

European Recovery

Source A

One of the primary aims of the U.S. is the creation of conditions in which we and other nations can be free. The U.S. has protested against the violation of the Yalta Agreement in Poland, Rumania, and Bulgaria. I believe it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures. If Greece falls to an armed minority, led by communists, the effect on Turkey would be serious. Free peoples look to us to maintain their freedoms. If we falter we endanger the welfare of this nation.

*From a speech to Congress by President Truman, March 12, 1947.
This became the basis of what is popularly known as the Truman Doctrine.*

- ❑ Based on source A, describe the **Truman Doctrine**.

Source B

Europe's requirements of essential products—principally from America—are so much greater than her ability to pay. It is in the business interests of the United States to do whatever it can to assist in the return of economic stability in the world, without which there can be no political stability and no assured peace. Our policy is directed not against any one country or doctrine but against hunger, poverty, desperation, and chaos. Its purpose should be the revival of a working economy in the world to permit the emergence of political and social conditions in which free institutions can exist.

*From a speech by Secretary of State, George C. Marshall, June 5, 1947.
It is estimated that over the next four years America gave \$17 billion to Europe.*

- ❑ What did Marshall propose the United States do to help fix the situation in Europe?

Source C

"I need to say that the world situation is very serious. . . . Europe must have a great deal of additional help, or face heavy economic, social, and political damage. This would have a harmful effect on the world at large. There are also possibilities of disturbances because of the desperation of the people concerned. The effect on the economy of the United States should be clear to all. The United States should do whatever it can to help restore normal economic health to the world. Without this, there can be no political stability or peace. Our policy is directed . . . against hunger, poverty, desperation and chaos [disorder]. Its purpose is to revive a working economy in the world."

Excerpt from U.S. Secretary of State Marshall's speech explaining his plan to help European countries rebuild after WWII, June 5, 1947 (Marshall Plan)

- ❑ Describe the **Marshall Plan**. How were the United States expected to make this plan a reality?



- ❑ Which of the visuals are symbols and what do they stand for?

- ❑ What is the message? List evidence from the cartoon or your knowledge about the cartoonist that led you to your conclusion.

Economic Assistance, April 3, 1948 to June 30, 1952
(in millions of dollars)

Country	Total	Grants	Loans
Austria	677.8	677.8	--
Belgium-Luxembourg	559.3	491.3	68.0^a
Denmark	273.0	239.7	33.3
France	2,713.6	2,488.0	225.6
Germany (Federal Republic)	1,390.6	1,173.7	216.9^b
Greece	706.7	706.7	--
Iceland	29.3	24.0	5.3
Ireland	147.5	19.3	128.2
Italy	1,508.8	1,413.2	95.6
Netherlands (and East Indies)^c	1083.5	916.8	166.7
Norway	255.3	216.1	39.2
Portugal	51.2	15.1	36.1
Sweden	107.3	86.9	20.4
Turkey	225.1	140.1	85.0
United Kingdom	3,189.8	2,805.0	384.8
Regional	407.0^d	407.0^d	--
Totals for all countries	\$13,325.8	\$11,820.7	\$1,505.1

Source: Statistics & Reports Division
Agency for International Development
November 1975

^a Loan total includes \$65.0 million for Belgium and \$3.0 million for Luxembourg; grant detail between the two countries cannot be identified

^b Includes an original loan figure of \$16.9 million, plus \$200.00 million representing a pro-rated share of grants converted to loans under an agreement signed February 1953

^c Marshall Plan aid to the Netherlands East Indies (now Indonesia) was extended through the Netherlands prior to transfer of sovereignty on December 30, 1949. The aid totals for the Netherlands East Indies are as follows: Total \$101.4, Grants \$84.2 million, Loans \$17.2 million

^d Includes U.S. contribution to the European Payments Union (EPU) capital fund, \$361.4 million; General Freight Account, \$33.5 million; and European Technical Assistance Authorizations, \$12.1 million

**Per Capita GNP of Marshall Plan Countries
(in 1981 dollars)**

Country	1938	1947	1951	1981
Austria	\$2,004	\$1,213	\$2,473	\$8,692
Belgium	3,394	3,145	3,951	9,679
Denmark	4,028	4,016	4,602	10,802
France	2,953	2,682	3,628	10,597
Germany (FRG)	2,184	1,847	3,507	11,022
Greece	1,178	731	954	4,108
Iceland	2,504	4,366	4,230	11,688
Ireland	1,879	1,876	2,144	4,733
Italy	2,078	1,540	1,955	6,112
Luxembourg	2,979	4,112	4,883	10,082
Netherlands	3,532	3,304	4,022	9,688
Norway	3,606	3,830	4,616	13,222
Portugal	498	485	634	2,310
Sweden	4,663	5,321	6,157	13,408
Turkey	499	450	578	1,191
United Kingdom	4,345	4,515	5,016	8,921
European Average	\$2,648	\$2,426	\$3,238	\$7,919
United States	\$4,226	\$6,332	\$7,240	\$12,727

Source: United State Department of State, Bureau of Public Affairs

