

EUROPEAN RECOVERY PROGRAM

Interview With

EDWIN NOEL PLOWDEN, K.C.B., K.B.E. & DOUGLAS ALLEN

London, England

June 15, 1964

By Philip C. Brooks, Director

Harry S. Truman Library

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EUROPEAN RECOVERY PROGRAM INTERVIEW TRANSCRIPTS

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DR. PHILIP C. BROOKS: I would like to ask you, since the period I'm primarily interested in is 1947-48, just what your situation was in 1947-48.

LORD PLOWDEN: I became Chairman of the Economic Planning Board and Chief Planning Officer in charge of the Planning Staff in the spring of 1947. Before the war I was in business, but I had gone back to business in 1946. After the coal crisis of the winter of '46-'47, the government decided to set up a planning staff in order better to plan the economy. They were driven, I think, to do this by the great economic dislocation as a

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result of the very severe winter of 1946-47, and the shortages that were brought about by that and also which were there also as a result of the dislocation brought about by the war.

BROOKS: Mr. Allen, you were called in as Lord Plowden's secretary at that time, correct?

MR. DOUGLAS ALLEN: I was Lord Plowden's private secretary at that time. I had previously been in the Board of Trade, before that in the Control Commission for Germany.

BROOKS: And you remained in charge of the Planning Board for how long, Lord Plowden?

PLOWDEN: For about six and a half years. I left at the end of 1953.

BROOKS: Now, I know that you were not directly in Foreign Minister Bevin's office at this time,

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but you were certainly in a position to be interested in any development of the kind of the Marshall Plan, and I'm curious to know when you first heard about the Marshall Plan as such? Did this come as a sudden thing or was there a good deal of background, so far as you're concerned?

PLOWDEN: Well, I think the Marshall speech came as a sudden thing, but there's no doubt that owing to the state of Europe, political and economic, and the tremendous dislocation brought about by the war, it was obvious that if complete breakdown in Western Europe was not to come about, something would have to be done and the only country that was in a position to do that was the United States. Therefore, I think most of us who were concerned with those affairs expected something to be done, but don't know what.

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BROOKS: Now, I think from all the conversations I have had, that there were two important things about the Marshall speech, one of which was that the statement was made as formal American policy that the United States was willing to give this kind of economic aid. Secondly, in quite general terms, General Marshall said, that the Americans would like to have the European countries get together and cooperate both in stating their needs and in carrying out the program. Now did you expect that sort of thing?

PLOWDEN: I don't think so before the speech was made, because certainly so far as I was concerned, I hadn't thought coherently as to about how anything would be done.

BROOKS: A number of people I've talked to have said in essence much what you did, that the situation

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was such that something like the Marshall Plan was very likely to come, but still expected that whatever came would be a matter of an individual aid from the United States to each country separately. In other words, that they had not really anticipated and they really were somewhat surprised at this proposal for economic cooperation, which apparently was very significant.

PLOWDEN: It undoubtedly was very significant. I don't think that I myself could claim to have thought about how aid would be given to any extent. I don't think the idea of cooperation was all that novel because a great deal of cooperation was going on and being talked about in the year before the Marshall Plan was announced. The novel feature was the combination of the aid element with the cooperation so directly. There had been a great deal of cooperation in getting

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trade moving again; there were policies which were described at the time as policies for trade with the war-shattered economies. And so the element of cooperation in that sense was not new, but what was completely new was this very close relationship between the aid that the Americans were giving the country, and cooperation by the recipient.

BROOKS: Well, I have had this comment made to me here in England, that there had been extensive cooperation between the English and the Americans and some others in the conduct of the war and in the postwar settlement, but this argument that there was a good deal of experience and cooperation doesn't mean anything to the Germans, the Dutch, and the Italians, and various others. I wonder if this isn't really a turning point because this was the first time that on this basis on this scope you'd have this degree of economic

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cooperation, and there really was no precedent for it at that time.

ALLEN: I think this is true. The cooperation had been limited to trade and such.

BROOKS: About the only concrete experience in economic cooperation, I think, was the Benelux Customs Union, which was still in gestation itself at this time.

ALLEN: I think that's perhaps a slight understatement. There were regular trade missions coming over from the European countries to this country seeking to persuade us to take goods on the basis of cooperation, goods which in the circumstances of the time, if one thought only in terms of imports that were needed, we would not have taken. Like the silk goods from France and similar national products, which were essential to French export trade, but would not

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in the normal way of things, be regarded as essential to the import trade of the United Kingdom.

PLOWDEN: These were on a bilateral basis.

ALLEN: These were on a bilateral basis on a fairly small scale, but they were examples of cooperation which was going on and which was being sponsored.

BROOKS: I think this is something we shouldn't lose sight of -- we Americans, generally, and the scholars who are going to work on this subject. While we think the Marshall Plan represented a degree of cooperation that perhaps had not been realized, that there were some predecessor developments. It wasn't something completely out of the blue.

PLOWDEN: No, there was nothing comparable to it in the way of multilateral cooperation.

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BROOKS: And many people on the Continent have said that this was really the forerunner of all the manifold -- I'm impressed by the complexity -- of all the international organizations that have been set up since that time, particularly in the economic field.

PLOWDEN: Well, I don't think that at the time any of us thought in those terms. The things that those that were concerned with economic affairs in this country were most aware of were the parlous state of the economies of Europe; the weakness of the economy of this country; the fact that the only place from which it was possible to get the essential foodstuffs and raw materials, and plant and machinery, was from the United States, and that none of the countries in Europe, least of all this country, was earning sufficient hard currencies, which was the synonym for the dollar at that time, in order to pay for them.

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BROOKS: At that time, would you have thought that the degree of international cooperation that was called for was possible so closely after the war?

PLOWDEN: Well, certainly speaking for myself, I did not foresee the close cooperation that arose as a result of the Marshall Plan and OEEC.

BROOKS: Perhaps the simplest way to put that is, did you think the Marshall Plan would work?

PLOWDEN: I think that when you ask a question like that of someone who was so closely concerned with the economic problems of this country, as Douglas Allen and I were at that time, I would say we didn't think about how it would work, or what was going to happen in those terms. I think it's rather more fair to suggest that given the great need of the time, the fact that there was

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an offer made on certain conditions, made it very likely that great effort would be made to meet those conditions in producing some degree of cooperation. What very few people could expect at that time, was the fruitfulness of that cooperation, the way it developed, and developed so quickly.

BROOKS: And would you say that the explanation for that would lay, to a great extent, in the seriousness of the situation, simply that people had to get together?

PLOWDEN: Well, it's partly that, and partly that the United States Government said to the European countries, you must get together and work out yourselves how this aid should be divided up.

ALLEN: I think that's right, and I would also give

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as a partial explanation, the very great ability of the men who were brought together who were working on that early cooperation in Europe.

PLOWDEN: Yes, that was quite true.

BROOKS: Men representing all the various countries?

ALLEN: All countries, yes.

BROOKS: This again ties in with some things that people in several countries have said. It interests me very much because this must include some of the Americans, many of whom were people that had no experience in international cooperation, or in work abroad. Here again is a rather philosophical question, but must it not be true that to a certain extent they were moved by idealism -- in other words, it was their enthusiasm for the cause that made this thing. Is that too idealistic a comment?

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PLOWDEN: Do you mean the people brought together in the OEEC at the delegations?

BROOKS: Those people and the Americans who came over later to run the various missions in the various countries.

PLOWDEN: Well, I think that it was certainly true that the Americans who came over, those that I met, certainly had an idealism as you described. I would have thought that the representatives of European countries were actuated more by their knowledge of how desperate the situation was and that they were prepared to cooperate together in order to make it possible for the American administration to get the funds voted by Congress. Perhaps that's too cynical a view.

BROOKS: No, I don't think so. I think one thing scholars working over this period are going to have to realize, is how serious the situation

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was. I was impressed with this in England, with the situation as to the British loan; in Greece, where somebody told me they were within three weeks of chaos; in Holland, in Germany -- it really was a critical period.

PLOWDEN: The situation -- how critical the situation was in this country -- was not known to the public at large in this country. It was known to the Government officials and ministers concerned, and also a limited number of people in Parliament and journalists and so on. In 1947, when Douglas Allen and I started at the Planning Staff, one of the other things we had to think about was the rate at which the reserves were running out and what would happen when the reserves did run out. I think we might quote from the *Economic Survey of 1948*. This was a publication of the government presented to the Parliament by the Chancellor

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of the Exchequer in March 1948 but it was drawn up by the Planning Staff and the Economic Planning Board. I think I could quote you paragraph 45 of that publication, which refers to the drain on the reserve, and it says:

If the drain in the second half of 1948 was again in the order of \$225,000,000 sterling, half of this remaining amount would be gone by the end of the year [that is 1948] and the remainder would be exhausted during 1949.

Now that quotation gives you some idea of what would have happened to the British economy if there had been no Marshall aid. I could perhaps, to illustrate that, quote from paragraph 50 of that document. It says:

In some cases dollar material represents a large fraction of the whole. As a consequence dislocation would be widespread, and it would be impossible to avoid large scale unemployment.

And elsewhere in the document, it goes on to say, that the necessity to conserve dollar resources

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would require our postponing the reconstruction of our economy at home because we would have to export essential things like steel and coal in order to earn sufficient hard currencies to pay for the essential foodstuffs, and it would cause widespread dislocation to the reconstruction of countries on the Continent. If you remember at that time, we still were giving assistance in one way or another to Germany and to other countries in Europe.

BROOKS: Perhaps this is a digression, but it's suggested by your comment that this situation was not known to the general public. Was public opinion important in the reaction of the British toward the Marshall Plan?

PLOWDEN: I think the public undoubtedly was told, as the quotations I've read out to you from a published document show, but it hadn't had a

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marked effect upon the public as yet because you must remember that they had just come out of a war that had lasted for six years, and they were used to austerity, but the average man on the

street doesn't realize what the effect on him will be when the reserves run out, because he's not aware of what effect that has on the economy and consequently upon himself.

BROOKS: Was it not true that so far as the general public was concerned, that the austerity was fully as severe in 1947 as it was during the war, perhaps more so?

PLOWDEN: The austerity in '47 and '48 in terms of average calories allocated to the ordinary man were lower -- well, Douglas, perhaps you can quote actual figures?

ALLEN: Well, in the 1948 Survey in paragraph 234, it talked about a prospective food consumption

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with a calorific value of the diet down to 2,681 calories a day, which, according to the Survey, compared with the prewar average of 3,000, and with the civilian level in the United Kingdom in 1944 of 2,923. In other words, there was a substantial drop on the wartime level of consumption in prospect without Marshall aid. Perhaps I can go on to say that the figures in the Survey related to the first half of 1948 and without Marshall aid they would have been a good deal lower than that in the second half of '48. In fact, we did do some calculations which were inevitably very large, which led us to suppose that when the reserves ran out, and if there was no assistance from the United States, the average daily intake of calories would fall to something like 1700 calories a day.

BROOKS: This situation in '47, even though it may not have been known to the general public,

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was certainly known to Foreign Secretary Bevin. One of the very interesting points in this whole discussion in America is the promptness with which Bevin acted when the Marshall proposal was made, even though it's generally conceded that he didn't know specifically that the Marshall speech was going to be made. He knew that now the Marshall proposal had come, that the European countries were going to have to get together. The first thing he did was to consult Mr. Bidault. I suppose there's nothing surprising in the fact that he turned to France first. Was France the natural point on the Continent to turn to?

PLOWDEN: I don't think that he consulted Bidault before he made his speech welcoming the Marshall Plan. That was done, I think, after consulting only one or two ministers.

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BROOKS: But the first actual step he took was to get together with the French.

PLOWDEN: Well, I think that was a very natural one, because after all, the French were the people closest to us as ex-allies in Europe.

BROOKS: And besides that, the French were the people that the British naturally looked to as the leaders on the Continent. No other country was in a position to assume that role. Is that right?

PLOWDEN: That I'm sure is true, yes.

BROOKS: And Bidault reacted almost as rapidly, even though there were some differences perhaps in the way the French approached this whole thing. Then the next step, almost the next important step, was to ask the Russians if they wanted to come into this. I've had some very

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interesting comments on questions such as, "Was it a good idea to invite the Russians?" "Was there really a prospect that the Russians would participate?" and "What was the effect on the European Recovery Program of the fact that they did not participate?"

PLOWDEN: Well, I would have thought that the effect on the European Recovery Program was undoubtedly that it made it possible for it to work, because if the Russians had been in, knowing what one does know about their methods of cooperation or non-cooperation, it would have been impossible to get that close cooperation that we did have.

BROOKS: Well, what I've had varying comments on is the question as to whether it was realistic to expect that the Russians would participate, or was this simply a step that had to be gone through to give them the opportunity?

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PLOWDEN: I think if one tries to go back to 1947, one must realize that one's attitude toward the Russians, certainly in this country then, was different to what it is now, because difficult as they were, they had fought on the same side as ourselves, against the common enemy which was the Germans. We did not then know how they would behave over the next fifteen years -- seventeen years -- which we now know.

BROOKS: This really relates to the question of when did the Cold War begin. Had it begun in '47, or was it not crystallized until the Czechoslovakia take-over in '48?

PLOWDEN: I think it had undoubtedly begun in 1945, but I don't think the West was aware of it until the events in Czechoslovakia. Certainly the man in the street was not aware of it.

BROOKS: Now the same question arises in relation to

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the Germans. I've been interested in the fact that there undoubtedly was considerable animosity toward the Germans in many countries in Europe, and yet I've been told by a number of people on the Continent that despite that the leaders of those countries knew that to some extent the German economic recovery was essential to an effective and viable European economic system. Therefore, they were perfectly willing to allow a certain amount of reconstruction of German industry, and so forth. This, I think, is one of the major points on which there was perhaps a different approach between the British and the French, or the French and some of the other countries.

PLOWDEN: In what way do you mean?

BROOKS: Well, perhaps the French were less enthusiastic about a German recovery, about rebuilding of the

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German steel industry and so forth, than some other countries in Europe.

PLOWDEN: Well, I'd say they were less realistic about it. They were quite understandably so, because they had been invaded three times by the Germans over a period of seventy years, and they were most anxious to prevent a resurgence of German nationalism, which would permit them to be attacked by the Germans again. Therefore I think they were prepared to believe that it was possible to keep the Germans down in a way which perhaps we, not having suffered from invasion from the Germans, recognized was unrealistic.

ALLEN: I think there were two stages in the recognition of the German problem. The first was the quite rapid appreciation of the impossibility of living with a nonviable Germany, the need for

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Germany in some way to be able to earn her own way; the second stage came with the greater realization of the importance for all parts of Europe of trade with Germany, and the difficulty of rebuilding alternative markets and sources of materials that the German economy represented. But among the reasons why that stage came later was the fact that many of the normal peace time links with Germany had been severed before the war, as well as being severed by the war.

BROOKS: This question becomes particularly interesting in relation to the Greeks and the Dutch who have a very keen feeling of resentment over the German actions during the war. Certainly among the public in those countries was a wide degree of animosity, and yet both of those countries depended very heavily on the recovery of their German trade. I would like your comment on this dilemma between this emotional feeling

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of animosity and the realization that there had to be a certain German economic recovery.

PLOWDEN: I don't know how widespread this realization was amongst the general populace, but undoubtedly it must have been known to the senior ministers and officials of those countries.

BROOKS: How serious do you think the suggestion was taken that Germany might be restricted to an agricultural country?

PLOWDEN: Well, I don't think that was ever taken seriously in this country. Wouldn't you say so?

ALLEN: The so-called Morgenthau Plan.

BROOKS: But for a stage it got a lot of serious attention, right?

PLOWDEN: It got a lot of serious attention in this

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country by senior officials and ministers because it was realized that it was unrealistic. I think that if you look back at the records, you would find that British negotiators were pressing for a higher level of steel production in Germany than certainly the Americans or the French.

It would be wrong to suppose that in this country we had in 1947 the attitude toward the Germans that exists today. There was undoubtedly a very strong feeling not only among the ordinary people, but amongst ministers and officials that Germany should be controlled, that certain parts of her industry should not be allowed to get greater than a certain size and she should be forbidden from making certain things, in order to prevent them building up again a great army which it was felt they might use to attack the West once more.

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BROOKS: Would it be fair to ask you, what did Britain most expect or desire from the Marshall Plan? Was it specific financing credit for international trade; was it specific items, food and so forth; was it an interest in the general rebuilding of the European economy?

PLOWDEN: I think it's very difficult to differentiate between those things. What this country desired was something which would allow her to reconstruct her economy which had been dislocated as a result of the war, which meant that this country would have to have enough dollars or gold in order to buy materials and products which could only be obtained from the United States. Likewise, people thought that the same thing went for countries on the Continent because until they were in a position to trade normally, well, the world economic situation could not be restored to a viable state.

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BROOKS: Did you have a chance to observe closely at all, the work of the Franks Committee in Paris in 1947?

PLOWDEN: Well, I didn't take any part in Paris in the discussions, and of course, Douglas Allen and I were at the receiving end in London.

BROOKS: I think at the time as well as since it was felt that a remarkable job was done by that preparatory commission, right?

PLOWDEN: I would agree. I think a very remarkable job was done.

BROOKS: They had to get all these countries together to hear their statements of need, to digest and condense them and to make some sort of presentation to the American government.

PLOWDEN: It was, indeed, a great achievement.

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BROOKS: I wonder if you would agree with various comments I have had that the ability of Oliver Franks as the presiding officer, as a synthesizer, was a very important element in all this, as was the somewhat technical work of people like Marjolin and Snoy building up this whole thing. Of course, Marjolin really came into effective participation somewhat later.

PLOWDEN: Well, I would entirely agree with you about the contribution that Oliver Franks made to this whole thing and I think in the same way the people that were sent by other European countries were also of high ability. It was this connection of extremely able and intelligent men with a great knowledge of what the state of their economies and what the state of European economy was, that enabled this thing to be put together in a short time and in a way which was usable by the American

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administration.

ALLEN: I think a lot of people made important contributions there because it would have been so easy to fail to reach agreement.

BROOKS: One thing that still puzzles me a bit is the extent to which people at that time felt that the American Government was desirous of or insisted upon a high degree of European cooperation leading to economic union. I'm wondering if you remember if you felt that the American Government really insisted upon a high degree of cooperation or if it was simply a matter of their getting together and agreeing upon their needs?

PLOWDEN: No, I think it's true to say that the American Government did use the giving of Marshall aid as an instrument for forcing -- perhaps that is not too hard a word -- European

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countries to cooperate more closely together than they would otherwise have done. Some people in the American administration undoubtedly did think that this would lead to some kind of economic union. I think, speaking for the United Kingdom, I don't think that people here ever thought more than that obviously there must be very close cooperation in dealing with the Marshall aid, but we didn't think in terms of economic union with continental countries at that time.

ALLEN: I think a lot of people thought that the American insistence on nondiscrimination in trade, which had been an important aspect of the negotiations about trade rules and had played quite a part in the insistence on convertibility as a condition of the loan to the United Kingdom, meant that they were not very serious in proposing a tight degree

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of cooperation in Europe which would have lead to the creation of a market discriminating against United States goods.

BROOKS: The first statement of most people on the Continent is that this was an act of great altruism and idealism on the part of the United States. I'm much interested in what people here

thought of the motivation of the United States, as to whether the American administration was doing this largely as an act of altruism or whether, at the time, people worried about the fact that the United States was building up competitors for itself.

PLOWDEN: I would have thought that in 1947 knowledgeable people in this country were so aware of the way in which the economy of Western Europe had been dislocated by the war, including our own, that, as I think I've said earlier, they felt that

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undoubtedly unless something was done by the only country in a position to do that, the United States, it would collapse, and collapse really meant that the whole of Western Europe might have gone Communist. Certainly that was in the minds of a lot of people here, that France and Italy might go Communist if there was nothing done in order to revive their economies, but undoubtedly it's difficult to remember exactly what one thought then. Later on, one realized that this was not only an act of enlightened self-interest, but that it was an act of great generosity on the part of the American people, because it's just as difficult for a man in Missouri to realize what the state of Europe is as it is for a man in London to realize what the state across the Channel is. Marshall aid had to be voted by the Congress by people who had eventually to

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be reelected by the voters.

BROOKS: And yet some of the strongest pressure for economic union of Europe came from the Congress.

PLOWDEN: Yes, I think it came from the Congress, partly for idealistic reasons, and partly, I suspect, for reasons which were of self-interest, a belief on the part of Congressmen that if only they could get the Europeans to get into bed together and throw themselves into a United States of Europe then they in the United States of America could wash their hands of any responsibility for the Europeans who had involved them in two wars over the period of twenty years.

BROOKS: Do you think that most people thought of the Marshall Plan as a measure of economic warfare against the Communists or primarily as just a matter of European economic recovery?

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PLOWDEN: What do you mean "most people?" Who do you mean by that?

BROOKS: The people in the government, the influential people, the informed people in the government.

PLOWDEN: Well, I think it's difficult really to disassociate one from the other. I believe, certainly in this country, the first thought was that this was a matter designed for European recovery. But I think there was also a very great realization on the part of informed people, that unless European recovery was brought about you would get Communism, probably in France and in Italy.

BROOKS: In this connection, in March of 1947, three months before the Marshall speech, President Truman had made a vigorous statement regarding aid to Greece and Turkey which has come to be known as the Truman Doctrine speech. I found

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somewhat different reactions in Europe as to the extent to which the Greek-Turkish aid program and the Marshall Plan were thought of as parts of the same scheme. Some people in America thought the Greek-Turkish aid program as primarily a defensive measure against Communism, and the Marshall Plan as something quite separate. I doubt that things were quite that simple.

PLOWDEN: Well, I don't think in this country, people thought of them as the same thing. What people thought was, aid had been given to Greece from this country until we no longer could do so, and that the Americans assumed that burden from us

BROOKS: Some people in our own country were more interested in supporting the Marshall Plan than they were in the Greek-Turkish aid program.

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They thought of them as two quite separate things.

ALLEN: I think the way we looked at it at this end was that while it was perfectly true that the economic collapse of Europe would have favored Communism, you don't have to believe that measures of aid which are taken to prevent economic collapse are purely motivated by a desire to prevent Communism. The central difference between the situation in Greece and Turkey and the situation in the rest of Europe, was that as far as one could tell at that time, Greece and Turkey would need aid to prevent economic collapse for a more or less an indefinite period. It was the distinguishing thought in the Marshall Plan, which I think distinguishes it from most other aid programs, that if the countries did cooperate with the assistance of the aid program, they would become

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viable in a very short period of time. Hence the emphasis, right at the outset, on programs of five years to produce viability. Nobody in 1947 could have believed that Greece and Turkey would be viable in five years. In fact, they weren't viable in five years.

BROOKS: Well, the results show that we were slower in Greece because they had the civil war to contend with. Now, there were people in the American Congress particularly, who insisted that a whole job be done, that we go in and provide this aid and in the course of X number of years we be relieved of this burden.

The actual program of the OEEC was done in less time and with less money. Would you say that that was because of the high degree of cooperation and the effectiveness of the OEEC organization?

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PLOWDEN: I don't think that's the entire story. It certainly is true that once some of the more pressing problems that arose from lack of finance were removed, the recovery was very rapid. It was helped by quite major developments, not purely in Europe, but elsewhere with supplies of raw materials and the like, which greatly eased what appeared to be an extreme shortage of supplies from other than dollar sources, way back in 1947. So that I think there was a world element which favored recovery as well as the European situation by itself. But there was undoubtedly quite an element of truth in your remark.

BROOKS: Some people have suggested to me that the significance of the Marshall Plan was fully as much from a political and a moral point of view as it was economic. Would you agree to that?

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PLOWDEN: Well, I think it has got a great moral and political significance, but certainly for this country, I would say its economic effect was far greater than the moral or political effect. It made an enormous difference. It allowed the government to plan over a period of years to rehabilitate the British economy so that it would be in a position to pay its way. And there's no doubt in my mind that it did do that. Without Marshall aid we would have taken very much longer to recover, and indeed it's probably that some of the countries in Western Europe wouldn't have recovered under Western tutelage at all. They would have recovered behind an iron curtain that would have been pushed much farther westward than it now is.

BROOKS: Some people have said that what was needed was not technical guidance as to how to do

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things (the Europeans knew that perfectly well) -- what was needed was stimulus and encouragement to the European nations which were disillusioned, discouraged, and dejected after the war, to get on their own feet and to start moving.

ALLEN: There was that element in it, but what one must remember is that although the problem of 1947 was basically a resources problem, and as such it contrasted with quite a number of problems that followed in the years afterwards, it was also in part a financial problem; and that the difference between an aid program which sufficiently deals with the program, and one which is a 100 million dollars short, is much more than a 100 million dollars in its effect.

BROOKS: What I was getting at is what was unique about the Marshall Plan. Why do so many people on the Continent tell me that this was a turning

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point in the recovery of Europe?

PLOWDEN: Well, differentiating this country from Europe, for purposes of the argument, I think it's true to say that with the exception of the two neutral countries, all countries on the Continent of Europe had been defeated in war and occupied by an enemy army. They had a

feeling of disillusionment with their own institutions, with their own governments, and as well, they had the pressure of economic scarcities. The advent of Marshall aid with its emphasis on cooperation brought about a change of attitudes, a feeling that here was something that gave them hope that something was coming which would allow them to get onto their own feet again. I think in that respect that's certainly important, but what was equally important was the very fact that it provided dollars in order to enable them to buy the

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things that they needed, in order to get on their feet.

BROOKS: Let me take a little different tack in regard to the situation in England itself. Would you say that there were major differences among groups within England in the attitude toward the United States and the Marshall Plan of American aid, either among groups defined as labor, agriculture, industry and so forth, or as between the labor and conservative?

PLOWDEN: I wouldn't have thought that there were major differences of opinion. I think the leaders of all the different political parties or different trades or what you will were well aware of how difficult the situation was and welcomed Marshall aid as such.

BROOKS: One of the striking things to me is that

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I've had exactly the same response in every country I've been in in Western Europe. Did the Marshall Plan accentuate or complicate controversies or differences of opinion that may have existed as between the encouragement of private industry and state control of economic programs?

PLOWDEN: I wouldn't have thought so in this country.

BROOKS: I wondered if the very fact that the Marshall Plan was necessarily...that the assistance came through governmental sources had complicated that picture?

PLOWDEN: Not in this country.

BROOKS: Well, now, as you know I represent the Truman Library, and also as I've told you, we are approaching this as objectively as we can, and we would like very candid comments and naturally one thing we're interested in is the

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position of President Truman, the attitude that people had toward him, as the leader of the American government. Let me ask first, was the Marshall Plan generally thought of as an expression of his opinion, of his policy and attitude? Was he personally associated with it?

PLOWDEN: It's too long ago for me to remember, but I would have thought that it was associated with General Marshall and the American administration in general.

BROOKS: Well, naturally, one of the things we're interested in, and that the people who write biographies of Mr. Truman will be interested in, is the development of thinking towards him as a President. Thus, I'm interested in, what particular aspects of the Truman Administration you would say affected or contributed to the judgment of people here, towards him as

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a President?

PLOWDEN: Of course, this must differ for every person. Speaking for myself, the thing that stands out vividly in my mind was his decision that the United States should play a part in turning back the invasion of South Korea. What you must remember was, that those of us who were although still young, were adult before the war and had become terribly disillusioned with international institutions like the League of Nations because of its failure to stand up, first of all to Japanese aggression in Manchuria, and then aggression by Italians in Abyssinia, and then the Spanish civil war, and so on. Therefore I can remember my own personal reaction of reading about the invasion of South Korea, was one of almost hopelessness, that here, once again, the round was starting and nothing would be done, and we were on a slippery slope

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towards another world war. And when President Truman's statement about what the Americans' reaction was to be came out, it was one of my own personal reaction -- tremendous relief, and admiration for a man who had the courage to do this. Now, Douglas, you probably have other ones.

ALLEN: No, I think that as far as informed persons go this is the thing that Truman is associated with as a personal act. If you ask the general British public what they associate Truman with, they will probably tell you that he was the man who won the election when he was told he was going to lose it. This, I think, is probably the thing that has made the most impression on the public at large. He won the election when he was told he was going to lose. This, I think, is the general aspect of the Truman image which is most widely known.

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PLOWDEN: His image is one of a courageous man who perhaps was a little man who fought against giants and won.

BROOKS: At the time he became President it must have been true, as it was at home, that even though he'd done an effective job in the investigating committee during the war, people didn't know a great deal about him. I'm interested in knowing how this image developed. And I take it, Mr. Allen, you would say primarily the '48 campaign and then the Korean decision, right?

ALLEN: I would think so.

PLOWDEN: Yes, I think I would agree with Douglas Allen on that. For me, it's the Korean decision that stands out way above everything else.

BROOKS: Earlier you mentioned the sudden cessation of lend-lease at the end of the war. I wonder if people associated this directly with him?

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PLOWDEN: I think that the sudden cessation of lend-lease came as a great sense of shock to a lot of people in the United Kingdom, and I think a lot of them probably felt at the time that this could not have happened with Franklin D. Roosevelt, probably entirely wrongly, but I think this was a feeling that was expressed at the time.

ALLEN: Yes, I would agree.

BROOKS: Now, another thing that interests me about Korea is a comment that has been made to me that the effectiveness of the cooperation that was established in the preparatory committee of the OEEC went on, really, until Korea; but that because of the Korean crisis, resulting in needs for raw materials and in the military association of the British and the Americans particularly, it was never possible after that

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time for the OEEC to work as effectively as it had. Were you conscious of that kind of a distinction?

PLOWDEN: I don't think that I was, I would have thought that OEEC went on effectively so long as there was American aid to be allocated amongst the European countries. It was when that ceased that the cooperation became more difficult. There was no doubt that Korea led once again to extremely close cooperation between this country and the United States and I took part, at that time, in the setting up of the Joint Board for allocating raw materials. You will remember that when there developed a shortage of raw materials and prices rose very rapidly there was set up an Anglo-American agency in Washington to allocate between countries of the West the available raw materials that were in short supply.

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BROOKS: The comment has been made to me that because at that time the British and the Americans had to take over the direction of the supplies of raw materials to a much lesser degree than they had before, the OEEC had much less leeway and freedom of action.

PLOWDEN: Well, what do you think about that, Douglas?

ALLEN: I don't think that we can really comment on the views of other countries, though undoubtedly some countries felt a bit out of things after the Korean incident. I would think that there were two things that probably shifted the emphasis a bit: one was the greater emphasis on economic work in NATO connected with what was then called burden-sharing of defense programs, which undoubtedly pushed some of the emphasis of the economic discussions away from the OEEC into NATO. The other thing was,

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that for various reasons, some countries who had felt that they were playing a fully equal part in the OEEC work found themselves in a sense being regarded as countries who were not playing their full weight in the defense effort, and this undoubtedly altered their attitude. But, there was certainly a great deal of cooperation both of an economic and military character going on after Korea.

PLOWDEN: You remember that at the NATO Conference in Ottawa in 1951, there was set up a committee with Averell Harriman as chairman and Jean Monnet and myself as vice chairmen in order to carry out this exercise of burden-sharing between the twelve countries who were then members of NATO. They were to produce a military program in accordance with the needs of the military, but to share it between themselves on a basis of equal sacrifice. We sat as a

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committee from some time in the latter part of 1951 and produced a report to the NATO Conference in Lisbon in March 1952. I think Douglas is quite right, that a lot of the economic work that had been done solely in OEEC was for that purpose done in NATO, but OEEC was not excluded from it because the economic sums were worked out within OEEC.

BROOKS: Some people have talked to me a little bit as if in '49, '50 and from then on, OEEC disappointed some of its founders. Marjolin left and went over to the Common Market, and I wondered if we ought to make a fairly clear distinction and say that in terms of the purposes for which OEEC was set up, it really was an effective and a very successful body; and that you shouldn't judge it by these later developments which bring in a lot of extraneous factors.

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PLOWDEN: I would entirely agree with you. For its original purposes, I think it was a highly successful body.

BROOKS: But eventually, evidently the situation developed that OEEC was not the whole answer or not the best way of handling matters.

PLOWDEN: Well, because of the very success of the European Recovery Program, OEEC became less important and Europe was able to play a larger part in these other things, in a more independent way.

BROOKS: And does this really mean that the job that was outlined in Paris in '47 was pretty well done?

ALLEN: Well, weren't there two aspects of the OEEC as it first started? One was a specific program. The other was that it was an organization for

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European cooperation. When you say the job was ended are you talking about the OEEC as ending when the body which had that title ended, or are you thinking forward to the present day? The OECD is still doing an effective job of economic cooperation. There isn't a program, but

there's a great deal of very valuable discussion going on which could not have taken place if this body hadn't been set up in '47.

BROOKS: But it is a different kind of a body...

PLOWDEN: Well, different circumstances, different problems, different functions.

BROOKS: The founding of NATO was certainly one of the important accomplishments of the period that we're interested in, the Truman Administration, and yet I take it it was not something

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that represented a single dramatic decision on the part of the American President so that it doesn't quite fit into the same picture as the Marshall Plan, Korea, and so forth.

PLOWDEN: Well, it hasn't got the dramatic effect, but of course, taking a long view of history it was equally important.

BROOKS: But again, wasn't it more of a cooperative thing, and less dependent on the initiative of the American Government?

PLOWDEN: Well, it was a cooperative thing, but it couldn't have come about without the American support. And, of course, you must remember that an enormous amount of aid was given to European countries in order to allow them to rearm themselves so that they could play a major part in NATO.

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BROOKS: I like to ask people whether they think that at the time in '47 they or the responsible leaders of their governments expected, or hoped, that closer economic union in a Common Market, and so forth, would come out of the Marshall Plan?

PLOWDEN: Well, I don't think that that was in the minds of anyone in the British Government - - that we would join a Common Market, at that time -- wouldn't you say so?

ALLEN: I think that's right, and if you think back to the time when we submitted a program for economic reconstruction there was no such thought in that, none at all.

BROOKS: There is one sort of shotgun question that I would like to ask, and that is, do you have any particular evaluations of people, or incidents regarding people, or any other comments that would throw light on the roles of some

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of the prominent individuals. You've already spoken of Mr. Truman, but I'm interested in anything you have to say about him or Governor Harriman, or Clayton, or Hoffman -- any of the other American leaders.

PLOWDEN: I don't think that I personally can speak of any special incidents, but there's no doubt that Governor Harriman and Mr. Hoffman were men of outstanding qualities, and their imagination and energy and drive did allow the Marshall Plan to go through in a way which it certainly would not have done without their insistence on cooperation and working together.

BROOKS: Mr. Clayton evidently had a good deal to do with bringing the thinking together, and actually stimulating a discussion of the European leaders among themselves in '47.

PLOWDEN: Well, I didn't know Mr. Clayton, so I

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cannot comment on it. I knew the other two extremely well.

BROOKS: And you did early in the evening speak about the important role of Dean Acheson. With the other people I have interviewed, if I failed to mention him they always brought him up.

PLOWDEN: Oh, he played a great part, but you see, Douglas and I were really concerned with the economic side of this. At one time, we were on the receiving end, and we were also responsible for the coordination of the British requests for Marshall aid. We were responsible for drawing up our four-year plan, and so our knowledge is really only concerned with the economic side and the people who played a part in the economic side in the United States administration.

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BROOKS: Did it represent any problem to you people that each country had to draw up its statement of needs and then submit them to the OEEC in Paris? Apparently most of the representatives of most countries felt that they were fairly considered at Paris and that the committee did a reasonable job in allocating...

PLOWDEN: I think that that's perfectly true. I think that the things were fairly considered and the people at OEEC, both the staff of OEEC and the national delegations, did divide up American aid in a fair and constructive way. Certainly we were most satisfied. I think we got the major share of American aid.

BROOKS: Well, someone has commented that maybe the British took too big a hand, and were too dominant, but I've asked this specific question in many other countries, and they've said that no, they were fairly considered, that both

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the British and the American leaders understood their needs and that it all went very smoothly. That is a remarkable tribute to the people that ran that organization.

PLOWDEN: The people who ran that organization were of very high caliber indeed.

BROOKS: Well, sir, I wouldn't want to stop without asking if you think there are other aspects of either the development of the Marshall Plan, or of Truman Administration and foreign relations generally, that I have not mentioned and that ought to be brought into this picture?

PLOWDEN: I don't think so. I think that it was, of course, the crucial administration after the war, because it was the first administration after the peace and if the American administration, as led by Mr. Truman, has been

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less constructive and generous, we would be living in a much more uncomfortable world today than we are living in.

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