

MRS. ROOSEVELT MEETS THE PUBLIC

April 8th, 1951

Description: In this episode, ER and her guests Paul Hoffman, former director of the Economic Cooperation Administration, and Nelson Rockefeller, chairman of the International Development Advisory Board, discuss the importance of US aid in the development of countries in danger of falling to communism and whether or not that aid should come from private or public funds. ER and her guests answer questions from the audience.

Participants: Eleanor Roosevelt, Paul Hoffman, Nelson Rockefeller, Marjorie E. Allen, Richard Greene, Lorraine France, Edgar Davis, and Augusta Rippen

(00:23)

[Unknown announcer:] See routine assignment on the phil--

[Richard Greene:] You will remember what an amusing and fantastic story it tells. And if you missed it, you'll have a chance to square things tomorrow night by tuning into Channel Four. This is Richard Greene, and I'll be playing in Robert Montgomery's presentation then of *Stairway to Heaven*, tomorrow at nine-thirty over WNBT.

[NBC Announcer:] Now Paul Hoffman and Nelson Rockefeller on Mrs. Roosevelt's program, WNBT New York, Channel Four.

[Theme music 00:51-01:10]

[NBC Announcer:] [speaking over music] The question "How can lasting peace be achieved?" is one of the most vital problems facing the freedom-loving peoples of the world. To examine some of the problems and the hopes of world peace, NBC television presents *Mrs. Roosevelt Meets the Public*. Today, Mrs. Roosevelt's guests are Mr. Paul Hoffman, former director of ECA [Economic Cooperation Administration] and now head of the Ford Foundation, and Mr. Nelson Rockefeller, chairman of the International Development Advisory Board. Mrs. Roosevelt has also invited members of the public with questions for discussion. Now let us join Mrs. Roosevelt [music stops] and her guests in the Colonial Room of the Park Sheraton Hotel.

[Voices murmuring in background]

[ER:] Good afternoon. In the present conflict with communism, the free nations have come to recognize the very real th-threat of Soviet aggression. But there is another vastly important threat: the threat of poverty, hunger, disease, and illiteracy. Not only has the economy of war-scarred Western Europe been shaken, but in the underdeveloped areas of Asia, Africa, and South America abject poverty and hunger are increasing daily. Of the free inhabitants of the world, nearly 70 percent live in underdeveloped areas. Areas where most people exist on a near starvation diet, where nine out of ten cannot read or write, and where few more than half will live to the age of fifteen. These conditions provide fertile ground for sowing the seeds of totalitarianism. And where they exist today, the threat of communist aggression and subversion is acute. There are definite proposals for a solution to these problems of world peace. And to present their views, I've invited Mr. Paul Hoffman, former ECA director and now head of the Ford

Foundation, and Mr. Nelson Rockefeller, chairman of the International Development Advisory Board. First, I would like to ask Mr. Hoffman to tell us his plan for waging peace. Mr. Hoffman.

[Paul Hoffman:] Well, Mrs. Roosevelt, I can't do that in one minute, [ER laughs] uh but this I can say: that if we're going to win the peace, we've got to wrap our minds around two tough facts. First, that we've got to wage the peace with the same imagination, the same boldness, and above all the same sense of dedication, which we know we must employ if we want to win a war. But we've got to learn that we've got to approach the winning of peace in the same manner. And the second fact that we got to wrap our mind around is this. That if we're going to win the peace against this cold war that the Kremlin is waging, we have got to wage the peace on the same four fronts that they're waging a cold war: the military front, the political front, the informational front, and the economic front. Those four fronts, we've got to carry on our peace activities where they carry on their war activities.

[ER:] Thank you very much, Mr. Hoffman. Uh one or two things I'd like to ask you, but I'm going to wait till later. And now, Mr. Rockefeller, would you tell our audience just what the International Development Advisory Board is and briefly outline its findings. That's going to be hard to do.

[Nelson Rockefeller:] Well, Mrs. Roosevelt. The board was set up by the Congress in the Act of International Development. It's an advisory board growing out of President Truman's Point Four Program. Uh the board was asked by the president last fall to make a study of the whole problem of international development; how we can lay the foundations to create an expanding world economy. And that was the job we went after, and we have just completed that study. There are thirteen members on the board, representing labor, and business, and agriculture -- uh men and women from all parts of the country. All groups of the country. It was a very interesting experience, and the-the fascinating thing to me is that your summary in the opening remarks is a perfect summary of our findings of conditions in the world. Mr. Hoffman's two points are the basic points which we felt needed to be dealt with, namely an aggressive, positive program working with the peoples of the world in our common interest, and secondly that if we're gonna do it, we have to do it on all fronts, a total approach. And one of the four points in that, of course, is the economic. Now we found that there were twenty-three agencies of our government dealing with the international economic affairs. And therefore, the first thing which our board came to in the way of a conclusion was that we better pull our economic--international economic activities together and have one overseas economic administration, which can formulate policy and support of our total economic and political activities. And at the same time uh can deal effectively uh with the operations which are involved. Not only operations of government but cooperate with the private groups which must play a-a major role in international development. And as well cooperate with the international groups -- uh there are some twenty-three uh different agencies in the international field. So that those are the factors which we felt most important that there be a central organization for policy and operation direction in our government.

[ER:] Well, that uh pulls it together, if you can once get them together. Now um I know that uh there are guests here today eh who would like to ask some question of us, so I think before I ask Mr. Hoffman a question I have in mind, I'll let our first guest ask her question. Miss Marjorie E. Allen, a radio broadcast engineer from New York City, has a question for Mr. Hoffman, I understand?

[Marjorie E. Allen:] Yes I have. Mr. Hoffman, can we effectively wage the peace without damage to our own civil and economic liberties?

[Paul Hoffman:] Uh my answer to that would be yes, provided we keep cool. And every time anyone proposes any abridgement, eve-either of our civil or economic liberties, that we examine the proposition coolly and dispassionately. If they suggest that we have to give up a civil liberty, let's be sure that for some very slight advantage for the short haul, we're not getting ourselves in real trouble for the long pull.

And similarly, yet they suggest controls in the economic field for the sake of control, or when they impose those controls, don't at the same time lay a pattern for getting out from under those controls. If those things are not done, if we don't proceed in that manner, then we might very seriously impair our liberties. But there's no necessity for our so doing.

[ER:] Um now I think I'll ask you my question. Uh you said we had to wage uh the-our program for the peace. Do you find that the people are ready to do that?

[Paul Hoffman:] I am quite sure that there is nothing so close to the hearts of all the people of America as peace, and that's all the people of the world. I think they-I think that the Soviets, in their mendacious thinkings, were the first to recognize that the two great demands of people everywhere were for peace and for social progress. So they took unto themselves, you see, full copyright on both peace and social progress. Now our people here want peace, and I think if they once know how they have to wage the peace, the part they must play, that they will make their wishes known in no uncertain manner.

[ER:] They're pretty big sacrifices. Well, I'm going to ask um Ensign Edgar Davis, who is with us as a guest and who is a member of the Coast Guard from Berkeley, California, to ask his question, which I think is addressed to Mr. Rockefeller, isn't it?

[Edgar Davis:] Yes it is. Uh, since Congress will not even agree to a shipment of wheat to famine-stricken India, how can Congress be expected to support a program such as yours?

[Nelson Rockefeller:] Well, I-that's a very good question, uh it seems to me one of the problems that Congress has been faced with since the war in dealing with international economic problems is that we keep coming up to them on an emergency basis. It's sort of putting out fires around the world, and first we had UNRRA [United Nations Relief and Rehabilitation Administration], and loans to Britain, and the Truman Plan, and the Marshall Plan, and uh now comes along this problem of uh tremendous starvation in India and aid through wheat. I think Congress is more and more feeling that what we need to do is to try and prevent some of these situations developing, rather than dealing with them at a very-on a very costly basis after they've developed. And perhaps if we'd been working with India for the past five years that we could've helped her increase her agricultural production so this situation wouldn't have arisen. And I think the American people and Congress both are ready for a sound, long-range approach to international economic relations. And that's what we've tried to develop in this report of the advisory board. So that my hunch is that Congress, uh, when they study it, will be inclined to go along, uh, because it's a long-term sound uh-h approach, and not just a giveaway program.

[ER:] The --

[Paul Hoffman:] Mrs. Roosevelt, could I break in [ER: Yes.] just a moment? because I really think that perhaps I'm the expert on Congress. [ER laughs] I've spent uh a good many hundreds of hours uh testifying before Congressional committees and ca-and left Washington uh with a very keen respect uh for Congress. [Nelson Rockefeller: Hear, hear.] Uh if the congressmen, who are probably as busy as any people on Earth -- if they once get the facts on any situation, you can rely upon their judgment being as sound as the judgment of the American people. And I think the American people will render a sound judgment once they get the facts. I happen to think that if we can just get every member of Congress and every senator to read Mr. Rockefeller's report, they'll vote the right way.

[Nelson Rockefeller:] Right now--

[ER:] That's of course I [Nelson Rockefeller clears throat] -- that also means they must read your book, doesn't it, Mr. Hoffman?

[Nelson Rockefeller:] I was going to add that, Mrs. Roosevelt, [ER laughs] I agree!

[ER:] Well now, um I-I I agree with you that if once you can get uh these very interesting documents read, both by the people and by Congress, uh we will get something done. But I'm not always sure that you get them read. What do you think about that? Both you gentlemen?

[Paul Hoffman:] I assure you that uh that they -- the amount of reading anyone has to do; uh you take a poor Congressman, he just reads a congressional record every day, he has taught no time left for anything else. But I believe this subject is important enough [Nelson Rockefeller: That's right.] so that we can get a-a reading by the members of Congress of uh Mr. Rockefeller's report.

[ER:] Uh, Mr. [Allan] Kline of the Farm Bureau, who in talking to me last week said that he felt the nations of the world would be much readier to uh be in on a program where they were not being given something, but where it was a bargain with them, [Nelson Rockefeller: hear, hear.] with what they did and what we did and the results were something mutually advantageous. Now is your idea that that is so, that he has well sized up the nations of the world?

[Paul Hoffman:] Yes, and I would like to say that I think that a part of the success of the Marshall Plan was due to the fact that it was not a giveaway program. Uh that the people who got the goods abro-abroad in every case paid for them in local currency. That local currency, of course, went into what was called the counterpart fund, and were-were used-was-was used [Nelson Rockefeller clears throat] for the recovery purposes within the country. But the individual did not get anything for free; nor did any business abroad get anything for free. The uh the-the counterpart fund we used for the good of all.

[Nelson Rockefeller:] Well, I-I'd like to make a point on that, Mrs. Roosevelt. It seems to me that what we've got to develop is a people-to-peoples program in the world, and not just government-to-governments. That-that-that if the people of our country fall in that tradition, whether it's the religious tradition of the missionaries, or the philanthropic and educational health groups, or business -- all-all of us have a-a heritage of individuals participating. And I think the same is true in Europe, and I know that uh Paul's experience in the Far East, where ECA was working in the underdeveloped areas is the same as ours in Latin America. That If people can share in the activity, take their responsibility, uh do their part, and it becomes their program, and it becomes our program, and then I think we have a chance of achieving what we hope in the world.

[Paul Hoffman:] May I suggest one word -- I'd go beyond that. I think in order to make these programs work overseas, the full responsibility for the program has got to rest with the people of the country in que -- [Audio cuts out] question. They have got to accept responsibility for the program. We can help them to help themselves. [Nelson Rockefeller: That's right] But unless it's their program, unless they're determined to make a success of that program, and they will be, if it's their program, there isn't a chance. I liked-I liked best of all in the book the fact that-the report-that the attitude was a tough one. [Nelson Rockefeller: Realistic.] There was, if I may say so, very little "do good-ism" uh in the book. There was a case of our--of this being good business for us, uh good business for these people, and therefore I think it has a chance for success.

[ER:] That's partially --

[Nelson Rockefeller:] Bu-but I'd like to just say one more thing on that, because [Nelson Rockefeller clears throat] when he says the full responsibility, in one sense I certainly agree. On the other hand, no nation today, uh-uh whether it's big or small, can meet its economic problems alone. Uh don't you agree with that, Paul?

[Paul Hoffman:] I meant the--I meant, Nelson, the full responsibility for the plan as it's fully developed. [Nelson Rockefeller: Yeah.] Don't-don't ever make the mistake of presenting ready-made [Nelson Rockefeller: Oh --] to any group or any country a plan [Nelson Rockefeller: I see. I agree.] and say, "This is my plan, you carry it out." Because they'll -- [Nelson Rockefeller: Well, I agree with you completely on that.] They'll spend-they'll spend all their time proving what a very poor plan you made.

[Nelson Rockefeller:] But the-the mutuality it is -- the-the joint action, [Paul Hoffman: Sure.] the-the joint consideration, the exchange of ideas, the sense of partnership -- [Paul Hoffman: That's right.] -- I think people need in the world, because it's a pretty tough world and the problems are so great that no group alone can solve it, [ER: Oh, the sense of cooperation --] and we need that security of working together and a common interest.

[ER:] Well, the sense of cooperation [Nelson Rockefeller: That's what I'd like to --] is absolutely important. Well now, there's another question from Miss Lorraine France, an employee of the New York Telephone Company, for Mr. Hoffman, I think.

[Lorraine France:] Uh how can we be sure that the other free nations see the problem as we do [Paul Hoffman: Mhm.] and are willing to do their share?

[Paul Hoffman:] Well, we can't be sure. Because you have in Europe uh a thing called "neutralism," which-which is a counterpart of American isolationism. Now if the neutralists in Europe should get on top, then we'd be in trouble. But I don't think the neutralists in Europe will get on top unless the isolationists in America get on top. [ER laughs] In other words, I think if we can just keep isolationism down here where it belongs -- and that's very far down -- we'll have no real trouble with neutralism abroad. And I can assure you -- and of this I am sure -- that there has been a steady growth in economic strength in Western Europe, and along with it a steady growth in the will to resist and the determination not to come under the domination of the Kremlin.

[Nelson Rockefeller:] Hear, hear.

[ER:] Uh, isn't it always true that the more worth living life becomes in a country, the more people are [Nelson Rockefeller: Very good. Very good.] willing to fight for their freedom?

[Paul Hoffman:] There is -- there is just no question about that. If people -- the only-the only place where the Marxian doctrine has real appeal, except perhaps among a few intellectuals that don't know nothing about life, [ER: Yes.] [Nelson Rockefeller laughs] the only place it has any real appeal is to people to whom their-the Marxian plea, "You have nothing to lose but your chains" -- when they can make that plea, then they can get adherence. Otherwise, no.

[Nelson Rockefeller:] Yes, and when we talk about freedom in this country, we gotta remember that people who are starving uh have very little interest in freedom. Uh and that's pretty important --

[ER:] That's one-that's one thing I think we always have to remember, and we find it hard to remember. [Nelson Rockefeller: Yeah.] I remember very well that uh Dr. [Lambertus Nicodemus] Palar of Indonesia said to me one day, "It is wonderful that your people can talk about freedom as an abstract thing. If I meet my people," [Nelson Rockefeller: Mhm.] "they say to me, 'Where is my next piece of bread coming from?'" [Nelson Rockefeller: Yes. Yes.] And that is freedom for them. [ER laughs] Which, of course, is something we do have to remember. [Nelson Rockefeller clears throat] Now uh-we have a question from Mrs. Augusta Rippen, a housewife from Perth Amboy, New Jersey.

[Augusta Rippen:] Mr. Rockefeller, I have read that the recommendations of your board would be the beginnings of an international RFC [Reconstruction Finance Corporation]. Is there any truth in this?

[Nelson Rockefeller:] Well, that has [Nelson Rockefeller laughs] the soundings of a loaded question, but I'm not sure what you mean. We do, as one of our recommendations, suggest that there be created, as a subsidiary of the International Bank [for Reconstruction and Development], an International Finance Corporation to help mobilize the savings in the underdeveloped areas so that they can channel those savings into productive use. And if you'd asked me that question two or three years ago, uh I would've said yes, in a sense, your question is correct. But under the light of the circumstances today, uh-uh I would like to disassociate myself from connotations which might be in your mind.

[ER:] [laughs] Yes, that means, in other words, you approve of your own plan.

[Nelson Rockefeller:] Yes. [ER: I see.] It will be run by an international board. Uh A subsidiary of the International Bank.

[ER:] Well now, Miss Allen, I think, has another question.

[Marjorie E. Allen:] Yes, Mr. Hoffman, which of the peace fronts used have priority?

[Paul Hoffman:] I think that uh is a very good question. I'm glad you asked it because none can have priority. In other words, we've got to wage the peace on all four fronts concurrently. You can't do this one thing at a time. You've got to carry on the program on the military, on the political, on the economic, on the psychological fronts concurrently.

[ER:] That's uh that's, I think, one of the most difficult things for people to realize. They wonder why we expect them to sacrifice uh to do a military uh program, an economic program, and the things that go with the economic program. They say we can do one or the other, but we can't do both. And that's always been to me one of the things we needed to explain the most, because it sounds logical, "you can't do both." You even heard it in conference.

[Paul Hoffman:] That's Right. [ER coughs] Oh we--uh plenty. Uh but I think that - [Nelson Rockefeller clears throat] [ER coughs] I think that the Europeans -- I was over there and spent some time last fall, and the thing that was holding back, uh, their defense efforts, their efforts to re-arm, was the impression that they had that they had to choose between bread and guns. Not butter and guns, for Europe, but bread and guns. [Nelson Rockefeller: Mhm.] And it was only as it was made clear that they could have both bread and guns that she began to build up and a willingness and an enthusiasm of uh for defense. Because bread does come first.

[ER:] Bread always comes first.

[Nelson Rockefeller:] And-and-well and-and I think we could very well made not only the four fronts have to be worked on, but the different parts of the world all as a whole [Paul Hoffman: That's right.] because Europe's exports are-are 70 percent of the undeveloped areas. [Paul Hoffman: Right.] And if she can't maintain her exports uh then they can't get the machinery and equipment they need to keep their economies, even on this very low standard of living. [Paul Hoffman: I --] So that we in Europe and uh the areas such as the former enemy states, like Japan and Germany, they depend on the underdeveloped areas just as much as we do, and the underdeveloped areas depend on us. So they must be considered as a whole, and that's why we recommend one central organization.

[ER:] Well, I-I think you're right on the central organization. Now --

[Paul Hoffman:] Of Course, I would-I would like to say that uh [ER: Yes.] that even before uh Mr. Rockefeller recommended that, uh I had urged it. [ER laughs] [Nelson Rockefeller: Yes --] And I was very delighted to have his endorsement. [ER coughs]

[Nelson Rockefeller:] Well, and I'd like to say that not only do we come to the same conclusions, our board and-and his uh and his uh book-his writings there, but we even came out with the same name for the organization which we felt. The "Overseas Economic Administration." [ER: Well, that's --] Where all of these -- ECA, Point Four, and all should be put in in order to get one central point at which we can effectively deal with these problems.

[ER: Well that's --

[Paul Hoffman:] A-a-and deal with them in a manner not wasteful. [Nelson Rockefeller: Hear, hear.] You can't have twenty-three agencies dealing in this matter of foreign aid, or foreign co-operation, if you like that word better, without having some duplication and some waste. I know of nothing more important than the centralization of that responsibility.

[ER:] Well now I want to get Ensign Davis to ask another question, because I think it's an interesting one.

[Edgar Davis:] Mr. Rockefeller, how much would your development program cost, and how would it be paid for?

[Nelson Rockefeller] Well, it depends upon who cooperates in the carrying out of the program. If Europe and the United States -- which are the areas of the world where the-where capital, where through savings, is being formed -- both cooperate together, uh we would visualizing the possibility of a flow of capital from the developed areas to the underdeveloped areas uh between three and four billion dollars a year. Even if it was only two of three billion, it would revolutionize conditions in those countries. Now, the-the thing is, we don't visualize that as a flow on a gift basis or a grant basis, but primarily the flow of private capital. The in--just the way this country was built, uh-a hundred and fifty years ago, it didn't-it didn't come in the way of gift baskets from Europe, but it came in the way of investments from Europe, in our railroads, in our factories, in our mines. And we feel that if the proper incentives can be created for capital to go out from the developed areas to the underdeveloped areas, and the proper facilities can be provided in the way of financial facilities, because most of our banking facilities that we use in our own domestic life don't go outside our borders. Therefore, we've got to create uh mechanisms that will facilitate the movement of capital, and there must be government understandings within which they can work together. Now if those are created, then I hope -- a-and I know the board feels the same way -- that we won't be faced with situations like uh the tragic one in India today, where fourteen million people are faced with-with death through starvation. If-if we can intelligently work together, Europe and the United States, with its capital, and machinery, and its technical experience and management -- moving to these areas, then we feel, and joining with the people of these areas that we can really develop a world that we'll be proud to live in. [Nelson Rockefeller clears throat]

[ER:] Now, Miss France has a question too.

[Lorraine France:] Uh Mr. Hoffman, how much will your plan for waging peace cost and are our resources sufficient?

[Paul Hoffman:] Well, we are committed to an expenditure of about fifty billion a year uh for defense for the next three years. A part of that, perhaps twenty-five to--twenty to twenty-five billion is for capital re-eq-equipment. And that will be non-recurring. But I would say uh- roughly fifty billion a year, then from

twenty-five to thirty billion a year for our -- for waging the peace on the military front. [Nelson Rockefeller: Mhm.] On the other three fronts, that is your economic, your political, your psychological, the bill will be in the neighborhood of three billion a year. [ER coughs] And the important point is that the expenditure for defense, or for bullets, will mean nothing unless we carry on the fight on these other fronts, unless we wage the peace on these non-glamorous uh political and psychological and economic fronts. So you have a total currently of fifty-three billion, I would think, dropping down to perhaps between twenty-eight or thirty-three, [Nelson Rockefeller clears throat] somewhere in that bracket. And we --

[ER:] Your three billion will go on, but your uh military [Paul Hoffman: Will drop. That's right.] will decrease.

[Nelson Rockefeller:] What will you spend the three billion for, Paul? [ER coughs] In the industrial areas? In the underdeveloped areas?

[Paul Hoffman:] Oh, I would think--No. I would think roughly two billion would go to economic aid, and uh for the most part to agricultural areas, and that's why you can carry on the program very economically. You see, the-the uh the people are very inclined to think uh this is being very costly because of the Marshall Plan. But out of the twelve billion that will have been spent instead of seventeen -- because the job was done for twelve, not the seventeen [unclear term] -- not less than seven billion five hundred went to restore a war damage! So you didn't get a clear picture of the cost of the kind of a program that you're envisioning. I think you can do a great deal with three billion a year on those fronts. No one could estimate it accurately five years from now, but it's i-it's in that general area.

[Nelson Rockefeller:] Well, Mrs. Roosevelt, I'd like to say, I-I think three billion a year, which is a little more than one percent of our national income, which isn't a very large amount, but sh-is about the right amount o-of outflow of capital. [Paul Hoffman: That's right.] But I'd like to see at least two thirds, if not four fifths of that flowing out in private capital uh to invest in productive uh production of goods and services.

[Paul Hoffman:] I-I think-I think, Nelson, that you have to-you'd have to get the flow of private capital in addition to uh this two billion. I don't mean that you might not get part of that back. I remember so well the best bit of advice I ever got. That was when I-when I decided not to become a lawyer, to become a businessman, and went to see a friend of mine, and he said, "Get in a growing business in a growing town. And if you don't make good, it'll be your own fault." [Nelson Rockefeller: That's good.] And if we can give-if we can give our children a growing world, an expanding economy, it'll be their fault if they don't enjoy life.

[ER:] Well now, that is a wonderful note to close on, a growing world. [Nelson Rockefeller: Hear, hear.] I think every one of us will feel that that's something all of us will like to think about. And now I just want to thank you very much, Mr. Hoffman and Mr. Rockefeller, [Nelson Rockefeller: Thank you.] and our other guests [Paul Hoffman: Thank you, Mrs. Roosevelt.] for being with us today.

[Theme music begins 29:22]

[NBC Announcer:] [speaking over music] Next week, at the same time, NBC Television will again present *Mrs. Roosevelt Meets the Public*. In the absence of Mrs. Roosevelt, who will be in Geneva attending the Human Rights Committee meeting, Madame Vijaya Lakshmi Pandit, Indian ambassador to the United States, will act as moderator. Mr. David Lilienthal and Professor John K. Fairbank will be

guests. Portions of today's program, which originated in the Colonial Room of the Park Sheraton Hotel in New York, were on motion picture film.

[Theme music ends 30:20]

[NBC Announcer:] NBC Television.

[NBC chimes]

(30:26)

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