

The Committee for Economic Development

"If we are to maintain our free capitalistic economy, enlightened businessmen must intensify their activities as torch bearers for economic literacy and crusaders for the general public interest." (Paul Hoffman, first Chairman of the C.E.D., and now head of the United States Economic Co-operation Administration).

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The arrangements for the contributed article in this issue of "Review" were kindly undertaken for the Institute by the Committee for Economic Development in the United States.

The Committee for Economic Development, which was established in 1942, is recognised as having done a job second to none on behalf of free enterprise.

It is a non-profit, non-political association of some of the leading businessmen of the United States, and is supported entirely by voluntary contributions from business concerns. In these respects, as well as in the nature of the work it performs, the C.E.D. is closely similar to the I.P.A. in Victoria. The work of the C.E.D. is based on intense economic and business research combining the practical knowledge and talents of the businessman, with the technical understanding of trained economists. The philosophy underlying the activities of the C.E.D. is also akin to that of the I.P.A. This philosophy is, in brief, that free enterprise can only be preserved, if businessmen devote their energies to the national tasks of maintaining high employment and economic stability; of increasing productivity, living standards and opportunity for all the people; of employer-employee relationships and of national economic education. It is a philosophy of attack and progress, not one of static defence.

The C.E.D. is under the general control of a Board of Trustees, consisting of top-rank business leaders, its detailed activities being the concern of a Research and Policy Committee chosen from the Board. In addition to the Policy Committee, there is a Research Advisory Board, composed of economists and social scientists, which advises the Committee on re-research projects and on C.E.D. statements on national economic policy.

The first Chairman of the Board of Trustees was Paul Hoffman, now head of the European Recovery Programme. It was perhaps because of the out-standing vision and business-statesmanship displayed by Paul Hoffman in the early years of the C.E.D. that he was chosen for this great world post. The present Chairman of C.E.D. is W. Walter Williams, President of Continental Inc. Philip D. Reed, the author of our article, is a Vice-Chairman. The Research Advisory Board is headed by Sumner Slichter, Professor of Economics at Harvard University.

We have compared above our activities at the I.P.A. with those of the C.E.D. The work of the C.E.D. is, however, on a much greater scale than that of the I.P.A., and provides clear evidence of the energy and vision with which American business is throwing itself into the battle against world trends to socialistic control and planning of the economic system.

The record of the C.E.D. shows that it is performing a great task greatly. The businessmen connected with it have given unsparingly in time, energy and money, and have shown a unique readiness to sink their own immediate self-interest for broader calls of national duty and service. The secret of the C.E.D. success might, we think, be found in these words from a speech last year by Mr. Thomas B. McCabe, Chairman of the Board of Governors of the Federal Reserve System and a former Vice-Chairman of the C.E.D. Board:—

“With enough effort, we, in the C.E.D., could work out constructive solutions to these problems. We cannot do it, however, if we think of ourselves as a business organisation in our private interests rather than as an organisation of businessmen in the public interest.”