

## **The Marshall Plan and Its Meaning for Today**

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Thank you for the gracious introduction and the opportunity to join you today. I am pleased to say a word on behalf of the Austrian Marshall Plan Foundation, which was created to honor the Marshall Plan's transformative effect on Austria, which was among the largest per capita recipients of Marshall Plan support.

Today we are commemorating an important milestone in America's relationship with Europe, a relationship that over past decades has been marked by cycles of American engagement and retrenchment.

We particularly recall the closing days of World War II in Europe--those dramatic days of liberation 73 years ago.

Unfortunately, in most of Central Europe, liberation from the grip of the Third Reich did not lead to freedom as it did in Western Europe, Austria and in Germany itself.

By the end of May 1945, General George Patton and his advancing troops had already withdrawn from western Bohemia, which they had liberated, leaving the Red Army in control not only in Czech and Slovak lands, but throughout the region. The hope of liberation soon gave way to the sober reality of foreign rule and a new Cold War.

America's withdrawal from this region was part of a general retrenchment by the United States from global commitments and responsibilities in those initial postwar years, as American soldiers, and the society that deployed them far from American shores, ached for their return, to gain victory's dividend and to build a better future at home. After having sacrificed so many and so much for Europe, Americans were ready to look homeward. The popular mood was clear -- it was time to put America first.

Meanwhile, Europe laid prostrate, devastated by its wars and unable to generate the capacity for a peaceful future. Between 1945 and 1948, the United States provided \$15 billion in assistance to Europe -- a huge amount at that time. By early 1948, however, it was clear that American largess alone had failed to revive the continent, which remained traumatized and torn by divisions within and among its societies.

It was only then, as concerns grew about Europe's future, that American leaders understood that the United States could not afford to retrench, and that checkbook diplomacy alone was inadequate to safeguard the very U.S. interests and values it had sacrificed so much to defend during two world wars.

It was only then that a new cycle really began, one marked by a clear message, delivered by Secretary of State George Marshall on June 5, 1947: the United States would engage actively on the European continent, it would contribute as it could to Europe's better future -- but Europeans had to lead the way. If Europeans wanted American support, they would have to cast aside their divisions and demonstrate how they would build that better future -- together.

This was the "Plan" in the Marshall Plan -- America would fuel Europe's recovery, America would stand with Europe, but Europe had to work together to chart the way forward.

The Marshall Plan was a tremendous success -- and its legacy continues to pay dividends for our relations.

Today, everyone recalls the money behind the Marshall Plan -- but in the end, the Marshall Plan amounted to \$13 billion -- less money than the \$15 billion the United States had invested in Europe in the three years after the war.

It was not simply money that made the Marshall Plan, it was the "plan" behind the Plan -- and its true legacy for Europe's better future.

Not only did Europeans have to tell the Americans how they would use the funds, they had to do so together. The effect was to galvanize the European movement, to make real and practical what had only been a dream -- a true European Community.

Built on our newfound, common engagement, we and our partners forged other institutions, including the GATT, the OECD and NATO. The Atlantic Alliance created an umbrella under which European unity could develop, and together these institutions helped produce unparalleled peace and prosperity for half a century--but only for half a continent.

The United States extended its offer of Marshall Plan assistance to all of Europe, including the Soviet Union. 16 west European countries accepted, as did the Czechs. Yet after meeting with Stalin on the matter, Czechoslovak foreign minister Jan Masaryk was forced to reject America's offer. A dejected Masaryk commented that "I went to Moscow as the foreign minister of an independent sovereign state. I returned as a lackey of the Soviet government."

Signals from Czechoslovakia proved to be decisive to the Marshall Plan's approval. When Marshall gave his speech in June 1947, most Members of Congress saw no reason to invest yet more money in a Europe that had brought devastation to itself and much of the world. Congress delayed funding the Marshall Plan for nine critical months -- until the Czechoslovak coup in late February 1948 galvanized it into action -- but only for those countries free to accept U.S. assistance.

Continued disputes over that assistance soon turned into walls separating people, and Europe's vibrant middle dissolved into two artificial Europes -- one called "East" and one called "West." Young Czechs grew up knowing more about Moscow than Vienna. Young Viennese knew more

about Milan and Munich than Bratislava or Budapest. Hamburgers and Frankfurters knew all about London and New York and nothing about Leipzig or Dresden.

And then, just about 29 years ago, Hungarian Foreign Minister Gyula Horn joined Austrian Foreign Minister Alois Mock -- a noted alumnus, I should add, of our School's Bologna Center -- to snip open the Iron Curtain.

That event gave voice to the singular message that had been expressed by lonely souls for years and that then grew to a crescendo on the streets of Budapest, Gdansk, Prague, Leipzig, Bucharest and other central and eastern European cities. "We want to return to Europe," was the message of those on the streets and in their Trabants, Skodas and Ladas -- to be part of a Europe to which they had always belonged, and yet had been prevented from joining because of where the Red Army stopped in the summer of 1945.

Their message unleashed an earthquake that is still shaking the continent and its institutions. Their message is both opportunity and obligation -- the opportunity to build a continent that is truly whole, free and at peace with itself, and the obligation to see it through.

Looking back over 70 years, we can be proud of our engagement in, and our partnership with, Europe. But we cannot be complacent.

Despite our efforts, Europe is not yet whole, free or at peace.

Right before our eyes, two artificial Europes are again rising -- a turbulent grey zone to the east and southeast, whose people do not know where their future lies; and an increasingly fractious union to the west that is facing a conflation of challenges.

When Europe is divided, America loses. Today's anniversary should -- and must -- compel us -- together -- to honor the obligation set for us by Harry S. Truman, George C. Marshall, and the United States Congress: to ensure that there are no more grey zones of Europe, no more "*Zwischeneuropa*."

Despite transatlantic turbulence, America must stand with Europe. But Europeans must work together to chart the way forward. Yes, money matters. But in the end what matters more is the ability to harness resources to a vision that casts aside the divisions to our partnership, and the will to see it through.

That is the lesson of the Marshall Plan.

That is the lesson of the fall of the Iron Curtain.

That is the lesson of history.

Thank you.