



Eightieth Congress of the United States of America
At the Second Session

Begun and held at the City of Washington on Tuesday, the sixth
day of January, one thousand nine hundred and forty-eight

AN ACT

To promote world peace and the general welfare, national interest,
and foreign policy of the United States through economic, financial,
and other measures necessary to the maintenance of conditions
abroad in which free institutions may survive and consistent with
the maintenance of the strength and stability of the United States.

*Be it enacted by the Senate and House of Representatives of the
United States of America in Congress assembled, That this Act may be
cited as the "Foreign Assistance Act of 1948".*

TITLE I

Sec. 101. This title may be cited as the "Economic Cooperation Act
of 1948".

FINDINGS AND DECLARATION OF POLICY

Sec. 102. (a) Recognizing the intimate economic and other rela-
tionships between the United States and the nations of Europe, and
recognizing that disruption following in the wake of war is not con-
tained by national frontiers, the Congress finds that the existing
situation in Europe endangers the establishment of a lasting peace,
the general welfare and national interest of the United States, and
the attainment of the objectives of the United Nations. The restora-
tion or maintenance in European countries of principles of individual
liberty, free institutions, and genuine independence rests largely upon
the establishment of sound economic conditions, stable international
economic relationships, and the achievement by the countries of Europe
of a healthy economy independent of extraordinary outside assistance.
The accomplishment of these objectives calls for a plan of European
recovery, open to all such nations which cooperate in such plan, based
upon a strong production effort, the expansion of foreign trade, the
creation and maintenance of internal financial stability, and the devel-
opment of economic cooperation, including all possible steps to establish
and maintain equitable rates of exchange and to bring about the pro-
gressive elimination of trade barriers. Mindful of the advantages
which the United States has enjoyed through the existence of a large
domestic market with no internal trade barriers, and believing that
similar advantages can accrue to the countries of Europe, it is declared
to be the policy of the people of the United States to encourage these