

EUROPEAN RECOVERY PROGRAM

Interview With

HALVARD M. LANGE

Oslo, Norway
May 22, 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: Generally, do you think the Marshall Plan is regarded anything like as highly here as it is in the United States where we look on it as the capstone of Truman Administration and international relations, and foreign relations as the high point of the Truman Administration?

MR. HALVARD M. LANGE: Well, the Marshall Plan certainly is very highly regarded in this country as the beginning of Western cooperation in a form which had no precedent -- a degree of economic cooperation between sovereign states which had never been

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seen earlier, and which has set a pattern for international cooperation of a new kind in the after-war period. We, of course, had our doubts at the time. You must remember that Norway immediately after the war had the idea that we were well placed to play the part of mediator between the Soviet Union on the one hand, and the Western powers on the other, and we therefore were very anxious not to take a partisan stand unless it was absolutely necessary. One consideration was that a Norwegian was the first Secretary-General of the United Nations, Trygve Lie. So when the Marshall speech was given, of course, the general attitude here was one of welcome. When the initiative, the French-British initiative for a conference in Europe came, the general reaction, apart from the Communists and certain left-wing socialists, was again positive. But I remember as Foreign

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Minister I made very specific reservations in my presentation of that plan and that invitation to our Parliament, saying that we must try to avoid that this new cooperation should take anything away from the organs of the United Nations. At that time, in the spring and summer of 1947, the Economic Commission for Europe had just started up its work in Geneva, and as we hoped to see as much as possible of international cooperation channeled through United Nations organs, that was one of our concerns. We also were concerned as a government at that time, and I think with the support of the majority of our Parliament, that this cooperation should be as comprehensive as possible, and I remember specifically the 23rd of June, 1947, I had here as my guest the Czechoslovak Foreign Minister, Jan Masaryk. We were together on a Norwegian destroyer, and we listened to the

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news that was on at 10 o'clock and the news was to the effect that Molotov had accepted the invitation from Bevin and Bidault to come to Paris. Never in my life have I seen a man so happy as Masaryk. And I know from contacts that I had with the Polish Foreign Minister, that the Polish Government at that time was intent on taking part. I was approached by my Polish colleague with the thought that we should get together and keep close contact during the forthcoming negotiations in Paris. And all the people voiced their disappointment, of course, both in Czechoslovakia and in Poland at the negative attitude of the Soviet Union. And I think in this country too, there was general regret that the Soviet Union should have refused to take part, and we took it as one more indication of the desire of the Soviet Union really to go away from cooperation,

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internationally, in a very wide field. We had had certain indications, and this came as a confirmation together with the founding of the Cominform not very long after. Of course, during the preparatory talks in Paris, we did not get everything arranged as we should have liked it from our point of view with regard to the forms of cooperation. But we certainly had no difficulty in accepting the result of these negotiations, the treaty setting up the OEEC. We had no complaint either as to our representation and our possibilities of making our views known, and our influence felt in that cooperation. We got more out of the cooperation under the Marshall Plan than we had imagined to start with...

BROOKS: Yes, eventually the amount was much larger...

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LANGE: Yes, much, much larger than we ourselves had put forward as our program needs. So, from that point of view, of course, our experience was entirely positive in that whole Marshall Plan period, as it has been since.

BROOKS: What would you consider, Mr. Minister, were the greatest needs at that time? What did Norway need most, credit for financing imports or building up its shipping fleet, or was there any one thing that was paramount as a need in Norway's mind when it went to this conference?

LANGE: Well, I think two things were paramount. We had at that time, the difficult foreign exchange situation, and of course we were really intent on rebuilding our merchant fleet as quickly as possible. So both credits for imports were necessary for our reconstruction efforts, and the credits for our shipbuilding program were of

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very great value to us. I think among the nations taking part in the Marshall Plan, I can say without boasting, that the Norwegian use of Marshall aid was very tightly controlled by the Government with a view to channeling the aid to priority purposes during the reconstruction period.

BROOKS: This was an austerity program.

LANGE: We had an austerity program which lasted right up to 1951.

BROOKS: This meant that there was not constructions for anything except essential needs?

LANGE: No, and we even kept fairly strict rationing on certain consumers' goods right up until 1951.

BROOKS: Was this at Norway's own option?

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LANGE: This was not required by the United States or by the OEEC, but it was an act of free will on the part of Norway, and I think it was well accepted in the organization.

BROOKS: I'm sure it must have been. Some people have told me in other countries that their estimates when they went to the Paris Committee were drastically reduced, perhaps not entirely wisely or fairly. Did you have that experience?

LANGE: No, to the contrary, when we first sent in our presentation to the Marshall Plan organization in 1947, we estimated our needs over the four-year period at 100 million dollars. When we had been through the preparatory conference, the figure stood at nearly 300 million dollars. So, we were not among those who had requirements cut down, but I think we very consciously did underestimate our needs out of a concern not to

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become too dependent on the United States, and on one side in the international debate.

BROOKS: Don't you think that this was one of the primary objectives that General Marshall and perhaps others had in mind when the Marshall speech was made. There's great emphasis upon the planning and administration and conduct of this program by the European nations themselves. He was trying to accomplish exactly that, not to make them too dependent.

LANGE: Yes, I'm quite sure that that was his intention, and we felt that way too. But it was such a new venture for us and we were at that time -- this was the summer of '47 -- we were still very much determined by our desire to be able to play, if possible, a kind of mediator's role between the Soviet Union and the West. Of course, the decisive moment that changed that attitude was

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the coup in Czechoslovakia in late February of '48. This made a very strong impression, perhaps a stronger impression in Norway than in many other countries, because we had had close contact with Masaryk and with the non-Communists in Czechoslovak Government.

BROOKS: And also the Polish...?

LANGE: And the Polish. And we had the feeling that the Czech Government was trying to do inside the East zone perimeter, the same kind of work that we were hoping to be able to do, as a mediator, inside the Western. And the Communist coup in Czechoslovakia, to me at least, and to my colleagues and I think to public opinion generally, came as decisive evidence that the Soviet leadership had no use for mediators. That was the beginning of the re-orientation in Norway which led us to join the North Atlantic

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Treaty.

BROOKS: Mr. Kristensen of Denmark had almost exactly the same comment, that the turning point in relations with Russia and the beginning of the Cold War was the coup in Czechoslovakia. What was the public attitude here toward Russia at that time?

LANGE: Well, the public attitude in Norway towards Russia up to the coup in Czechoslovakia was a very friendly one, in this country, because we had had our northern-most province liberated by the Soviet Union, and under an agreement entered into with our government in exile during the war in London, they withdrew as soon as the war was over. They were the first of the Allies to withdraw from Norwegian territory. The Americans and British withdrew also, but somewhat later.

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BROOKS: This again is very similar to what Mr. Kristensen told me about the island of Bornholm.

LANGE: The Soviet attitude at that stage immediately at the end of the war, both towards Norway and Denmark was one of respecting fully our sovereignty and nearly leaning over backwards not to create any reason for antagonism.

BROOKS: This is probably true in all of Scandinavia. There's always been great coordination here among those three countries.

LANGE: But then, of course, with the civil war in Greece, with the advances in the direction of Finland for the Treaty of Friendship and Association, which meant considerable strengthening of the grip of the Soviet Union over Finnish foreign policy, at least, the attitudes began to change, and the decisive turning point was

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Czechoslovakia.

BROOKS: The winter of '47 and '48, after that summer of planning, was a critical period. It was a bad winter, there was no Marshall Plan aid yet forthcoming, and everybody knew it was going to be months before the American Congress could approve the plan. Did this in itself make problems? Were the Norwegians concerned? Did they follow the debates in the American Congress?

LANGE: They certainly did follow the debates, but the Norwegians are generally disposed to optimism, and I can't recollect, at any rate, that there were any very serious concerns.

BROOKS: In some countries there had to be emergency aid, particularly Greece and Turkey. Could I ask, Mr. Minister, a similar question about

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Germany, as to the attitude of the Norwegians toward Germany. There must have been considerable antagonism so closely after the war, and yet there must have been some interest in German recovery as an important export market for Norway?

LANGE: There certainly was. There was, of course, a certain reticence in many circles in Norway, but the attitude of the Norwegian authorities during the year '48, I think -- that again was the decisive change -- came to be that one should not risk repeating the mistakes of the First World War, that the only way really to help create a democratic and cooperative Germany was to take them into cooperation. Therefore, there was no objection in this country to the Western German Republic, as it became becoming partners in this cooperative venture.

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BROOKS: Even in public opinion?

LANGE: No. There were certain voices that were critical from the Communist side, from some other circles as well, but I think the majority of opinion, and certainly the responsible opinion as evidenced by those in Parliament, was in favor of following the cooperative line rather than the negative isolationist line.

BROOKS: You've already mentioned the U.N. and the ECE and the first Secretary-General of the U.N. There was pretty wide popular interest here in the U.N. and in building it up and using it as a medium of international cooperation?

LANGE: Yes, very much so, and of course that interest was highly stimulated by the fact that a Norwegian had been chosen as the first Secretary-General. But it also appealed to a general tradition of

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the Norwegians.

There was much interest in Norway, in the League of Nations, period for work in the League of Nations and that was transferred, so to speak, to the new world organization. And very high hopes were entertained; high hopes that were greatly disappointed, of course, because of the growing rift between the Soviet Union on the one hand and the Western nations on the other.

BROOKS: Some people I've talked to in other countries have told me that they did not think that the United Nations at this time had enough experience, enough organization and that it wasn't really factual to expect this preparatory work to be done through the ECE.

LANGE: Well, it probably would not have worked out very well owing to the attitude of the Eastern countries in the United Nations, and also owing

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to a lack of experience, but our initial reaction was a hope that it might be channeled through the world body.

BROOKS: Were there any such significant differences of opinion as among groups, labor and industry, agriculture and so forth?

LANGE: To my recollection there were not, but I'm not absolutely sure that my recollection is correct.

BROOKS: Well, one point on which I thought there might be some difference was in relation to a certain degree of state control of the economic order as against private industry. I'm curious to know whether the Marshall Plan, since these funds came through Government sources, in itself accentuated that difference of opinion, whether it seemed to give more weight to state control

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than to private industry.

LANGE: During our reconstruction period, there was a general acceptance even among the non-Socialist parties in this country of the need for a considerable degree of state control, and as the Marshall Plan was started up (and really also these initial four years ran through what was still a reconstruction period) there was no objection. On the contrary, I think the Norwegian

Government opinion -- and we had a clear majority for the Social Democratic Party, the labor Party at that time -- the Norwegian Government opinion would have welcomed even a greater degree of joint planning of the reconstruction efforts, than eventually came about.

BROOKS: Do you think there's any special reason why the recovery that was suggested in the Marshall Plan was accomplished in less time and with less funds

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than was anticipated? There was a four-year program drawn up in Paris in '47 and most of the work was done before the time was up.

LANGE: Well, I am not sufficiently well informed to know exactly what the reason was, but it seemed as if the dollar credits to Europe had a stimulating effect and started a process of economic growth which had its own momentum and its own acceleration effect. And that must be the main reason why the program was accomplished ahead of time.

BROOKS: Did the Norwegians think or perhaps hope that the Marshall Plan would lead to even a higher degree of international economic cooperation? Did you expect an economic union, the common market, even political union?

LANGE: I can recollect from my thoughts of participation

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in the early meetings of the OEEC in Paris, that I, as spokesman of the Norwegian Government, opposed certain statements by Hoffman and by Harriman to the effect that we must really work in the direction of close economic integration of the whole of Europe.

BROOKS: Monnet was talking this way too, was he not?

LANGE: Yes, he was of course the big spokesman on the European side. But we, at that time, were in very, very close, even closer contact with our Scandinavian neighbors than we are at present, with regard to this particular work, because none of us at that time were allied. We were all uncommitted, and we were all concerned to keep uncommitted, right up to the end of '48. And I think it was the common Scandinavian attitude at that time to be a little wary of being drawn

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too much into Europe and into any kind of what we then called bloc politics, that was the catchword. So it's my recollection that our opposing to a certain extent the appeal for integration coming from the United States side, must have been before the '48 decision, our attitude changed after we had made up our minds to join the Western Alliance.

BROOKS: Would that attitude have been somewhat affected by close relations with England?

LANGE: Yes, and I think also that after the Scandinavian influence the British attitude has been more or less decisive. Witness the fact that we did not apply for membership in the Common

Market until Britain had done so, and even then it took us nearly three quarters of a year to convince public opinion that that was the right course to take.

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BROOKS: This whole thing has had a continuing effect, and all sorts of developments have been derived from the cooperation that began in '47.

LANGE: As evidence of our positive evaluation of the OEEC and the forms and degree of cooperation, I could quote that when the time came to change over from OEEC to OECD no one among the countries insisted more than we did on taking as much of the really strong elements of the OEEC agreement and carrying them over into OECD and we were somewhat disappointed that our obligations under the OECD are not as strong, not as comprehensive, as they were under OEEC.

BROOKS: Mr. Minister, I believe you mentioned being in Athens in 1947. I've found some difference of opinion as to whether the Greek-Turkish Aid

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Program, which was looked on generally as a defensive measure against the Communists, and the Marshall Plan were really part of the same thing, or whether they were two separate programs as many people in the United States looked on them?

LANGE: I think in general the attitude here was the same as the one you mention in the United States, that we looked upon the Greek-Turkish Aid Program as primarily determined by military considerations, and therefore looked upon it as less promising for the future, less positive in the sense of its being a beginning of some promising development than the Marshall Plan. The Marshall speech, of course, was greeted as a great act of statesmanship and as an expression of what we felt, was genuine idealism on the part of the United States.

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BROOKS: That is one question I wanted to ask you, sir. What was the Norwegian view of the American motives? Were they primarily idealism, primarily practical, or both?

LANGE: Well, I think the impression in most circles in public opinion generally in this country was that it was a great act of idealism, a great act of solidarity with Europe which was suffering very acutely from the after effects of the war. I'm not myself conscious of the other side, the more practical side, being to the forefront in public opinion.

BROOKS: I've seen one or two references to remarks by some prominent people in Europe that the United States was just building up its own exports. This does not seem to be the prevailing opinion.

Mr. Minister, do you have any personal

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memories, evaluations or comments you might have on the leading individuals involved in this program? I believe you did meet Mr. Truman at various times?

LANGE: Yes, I certainly did. I met him first at the General Assembly of the United Nations, very briefly, in '46. But the meeting I remember best is one -- it must have been early in '49 -- after he had been elected in his own right for the first time as President.

BROOKS: February 11, 1949. You were at the White House. [The records show this.]

LANGE: That meeting I remember very well indeed, because the change in Mr. Truman impressed me so much. When I had met him in '46 he still seemed a little diffident, not quite certain of his ground. When I met him in February '49, he

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was a man who was in complete control and he made a very, very strong impression.

BROOKS: Was he pretty highly regarded by the people here in Norway?

LANGE: Yes, certainly, and especially after the signing of the North Atlantic Treaty, and after his courageous and very consequential action over Korea. Of course, we came to look upon him as one of the great Presidents of the United States.

BROOKS: He says himself, and has many times, that the Korean decision was the most difficult decision he had to make.

Mr. Minister, in September of 1947, Ambassador Morgenstierne visited Mr. Truman with the Crown Prince of Norway. Do you remember, was this largely a ceremonial occasion?

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LANGE: As far as I remember, the reason the then Crown Prince, now our King, was in the United States at that time was that his wife, the late Crown Princess had to undergo a very serious operation.

BROOKS: I remember reading about it.

LANGE: And the then Crown Prince accompanied her and as he was in the United States he went, of course, to see the President. Both he and his wife had been very close to President Roosevelt during the war. She lived there all during the war, and came to be a real friend of President Roosevelt, and as a matter of course, when the Crown Prince was in the United States he went to see the President. And that still applies. Our present Crown Prince has been across several times, and he has never failed to see the President.

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BROOKS: Did you know President Roosevelt?

LANGE: No, I did not know him. He died while I was in concentration camp in Germany.

BROOKS: Did you know General Marshall?

LANGE: I certainly did, and I remember very well talks I had with him in the spring of 1948, in connection with the OEEC meetings, on the whole situation, leading up to the organization of NATO. I had long conversations with him on the whole East-West situation and its settlement, and those discussions with him were among the things that made me review our whole old foreign policy attitude -- that was after Czechoslovakia.

BROOKS: Sometimes, historians like to question who really was responsible for this or that and to ask if the leaders are really close to the

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situation or is the gestation of ideas done down the line. I'm not sure whether this is a fair question but did you think of Mr. Truman and General Marshall being themselves pretty close to this whole Economic Recovery Program, and understanding it?

LANGE: Yes, that was my feeling, but I knew that there were people in the Administration below their level, as there always have to be. But my feeling was that both Truman and Marshall had really personally studied, and identified themselves with the program.

BROOKS: General Marshall was awarded the Nobel Peace Prize sometime after this...

LANGE: Yes, and it was in recognition of his initiative in starting the European Recovery Program.

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BROOKS: Did you have much dealing with Governor Harriman?

LANGE: Yes, I certainly count him among my friends, and I was very happy to meet him again when I was in Washington in March. We could then discuss our meetings right back to 1948 in Paris and throughout the years.

BROOKS: Mr. Ernest Bevin, was the first leader to move very rapidly on the basis of the Marshall speech, and I am sure you were closely associated with him.

LANGE: Yes.

BROOKS: Do you have the feeling that there was a good deal of preparatory or preliminary understanding that led him to move so fast, or that he had simply been waiting for something like this and when it came, he started?

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LANGE: I am not in a position to say whether there were such previous contacts. I happened to be out of action during that time. But the fact that he acted so quickly seems to indicate that there must have been some previous contact. And, of course, the situation of Britain at that time was

very precarious and the time was pressing. That may explain the quickness of Bevin's reaction. But Bevin had been occupying his mind with these problems. He made a big speech on the 28th of January 1948 announcing Western union at that time. And even in that speech, I think there were certain indications that Europe alone, was not strong enough. So the gestation of the whole Atlantic treaty cooperation begins really in 1948 and goes through the stages of the Marshall Plan.

BROOKS: Bidault moved almost as fast as Bevin,

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but with perhaps a little different slant. Did you feel close to him?

LANGE: Well, I knew him, but I didn't feel close to him in the same way I did to Bevin, or to Marshall, or to Harriman, or Hoffman.

BROOKS: I gather that he was not so enthusiastic about Russian participation?

LANGE: No. (This I have from hearsay and I don't have it from him personally.) I suppose he would have preferred the invitation not to have been extended to all countries west of Asia.

BROOKS: One of the people who comes prominently into the picture of the gestation of the Marshall Plan in the United States, is Will Clayton, who is another one who was interested in European affairs...

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LANGE: It so happens that I never really met him. It was Mr. Skaug who was our permanent representative to the OEEC through the initial years, and throughout all the years of the Marshall Plan itself. He knew Clayton very well in the United States because he had been attached to our representation in the United States during the war. But I never got any close personal contact with Clayton.

BROOKS: He was in Europe on a trip in the spring of 1947...

LANGE: Yes, I remember. I just read over some papers yesterday in preparation for this and I know that Mr. Skaug had a meeting with Clayton in Geneva sometime in the summer of 1947, during or immediately after the preparatory conference for the Marshall Plan organization.

BROOKS: He was here in the spring, and was much

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impressed by the devastation of war, and by the need for something to be done. Then he came again in the very first week in July, right after the Molotov-Bevin-Bidault conference, and then he went around to some other countries.

LANGE: I think it was in July that that meeting took place of which I read the record just yesterday.

BROOKS: Ambassador Bohlen told me that he thought the Marshall Plan really began at the Moscow Conference. He cited one specific day when Marshall was very discouraged about the attitude of the Russians and Russian cooperation, and he said, "We're just going to have to move in Western Europe." But you know people in the United States love to debate about who was really responsible. I'm not sure they'll ever know exactly.

[35]

Well, Jefferson Caffrey, Paul Hoffman, who was quite a protagonist of European union, are among other people who are prominent in this picture.

LANGE: Yes, I have a good many friends in America from that cooperation. William C. Foster is one of them.

BROOKS: Well, sir, have I missed any important points that you think ought to be covered?

LANGE: I don't think so. I think you have covered most of them, and when I get the transcript, if there's anything I want to add, I shall.

BROOKS: I hope you will, by all means.

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