

EUROPEAN RECOVERY PROGRAM

Interview With

THORKIL KRISTENSEN

Paris, France
April 20, 1964

by Philip C. Brooks, Director
Harry S. Truman Library

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EUROPEAN RECOVERY PROGRAM INTERVIEW TRANSCRIPTS

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BROOKS: Mr. Kristensen, was the Marshall proposal of June 5, 1947 a complete surprise to you or was this something you had anticipated?

KRISTENSEN: I could not say I had anticipated exactly what he was saying, but I don't think his speech came as a great surprise. I and other informed people had a feeling in the early months

of 1947 that the time had come that those countries who were able to do so would have to step in to secure European reconstruction without too great balance of payment difficulties; and when

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we talk about countries that are able to do so we think of course, first and foremost of the United States. Therefore, I think I could say that I had expected something in that line to happen, but, I confess that I was impressed by the way in which it was done by General Marshall and by the United States.

BROOKS: The matter of general European recovery was, I take it, of great interest to the Scandinavian countries as well as to the other nations of Western Europe.

KRISTENSEN: Yes, I think I could say that to the Scandinavian countries, at least to Denmark, it was to a large extent an interest of an indirect character. Of course, Denmark had not been frightfully much hurt directly by the war. But all our main markets were European countries and therefore, a general reconstruction of

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Europe was important for Danish export and also for Danish reconstruction. Of course, Denmark was occupied by Germany from April 1940 until the end of the war, and, in fact, we paid part of Germany's warfare costs. So Denmark was hurt in an indirect way. Our investments had been stopped in a large extent, but the devastations of direct destruction were of course smaller than those countries where the great bombardments had taken place.

BROOKS: Was there some one thing that you considered as the greatest need, such as building up the supplies of coal, or some other item; re-establishing manufacturers in various countries; or re-establishing trade among the European countries? Or did you look on this as a general situation?

KRISTENSEN: I would rather say that in the case of Denmark, it was the general situation. Of

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course, we needed rebuilding stocks and increasing investments in manufacture, in agriculture and in housing and so on. But it was more a general balance of payments problem, I believe, than a problem of specific commodities.

BROOKS: I am interested primarily in the political and diplomatic aspects of this program, rather than the financial and the economic. From this political point of view, was the concept of the Cold War real at all in 1947? Was the disassociation of the Russians of great importance or interest in Denmark?

KRISTENSEN: I don't think I could say that. Of course, it created some interest, in fact, some astonishment, that the Russians and the eastern European countries disassociated themselves from the Marshall Plan. It was not, however, until early 1948, that the concept of

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the Cold War became something really important in the minds of the Danish people. I would say that the one event that turned our attention more than anything else to the concept of the Cold War, was the event in Czechoslovakia in early 1948. It was from that period on that the concept of the Cold War was something very clear to our minds.

BROOKS: In 1947, I believe you said that the Danish people were not thinking of the Russians in quite the same way the Americans were.

KRISTENSEN: I think I could say "yes" to that. It might, perhaps, be of interest to note, that just about the time of the liberation of Denmark in the spring of 1945, the Danish island, Bornholm, in the Baltic Sea was occupied by the Russians. They left Bornholm the following year, and the fact that they left did not, of

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course, bring the Danish people to think of the Cold War as something immediately ahead of us.

BROOKS: The coincidence of the Greek-Turkish aid program and the Marshall Plan is interesting, because they were coincidental and yet they had somewhat different objectives. Was the Greek-Turkish aid program important in Denmark in 1947?

KRISTENSEN: Of course we noted the statement by the President of the United States on Greece and Turkey. I do not think, however, that this was closely connected in the minds of most Danish people with the general reconstruction of Europe or with the Marshall Plan, which came a few months later. It was only in 1951, when it was proposed that Greece and Turkey should become members of NATO, that there was

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a rather lively discussion on the position of Greece and Turkey in Denmark.

BROOKS: And was it generally favorable to the admission of Greece and Turkey to NATO?

KRISTENSEN: I would think on the whole, yes. As you may know, the Danish Government, being a member of NATO, approved the membership of Greece and Turkey, but there was some discussion in the country.

BROOKS: You told me about a very interesting meeting of economic ministers of Scandinavia in Stockholm in the first week of May 1947, at which there was some comment about the prospect of economic assistance to Europe. Could you tell me what your specific statement was?

KRISTENSEN: The ministers of economic affairs

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for the Scandinavia countries have regular meetings at intervals. We had such a meeting in Stockholm in May 1947, about the tenth or twelfth of May, that is a few weeks before General Marshall's speech. I remember we talked about the European situation in a general way, not only the situation of the Scandinavian countries; and there I said that I think the time has come where

those countries who are able to do so will have to step in and help other countries to reconstruct Europe without too great balance of payment difficulties. This shows that in our minds was something of the kind that happened when General Marshall made his speech.

BROOKS: At about the time the Marshall speech was being drafted, some people felt it very important to set up a program that would accomplish what

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they called a "whole job". In other words, there was impatience in Congress about continual aid programs and they wanted to set up one program that would do the whole thing. Did you think this was possible? Did you expect this tremendous program to succeed?

KRISTENSEN: As I said earlier, we were impressed in Denmark by the size and the character of the Marshall Plan program. I don't think the discussions in Congress were followed very closely in Denmark, at least I have no recollection of that.

BROOKS: Did you see anything of the Herter Mission, a congressional mission that came to Europe to study this problem, this would be after you ceased being finance minister of Denmark, so you probably didn't?

KRISTENSEN: No, I didn't see them.

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BROOKS: One other thing I wanted to ask you is whether or not you expected the Marshall Plan to lead to a European common market, an economic union, or a political union. What was your attitude toward this?

KRISTENSEN: My feeling was this, which I think was the most common feeling in Denmark, that what we needed was closer cooperation between European countries. That later on happened in the O.E.E.C. How far that would lead, I think, is a question that we did not give very much thought to. I did not personally belong to that school of thought which believed that you had to put a super-national authority over all the European countries in order to force them to unite politically; because I felt, like others belonging to the so-called functional school of the European movement, that there

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were such old historical traditions for independent countries in Europe, that we had to proceed in a gradual way. That meant closer cooperation, leaving it to the future to show how far that would bring us.

BROOKS: Are there any other general comments that you would like to make about this matter? I was impressed, as I walked in this building this morning, Mr. Kirstensen, by the plaque in the foyer. It was put there, I believe, on the tenth anniversary of Marshall's speech.

KRISTENSEN: Yes, well in fact the organization that was started in this house, in 1948, the O.E.E.C., was a product of the Marshall Plan. Because, it was given the job to distribute Marshall aid and to organize European cooperation for European reconstruction.

Now we are no longer the O.E.E.C. We are

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the O.E.C.D., because since 1961, Canada and the United States have become members of the organization and we have added development aid to our task. This shows that after the reconstruction of Europe, partly as a result of the Marshall Plan and partly as a result of European cooperation, the European countries are prepared to work in collaboration with Canada and the United States as equal partners on matters of common interest and on their world-wide responsibilities.

BROOKS: At the time of the Marshall Plan and the work of the Franks Committee in 1947, there were estimates made that this job of rebuilding European production and trade would cost \$19 billion? It was done with less money and in less time. Do you have any special comment as to the reason for that?

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KRISTENSEN: No, because I don't know who made that projection and what the evidences were.

BROOKS: One other question -- I am planning to go to Denmark and to Norway. I have an agreement for an interview with Halvard Lange, and I wondered if there are some persons in Denmark that you think it might be useful to see.

KRISTENSEN: I think you ought to see the Foreign Minister of Denmark if you can, Mr. Haekkerup.

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