to Hendrickson, 8 October 1945.

[11] Cable, Caserta to London 657, 3 October 1945.

[12] Cable, London to Athens 846, 20 September 1945.

[13] CCE(45)106, "UNRRA Operations in European Region—August 1945," September 1945; see map, *infra*, Part Five, Chapter III, Section 1.

[14] Cables: London to Washington 3476, 5 September 1945; Belgrade to Washington 599, 18 September 1945.

[15] Cable, Washington to Belgrade 695 (repeated Caserta 731, London 5378), 6 October 1945.

[16] For example, cable, Belgrade to Caserta 437 (repeated London 737, Washington 578), 15 September 1945.

[17] Cable, Washington to Belgrade 695 (repeated Caserta 731, London 5378), 6 October 1945.

[18] *Ibid.*

the news that 700 further trucks had been shipped in the first week of October [19] failed to bring any appreciative response until, on 26 October, he cabled that "the 6,000th truck crossed the Morgan Line on 19th October." He conceded, however, that trucks were then arriving at the rate of 100 per day.[20] The threat that lack of transport would nullify the work of UNRRA in Yugoslavia had been averted.

Meanwhile, the movement of trucks toward other receiving countries continued intensively. One of the smoothest operations was the procurement from Canadian surpluses in the Netherlands of 3,638 three-ton military trucks and trailers for Czechoslovakia and Poland.[21] This movement was planned at a conference in the Netherlands attended by Gold, Elgin E. Wasson (Chief, Industrial Rehabilitation Division, ERO), and Canadian Army officials.[22] It was arranged that the trucks and trailers would be driven from Arnhem to Pilsen, Czechoslovakia, under military convoy by the Ninth Canadian Armored Regiment (British Columbia Dragoons).[23] Within three days of the meeting the trucks began to move in convoys of fifty toward the Czechoslovak border.[24] Each truck contained sufficient gasoline for the journey and, in view of the scarcity in Czechoslovakia, 100 gallons in addition so that on arrival it could be put to immediate use.[25] In Czechoslovakia a reception depot was established at Stary Pizenec, Pilsen.[26] Here the vehicles were checked, and those destined for use in Czechoslovakia were turned over to the Government. Military drivers took the trucks to a transport center on an island in the Moldau River at Prague, from whence they were dispatched to wherever they were most needed for carrying relief and rehabilitation supplies throughout the country. At the transport center on the Moldau River a ceremony, attended by President Benes, was arranged by the Czechoslovak Government to mark its appreciation of UNRRA's help and of the Canadian Army's part in the movement.[27]

[19] Cable, Caserta to London 675, 11 October 1945.
[20] Cable, Belgrade to Washington 911, 26 October 1945.
[21] Monograph, Lieutenant Colonel F. J. Easterbrook, M.C., "European Regional Office Procurement of Transportation and Telecommunication Equipment," p. 15.
[22] Memo, Wasson to Gold, "Report on Movement of Czech Trucks," 8 October 1945.
[23] *Ibid.*
[24] *Ibid.*
[25] Monograph, Gold, "Surplus Procurement for Industrial Rehabilitation," p. 5.
[26] Memo, Wasson to Gold, "Report on Movement of Czech Trucks," 8 October 1945.
[27] *Ibid.*

Some 842 of these trucks were allocated to Poland.[28] They were collected at Pilsen by contingents of Polish drivers who came to get them. It was somewhat awkward that the first contingent arrived without food or ration cards,[29] but such difficulties were overcome; the vehicles were gradually driven away, and the whole operation, within six weeks of its planning, was completed.[30]

Another movement instituted at this time was of some 10,000 British, 3,000 Canadian, and 10,000 United States military surplus vehicles, located in England,[31] to Poland and Czechoslovakia. Trucks destined for Poland were shipped to Danzig in special military transport ships, eight of which had been allocated to the Administration by the Ministry of War Transport.[32] By October, vehicles were being delivered at the rate of about 1,000 per week; later, when berths at Gdynia became available, this number was increased to 1,500 a week. A shuttle service was instituted between Southampton and Le Havre for the shipment of the vehicles allocated for Czechoslovakia.[33] From Le Havre they were driven by Czechoslovak drivers to their destination.[34]

In the Mediterranean Theater, the United States and British Armies coöperated with UNRRA in the movement of thousands of trucks to Italy and the Balkan countries.

Through these multiple operations, the major objective was achieved. By the end of September the complete collapse of transport in the receiving countries had been arrested. By the end of the year a substantial truck transport system had been established and more than 40,000 trucks had been delivered. The "Battle for Trucks" was won.[35]

There were casualties, however. Complaints were received on the poor condition of 155 trucks and trailers delivered from Iran.[36] A convoy of nearly 1,000 trucks and trailers located in Marseilles, purchase of which had been arranged as part of the United States European disposals program, started out for Pilsen in December 1945. Though undertaken by the United States Army, the operation was not handled with usual Army care. A substantial number of trucks was lost, and the

[28] Monograph, Easterbrook, "European Regional Office Procurement of Transportation and Telecommunication Equipment."
[29] Cable, Prague to London 210, 14 September 1945.
[30] Monograph, Gold, "Surplus Procurement for Industrial Rehabilitation," p. 5.
[31] *Ibid.*, p. 10.
[32] Cable, London to Washington 5300, 23 October 1945.
[33] For example, cable, London to Prague 4624, 6 October 1945.
[34] Monograph, Gold, "Surplus Procurement for Industrial Rehabilitation," p. 14.
[35] *Ibid.*
[36] Cable, Belgrade to Washington 912 (repeated London 1166), 26 October 1945.

quality of nearly all of those which arrived was unsatisfactory.[37] UNRRA had not had the staff necessary to select them, and much of the grading had been done by unskilled people and by prisoners of war. Fortunately, with the coöperation of the United States Army, arrangements were made for many of the vehicles delivered to be reclassified, for shortages to be taken into account, and the cost to UNRRA renegotiated.

By the end of the first quarter of 1946 the great majority of the 80,000 trucks, valued at some $88,000,000, which UNRRA supplied to the receiving countries, had been delivered.[38]

### 3. *FUEL AND LUBRICANTS*

No program illustrates more clearly than that for the provision of coal the abnormal conditions of the times in which UNRRA operated. Although UNRRA was short of funds, and the Administration and the receiving countries alike were anxious that the available resources should be utilized as economically as possible, this consideration had to give way to the paramount necessity of getting essential supplies from whatever sources could be found. Out of the 7 million tons of solid fuel provided through UNRRA for receiving countries in Europe, only about 1,500,000 tons were from European sources, yet this area includes two of the countries which are normally the world's largest exporters of coal. A little over 500,000 tons were provided from French North Africa, South Africa, and Turkey. The remainder—some 4 million tons—was shipped to Europe from the United States, involving uneconomic use of shipping and dissipation of funds on freight charges amounting to almost twice the value of the product shipped.[39]

During the UNRRA planning period it was thought that existing mines in receiving countries would probably be able to produce coal up to about 40 per cent of their prewar capacity. This production rate was considered sufficient to meet the needs not only of the countries in which it was produced—Czechoslovakia, Poland, and Yugoslavia—but also those of Albania and Greece where indigenous coal production was negligible.[40]

[37] Monograph, Gold, "Surplus Procurement for Industrial Rehabilitation," pp. 12–13.
[38] *Ibid.*, p. 14.
[39] DGR 14, p. 200.
[40] Monograph, J. R. Keany and J. C. Mitchell, "History of the Fuel Branch," HQ.

By the end of 1945 this estimate of the coal position had changed radically. At the time Greece was liberated, European coal-producing countries were still occupied, and provision for that country's needs had to be made from overseas. When Austria was added to UNRRA's responsibilities, it was found that lignite production plus the coal which was being provided by the Allied Control Commission was insufficient.[41] Yugoslavia had export potentialities but had import needs for coking coal. All these claimants on coal to be provided through UNRRA were, however, entirely overshadowed by Italy, whose coal requirements were estimated at about 600,000 tons a month.[42]

Allocations of coal to European countries, during the UNRRA period, were made by the European Coal Organization (ECO), the membership of which included some eleven European coal-consuming and producing countries and also the United States. Italy, since it was not a member of the United Nations, was not qualified for full membership but was permitted "associate membership" which conferred the right to send a Government representative to any ECO meeting concerned with recommendations on supplies. This appointment was held by Dr. G. Mastrocinque throughout UNRRA's participation in ECO activities.[43]

When UNRRA assumed responsibility for coal supplies to Italy, in February 1946, it took over a charge which had been borne latterly by the United States Government. The flow of coal from this source, averaging some 300,000 tons a month—about a quarter of Italy's prewar imports—on grounds both of quality and location was far from ideal, and the Administration was anxious that Italy's coal needs should be met from nearer sources, especially in view of threats of coal strikes developing in the United States at that time.[44]

Coal under the jurisdiction of ECO was allocated according to a formula which, expressed oversimply, was based on a percentage of prewar consumption. No provision was made, however, to allocate the sources from which the coal was to be drawn.[45] Stimulated by the risk of an imminent stoppage of Italy's coal supplies, the Administration, working in conjunction with the Italian Government, prepared a case for the allocation of coal to Italy from German sources, on the

[41] Monograph, P. Boulasse, "The History of Solid Fuel," ERO, p. 37.
[42] Monograph, Keany and Mitchell, "History of the Fuel Branch," HQ, p. 3.
[43] Monograph, Boulasse, "The History of Solid Fuel," p. 7.
[44] *Ibid.*
[45] *Ibid.*, p. 5.

grounds that: (1) United States coal was of poor grade compared with German coal; (2) German coal would mean a considerable saving in freight; (3) if the United States continued to be the sole source of supply, Italy would remain in a peculiarly vulnerable position.[46] The result of these representations was that the allocation for the second quarter of 1946 included 39,000 tons to be provided from the Ruhr. The inclusion of even a small tonnage of Ruhr coal was encouraging in that it meant that the pipe line between Germany and Italy was now opened.[47] The threatened United States coal strike became a fact on 1 April 1946.[48] This made imperative substantial allocations from Europe.[49]

Over succeeding months, however, the allocations of Saar and Ruhr coal for Italy continued to be disappointingly low in relation to those made to other European claimants. By the autumn of 1946 ECO admitted that Allied governments were given "a certain measure of priority" in regard to German coal. Faced with this admission, the Administration asked that representatives of member governments of ECO ascertain and report the views of their respective governments on the continuance of this principle.

The matter was brought to a head when the United States United Mine Workers went on strike on 21 November 1946. The Administration pressed ECO to allocate coal for January 1947 on the basis of there being no imports from the United States. This proposal was opposed by some of the European members who received substantial quantities of German coal. In reply to their objections, however, the United States representative on ECO stated that his Government took the gravest view of inequitable allocations of European coal and that, if unfair allocations were accepted by ECO, the United States Government would be forced, once it could resume shipments, to disregard ECO recommendations and to allocate its coal exports according to its own discretion.[50]

This statement had a salutary effect, and subsequent allocations of coal from the Ruhr and the Saar were more in accordance with equity. It had, however, taken the Administration ten months of effort to bring

[46] *Ibid.*, p. 8.
[47] *Ibid.*
[48] For details on effect in Italy, see Part Five, Chapter VIII, Section 10.
[49] Monograph, Boulasse, "The History of Solid Fuel," p. 13.
[50] *Ibid.*, pp. 14–15.

about arrangements which it considered should have been made at the start.[51]

The immediate fruits of victory were bitter: the Rhine froze, and only half the January coal allocation for Italy from Germany could be lifted, and in February only 5 per cent. This low level of deliveries resulted in the extension of UNRRA's responsibility for Italian coal deliveries until June 1947.[52]

The struggle for a fair allocation of German coal for Italy was only one feature, though a dominant one, in the Administration's coal procurement activities. In April 1946, when Italy's coal program was in jeopardy through the United States coal strike, inquiries were made into the possibility of meeting some of its needs from the Istrian mines (taken over from Italy by Yugoslavia). At one time it was hoped that as much as 50,000 tons might be obtained from this source. Such a tonnage did not materialize. After more than six months of negotiation over the use of Yugoslav ships and currency, 15,000 tons of coal were lifted in Italian vessels. The coal was urgently needed, and it was unfortunate that its procurement was not only a very slow business, but was also clouded by ill feeling which the Administration would gladly have avoided.[53]

Getting coal for Yugoslavia was likewise not simple. Procurement against needs submitted in the summer of 1945 was complicated by the fact that none of the necessary information required by ECO regarding home production, consumption, stocks, and end uses was forthcoming from Yugoslavia. To make matters worse, the Yugoslav Government had omitted to become a member of ECO. The Administration did its utmost to obtain information on which to justify an allocation of coal to Yugoslavia and was successful in obtaining a small tonnage at the end of 1945. The position deteriorated, however, when early in 1946 ECO announced that no further allocations could be considered unless Yugoslavia, by 25 January, indicated its intention of becoming a member.[54] The Yugoslav Government decided not to join. It became necessary, therefore, to find a means whereby supplies could be obtained for Yugoslavia within the framework of ECO. As a result of appeals made by the Administration to the United Kingdom and United States Govern-

[51] *Ibid.*
[52] *Ibid.*
[53] *Ibid.*, pp. 16–19.
[54] *Ibid.*, pp. 27–30.

ments, and also to ECO, the General Purposes Committee of that body recommended that, while it could have no further dealings with Yugoslavia, it was nevertheless prepared to make small global allocations to UNRRA to use for receiving countries which were not members or associate members of ECO. It was, however, stated that all coal available had already been allocated up to the end of March.[55]

In view of this decision, it was fortunate indeed that UNRRA was able to make arrangements for the dispatch to Yugoslavia of 75,000 tons of the 100,000 tons of Silesian coal which had recently been contributed by the Polish Government toward UNRRA relief operations.[56] This gift coal, together with the few cargoes from the United States allocated by ECO in the second quarter of 1946 and small amounts imported into Yugoslavia under trade agreements, was sufficient to tide over the first difficult months of 1946. In May it was learned that Poland would be able to meet in full the Yugoslav requirements of hard coal by extension of the existing trade agreements, and consequently UNRRA's responsibility for the supply of this type of coal ceased with the completion of the gift fuel deliveries. Remaining Yugoslav coal requirements for coke and anthracite were partially met by deliveries from French North Africa, from Poland, and from Czechoslovakia.[57]

The import of coal into Greece was under the control of the Allied military authorities until July 1945, when UNRRA assumed loading responsibility. From January 1946, Greece became financially liable for coal imported, and from April of that year also undertook procurement. Thus UNRRA's period of responsibility covered only nine months. During this period the needs of Greece were met very largely from the South African contribution of coal (240,000 tons in all). Monthly shipments of about 8,000 tons were made from the United Kingdom.[58]

### 4. *LOCOMOTIVES AND RAILWAY EQUIPMENT*

The Administration was reluctant to include in its program the provision of railway equipment. Although it was obvious that the success of a relief program hinged largely on adequate rail transport,

[55] *Ibid.*
[56] *Ibid.*, pp. 30–31.
[57] *Ibid.*, pp. 31–34.
[58] *Ibid.*, pp. 35–36.

the Administration considered that locomotives and rolling stock, with a useful life of some thirty or forty years, went far beyond the scope of a short-term relief and rehabilitation program.[59] Since no other plans had been made to meet these needs, however, a compromise plan was adopted [60] under which the Administration retained title to railroad equipment, while making its use available to the receiving countries free of charge.[61] It was considered that in this way flexibility of action would be achieved regarding its ultimate disposal. In fact, this decision had little practical effect: the budgets of the countries concerned were charged with the cost of the locomotives delivered to them, and there was never any doubt that the equipment would ultimately be transferred. This was formally effected early in 1947.[62]

UNRRA supplied locomotives and railway cars to a total value of some $62,800,000. Distribution was as follows:

TABLE 15

DISTRIBUTION OF UNRRA LOCOMOTIVES AND RAILWAY CARS [a]

| *Categories* | *China* | *Czechoslovakia* | *Greece* | *Poland* | *Yugoslavia* |
|---|---|---|---|---|---|
| Locomotives | 242 | 75 | 16 | 105 | 211 |
| Railway cars | 3,448 | 2,333 | 668 | 3,512 | 855 |

[a] Monograph, Lynn A. Scipio, "UNRRA's Program for Railway Transportation Equipment," p. 42.

This equipment was obtained from production in the United Kingdom, the United States, and Canada, and from military surpluses in Europe and the Middle East. Contracts were placed late in 1944 for the construction of 180 locomotives in the United States and 100 in the United Kingdom. The rate of production was slow, and it was not until February 1946 that delivery of those ordered in the United Kingdom began. It was decided to ship the locomotives fully assembled in order to avoid technical difficulties when they reached their desti-

[59] Letters: Lehman to Dean Acheson (United States Assistant Secretary of State), 3 July 1944; Charles P. Taft (United States Department of State) to Lehman, 14 July 1944.

[60] See, for example, UNRRA-Greece Agreement, 1 March 1945, Article 1, Section A; *infra*, Appendix Seven, Document 8.

[61] Standing Technical Committee on Industrial Rehabilitation (TIR) (45)9, minutes 5th meeting, 31 May 1945.

[62] European Region Order 75, "Disposal of Surplus Property in Missions and Field Units," 11 November 1946.

nations. This involved moving them by road from the works to the Liverpool docks—a distance of some fourteen miles—since, though the track gauge of the locomotives was the same as that of British railways, the over-all size and width of the engines were too big for the railway stations and overhead bridges. A suitable low-loader road vehicle had to be provided and also a special lifting beam to hoist the engines aboard ship.[63]

Meanwhile, partly because of late delivery dates, and partly because a considerable amount of railway material had become available from military surpluses, the contract for locomotives placed in the United States had been canceled.[64] Later, to help meet the China railway equipment program, a fresh contract was made for 160 locomotives, but apart from 50 contributed by Australia [65]—also for China—the remainder of the locomotive program was met from military surpluses. Similarly, apart from 1,800 new freight cars from the United States and 1,900 from new production in the United Kingdom, freight cars were provided from surpluses. Buying from this source had the advantage that prices were lower, but, even more important, the equipment was already located in Europe or in Asia—an inestimable advantage when prompt delivery was the first consideration.

A total of 4,200 freight cars and 200 new locomotives was bought from United States surpluses in Western Europe.[66] The receiving countries—Czechoslovakia, Poland, and Yugoslavia—provided technical staffs and crews to assemble and test the locomotives and to run them back to their own countries. When the United States Persian Command was withdrawn, UNRRA secured locomotives and over 3,000 freight cars in Abadan on the Persian Gulf, which were moved to China.[67] From surpluses in the Middle East, 16 locomotives were procured for Greece; and 12 from the United States for China.

Accessories constitute an important item in the operation and maintenance of locomotives and rolling stock—for example, spare parts for the new locomotives bought in the United Kingdom amounted to 4 per cent of the total cost; and UNRRA supplied appropriate amounts for all major equipment provided.

[63] Monograph, Easterbrook, "European Regional Office Procurement of Transportation and Telecommunication Equipment," p. 20.

[64] Monograph, Scipio, "UNRRA's Program for Railway Transportation Equipment," pp. 13, 26.

[65] *Ibid.*, pp. 30–34. [66] *Ibid.*, p. 21. [67] *Ibid.*, p. 25.

In addition to rolling stock, the railway equipment program included some 1,100,000 railway ties for about 400 miles of track, the bulk of which was procured in Canada; 86,000 tons of rails and accessories, equivalent to about 600 miles of track from various sources; and substantial amounts of railway bridging material from the United Kingdom.[68]

### 5. *LIQUID FUEL*

Before the war the European countries for which UNRRA became responsible had met their requirements for liquid fuels variously: Poland had its own oil fields which supplied its total requirements except for small quantities of special lubricants. Czechoslovakia had a small indigenous production from Slovakian fields, but the bulk of its petroleum was imported from Rumania as crude oil and refined in the country. Albania had substantial production of crude oil, but no refineries. The crude oil was, therefore, exported to Italy, and refined in the Italian Government refinery at Bari. Greece, Italy, and Yugoslavia had no domestic production and relied for their requirements on imports from foreign sources. After the war and the realignment of Poland's eastern border, Poland lost its most productive oil fields. It was hoped that the USSR would provide Poland and Czechoslovakia with essential petroleum requirements from Rumanian and ex-Polish resources. This did not happen, however, and it became necessary in the autumn of 1945 for UNRRA to set up an emergency program to cover their needs.

UNRRA supplied gasoline, oil, and lubricants to all the receiving countries except the two Soviet Republics. The program for Italy was by far the most important, constituting about 65 per cent of the total amount of petroleum products procured and over 50 per cent in dollar value. Petroleum requirements for Italy were established by the Italian Government and screened by the United States and United Kingdom military authorities and embassies before transmittal to Washington Headquarters. UNRRA was responsible for all civil requirements and the Italian Government for military, Government, and Vatican needs.[69]

Before the war, Italy imported most of its petroleum in the form

[68] *Ibid.*, p. 23.
[69] Monograph, Keany and Mitchell, "History of the Fuel Branch," p. 14.

of crude oil which was refined at Bari, Naples, La Spetzia, and Venice. These refineries had been damaged during the war, but toward the end of 1946 the plants were able to start operating again. This was a considerable saving, as the Administration subsequently supplied crude oil instead of the more expensive finished product.

Liquid fuel allocations for Italy, in contrast with those for coal, were adequate; from March 1946 to March 1947, for instance, fuel oil was distributed in northern Italy at a level of 115 per cent of pre-war consumption.

About 110,000 tons of petroleum were procured in ERO from sterling sources in the Persian Gulf area; [70] for all the rest, amounting to a total of some 2,800,000 tons, United States funds were used. Procurement was handled through the United States Army Navy Petroleum Board, under the supervision of Colonel G. H. Vogel, and, owing largely to his helpful coöperation, it presented few difficulties. The supply position was relatively easy and adequate to meet demands; the main difficulties were over containers for packed products.

### 6. *PUBLIC UTILITIES*

The restoration of public utilities in cities damaged by war was an essential part of UNRRA's industrial rehabilitation operation. Its actual value to those countries which included public utility supplies in their programs is probably inadequately shown by the dollar value, which was only 8 per cent of the total UNRRA industrial rehabilitation program.

The most important programs, in terms of expenditure, were concerned with the procurement of electric power stations for the Ukraine and Byelorussia. Under an agreement known as the Third War Protocol, made in 1942 between the United Kingdom and the USSR, considerable quantities of electrical and mechanical equipment were to be delivered to the USSR.[71] When UNRRA assumed responsibility for programs to the Ukrainian and Byelorussian Republics, the Soviet Trade Delegation in London, acting on their behalf, was anxious that as much as possible of the equipment which was to have been delivered under the Protocol should be transferred to the UNRRA programs. Both Republics were, indeed, prepared to forego other supplies in

[70] *Ibid.*, p. 5.
[71] Monograph, W. Kulka, "Branch A, Industrial Rehabilitation Division," pp. 14–16.

order to get electrical equipment. As a result, arrangements were made for over $16 million to be spent on steam turbine power stations, generator sets, and boilers for the Ukraine and over $4 million for Byelorussia. At the time UNRRA assumed responsibility for the procurement and shipment of this material some was already in warehouses, but a considerable portion was in process of manufacture. Unfortunately, owing to the strained production conditions in the United Kingdom at the time, the manufacturers fell behind in completing the orders. The Administration, supported by the United Kingdom Ministry of Supply, did its utmost to expedite delivery, but delivery dates were continually postponed, and the material was not delivered until many months later than had been planned.

The only other program which compared in size with those of the two Soviet Republics was that for China; this was composed mainly of some 500 small generating plants, some of which were procured in the United States and some from military surpluses in the Pacific area.[72]

A small but comprehensive public utility project was undertaken for the improvement of the Athens water supply. This was a legacy from the military authorities. When the Allied forces landed in Greece it was found that the Marathon reservoir which supplies Athens with water was, owing to five years of exceptionally dry weather, at a dangerously low level; water storage in the reservoir had been reduced from 41 million cubic meters in 1940 to 6,300,000 cubic meters in February 1945. In order to preserve this small storage, water consumption had been limited to about 5.3 gallons per head per day and was available only three hours a day for three days a week. This situation constituted a serious public health and fire hazard; it was estimated, moreover, that, if drought conditions continued, the available supply would be exhausted by the end of the year. The Army engineers of the Allied forces recommended the building of a pumping station at the Souli Springs and a pipe line to the Marathon reservoir (a distance of about seven miles), a power transmission line from Athens, and a transformer station for operating the pump. This project had not been started when UNRRA took over, and it became the responsibility of the Administration to provide the materials to carry it through.

[72] Operational Analysis Papers (OAP) 53, *UNRRA in China, 1945–1947* (Washington, D.C., 1948), p. 294; see monograph, E. C. Wells and G. K. Arnold, "UNRRA's Program of Public Utilities," p. 13.

The Administration submitted schedules of requirements to CPRB. It was agreed that the necessary piping, valves, pumps, motors, and accessories should be produced in the United States and electrical equipment in the United Kingdom. The project was given first priority, and 1 November 1945 was the target date for its completion. It ran into various difficulties—strikes in the United States, shortages of supplies, and delays in shipment—and was not completed until the summer of 1946.[73] The long period of drought was by then broken. There was no shortage of water in Athens, and there were rumors that the Greek Government wondered if, perhaps, the money could have been better used for some other purpose. The project was not an elaborate one; it involved only some $270,000 (about 5 per cent of the total Greek industrial rehabilitation program), and the dam remains as a permanent protection against future droughts.

A more costly but less complete project was undertaken in Yugoslavia to restore the water supply and distribution system in Belgrade. As for the Athens scheme, the equipment provided included cast-iron pipes, valves, and pumping equipment, but the Yugoslav project was more difficult to carry out since, as the installation had been only partially destroyed, it involved fitting new equipment to old. Most of the materials were procured in the United States, the remainder in the United Kingdom.[74]

There was a limited program for the restoration of gasworks in Greece, Poland, and Czechoslovakia. At Brünn, Czechoslovakia, bombs had destroyed both the gasworks and the largest gasholder, and the gas supply was completely interrupted. The Czechoslovak authorities did their utmost to repair the damage without outside help, but certain of the equipment which was needed was of foreign origin and they could get it only through UNRRA. One of the most important items was a Connersville gas meter, without which the gas supply could not be controlled. The amount involved was not large—$3,000—but the benefit to the town of this particular piece of equipment was far greater than the small cost involved.[75]

[73] Industrial Rehabilitation Division, ERO, Director's file on Souli-Marathon project, Greece; see monograph, Kulka, "Branch A, Industrial Rehabilitation Division," ERO, p. 24.

[74] Monograph, Wells and Arnold, "UNRRA's Program of Public Utilities," p. 10.

[75] Monograph, Kulka, "Branch A, Industrial Rehabilitation Division," pp. 28–29.

### 7. *MINING EQUIPMENT*

Some $27 million was spent by the Administration on the procurement of mining machinery. The bulk of this procurement was on behalf of Czechoslovakia, Poland, and Yugoslavia—the three main coal-producing countries in Europe—but smaller programs were carried out for Albania, Austria, China, and Greece. During the war the Germans had installed a large number of belt conveyors in the Polish and Czechoslovak mines in place of shaker conveyors, probably because natural and synthetic rubber was more readily available than steel. Owing to lack of replacements the rubber belting was in an extremely bad condition by the end of the war and was one of the main items requested by the Polish and Czechoslovak Governments for the restoration of their mines. In addition, Poland asked for substantial quantities of crushing, screening, and excavating equipment, representing in value 20 per cent of its total mining budget. Czechoslovak mining installations suffered no damage, but were urgently in need of new equipment. Most of this was purchased in the United Kingdom.[76]

In Yugoslavia there had been extensive damage to coal mines. Nearly all the Serbian bituminous coal mines were destroyed—outside installations blown up, pumps destroyed or demolished, and the mines flooded. The most important basin in northern Yugoslavia (Trbovlje) had suffered particularly heavy damage, and nearly 70 per cent of the installations were inoperative. During the war, the Germans had developed a lignite mine in the immediate vicinity of Belgrade (Kostolac) which was mined by stripping and therefore could not suffer heavy damage.[77] The Yugoslav Government concentrated its requests for mining equipment on the needs of mines which could be easily restored. The total mining equipment program amounting to about $7 million was comparatively small, considering the importance of coal in Yugoslavia's economy. The supplies provided included electric locomotives, coal-drilling sets, pneumatic coal picks, and explosives, procured partly in the United States and partly in the United Kingdom.[78]

[76] Monograph, Emanuel Herzog, "UNRRA's Program of Relief and Rehabilitation, Mining Section," *passim.*

[77] *Ibid.*, p. 17.

[78] Monograph, J. E. Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 10.

### 8. *BUILDING CONSTRUCTION EQUIPMENT*

For the restoration of houses and the repair of bridges, roads, railways, and ports, the Administration provided supplies which fell roughly into four categories: hand tools, lumbering and woodwork equipment, and general construction equipment. Procurement of these supplies was mainly through the acquisition of surplus military supplies of United States and United Kingdom origin and of new equipment in those countries.

In the United States most of the standard items of construction equipment had been manufactured steadily throughout the war for military use. At the end of the war the production of road-building equipment increased in anticipation of large highway repair and construction programs. These programs failed to materialize, and, as a result, much of the equipment on order was released to other purchasers, including UNRRA. The uncertainties of the immediate postwar period produced a very unstable market; in December 1945 new road rollers could not be purchased for delivery under fifteen months. About a month later, companies which had been quoting fifteen months' delivery were offering it at sixty to ninety days. By April, deliveries were being quoted at eighteen months.[79]

In these circumstances the Industrial Rehabilitation Division found it necessary to supplement purchases of new equipment by secondhand materials. This type of transaction was not, however, readily adaptable to United States Treasury procurement procedures: orders could not be placed outright for pieces of equipment which had been located, inspected, and found suitable; they had to be processed through the various channels of the Treasury with the result that, by the time they had been approved, the equipment had often been sold elsewhere. It was estimated that two or three times as much was located as the Administration finally succeeded in buying.[80]

At one stage there was a risk that procurement of building industry equipment in the United States would be brought to a halt, owing to an apparent conflict between UNRRA needs and those of the Veterans' Housing Program. This conflict was actually more apparent

[79] Monograph, A. J. Kelsey, "UNRRA's Program for Building Construction Equipment," Part VII, p. 6.

[80] *Ibid.*

than real, since most of the equipment UNRRA was buying was either of a special export type, or of a kind for which there was no particular demand in the United States. This did not, however, appear to be the case in the eyes of the National Housing Agency and the Civilian Production Administration, which in August 1946 contemplated the cancellation of $12–15 million of building industry equipment for which UNRRA had contracted.[81] A special Task Committee, set up to consider the various orders, found that the great majority of them did not conflict with the veterans' program. This fact was proved by the failure of the National Housing Agency and the Civilian Production Administration to find alternative buyers for items of equipment which they had contended were in critically short supply; a fortnight's effort to find buyers for equipment contained in a contract for $1,060,000 resulted in an offer for one piece costing about $2,000.[82]

A similar danger faced the Administration's brickmaking equipment program. In spite of the testimony of manufacturers that the brick shortage in the United States was caused by lack of burning facilities rather than by lack of equipment, the National Housing Agency insisted that UNRRA's contracts be held up. The result was that material was stored in manufacturers' warehouses until the controlling agencies could be induced to reverse their previous ruling.[83]

An important contribution toward meeting the receiving countries' needs for machine tools, bulldozers, cranes, and heavy engineering equipment was made through the purchase of six depots of United States surplus Army supplies.[84] Three of these depots were located in the United Kingdom, the others were at Le Bourget, Marseilles, and Liége. The purchase of these depots meant not only that supplies were bought more cheaply than at market prices but that equipment was secured which was virtually impossible to buy elsewhere.

## 9. *EVALUATION*

The industrial rehabilitation program was, after that for food, the largest in tonnage and value of the commodity programs. In the space of about three years, over eleven million tons of supplies were moved,

[81] *Ibid.*, Part VI, p. 5. [82] *Ibid.* [83] *Ibid.*
[84] OAP 12, *UNRRA Procurement of U.S. Military Surpluses in Europe* (London, 1946), p. 20.

having a value of about $681 million. Perhaps on balance UNRRA's industrial rehabilitation program could almost as appropriately be described as a relief program: the provision of trucks was as surely relief as the provision of food. Food and the trucks by means of which it could be distributed were together the primary relief needs of the receiving countries; fuel was as necessary for the physical needs of everyday life as it was for the rehabilitation of industry. Transport supplies and fuel together absorbed more than one-third of the industrial rehabilitation budget. But the contribution which this program made to the rehabilitation of industry was an important one. Through the provision of mining and quarrying equipment, of industrial raw materials, of building materials and construction equipment, the wheels of industry were put into motion, normal economic life resumed, and the peoples of the UNRRA countries given useful employment.

One of the most challenging tasks in the carrying out of this program—as indeed in many of the others—was to make the most effective use of the resources provided by member governments. The United States, the United Kingdom, and Canada were naturally the largest sources of supply; funds available for this program from the United States could most effectively be used for the procurement of surplus military supplies, much of which were already located in Europe and Asia, and for hard and liquid fuel; Canada's share in the program could be best used in helping to satisfy the almost insatiable demand for trucks; that of the United Kingdom went a long way toward meeting the Administration's needs for a wide range of nonferrous metals and other industrial supplies—indeed, 43 per cent of the whole United Kingdom contribution was devoted to this program. Supplies to meet the needs of the industrial rehabilitation program moved to the UNRRA countries from many other sources: lumber from Brazil; coal, zinc, and chemicals from South Africa; coal from Turkey; locomotives from Australia; belting from Mexico.[85] The supplies which UNRRA was thus able to provide went a long way toward "helping people to help themselves," though it was evident, when the program drew to a close, that substantial additional assistance would be needed before normal productivity and financial stability could be achieved.[86]

[85] CCE(47)28, "Survey of UNRRA Operations in Europe," June 1947.
[86] DGR 14, p. 201.

# VIII. Agricultural Rehabilitation

## 1. *OBJECTIVES*

THE FIRST positive step toward the fulfillment of a program of agricultural rehabilitation was a request, submitted by the Administration to CFB on 9 February 1944, for an allocation of rock phosphate for use in liberated areas.[1] This was followed by requests for seeds, pesticides, and farm machinery. Through these preliminary ventures, members of the Agricultural Rehabilitation Division at Headquarters were initiated into Combined Boards procedures. Most of the agricultural supplies with which the Administration was concerned were, in fact, subject to allocation by one or another of the Combined Boards—fertilizers and seed grain by CFB; farm tools and machinery by CPRB; and pesticides by the Combined Raw Materials Board (CRMB).

One aspect of the agricultural rehabilitation program which distinguished it from the other UNRRA supply programs was the importance of timing deliveries. Seeds, fertilizers, harrows, plows, pesticides, harvesting equipment—indeed, practically the whole range of supplies—had to reach their destinations in due season if they were to be of maximum use. These seasons varied as between one receiving country and another; the arrival in Poland of a consignment of harvesting equipment would be exceedingly valuable at a time when the arrival in Italy of a similar consignment would have resulted only in an immediate storage problem. The proper integration of shipping with the seasonal delivery of agricultural rehabilitation supplies was a continual cause of friction, particularly in the Supply Department in ERO, between the Shipping Division and the Agricultural Rehabilitation Division. In fairness to the Shipping Division it should perhaps be noted that the Agricultural Rehabilitation Division, fervently anxious for its programs to be fulfilled on time, sometimes failed to realize, for instance, that agricultural machinery presented a dif-

[1] Committee on Supplies (CS) (44) 17, "Progress Report of UNRRA Bureau of Supply, Seventh Meeting of the Committee on Supplies, 9 March 1944."

ficult stowage factor, that carbon bisulphide—included in the pesticides program—was a noxious cargo which many shipmasters refused to accept, or that animal carriers were insufficient in numbers throughout the operation. It was not, however, part of the Agricultural Rehabilitation Division's job to be patient in these circumstances, and it was not.[2]

The supplies and services which the Agricultural Rehabilitation Divisions sought to provide for the liberated countries in accordance with the Council resolutions can be divided into six main groups: (1) tractors and draft animals for plowing, planting, and harvesting; dairy animals and breeding stock for increasing and improving the herds remaining in the liberated areas; (2) miscellaneous farm machinery for tillage, seed planting, cultivating, and harvesting, and such farm equipment as milk cans, sacks, feed grinders, and seed cleaners; (3) agricultural seeds together with suitable fertilizers and pesticides; (4) materials for the prevention of livestock diseases; (5) fishing boats and fishing gear; (6) the development of a technical services program in order to ensure that the supplies furnished to the liberated areas should be used with the maximum efficiency.[3]

In carrying out this program, the work of the Agricultural Divisions at Headquarters and in ERO had to be closely integrated. Agriculture cannot be approached as a sectional problem. It is impossible to consider the growing of crops independently of the provision of tillage power, fertilizers, and pesticides. A large grain crop would be useless without adequate harvesting facilities. The usefulness of reapers would be largely nullified if sufficient sacks and containers were not available also. It was essential, therefore, for the agricultural rehabilitation staffs, no matter with which particular commodities they were concerned, to think in terms of maximum food production and to work as a team rather than as individual specialists dealing with deliveries of individual products.[4] That they succeeded in this was due largely to the personality of E. R. Henson, Director of the Agricultural Rehabilitation Division at Headquarters. This big, friendly man, with a lifetime of agricultural experience behind him, saw to it, in the words of one of the members of his staff, that "whatever happened was everyone's

[2] See, for example, monograph, W. J. Darke, "A Brief Administrative History of the Agricultural Supplies Branch, ERO," pp. 57–59.

[3] For discussion, see Part Four, Chapter II, Section 4.

[4] Monograph, Darke, "A Brief Administrative History of the Agricultural Supplies Branch, ERO," p. 12.

business." [5] The records of the activities of the Agricultural Rehabilitation Divisions at Headquarters and in ERO, and of the various branches within these Divisions, testify to the truth of this statement.

### 2. *FARM MACHINERY AND EQUIPMENT*

Farm machinery and equipment included in the agricultural rehabilitation program consisted almost entirely of implements most commonly used in carrying out ordinary farming operations, although, had funds been available, many additional types of equipment could have been employed to advantage.[6]

The most crippling loss to agricultural economy in both Europe and Asia was of draft power. Work animals and tractors had been destroyed or removed by the enemy. Such draft power as was left consisted largely of obsolete and worn-out tractors and lame and overage animals. The provision of tractors to substitute for and to supplement work-stock was essential if the land was to be put into cultivation quickly. The Administration lost to other claimants its struggle to get the numbers of tractors needed for the UNRRA countries, but it succeeded in providing some 21,300 all-purpose tractors (equivalent to about 250,000–300,000 work animals) and about 3,000 garden tractors.

In February 1944 CPRB approved a request submitted by the Administration for an allocation of 186,000 tons of material for the production of farm machinery and equipment for use in liberated areas.[7] The Board recommended the United Kingdom and Canada as sources of supply for 30 per cent of the equipment and the United States for the remaining 70 per cent.[8] By October 1944 production against the allocation amounted to about 76 per cent in Canada, 63 per cent in the United Kingdom, but only about 31 per cent in the United

[5] Monograph, Gerard A. Mahler, "UNRRA's Agricultural Rehabilitation Activities," p. 72.

[6] Monograph, Millard Peck, "Farm Machinery Procurement and Distribution," p. 1.

[7] Memo, Millard Peck and James C. Foster (both in Agricultural Rehabilitation Division, HQ) to George M. Reynolds (Foreign Economic Administration [FEA], Relief and Rehabilitation Division), "Review of the Farm Machinery Program," 4 April 1944.

[8] Memo, J. T. Sanders (Agricultural Rehabilitation Division, HQ) to C. H. Willson and E. R. Henson (both in Agricultural Rehabilitation Division, HQ), 7 October 1944.

States.[9] The meagerness of United States production for liberated areas was already apparent—nearly 1,800,000 tons of machinery were in production in the United States for American farmers, or about 43 times the amount provided for Europe.[10]

Early in 1945 UNRRA presented a request for a further allocation of materials, amounting to 29,490 tons, for farm machinery for use in the nonpaying countries only.[11] After three months of discussion and negotiation, in the course of which the Administration stressed that it was not its intention to change the agricultural economy of any area by mechanization, but only to increase food production by promoting efficiency on the farms, CPRB agreed to make the allocation. It was granted, however, on the understanding that authority for any machinery not already in production under the previous allocation must be regarded as having lapsed.[12]

Throughout 1945 negotiations continued regarding the transfer of equipment by UNRRA to the paying countries, on a repayment basis, from that produced for all liberated areas out of the original allocation of materials. The releases made by UNRRA to Belgium, Denmark, France, the Netherlands, and Norway, as a result of these negotiations, included over 5,000 tractors (of which over 3,000 were for France) and substantial numbers of tractor plows, mowers, grain binders, and tedders, amounting in all to about half the total equipment arising from the allocation.[13]

On 1 July 1945 agricultural machinery was removed from Combined Board allocation.[14] Domestic demands in the United States were such that it was impossible for the Agricultural Rehabilitation Division to buy any farm tractors from United States production, nor did much better success attend its efforts to obtain complementary machinery. The position did not improve. On 3 April 1946—at the height of the food crisis—LaGuardia appealed to J. D. Small, Administrator

[9] *Ibid.* [10] *Ibid.*

[11] Letter, Director General to Combined Production and Resources Board (CPRB), 1 February 1945.

[12] CPRB Decision LA/9/PR-F, "Request of UNRRA for Farm Machinery and Implements," 12 May 1945.

[13] Monograph, Peck, "Farm Machinery Procurement and Distribution," reference 31.

[14] Letter, Stanley L. Phraner (CPRB) to R. T. Edge (Food and Farm Machinery Committee, United Kingdom Ministry of Production), 21 June 1945.

of the Civilian Production Administration (CPA) "for action to assure that the tractors and other tools essential for rehabilitating agriculture in the famine stricken countries will arrive in time to arm the people for their battle against starvation this year." [15] This appeal gave rise to a series of meetings between CPA and the Agricultural Rehabilitation Division of UNRRA, as a result of which CPA agreed to issue directives to agricultural machinery manufacturers in the United States to "set aside" for UNRRA a total of 13,500 wheel tractors and 1,000 crawler tractors, in addition to other kinds of farm machinery.[16]

These directives had scarcely become effective, however, when Small informed UNRRA, through the State Department, that a report had been received to the effect that the USSR was offering large quantities of tractors to Argentina and that, unless UNRRA was able to secure evidence that the report was untrue, CPA could not continue its priority assistance for any UNRRA agricultural equipment which might go to the USSR.[17] David Weintraub, Deputy Director General and Chief of the Bureau of Supply, immediately asked the UNRRA Missions at Kiev and Minsk whether either the Ukraine or Byelorussia was exporting tractors.[18] The Missions' answers confirmed that no tractors had been exported and that the needs were so great that any such export would be quite impossible.[19] The Administration was then in a position to give CPA the assurance required. There the incident could have ended. Instead, however, LaGuardia informed the Missions at Kiev and Minsk that the earlier cables were "unauthorized," that the rumor should never have been taken seriously, and that he had "no report before him of tractors exported from the USSR." [20] The episode was itself insignificant; more important was the fact that it was one of the causes which led to the rupture of Weintraub's association with UNRRA, and thereby to the premature loss

[15] Letter, LaGuardia to Henry A. Wallace (Secretary of Commerce), 3 April 1946.
[16] Civilian Production Administration (CPA), Priorities Decision 79, "UNRRA Agricultural Equipment Program," 31 May 1946; Priorities Decision 79 (Supplement 1), "UNRRA Agricultural Equipment Program and Export Ceiling for Track Laying Tractors," 12 June 1946.
[17] Letter, J. D. Small (CPA Administrator) to William J. Clayton (Assistant Secretary of State), 17 June 1946.
[18] Cables: Washington to Kiev 230, Washington to Minsk 159, 25 June 1946.
[19] Cable, Kiev to Washington 162, 29 June 1946.
[20] Cables: Washington to Minsk 191, Washington to Kiev 258, 3 July 1946.

to the Administration of the man who, probably more than any other single person, was responsible for the success of the UNRRA supply operation.

The manufacturers affected by the CPA directives keenly resented them. The International Harvester Company (which was to supply by far the greatest amount of equipment) was quoted in the press as having urged a downward revision of its quota on the grounds that tractors shipped in the UNRRA program would not be properly used and, moreover, that these shipments would reduce radically the quantity of tractors which could be sent to other countries—France, South Africa, and South America—where the farmers were familiar with their use.[21]

These protests had no immediate effect, and the "set aside" order was maintained uneasily for the next few months. Headquarters was in constant touch with the missions to verify the extent to which UNRRA tractors were being employed, in order to be ready to defend its allocation as occasion demanded.[22] It was no use, however. Although a careful reappraisal of tractor requirements seemed entirely to justify the program, nevertheless, the tide of opinion in the press and among the manufacturers and in the Federal agencies concerned was turned against the UNRRA "set aside." [23] The Director General was informed that the total number of tractors for which priority support would be given, including those already delivered, would be reduced from 13,500 to 7,635 in the case of wheel tractors and from 1,000 to 300 in the case of crawler tractors.[24] LaGuardia accepted the position without protest; his reply contained the statement that he "would make further representations . . . shortly." [25] No further representations were made, however, and the "set aside" quota for the UNRRA countries remained at the figures then established.

[21] New York *Times*, "Government Insists Tractors Be Exported, Largely to Red Zone, Denies Harvester Plea," 25 July 1946; letter, A. U. Sufrin (Chief, CPA Farm Machinery and Equipment Branch) to G. C. Hoyt (Vice-President, International Harvester Company), 24 July 1946.

[22] Letter, C. H. Willson (Agricultural Rehabilitation Division, HQ) to M. L. Harvey (Bureau of International Supply, CPA), 9 September 1946.

[23] Monograph, Peck, "Farm Machinery Procurement and Distribution," p. 83; cable to all missions, 21 September 1946.

[24] Letters: John R. Steelman (Director, Office of War Mobilization and Reconversion) to LaGuardia, 3 October 1946; Steelman to Small, 3 October 1946.

[25] Letter, LaGuardia to Steelman, 4 October 1946.

Apart from the 7,635 wheel tractors and 300 crawler tractors delivered under the reduced 1946 "set aside" programs, the Administration obtained from United States production 9,096 new wheel tractors under the 1945 Combined Board farm machinery allocations, 3,350 from the United Kingdom, and about 1,000 (of which the majority were of the crawler type) from United States Army surpluses in Europe and Asia. Garden tractors were provided partly from the United States and partly from the United Kingdom.[26]

The Administration had little choice as to what models and makes of tractors were provided. Under the "set aside" order, for instance, manufacturers were directed to make available a percentage of whatever models were being currently manufactured.[27] The wheel tractors were mainly of the two- and three-plow types commonly used in the United States and United Kingdom. They were equipped with hitches for drawing ancillary equipment, and most of the models were also suited to use with mounted cultivators and plows. Those provided from the United States had rubber tires; those supplied from the United Kingdom—all Fordsons—were equipped with steel wheels. The greater proportion of the crawler tractors was obtained from United States military surpluses from depots in New Delhi, Manila, Honolulu, and Paris. Those procured from Honolulu cost as little as $3,689 each and were equipped with dozers and winches.[28] At existing retail prices they would each have cost, with the equipment they carried, about $10,000–$15,000. Even when the cost for repairs and for the removal of the armor plate with which many of them were fitted, was added, they still represented an excellent investment. Some, from other depots, were not so good. This applied particularly to a consignment of 171 tractors from Manila. They were sent to Trieste, for Yugoslavia, where 141 of them were found to be suitable only for scrap. Their cost was renegotiated with OFLC on this basis.[29]

The distribution of tractors among the receiving countries was as follows:

[26] Monograph, Peck, "Farm Machinery Procurement and Distribution," pp. 4–13.
[27] CPA, Priorities Decision 79, "UNRRA Agricultural Equipment Program," 31 May 1946.
[28] Monograph, Peck, "Farm Machinery Procurement and Distribution," pp. 6–9.
[29] *Ibid.*

TABLE 16

DISTRIBUTION OF UNRRA TRACTORS [a]

| *Country* | *Wheel Tractors* | *Crawler Tractors* | *Garden Tractors* | *Total* |
|---|---|---|---|---|
| Albania | 128 | 25 | 2 | 155 |
| Austria | 780 | 20 | 650 | 1,450 |
| Byelorussia | 653 | 130 | ... | 783 |
| China | 1,246 | 149 | 92 | 1,487 |
| Czechoslovakia | 2,001 | 34 | 2,226 | 4,261 |
| Dodecanese | ... | 10 | ... | 10 |
| Ethiopia | 20 | 2 | 10 | 32 |
| Finland | ... | 9 | ... | 9 |
| Greece | 1,332 | 140 | 100 | 1,572 |
| Italy | 200 | 48 | ... | 248 |
| Philippines | 105 | ... | ... | 105 |
| Poland | 8,856 | 28 | 150 | 9,034 |
| Ukraine | 1,184 | 293 | ... | 1,477 |
| Yugoslavia | 3,734 | 180 | 200 | 4,114 |
| Total | 20,239 | 1,068 | 3,430 | 24,737 |

[a] Monograph, Peck, "Farm Machinery Procurement and Distribution," Table V, opposite p. 14.

The tillage implements supplied in the agricultural rehabilitation program consisted mainly of tractor-drawn plows, disk harrows, spring-tooth harrows, spike-tooth harrows, and animal-drawn walking plows. The number of tractor plows was roughly equivalent to the number of tractors—about 23,000. On the other hand the number of disk harrows, spring-tooth harrows, and spike-tooth harrows was considerably less. Tractor plows were procured in the United States, the United Kingdom, Canada, Australia, and New Zealand. They were of diverse makes and models, the sizes being commensurate with the sizes of the tractors with which they were to be used, and were mainly of the moldboard type, varying in size from one bottom to five. Some 13,000 disk harrows were provided, about 10,300 spring-tooth harrows (all from the United States and Canada), and over 150,000 animal-drawn walking plows. Early in the planning of the program it was assumed that large numbers of animal-drawn tillage tools would be required.[30] Owing to the severe loss of animal draft power, however,

[30] *Ibid.*, pp. 20–22.

the demand for tillage tools of this type diminished and that for power-drawn farm tools increased. As a result, until the receiving countries realized that other types would not be available, they accepted with some reluctance the animal-drawn plows.

Included in the harvesting equipment were 259 combine harvesters, of which 155 were supplied by the United States and 99 by Canada. Among those from Canada were 38 especially adapted for harvesting rice, 26 of which went to China and 12 to the Philippines. The use of combine harvesters was an innovation in both these countries.

A small amount of seed-cleaning equipment was provided, of three general types—hand, power, and electromagnetic. The last type, which is made to order rather than mass produced, features strangely in a program designed to provide implements commonly used in carrying out ordinary farming operations.[31] It was said that before the war there were, for example, in Czechoslovakia, where the seed trade is well developed, only three electromagnetic seed cleaners.[32] In all, eight were procured—three for Czechoslovakia, three for Yugoslavia, and two for Byelorussia.[33] Those for Byelorussia were requested late in the operation and could be supplied only by diverting two from an order for five which had long been placed by Yugoslavia.[34] The Byelorussian Mission and the representatives of the USSR in London were insistent in their demand for electromagnetic seed cleaners for the treatment of some 400 tons of timothy seed provided by UNRRA and alleged to be infected with noxious weeds, and, therefore, under Soviet law quarantined.[35] Two electromagnetic seed cleaners were accordingly sent to Byelorussia. Soon afterward the Mission asked for instructions on how they worked.[36] In reply, ERO offered to send an experienced operator to Minsk,[37] but the offer was declined.[38] The Agricultural Rehabilitation Division heard no more and never knew whether these machines were ever used.

This was a somewhat unsatisfactory case, but it was probably an

[31] Monograph, Peck, "Farm Machinery Procurement and Distribution," p. 28.
[32] Monograph, Darke, "A Brief Administrative History of the Agricultural Supplies Branch, ERO," p. 99.
[33] Monograph, Peck, "Farm Machinery Procurement and Distribution," Table XXIII, p. 27.
[34] Cable, Washington to Trieste 538, 28 December 1946.
[35] Cable, Minsk to Washington 494, 15 November 1946.
[36] Cable, Washington to London 19015, 7 January 1947.
[37] Cable, London to Minsk 145, 3 April 1947.
[38] Cable, Minsk to Prague 151, 30 May 1947.

isolated one, for the records of the Agricultural Rehabilitation Divisions give every evidence that farm machinery and equipment sent to UNRRA countries were utilized fully and competently, with the aid of UNRRA technicians where necessary.

### 3. *LIVESTOCK*

The Administration shipped to receiving countries in Europe and Asia about 286,000 draft animals including horses, mules, and donkeys; about 37,000 utility cattle, pedigreed heifers, and bulls; some 2,400 sheep, 138 goats, over 800 hogs, 172 rabbits; about 85,000 adult poultry and 150,000 baby chicks.[39] The movement of this vast menagerie—much of it across the Atlantic Ocean—was the most ambitious and also the most hazardous undertaking in the supply operation. The highly specialized nature of animal procurement, the risk of loss in transit, the cost of ocean freight—on each head of cattle this was about $185,[40] or little short of a single passenger fare—were only a few of the characteristics of this operation which made it peculiarly onerous for those charged with responsibility for it.

In 1945 the delivery of livestock to Europe from the Western Hemisphere was limited by the number of animal carriers. Up to the end of 1945 only about one-third of the animals then available had been lifted.[41] Large-scale shipments started in 1946 when additional ships were equipped and assigned to the UNRRA fleet of livestock carriers which, at the height of the operation, consisted of some seventy vessels—mostly converted Victory and Liberty ships.[42] The cost of conversion was between $145,000 and $200,000 per vessel; it was, therefore, essential, in order to justify these heavy costs, that the vessels should be fully utilized. Each carrier could be loaded with an average of 800 large animals and each could make six round trips during an average year of operation. Difficulties over procurement of dairy cattle in the United States, however, prevented the fulfillment of a program on this scale.

The Department of Agriculture was at no time eager to act as pro-

[39] Monograph, Mahler, "UNRRA's Agricultural Rehabilitation Activities," pp. 476–477; see also monograph, Robert Lintner, "UNRRA Livestock Program," Appendix, "Total Livestock Numbers by Source and Destination."

[40] Monograph, Lintner, "UNRRA Livestock Program," p. 25.

[41] Monograph, Mahler, "UNRRA's Agricultural Rehabilitation Activities," p. 476.

[42] *Ibid.;* monograph, Lintner, "UNRRA Livestock Program," p. 5.

curement agent for UNRRA livestock.[43] After the liquidation of FEA, however, UNRRA purchases were effected through that Department. By the middle of 1946 procurement of livestock was seriously behind schedule: requisitions had been placed by the Administration for some 250,000 more horses and cattle than had been bought. LaGuardia took up the matter with the Secretary of Agriculture.[44] He was informed that, with respect to dairy cattle, the condition of the dairy economy of the United States was such that, apart from a few thousand head then under contract, no more could be spared for the UNRRA program.[45] This decision was a profound disappointment to the Administration. It involved the cancellation of requisitions for some 27,000 animals—more, in fact, than the total hitherto procured in the United States. The Agricultural Rehabilitation Division protested energetically against a decision which would inevitably reduce drastically the size of the dairy stock program which it had hoped to carry out. It was argued, though to no avail, that since the 27,000 animals amounted to less than one-tenth of one per cent of the milk animals in the United States,[46] the export of these animals could not have a marked effect on the dairy economy of the United States.

At this time about 25,000 cattle had been bought in the United States. A few thousand were bought subsequently through trade channels (the Department of Agriculture knew of these purchases, but made no objection); and over 6,000 animals were generously provided by voluntary organizations; but large-scale procurement of dairy animals in the United States was now virtually at an end. The cattle which had been bought were nearly all of the Holstein-Friesian type. Rugged young animals were selected for milk yield, meat production, and usefulness for draft purposes.[47]

Procurement of horses in the United States continued on a large scale, and in all some 150,000 animals were bought in the United States.[48] Various breeds were selected. For Poland, which had by far the largest draft animal program, most of the horses supplied

[43] Monograph, Mahler, "UNRRA's Agricultural Rehabilitation Activities," p. 481.
[44] Letter, LaGuardia to Clinton P. Anderson (Secretary of Agriculture), 22 May 1946.
[45] Letter, Anderson to LaGuardia, 18 June 1946.
[46] United States Department of Agriculture Press Release, "Livestock on Farms," 1 January, revised 15 February 1946.
[47] Monograph, Lintner, "UNRRA Livestock Program," p. 60.
[48] *Ibid.*, p. 63.

were grade Percherons, Belgians, Morgans, and similar medium-sized animals weighing 1,000–1,500 pounds.[49] Yugoslavia's needs were met by horses similar in type to those used in the Southeastern United States, weighing about 900 pounds; for Greece a smaller type of horse or pony was most suitable.[50]

In the early part of the operation, many of the animals procured by the Department of Agriculture lacked much in quality, condition, and conformation. From Warsaw, the Agricultural Rehabilitation Division was informed:

> In the first place I must report that American horses are a pretty sad-looking bunch in comparison with those being sent by Denmark, and not all due to the long voyage. They look to me like the kind of horses the poorer farmers used to have—sort of like the scrapings from the bottom of the barrel. I think the Department of Agriculture is letting us down.[51]

Henson's reaction to this was to set up a Livestock Inspection Section. Henceforth, UNRRA inspectors accompanied Department of Agriculture officials when UNRRA horses were being selected, and the livestock bought thereafter was of a generally higher quality.[52]

Other livestock purchases in the Western Hemisphere included about 18,500 horses and 800 cattle bought in Canada through the Canadian Commercial Corporation,[53] some 5,000 horses and mules in Mexico, and some 6,000 mules in Brazil.[54] The Brazilian operation was complicated by difficulty in getting export licenses for the necessary feedstuffs, particularly for alfalfa hay. Losses at sea were higher than they should have been as a result of the poor forage which had to be used.[55]

The Livestock Branch, throughout the operation, took the greatest precautions to minimize the risk of loss of animals and to ensure that only animals in good condition were shipped. Horses, for example, which are poor travelers, were given various inoculations and vaccinations; were inspected on arrival at the port of shipment, again before loading, and finally as they were moved through the loading chutes to the flying stalls which carried them aboard ship. At each inspection,

[49] *Ibid.*, p. 61.
[50] *Ibid.*, p. 62.
[51] Letter, Earl Bell (Poland Mission) to Henson, 2 July 1946.
[52] Monograph, Lintner, "UNRRA Livestock Program," p. 13.
[53] *Ibid.*, Appendix, "Total Livestock Numbers by Source and Destination."
[54] *Ibid.*, Appendix, "Procurement and Shipment of Livestock from Brazil."
[55] *Ibid.*

animals about which there was any doubt were removed for treatment and later shipment. The risks of loss, however, did not end there. The greatest potential danger was on shipboard, particularly since it was necessary, owing to the short duration of the UNRRA operation, to depart from the normal commercial practice of shipping livestock only in the fine season of the year, and to transport them the year round.[56]

Experience with the shipment of some 5,000 horses from the United States to Poland early in 1947 illustrates how many difficulties, given sufficiently unfavorable conditions, can be crowded into a single operation undertaken in winter. The screening arrangements, which had characterized earlier shipments, had been modified on this occasion, since, as the operation was drawing to a close, animals rejected at this time could not be shipped later. Many of the animals loaded, therefore, were fit to stand the voyage only in favorable circumstances. As it turned out, they were called upon to stand phenomenally bad conditions.

The seven vessels carrying these horses could not reach their destinations owing to the freezing of the Baltic—an event which happens perhaps thrice in a century. One of the vessels became icebound in the Skagerrak; later she discharged at Helsinborg.[57] The others were diverted to Rotterdam and then to Esberg and Copenhagen. Feedstuff aboard the vessels had already run low, and the emergency buying of fodder—scarce everywhere in Northern Europe that hard winter—and its transport to the ports became a major problem.[58] Eventually, through the combined efforts of Headquarters, ERO, and the Missions in Belgium, Denmark, and France, supplies were bought in those countries and the Netherlands.[59]

Stabling in the ports was limited, and the horses could not be unloaded promptly. It was found impracticable to clean the vessels with the horses on board. Meanwhile, conditions on the ships were bad. Most of the horses were standing in two or three feet of manure, their backs rubbing against ceiling fixtures. At least one of the shipmasters was apprehensive of spontaneous combustion from the piles of smoking dung. Gradually, however, the horses were unloaded and the ves-

[56] Monograph, Lintner, "UNRRA Livestock Program," pp. 4–6, see also section "Veterinary Program at Savannah, Georgia."

[57] Monograph, H. de Waal, "Report on Shipping, ERO," p. 53.

[58] Memo, E. Whittall (Deputy Chief, Shipping Division, ERO) to Chief of Supply, ERO, 12 March 1947.

[59] Memo, Whittall to E. E. Wasson (Department of Supply, ERO), 17 March 1947.

sels cleaned.[60] It was not until April that Gdynia and Danzig were open. The first of the vessels reached there on 16 April, having taken 71 days en route from Savannah, Georgia, a journey which would normally take from 10 to 15 days. Losses on these vessels were high, ranging from 5 to 25 per cent.[61] Those horses which had survived, however, were found to be in surprisingly good condition when landed in Poland, and many were placed on farms almost immediately after arrival.[62] The chief regret, from the Mission's point of view, was that they were too late for spring plowing.[63] In spite of this experience, however, the over-all losses on UNRRA livestock shipments from the Western Hemisphere amounted to only 3.8 per cent compared with estimates of 10 per cent, volunteered by experts, as the probable result of engaging in year-round shipments.[64]

Procurement of livestock in the Eastern Hemisphere included substantial numbers of mules from American and British Army surpluses in Italy, of horses from Denmark and Iceland, and of relatively small purchases of blooded stock mainly from the United Kingdom, bought to improve the quality of the flocks and herds in the receiving countries. About 40,000 horses, including the Government's contribution of 10,000, were obtained in Denmark. The horses bought were mostly of the Jutland breed—a smallish, chunky draft horse. The majority of them were sent to Poland, but a number of horses from the larger, heavier Belgian breeds common in Denmark was procured for Czechoslovakia.[65] The selection of the animals and arrangements for shipment were made by the Danish Horse Export Board—a well-run organization employing competent horsemen—working in conjunction with the UNRRA Mission in Copenhagen and the ERO Agricultural Rehabilitation Division. Shipment of the gift horses, all of which went to Poland, was a 100 per cent success: 10,000 horses were shipped; one died, but a foal was born en route.[66]

Purchases of livestock in the United Kingdom and in Northern Ireland included 300 large white boars and sows, some 1,200 Old Hamp-

[60] Memo, E. A. Willson (Agricultural Rehabilitation Division, ERO) to W. J. Darke (Chief, Agricultural Supplies Officer, ERO), 29 March 1947.
[61] Monograph, de Waal, "Report on Shipping, ERO," p. 53.
[62] Letter, M. E. Hays (Chief, Department of Supply, Poland Mission) to C. H. Willson, 18 April 1946.
[63] *Ibid.*
[64] Monograph, Lintner, "UNRRA Livestock Program," p. 6.
[65] *Ibid., passim.*
[66] Committee of the Council for Europe (CCE) (46)69, 10 September 1946.

shire Down and Black Face sheep, Friesian bulls, stallions, and goats. These were largely pedigreed stock. Eleven hundred draft horses, of the cob type, bought in Northern Ireland, were among the best procured. Shipment of animals was, in the British Isles as in the United States, always an anxiety: writing from ERO to Headquarters, W. F. Darke, Chief Agricultural Supplies Officer, reported:

> Livestock continues to be entirely governed by the shipping situation. The 275 pigs for Poland still get fatter and fatter in Northern Ireland and if a ship is not soon produced they will be too big for the crates.[67]

From United States Army surpluses in Italy, nearly 3,000 mules were procured for Yugoslavia in the autumn of 1945. The transport of these animals on the crowded railway to Trieste was facilitated by the British Army, which included them within its tonnage allocation and lent experienced personnel to help in the movement. The result was that the animals were delivered quickly to Yugoslavia without a single loss.[68]

In all, $53,237,200 was spent by the Administration on the livestock program. It was, both in type and scope, an enterprise without precedent.[69]

### 4. *SEEDS*

In the seed trade there is traditionally considerable international exchange on the Continent of Europe, and it was, therefore, natural that the UNRRA seed program should be met to a large extent from European sources. Liberated countries—both paying and nonpaying—took a prominent part as suppliers. Among the former were Belgium, Denmark, France, the Netherlands, and Norway. From France, crimson clover and red clover were procured for the Albanian, Greek, Polish, and Yugoslav programs, and alfalfa seed for Austria, Czechoslovakia, and the Ukrainian SSR. Denmark was a source of supply for a variety of forage seeds—orchard grass, meadow fescue, perennial rye grass, and fodder beet—for Austria, and for seed oats for Italy and Yugoslavia. In the Netherlands, the Agricultural Rehabilitation Division procured vegetable seeds and seed potatoes for the Austrian and Yugoslav pro-

[67] Letter, Darke to Henson, 5 February 1947.

[68] Operational Analysis Papers (OAP) 12, *UNRRA Procurement of Military Surpluses in Europe* (London, 1946), pp. 31–32.

[69] Report, Thomas A. Cox (Ship Operations Section, Livestock Branch); CCE(47)28, "Survey of UNRRA Operations in Europe," 28 June 1947, p. 12.

grams. From Norway, turnip seed, seed potatoes, and fodder beet were procured for Austria and fodder beet for Italy.[70]

Czechoslovakia, Finland, Hungary, Italy, and Poland were among the nonpaying countries which were sources of supply. From Czechoslovakia—partly as a contribution and partly against payment—came red and white clover for Austria, spinach and other vegetable seeds, and a large tonnage of seed potatoes; from Poland (the largest recipient of UNRRA seeds), fodder beet for the Austrian program; from Hungary, alfalfa for Greece and white clover for the Ukrainian SSR.[71]

The United Kingdom provided seeds to a value of some $4,800,000. They included fodder crops, sugar beet and vegetable seeds, but principally seed potatoes which, in continuance of customary export practice, were sent mainly to Greece and Italy.[72]

Few of the seed varieties familiar in the Western Hemisphere had previously been used in Europe. As the United States was likely to be a substantial supplier, means had to be found of ensuring that seeds shipped to Europe and also to China from the Western Hemisphere were properly adapted to the soils and climates of the countries in which they were to be planted. The emergency nature of the UNRRA operation ruled out normal field-trial methods under which newly introduced varieties are carefully studied for several years to find out how well they adapt themselves to their new environments. Some sound substitute had, therefore, to be found for the field-testing process. The method adopted involved comparative studies of agroclimatic conditions in receiving countries in Europe and Asia, in relation to regions within the United States, to ascertain "climatic analogues." [73] Seeds from various areas of the United States were assumed to have a reasonably good chance of successful growth in areas of Europe and Asia with similar conditions of weather and soil.[74] These studies, which covered the whole range of the principal receiving countries, enabled the Agricultural Rehabilitation Division to be more selective in its choice of seeds than it could otherwise have been.

[70] Monograph, J. E. Lejeune, "The Use of the United Kingdom Contribution to UNRRA," pp. 38–39; CCE(47)28, "Survey of UNRRA Operations in Europe," 28 June 1947. [71] *Ibid.* [72] *Ibid.*

[73] M. Y. Nuttonson (Analysis and Planning Section, Agricultural Rehabilitation Division, HQ), "Climatology of Czechoslovakia and Its Climate Parallels in the United States," March 1945.

[74] The elements of comparison used in this work included precipitation effectivity indexes, mean monthly and yearly temperatures, average monthly and yearly precipitation, and length of growing period.

In value, about one-third of the UNRRA seed program was fulfilled from United States procurement; many varieties were involved, but cereals of all kinds predominated—winter wheat, oats, barley, and rye.

Wheat and other cereals, clover, and certain grass seeds were subject to international and national allocation throughout the UNRRA period.[75] The difficulty which this involved in the seed operation was a feature common to nearly all the procurement programs: the peculiar problems involved in the seed operation were those connected with adaptability; with the physical difficulty of getting bags, sacks, and string; with the transport and storage of a highly vulnerable product; and with the timing of deliveries so that seeds would reach their destinations in time for spring or autumn planting.[76] Some of these difficulties were not always overcome: there was loss of 600 tons of seed potatoes available in Cyprus for Greece, described in the Administration records as resulting from "a series of unforeseeable circumstances and unavoidable misunderstandings";[77] missions complained on occasion that seeds had arrived late, or that they were not readily identifiable.[78] Such incidents were rare but were probably inevitable in an operation of the variety, size, and character of the UNRRA seed program.

Total seed procurement amounted to nearly 300,000 tons, valued at $50,841,000, and included about 90 different types procured in 21 countries.[79] Of the seeds provided to the receiving countries, about 108,000 tons were of seed potatoes and 127,000 tons of cereals. It was estimated that UNRRA seeds were sufficient to sow some 11,250,000 acres, an area which without UNRRA would not have been sown at all, or would have been sown with seeds of inferior quality.[80]

### 5. *FERTILIZERS*

Chemical fertilizers were subject to allocation throughout the UNRRA period, the Committee on Fertilizers operating first under

[75] Monograph, E. Patterson, "Seeds," p. 9.
[76] *Ibid.;* monograph, Darke, "A Brief Administrative History of the Agricultural Supplies Branch, ERO," pp. 12–13.
[77] See Amendment to Firm Request A.3097, 10 September 1946.
[78] For example, see Part Five, Chapter IX, Section 6.
[79] Monograph, Patterson, "Seeds," p. 7.
[80] Monograph, Mahler, "UNRRA's Agricultural Rehabilitation Activities," p. 438.

CFB and, from the beginning of the fertilizer year 1 July 1946–30 June 1947, under IEFC.[81] The supply position was never easy.

The first requests submitted to CFB were for allocations of fertilizers which amounted to 2,442,000 tons (including rock phosphate, soluble superphosphate, pyrites, nitrogen, and potash) for use in all liberated areas.[82] CFB was unable at that time to give any assurance on the supply of superphosphates and pyrites; nitrogen was expected to be available in short supply to the extent of shipping facilities from Chile; potash deliveries would depend on whether or not the potash mines in France and Poland were intact after liberation; rock phosphate was suggested as the material to meet most of UNRRA's fertilizer needs, and CFB recommended that UNRRA negotiate purchase contracts where possible for this material.

The first procurement of fertilizer by UNRRA grew out of an allocation of 10,000 tons of potash to the United States from the USSR. Since potash used as ballast for shipments from Vladivostok arrived on the West Coast and United States fertilizer dealers wanted it on the East Coast, the allocation was transferred to UNRRA. The arrival ports were equally inconvenient for UNRRA. China was not yet liberated; rail transport to the East Coast and storage there until the potash could be shipped to Europe would have involved heavy costs. The Administration was, however, exceedingly reluctant to refuse the allocation. The problem was solved by shipping the potash to the United Kingdom where it was sold through the Ministry of Supply to the trade for immediate use. The Ministry of Supply agreed to provide on demand an equivalent tonnage out of Palestine for ultimate shipment to Greece and Yugoslavia when these countries were liberated. Through this arrangement the Administration was enabled in effect to stockpile potash without paying warehousing costs, and, as it turned out, at a price of $20 a ton less than it had to pay for Palestinian potash a year later when it purchased directly.[83]

Procurement began on a substantial scale in the spring of 1945 with the purchase of 30,000 tons of nitrate of soda (later increased to 50,000 tons) in Chile. This transaction was ultimately paid for out of the Chilean contribution but, until this became available, was financed with

[81] Monograph, Leo Kolodny, "Fertilizer," HQ, pp. 1–2.
[82] *Ibid.*, p. 8.
[83] Memo, Kolodny (Agricultural Rehabilitation Division, HQ) to Henson, 2 June 1944.

free funds in the form of United States dollars.[84] The allocation of Chilean nitrate to UNRRA was made at a time when no supplies could be moved from Chile to Europe. Shortly afterward, however, when allocations for the 1945–1946 fertilizer year were under consideration, shipping had become somewhat freer and there was a heavy demand on Chilean nitrate. UNRRA benefited not only in the amount of nitrate it was able to get, but also in the price at which it was bought.[85]

Two promising plans for the provision of phosphatic fertilizer in the 1944–1945 fertilizer year failed to materialize. The first provided for the processing in France of 580,000 tons of superphosphate, provided UNRRA was able to supply the necessary rock phosphate and pyrites. Arrangements were well advanced, but it proved impossible to get the necessary ships for transport of the raw materials from North Africa and Spain and the plan had to be dropped.

The next proposition was to obtain soluble phosphate in the Iberian Peninsula. Spain and Portugal had unemployed capacity for the production of superphosphates. Spanish ships were available for the transport of rock phosphate from North Africa. The supply of sulphuric acid for processing the rock presented no problems since Spain was the largest exporter of nitrates in Europe. A detailed draft contract, involving terms very favorable to the Administration, was drawn up.[86] Unfortunately, the plan failed to crystallize since, as a result of discussions in the Central Committee on procurement in neutral countries,[87] the Administration decided not to deal, at that time, with the Iberian Peninsula.[88]

The bulk of UNRRA procurement was carried out in the 1945–1946 and 1946–1947 fertilizer years. UNRRA became an important factor in the fertilizer market, at least so far as Europe was concerned, and the Fertilizer Branch in ERO was able to lay down favorable operating principles. These included the "most favored deal" clause which was invoked over a contract for 180,000 tons of rock phosphate from North Africa. When the franc was devalued late in 1945 the

[84] See Part Three, Chapter III, Section 1.
[85] Monograph, Kolodny, "Fertilizer," p. 13.
[86] *Ibid.*, p. 24.
[87] For example, Central Committee (CC) (45)3, minutes 10th meeting, 18 January 1945 (Compilation of the Documents of the Central Committee of the Council [CC Docs.], I, 71–74.)
[88] Cable, Washington to London 775, 30 March 1945.

United Kingdom Government negotiated with the French producers for a reduction in prices of rock phosphate contracted for delivery to the United Kingdom. At this time only 40,000 tons of rock had been delivered against the UNRRA contract. The Agricultural Rehabilitation Division in ERO arranged a reduction in prices, on the same basis as that applied to United Kingdom contracts, which became effective on 1 January 1946. The adjustment was applied to all shipments made after that date and resulted in a saving of about $340,000 on that single contract.[89]

The supply of fertilizer for China presented special problems. At the time that allocations for the 1945–1946 fertilizer year were made, very little consideration could be given to the needs of China: shipping difficulties, world shortages of fertilizers, and unwillingness on the part of the Fertilizer Committee to allocate for stockpiling had made it difficult to make a strong case for that country. The Administration tried in the autumn of 1945 to obtain allocations for China, but the available fertilizer had already been divided among the various claimants: a supply for China would have involved taking an equivalent tonnage from other claimants.[90] The lack of fertilizers for China, whose agriculture, owing to the relatively small acreage of arable land, is highly intensive, led the Administration to appeal in the spring of 1946 to the President of the United States [91] and to the Prime Ministers of Canada [92] and the United Kingdom [93] for support in obtaining allocations. As a result of this campaign 50,000 tons of nitrogenous fertilizer were secured for immediate shipment, and the basis laid for better allocations for the following year.

Allocations made by the Fertilizer Committee for the 1946–1947 fertilizer year presented a serious budget problem.[94] A tentative UNRRA fertilizer program was agreed upon, dividing responsibility for procuring the allocated materials between UNRRA and the governments of the receiving countries. For Albania, China, and Yugoslavia, the procurement of the total allocations was accepted as an UNRRA responsibility. Allocations to Italy were also supplied by UNRRA, except for phosphate rock from North Africa and potash

[89] Monograph, Kolodny, "Fertilizer," p. 32.
[90] *Ibid.*, p. 19.
[91] Letter, LaGuardia to Truman, 25 April 1946.
[92] Letter, LaGuardia to W. L. Mackenzie King, 25 April 1946.
[93] Letter, LaGuardia to Clement R. Attlee, 25 April 1946.
[94] Monograph, Kolodny, "Fertilizer," p. 21.

from French and Spanish sources; the Polish Government financed part of its fertilizer program; Greece procured nitrogen allocated from Belgium and Canada by a direct deal; Czechoslovakia's needs were met by UNRRA except for a small quantity of ammonium nitrate.

UNRRA shipped 1,266,900 tons of nitrogenous, phosphoric, and potassic fertilizers costing some $42,272,000 to the ten UNRRA countries requiring this material.[95] By the end of the operation the consumption of nitrogen in relation to the prewar level had increased in all the receiving countries except China. More phosphorus was used than before the war in Albania, Greece, Poland, and Yugoslavia. The use of potash increased in Czechoslovakia and Yugoslavia, and was only slightly below prewar figures in Greece.[96]

### 6. *PESTICIDES*

Lack of reliable information on country requirements largely nullified the early planning of a pesticides program.[97] By the time the programs were developed, however, the principal requests were for basic items in standard use against long-established pests.[98] The largest requirements were for Greece, whose pesticides program finally amounted to 44,000 tons, valued at $3,544,800—more than half the total tonnage and nearly half the total value of the entire UNRRA pesticides program. Italy came next, with a program amounting to over 15,000 tons, and Yugoslavia third with a 9,000-ton requirement. The materials mainly required in these countries were copper sulphate and dusting sulphur for the protection of the grape vines and, particularly in the case of Greece, of the olive crop. The programs for Austria—before the war a large producer of chemicals—consisted largely of raw materials for the manufacture of pesticides. For China it had been hoped to provide equipment for local manufacture, but lack of funds prevented the development of this particular aspect of the pesticides program except on a small scale.[99]

The normal production of most pesticides had been largely disrupted by the war. France and Italy, for instance, which normally each produced more than 100,000 tons annually of copper sulphate, were

[95] *Report of the Director General to the Council* (DGR) 14, p. 194.
[96] Monograph, Kolodny, "Fertilizer," pp. 35–37.
[97] Monograph, Paul Knight, "Pesticides," pp. 9–10.
[98] *Ibid.*, p. 11.
[99] OAP 53, *UNRRA in China, 1945–1947* (Washington, D.C., 1948), p. 279.

unable until the middle of 1946 to produce more than a fraction of their needs owing to lack of fuel, sulphuric acid, and copper; [100] Sicily, which normally produces ample sulphur to meet the needs of the Balkan countries as well as Italy, was able during the 1945 season to meet only 50 per cent of Italy's needs, since the Germans when they withdrew from the island had flooded the mines and destroyed most of the grinding machinery.[101] During the early part of the operation, supplies of most pesticides were, in fact, severely limited. The position gradually improved, but until the end of the program shortage of supplies was, in most cases, the main limiting factor in meeting the receiving countries' needs.[102]

Pesticides chemicals were among the few categories which were in relatively easy supply in the United Kingdom, and, in accordance with the Administration's policy that the United Kingdom should be the preferred procurement area for supplies which it could provide, a large part of the pesticides program was met in that country.[103] Thus 25,000 tons of copper sulphate were provided out of the United Kingdom [104] and also substantial quantities of arsenicals and other pesticides. Agricultural sulphur was found not to be available from the United Kingdom, and, until Sicilian production was resumed, the United States was the main source. To supplement the copper sulphate procured in the United Kingdom and, in small quantities, in the United States, copper blister was sent from South Africa and Australia for processing into copper sulphate in Greece and Italy.[105]

The provision of pesticides was recognized both by the Administration and by the receiving countries as an essential element in a program devoted to the maximum production and conservation of food. Grub and weed killers have, however, little dramatic appeal in a relief program, compared, for instance, with the provision of bread. Their significance can easily be overlooked. The Director General, during the 1946 food crisis, launched an appeal, which reverberated throughout America and Europe, for the diversion of some 300,000 tons of grain from other consumers to the populations of the liberated

[100] Monograph, Knight, "Pesticides," p. 20.
[101] *Ibid.*, p. 33.
[102] *Ibid., passim.*
[103] Memo, Knight to Henson, 26 April 1945.
[104] Monograph, Lejeune, "The Use of the United Kingdom Contribution to UNRRA," p. 27.
[105] Monograph, Knight, "Pesticides," p. 14.

areas.[106] The Agricultural Rehabilitation Division, in carrying out part of the day-to-day work involved in a pesticides program, also engaged in a campaign for the diversion of some 300,000 tons of grain from other consumers—in this case locusts—to the people of an UNRRA country.

During the winter of 1945, Dr. B. P. Uravov, Director of the Anti-Locust Research Center, London, informed the Italian Government that, on the basis of surveys which had been made, a plague of locusts was expected in 1946.[107] The Italian Government would appear to have paid little heed to this warning. A provision of 100 tons of sodium arsenite, presumably for locust control, was included in the Italian pesticides program, but the chemical was not available except in liquid form, and the Italy Mission advised Headquarters that they could accept only the dry material, "even if this meant that they would get nothing." [108] Some weeks later, a request was received from the Italy Mission for the urgent dispatch of locust poisons to combat an exceptional locust infestation in Sardinia.[109] This demand was followed by one for 700 tons of sodium arsenite [110]—a quantity in excess of the amount that the Agricultural Rehabilitation Division had been able to buy to date for all countries. Reports from Rome revealed the alarming nature of the plague: "Locusts four layers thick two and a half miles wide and thirty miles long reported marching cropwards several areas in Sardinia's worst plague in history." [111] It was evident that, if the menace were not checked, the locusts would by July have eaten every herb of the land.[112]

At Headquarters strenuous efforts were made to obtain sodium arsenite; since this was not to be had, 500 tons of sodium fluosilicate were bought instead.[113] Procurement was effected with such energy that within twenty-four hours of the receipt of Italy's request the substitute poison was already in transit.[114] ERO was given full authority to procure any pesticides available to meet the emergency.[115] When

[106] See Part Three, Chapter IV, Section 4.
[107] Monograph, Knight, "Pesticides," p. 43.
[108] Cable, Rome to Washington 415, 6 March 1946; telephone conversation, Rome to Washington 7, 6 March 1946.
[109] Cable, Rome to London 1186, 27 April 1946.
[110] Cable, Rome to Washington 1376, 11 May 1946.
[111] Cable, Rome to Washington 979, 7 May 1946.
[112] *Ibid.*
[113] Cable, Washington to London 6530, 16 May 1946.
[114] Cable, Washington to Rome 3194, 21 June 1946.
[115] Cable, Washington to London 6380, 14 May 1946.

it was found that it would be impossible to procure in the United Kingdom sufficient, if any, sodium arsenite in time, the help of the British Government was sought for the provision of gammaxene, a newly developed and reputedly highly effective locust poison.[116] Within a few days, ten tons of this material were flown in five specially chartered American and Dutch aircraft to Cagliari, Sardinia.[117] These consignments were followed by further air-shipments, totaling 25 tons. An additional 25 tons, and also 50 tons of sodium fluosilicate, obtained in Belgium, were sent by sea.[118]

When the first shipments of gammaxene arrived in Sardinia, representatives of the Agrarian Institute of Entomology in Florence and of the UNRRA Italy Mission flew to the island to take part in the onslaught. Barriers composed of bran poisoned with gammaxene, which was found to be the most successful of the poisons used in this campaign, or sodium fluosilicate were prepared against the advancing hordes.[119] In addition, some 150 trucks supplied by UNRRA were used as portable spraying units for the application of chlorodrine, obtained from the Italian Army Chemical Warfare Center in Sardinia.[120] The local population waged battle with all the traditional weapons—brooms, rakes, shovels, fishing nets, and scalding water—and by digging trenches and lighting bonfires.[121]

Through the mobilization of all human, scientific, and mechanical help, the plague was under control by the end of June in the cereal-growing plains.[122] Locusts continued their attack in the mountains, but were effectively destroyed with gammaxene-poisoned bran.[123] At one time it had been feared that the wheat crop of some 250,000 tons would be a total loss. By the end of the campaign, however, the great bulk of the harvest had been saved, only about 6 per cent of the wheat and 4 per cent of the barley being destroyed.[124]

When the danger was all over, the Italy Mission requested that surplus pesticides, procured in response to demands made at the height

[116] Memo, F. R. Carson (Agricultural Rehabilitation Division, ERO) to Sir Humfrey Gale, 11 May 1946.
[117] Cable, London to Washington 6005, 15 May 1946.
[118] Cable, Brussels to London 95, 26 May 1946.
[119] Report, L. Passerini (Italy Mission), 29 July 1947.
[120] *Ibid.*; cable, Rome to Washington 1536, 3 July 1946.
[121] Cable, Rome to Washington 979, 7 May 1946.
[122] Cable, Rome to Washington 1536, 3 July 1946.
[123] *Ibid.*
[124] *Ibid.*; see also Italy Mission, Abstract of Narrative Report, June 1946.

of the emergency, should be removed from their program and budget.[125] ERO was well aware that the quantities of locust poison which were being rushed by sea and air to Italy would probably be in excess of immediate needs, but it was considered highly desirable to build up a local stockpile of locust poisons against future outbreaks.[126] It transpired, belatedly, however, that indigenous production of sodium arsenite would henceforth probably be sufficient to meet Italian requirements.[127] Headquarters eventually managed to accede to the Italy Mission's request by transferring the unwanted pesticides to other programs—principally to China, which in the winter of 1946 requested 500 tons of sodium fluosilicate as a reserve against migratory locust invasions.[128]

By the time the pesticides program came to an end, 90 per cent of the country requirements had been met. Though the main purpose of the program was to increase and conserve food supplies, in achieving it the Agricultural Rehabilitation Division inevitably increased the use of pesticides and provided improved methods for the destruction of agricultural pests. The use of sulphur in Albania, Greece, and Yugoslavia had been greatly expanded; important experimental work had been carried out in China on the control of the rice borer, one of the most destructive plant-feeding insects in the world; improved means of checking locust outbreaks had been put into operation. The pesticides program had, in fact, achieved more than its primary purpose: it had helped in the conservation of food, but it had also brought to the people of the UNRRA countries a new awareness of the benefits to be derived from scientific plant protection.[129]

### 7. *FISHERIES*

The governments of all the UNRRA countries engaged in the fishing industry were anxious to restore their fishing fleets and so increase the supply of protein available to their peoples.[130] To help

[125] Savingram, Rome to Washington A-56, 30 July 1947.
[126] Memo, R. Herbert to R. K. Gaumnitz (Director, Agricultural Rehabilitation Division, ERO), 25 May 1946.
[127] Savingram, Rome to Washington A-56, 30 July 1947.
[128] Monograph, Knight, "Pesticides," p. 45.
[129] *Ibid.*, pp. 51–53.
[130] Monograph, Mahler, "UNRRA's Agricultural Rehabilitation Activities," p. 487.

achieve this purpose, the Agricultural Equipment and Fisheries Branch spent some $35 million on the provision of substantial quantities of fisheries equipment and the procurement of 196 large fishing boats. Of the vessels, some were new, some were from civilian fleets, and some from surplus military stocks. About 90 were of the purse seiner type, and the remainder were trawlers. The disposition of the vessels was as follows:

TABLE 17

DISTRIBUTION OF UNRRA FISHING VESSELS [a]

| *Vessels* | *China* | *Poland* | *Greece* | *Yugoslavia* | *Albania* | *Total* |
|---|---|---|---|---|---|---|
| New | 37 | ... | 2 | 7 | ... | 46 |
| Used | 33 | ... | 10 | 4 | 2 | 49 |
| Converted military | 57 | 43 | 1 | ... | ... | 101 |
| Total | 127 | 43 | 13 | 11 | 2 | 196 |

[a] Monograph, S. A. Lischinsky, "Fisheries Division," Appendix, "Procurement of Supplies for Rehabilitation of Fisheries, All Countries."

At the end of the war, practically all boat-building materials were in short supply, and the outlook for fulfilling the fishing boat program through the provision of new vessels was unpromising. If fishing boats were to be provided within the UNRRA period, it was evident that substantial purchases would have to be made from surplus military stocks and from existing civilian fleets. Negotiations with the United States Maritime Commission for purchases from United States surpluses were, however, somewhat discouraging, as it was clear that the procedure for releasing boats was too slow to permit any significant number becoming available to UNRRA within a reasonable period. Plans were accordingly made to obtain most of the fishing boats from civilian sources in the United States.[131]

A survey of the fishing ports on the West Coast revealed that, with the ending of the war and of the unlimited military market for fish, there were surplus fishing boats which owners were willing to sell at reasonable prices. Buying in this area had additional advantages in that geographically it was convenient for shipment to China—for which most of the vessels were destined—and, moreover, many of the boats were versatile craft usable both as draggers and purse seiners. In all,

[131] *Ibid.*, p. 26.

37 vessels were procured there, of which 32 went to China, 2 to Greece, and 3 to Yugoslavia.[132]

When the programs were worked out, provision was made for the purchase of vessels of 60–85 feet over all. It was anticipated that the smaller vessels would be shipped as deck cargo, but, during the coarse of the operation, it was found that no facilities existed at Shanghai which would permit the unloading of vessels shipped as deck cargo, and the program for China was accordingly revised to include only vessels large enough to make the journey under their own power, although one sturdy little vessel, the "Rosanne," only 64 feet over all, was allowed to proceed in convoy with the larger vessels.[133] Before sailing, all the vessels were equipped with supplies and fishing gear calculated to be sufficient for a year's operation. Except for fuel, ice, and stores they were ready for fishing upon arrival at their destinations. The vessels were not of a type familiar to Chinese and Greek fishermen, and arrangements were therefore made for some of the members of the crews which delivered them to remain awhile in China and Greece to instruct the local fishermen in their handling.[134]

On the East Coast of the United States eight used vessels were procured for European countries. These included two draggers for Albania and five for Greece and, in addition, for Greece, a surplus minesweeper which was equipped as a floating hydrobiological laboratory. Difficulties in procuring oceanographic and laboratory supplies delayed the departure of this vessel until almost the end of the UNRRA program, but eventually she left Charleston in April 1947 with the equipment complete except for one winch which was dispatched just before the expiration of the time limit on shipments from the United States.[135]

The cost of repairing and equipping the used vessels was high, bringing the final cost in some cases to that of the new boats which were bought later. The great advantage of the used vessels, however, was that they were delivered almost a year before the new ones were ready.

After completing procurement of used vessels, the Fisheries Branch placed bids for the construction of 3 small seiners in Canada and 43 vessels in the United States. The majority of these boats were of the

[132] *Ibid.* [133] *Ibid.*, p. 28. [134] *Ibid.*, p. 41.

[135] Report, H. F. Strong, "Procurement of Hydrobiological Vessel with Oceanographic and Laboratory Equipment for Greece," 15 June 1947.

West Coast type, about 83 feet long, with a capacity for about 150 tons of fish. These vessels were completed, and delivered to China, Greece, and Yugoslavia in the spring of 1947.[136]

Negotiations for the procurement in Australia and New Zealand of fishing vessels for China began in the summer of 1945—long before the fisheries program was established—and finally resulted in the delivery of some 58 vessels, including trawlers released by the Royal Australian Navy, Danish seiners, and minesweepers from New Zealand.[137]

From European sources fishing boats were provided for Poland; about 25 trawlers and 3 converted minesweepers from the United Kingdom; and from Denmark, 15 fishing cutters. Civic ceremonies marked the departure of the vessels procured in Denmark. They were manned by Polish crews which had come to collect them. It was estimated that in the first six months of operation they had landed fish equal in value to their purchase price.[138]

### 8. *IMPACT OF THE AGRICULTURAL REHABILITATION PROGRAM*

Most of the commodities included in the agricultural rehabilitation program were scarce during the period of the UNRRA operation, and to meet the needs of the receiving countries, the Agricultural Rehabilitation Division had to seek out available supplies the world over. Purchases were made in five continents, including not less than twenty-nine countries.[139] The resources not only of supplying countries but of invaded countries and of nonmember countries were tapped to meet the program. On the provision of over 2,300,000 tons of supplies $320 million was spent.[140] Much more money could have been used. The Central Committee had favored a program for Europe alone amounting to almost $100 million more than was finally available,[141] but other

[136] Monograph, Lischinsky, "Fisheries," p. 31.
[137] Monograph, S. A. Lischinsky, "Report on China Fisheries," p. 12.
[138] Monograph, Lischinsky, "Fisheries," p. 44.
[139] CCE(47)28, "Survey of UNRRA Operations in Europe," June 1947, p. 16.
[140] DGR 14, p. 178.
[141] Program Subcommittee of the Central Committee, CC/P(46)22, "Proposals for Immediate Expansion of Agricultural Rehabilitation Programs for Albania, Austria, Czechoslovakia, Greece, Italy, Poland, and Yugoslavia," 5 February 1946; CC/P(46)32, minutes 23d meeting, 12 February 1946; CC(46)27, minutes 22d meeting, 4 March 1946 (CC Docs., II, 122–127); CC(46)22, "Recommendation of the Program Subcommittee

immediate relief needs—food, transport, fuel, and clothing—had to have priority.

Nevertheless, the contribution made by the Agricultural Rehabilitation program was an extensive one. Although it was not part of the Administration's function to change the agricultural economies of the receiving countries,[142] yet in helping to increase depleted draft power through the provision of power machinery to areas where it had been little used before, UNRRA inevitably contributed to the modernization of the farming methods employed.[143] Through the wide use of fertilizers to promote good crops during the period of the UNRRA operation, UNRRA created in the receiving countries an appreciation of the value of these materials.[144] Through the application of scientific remedies for the extermination of agricultural pests, UNRRA helped to overcome the almost fatalistic attitude which had hitherto existed in many areas toward the depredations wrought by such vermin.[145] Through the provision of livestock, UNRRA not only increased the draft power available but, by including pedigreed animals, improved the caliber of many indigenous flocks and herds. UNRRA showed how, with up-to-date equipment and proper technical assistance, it is possible to transplant a highly developed fishing technique to a country where only a primitive one existed before.[146]

In providing the diverse categories of supplies included in the program, the Agricultural Rehabilitation Division was not ostensibly doing more than carrying out its mandate to promote "a program of optimum food production." [147] Actually, it did much more than that. As in war men learn quickly new and improved means of killing, so in the first days of peace they are quickly responsive to new and improved methods of living. The Agricultural Rehabilitation program helped toward this end, and in so doing it made an enduring impact on the agricultural economies of the UNRRA countries.

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. . . on Supplementary Agricultural Rehabilitation Programs," 16 February 1946 (CC Docs., II, 101–107); CC(46)35, "Proposed Resolution Approving the Policy of the Program Subcommittee in Regard to a Special Program of Agricultural Rehabilitation," 12 March 1946 (CC Docs., II, 137–139).

[142] Letter, Henson to Oscar Meier (FEA), 10 February 1945.

[143] For example, see monograph, Peck, "Farm Machinery Procurement and Distribution," p. 40.

[144] Monograph, Kolodny, "Fertilizers," p. 37.

[145] Monograph, Knight, "Pesticides," p. 51.

[146] Monograph, Lischinsky, "Fisheries," p. 42.

[147] Standing Technical Subcommittee on Agriculture for Europe (TAG/E)(44)30, part of the bases adopted by Resolution 55.

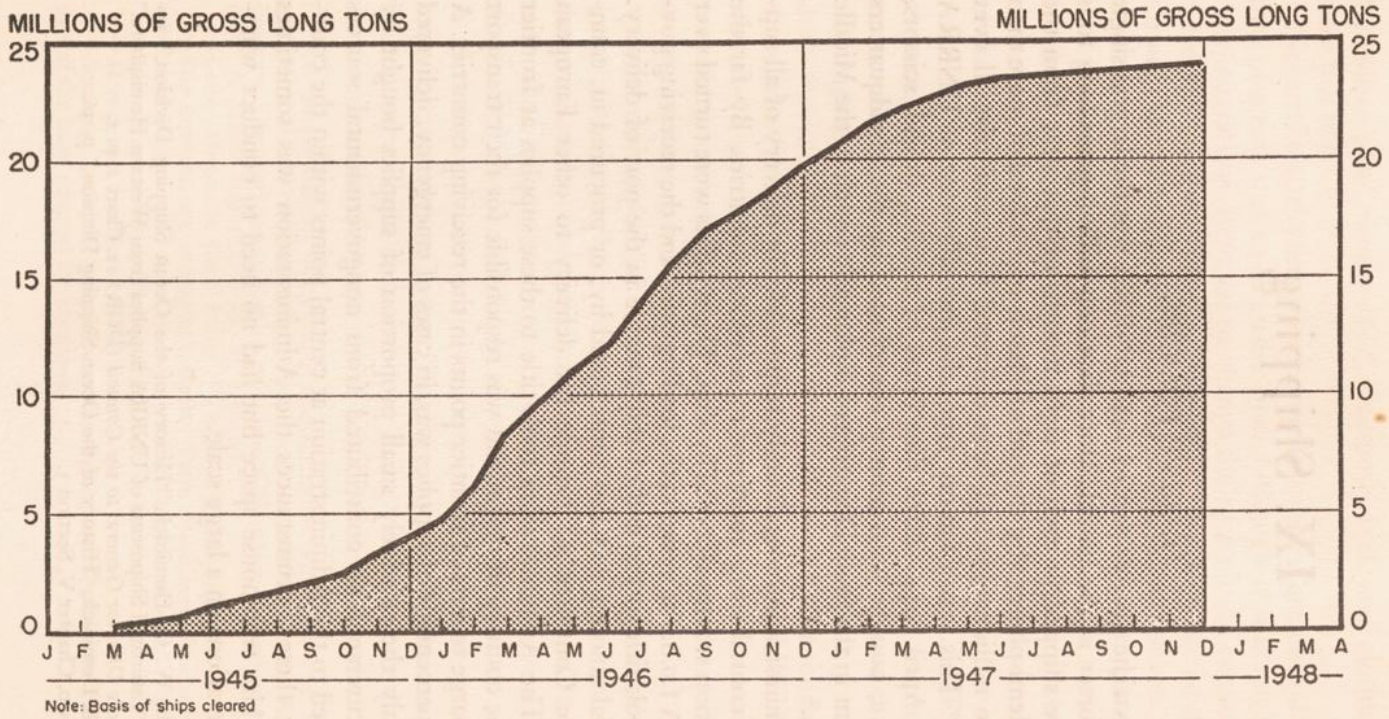
# IX. Shipping

## 1. *BASIC POLICIES*

DURING the greater part of 1946 UNRRA was the largest single exporter in the world. More than one million gross long tons were shipped in each of eight months of that year from the Western Hemisphere; [1] by the end of March 1947 a total of more than twenty-two million tons had been delivered from countries all over the world.[2] This was a far cry from the first shipment of UNRRA supplies in April 1944—three shoe boxes of needles, thread, scissors, and the like, bought with money contributed by the Headquarters staff and sent in the State Department diplomatic pouch to the Middle East camps.[3]

The Administration was directly responsible for delivery of all supplies from contributing countries to receiving countries. By far the greater portion was transported by ship. The supplies were turned over to UNRRA f.o.b. the vessel in the loading port, and the receiving government took title at the end of ship's tackle in the port of delivery. A substantial amount was also contributed by, or procured in, countries on the Continent of Europe for delivery to other European countries. The Administration took title to these supplies at frontier points in the country of origin and was responsible for their transport by rail or barge to agreed frontier points in the receiving countries. A very small percentage of supplies was, in cases of emergency, delivered by air.[4] Only the relatively small proportion of supplies bought by direct procurement or contributed from nongovernmental sources was delivered to the Administration at central points within the country. Under these circumstances the Administration was sometimes obliged to hire warehouse space but had no need to conduct warehousing operations on a large scale.

[1] Monograph, W. G. Dominick, "History of the Ocean Shipping Division," appended table, "Estimated Shipments of UNRRA Supplies from Western Hemisphere."
[2] *Report of the Director General to the Council* (DGR) 12, Chart 1, p. 2.
[3] Monograph, Dominick, "History of the Ocean Shipping Division," p. 36.
[4] See Part Two, Chapter V, Section 3.




GRAPH III

SHIPMENTS TO LIBERATED AREAS, FROM ALL COUNTRIES, CUMULATIVE THROUGH 31 DECEMBER 1947

The Agreement and the resolutions gave the Administration no specific guidance on shipping policies. Decision was made at the outset to employ private firms for all aspects of the actual shipping operation, the UNRRA shipping divisions in Headquarters and ERO serving as planners, coördinators, and liaison between procurement agencies, the other sections of the Administration, and the shipping allocation authorities, forwarding agencies, and shipowners. There could be little argument about the wisdom of the decision. The impossibility of building up the necessary global organization within the brief life of UNRRA was obvious even if the expense had not been prohibitive.[5] The operation involved no unique problems, and private firms capable of handling the task were readily available.

In shipping, as in all other aspects of the supply operation, the Administration was, however, bound to work as far as possible through existing international and national allocating bodies.[6] Until the end of the war in Europe, allocation of shipping was handled by the Combined Shipping Adjustment Board (CSAB), which had a committee in Washington operating a shipping pool for the Western Hemisphere and a committee in London controlling a pool for the Eastern Hemisphere. The Administration, therefore, decided toward the end of 1944 on a like division of operative responsibility between Headquarters and ERO,[7] Headquarters handling all shipments from the Western Hemisphere and the Philippines, and ERO from the Eastern Hemisphere and all other loading ports throughout the world. Headquarters, however, retained responsibility for shipping policies in general. This division continued, with some exceptions and variations,[8] throughout the life of UNRRA.

## 2. *CSAB AND THE UNITED MARITIME AUTHORITY (UMA)*

It was fortunate that actual UNRRA supply deliveries began only toward the end of this early period and on a small scale, for, until V-E Day, and indeed to a considerable degree until the close of the war in the Far East, the vast shipping requirements of the military authori-

[5] Monograph, Dominick, "History of the Ocean Shipping Division," p. 1.
[6] Resolution 1, III, paragraph 3.
[7] Letter, Hendrickson to N. I. Feonov (Deputy Director General, Department of Supply, ERO), 12 October 1944.
[8] See below, Section 3.

ties inevitably had first and overriding priority. Receipt of a shipping allocation was, under these circumstances, no guarantee that shipment would follow, and it was no unusual experience to discover that UNRRA supplies had been left on the dock while the ship had sailed with an unexpected military cargo. But the Administration found even allocations difficult to secure. Since it was impossible in 1944 and early 1945 to foretell with any precision when procurement of goods in short supply might be effected for UNRRA or when UNRRA might be able to assume supply responsibility in a given area, CSAB was understandably reluctant to allocate space which the Administration might in the end be unable to use.[9] It was, for example, only after Lehman's personal appeal to Roosevelt and Churchill in December 1944 that any ships were allocated for UNRRA's first program in Italy although the United States and the United Kingdom had taken the lead in the previous fall in urging its inception.[10]

The principal hindrance to allocations of shipping for UNRRA through most of 1945 was, however, the damaged state of the ports where supplies for receiving countries had to be delivered. Harbor approaches were still mined, channels obstructed, piers and port equipment wrecked, warehouses at least partially ruined, roads and railways into the interior blocked, and trucks and rolling stock destroyed or removed by the enemy. Reports on the extent of damage were conflicting: governments anxious for supplies tended to be overoptimistic; shipping boards and private owners alike hesitated—sometimes to the point of overcaution—to send ships where conditions were uncertain and prompt inland distribution doubtful.[11]

By the autumn of 1945, however, all the major European ports serving UNRRA receiving countries had been opened for at least limited use, and by December, Shanghai and Hongkong were receiving ships carrying UNRRA goods.[12] Temporary periods of congestion here and there continued to interfere with prompt deliveries, but by the end of 1945 when major UNRRA shipments were under way, port reception had ceased to be a general problem.

[9] Monograph, Dominick, "History of the Ocean Shipping Division," pp. 40–41.
[10] See Part Five, Chapter VIII, Sections 1, 3.
[11] Monographs: Dominick, "History of the Ocean Shipping Division," pp. 43–44, 268–292; H. de Waal, "Report on Shipping, ERO," pp. 4–6.
[12] Monograph, Dominick, "History of the Ocean Shipping Division," pp. 45–46.

At the end of the war in Europe CSAB was replaced by UMA.[13] The merchant fleets previously controlled by the Board reverted to the national governments, which thereafter contributed to a common pool only the tonnage needed for combined operations. UNRRA for a time had to compete both with remaining military requirements and with supply programs of individual governments, but by the autumn of 1945, shipping had become plentiful. In Washington the formal monthly programming meetings with the War Shipping Administration (WSA) ended, and the Ocean Shipping Division could at any hour make shipping arrangements by telegram and telephone.[14]

### 3. *THE POST-UMA PERIOD*

On 2 March 1946 UMA came to an end. In the United Kingdom, the Ministry of War Transport, which had controlled United Kingdom shipping in the previous periods, continued to direct tonnage through its licensing procedure.[15] In the United States WSA, which had previously controlled all United States ships, still made allocations to claimants who could not get shipping space through normal commercial channels.[16] As far as their authority extended, these bodies were helpful to UNRRA, but, in general, from this time on the Administration made its own shipping arrangements in competition with the reviving private import and export trade as well as with national supply programs. As the established shipping lines resumed their regular liner berth services, these were used as far as possible. They were not, however, adequate for UNRRA's needs either in capacity or the ports which they served.

In accordance with recommendations of the *ad hoc* Subcommittee on Shipping of the Committee on Supplies, the Administration decided not, in effect, to hire a relatively permanent fleet through "time-chartering," since the dates of availability of supplies were too unpredictable to ensure that such a fleet would be fully and steadily em-

[13] Established according to plan set forth in *Report of the United Maritime Authority Planning Committee* (London, 1944).

[14] Monograph, Dominick, "History of the Ocean Shipping Division," p. 45.

[15] Monograph, de Waal, "Report on Shipping, ERO," p. 17.

[16] Letter, James F. Byrnes (United States Secretary of State) to Lehman, 15 March 1946.

ployed.[17] Instead, ships were chartered, for the most part, on a single-trip basis.[18]

For shipments from the United States arrangements were made with various private firms. Until the end of the UMA period, forwarders were appointed by UMA in consultation with the Administration. After February 1946 UNRRA selected its own forwarders, reducing the list, despite pressures from many sources, including United States Congressmen, to those who had demonstrated their ability to provide good service.[19] It was their duty to make sure that cargo arrived at the ports at the right time and place and to trace laggard arrivals; to prepare and distribute the necessary documentation to the ships, the procurement agencies, and the UNRRA Ocean Shipping Division.[20] Throughout 1946 two pools of ship brokers were used, one to provide vessels for bulk shipments of grain, the other for coal.[21] To assist the Administration in its negotiations with ship brokers and shipowners, the Director General in June 1946 appointed an Advisory Committee of Ship Operators.[22] One fruitful result of this was a general 10 per cent reduction in most basic freight rates,[23] already agreed by the War Shipping Administration for its share in UNRRA shipments.[24]

During most of the life of UNRRA the firm of Guy Tombs Ltd. served as Canadian shipping representative and forwarding agent.[25] To arrange most of the shipments from the east coast of South America, Headquarters employed Moore-McCormack Lines, Inc.,[26] and for the west coast, W. R. Grace & Co.[27] In the United Kingdom, on the recommendation of the Treasury, Hogg, Robinson & Capel-Cure Ltd. were

[17] Committee on Supplies (CS) (46) 2, 9 January 1946; CS(46)8, minutes 20th meeting, 24 January 1946; monograph, de Waal, "Report on Shipping, ERO," p. 20.

[18] Some 1,350 charters were signed by Headquarters, almost 800 by ERO.

[19] Monograph, Dominick, "History of the Ocean Shipping Division," p. 95.

[20] *Ibid.*, pp. 93–94.

[21] *Ibid.*, pp. 216–218.

[22] Letter, Director General to William N. Westerland (President, Marine Transport Lines, Inc.), 28 June 1946.

[23] Advisory Committee of Ship Operators, summary of meeting, 3, 18 July 1946; monograph, Dominick, "History of the Ocean Shipping Division," p. 214.

[24] Monograph, Dominick, "History of the Ocean Shipping Division," p. 209.

[25] Letter, H. E. Whipps (Acting Chief, Ocean Shipping Branch, HQ) to Guy Tombs Ltd., 31 July 1945.

[26] Letters: George L. Holt (Vice-President, Moore McCormack Lines, Inc.) to W. G. Dominick (Chief, Ocean Shipping Branch), 7 April 1945; Dominick to Moore-McCormack Lines, Inc., 24 April 1945.

[27] Letters: J. P. Grace, Jr. (Secretary, W. R. Grace & Co.) to Dominick, 30 April 1945; Dominick to W. R. Grace & Co., 3 May 1945.

appointed as UNRRA's forwarding agents.[28] They, in turn, employed a number of firms as subagents and also served UNRRA through their own representatives in Antwerp, Rotterdam, Marseilles, and Hamburg.[29]

The geographical division of operating responsibility between Headquarters and ERO was not absolute or inflexible. Movements of military surpluses from Italy, France, the Persian Gulf, and India were at first controlled by Washington and only transferred to ERO in 1946.[30] Shipments from Australia and New Zealand were in most cases arranged by the Southwest Pacific Area Office directly with these Governments.[31] Shipping from the east coast of South America had, moreover, been handled in prewar years largely by British firms, and, with the end of the UMA period, the United Kingdom Government insisted that bids for shipping from these areas be first offered in London.[32] Vessels from this source were not, however, always readily available; the delivery of goods at the South American ports was unusually unpredictable; and procurement in these areas was, moreover, handled by Headquarters. The result was delay and confusion. A procedure was eventually worked out whereby tonnage requirements for wheat shipments (the category for which speed was a prime essential) if not met by London within forty-eight hours of notification reverted to Headquarters.[33]

### 4. *PROCEDURES*

UNRRA shipping costs were financed from funds reserved for the purpose; they were not charged against the programs of the receiving countries. In fact, three shipping funds were set up: one in the United States from the United States dollar contribution; [34] one in the United Kingdom from its sterling contribution; [35] and one in Canada from

[28] Letter, Roscoe Herbert (Supply Department, ERO) to Hogg, Robinson & Capel-Cure Ltd., 16 July 1945. [29] Monograph, de Waal, "Report on Shipping, ERO," p. 3.
[30] *Ibid.*, p. 13. [31] *Ibid.*
[32] *Ibid.*, p. 12; monograph, Dominick, "History of the Ocean Shipping Division," pp. 54–55.
[33] Shipping Coördinating and Review Committee (Ref. S. C. and R. C. [L] 10), "UNRRA Shipments from South America"; letter, John Hyland (Deputy Director of Shipping, ERO) to P. F. Rogers (Ministry of Transport), 13 July 1946.
[34] Letter, Lehman to Leo T. Crowley (Administrator, Foreign Economic Administration), 3 October 1944.
[35] Letters: Lehman to Director General, Ministry of War Transport, 15 January 1945; Director General, Ministry of War Transport, to Lehman, 16 January 1945.

the Canadian dollar contribution.[36] Eventually, an additional fund was created for payment of other foreign-flag vessels from free funds.[37] Through 30 June 1947 shipping costs (including air freight, disaster losses, port charges, costs of forwarding from ports to inland countries) on a global basis came to about 20 per cent of the value of the cargo transported.[38]

Upon certification from the government procurement agency that a given consignment was ready for delivery, the shipping division in Headquarters or ERO assigned the shipment a vessel number and against this number, in the earlier period, issued a shipping request to WSA or the Ministry of War Transport, or, in the later period, its own Forwarding Order to the procurement agency. UNRRA then took title to the cargo on the basis of bills of lading signed on board the vessel. From the bills of lading the shipping division prepared for each vessel a shipping report which was sent to the country of destination, and also circulated in Headquarters or ERO. On arrival of the vessel in the receiving port, the UNRRA port officer with the representative of the receiving government checked the cargo as it was unloaded, and title was then transferred to the government representative on his signature of an out-turn report.[39]

Prompt and accurate documentation was a prime essential from the points of view of all participants in the shipping operation. Particularly was it necessary that the missions and the receiving governments be informed as far in advance as possible of the goods en route so that plans could be made for transportation from the ports and for distribution within the country. Especially was this important for staple items such as food and coal upon which the ration systems and the economic life of the country directly depended. This goal was only gradually achieved. Copies of bills of lading and shipping reports only too often arrived after the ship had reached its discharge port. This was the case even if the documents were airmailed, for flights were subject to unavoidable delays, and service to some of the receiving countries was most irregular. Until the end of the war, security regulations prevented the dispatch of detailed information by cable. Highly

[36] Memos: Dominick to Leslie Lawes (Washington Representative, Canadian Mutual Aid Board), 14 December 1944; Lawes to L. B. Pearson (Council Member for Canada), 15 December 1944.

[37] Monograph, Dominick, "History of the Ocean Shipping Division," p. 66.

[38] *Ibid.*, p. 73.

[39] *Ibid.*, pp. 96–108.

tentative monthly estimates sent from Headquarters without clearance with the Ocean Shipping Division produced confusion and disappointment.[40] In March 1946 the reasonably satisfactory procedure was adopted in Headquarters of sending by semimonthly cables to each mission as accurate and detailed an estimate as possible of the vessels and their cargo expected to arrive in the following fortnight.[41]

### 5. *PROBLEMS*

The success of the shipping operation depended upon careful and rapid coördination, and the ability to make immediate adjustments when unexpected crises arose. Failure anywhere along the line meant not only delay in delivery of vitally needed supplies but also financial loss from warehousing or demurrage charges. The shipping divisions had constantly to contend with obstacles outside their control—storms and bad weather such as the freezing of the Baltic in the spring of 1947;[42] dock workers' strikes, such as those which tied up shipments from the East, West, and Gulf coasts of the United States in the last three months of 1946;[43] delays by contributing governments in granting export licenses (notably Argentina in the spring of 1946 during the food crisis[44]). In the United Kingdom the ERO Shipping Division had, in addition, to cope with damaged ports, elderly and unskilled stevedores, and inadequate warehousing in former churches or schools.[45]

Temporary congestion in receiving ports necessitated quick withholding or diverting of shipments. When, for this reason, an embargo was placed by the Director General on shipments to China in July 1946 procurement deliveries were at their peak. Fifteen ships destined for China from the Western Hemisphere were at berth, and seventeen more were scheduled to load in that month. Cargoes en route were hastily diverted to warehouses or rail storage; Treasury Procurement and UNRRA hired warehouse space at the ports wherever it could be secured, and the Ocean Shipping Division was able to hold up some 58

[40] *Ibid.*, pp. 102–103, 105.
[41] *Ibid.*, p. 103.
[42] See Part Three, Chapter VIII, Section 3.
[43] Memo, Dominick to Karl Borders (Bureau of Supply, HQ), "Curtailment of UNRRA Ocean Shipping by Strikes," 5 December 1946.
[44] See monograph, Wesley Green, "History of the UNRRA Mission in Argentina."
[45] Monograph, de Waal, "Report on Shipping, ERO," p. 10.

per cent of the supplies not yet loaded.[46] It was not until the following May that this embargo was completely relaxed.[47]

Some of the cargo delivered by UNRRA required special carriers. Livestock, for example, could be sent only in specially outfitted vessels. As deliveries increased, adequate numbers of these could not be found. Agreement was therefore reached with WSA for the conversion of seventy-one ships, mostly Victory and Liberty types, for the purpose,[48] UNRRA bearing the cost of $6 million for conversion and eventual reconversion.[49]

Transport of locomotives also required a special type of vessel. For shipment of 160 locomotives with tenders to China from the United States in the spring of 1947 three Norwegian Belships were chartered, specially designed for the purpose and just launched. For the first time in shipping history 48 completely erected locomotives and 48 tenders were carried on one vessel. Another of the Belships carried 14 completely erected tugboats to Shanghai.[50]

### 6. *DELIVERIES BY LAND*

As its name implied, the Ocean Shipping Division at Headquarters had, mainly, to arrange shipments by sea from contributing to receiving countries. The Shipping Division in ERO was responsible as well for the movement of supplies totaling some 3,400,000 tons by rail and barge, crisscrossing the Continent. Landlocked Czechoslovakia, for example, was a focal point. Thither came coal from Poland, phosphate from the Soviet Zone of Germany, general cargo from the Netherlands, Belgium, Bremen, Hamburg, Trieste, and, in the early months of 1945, from Constanza on the Black Sea. Coal from Poland and phosphate from Germany were shipped by rail to Yugoslavia. Basic slag for fertilizer moved from Luxembourg to Austria.[51] Some 200,000 tons of miscellaneous cargo were transported by barge on the Rhine, Elbe, and Danube.[52]

All rail movements had to be accomplished over lines disrupted by

[46] Monograph, Dominick, "History of the Ocean Shipping Division," pp. 310–311.
[47] *Ibid.*, p. 316.
[48] Letter, Granville Conway (Acting Administrator, War Shipping Administration) to Dominick, 18 April 1946; *supra*, Chapter VIII, Section 3.
[49] Monograph, Dominick, "History of the Ocean Shipping Division," p. 376.
[50] *Ibid.*, pp. 343–345; see photographs, *ibid.*, Appendix VIII.
[51] Monograph, de Waal, "Report on Shipping, ERO," p. 21.
[52] *Ibid.*, p. 23.

torn-up tracks and blown-up bridges. Freight cars had to be provided by the country for which the goods were destined. Although movements were not unduly hampered by lack of cars, those available were often in bad condition and unsuitable for the type of supplies to be transported. Any delay in their arrival at once taxed the limited warehousing facilities in the ports.[53] Without the good offices of the European Central Inland Transport Organization (ECITO), the task would have been difficult indeed, especially for movement of goods across two military zones in Germany. UNRRA movement bids were, in such cases, placed with ECITO, which made all the necessary arrangements with the controlling authorities. Eventually, ECITO developed such a programming system for all Western European countries.[54]

### 7. *DELIVERY IN RECEIVING COUNTRIES*

The Shipping Division in ERO was, in addition, responsible for supervising the delivery of the supplies in the receiving countries in Europe. It had, therefore, to work closely with mission port officers, stationed both in ports in receiving countries and at other ports of delivery (such as the Albania Mission Brindisi Port Detachment). The duties of the mission port representatives were to check on port and warehousing conditions and report any shortcomings to mission headquarters; supervise unloading of UNRRA cargoes; obtain outturn reports from government representatives; prepare discrepancy reports on shortages or damage and protest them to the ship's agent; and act as liaison with government authorities in the port.[55]

Since warehouses in the Mediterranean area had suffered particularly heavy damage, port congestion was a special hazard. A Port Nomination Committee with military, Ministry of War Transport, WSA, and UNRRA membership was early established in Caserta and later moved to Rome where it became a purely UNRRA unit under ERO. This office, on advice from the missions in the area, arranged last-moment changes in port destination by advising the shipmasters after the vessels had reached the Mediterranean.[56]

The Supply Division in ERO also supervised the UNRRA Transit Office in Trieste. This office was established early in 1946 to co-

[53] *Ibid.*, p. 22. [54] *Ibid.*, p. 8. [55] *Ibid.*, pp. 45–46.
[56] Monographs: de Waal, "Report on Shipping, ERO," p. 47; H. R. Hunt, "UNRRA-AFHQ Historical Report."

ordinate the deliveries and on-forwarding of UNRRA supplies with the plans of the Allied military authorities who controlled the port. This was the more necessary since warehousing facilities and railway lines leading inland were extremely limited; yet through this port all UNRRA overseas deliveries for Austria and Hungary and some of its imports to Albania, Yugoslavia, and Czechoslovakia had to pass—in all, about 1,775,000 tons of UNRRA supplies.[57] As pilferage in the port proved a considerable problem the authority of the Office was substantially increased in September 1946, and conditions rapidly improved.[58]

Thus, the Administration delivered to the 17 receiving countries more than 24 million tons of relief and rehabilitation supplies, some 75 per cent in the space of one year, 1946. This was accomplished with a minimum of expense through the use of normal commercial channels. The task of arranging and coördinating shipments was imposing. Cargoes had to be planned to suit the capacity and type of vessel and to permit a proper proportion of heavy and light, small and bulky items. Goods had to be moved not only from the undamaged and fully equipped ports of the Western Hemisphere but from war-damaged ports in Europe and the Philippines and from small harbors in remote corners of the globe where loading facilities were meager. Ships had to be provided when the goods were ready—not sooner or later. However carefully plans were laid in advance, they had to be flexible enough to allow for delays in arrival of supplies at the ports, storms, engine trouble, strikes, embargoes, and a hundred other unpredictable happenings anywhere in the world. At the receiving end, also, deliveries had to be scheduled with due regard to port capacities and equipment, temporary congestion, warehouse and inland transport facilities. The work of the shipping divisions was the final step in the supply operation. Once the supplies had arrived in the unloading ports, the receiving governments, aided by the UNRRA missions, took up the task of distribution to their people.

[57] Ocean Shipping Division, "Transit of UNRRA Supplies through the Port of Trieste," table and graph [September 1947].

[58] Monograph, de Waal, "Report on Shipping, ERO," pp. 47–48.