

Note on Interview with

GLENN CRAIG

20 August 1952

Present: Harvey Mansfield

1. Europe was caught in a circle that had to be broken. There was a need for capital acculamation. April 3, 1948 was about the time when it was possible, with aid, to develop internally some capital accumulation. For example \$300 million from the U.S. made possible investment on the continent of some \$6 billion in thermo-generating power -- over a period of 5 or 6 years; the aid was mostly in the form of thermo-equipment.
2. Again in the case of rolling mill capacity -- what was provided from the U.S. was only a fraction of what was needed yet it made an enormous difference.
3. A major theme in the industrial field then is the extent to which marginal aid made possible large European internal investment. On this see the 1950 program steel study, and similar studies on electric power and petroleum. Bernie Rothman can give you some good information on this. Statistics and reports division will also have some material.
4. Europe needs commodities -- food and raw materials -- in any case and has to export manufactures. Our influence is mainly on the character of production in Europe.
5. On the supply side of the organization, we are programmers from the standpoint of industry agriculture and transportation. We pay attention to what they should produce to earn dollars as well as to meet their internal needs; what they need in equipment etc.; and what we should pay for.
6. Our contacts with industries in the U.S. has not been through business advisory committees; this was decided against early. Our alternatives have been to use Department of Commerce channels with their normal contacts including business advisory committees and, for the rest to have an ad hoc approach.
7. Query: System for getting information on U.S. availabilities? For this we have had commodity specialists who know the field, who have made use of both official channels and industrial associations such as the iron and steel institute, the pulp and paper association, the tobacco association, the cotton association.
8. We have given a good deal of aid to countries in getting to sources of supply in the U.S. and in expediting matters for them.



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9. Our most important contributions in the industrial side of the organization, perhaps, has been in putting programs and projects into focus. What could be done? What were the most essential things in the particular countries which should be concentrated upon? How, in other words, could limited aid be used most effectively?

10. We also helped in "greasing the skids".

11. The field in which we made our greatest contributions perhaps was that of power.

12. In the industrial field there has been an immense amount of drive from the other side. ECA's role therefore has been more that of "shapers" than that of prodding into action.

13. Query: The contribution of technical assistance to industrial developments in Europe? Reply: Mainly through stimulating interest, and getting technicians together.

