

PIVOTAL POLITICS

THE MARSHALL PLAN: A TURNING POINT IN FOREIGN AID AND THE STRUGGLE FOR DEMOCRACY

Alexander D. Weissman
Junior Individual Paper

In 1947, post-World War II (WWII) Europe saw the growing threat of communism and declining economies. This economic and political environment caused President Harry Truman and Secretary of State George Marshall to devise the European Recovery Plan, or ERP. The ERP was an economic stimulus program that injected over \$13 billion into the struggling economies of Western Europe. This program, now referred to as the “Marshall Plan,” marked a turning point in American foreign policy. It was a reversal from post-World War I (WWI) isolationism and generated long-lasting relations with other nations.

The Marshall Plan was founded on President Woodrow Wilson’s ideas of multilateralism¹ or international cooperation in economic and diplomatic affairs. Economic prosperity keeps peace throughout the world, and a country with a good economy has little incentive to attack other nations.² Wilson proposed that reducing tariffs would facilitate peace.³ Since multilateralism places all countries on an equal footing in trade (in contrast to bilateralism, which favors one country over others), it encourages prosperity throughout the world. Countries with strong trading relationships are unlikely to wage war against their partners because it would damage the well-being of their citizens.

However, despite Wilson's efforts, Congress rejected multilateralism because Great Britain, one of the US's strongest allies, disapproved. To protect its colonial interests, Britain created the Sterling Bloc – or the Commonwealth – which reduced tariffs on British colonies

¹ Freeland, Richard M., *The Truman Doctrine and the Origins of McCarthyism*, New York: Alfred A. Knopf Inc., 1970, Print.

² *Ibid.*, p. 15-17.

³ *Ibid.*

including South Africa, India and Australia.⁴ Britain benefitted immensely from this arrangement, which would have been jeopardized by the US reducing tariffs on other nations as a result of greater competition and decreased profitability.⁵ Britain's pressure caused Wilson's idea of multilateralism to die in a stack of unsigned bills.

Though multilateralism is a testament to Wilson's forward thinking, his diplomatic efforts were largely unsuccessful. At the end of WWI, France and Britain wanted to punish Germany for the War. The result was the Treaty of Versailles, which stunted economic growth, leaving the Central Powers in a deep depression without much hope for recovery and furious with the US.⁶ This ultimately led to the rise of the Nazi Party.⁷ Hyperinflation caused by the reparation terms destroyed the German middle class.⁸ Germans became angry and sought vengeance upon the Allied Powers. They were easily swayed by the fascist rhetoric of Hitler and the Nazi party.⁹ To avoid the pitfalls of the Treaty of Versailles and focus on promoting (rather than restricting) economic growth, Truman and Marshall implemented the ERP.¹⁰

When drafting the Marshall Plan, the US considered early ideas of multilateralism. They recognized the failures of Treaty of Versailles as a primary reason for German nationalism and cause of WWII. Thus, they devised a plan to help all European countries – including Germany,

⁴ Northrup, Cynthia and Turney, Elaine, *Encyclopedia of Tariffs and Trade in US History, Volume I*, West Port, Connecticut: Greenwood Press, 2003, Print.

⁵ *Ibid.*

⁶ Birdsall, Paul, *Versailles Twenty Years After*, Hamden: Archon books, p. 301-302, Print.

⁷ *Ibid.*

⁸ *Ibid.*

⁹ *Ibid.*

¹⁰ Freeland, *supra*.

the Soviet Union and the Eastern Bloc. Unfortunately, the Soviets rejected the Plan, thereby deepening the divide between East and West, and igniting the sparks for the Cold War.

Economic considerations at home also influenced implementation of the Marshall Plan. The 1929 Stock Market Crash ended ten years of prosperity in the US, and the unemployment rate skyrocketed.¹¹ The Crash subsequently decreased production of American goods, resulting in job-loss and a reduction in wages.¹² The Depression was worsened by high tariffs implemented in the Smoot-Hawley Act of 1930, which raised import taxes to 60%.¹³ Though intended to protect American farmers from international competition, these tariffs caused investors to lose confidence in the American system and highlighted a return to isolationism.¹⁴

The Great Depression left Americans acutely aware of the psychological and political effects of poverty. Though the Marshall Plan is seen as an act of compassion or sympathy for countries struggling after WWII, it is likely that fear of slipping into another depression at home caused the US to invest in diplomacy and pivot away from another economic calamity.¹⁵

Humanitarian concerns for war-torn Europe also factored into the adoption of the Marshall Plan.¹⁶ Dilapidated conditions existed nearly everywhere.¹⁷ [See Appendices B, C, &

¹¹ Baker, Kevin *America, The Story of Us*, New York: A&E Television Networks, 2010, Print.

¹² Wheelock, C. David, "The Great Depression: An Overview," Federal Reserve Bank of St. Louis, Web.

¹³ Encyclopedia Britannica, *Smoot-Hawley Tariff Act*, Web.

¹⁴ *Ibid.*

¹⁵ Freeland, *supra.*

¹⁶The Marshall Foundation, "The Marshall Plan," Web.

¹⁷Harry S. Truman Library and Museum, Belgium, "Belgian Metal Works Before and After the Marshall Plan", Belgium, Unsure File. Image.; "Orphaned Children in Greece" Unsure File. Image.; "Starving Children" Unsure File. Image.; "The German Economic and Food Requirements," February 26th, 1947 Report.

D]. European infrastructure was so badly damaged that it would have been extremely difficult to recover without foreign aid.¹⁸ The Marshall Plan offered this assistance.

There were other less altruistic motives for the Marshall Plan as well. Many argue that the Plan was primarily adopted as an anti-communist propaganda scheme.¹⁹ After WWI, fear of the spread of communism dominated American politics.²⁰ [See also Appendix E²¹]. The Bolshevik Revolution of 1917 caused Americans to fear the spread of communism across the Atlantic, leading to near-hysteria and the first “Red Scare.”²² Then, the Hatch Act of 1939 and Public Law 135 authorized the government to discriminate in hiring and investigate government employees for suspicion of communism.²³ The Soviet Union’s rapid military expansion after WWII frightened the US. The Marshall Plan’s commitment to stop the spread of communism and promote American-style democracy aligned nicely with the anti-communist message at home.²⁴

The Marshall Plan passed almost unanimously in Congress, and Truman signed it into law on April 4th, 1947. The Plan provided nearly \$13 billion to struggling European countries to assist them in recovering from the wreckage of WWII.²⁵ Initially, the aid came in form of food,

¹⁸ Economic History Services, “The Marshall Plan 1948-1951,” 2010, Web.

¹⁹ Payne, Angela R. and Thakka, Bharat S., “The Marshall Plan – Global Strategy and Foreign Humanitarian Aid,” InTech OpenAccess, 2012, Web .

²⁰ “Senators Tell What Bolshevism in America Means,” New York Times, June 15, 1919.

²¹ “All They Want in Our Flag,” Cassel, New York Evening World, January 24, 1920.

²² “Senators Tell What Bolshevism in America Means,” *supra*.

²³ Schrecker, Ellen, “The Growth of the Anti-Communist Network,” *The Age of McCarthyism: A Brief History with Documents* (Boston: St. Martin's Press, 1994).

²⁴ Freeland, *supra*.

²⁵ George C. Marshall Foundation, “The Marshall Plan,” 2009, Web.

fuel and machinery.²⁶ Later, the US made cash investments in European holdings.²⁷ Ultimately, these economic contributions resulted in strengthened economic conditions throughout Europe.²⁸

Contemporaneously, US foreign policy was divided between economic reconstruction in Western Europe and containment of Soviet expansion.²⁹ After the war, both the USSR and the US scrambled for German weaponry and scientists. The US had an advantage in this race, however, because prior to the end of the war, Hitler had moved the Kaiser Wilhelm Institute für Physik (which housed the German nuclear program) to Hechingen, near the Black Forest.³⁰ Eventually this area became a French occupation zone, and the Allies were able to take numerous German scientists, including Nobel Prize winner Max von Laue, into custody at the end of the War.³¹ During the Marshall era, the USSR developed its own nuclear weapon and tested a nuclear bomb in 1949.³² This early competition for scientists and technology was the beginning of the nuclear arms race which defined US-Soviet politics for the next four decades.

While the Marshall Plan sought to strengthen democracy in Western Europe, the US also engaged in another intervention program known as the “Truman Doctrine” to resist uprisings in Greece and Turkey.³³ In contrast to the Marshall Plan, the Truman Doctrine authorized military assistance in addition to financial aid, because in Greece (and to a lesser extent in Turkey) the

²⁶ Payne, and Thakka, *supra*.

²⁷ The Marshall Foundation, *supra*.

²⁸ *Ibid*.

²⁹ “We Want with the West,” Time Magazine, Dec 9, 1946.

³⁰ Bulleting the American Scientist, April 1967, p. 28.

³¹ *Ibid*.

³² A&E Television Networks, “Soviets Drop the Atomic Bomb,” 1/22/13, Web.

³³ Freeland, *supra*.

communist movements had become violent and sparked civil war.³⁴ The US believed that the Middle East could topple under dictatorship if it did not act.³⁵ Undersecretary of State Dean Acheson explained the “Domino Theory,” which declared that if Greece and Turkey fell to communism, it would likely spread as far south as Iran, and east to India.³⁶ This, he implored, was too dangerous a threat to democracy to ignore.³⁷

Finally, the fact that Truman advocated in favor of the Marshall Plan on the eve of his bid for reelection is also significant. Showing his true character and motives, Truman put politics aside and engaged in this controversial course of action.³⁸ Truman’s commitment to world peace and promoting democracy allowed for the development of the Marshall Plan, which “brought a powerful new impetus to the campaign for European unity.”³⁹ His legacy includes the rebuilding of Western Europe, creation of the United Nations, and establishment of the US as a true superpower.

Still, not everyone agreed with the Marshall Plan. Conservatives had shut down early foreign aid programs during Wilson’s presidency, and voiced similar opposition to the Marshall Plan.⁴⁰ Perhaps the loudest opponent was Republican Senator Robert Taft of Ohio. He

³⁴ US Department of State, “Milestones: 1945-1952,” Office of the Historian, Bureau of Public Affairs, 2/21/13 Web.

³⁵ *Ibid.*

³⁶ Acheson, Dean, *Present at the Creation: My Years at the State Department*, New York: Norton, 1969, pages 23T-32, Print.

³⁷ President Truman’s Message to Congress, March 12, 1947, Document 171, 80th Congress, 1st Session, Records of the US House of Representatives, record group 233, National Archives.

³⁸ Harry Truman Library and Museum, “Marshall Plan,” 2/21/13, Web.

³⁹ (Unknown Speaker) Statement to the Council of Europe, 1949, The Truman Library, Web.

⁴⁰ Freeland, Richard, *supra*.

denounced the Plan in a speech confirming his candidacy for President in 1947.⁴¹ He called the Plan “unsound policies” and “an intolerable tax burden.”⁴² Isolationists like Taft did not feel it was in their best interests to “intrude” upon other nations, nor did they feel any obligation to assist them.⁴³

Businessmen, too, feared the Marshall Plan. Many felt unsure whether reconstructing European economies and encouraging foreign competition was in the US’ best interests.⁴⁴ Many congressmen went pale at the idea of using taxpayer money to send food and other commodities to Europe when the US was just beginning to see positive economic conditions at home.⁴⁵ Despite this initial controversy, however, most American opposition was quelled due to the persuasion of Marshall and Truman.⁴⁶

Not surprisingly, the Soviets also opposed to the Marshall Plan.⁴⁷ Stalin believed it was an anti-communist measure to promote democracy and a free-market economy, and he aimed to block it.⁴⁸ [See Appendix A]. In 1947, the Allied powers tried to convince Soviet delegates of the necessity of a European recovery program. However, after several days of deliberation, Soviet Foreign Minister Vyacheslav Molotov walked out of the negotiations, declaring the Plan “totally unsatisfactory.”⁴⁹ Stalin called the Marshall Plan “a ploy by Truman...to infiltrate European

⁴¹ “Taft Attacks the Marshall Plan,” A.P., The Evening Independent, p. 10., St. Petersburg, FL, Nov. 11, 1947.

⁴² *Ibid.*

⁴³ Stanford University, “The Marshall Plan,” Web.

⁴⁴ *Ibid.*

⁴⁵ *Ibid.*

⁴⁶ (Author Unknown) “The Marshall Plan,” Stanford University, 1997. 3/7/13 Web.

⁴⁷ Library of Congress, “Soviet Opposition to the Marshall Plan,” Web.

⁴⁸ Marcus, Edwin. Cartoon, 1947.

⁴⁹ John D. Clare, “Interview with Soviet Minister Molotov after the War,” Web.

countries.”⁵⁰ Much of Stalin’s criticism can be attributed to fear.⁵¹ He was concerned that US influence in Western Europe would erode the stability of the Eastern Bloc.⁵² Furthermore, he feared the Marshall Plan’s mandate for free and democratic elections.⁵³ Stalin knew that given free and open elections, he and his Communist compatriots would likely be voted out of office. This was a political risk he was unwilling to take, and as a result, he rejected the Plan in its entirety.⁵⁴

Implementation of the Marshall Plan had significant immediate and long-term impacts both in Europe and the US, including economic, political and socio-cultural effects. First, the economic impacts of the Plan cannot be denied. When Congress approved the Marshall Plan’s injection of nearly \$13 billion into Western European nations, it did so to “promote world peace and the general welfare, national interest, and foreign policy of the United States through economic, financial and other measures necessary...”⁵⁵ Impoverished European nations received aid in the form of food, goods and money.⁵⁶ For the US, the immediate economic impact was a surge in exports to Europe and a boost in domestic production and profits.⁵⁷ Over the next four years, European industry began to bounce back, and Europe once again began to participate in

⁵⁰ John D. Clare, *ibid.*

⁵¹ Payne and Thakker, *supra.*

⁵² *Ibid.*

⁵³ *Ibid.*

⁵⁴ *Ibid.*

⁵⁵ “Foreign Assistance Act of 1948, Economic Cooperation Act of 1948,” Preamble, 80th Congress, 2nd Session, Chapter 169, April 3, 1948.

⁵⁶ Hitchcock, William I., *The Marshall Plan and the Creation of the West*, p. 160-172.

⁵⁷ *Ibid.*

the international economic markets.⁵⁸ Not only were jobs restored, but quality of life increased.⁵⁹ Monetary investments from the Marshall Plan gave Europe the resources to make these desperately needed changes.⁶⁰

The longer-term economic effects of the Marshall Plan were more subtle for Europe. Part of the economic stimulus package included long-term loans to Western European nations.⁶¹ By creating a long-term reliance on American funds, the Marshall Plan essentially “legitimized a particular economic model of production and consumption...”⁶² This ultimately fostered an American style free-market economy and the “Americanization” of Western Europe.⁶³

Secondly, the Marshall Plan had strong political impacts as well. It helped to restore democracy throughout Western Europe by rebuilding democratic governments based on rule of law, especially in France and Western Germany.⁶⁴ By doing so, it helped restore the balance of power in Europe. After WWII, Western Europe stood on the brink of Communism. The U.S. feared that Communism would result in disaster and lead to devastating nuclear war with the Soviets. As the Marshall Plan revived Europe, American influence, capitalism and democracy prevailed.

While the Marshall Plan is credited rebuilding Western Europe after WWII, it has also been criticized for contributing to the beginning of the Cold War. The monetary assistance

⁵⁸ Economic History, *supra*.

⁵⁹ *Ibid.*

⁶⁰ *Ibid.*

⁶¹ *Ibid.*

⁶² Hitchcock, *supra* at 170.

⁶³ *Ibid.*

⁶⁴ Hitchcock, *supra* at 168.

given, particularly to West Germany, “set a course ... a capitalist European economic revival that confirmed the division of Europe.”⁶⁵ This division marks the most significant long-term political effect of the Plan by separating Europe into “East” and “West” for the next four decades.⁶⁶

The economic and political impacts of the Marshall Plan also helped jumpstart the creation of the North Atlantic Treaty Organization (NATO).⁶⁷ It did so by strengthening alliances between the US and European countries, and by making nations comfortable with accepting foreign aid while promoting their economies. This provided autonomy which allowed European nations to contribute to their own security and remain strong. NATO was that next step.⁶⁸

Finally, the Marshall Plan had strong social and cultural impacts as well. It brought the world together culturally and initiated international cooperation.⁶⁹ Furthermore, the efforts of the Marshall Plan in Germany showed forgiveness towards the US’ former enemies.⁷⁰ It promoted understanding and cooperation based upon common goals and aspirations.⁷¹ The Plan can be credited with the construction of socio-political ties that became known as “The West,” a term that was eventually used to brand any capitalist and pro-democratic movement.⁷² Western Europe and the US recognized a common enemy in the Soviet Union, which promoted closer

⁶⁵ *Ibid.*

⁶⁶ *Ibid.*

⁶⁷ *Ibid.*

⁶⁸ North Atlantic Treaty Organization, “Short History of NATO,” Web.

⁶⁹ Economic History Services, *supra*.

⁷⁰ Freeland, *supra*.

⁷¹ Marshall Foundation, *supra*.

⁷² Hitchcock, *supra*.

ties. Eventually, this concept of “the West” eroded the lines between Western European countries and set the stage for the creation of the modern European Union.⁷³

The social and cultural impacts of the Marshall Plan could be felt in the US as well as Europe. Prior to the Plan, many Americans were skeptical of foreigners and practiced isolationism in their own lives. By strengthening political alliances and encouraging trade with Western Europe, the Marshall Plan helped decrease xenophobia in America. Travel to Europe increased, and people became more open to new ideas and cultures.⁷⁴

As described above, the Marshall Plan was a turning point in history. It was a first step toward a more globally connected world. The largest charitable contribution in American history,⁷⁵ the Plan created new and strengthened allies, and showed Germany our compassion and willingness to forgive. The final judgment of the Marshall Plan, when viewed with the benefit of hindsight, can be seen by comparing countries that participated in the program with those that did not. Western Europe, like the US, thrived under democracy and a free market economy, while Eastern Europe required its population to live behind walls and fences, without personal freedom or hope for the future. Fortunately, the 1990s saw an era of change for this region, and now democratic elections and free-market economies are the standard throughout Europe. Needless to say, the Marshall Plan marked a turning point in a direction toward cooperation, justice, understanding, and democracy.

⁷³ Payne & Thakker, *supra*.

⁷⁴ Endy, Christopher *Cold War Holidays: American Tourism in France*, University of North Carolina Press, 2004, Print.

⁷⁵ Economic History Services, *supra*.

Appendix A:



This Cartoon illustrates Stalin attempting to block the Marshall Plan.

“Can He Block It?” Edwin Marcus, ca. 1947.

Appendix B:



These pictures show a Belgian factory before and after the Marshall Plan. The Plan provided funds to rebuild industry throughout Europe.

(Unknown Photographer) "Belgian Metal Works Before and After the Marshall Plan," ca. 1947, Harry S. Truman Library and Museum, Belgium.

Appendix C:



Greek orphans before the Marshall Plan. Poverty was rampant in war-ravaged Europe.

(Unknown Photographer) "Orphaned Children in Greece," ca. 1947, Harry S. Truman Library and Museum.

Appendix D:



Starving children in Europe before the Marshall Plan. Photos such as this sparked sympathy in the American people and gave Truman leverage to pass his Plan.

(Unknown Photographer), "Starving Children," ca. 1949, Harry S. Truman Library and Museum.

Appendix E:



This comic demonstrates the fear Americans had during the first Red Scare.

“All They Want in Our Flag,” Cassel, *New York Evening World*, January 24, 1920.

Primary Sources

“Foreign Assistance Act of 1948, Economic Cooperation Act of 1948,” 80th Congress, 2nd Session, Chapter 169, April 3, 1948.

Annotation: These are the formal Acts that became known as the “Marshall Plan” which authorize Congress to provide foreign aid to Europe after WWII. Reading the actual Act itself ensured that I understood exactly what Congress approved. This Act was an integral part of my research and forms the foundation of all of the other information I learned about for my paper. Because the Act specifically states why the assistance was necessary, it also helped me understand what American politicians viewed as the importance of the Marshall Plan.

Acheson, Dean, *Present at the Creation: My Years at the State Department*, New York: Norton, 1969, Print.

Annotation: Dean Acheson was Secretary of State under President Truman. His book details his time in office, including the period before, during and after implementation of the Marshall Plan. This book helped me understand how necessary the primary authors of the Plan felt it was. It gave me historical context and assisted in understanding the US perspective at the time.

Brooks, Phillip C., “Oral History Interview with Konrad Adenauer,” Harry S. Truman Library and Museum. Bonn, Germany, June 10, 1964.

Annotation: Dr. Adenauer was the Chancellor of the Federal Republic of Germany from 1949-1963. In the interview, Dr. Adenauer explains how Germany benefitted from the Marshall Plan and how this effected the long term relationship between the US and Germany. Brooks’ interview allowed me to understand the Marshall Plan’s effect on Germany as well as how the Marshall Plan was developed and helped put the events into historical context.

Brooks, Phillip C., “Oral History Interview with Bernaris, Anthony,” Harry S. Truman Library and Museum, Athens, Greece. April 30, 1964.

Annotation: Mr. Bernaris was the Secretary-General of the Ministry of National Economy for Greece after WWII. This interview with explains how the Greek people and government viewed the Marshall Plan and the US after WWII. Mr. Bernaris’ interview describes the poor economic conditions and desperation in Greece after the War. It allowed me to understand Greece’s role in how the Marshall Plan was structured and gave me a picture of the world at the time.

Clare, John D. “Interview with Soviet Minister Molotov after the War,” The John D Clare Institute, Web.

Annotation: Soviet diplomat Vyacheslav Molotov served under Stalin as the Minister of Foreign Affairs from 1939-1949. This interview explains the Soviet rejection of aid from the US and allied powers after the war, and the evolution of the Cold War from a Soviet perspective. This interview helped me understand the Soviet opposition to the Marshall Plan and gave me historical context for my paper.

Hoover, Herbert, "The German Agricultural and Food Requirements," February 28, 1947, Report No. 1 from The President's Economic Mission to Germany and Austria.

Annotation: This report by former President Hoover was the first in a series commissioned by President Truman to determine the food needs in Europe after the War. The Report details how poverty and famine were pervasive at that time. It allowed me to better understand the adequate levels of aid Germany needed after WWII, and helped me contrast conditions before and after the Marshall Plan.

Kindleberger, Charles, "Letter Between Mr. Cohen and Mr. Kindleberger Identifying Six Major Problems in Europe, April 5, 1946," Harry S. Truman Library and Museum.

Annotation: This letter is between Mr. Kindleberger and Benjamin Cohen, another American economist involved in designing the plans to rebuild Europe after the War. The letter describes the inevitable division of Europe between the East (USSR) and West (US) after the War. In particular it discusses the diplomatic offensive to be launched by the US and the UK against the USSR. The letter helped me gain historical context and perspective, and allowed me to view the foreigner's perspective of the Marshall Plan.

Kindleberger, Charles, "Letter between Mr. Kindleberger and Mr. Galbraith, August 13, 1946," Harry S. Truman Library and Museum.

Annotation: This is a letter from Mr. Kindleberger to John K. Galbraith, a Canadian economist and head of Office of Price Administration after the War. These letters provided additional historical context, as well as a better understanding of the importance of the Marshall Plan and economic stimulus package after WWII.

Kindleberger, Charles, "Letter between Mr. Kindleberger and Mr. de Wilde, March 24, 1947," Harry S. Truman Library and Museum.

Annotation: This letter is from Mr. Kindleberger to John C. de Wilde, explaining progress in Europe and the redevelopment plan. It also expresses concerns about Germany turning to communism if the situation did not improve. This letter helped me understand progress Germany and France experienced at that point in time.

Mansfield, Mike, "Memorandum from Mike Mansfield, M.C.," Washington D.C., 1947

Annotation: Mr. Mansfield's memorandum details the poverty and problems in Europe after the War. His memo explains the importance of aid to European countries to combat the disease and famine. It also explains the importance of stability in Europe to the US.

Marcus, Edwin. "Can He Block It?" Cartoon. 1947.

Annotation: Edwin Marcus's cartoon depicts Stalin as a basketball player hoping to block the Marshall Plan. It was drawn in response to Soviet Minister Molotov's rejection of the Marshall Plan as "totally unacceptable" and it helped me understand Stalin's opposition to the Marshall Plan.

Marshall, George "Marshall Plan Speech" George C. Marshall Foundation 12/12/12 Web .

Annotation: George Marshall was the secretary of State during Truman's presidency. The Marshall Plan was his brainchild and was named after him. Marshall made a speech to Harvard that gave his reasons for creating the Marshall Plan, and also details surrounding the Marshall Plan, which allowed me to understand the creator's point of view. This document was critical to all aspects of my research and my paper.

McKinzie, Richard D., "Oral History Interview with Charles P. Kindleberger," Harry S. Truman Library and Museum, Cambridge Massachusetts, July 16, 1973

Annotation: Charles Kindleberger was an economist and the head of the Division of German and Austrian Economic Affairs in the State Department from 1945-1948. This interview discussed the reparations paid to Germany and the rest of Europe after the War and the economic impact on the US. He discusses the rebuilding of industry in Germany, as well as the scarcity of food. This was in large part due to poor harvest in 1947. The interview allowed me to understand European economies after the War and how this affected the development of the Marshall Plan.

Surrey, Walter S., "The Economic Cooperation Act of 1948," California Law Review, Vol. 36, Issue 4, Dec 31, 1948.

Annotation: I had a difficult time deciding whether this is a primary source or a secondary source. Since it is a law review article, normally I would think it should be a secondary source, but since it was written during the implementation of the Plan, it seemed more like a newspaper article written describing the events, which I would use as a primary source. As a result, I have listed it under primary sources. This article details why the Marshall Plan was necessary and how it would be implemented. It makes some predictions about what the lasting effects of the Plan would be. This article helped me understand the Plan and its implementation. It also gave me perspective about how scholars viewed the Plan at the time of its adoption.

Truman, Harry S., "Recommendation for Assistance to Greece and Turkey, Address of the President of the US Delivered Before a Joint Session of the Senate and the House of

Representatives, Recommending Assistance to Greece and Turkey,” March 12, 1947, Document 171, 80th Congress, 1st Session, Records of the US House of Representatives, Record Group 233, National Archives.

Annotation: President Truman’s address states his conviction about the necessity for US intervention and assistance to Europe after the War. It explains how Greece had made an urgent plea for help, emphasizing the poverty and devastation after the War. Additionally, it explains the importance of a stable Turkey to ensure stability in the Middle East. This document provided important historical context for my paper, as well as specific explanation for the US involvement and aid after the War.

Truman, Harry S. “Letter to Herbert Hoover,” January 18, 1947, Harry S. Truman Library and Museum, Independence, Missouri.

Annotation: President Truman’s letter to former President Hoover describes the conditions in Europe after the War. This letter enlightened me on Hoover’s role in the Marshall Plan and Truman’s dependence on his assistance in implementing his plans.

Wilson, Theodore. “Oral History Interview with Leland Barrows,” Harry S. Truman Library and Museum, Washington DC, January 8, 1971.

Annotation: Leland Barrows served under President Truman in various capacities, including an administrator in the Office of Price Administration, from 1948-1958. He later became Ambassador to Cameroon. This interview discussed Truman’s support for foreign aid and how that affected politics. The interview helped me understand different views on the Marshall Plan.

Wilson Theodore A., “Oral History Interview with Gerard Bauer,” Harry S. Truman Library and Museum, Bienne, Switzerland July 10, 1970.

Annotation: Gerard Bauer was a Swiss diplomat involved in the Marshall Plan. Mr. Bauer’s interview explains how necessary the Marshall Plan was to get European nations to cooperate with each other after WWII. He discussed the failures of the League of Nations and how the role of the US was crucial to bring Europe back after the war. This interview helped me to understand events leading up to the failure of European economies and the development of the Marshall Plan.

(Unknown Author) “Senators Tell What Bolshevism in America Means,” New York Times, June 15, 1919.

Annotation: This newspaper article contains a statement from Senators Overman, King, Wolcott and Sterling explaining why Bolshevism and Communism should be feared in America. It gave me a good perspective on the American sentiment and hysteria during the first Red Scare and

helped me understand the historical context behind the fear of communism during the Marshall Plan Era.

(Unknown Author) "Taft Attacks the Marshall Plan," Associated Press, *The Evening Independent*, St. Petersburg, FL, Nov. 11, 1947, page 10.

Annotation: This newspaper article explains Senator Taft's criticism of the Marshall Plan and how he portrayed it in his presidential campaign. The article enabled me to understand the historical context and Taft's isolationism. This assisted me in understanding the political attacks on the Marshall Plan and what was being presented to the American people at the time.

(Unknown Speaker) Statement to the Council of Europe, 1949, The Truman Library, www.trumanlibrary.org/whistlestop/teacher_lessons/powerpoints/SevenQuotesMarshallPlan.docx

Annotation: This quote on the Marshall Plan to the Council of Europe strengthened my arguments about Truman and the importance of the Marshall Plan. The quote emphasizes the fear of Communism at the time and reasons for US involvement.

(Unknown Photographer) "Belgian Metal works before and after the Marshall Plan" Harry S. Truman Library and Museum, Belgium, Unsure File. Image.

Annotation: These pictures of metal plants before and after the Marshall Plan let me visualize the Marshall Plan's effects on Europe.

Secondary Sources

Baker, Kevin, *America, The Story of Us*, New York: A&E Television Networks, 2010, Print.

Annotation: This book explains US history from the 1940s to 2000. It discusses the Marshall Plan, its historical development, and its political and social significance. This book helped me understand the development of the Plan as well as the reasons for its historical importance and significance.

Birdsall, Paul, *Versailles Twenty Years After* Hamden: Archon Books, 1941, Print.

Annotation: This book discussed the development and ultimate failure of the Treaty of Versailles. This book helped me realize the failures of the foreign aid program before the Marshall Plan and gave me historical context for the way Truman and Marshall implemented the Plan.

Endy, Christopher *Cold War Holidays: American Tourism in France*, University of North Carolina Press, 2004, Print.

Annotation: This book discusses the cultural impacts of Cold War by chronicling American travel to France during the Cold War. Because the Marshall Plan improved foreign relations and established the West, this book helped me understand the correlation between culture integration and the Marshall Plan.

Fossedal, Gregory A. *Our Finest Hour Will Clayton, the Marshall Plan, and the Triumph of Democracy*. Leland Stanford Junior University: Hoover Institution Press Publication, 1992, Print.

Annotation: This book describes Will Clayton's role in drafting and implementing the Marshall Plan. The book gave me historical background information, as well as helping create historical context for my paper.

Freeland, Richard M. *The Truman Doctrine and the Origins of McCarthyism*, New York: Alfred A. Knopf Inc., 1970, Print.

Annotation: This book explains how US Foreign Aid programs originated in anticommunism and fear during the Post-War Era. This book gave me historical background information and helped me understand the motives of the Marshall Plan.

Freeman, Joshua B., *American Empire*, London: Penguin Books, 2012, Print.

Annotation: This book discusses the US' development in the 20th century as a superpower. In the early part of the book, Freeman discusses the Marshall Plan, and assisted me in putting the Marshall Plan in the big picture and building background knowledge for my paper.

Hitchcock, William I., *The Marshall Plan and the Creation of the West Volume 1: Origins*, Cambridge University, 2010, Print.

Annotation: Hitchcock discusses the establishment of the socio-political region which became known as the "West". The book details how the Marshall Plan and the Cold War influenced this development. This allowed me to understand the enormous social impacts of the Marshall Plan.

Miller, Arthur "McCarthyism," PBS, August 23rd, 2006, Web. <http://www.pbs.org/wnet/americanmasters/episodes/arthur-miller/mccarthyism/484/>

Annotation: This article explains the details of McCarthyism and its origins. This helped me write more knowledgably and explain to the reader the meaning of McCarthyism, as well as its influence on American diplomacy.

Miller, William Lee, *Two Americans* New York: Alfred A. Knopf Inc., 2012, Print.

Annotation: This book examined Truman's presidency as well as Eisenhower's. This enabled me to analyze Truman's past experiences as a president and put the Marshall Plan into historical context.

Miscamble, Wilson D. *George F. Kennan and the Making of American Foreign Policy, 1947-1950*. Princeton, New Jersey: Princeton University Press, 1992, Print.

Annotation: George F. Kennan was a diplomat and historian during the early days of the Cold War era. Miscamble's book allowed me to understand Kennan's role in devising foreign aid programs, especially the Marshall Plan, under Secretary of State George Marshall

Northrup, Cynthia and Turney, Elaine, *Encyclopedia of Tariffs and Trade in US History, Volume I*, West Port, Connecticut: Greenwood Press, 2003, Print.

Annotation: This book explained the reasons for development of the Sterling Bloc and helped me write that portion of my paper.

Payne, Angela R. and Thakka, Bharat S., "The Marshall Plan – Global Strategy and Foreign Humanitarian Aid," InTech OpenAccess, 2012, Web.

Annotation: This article clearly outlined the Marshall Plan as a turning point. This helped me understand how the Marshall Plan fit into the theme of this year's National History Day theme while writing my paper, and also provided necessary background knowledge of the Marshall Plan.

Schrecker, Ellen, "The Growth of the Anti-Communist Network," *The Age of McCarthyism: A Brief History with Documents*, Boston: St. Martin's Press, 1994, Print.

Annotation: This article goes into detail about the development of anti-communist sentiment in the US. It helped me understand the Red Scare, as well as the political reasons for anti-communist measures like the Hatch Act of 1939, and ultimately the development of the Marshall Plan.

US Department of State, "Milestones: 1945-1952," Office of the Historian, Bureau of Public Affairs, 2/21/13 Web. <http://history.state.gov/milestones/1945-1952>

Annotation: This webpage discussed the Marshall Plan as a momentous movement towards democracy and diplomacy in the US. Early on in my research, the article gave me adequate knowledge of the Marshall Plan to begin writing about it.

Wheelock C. David, "The Great Depression: An Overview," Federal Reserve Bank of St. Louis, Web. www.stlouisfed.org/education

Annotation: This article published by the Federal Reserve Bank of St. Louis discussed the Great Depression, and also talked about the Smooth-Hawley Tariff which damaged our economy so greatly during that time. Obtaining this knowledge helped me picture why US diplomats so desperately needed better foreign economic relations so as to not fall into another depression.

(Author Unknown) "The Marshall Plan," George C. Marshall Foundation. 2009. 11/8/12 Web. <http://www.marshallfoundation.org/TheMarshallPlan.htm>

Annotation: This web page explained the Marshall Plan's successes and development, focusing extensively on Secretary of State George Marshall's push for more diplomatic assistance in struggling Europe. I realized while reading that article just how momentous the Marshall Plan truly was, and how dedicated those involved were in creating a more just and peaceful world.

(Author Unknown), "President Harry Truman Signs Marshall Plan," A&E Television Networks, 12/12/12 Web, <http://www.history.com/this-day-in-history/president-harry-truman-signs-marshall-plan>.

Annotation: This webpage discussed the Marshall Plan's development and successes. It enabled me to initially grasp the concept of the Marshall Plan and encouraged me to delve into greater research.

(Author Unknown), "The Marshall Plan," 1947, US Department of State, Bureau of International Information Programs, 12/13/12 Web. <http://www.america.gov/st/washfile-english/2005/April/200504291439291CJsamohT0.6520502.html>

Annotation: This article discussing the Marshall Plan's international impacts helped me understand the impacts of the Marshall Plan on the world, especially Europe. This understanding allowed me to develop my section on impacts.

(Author Unknown) "Soviet Opposition to the Marshall Plan," Library of Congress 1/22/13 Web, <http://www.loc.gov/exhibits/marshall/mars8.html>

Annotation: This article discussed Stalin's negative view on the Marshall Plan. Reading this article allowed me to see the opposing views towards the Marshall Plan and helped me write about the Soviet's feeling towards US' foreign aid.

(Author Unknown) "Soviets Drop the Atomic Bomb," A&E Television Networks. 1/22/13 Web, <http://www.history.com/this-day-in-history/soviets-explode-atomic-bomb>

Annotation: In 1949, the Soviet Union dropped their first atomic bomb. This article on the History Channel's website allowed me to understand the atmosphere of the world during the time that the Marshall Plan was being built.

(Author Unknown) *Smoot-Hawley Tariff Act*, Encyclopedia Britannica, 3/7/13 Web, <http://www.britannica.com/EBchecked/topic/550096/Smoot-Hawley-Tariff-Act>.

Annotation: This webpage outlined the Smooth-Hawley Tariff Act. By understanding the failures of the US diplomacy before WWII, it enabled me to see the turning point of the Marshall Plan from our old ways.

(Author Unknown) "The Marshall Plan," Stanford University, 1997. 3/7/13 Web. <http://www.hoover.org/publications/hoover-digest/article/7689>

Annotation: This website outlined the basics of the Marshall Plan and also discussed domestic opposition to the Marshall Plan. By seeing the domestic opposition to the Marshall Plan, I was able to understand the difficulties faced by Marshall and Truman during the creation of the Marshall Plan.

(Author Unknown) North Atlantic Treaty Organization, "Short History of NATO," 3/7/13 Web. <http://www.nato.int/history/nato-history.html>

Annotation: This website described the history of NATO, and also described NATO as the brainchild of the Marshall Plan. This assisted me in understanding the enormous political impacts of the Marshall Plan.