

## Marshall-Plans For Freedom

By JOHN GERRITY

**B**Y mid-November the merciless hand of winter will claw again at Western Europe. Down from the North Atlantic a short month from now bitter winds will bring new disaster to millions, perhaps no longer strong enough to endure the terrifying hurts given to them in war's cruel legacy.

Almost at the same time that millions of Americans are goodnatureedly haggling over the price of their Thanksgiving turkeys, these weary, discouraged Europeans will grope their way through the hollow shells that remain of their native lands—raising their voices in an awful chorus of want.

From the subways of Paris and the miserable dugouts along the Rhine, huddling families will utter pathetic appeals for help. It will be the people's answer to Secretary of State George Marshall's plan for the reconstruction of Europe. The statesmen's answer came last week from the Grand Palais in Paris.

These cries will be only for food and fuel to keep men alive, working and *free* until the proposed recovery program—or some substitute—can begin. Left unanswered, recovery will never be more than the batch of hopeful statistics it is today.

### First enemy: Winter

Thus before the U.S. can tackle the long-range burden of rebuilding, it must prop up those 16 participating nations and Western Germany with some 580 million dollars worth of food and coal. No matter how that stop-gap relief is achieved—either by executive order or legislative action—both President Truman and many Congressional leaders are convinced that it must be forthcoming or else Europe will collapse.

France and Italy, the neediest of all today, are nearly bankrupt. Should they lose their fight to survive, a world-wide avalanche might easily be touched off. Once under way, this collapse could only mean that the tide of battle in the bitter power-contest between the U.S. and Soviet Russia had shifted to the side of communism.

Then only the U.S., aided by Latin America, would remain the last citadel of freedom in the world.

It is for this reason that a grave President and equally grave legislators, at home and abroad, are searching for a way to keep Europe fed and warm this winter. For losing the race against winter's onslaught may mean losing this nation's crucial international political conflict.

Once the immediate issue of stop-gap aid has been met and mastered, the nation can turn to the many-sided problem of Europe's rehabilitation. The Marshall Plan is no easy matter of reaching into the national cash box over a four-year period for \$22.44 billion and doling it out on a "who needs it worst" basis to the 16 friendly nations.





**RED DUCE.** Unless Italians get U.S. food they may try Togliatti's Communist diet.

## Doubts and promises

More important than a mere dollar transfusion are issues like this nation's future role in U.N.; the impact of a costly international program on the daily lives of Americans and the making of a foreign policy which the people of U.S. can and will support—today and in November 1948.

And finally if the mammoth blueprint is put into force as it stands today, what guarantee is there that it will do what its sponsors hope?

Last June 5 Secretary Marshall, speaking to a graduating class at Harvard university, went beyond the limits of his audience to tell Europe that should it seek continuing American aid, it would have to earn that aid by first helping itself. Almost a month later in Paris Britain's Ernest Bevin opened a 12-week meeting of the 16 countries which took Marshall at his word. Last week the conferees' first product emerged, proposing these broad aims:

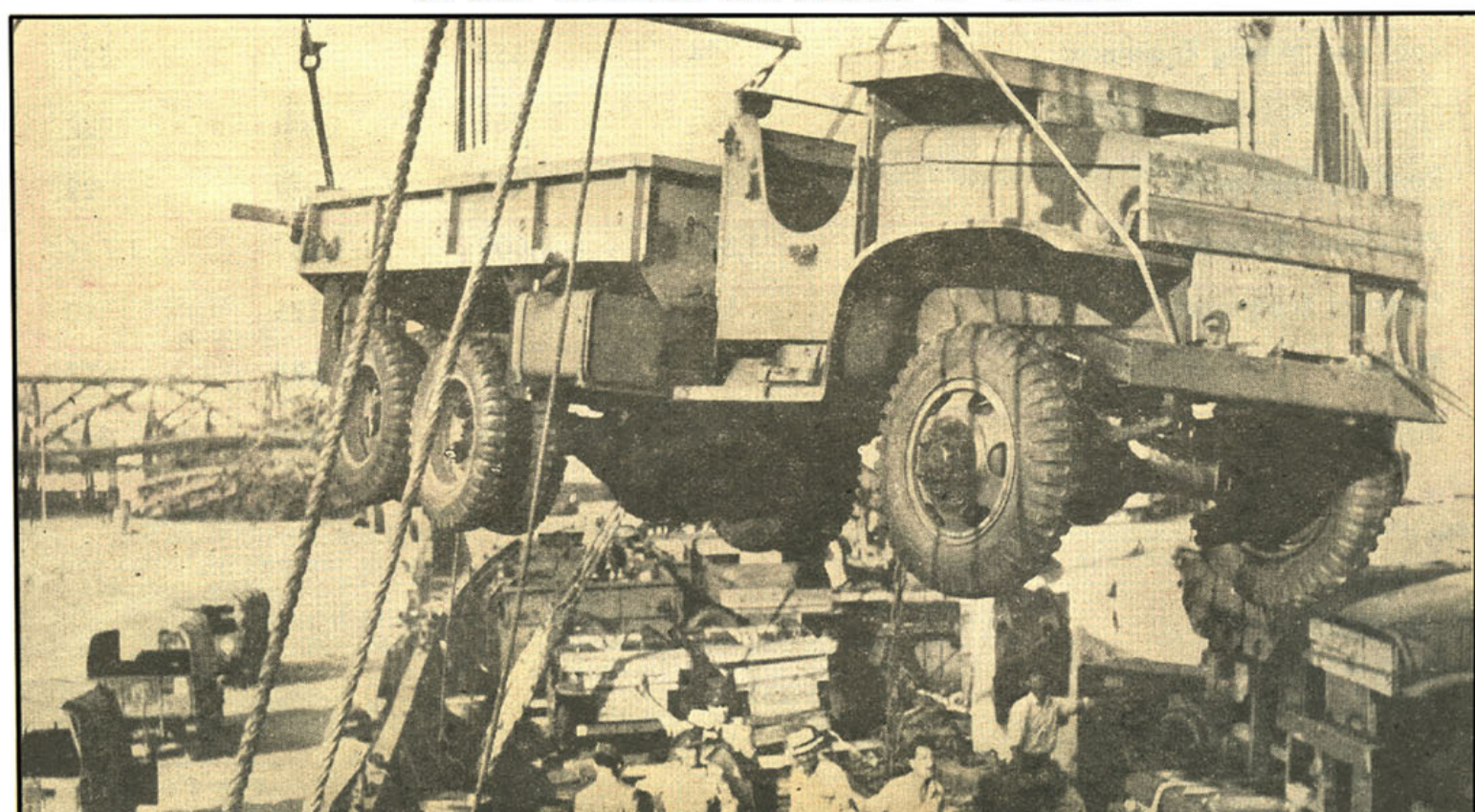
1. A productive program never before equalled in Europe.
2. Plans to put Europe on a non-inflated, workable currency basis.
3. Elimination of international trade barriers and the eventual establishment of a European customs union.
4. American dollar assistance for four years.

To get themselves out of their financial doldrums, the 16 nations pledged to trim the costs of their own governments; to clamp rigid lids on internal wage and price spirals and ultimately to make their respective currencies readily convertible.

To restore their ability to produce goods for home use and export, they adopted a common program to boost all heavy industries and agriculture to at least pre-war levels.

And when they toted up the bill for this giant four-year project they found





**GIVE US THE TOOLS.** Sixteen European nations say they can soon win their fight to live if U.S. can ship food, trucks and steel.

To restore their ability to produce goods for home use and export, they adopted a common program to boost all heavy industries and agriculture to at least pre-war levels.

And when they toted up the bill for this giant four-year project they found they would be short just \$22.44 billions. This deficit presumably would be split between the U.S. (\$15.8 billion), Latin American countries (\$6.63 billion) and the World Bank (\$3.13 billion). But three days after the plan was made public the Latin American nations said they would provide the goods *only* if the U.S. would pay for them in dollars. The World Bank declared that to get \$3.13 billions it would have to sell its own securities—and the only prospective buyers were Americans.

Thus, shorn of the financial mumbo-jumbo, the net result is that one way or another U.S. is expected to pick up the full tab for \$22.44 billion.

## High cost of giving

And so, like other national emergencies, this problem of meeting an impending world crisis comes home to roost at the doorsteps of the little men of the nation: the grocers, miners, farmers, and shoe salesmen, who will pay the bill—or ignore it.

Heavy as the cost will be, it is far less than original estimates; not the \$6 or \$7 billion a year forecast when the Paris conference was only a few weeks old; and a smaller annual charge than it would be if we were to continue lending at the \$6 billion-a-year rate in effect since war's end. (Total loaned since July, 1945: \$12.2 billion.)

Nevertheless, the Marshall Plan, if it is adopted, will hit the average American on many sides. Large shipments of everything from wheat to winches will cut sharply into the supplies available for his use at home. And economists believe that the nation's export business, while only about 15% of our total industrial and agricultural output, is big enough to keep prices at the present lofty levels.

Hopes of cutting Government costs, and thereby taxes, will vanish in the wake of Europe-bound ships. Moreover, a Government, saddled with these heavy costs, will have little money to spend on its own new roads, schools, hospitals or any other public welfare projects that may be sorely needed.

These are the factors deliberate men must weigh when the Senate and House Foreign Relations Committees begin the great debate Nov. 10. Should the Marshall Plan be rejected or effectively choked off by withholding money, substitute plans are



## *the Marshall Plan*

sure to arise.

No thinking man entertains for a moment the outmoded notion that this nation can withdraw from the world and hold its sights down to its own shorelines. A diseased world would soon spread its virus to America.

Nevertheless, there is little chance that the U.S. will buy any other nation a costly government as it did when it allowed Britain to pour down Socialist drains nearly \$3.75 billion. Whatever technique is devised—whether it is a specially created Government corporation or a permanent Congressional committee—a beginning-to-end check on every dollar spent is sure to be made.

In the event that twice-burned Congress—Britain and Greece-Turkey loans—should decide to do business on a “show me” basis, they may discard the four-year plan and insist on year-to-year loans, similar to those suggested by ex-Ambassador Joseph P. Kennedy. Thus a tighter hold on dollars and a louder voice in their uses might be achieved.

### **U.S. policy at stake**

However the people of the U.S., through their Congress, decide to act, the result will tend to crystallize U.S. foreign policy. There is little confusion over the views of Truman’s administration.

They were first boldly clarified when the Truman Doctrine (aid for free peoples) was born. They became still clearer when the Greek-Turkey “contain Russia” loan was made, though later developments proved that crisis to be little more than cries of “Wolf.”

And if there are any doubts about those views today, a quick look at the hair-pulling that goes on in Flushing Meadows nearly every hour should speedily dispel them.

So it is not a simple relief program which now faces the nation. Meeting the minimum needs spelled out in the Paris conference will have graver impacts than meatless Tuesdays or longer life for high prices. Without great care, the U.S. could give and spend at a rate that might permanently cripple the country. To forestall that possibility, the inventories of Cabinet Secretaries Anderson, Harriman and Krug must be matched against specific European requests—to find out how well the U.S. can absorb the shock of sustaining for at least four years the free peoples of the world.

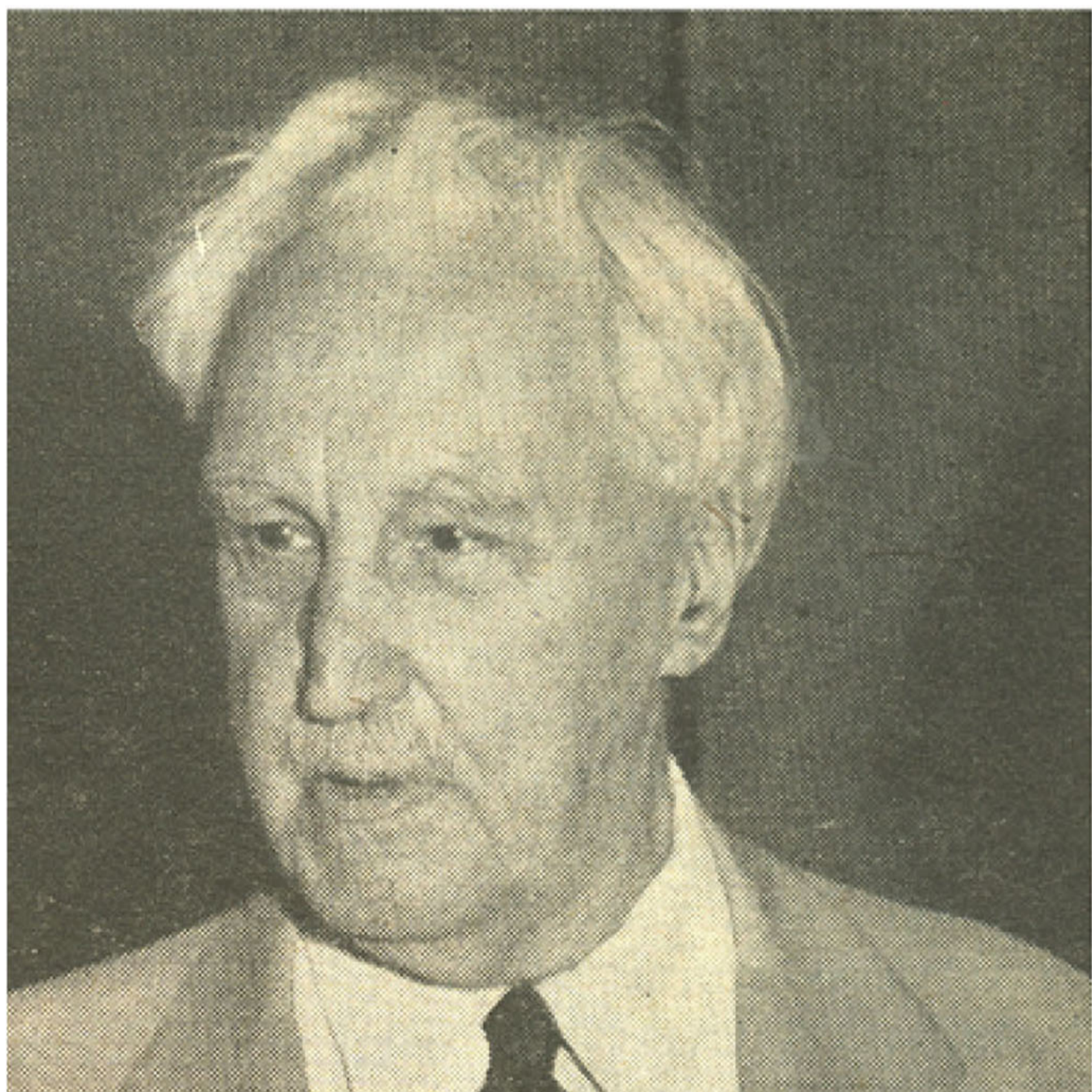
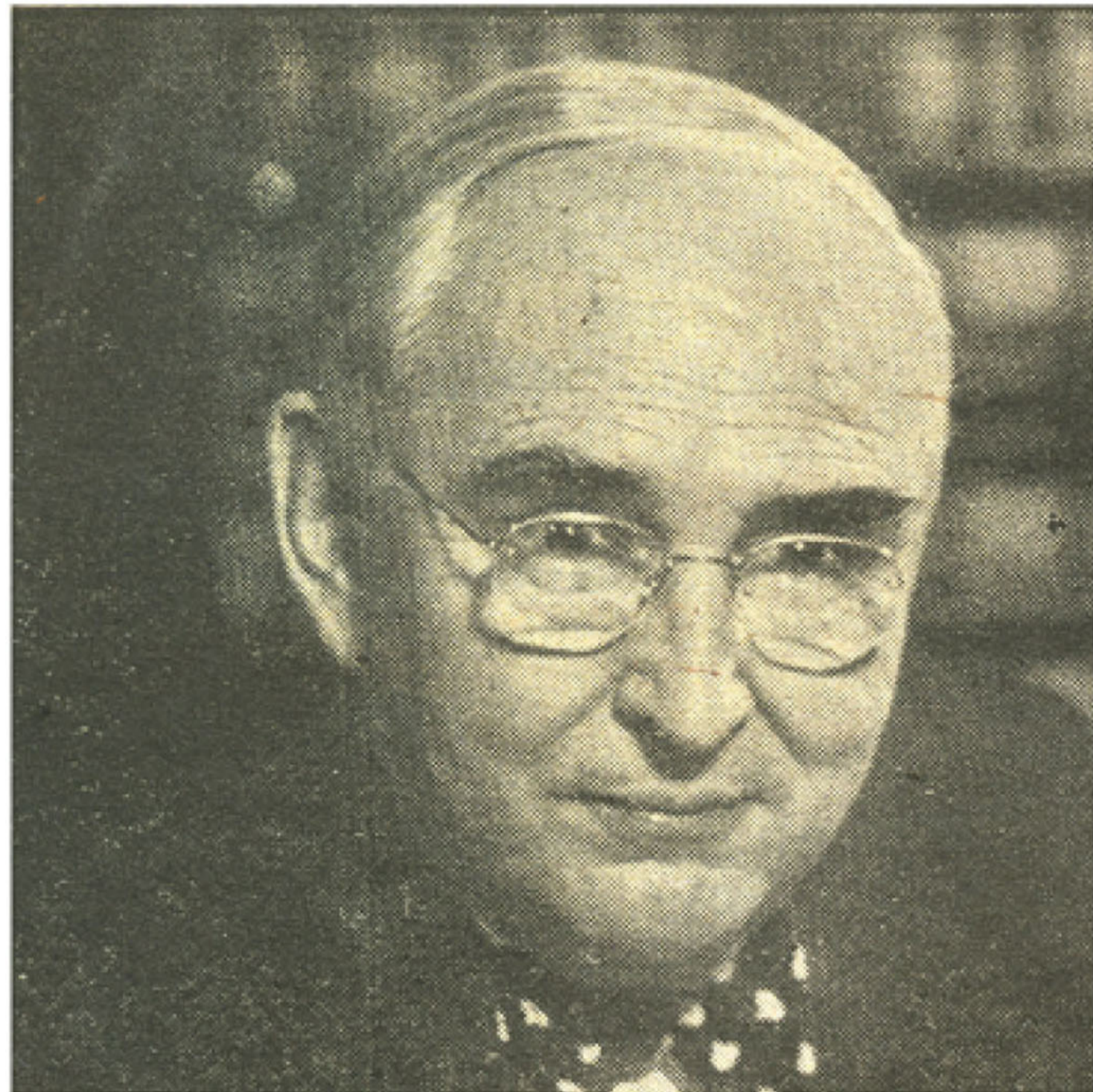
Many long-memored Congressmen are understandably suspicious of Europe’s pledges of self-help. Many others are not yet willing to abandon the U.N. as a hopeless pipe dream. Still others have not foresaken hope that someday “America will be able to do business with Russia”—despite the formation last week of a nine-nation Communist International which widened the split between the two worlds.

When the needs are matched against America’s ability to pay; when the battle lines in the cold war—Communism vs. Freedom—take firmer shape, the U.S. must decide to accept the Marshall Plan or some alternate proposal.



### *the Marshall Plan*

For freedom and hunger are poor bedfellows. The time will be then at hand for this nation to chart its course in the world family of nations—and to give the lie to unfounded hysterical charges of "American imperialism."



**KEY MEN.** Senate foreign policy chief Vandenberg backs the aid plan. But the real battle will shape up in the House where Rep. Taber may challenge the scheme's high costs. Internationalist Rep. Eaton probably will oppose him, fight for full-scale help.



#### **STARVATION THREAT.**

Millions, like this French boy, face breadlines with no bread.