

EUROPEAN RECOVERY PROGRAM

Interview With

E. H. VAN DER BEUGEL

The Hague, Netherlands

June 1, 1964

By Philip C. Brooks, Director

Harry S. Truman Library

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ERNST H. van der Beugel. *From Marshall Aid to Atlantic Partnership* (Amsterdam: Elsevier Publishing Company, 1966); from book jacket:

Ernst H. van der Beugel (b. 1918) has had a distinguished and active career in International diplomacy. He graduated M. A: (Econ.) In 1941 at the University of Amsterdam, taking up his first post in 1945 at the Ministry of Transport. In 1946 he joined the Ministry of Economic Affairs. The following year he was Secretary to the Dutch Delegation at the first Paris Conference on the Marshall Plan. The author was appointed Director of the Division of the Dutch Ministry of Foreign Affairs in 1948 which handled the Dutch side of the Marshall Plan and O. E. E. C. This led to his appointment in 1952 as Director-General for Military and Economic Affairs of the Dutch Ministry of Foreign Affairs in charge of O.E.E.C., NATO, and European Integration problems. In 1957 he became Deputy Foreign Minister with special responsibility for European and NATO problems.

On the resignation of the Dutch Cabinet In December 1958 Ernst van der Beugel was appointed Special Advisor to the Foreign Minister and Ambassador Extraordinary and Plenipotentiary. In 1959 he became Deputy President of K.L.M. Royal Dutch Airlines and, in 1961, President. He resigned early in 1963 and is now engaged partly in academic work in addition to his business commitments as Director of many Dutch financial and industrial enterprises and of a London Merchant Bank. He maintains his active interest in foreign affairs as Vice-Chairman of the Netherlands Institute for Foreign Affairs, Honorary Secretary General of the Bilderberg Group etc. He is a regular visitor to the Center for International Affairs at Harvard University where he lectures on American-European relations. He is the author of many articles on foreign policy in Dutch, French, British, and American publications.

My interview with Mr. van der Beugel was suggested by the American Embassy at The Hague, and also by Dr. Dirk Stikker. Mr. van der Beugel is a pleasant, enthusiastic, and impressive

person. At the time of my interview he was working on his book on the Marshall Plan. In his house in a suburb of The Hague he has a study containing an exceptionally complete library of books on the Marshall Plan and post-war Europe. He combined the roles of a participant in the events which we were discussing and also of a scholar more than any other person whom I interviewed.

Philip C. Brooks
Director

EUROPEAN RECOVERY PROGRAM INTERVIEW TRANSCRIPTS

NOTICE

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DR. PHILIP C. BROOKS: Mr. van der Beugel, may we start this by my asking you to repeat what you were telling me about your association with Mr. Hirschfeld. Let me say that I am concentrating on the early phases of the Marshall Plan because this is when the policy was established, and also because I want to keep my own project within manageable bounds. So in general, I'm primarily interested in the years 1946 to 1948. Now, you were in the Ministry of Economics before

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that period...

MR. E. H. VAN DER BEUGEL: I was in the Ministry of Economics before that period, and I told you that I was on holiday and my minister called me in France and he said, "Well, the Secretary of State has made a rather important speech at Harvard University. We don't know what it is all about, but it looks very important to us. There will probably be a conference in

Paris, and we are sending Dr. Hirschfeld and the Dutch delegation to Paris. The delegation needs a young secretary and are you willing to go there?"

I said, "Well, I'll be delighted." And I went to Paris and saw Dr. Hirschfeld for the first time; and then the whole thing started and we were in Paris in that very, very hot summer of 1947. We were in Paris to make the reply to the Marshall Plan, and we'll certainly talk about that aspect of the matter. Then I had a most fascinating

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experience because, as you know, after we had finished the report there was a small group of Europeans invited to Washington, in order to present the Paris Report to the Administration and to discuss it with the Administration.

That was October '47, and that was a very funny experience because we had to assist the Administration in preparing the presentation to Congress. There were two aspects of that exercise which were fascinating: the first was, that for the first time a group of Europeans went to the United States, not as Dutchmen, Frenchmen, Swedes, and Englishmen, but we went there as representatives of the European group. We had no national mandate; we had an international mandate, for the first time in history, I think. And second, a very interesting thing about it was that we were suddenly confronted with the very difficult relation between the Executive

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and the Congressional branch of the United States Government. We were, as a matter of fact, mobilized by the Executive to help in getting the thing through Congress, which was a fascinating experience, because we knew from our study books how the relation between the Congressional and the Executive worked, but now we were definitely in it.

BROOKS: Well, Mr. van der Beugel, I gather then that you did not know much, if anything, about this plan beforehand?

VAN DER BEUGEL: No.

BROOKS: One of my questions is, did anybody know much about it beforehand?

VAN DER BEUGEL: No, we didn't know anything before. However, it was a very peculiar thing, in the months, let me say between February 1947 and

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June 5, there was an atmosphere in Europe which was a balance between despair and hope. Reconstruction became extremely difficult; the dollar problem became the central problem in every European country, and there was a kind of feeling that nobody knew anything. It was the kind of feeling there that something will happen in Washington. It's very difficult to trace why this feeling existed. I think it started in a more concrete way after the proclamation of the Truman Doctrine, so after March -- the period between March and June -- there was a feeling that the Americans were moving into Europe. I remember very well, because I was a secretary to the Cabinet, that the Dutch Cabinet had to decide whether it should go on with its dollar imports

with the terrible risk of spending practically the last dollars and hoping that something would happen, or simply to stop the thing. And then

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the Cabinet decided to go on, which was a very risky decision but they went on with the dollar import, because everybody had the feeling that something would happen.

BROOKS: I talked to Mr. Kristensen in Paris and he told me very much the same thing and he said that he attended a meeting of finance ministers in Stockholm in May, and this very same thing was discussed, that they expected something, that he felt something. In fact, he was told later that he had predicted the Marshall Plan, because he said, "Something is in the wind."

VAN DER BEUGEL: No, nobody predicted it, but I think the reason that the response was so immediate was twofold: first, that people sensed that something would happen; and the second reason was that we needed it so much. There was no other problem of this magnitude in Europe at that time, than

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the dollar problem. The dollar problem was the overriding central problem.

BROOKS: You suggested about four of my questions already. One is, the relationship of the Greek-Turkish aid program, the Truman Doctrine to the Marshall Plan. I was told in Southern Europe, in Italy and Greece, that they were all one program, that Greece was the key. Many people in the United States regard them as two quite separate things, one primarily defensive against the Communists, one primarily for internal recovery in Europe. Now, of course, these are intermingled. But one of the questions is, how much were people concerned about the Greek-Turkish program, or how much did they know about it?

VAN DER BEUGEL: Oh, they definitely knew about it and I think that from the point of Europe, people who were interested in foreign policy,

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the Truman Doctrine made a tremendous impression, because -- well, let me put it like this: because it was the absolute opposite of isolationism. I mean, if you put the Monroe Doctrine and the Truman Doctrine together, then you have the really two opposite theses. One was total isolationism, and the Truman Doctrine, in the way it was presented, was total engagement.

BROOKS: I've been told in several places that the Marshall Plan was the economic turning point in the history of Europe. Evidently, most people feel that the reason was the unique feature of Secretary Marshall's speech that it called upon the Europeans to get together and work out a common statement of their needs and work out a common program rather than having the United States give aid to every country individually. First, would you agree that this was a turning point; and, secondly was

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this a surprise -- the cooperative feature?

VAN DER BEUGEL: Yes. I think that everybody sensed from the first moment on that there were two aspects. The first was the national reconstruction aspect, and the second was the cooperation aspect. In perspective of history, I think the cooperation aspect of it was, for history's sake, probably even more important than the first one.

BROOKS: Very much has been built upon it.

VAN DER BEUGEL: Everything, everything.

BROOKS: I'm interested in knowing whether there were any precedents, I mean, any preliminaries in the way of economic cooperation? Some people have said that this was the first time the European countries really got together and cooperated in an economic way.

VAN DER BEUGEL: On that scale, without any doubt.

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BROOKS: Was the Benelux Customs Union experience important as a precedent?

VAN DER BEUGEL: Yes, it was important as a precedent. For instance, one of the remarkable things was that when we went to Paris and the committees were nominated, it was decided that the conference in Paris would be steered by an executive committee. Now you imagine what kind of fight goes on when I think five countries are nominated out of sixteen. And then it was decided that Hirschfeld would take a place on the executive committee, on behalf of the Benelux countries. So Hirschfeld represented the Benelux on the executive committee, which was a very remarkable thing.

BROOKS: I spoke last week with Baron Snoy...

VAN DER BEUGEL: Well, yes, he was one of the old hands

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BROOKS: ...and he felt that the Benelux experience was useful.

VAN DER BEUGEL: Very useful.

BROOKS: And he himself assumed the chairmanship of the major committee in OEEC didn't he?

VAN DER BEUGEL: Yes.

BROOKS: At the time, I believe that there were people who felt that because the Benelux Customs Union was not completely worked out yet (the treaty wasn't signed until the next year) perhaps it illustrated some of the difficulties that were ahead. One thing I wanted to ask you, if you remember, did you feel at that time, that the degree of cooperation that Marshall called for was possible?

VAN DER BEUGEL: Well, we felt very strongly that the ideas about cooperation in the United States

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were very outspoken, but not concrete at all.

BROOKS: No, the reference in the Marshall speech is very general.

VAN DER BEUGEL: In the Marshall speech it is very general and nobody knew exactly how this cooperation was going to work. It was very remarkable that, on the one hand, there was so much insistence on the American side on European cooperation and on the other hand, no concrete thoughts how this cooperation would really emerge. And so we went through very different phases. The first idea was to make a coordinated program, a European program. Now, after a few months, people discovered that this was an exercise which, if successful, would take years to bring out. Because there were all these different economies, one planned, one not planned, one liberal, one socialist, with

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absolutely different grades of economic development. Take a country like Greece on the one hand, Sweden on the other hand. So, there were no concrete ideas about cooperation. However, the Marshall Plan in my idea, is the first stimulus to European integration and cooperation. There's no question about that.

BROOKS: What would you say the Netherlands most needed or most expected from the Marshall Plan?

VAN DER BEUGEL: Two things. The bilateral reconstruction, I mean the need for the country to get dollars. We had a terrible time and we were harmed and hurt in this German occupation, from an economic standpoint, practically more than any other country and that's the reason the Netherlands got the most Marshall aid per capita. The Netherlands got an enormous amount of Marshall aid. That was the first thing.

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The second thing which was extremely important for us, was the restoration of our relations with Germany, because this country without the German hinterland is, of course, unthinkable. And so one of the big fights in the conference in Paris in the summer of '47 was between the Dutch and the French on the question of how to treat Germany in the framework of the Marshall Plan.

BROOKS: One of the most interesting questions that I've been asking people is, "What was the attitude toward Germany?" There was a dilemma between the emotional feeling toward the Germans right after the war, and it must have been pretty bitter in a place like the Netherlands...

VAN DER BEUGEL: Yes, very bitter.

BROOKS: And on the other hand, the knowledge that Germany had to be reconstructed to support the

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economy. I'm interested both in the opinion of the men who were involved in the Government and in the general attitude of the people. Did anyone feel that it was realistic to suppose that you could make an agricultural country out of Germany and keep it down forever?

VAN DER BEUGEL: No, nobody. The Morgenthau plan in Europe never really lived. It lived in an emotional sense, perhaps; never in a realistic sense.

BROOKS: So this question of the level of industry in Germany became one of the key questions?

VAN DER BEUGEL: Yes, and I'll read you the substance in the report.

BROOKS: This is the report of the preparatory committee of 1947. You would say that this was one of the most debated -- the key?

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VAN DER BEUGEL: Well, no, not the key, but this is one of the most debated sentences. There was an "Appendix B," problems relating to Germany:

The German economy must not be allowed to develop to the detriment of other European countries as it has done in the past, but if European cooperation is to be effected, German economy must be fitted into the European economy so that it will contribute to the general improvement in the standard of living.

There was a hell of a fight on this sentence.

BROOKS: Mostly with the French?

VAN DER BEUGEL: Mostly with the French.

BROOKS: Would you say that the French (this is a risky question), were the French more influenced by their emotional reaction toward the Germans than other countries?

VAN DER BEUGEL: I don't think that it was that

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emotional, but the French had two main points of departure in their whole attitude towards the Germans at that time. One was reparations, and the second was security.

BROOKS: And who was the chief spokesman of the French?

VAN DER BEUGEL: Alphant. And on the ministerial level, Bidault; but in the conference, Alphant was the opposite number of people like Oliver Franks and Hirschfeld in the Executive Committee.

BROOKS: I've had differing opinions as to how useful Alphant would be to me, for example, in interviewing.

VAN DER BEUGEL: Oh, I think you certainly must see him. I don't know whether he would tell you the truth, but he would be important.

BROOKS: I've been told that the Marshall Plan aid

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to the Scandinavian countries was largely indirect; it was more a matter of building up European trade in general to assist, than it was direct aid to those countries. But I assume that that wasn't true in the Netherlands?

VAN DER BEUGEL: No, but it was not true for Scandinavia either. It is true for Sweden, but not true for Denmark and Norway. Norway got direct aid. But Sweden, yes. Sweden, Switzerland, and Belgium, of course. Belgium, Sweden and Switzerland were in a special position.

BROOKS: A comment has often been made to me that a large part of it was for the redevelopment of agriculture in the Netherlands.

VAN DER BEUGEL: It was, yes, especially agricultural machines and of course, raw materials, grain, and that kind of thing. But you have the statistics on these things?

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BROOKS: We have them.

VAN DER BEUGEL: Because we were compelled under the Marshall Plan to make a quarterly report in which every figure possible...but every country did that so there must be a mass of material.

BROOKS: Let me take a different tack and ask you, what about the attitude of the Netherlands toward Russia. Was it a good idea to invite the Russians to join? Was there any likelihood that they would join? Why didn't they, and what was the effect of their not joining?

VAN DER BEUGEL: This is a very, very interesting period. In my study, I come to the conclusion that the offer of the Marshall Plan to the whole of Europe, was a genuine offer from the American side. Perhaps the Administration hoped that the Russians would not accept, because they knew that the Marshall Plan including the Soviet Union would

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be terribly difficult to get through Congress, for instance. But I think there was no dishonesty on the part of the administration in extending the invitation to Russia.

BROOKS: I frankly don't know whether this was primarily the idea of the Americans or the British.

VAN DER BEUGEL: I can be terribly mistaken about it, but if you study the papers, the advice to the President and to the Secretary is rather vague, and my impression is that one of the few personal decisions of Marshall has been to extend it to the whole of Europe. And then, at this conference in June, in Paris, the Russians messed it up because they could not accept the one and only condition which was attached to the Marshall Plan, that it would be a cooperative effort, and Bidault went out of his way to please the

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Russians. I write in my book that he took greater care to please the Russians than not to irritate the Americans -- Bidault, you know. Bevin had a very keen sense that if Europe would not respond in a coordinated way, the Americans would not take it. So Bevin's attitude in this conference with the Russians was much firmer than the attitude of Bidault. As for the Dutch, I think that they saw the Marshall Plan at the consequence of the division in Europe, and that they would have been greatly astonished if the Russians would have taken it.

BROOKS: Would you say that the concept of the Cold War had already developed at that time?

VAN DER BEUGEL: Oh yes, yes.

BROOKS: This is one of the things on which I get quite different answers in different countries.

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The Danes and some others say, "No," that the concept of the Cold War did not really crystallize until the Czechoslovak coup of 1948. The Norwegians...

VAN DER BEUGEL: Well, the Cold War in that sense was, of course, aggravated by the Czechoslovakian coup, but nevertheless, the absolute failure of the discussions on Germany, which preceded the Marshall Plan -- the collapse of the discussions on Germany had already happened, and Greece and Turkey and Persia had already been exposed to tremendous Soviet pressure. So, the "one world" concept which had been very apparent in American foreign policy, up to the end of 1946, had already collapsed. There was a very keen sense here that cooperation with the Russians would be either impossible or extremely difficult.

BROOKS: You people were closer to it?

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VAN DER BEUGEL: Yes.

BROOKS: Now the Norwegians were very eager to try to work with the Russians just as long as they could, so that they were trying to serve as a bridge between the East and the West. Mr. Lange said he thought the Czechoslovaks on their side were trying to serve as a bridge between the East and the West.

VAN DER BEUGEL: Yes. There was enormous difference between the attitude at that time of the Scandinavians and the Dutch -- an enormous difference. One of the things which was very apparent in the Paris Conference, for instance, on this issue, was that the Scandinavians did not want a permanent organization. One of the reasons Clayton and Douglas came to Paris at the last moment and said, "If you axe going to write this report, you can leave it because we will not buy" -- there were many reasons -- the amount was too

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high and we asked too much and all that kind of thing. The political reasons, of course, were that we could not agree in the Paris Conference on the necessity of making a permanent organization in Paris. And the permanent organization was blocked to a great extent by the Scandinavians, because the Scandinavians had the idea that if we made a permanent organization, we consolidated the division of Europe.

BROOKS: That illustrates your point that the condition of the Marshall statement was rather vague, because I've heard all sorts of differing opinions as to whether the Europeans really felt that the United States was insisting on a permanent organization, on actually getting together.

VAN DER BEUGEL: Yes, yes. But at the end of the conference, they made it very clear -- Clayton and

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Douglas.

BROOKS: But those were the people on the side of the United States who were in favor of Europeans, who were actually protagonists of the Europeans -- in other words, I wonder if there was agreement among the Americans at this time.

VAN DER BEUGEL: It's very difficult to say. I think that -- well, that the overriding tendency in America was to ask for a permanent organization.

BROOKS: What they were asking was really much more concrete than what was in Marshall's speech?

VAN DER BEUGEL: Oh yes, yes.

BROOKS: Did you see anything of the Herter Mission, the congressional mission that came over?

VAN DER BEUGEL: Yes, yes, we saw them here and we

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were on the same ship, because this mission in October traveled to the United States on the *Queen Elizabeth* and most members of the Herter Committee, and Chris Herter himself were on the same ship, so we were every evening together.

BROOKS: This must have been fascinating.

VAN DER BEUGEL: Fascinating, absolutely fascinating.

BROOKS: Well, now, you know that there were many different opinions voiced in the Congress. Did you feel that Herter and the Republicans there were favorable to European cooperation, to eventual European union, etc?

VAN DER BEUGEL: I think the role of Herter and his committee was extremely important, and I must say that in seventeen or eighteen years of public service, and traveling around in European and Atlantic things I practically have never seen such a moving document as the report of the

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Herter Committee of which I say, this is practically the most generous formulation of policy which I have ever seen in any parliamentary or congressional statement. I wrote in my book that the American position is really a fantastic thing.

BROOKS: The Herter Committee, if it had not taken that attitude, it could have wrecked the whole thing, right?

VAN DER BEUGEL: Absolutely. In the House it could have wrecked the whole thing. I think that the attitude of the responsible Republicans, also of Vandenberg in the Senate and in the House, has been of tremendous importance. You know, when you look at foreign countries, you always have the tendency to look at parties or at individuals, but you know the word which the English use, the "establishment." I mean,

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the ruling, the really ruling group, independent of political affiliation or jobs, and so forth and so on. Now my impression has always been that the American establishment was in favor of the Marshall Plan; there was much opposition to the Marshall Plan, but what we call the establishment was in favor.

BROOKS: Would you say that, by and large, the Europeans feel that the establishment in the United States, is or was at that time anything like as clearly defined as in England?

VAN DER BEUGEL: Absolutely different. I mean, the groups of which it is composed differently. But I think that you can say that you can talk about the clearly defined establishment in America. Well, look at an institution like the Council of Foreign Relations in New York. That is "establishment." That's "establishment." It is a peculiar combination

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of university, big business, Washington -- that is a clearly defined "establishment." There are a few journalists, of course -- people like Lippmann and Reston -- and they belong too. But we must always be very careful in Europe, not to underestimate the non-establishment group.

BROOKS: I'm very much tempted to ask if you people felt that Mr. Truman had belonged to, or when he became a part of the establishment?

VAN DER BEUGEL: It's very difficult for us, of course, to judge the pre-Presidential activities of Mr. Truman. As a President, I think he did not only belong to the establishment, but he led it, he led it. And, in my opinion, there's no question about the fact that he will go into history as one of the very great Presidents.

BROOKS: Did you have occasion to see him when you were over there in 1947?

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VAN DER BEUGEL: No, in '47 I did not see him. In '48 I saw him once; and later we had a very touching meeting with him, but it was not a conversation, it was a meeting. The ministers of the six met in Venice at a certain moment [in 1946] and the Italians took us to a small restaurant on an island in the neighborhood of Venice. Of the six, that was Spaak, Bech of Luxembourg, Bidault or Schumann or Pineau of France, Brentano of Germany and Begen of Holland, and we had luncheon there with fourteen or fifteen people in that restaurant in Torcello and at that moment -- he was not President any more -- Mr. Truman was having luncheon with Mrs. Truman and his daughter at the same time in that same restaurant.

BROOKS: What was the restaurant?

VAN DER BEUGEL: It was on the island of Torcello.

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We knew that he was in Venice, of course, but there was no relation whatsoever, and that was a very touching moment -- the man who had made this possible, sitting there. Everybody went to him, and we applauded him when he went away, and he was very pleased. It was touching.

BROOKS: Do you remember what kind of thing he said?

VAN DER BEUGEL: No, but Bech and Spaak and all of these people knew him, of course, and they went to him and they said to him, "Well, we are here now as a result of what you have done in 1947."

BROOKS: He's a delightful person.

VAN DER BEUGEL: He must be.

BROOKS: Sparkling.

VAN DER BEUGEL: Yes. And Mr. Brooks -- guts, guts.

BROOKS: Political intuition.

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VAN DER BEUGEL: Better a bad decision than no decision, he said once.

BROOKS: Let me get back to the preparatory commission and the beginning of the OEEC. Did the Dutch feel that they were fairly treated at Paris? Some people have said, "Well, the estimates that our government submitted to the committee, were cut too drastically," or something like that.

VAN DER BEUGEL: No, I think we were very well treated. I think we were extremely well treated during the whole Marshall Plan. Everybody cheated like hell in Paris, everybody. You know, we had to go there with our estimates, and then at the first division of aid came one of the crucial moments in the Marshall Plan -- I think the most crucial moment -- in '48 when Harriman went to Paris and said, "Well, this is what you can

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expect from Congress; this is less than you have asked for, now, divide it up between yourselves." And then it started -- I've never seen so much cheating. The Dutch have the peculiar feeling that they are slightly more decent than their neighbors. But that was definitely not true at that occasion, you know. Definitely not true.

BROOKS: You worked very closely with Mr. Harriman, I take it?

VAN DER BEUGEL: Yes, very closely, and with Milton Katz, too, who succeeded Harriman. I have been at Harvard recently for three months, and I have spent much time with Katz. I have a very great admiration for him.

BROOKS: How long ago was that?

VAN DER BEUGEL: I was there in -- I lectured at Harvard

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in October and November and in March.

BROOKS: Did you feel that any country was too dominant at the Paris Conference?

VAN DER BEUGEL: The British were pretty dominant, but I must say that there were two sides to this dominance of the British. In the first place, the Marshall Plan, from the European point of view, would never have been this kind of success without the administrative skill of the British. Oliver Franks was the best chairman I have ever witnessed in my life, and the whole administrative skill they brought to this absolutely new and revolutionary exercise was indispensable. That was one side of it. On the other hand, of course, the fact that OEEC in the field of European cooperation, has not met our hopes, is to a great extent due to the British, because after all this whole emergence of Europe --

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of the six -- is the result of the fact that OEEC has not been able to do the same things. And why has OEEC not been able to do the same things? I think primarily because at that time the British

did not want the kind of integration which we thought was necessary. There are many excuses for it. I am less critical of the British than most people on the Continent are, but I think there is no question that the British group could have molded Europe on their terms and they have not done it.

BROOKS: Do you think this was largely because of the Commonwealth alliances?

VAN DER BEUGEL: It's a combination. First is the Commonwealth, not in order of importance. The idea of the necessity for them to have a special relation with the United States. A special relation, by the way, Mr. Brooks, which only

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exists in London and has never really existed in Washington.

The third thing, the very irrational feeling of the British, that they cannot go into anything which would really transfer sovereignty. I always say, "The average member of the House of Commons cannot conceive a situation where there would be an authority between the Good Lord and the House of Commons." That is inconceivable to them. And also, which I think was very important in view of what was going to happen in October, in the fourth place, the Labour Party in Britain was reluctant to accept interference from abroad in their domestic economic planning. But I must say that from the point of view of running the organization, and running the council, the report would never have been written without the British. They were the only people who really could write the report.

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BROOKS: One person in England told me that this was because they had been cooperating for years in running the war, so that it was not a new experience for them.

VAN DER BEUGEL: No.

BROOKS: We had a conference at our Library in March on the Marshall Plan at which we had present Mr. D. C. Watt, who is the editor of the *American Review*, which you have there. He made the comment that Labour in Britain generally favored the Truman administration and all of its doings because they viewed the Truman administration as somehow similar in its objectives to British Labour. I don't know how realistic that was.

VAN DER BEUGEL: It was not very realistic.

BROOKS: But they thought of Truman particularly himself as of the same...

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VAN DER BEUGEL: The same color. There is no question about the fact that in general Europe, if you can talk about Europe because it's so difficult...

BROOKS: I found that out.

VAN DER BEUGEL: I mean, I hope that you found out that it's very dangerous to talk about "a European reaction."

BROOKS: This in essence makes me admire all the more what was accomplished. The points of view and the immediate problems of the different countries were so very great, as you indicated.

VAN DER BEUGEL: I think it has been one of the great accomplishments in history.

BROOKS: I interrupted you. You were going to say about the European view...

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VAN DER BEUGEL: The European, if you can talk about the European tendency, but the European tendency is always to be more sympathetic to a Democratic administration than to a Republican administration, there's no question about it.

BROOKS: That's pretty widespread throughout Europe?

VAN DER BEUGEL: Yes. I mean, in Europe one hopes for a Democrat even without knowing exactly what it is all about, but it is instinct that the Democratic administration is nearer to what Europe stands for than a Republican administration.

BROOKS: The simplest way to look at that may be to say that Democratic administrations are less likely to be isolationists.

VAN DER BEUGEL: That is, of course, one of the most important things.

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BROOKS: A very risky thing.

VAN DER BEUGEL: Also a very risky thing.

BROOKS: And also, as I think Mr. Watt was indicating, that perhaps the Democratic administration is inclined more to be sympathetic with the degree of socialism that has developed in some European countries.

VAN DER BEUGEL: Yes, in Europe I think you can say that the issue between the socialists and the non-socialists is not so much the fact that the state is responsible for many, many things. I mean, we have come to the point that whether you are socialist or not, socialism is a matter of degree; but we recognize in Europe, in general, the responsibility of the federal government for the well being of the country while in America this is still an issue.

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BROOKS: Was there at this time, Mr. van der Beugel, an issue within the Netherlands as to whether the recovery should be primarily by the encouragement of private business or primarily by the government...

VAN DER BEUGEL: No issue, no issue at all. This economy with all kinds of planning and everything we have, of course, but this economy is an economy which is based on private enterprise. There's never been a dispute. The basis of this economy is based on private enterprise.

BROOKS: The next question is: The Marshall Plan funds necessarily came through governmental sources. Was this acceptable to private enterprise, did this cause any problem?

VAN DER BEUGEL: No, not at all. In that respect it did not change. We had, of course, to provide

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the procedures, but it did not change at all the basic structure of the economy. Of course, the funny thing about the Marshall Plan was that it requested this coordinated European Recovery Plan and the American administration could have unwillingly been the cause of much more planned economy than they wanted.

BROOKS: This is precisely what I'm getting at. But apparently, it did not result that way anyway.

VAN DER BEUGEL: Absolutely not. I cannot judge it, though I have a fair idea about other countries. But I can judge this country, and there was no question about it.

BROOKS: Were there differences within the Netherlands as to their attitude toward American aid or toward the Marshall Plan -- labor, or agriculture, or industry?

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VAN DER BEUGEL: No, not at all. The labor party -- Hirschfeld and I worked with an advisory committee, with all the trade unions and the private industry and everything, and there was no problem whatsoever.

BROOKS: Would you say that was because everybody naturally agreed or because the situation was so desperate that everybody had to work together?

VAN DER BEUGEL: No, it was the result of the fact that the issue was not at stake in Holland. Holland had accepted after the war that because of the reconstruction period it was necessary to have certain planning in the economy. We had, for instance, an import regime which crashed because the foreign currency was not available. We said we had three hundred million dollars this year, we'd divide it like this, between agriculture and industry.

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BROOKS: Did people here expect that this would lead to a greater degree of economic cooperation, toward economic union, whether or not the Americans demanded it?

VAN DER BEUGEL: No, I think (that's one of the theses of my study) that great stimulus to European cooperation has come from the Marshall Plan and I doubt very much whether without the Marshall Plan, this would have been possible.

BROOKS: You think people expected this at the time?

VAN DER BEUGEL: Yes, and even if they didn't expect it at that moment in June, they damned well expected it after a year because they followed the congressional debates. One of the very remarkable things, I don't know whether you agree, but one of the very remarkable things is that pressure for European cooperation was

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much more a basic element on the congressional side than it was on the side of the State Department and the ECA, in the beginning.

BROOKS: They probably were more cautious.

VAN DER BEUGEL: Much more cautious -- probably much wiser. But the fact is there that the reason why things happened in Europe was because the American administration had to go before Congress every year and had to show that something was done. And that was the great drive behind cooperation. And if the President would have had his way to get seventeen billion dollars at once, which was the original idea, it would not have worked that way. If the congressional pressure would have been lifted in this whole four-year period, the pressure on the European cooperation would have been much less. There was the famous exchange of letters with Vandenberg. Vandenberg

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said, "I'm going to support you, but I want you to go before Congress every year."

BROOKS: Marjolin says in his lecture that he gave at Duke in 1951 (and I talked to him Saturday, by the way) that in general the program which was conceived as a four-year program as set up by the OEEC was accomplished in much less time and with much less money. Was that true here in the Netherlands?

VAN DER BEUGEL: That is difficult to say because I think you must divide the Marshall Plan into two periods -- through 1950, ending with the European Payments Union, and then the whole scene changed, because then you got NATO and the Mutual Security Act and rearmament and the Schumann Plan and so forth, so it's very difficult to get the real four-year picture, measure a four-year picture. If rearmament would not have come, I think it

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would have been accomplished in less than four years, but with the rearmament burden, I'm not very sure about it. It's very difficult to say. In 1950 the scene really changed.

BROOKS: Well, the Korean business was very important here, wasn't it?

VAN DER BEUGEL: Yes.

BROOKS: One of the people in Germany told me that (just by sort of passing comment) that OEEC really didn't work out toward the economic union that was desired, and that was why Marjolin left it and went over to the Common Market.

VAN DER BEUGEL: I think that's true.

BROOKS: Marjolin said that, "No, he just wanted to try something different."

VAN DER BEUGEL: I would agree with that. Marjolin --

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you must see the psychological thing of Marjolin. I think like this -- Marjolin was one of the very few Frenchmen who had an open eye for the Anglo-Saxon world. Most Frenchmen simply don't know that there is an Anglo-Saxon world and when they know it, they hate it. Marjolin has an American wife and so forth, and so on. So Marjolin went out of his way to get the British really cooperating in OEEC. And Marjolin's great disillusion has been that the British have not come along, and since then (I have known Marjolin since '46) Marjolin has been a rather bitter man.

BROOKS: I think that quite possibly in talking to me., and I think this is probably true of other people, that he simply didn't want to be impolite, or critical of the British.

VAN DER BEUGEL: Well, he was disillusioned.

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BROOKS: Judging OEEC, according to what it was originally intended to do, what it was set up for in 1947, it was really remarkably successful, was it not?

VAN DER BEUGEL: Remarkably. OEEC was remarkably successful. It has been treated very badly in literature, including American literature, and I think completely unfairly. I paid it a great tribute in my book. I think it has been highly successful. There are a few Americans who really have seen the importance of it. I mean a man like Lincoln Gordon, for instance, a man who knows very much about that period. And he has written an article on the importance of OEEC which I think is one of the best articles ever written. I think it has been highly successful. It has not evolved into the exclusive instrument of European cooperation. I mean, there is no

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question about the fact that the whole attention of America in the field of Europe has, from '47 until 1950, focused on OEEC. And then in 1950 you get NATO and the Schumann Plan and they take the first place away from OEEC.

BROOKS: But OEEC had a job to do as it was seen in '47. And it did really not include setting up the Common Market.

VAN DER BEUGEL: Indispensable.

BROOKS: Do you think that we have fairly well covered the major points of the first years?

VAN DER BEUGEL: In these first years, I think, yes. Well, there is, of course, one point which has not to do with economics but which I think for the relations with the Americans has been of extreme importance. And that is the phenomenon of the missions in the countries, and I must

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say that I have never seen an example of a difficult job so well performed as in most ECA missions in the countries. Because it was such a tremendous and difficult job.

They had the power of the country. So if they would have been less tactful, there could have been very, very great difficulties, but the job they did, the people they sent, were absolutely outstanding.

BROOKS: That seems to be true in every country I've been in. I wonder if this is not explained in part by a tremendous amount of idealism that they brought.

VAN DER BEUGEL: Absolutely, and this was so attractive for many Americans; I mean, it was so constructive to do the job. When we look at this first group we had here, the chief of the mission was a president of a university, the second man was a

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broker from Wall Street, the third man was a farmer, the fourth man was a journalist. I mean, they didn't come from the administration.

BROOKS: Most of them didn't have experience?

VAN DER BEUGEL: No, none whatsoever. I think it was a perfect job, and the only thing which from time to time was messed up was by the Embassy, never by the ECA.

BROOKS: The other thing wanted to ask you was if you had any comment on personalities or would say who you thought were particularly significant or influential individuals in this whole pattern.

VAN DER BEUGEL: On the American side?

BROOKS: Well, primarily, not entirely.

VAN DER BEUGEL: Well, I think in the period of the Paris Conference, Lew Douglas, Clayton, and the

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man who did a very quiet job, Labouisse. Henry Labouisse. Then when the thing was really set up, Harriman, of course, was extremely important. Harriman had the difficulty that he was extremely good and effective in small meetings. He was much less effective in big meetings. At that time he didn't communicate very well. Hoffman was an extrovert and was, of course, a very

great man in this whole exercise. Katz was, Bissell, Foster, they all were. And then of course, in our discussion in Washington, Lovett was there and was a very important key figure.

BROOKS: Did you know Professor Blaisdell?

VAN DER BEUGEL: Yes, I know that he was very important, but I have not a very strong recollection of him.

BROOKS: He's one of the people who particularly hoped that I could come here and maybe could see

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Mr. Hirschfeld. People didn't know about Hirschfeld's death.

Well, sir, this has been extremely interesting. I look forward to your book.

VAN DER BEUGEL: I am very glad that I could do it. You see whether you can find these booklets.

BROOKS: I certainly shall. These are the cartoon books...

VAN DER BEUGEL: The cartoon book and *The Road to Recovery*. *The Road to Recovery* will be no problem whatsoever.

BROOKS: I'd love to have that. Do you have any other suggestions as to people I might talk to. I'm going to see Mr. Stijkel and I've been trying to get hold of a man, a Mr. Zoetmulder, is that how you: pronounce it?

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VAN DER BEUGEL: Yes, he was my deputy. He will not add much. I mean, both he and Stijkel were very much in the executive sphere, not in the policy sphere. Stijkel was in my office, but he was not there in the beginning. He was very close to Stikker when Stikker was political coordinator of the OEEC but he came into my office in '49.

BROOKS: What factors especially influenced the Dutch impression of President Truman?

VAN DER BEUGEL: The point, of course, is that I don't think the Dutch were very peculiar in this. The Roosevelt death was, of course, a tremendous shock in the last months of the war, because rightly or wrongly, and I think to a great extent rightly, Roosevelt was identified with our liberation, so then there came this completely unknown gentleman, taking over this kind of responsibility. People were scared, of course, whether things would

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continue as we thought they had to continue. Then, I think, during the first year after the war, people were so completely taken up by their own reconstruction and their joy of being free again, that foreign policy in general, and American foreign policy in particular, was not very close to

their thinking. But then this Marshall Plan came and from that moment on, of course, I should say, even more than in the last Roosevelt years, this whole active American foreign policy which people felt was so much for their benefit was completely identified with the personality of the President. First, the Marshall Plan, NATO, Korea, and funnily enough, the MacArthur thing. The MacArthur thing has impressed this country tremendously because we have an instinctive feeling that military people should be controlled by their civilian bosses, and I think the courage of the President to deal with this MacArthur thing, impressed people here tremendously. Then

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came '52 and I hope that I will not be quoted on this, but every day of the Eisenhower administration, Truman grew in stature. Because people then in this country realized that the Presidency in the United States could be effectively executed with this kind of aloofness, and so the comparison between the Eisenhower period (and Eisenhower was tremendously liked and tremendously popular -- I mean, he was the General and the liberator and everybody knew that he was a very decent and nice man) -- but the functioning of the Presidency in the Truman period compared to the Eisenhower period, boosted the whole stature of Truman even beyond what it was in '52.

BROOKS: You think this was a pretty general attitude?

VAN DER BEUGEL: Absolutely. If you ask the average Dutchman what they think of the Presidency of

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President Truman, then you get an unreserved favorable reply.

BROOKS: One thing I'm interested in is how much the average Dutchman knows about the Americans' debates in Congress on the Marshall Plan.

VAN DER BEUGEL: Not much, not much, no.

BROOKS: At that time, in Dutch opinion, was the President pretty closely associated with the Marshall Plan?

VAN DER BEUGEL: Oh yes, definitely. But they didn't know -- well, it is a very complicated thing, you know. If you try to analyze the opinion about Truman, you must also see it in relation to the eight year Presidency which followed his. He was tremendously popular and tremendously respected, and respected for his -- I mean, if you single out one of his capacities for which

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he is so much respected, it is definitely his courage.

BROOKS: I'm interested in how this developed. You've said that first, in the United States, not many people knew much about him. In the Marshall Plan he was closely associated with it?

VAN DER BEUGEL: Oh yes, yes.

BROOKS: As representing his policy?

VAN DER BEUGEL: Absolutely.

BROOKS: And you've spoken of NATO and of Korea and the MacArthur incident. How conscious were people of the 1948 election?

VAN DER BEUGEL: Very conscious, very conscious. And very much on the side of the then seeming underdog and delighted that he made it.

BROOKS: One or two people in Europe have commented

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that this had more to do with his reputation in Europe than almost anything else.

VAN DER BEUGEL: It had, but...no, I think in perspective, these four things, but especially the MacArthur thing. That's very Dutch, you know. You probably will not find that in many other countries, this instinct of these generals and admirals -- they must fight a war, but when it comes to political decisions, no interference.

BROOKS: I was much interested in the Leonard Miall article, which of course, gives great credit to Acheson and the preliminary speech that he made in Mississippi, as does Joseph Jones. As I think I said a while ago, people like to argue now about who was really responsible for this. For the Marshall Plan and many other things, there probably is really no simple answer. There are people who passionately advocate the idea

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that Clayton was really responsible.

VAN DER BEUGEL: He was one of the sources.

BROOKS: One of them. Undoubtedly, and I've had some conversations in Europe that strengthens my opinion in this respect, undoubtedly Marshall's own experience in Moscow...

VAN DER BEUGEL: In Moscow was extremely important, yes. And then the Kennan memorandum and this group of people, Kindleberger and others. I'm much more interested in the fact that the working of the administration was such that this kind of idea could be evolved and be discussed than who specifically was responsible for the first idea. I mean, you never can place that. Anyhow, it was not so that somebody woke up in the morning and said, "Let's give 17 billion dollars to Europe."

BROOKS: Life isn't that simple.

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VAN DER BEUGEL: It was Clayton, it was the experience of Marshall in Moscow, it was this highly intelligent, excellent group working in the Kennan group, and the other group with Acheson, and so on -- no, it was an example of constructive planning. This was foreign policy planning.

BROOKS: One comment that's been made to me by several different members of the White House staff is that Mr. Truman was very good at listening to them and letting people express their opinions, and in weighing them, but when he made a decision, he made it.

VAN DER BEUGEL: I think that if you compare the Greece-Turkey and the Marshall Plan decision, the Greece-Turkey decision was even more crucial.

BROOKS: Perhaps it involved more risk.

VAN DER BEUGEL: It involved more risk, and it was more

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revolutionary at that time than -- I mean, after people had swallowed this principle that the United States had to defend Europe against Soviet aggression, things were extremely difficult but the principal thing was that decision.

BROOKS: Thank you.

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