A european recovery plan to continue history essay

History

Building the American EconomyAfter the Second World War, the infrastructure and economic modalities in Europe were left in shambles. Many major cities lay in ruins, and its people suffered from hunger and lack of resources, vital to maintain stability throughout Europe. Because most of Europe had been devastated, it created the vulnerability, which enabled the Soviet Union to overtake most of Eastern Europe with unopposed military action. With a similar fate inevitable for Western Europe as well, something had to be done to prevent the strangle hold of the Soviet Union on the entirety of Europe. It was then in 1947, when Secretary of State, George Marshall, delivered a speech at Harvard University that identified a plan for economic recovery for European Nations. In 1948, President Truman proposed a European Recovery Plan based on George Marshall's Harvard speech, which was popularly passed, and signed under the title The Marshall Plan. Its goal was to aid Europe in rebuilding through, financial support, so that Western Europe would not fall under the same fate as Eastern Europe had, being under Soviet control. Was that really the underlying goal? Was The United States' Marshall Plan developed solely based on the principle of preserving democracy, and protecting European countries from communist Control with financial aid? With an abundance of production materials and manufacturing capabilities following the Second World War, The United States' economy had nowhere to go but up. One could argue that the goal of the Marshall Plan was to ensure the survival of our major trading partners in Europe, and providing stable markets, in order to ensure its continued economic growth and dominance. It was Because of the Marshall Plan, and its effects throughout Europe, The United States' economy grew into the super power that it was following WWII. Immediately following the conclusion of WWII, it is no wonder that the economy and infrastructure of Europe was hurting badly. It had just endured its second major world war in as little as twenty five years, and in the aftermath, needed to find a way to, once again, be self-sufficient and regrow its economy. London, Paris, Berlin... all were in ruins and needed to be rebuilt and re-solidified as the major markets and world influences they were before going through, arguable, the worst wars in modern history. But there was a problem, which, not only affected the well-being of the re-building European Union, but the well-being of its major products supplier, the United States… Europe was running out of money. Why should The United States care? The US was thriving, its economy was the strongest it had ever been, and families finally fought their way back on top and out of the Great depression. Nothing could bring the United States down, except the diminishing European cash flow. " The SWNCC (State-War Navy Coordinating Committee) warned in early 1947 that the world will not be able to continue to buy U. S. exports at the 1946-1947 rate beyond another 12 – 18 months" It is no coincidence that the " European Recovery Plan" (ERP) was then proposed, and passed the following year, to take effect in 1949. And by December 1951, the United States had contributed over $12 billion to the European countries devastated by war, bringing Europe back to its pre-war levels, and re affirming the confidence in Europe’s future prosperities. What a grandly romanticized gesture on part of the United States. Of course the U. S. did it out of the kindness and concern for the ailing European economy and its citizens. What other driving motives, political or economic, could entice an act of financial support in such and unprecedented manner? The United States economic prosperity seems to be the common idea that keeps cycling around. And there were several key players in the development of the European Recovery Plan, to ensure the US economy's survival and success. Not wanting to painting a completely bleak picture, The European economy was seeing a very slight economic incline following the war, even fighting the shortage in supplies, food and raw materials. And not playing into hypothetical debate on whether Europe would have climbed out of the economical hole, following the war, had it not been for the financial support of the US, is a difficult position to hold. The fact of the matter is, when the SWNCC noted the future possible unsustainability of the European economy, the United States acted appropriately to ensure the success and survival of the US market and economy. With the US market economy in a possible future downfall, in steps William L. Clayton who communicates the need of an integrated economy with Europe, in order to, not fall back to pre-war production, but to move forward in post war expansion. The only problem is that monetary aid from the United States generally comes with stipulations that may make the plan tough to swallow. It was up to Clayton to show these ailing countries that this proposed recovery plan was in their best interest. Clayton was a business man who entered government during the Great War, and found himself supporting the New Deal, and the free trade policies it proposed. This should come as no surprise, with Clayton business success stemming from international cotton trading. After many notable government positions, Clayton took over as the first Under Secretary of State for Economic Affairs, which is a senior economic advisor position for the State Department, concentrating mostly on international economic policy. To be clear, the policy that takes precedent in this governmental position, is that of American economic prosperity. Pure and simply put, The Marshall Plan did more for the benefit of the American people, than it did for the countries who were sold on the plan as part of their recovery following WWII. " The countries which got the most help, like Greece and Austria, didn`t begin to recover until the aid was nearing its end. " On top of that "…at no time did Marshall Plan aid ever exceed five percent of the gross national product of the recipient nations." communicated with Europe, bringing his hope of an economic integration to the table. The US and European market have always been integrated in some form or another. What ClaytonYes, one could argue that the motives behind the Marshall Plan were purely noble. The United States was nearly the only major player in the Second World War that, with the exception of Pearl Harbor, sustained no damage or devastation that often comes with the act of war. It did not have to worry about its damaged infrastructure, its displaced citizens, its lack of raw materials or the goods produced being hindered. The US was in the best position to offer economic aid, with all of the advantages in economic standings, and lack of devastation the United States' held after the Second World War.