

Theme 2: The European Construction in the Context of the Cold War and a Multi-polar World (1940s to today)

The Marshall Plan

At first, the USA hoped that Allied reconstruction would lead to democratisation in Germany and would allow the USA to withdraw quickly, leaving the Europeans to sort out their own internal affairs. When the events of 1945–47 made it clear that this was not going to be so simple, the USA shifted its policy focus towards containment and long-term involvement in European affairs.

- The USA's foreign policy was formulated out of a fear that democracy and capitalism were threatened in countries such as Greece, Italy and France.
- Strategic planning focused on economic recovery for Western Europe.
- By 1947, the USA was also concerned with promoting unity within Europe, to help create a stable bloc of pro-American states.
- The USA intended to use its 'special relationship' with Britain as the launch point for its actions.
- By the end of 1947, the USA had decided that Eastern Europe could not be helped or moulded in such a way, and accepted the notion of a divided Europe.

The 'special relationship'

- US-British relations helped Britain maintain its status as a world power, despite the huge costs and losses of the war.
- The wartime relationship between Roosevelt and Churchill had shaped political and public opinion.
- The USA was willing to deal with Britain as one of the most militarily strong and politically stable European states.
- Other European powers had strong socialist groups that feared undue American influence. Britain was the country most open to a relationship with the USA.



The launch of the Marshall Plan

American policy-makers determined that the failing European economies presented a threat to the stability of Western Europe and to US economic interests, and that the USA should focus on restoring the European economy.

In June 1947, the US Secretary of State, George Marshall, revealed his European Recovery Plan. Theoretically, the aid promised under the Marshall Plan was available to all of Europe – both the East and the West – but it was clear that the main motive behind the Plan was the need to preserve the stability of Western Europe.

The USA also hoped that strengthening the European economy would weaken the attractions of communism and thus the influence of the Soviet Union. They believed that by reducing economic stagnation, countries would be less likely to elect communist regimes out of desperation or instability.

Between 1947–52, the Marshall Plan provided \$13.5 billion to 16 countries in Europe, with most of it going to Britain and France.

Marshall Plan terms

- Open to all European countries that would accept it, including the USSR and Eastern European countries.
- Financial aid would be provided with the conditions that some goods be purchased from the USA, and economic information shared with the USA.
- Countries that joined the programme would become members of the Organisation of European Economic Cooperation.

Soviet perceptions

- Viewed as evidence of American imperialism, and an attempt to undermine Soviet control in Eastern Europe.
- Stalin did not want Eastern European countries to accept. He believed these countries would fall under the influence of Western capitalist countries.

Soviet reactions

- In July 1947, the USSR rejected any participation in the Marshall Plan.
- Soviet minister Vyshinsky denounced US actions in the United Nations.
- Countries that had expressed interest in the Marshall Plan, such as Czechoslovakia and Poland, were ordered by Stalin to reverse their decisions.
- In September 1947, Cominform was established to consolidate Soviet influence and push back against American imperialism.
- In 1949, the Council for Mutual Economic Assistance was set up to establish a socialist economic bloc.

The Marshall Plan had a significant impact in maintaining economic and political stability in Western Europe, but it did little to undermine Soviet power in Eastern Europe by bringing Eastern states under the influence of Western capitalism. Overall, it accelerated the division of Europe and worsened relations between the USSR and the West.

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Activities

1. Identify three reasons for the 'special relationship' between the USA and Britain (this will be important for forthcoming lessons about the UK's rocky relationship with Europe):

2. Complete the following facts about the Marshall Plan:

What were the assumptions behind US foreign policy after WW2?	
Date(s) of Marshall Plan and level of aid	
Countries the Marshall Plan was open to:	
Conditions of Marshall Aid:	
Soviet view of Marshall Plan	
USSR's reaction:	
Impacts of Marshall Plan	