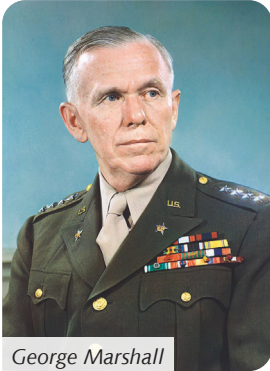


The Marshall Plan: a European Recovery Programme



George Marshall

The **European recovery plan**, also known as the Marshall Plan, covered a range of economic strategies and reforms which aimed to provide aid to Western Europe after the devastation of World War II. It also helped the United States become the leading

country of the Western world and prevent the spread of communism.

■ Historical background

During WWII, millions of European citizens had been killed or badly **injured**, and many cities in Great Britain, Italy, Germany and France had been devastated. Transportation infrastructures had also been damaged, and banks and other financial institutions were in ruins. Entire regions were risking **famine** since the bombing and fighting had not allowed people to grow crops. The only world power that had not been structurally affected by the conflict and whose economy was in good health was the United States.

■ George Marshall

George Marshall was appointed Secretary of State by President Truman in January 1947. Just like many other American politicians, he feared that poverty and hunger would strengthen the **appeal** of communist parties and intensify the influence of the Soviet Union, which had already occupied most of Eastern and Central Europe and which was, at the time, ruled by Stalin.

■ The enactment of the Recovery Plan

In 1947 Marshall presented his plan to help not only the broken economies of the countries who had been allies during the war, but also those of the enemy nations, such as Germany and Italy. Marshall even invited the Soviets to participate, but they refused because they thought it was a plan to dominate Europe economically. As a consequence, most of the Eastern countries under the Soviet influence did not take part in the programme, which eventually included seventeen countries. The Marshall Plan was signed by President Truman on April 3rd, 1948.

■ What the plan implied

The US Congress allocated funds amounting to \$13 billion (about \$316 billion today) to finance the plan over a three-year period. This money aimed to:

- meet the immediate need for food, medicine and housing;
- restart Europe's productive capacity by rebuilding factories, railroads, bridges and so on;
- re-establish European financial systems;
- restore political stability.

■ Effects of the Marshall Plan

The Marshall Plan was a success in helping many countries recover from disastrous conditions, but it also isolated and blocked Soviet expansion, leading to the Cold War. It built a "new Europe" whose political economy was now based on open markets and free trade. American exporters easily entered European markets since most of the resources and goods purchased with the American funds came from the US itself, benefitting American industries and exporters: the US experienced a consequent period of economic boom.



appeal: *attrattiva*
enactment: *varo*
famine: *carestia*
injured: *ferito*

It was called the Marshall plan after the US Secretary of State who proposed it.

1 Decide if the statements are true or false. Correct the false ones.

- | | T | F | | T | F |
|---|--------------------------|--------------------------|---|--------------------------|--------------------------|
| 1. President Truman chose George Marshall as vice-president. | <input type="checkbox"/> | <input type="checkbox"/> | 5. One of the goals of the Marshall Plan was to help Europe rebuild its infrastructure. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. During the war agricultural production had practically stopped and this led to food shortages. | <input type="checkbox"/> | <input type="checkbox"/> | 6. George Marshall did not want to invite the USSR to participate in the plan. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. The US economy had been affected by the war as much as the European countries' economies. | <input type="checkbox"/> | <input type="checkbox"/> | 7. 15 countries received aid from the Marshall Plan. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. President Truman authorised the plan presented by Marshall. | <input type="checkbox"/> | <input type="checkbox"/> | 8. European nations maintained their protectionist economic policies. | <input type="checkbox"/> | <input type="checkbox"/> |

2 **GROUP WORK** Here are the most common types of foreign aid provided to countries in danger. Rank them from the most to the least important giving reasons for your choices. Compare your choices with the rest of the class.

- ☐ Humanitarian aid (such as food, clothing, medicine)
- ☐ Cash grants
- ☐ Loans
- ☐ Civilian advisors (providing know-how and assistance in building the economy and democracy)
- ☐ Military bases and troops
- ☐ Weapons and military equipment



3 What kind of aid did Italy receive as a recipient country of the Marshall Plan? Look for information on the Internet and share your findings in class.