

The Association for Diplomatic Studies and Training
Foreign Affairs Oral History Project

D. A. FITZGERALD

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Q: I am interviewing D. A. Fitzgerald, one of the first employees of the Marshall Plan and one of the people that kept it going when people came and left. There was always "Dr. Fitz" that we looked to to be the pivotal person around which everything turned in the headquarters of the Marshall Plan.

Tell me about how you got started with the Marshall Plan and about when.

FITZGERALD: It is hard to know where to start, but I think I'll start with 1946 when I was working for the Department of Agriculture. It was right after the end of World War II. Food supplies, particularly grains, were in short supply. President Truman talked Mr. Hoover--ex-President Hoover--into making a worldwide trip to check up on the food supplies in Western Europe and also in Asia and South America.

A Clinton Anderson was Secretary of the Department of Agriculture at that time. Later he became a senator from New Mexico. He called me in one day and told me that President Truman was sending Mr. Hoover out on this food survey trip and that I was to go with Mr. Hoover and his team. I promptly said I was too busy to go, and he said, "You are going." "So I went!"

The tour took about six weeks altogether. I got along well with Mr. Hoover and came to have a high regard for him. The purpose of the Hoover trip was primarily to encourage

American consumers to continue on a fairly minimum diet so that the country would have more food, particularly grains, to ship to Europe and other countries where supplies were short because of the war.

Q: To what countries did you and ex-President Hoover go?

FITZGERALD: We went to all the Western European countries and to most of Eastern Europe-Poland, Czechoslovakia, Yugoslavia, Greece-but not to Russia. I took a side trip in a separate plane down to Northern Africa for a couple of days to see what the supply situation was there. Then we went to Egypt, across Iraq and Iran, Pakistan, India, Burma, Indochina, the Philippines, Tokyo--we did not go to Korea on that trip. Then we came back via the Pacific to Washington. Subsequently, we went down to Latin America--most of the states in Latin America, not all of them. Again, the purpose was to primarily encourage conservative consumption in this and other countries in order to be able to meet the basic needs of the war torn countries.

During and after the war international food management had been in the boards of agency known as the Combined Food Board. It consisted of the United States, Great Britain, and Canada. After the end of the war, there was quite a bit of complaint from other countries that these three were too much of a "closed corporation" and should be replaced by a more representative international organization. So the three country board was replaced by an International Emergency Food Council which ended up with about 35 country members.

Q: Just generally, who all would be represented on that council?

FITZGERALD: Every interested country could and did become a member. It wasn't the United Nations by any stretch of the imagination, but it was built on the same principle. Most member countries sent responsible ministers, to represent them. Countries such as Great Britain, France, and Western Europe generally sent their food ministers. We tried to organize a fairly representative staff. Since it was only a temporary organization, most of the employees were Americans, but I had some Canadians. The deputy director of the council was a Frenchman named Eugene Demont.

Q: You were physically located where?

FITZGERALD: We were physically located in a building on Connecticut Ave, not far from where we are sitting now.

Q: We're sitting in the Mayflower Hotel, incidentally.

You were the director general?

FITZGERALD: I was the secretary general. There was a certain amount of public interest--newspaper interest--in the council because we quarterly recommended the

amount, source and destruction of basic food products in short supply. The most important of which was, of course, wheat and other cereals for example rice. While the United States was the biggest supplier, in general the other countries tended to follow, in so far as they could, the recommendations of the International Emergency Food Council so that the distribution, I think, was improved by its recommendations. Anyway, there was a good deal of public interest in it. Our quarterly meetings were reported fairly extensively in the local press. You can check those dates and find the reports.

In 1948 the food supply situation eased a good deal, and the council members agreed since food supplies would be adequate after 1948, to discontinue the practice of making distribution recommendations.

I returned, then, to the Department of Agriculture where I had been working heretofore. On the way back to the department, the Congress passed the European Recovery Act. President Truman appointed the ex-president of the Studebaker Corporation to run the so-called Marshall Plan. His name was Paul Hoffman. Mr. Hoffman, apparently, had talked to Hoover and perhaps some others. The first thing he did when he was appointed was to call up Secretary Anderson and ask Secretary Anderson if he could borrow me for a few weeks.

Q: Just for a few weeks.

FITZGERALD: Yes. Anderson said, "Sure, go ahead."

At the same time, Anderson appointed me as head of the office of Foreign Agricultural Relations in the Department of Agriculture, so for about six months I wore two hats. I was the head of the food division in the original Marshall Plan Organization and Director of the Office of Foreign Agricultural Relations in the Department of Agriculture. It soon became clear that either job would suffer if I continued to try to run both of them. They were both full-time jobs. In the department my assistant had to go and testify before Congress for appropriations and all kinds of things. I should have been able to do but I was too busy working on starting the Marshall Plan Feeding Program. The press said,--I don't take the press too seriously and I won't take what you say too seriously, either--that I was the first person to be hired as a member of the staff of the agency, generally called, as you know, the Marshall Plan.

The Marshall Plan Organization, the Economic Cooperation Administration, the ECA, was organized through regular bureaucratic channels. Mr. Hoffman got a staff. He had several deputies. I don't remember the names of many of them. He had a food division of which I was head and which was responsible for issuing procurement authorizations for agricultural commodities. The authorizations were issued to the importing countries and then they bought through commercial channels. There was, of course, the usual administrative arrangements--people who kept the books and kept the records, etc., to which I paid practically no attention. As you know what is now generally known as foreign aid had numerous administrators, Paul Hoffman, the first, probably was there

maybe two years or less. Then a Bill Foster took his place. There were a lot of personnel changes in the agency. A lot of the staff were temporaries. They were serving for patriotic purposes, if you would like to call it that. They were businessmen who had their own jobs. A lot of them went back to them. Paul Hoffman tried to locate a lot of the same sort of people for overseas jobs which the agency established. One of his employees who headed the Paris office was Averell Harriman. Subsequently, Averell Harriman became head of the agency for a while. At one time I had a list of the different heads that the agency had, and it ran into 10 or 15 at least, maybe more. Almost all of them were very short-term appointees.

After about a year and a half--I think it was after Mr. Hoffman left--the new deputy administrator asked me to serve as the head of the supply division. Under the supply division was included food and agriculture, machinery, engineers that checked over the plans of the importing countries, etc. I served in that place for about two or three years.

The Marshall Plan I believe worked reasonably well and was reasonably effective, in major part because it dealt with reasonably developed countries. Later there was this widespread attempt to "save the world." The program moved into Africa, Asia, South America. I don't know how many dozen countries in these continents got their so-called independence. Every time a country became "independent" the State Department felt it had to give a gift by the United States. I turned down at least one proposal to send an airplane as a gift to a newly independent country. That country had only one small airport. [Laughter]

Q: Wanting to give the gifts.

FITZGERALD: Yes. In fact, I was a thorn in the flesh of the State Department most of the time. Its staff was really so naive. I got long complaint once from some character in the State Department because I wouldn't buy tea for Algeria. [Laughter] It got me very provoked. I wrote a very scorching letter back to the State Department. I said that tea did not have any nutritive value and half a dozen other things. On that occasion I won.

When Harold Stassen came in and took over as director of what officially became known as AID under Eisenhower, I worked very closely with him. Finally, he went to Eisenhower and said that he wanted to appoint me as deputy director. So I got a diploma from President Eisenhower appointing me to that position.

Q: This is now during the time of President Eisenhower.

FITZGERALD: Yes. Stassen called me in one day and said that it had been decided to build a fertilizer plant in South Korea since all of the existing plants in that country were in North Korea. The president of Korea at that time was a Syngman Rhee. Stassen called me in and said that we'd been told to build a fertilizer plant to make urea. I said, "Governor." (We still called him governor--he was governor of Minnesota during the war). I said, "Governor, the Korean farmers don't know one side of a urea pail from

another. It is an entirely different fertilizer than what they have been used to which is ammonium sulfate. It is much stronger. It's a new product and it's been patented so it will cost us to pay patent fees. What we should do is build a fertilizer plant to produce a fertilizer "they know how to use-namely ammonium sulfate."

The governor said, "Let me check."

A day or two later he called me in and said, "Sorry. Rhee wants the most modern fertilizer plant there is so it's been decided to build a urea plant."

I went back to my office and the first thing I did was to call Skinny Holmgren--He had taken my place as head of the food division. "Skinny, in the next shipment of fertilizer to Korea, put in a substantial proportion of urea because we are going to build a urea plant in Korea and I want the Korean farmers to have some experience with it."

He said, "We can do that."

The next shipment of fertilizer from our place to Korea included urea which the Koreans learned to use. The Koreans didn't know how to run that plant. We had to bring them over here and send them to school. We got several fertilizer companies in this country to take the Koreans who were going to work in the new urea plant and to give them training. A lot of them couldn't speak English. I was going to say that was the stupidest thing the agency ever did, but I'm not sure. There were a lot of other stupid ones, too.

Q: Do you know what was behind the pressure for the urea plant?

FITZGERALD: Syngman Rhee wanted the urea plant. He wanted the best, the newest, and the most spectacular kind of a facility and product. I don't think he knew urea from ammonium sulfate. That's what this country said, "Well, he's our boy. We'll give him what he wants." Eventually, we had to hire a urea company to go out and run that plant and train the Koreans after several serious breakdowns. Finally, I am told after I left the agency in 1962, they finally got it running and it was running over capacity and everybody was very happy with it. I bet it cost five times what the original cost estimate. Maybe that's what you do. I wouldn't have done it. I would have given them a plant--I agree on that, but it would have been one they knew how to run and how to use the product.

Another time a decision was made--I'm not sure where the powers that be wanted to build a communications line from Ankara, Turkey to some place in Pakistan. We got our engineers to put out the request for bids. Because we had gotten a lot of complaints in the past that our specifications were not sufficiently concrete and definitive so that you could safely bid on them, we hired some special engineers to write the specifications for this communications plant. Well, they wrote them. They wrote them and, by the time they got through, they had almost told the bidder where to put each telephone pole. Bids came in more than twice what the estimate cost State wanted us to go ahead and sign a

construction contract and the matter came to my office. I said, "Throw those bids out and start all over again. Write specifications which are based upon what we want that line to do. Put it in terms that, say how effective it has to be and let the bidders decide how and where to put the telephone poles to meet those specifications."

Take another example, while I'm down-grading the State Department. When Zaire became independent, a decision was made by some powers that be somewhere--I presume in Foggy Bottom--to bring 50 to a 100 students over to this country to take training in a variety of activities. But we couldn't find 100 students with sufficient training to bring to the United States for further training. So what did we do? We brought over teenagers to attend US High Schools.

Q: The pressure on this communications from Turkey to Pakistan was just to make the Turks and Paks happy that something was being done right away. Is that the point?

FITZGERALD: In part, but in addition the State Department felt that, if there was some way to tie these countries closely together with communications, this would tend to do two or three things. One would be to maintain more friendly relations with the world, and to make some contribution to the productive capacity of those countries. The Defense Department also had some interest. It wanted some way to have communications with India and Pakistan that it otherwise would not have.

Another time, John Foster Dulles--do you know the definition of Mr. Dulles? Dull, duller, dullest. [Laughter]

Q: Was he?

FITZGERALD: He wasn't very communicative. We had opened a facility in Ethiopia, which was a sort of listening post. Also Ethiopia, had become "independent" and so it had to have a goody." Dulles was out there at one time and we began getting messages from our representative in Ethiopia, "Where is the \$5 million that Mr. Dulles promised?"

We said, "What \$5 million?"

It turned out that Secretary Dulles had promised Ethiopia \$5 million but hadn't bothered to tell AID about it.

Q: I think it was communications. We had a large communications center there. It was a relay station.

FITZGERALD: I think it was more than that. In return for the Ethiopian agreement to let us go ahead with what we were doing, Dulles said we would give them \$5 million.

Q: When we say administration, I mean it in the fairly broad sense to say the relationships with the countries. Can we go back a minute, Fitz, to your job before you

came to the Marshall Plan when you were the secretary general of the International Emergency Food Council. In that, you had both the countries which had the surplus food and the people that needed it. Who made the decisions on how much went where?

FITZGERALD: The IEFEC did not make "decisions" but "recommendations." The staff made the best estimate of supplies that it could and after consultation with importing countries suggested a schedule of country exports and imports and presented them to the Council for approval or modification.

Q: You had to have pretty good staff work that would be acceptable.

FITZGERALD: Yes.

Q: The reason I bring this up is that, in interviewing Lincoln Gordon whom you knew very well, he said that one of the really high spots and most innovative things that was done in the Marshall Plan itself when they set up the plan in Europe was the idea of getting the Europeans themselves together. It seems to me that some of the work you did on the international food situation was kind of a forerunner for the people themselves getting together and having the staff make recommendations on the allocation of aid.

FITZGERALD: It's possible, although we weren't consciously aware of it at that time. It is true and Gordon was correct in saying that what we were trying to do was to encourage the participating countries to get together and develop something--which they did--to develop a distribution pattern which, would be as fair as possible for all.

Q: A billion here and a billion there. Then you begin to talk of big money.

FITZGERALD: Who was it? Senator Dirksen. I'm not sure he used a billion. He may just have used a million. The International Emergency Food Council was a temporary organization and I tried to get an international staff without too much luck. Nobody really wanted to become an employee of a organization when they didn't know if it would be there the next day or not. I had a Canadian that handled the fertilizer business. He was on the council as long as we approved this fertilizer. I had some other non-Americans, but most of the staff--were borrowed from USDA.

Q: Then the council was an international organization. It was not a U. S. organization, otherwise you wouldn't have been able to hire non-Americans without some special legislation.

FITZGERALD: IEFEC salaries and other expenses were paid for by FAO.

Q: The Food and Agricultural Organization.

FITZGERALD: Yes. I don't ever remember seeing any statement that mentioned the countries financing arrangements and gave FAO a little pat on the back for underwriting

it. FAO never interfered, with the operations of the IEFC even though it supplied 100% of its financing.

Q: While you were in that job, did you have any relationship with Ty Wood? Ty was then at the State Department as assistant secretary for economic affairs or deputy assistant secretary.

FITZGERALD: No, I didn't. The State Department, fortunately, ignored us. [Laughter] It sent over an assistant secretary from time to time to tend the quarterly meetings. He would throw in a comment or two occasionally but not very often. Indeed there was very little contribution from other agencies, except the USDA. The United States was the major source of supply in the world and IEFC had the complete cooperation of the USDA in carrying out the Council's distribution recommendations.

Q: That was good. To take you back even further now because this is the study of the foreign affairs, when you and President Hoover were making your inspection trips, what kind of a contribution to your work was provided by the agricultural attachés in the embassies?

FITZGERALD: Some, but not a great deal, primarily because there weren't many agricultural attachés at posts overseas. If there was one, he was pretty new. One of the things Hoover was pleased with was that I seemed to be full of knowledge--statistical knowledge, figures. Hoover was an engineer and he wanted everything in concrete figures. I was able to provide him with the figures that he wanted even though many of them, particularly for the war torn countries, were very unreliable. He sat down and got a little stub of a pencil and asked me how many calories there was in a bushel of wheat, how many people there were in Timbuktu, etc.

Q: What positions had you been in just before you went with President Hoover?

FITZGERALD: I was in half a dozen different positions in the Department of Agriculture.

Q: This was where you picked up your knowledge.

FITZGERALD: What I did was I collected all of the statistical information I could put my hands on from the Office of Foreign Agricultural Relations in the Department of Agriculture. They were the ones--then and still are--that tried to get from the attachés and embassies abroad the best, most current information, often guesses, on the agricultural production prospects. It was from that office that I brought this pile of numbers with me on the tour. I told Mr. Hoover, "Look, this is guess work. The figure could be 25% or more in error."

How do we know the effect the shortage of fertilizer had on the wheat used in Germany? Sure, we've got weather reports, but where did it rain? The Foreign Agricultural Service had done the best they knew how and so that was what we had to work with.

Q: This was a case where the federal bureaucracy came through, at least. There is a need here and there for a bureaucracy. [Laughter].

FITZGERALD: The Foreign Agricultural Service did good work. It was from them that I got any reputation I may have had for being full of "figures" on food. I hadn't gone out to Germany and counted the number of kernels of wheat there were on a stalk of grain.

Q: You knew where to go get the information.

FITZGERALD: Yes. It was sufficient and helpful for all practical purposes. Mr. Hoover used it in his own unique way. When you go back through the files of the newspapers in those days, you will find Mr. Hoover reporting every day or two in this trip saying what the situation was in the last country he visited and how important it was to continue to keep a minimum food supply flowing and how the US and other suppliers should conserve as much as possible back home.

Q: Did you have reporters with you? How did the information get back to the country?

FITZGERALD: I'm sure that Hoover consulted with Washington through the embassy. He would send back to this country a statement about Poland, for example, which would get reported by the press. In Poland, for example, one of the members of Mr. Hoover's tour included a man, Maurice Pate, who had been Hoover's representative in Poland after World War I. He'd been there for several years after World War I completing the feeding programs of that day and age. When he got to Poland, he just disappeared underground and gave us all kinds of information because he knew all these people. Maurice Pate, eventually, was head of the UNICEF for many years.

The group that Mr. Hoover got together were all his old employees at one place or another except me. I was from the Department of Agriculture, but all the rest were ex-ambassadors or whatever. It was interesting.

End of interview