

BOARD OF GOVERNORS  
OF THE  
FEDERAL RESERVE SYSTEM

# Office Correspondence

Date November 13, 1947.

To Chairman Eccles

Subject: Status of Marshall Plan

From Mr. Vest

Legislation.

This is merely to advise you of the current status of the draft legislation for the Marshall plan, as indicated in the draft of November 10, which we received yesterday.

The draft establishes a separate Economic Cooperation Administration, headed by an Economic Cooperation Administrator. He would be appointed by the President and approved by the Senate, and receive a \$17,500 salary.

The administration of the Act would be vested in him except as otherwise provided in the Act. All functions of the Administration which involve the foreign policy of the United States would be performed under the direction and control of the Secretary of State.

There would be a special United States Representative for the plan in Europe. He would be appointed by the President with the approval of the Senate, and would have full ambassadorial rank.

The Administrator is to consult the National Advisory Council in connection with advances of funds to participating countries, whether by grant, loan or otherwise. The provision is not a model of clarity, but is much better than earlier drafts and is probably as good as can be obtained in the circumstances.

As a means of carrying out the Act, the Administrator could make "guaranties to, or financial arrangements with" American citizens, or corporations substantially owned by Americans.

There is no provision for stabilization loans, and none for any advisory committee of civilians or congressmen.

GBV