

Oral History Interview
with
BENSON E. L. TIMMONS III

Foreign Service officer. During the Truman era served as a chief financial advisor, financial subcommittee, Allied Control Commission, Italy, 1943-46; executive assistant to Asst. Secretary of the Treasury, 1946-48; special asst. to the Chief, Economic Cooperation Administration Mission to France, 1948-49; deputy chief, 1949-54; deputy to the minister of economic affairs, American Embassy, Paris, 1952; and special asst. to the ambassador for mutual defense assistance affairs, Paris, 1952. Later served as Ambassador to Haiti, 1963-67.

Paris, France
July 8, 1970

by Theodore A. Wilson, University of Kansas

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TIMMONS: Where do you want to go? Do you want to ask me questions?

WILSON: Well, I think that the best way, the most desirable approach for me, would be for you to review your role and give your impressions.

TIMMONS: Well, I can do that fairly quickly, I think. Also, it's interesting because now, after some 22 years, I find myself in the organization, which, of course, was created at the time of the Marshall Plan, and to which President Truman contributed so much.

I came to Paris in the very beginning of the Marshall plan in 1948 with Ambassador David Bruce, who himself is now coming back to Paris for a third or fourth time. I was at first the special assistant

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to Bruce when he was the director of the ECA [Economic Cooperation Administration] mission to France. Of course, at that time the central office for the Marshall plan was in Paris under Ambassador Averell Harriman. Later I became deputy chief of the mission. David Bruce, himself, became Ambassador to France after nine or ten months, I think, as chief of the Marshall plan. He was named by President Truman as Ambassador to France. But I stayed in the Embassy in the ECA mission to France for about seven years, from 1948 to 1955; so I saw the whole period of the Marshall plan, properly speaking, in France and, of course, the later developments, the beginning of the military assistance programs. I left Paris in 1955. I was the director at that time then of the mission. ECA went through many changes. As you know, it became FOA [Foreign Operations Administration] and MSA [Mutual Security Agency], ICA [International Cooperation Administration], and now the AID [Agency for International Development]; but through all of those successive changes there was a mission to France and I think I was the next to last director of it. I think there was one person who followed me, and then the mission had finished its work. Of course, it was

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progressively reduced; so I suppose sometime in 1956, why, the mission came to an end. But I saw that whole period, from 1948 to 1955.

WILSON: You served earlier, 1946 to '48 in the Treasury.

TIMMONS: That's right; I was in the Treasury and I had also known Ambassador Bruce during the war. He was in London and I was in London, but he asked me to join the mission here.

Then I went into the diplomatic service, the regular Foreign Service, and I served in a number of other posts, in Washington, and Stockholm, and New Delhi. Then I was Ambassador to Haiti. And after that I was asked by the State Department to come back here as Deputy Secretary General of the organization. That was the first time I had actually served in the secretariat of the OECD [Organization for Economic Cooperation and Development], although, of course, I'd had a great deal to do with its predecessor organization, the OEEC [Organization for European Economic Cooperation], when I was in Paris. I've been now in this post for some two and a half years.

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There was always a complete continuity in this organization from the very beginnings in 1948, when this building was acquired and the OECD began its existence. There was a continuity of approach, of method, of the discussion and confrontation of national policies inside the OECD in

an attempt to confront national interests with the international interests so as to harmonize policies. This is the second of what I would say are obviously the two basic accomplishments that began in 1948. The real foundations were laid in that period of 1948 to 1952. The first four or five years of the Marshall plan was the period of really the first, the essential, recovery of Europe from the effects of the war; the restoration of industrial and agricultural production; the beginning of modernization of industry; and improvement of productivity. The indispensable material element was the increment of dollars which Europe at that time, Western Europe, had to have. The second couldn't have endured without the first, but the most enduring result has been, I think, the whole tradition of international economic cooperation, which is, of course, not confined to this organization. It embraces the World Bank, the International Monetary Fund

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and the GATT [General Agreement on Trade and Tariffs].

WILSON: It certainly seems that a number of the people whom I have seen have continued this tradition.

TIMMONS: This organization now embraces 22 countries, really all of Western Europe and the United States, Canada and Japan. Of course, in the beginning the United States and Canada were not members of the OEEC, which was a European organization, although they played a very active role in it. Although called associate members, they participated very fully; they were not actually members according to the convention of OECD. The changeover took place in 1961. And now you, really, have the whole of the developed world, in effect -- outside of the Eastern countries -- with the market economy system; you have this represented in the OECD, so that you have the most intimate consultation and confrontation here in a relatively small, intimate circle of like-minded countries, who discuss their economic problems in common. It's more than discussion in an attempt to reach conclusions; in many cases there are recommendations to government. This has been, I think, the great enduring feature of what was launched in 1948; not only in this

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organization but in other organizations, too. I think that this is the direct result of the Marshall plan and the impetus that was given by President Truman and Secretary Acheson and so many others -- Ambassador Harriman, Ambassador Bruce -- to this process of international economic consultation on a very broad front. Now we deal with practically every aspect of the country's economic and social life, not only economic policy in the more restricted sense -- the question of balance of payments, developments, and the curbing of the rate of inflation, which is the major problem on our mind now. We are working actively in many other fields -- the field of industry, the field of manpower, the field of agriculture, the field of science, education, now the environment, and so on. So, you really have probably the widest consultation in terms of subjects, but on the most intimate basis instead of in a worldwide organization; you have it among a relatively restricted group of countries; and quite a small group of countries.

WILSON: When you came to France, what was the view that was given to you about the aims of the United States in giving support to the OEEC? Was it assumed, or hoped,

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that the OEEC would become rather quickly a very strong organization? There were these recurring efforts to strengthen the secretariat at that time, to bring very prestigious people in always. How much in this was there an effort on the part of the United States to create a United States of Europe?

TIMMONS: Well, I doubt that in historical terms it was as clear-cut as that. I, of course, would emphasize that in those days, in 1948, I was dealing strictly with France. It sounds perhaps a bit formal and bureaucratic to say this, but our responsibility to Ambassador Bruce when he was chief of the mission, for seven years, was the French program. It, of course, was one of the largest and one of the most important, given the great importance of France in all fields. And it was Ambassador Harriman who was representing the U.S. Government as regards the OEEC. So, there were many people which you have talked to who are much better qualified than I to speak about the aims at that time. But it was obvious that the primary condition, the primary prerequisite laid down in Secretary Marshall's speech, was that this had to be a cooperative effort in Europe. It

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couldn't result in the United States helping a number of countries separately. Those countries had to band together to aid themselves, and then the United States would aid that common effort. So, I think this was the beginning of this organization; there obviously had to be a place where these consultations could take place.

As I said earlier, the immediate problem was one of restoring industrial and agricultural production which was greatly disrupted by the war, as well as the question of rationing of scarce raw materials, and the question of the liberalization of payments. Most of European trade was on a bilateral basis at that point; there was no multilateral mechanism for payments, and OEEC really created all of that. So, I think it was immediately a response to what Secretary Marshall said in the famous speech on June, 1947, about what efforts will be required on the part of Europe. In effect, if Europe helped itself, the administration would be prepared to recommend to the Congress that the United States help Europe. Of course, eventually it became Western Europe. There was the decision on

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the part of the Eastern countries not to participate. So, I think that was the immediate origin of OEEC as I understand it, as I remember it. On the other hand, it obviously corresponded to a deeply-held American view that after the war it would be essential for Europe to achieve a higher degree of unity than it achieved in the interwar period. Then there was the signing of the North Atlantic Treaty. As I say, in this organization [OECD], of course, we have a number of neutral countries, so we stay strictly away from strategic and other considerations. They've never been injected into this.

We have, as you know, a wide range of countries within Western Europe. I had runs from Spain and Portugal on one side through Europe and some in Southern Europe and Northern Europe, through Greece and Turkey on the other. Political differences that countries may have within

Western Europe have never manifested themselves in this organization. I mean it has kept apart from the political problems, and has devoted itself to economic cooperation.

On the other hand, looking at the evolution of Europe and the Atlantic community since 1948, and the

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role that the United States has played in that, obviously, I think, from the beginning there's a problem that can be seen in two parts. One is the necessity for strength within Europe, first for economic recovery and political strength, and then later after the developments in Czechoslovakia and the Berlin blockade, there is the clear emergence of the Soviet threat to Western Europe. There was the necessity for defense against external threat, and also defense against the internal threats of economic and social dangers that Western Europe was facing at that time. So the Marshall plan was one essential element in this, which was to create the necessary economic foundation on which Europe could achieve great strength and greater and greater unity. And the North Atlantic Treaty was designed to provide the shield -- a heavy American contribution -- against the threat of external aggression, at least aggression from Eastern Europe into Western Europe; indeed, against the United States itself. So, the Marshall plan was, from the beginning, an essential element in the building of strength inside of Europe. I still believe that much of the safety and security of the

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United States itself, to put it only in those terms, that our whole economic well-being is heavily bound up with what happens in Western Europe. This is perfectly clear. Now, of course, the community of countries represented in OECD has been expanded to cover Japan, Canada, and the United States. So, I think that was the general concept that we all had at the beginning of the Marshall plan.

It was seeing the problem in this context which led me to transfer from the Treasury Department to join what was in those days the Economic Cooperation Administration and to come to France. Since that time my whole career has either been bound up with this sort of thing, or in the Foreign Service in the various countries. That was the general background, and I think I never expected there would be a United States of Europe created very easily. You know the whole history better than I do -- at first the successful formation of the coal and steel community, which represented a tighter grouping of the six countries within the broader grouping of OEEC, then the Common Market, the EURATOM, and the attempt to form a European Defense Community, which of

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course failed in 1954. Now, after three attempts, we see the third round beginning of the effort to enlarge the community, so that I think the political unity, if one could call it that, has increased. It's a slow process. It's very difficult to define.

Some people expected that this process would go very quickly and that Europe would become a federal state, on the United States model or Canadian model. I must say I never expected that. I felt the process of achieving this sort of unity would be a very slow process. I think the two

greater achievements that we can look back on, or the two great results, is that (a) there has been no war in Europe, no war in the world, no major war involving the same scale of destruction as World War I, and World War II. This, I think, can be traced directly to policies the United States has pursued -- the Marshall plan, the North Atlantic Treaty -- because if we had not given our aid and our support in those fields, I'm sure you would not see the results that you do now. And (b) the whole process of international economic consultation has contributed to the fact that there has been no world-wide depression.

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Quite to the contrary, our problem has been in most countries to restrain the growth, and not to allow inflation to get a tight grip on our economies. We are in an inflationary period. While all of us, including the United States, I suppose, at the head of the list, have had serious economic problems, we have not had the worldwide recession following unemployment, and great human misery in Europe, or in the United States, and the Western World generally that characterized the thirties for example.

So, how much of this is attributable to the work of any man or of any institution or of any program or of any international organization is obviously impossible to say. But if one takes the broad historical look back into developments since 1947, as you will do, it seems to me that these are the inescapable conclusions. United States policy has played, I think it's fair to say, the central key role.

WILSON: If I can focus on your service in France for a few minutes? Often the historian tends to force events into a pattern which perhaps does not exist, and one of my problems is in trying to make some sense of the

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organizational situation at the time the ECA was created. Were there any difficulties in Paris in dealing with the French Government because of Treasury's interest, because of the fact that the special representative had his office in Versailles?

TIMMONS: Well, the special representative, actually, most of the time was right here near the Embassy. The answer is "no," I think, for a combination of reasons. The first is that one of the most important agencies of the United States abroad, obviously, at that time, because of the importance of the financial problems, was of course the Treasury. The Treasury was represented by a remarkable man here -- he's now dead, unfortunately -- named William Tomlinson. You've probably run across his name. He's a famous person in the history of the Marshall plan, particularly in France. From the very beginning he functioned as part of the ECA mission to France, and David Bruce had very great respect and affection for him. He was really a remarkable man, and he was, in effect, the financial advisor, not only to the Ambassador, but to the ECA mission to France.

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So, I can answer your question in two parts. First, in regards to Ambassador Harriman and his staff, Averell Harriman insisted that his staff not deal with the French in any way. For instance, there are now two American Ambassadors in Paris: the American Ambassador to France, Dick

[Arthur K.] Watson; and the American Ambassador to OECD, Joseph [A.] Greenwald. Obviously neither deals with the other's business. If it's a question of the U.S. wanting to say something to the French Government, that is the responsibility of the U.S. Embassy in Paris, which deals with the French Government. Equally, if the U.S. Government has something it wishes to say to other countries in the OECD, Mr. Greenwald does that; so, there is absolutely no conflict. I won't say that in the early days, in '48, there weren't some times that people got a bit out of line, but there was never any serious problem. The cooperation was enhanced by the fact that Averell Harriman and David Bruce were very close personal friends. It was not as if there were two people that didn't know each other; they were intimate friends. If there were any problems -- oh, occasionally someone from the Harriman staff would ring up somebody here in the French Government,

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but when we uncovered this, this was usually stopped. So, on the whole this worked extremely well. I would say on the whole, with the exception of a few marginal incidents, there were no problems. So, that was the situation between the ECA mission to France, headed by Bruce, and the central office, the office of the special representative in Europe headed by Harriman. Harriman's job really was two-fold, to coordinate the work of all of the ECA missions in the various countries, and also to represent the U.S. vis-a-vis the OEEC.

The second part of your question relates to relations between the Embassy proper on the one hand, and the ECA mission to France. Well, we were housed in the Embassy; we were physically a part of the Embassy, and that, of course, was smoothed by the fact that after, I think, nine months as head of the Marshall plan mission in France, Bruce became the Ambassador to France. He was succeeded as head of the Marshall plan mission by other people. They included Barry Bingham, publisher of the *Louisville Courier Journal and Times*. And then there were other people -- Harry [Henry] Labouisse [Jr.], who was later Ambassador to Greece and now head of UNICEF. It again developed that

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all of these later chiefs of the ECA missions were also close friends of Bruce, so that the possibilities of conflict were completely eliminated.

WILSON: In that first period there was some difficulty with Jefferson Caffery, and...

TIMMONS: I was here during that time and there was very little. As I say, that was only a nine-month period, between June of 1948, and -- I think Bruce was made Ambassador to France in March of '49. I do not recall any serious problems. That was in the beginning, and I suppose there are always difficulties when a large group of people come into an Embassy. It requires an adjustment of thinking. In the first place, they make demands on space, on communications, all of the familiar problems; but I don't remember any serious problems, although perhaps I wasn't at that time close enough to know exactly whether Bruce himself had any problems. Looking back on it, as I say, I was here from July of 1948 on, and I don't recall any serious problem.

There was a remarkable man, too, who was the administrative officer of the Embassy, the counselor for

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administration, Graham Martin. He is now the Ambassador in Rome. He took a very broad view and gave his full support to the establishment of the ECA mission to France. The attitude taken by a person in that position can be very important. If you want to make difficulties over space, over communications, or over all sorts of things, it's very easy to do. But he went quite the other way and facilitated in every way the work of the ECA mission to France. As I say, we were physically housed in 4, Avenue Gabriel, which is right next to the Embassy. Also, there was the fact that Tomlinson, who played such a key role, really functioned both in the Embassy and in the ECA mission in France, and he was a man in whom Bruce and myself had the greatest confidence. This meant that there were not two competing financial views being expressed to Washington or to the French Government; there was simply one.

So these were the three factors; first, the fact that the Harriman staff did not attempt to deal with the French Government. That was the responsibility of Dave Bruce and his staff. Secondly, Tomlinson functioned both for the Embassy and the ECA mission to France. And, thirdly, Bruce after he became Ambassador

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knew intimately the problems of the Marshall plan, the Economic Cooperation Administration mission, and he did everything he could to facilitate this. Of course, he displayed a great interest in it. These factors meant that the possibilities of serious conflict, overlapping, duplication, and different views being expressed were really reduced to the minimum.

By and large the ECA mission to France concentrated on the question of the recovery program as such, and left to the Embassy the normal economic reporting and trade disputes and so on. But the central view of what was happening to the French economy, the effects of the Marshall plan, the development in France -- the basic reporting on that was done by the ECA mission.

I wouldn't say that there were no problems, but here the problems were really at a minimum. I saw this over seven years, and at the end of it I was the director myself, of what was by that time the ICA mission.

WILSON: If I can just ask one more question, since you were here during all of that important period, how would you describe the relations between the mission and the

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French Government? The question I guess is inference. There were some suggestions that there was meddling on the part of ECA people. Was it handled well?

TIMMONS: Yes, there were some problems. There were some difficult periods concerning what the French Government thought were conditions that were laid down for the aid. Of course, it's always a difficult thing to be in the position of either giving aid or receiving aid; it's one of the major problems of development now, vis-a-vis the developing countries. Those who give aid want to dictate policies, and to reform institutions. Of course, in France there was already a very effective administration, if you distinguish the administration from the government, that is, a

highly competent Civil Service. There were, of course, political difficulties, as we all know, that affected the Fourth Republic, that finally led to the establishment of the Fifth Republic. France was faced shortly with the difficult problem of Indochina, where we ourselves now have great reason to know how difficult the problem was. The United States, of course, did provide military assistance to France over Indochina up to 1954. And then, of course, France was being

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faced with increasingly difficult problems in North Africa, particularly in Algeria.

By and large, considering the fact that there was daily contact with the French ministers -- given all of the political difficulties that France had of instituting and maintaining effective economic policies -- I would say that that went, really, amazingly smooth. The French are a very proud people, and perhaps there was a feeling on both the part of the administration and the public that the United States was too insistent upon getting publicity for the Marshall plan, trying to identify particular projects as having been financed by the Marshall plan. I think throughout -- beginning with Bruce, and later with persons who succeeded him, Bingham, Henry Parkman, who's now unfortunately dead, Henry Labouisse, and I don't claim any credit for myself because I followed in their footsteps -- we tried to maintain a sensible low key approach in dealing with the French Government and with French public opinion. I think throughout France there was a very considerable understanding of a contribution that the United States has made.

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On the other hand, as you well know as a historian, these are very large and difficult concepts for the general public ever to understand -- as to what is the mechanism of the economy, what exact part did the Marshall plan play. You can't just say this dam or this power plant was built with Marshall aid. It's not as simple as that. It obviously contributed to it, but obviously also France wouldn't have recovered it had it not been for the efforts of Frenchmen. The United States only brought a small but indispensable, marginal contribution. The essence of European recovery was the efforts made by the Europeans.

It's very difficult to sum up the period in a few sentences or a few words, but, looking back upon a period that began 22 years ago, it's really amazing how smoothly it went. A very large part of this was due to the fact that the people dealing with this in the French Government, particularly the senior officials, were an extraordinarily competent group. One of them, Pierre-Paul Schweitzer, is now managing director of the International Monetary Fund. There was a whole administration set up to act as the focal point inside the French Government, for the discussions between the ECA mission to France and the

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French Government. In other words, there was a counter-part on the French side. When there was the question of bringing together people from various governmental departments of the French Government for discussion on particular issues, that fell to them. So, it was a counterpart, in effect. That worked very well. Just as normally the Embassy in Paris deals with the Foreign Ministry and it is the Foreign Ministry's job to open up contacts with other ministries, so in the days of the Marshall plan, there was the ECA mission to France which was the instrument of the U.S. Government for its discussions with the French Government. On the

French Government's side there was the Secretary General for questions of European economic cooperation. That secretariat within the French Government coordinated the French Government's activities with respect to bilateral activities, with respect to the Marshall plan, and also with French participation in this organization, or in the OEEC. If it had not been for some central organization like that on the French Government side, discussions might have been very difficult indeed. Looking back, as I say, on my seven years here, I'm amazed how smoothly

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the operation went. I've forgotten the total amount of aid that was made available to France in the first four years of the Marshall plan, but it seems to me that it was on the order of 12 or 13 billion dollars. This was a very considerable amount of aid to give, and it's also a very considerable amount to receive. It's not surprising that in the period there would be differences of view; but on the whole it went smoothly and the results were certainly achieved. As I say, it was not only the results in France, and also not just the U.S. objectives, but what I think we all hoped for, worked out. Western Europe is prosperous; indeed, it's in the grip of inflation as we all are, but they avoided the depression and the massive unemployment, and the social threats that go with that. And Western Europe remains free. All of these correspond, I suggest, not only to the U.S. interests, but the interests of the whole of free Europe.

WILSON: Well, thank you very much. I don't want to keep you beyond the time; you have things to do. If I may at some time, and particularly when we are trying to make sense on paper on this, if I may...

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TIMMONS: Please don't hesitate to write me with any questions.

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