
The Round Table

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Written by Dr. Joe Fitzharris

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Welcome to the May session of the Dr. Harold C. Deutsch World War II History Round Table. Tonight's speaker is Benn Steil, author of *The Marshall Plan: Dawn of The Cold War*. He is joined by veterans of the occupation in discussing the situation in Western Europe and the Plan that brought reform, prosperity, and economic integration leading to NATO and the European Union

The end of World War II marked the end of European dominance of world affairs. Their economies devastated, their peoples wearied, even the victors were losers. Two new powers replaced them. The Soviet Union occupied Europe east of the Elbe, bringing a reign of terror, oppression, and retardation to its colonial subjects. The United States became the leader of the Western nations – the “free world” – in opposition to Communist savagery in the nascent Cold War.

Finally learning something from the past, the US resolved not to repeat the errors of the Versailles Treaty that brought neither peace nor stability. Realizing that to create long term stability, both the allied and enemy nations destroyed by war would need help rebuilding and recovering, the FD Roosevelt administration had begun planning for post-war recovery and created many of the institutions that would guide the world order for fifty years and more: World Bank, IMF, United Nations, etc. As the Cold War began, policy makers realized that rebuilding economies would create conditions favorable for “democratic” development as a counter to Soviet expansionism.

Nations occupied by the Nazis had to create new political regimes while reconstructing their destroyed economies. The post-war order envisioned in the Tehran, Yalta, and Potsdam conferences were inadequate, and the division of Europe did not help. The Soviets, themselves devastated by war, were neither able nor truly willing to help rebuild their satrap states. After two years of post-war peace, 1947 Europe was still on the US dole, overrun by refugees, displaced persons (DPs), and Nazis on the run. Britain finally admitted the war had bankrupted both the nation and the Empire and announced an end to

her support for the Greek government in its civil war with the communists.

Unwilling to abandon Greece to the communists, wanting to preserve Turkey as a barrier to Soviet Expansionism, partly comprehending the extent of Soviet efforts to expand their grip into western Europe, and (unlike FDR) trusting Stalin and company not at all, President Harry Truman announced the “Truman Doctrine” to aid countries resisting communist threats. There was no strategic review, nor any assessment of what this over-large commitment might actually necessitate in resources, force levels, etc.

Realizing that if the Western European economies remained a desert, democracy would be abandoned in the search for food and shelter, US policy makers considered way to rebuild Europe. Secretary of State George C. Marshall announced the administration's proposed course of action in a commencement address in June 1947 at Harvard University. The European Recovery Program, aka the Marshall Plan, played from US economic strength. We would provide the funding, the necessary capital goods and equipment, and additional expertise for the Europeans to rebuild – but they had cooperate in the planning and implementation of recovery efforts. Between 1948 and 1952, \$13 billion was spent, mostly in the US; counterpart funds (US holdings of foreign currencies) were used in Europe itself.

As the Europeans considered this opportunity – open to all European nations, including the USSR and its satellites, communists denounced it as an effort to buy what we were unable to conquer on the battlefield and the Eastern Block nations were not allowed to participate. The Western nations joined together, discovering that much as they might want to punish the Germans by turning that divided nation into a pastoral farming region (Secretary of the Treasury Morgenthau's preference), German labor, resources, and factories were essential parts of any viable development scheme.

US insistence upon European cooperation in planning and implementation produced quick results. Former enemies set aside their hatreds to integrate their economies intending that their interests would be so interwoven and integrated that waging war would be self-defeating. Similarly, the NATO alliance which included the new German Federal Republic was intended to tie German to the west in ways that

If you are a veteran, or know a veteran, of one of these campaigns – contact Don Patton at cell 612-867-5144 or coldpatton@yahoo.com

would deter any future German war-making. The resulting successes in western Europe – democratic and capitalist (more or less) – limited Soviet expansionism and forged significant ties between the US, Canada, and western Europe.

Doubters have claimed the Marshall Plan unnecessary, that Europe was recovering on its own. If an acceptable rate of recovery is snail-slow, this might be true. In Britain, Labor government policies purposely continued the wartime rationing and austerity to justify government ownership and control over many key industries; the resulting poverty (compared to France or Germany, let alone the US) suggests that a snail's pace recovery favored only communists.

The US was not being entirely altruistic in its charity: expenditures in the US for resources and goods – and the sale of consumer goods to Europeans who still could not make enough of their own soap, etc. – would stimulate the US economy, which was entering a nasty recession in 1947. Creating thriving economies in Western Europe in the longer run created competitors for US goods, and a peaceful Europe cooperating in economic policy soon became another center of international political power. Our choice to aid Europe, and to force them to cooperate in the process, was a foreign policy decision of the first order. No other nation has ever considered helping the defeated enemy recover; no other nation has poured out its treasure for so little profit. We can be proud of the Marshall Plan and its results.

FURTHER READINGS:

Benn Steil, *The Marshall Plan: The Dawn of the Cold War* (New York: Simon & Schuster, 2018).
 Greg Behrman, *The Most Noble Adventure: The Marshall Plan and How America Helped Rebuild Europe* (New York: Free Press, 2008).
 Günter Bischof and Hans Petschar, *The Marshall Plan: Saving Europe, Rebuilding Austria* (New Orleans, LA: University of New Orleans Press, 2017).
 Michael J. Hogan, *The Marshall Plan: America, Britain, and the Reconstruction of Western Europe, 1947-1952* (Boston, MA: Cambridge University Press, 1989).
 Bruce D. Jones, *The Marshall Plan and the Shaping of American Strategy* (Washington, D.C.: Brookings Institution Press, 2017).

Announcements:

Twin Cities Civil War Round Table -
 15 May 2018 – *Thaddeus Lowe's Aeronauts* -
www.tccwrt.com - info@tccwrt.com
 St. Croix Valley Civil War Round Table - 21 May
 2018 – *Great Locomotive Chase* - 715-386-1268 -
rossandhaines@comcast.net

Civil War Symposium - TBA Apr. 2019 - info@tccwrt.com
 Minnesota Military Museum, Camp Ripley, 15000 Hwy 115, Little Falls, MN 56345, 320-616-6050, <http://www.mnmilitarymuseum.org/>
 Minnesota Air Guard Museum - www.mnangmuseum.org 612-713-2523
 Friends of Ft. Snelling, www.fortsnelling.org
 World Without Genocide, 651-695-7621, <http://www.worldwithoutgenocide.org/>
 Fagen Fighters WWII Museum, Granite Falls, MN, 320-564-6644, Air show - 16 June 2018. <http://www.fagenfighterswwiimuseum.org>.
 Airshow - Eden Prairie - 14-15 July 2018
www.wotn.org 952-746-6100
 Military History Book Club, Har Mar Barnes & Noble: - Junger, *Storm of Steel*
 - 27 Apr. 2018 - sdaubenspeck52@gmail.com
 Winston Churchill Book Club: Info: lin.hopkins@hotmail.com
 Honor Flight - Jerry Kyser - crazyjerry45@hotmail.com - 651-338-2717
 CAF - Commemorative Air Force - www.cafmn.org 651-455-6942

We need volunteers to drive our veterans to and from meetings. Please contact Don Patton at cell 612-867-5144 or coldpatton@yahoo.com

Round Table Schedule 2018-2019

- 2018**
 13 Sept. Guadalcanal
 11 Oct. POWs in WWII
 25 Oct. WWI Relative to WWII
 8 Nov. Conspiracies v. Hitler
 13 Dec. Pearl Harbor
2019
 10 Jan. Inside Hitler's Headquarters
 14 Feb. Economics of War
 14 Mar. Aerial Reconnaissance of the Reich
 28 Mar. WASPs
 11 Apr. General with Six Stars: J. H. C. Lee
 9 May D-Day

