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INTRODUCTION AND CHRONOLOGY OF THE MARSHALL PLAN
FROM JUNE 5 TO NOVEMBER 5, 1947

Thorsten V. Kalijarvi
November 6, 1947

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THE MARSHALL PLAN

From June 5 to November 5, 1947

Europe prior to the Second World War was a densely populated continent supported by a well developed and integrated economy consisting of agriculture, industry, and trade. The war shattered this economy and wrought such unprecedented destruction that two years after the defeat of Germany, the whole continent still floundered in an economic morass and it was doubtful that Europe could ever recover completely without the assistance of the United States. Early efforts at rehabilitation, such as UNRRA had not been singularly successful. On the political and social front the capitalist world was challenged by a strong trend to the left. Hostility was being engendered against the United States especially in the Moscow dominated Eastern Europe. In Western Europe socialist groups assumed leadership. Communist parties flourished. In an effort to offset the spread of communist influence and hostility President Truman announced his Truman program of relief and aid for Greece and Turkey on March 22, 1947.

However, it was not until June 5, 1947, that an extensive overall program (1) to assist Western Europe and (2) to combat communism on the part of the United States was given concrete form. Secretary of State George C. Marshall, speaking at the annual Harvard Commencement, on that date stated,

It is logical that the United States should do whatever it is able to do to assist in the return of normal economic health in the world, without which there can be no political stability and no assured peace.

Our policy is directed not against any country or doctrine but against hunger, poverty, desperation and chaos. Its purpose should be the revival of a working economy in the world so as to permit the emergence of political and social

conditions in which free institutions can exist. Such assistance, I am convinced, must not be on a piecemeal basis as various crises develop. Any assistance that this Government may render in the future should provide a cure rather than a mere palliative.

Any government that is willing to assist in the task of recovery will find full cooperation, I am sure, on the part of the United States Government. Any government which maneuvers to block the recovery of other countries cannot expect help from us. Furthermore, governments, political parties or groups which seek to perpetuate human misery in order to profit therefrom politically or otherwise will encounter the opposition of the United States.

It is already evident that, before the United States Government can proceed much further in its efforts to alleviate the situation and help start the European world on its way to recovery, there must be some agreement among the countries of Europe as to the requirements of the situation and the part those countries themselves will take in order to give proper effect to whatever action might be undertaken by this Government.

It would be neither fitting nor efficacious for this Government to undertake to draw up unilaterally a program designed to place Europe on its feet economically. This is the business of the Europeans. The initiative, I think, must come from Europe. The role of this country should consist of friendly aid in the drafting of a European program and of later support of such a program so far as it may be practical for us to do so. The program should be a joint one, agreed to by a number, if not all European nations.

Immediately Europe, led by Britain and France, accepted the invitation. Sixteen nations, consisting of Austria, Belgium, Denmark, France, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey, and the United Kingdom, met in Paris on July 12, and henceforth were known as the Committee of European Economic Co-operation. Russia, although invited, refused to participate and exerted her influence over her satellite states, Bulgaria, Czechoslovakia, Finland, Hungary, Poland, Rumania, and Yugoslavia to remain away. Thus Europe was deliberately divided into Eastern and Western parts on the issue of whether or not they would cooperate under the Marshall Plan.

On July 12 the Committee of European Economic Co-operation gathered in Paris, subdivided into smaller committees, and embarked upon the preparation of a report to be submitted in September to the United States.

Meanwhile, the United States prepared to deal with the report of the Committee of European Economic Cooperation. On June 22, 1947, President Truman set up three committees, as follows:

1. Council of Economic Advisors, also known as the Nourse Committee, "to study the impact of our economy of aid to other countries," composed of chairman Dr. Edwin G. Nourse, Leon Keyserling, and John D. Clark.
2. A Committee of Specialists within the Government, also known as the Krug Committee, to study the state of the nation's resources with a view to determining the ability of the United States to finance the Marshall Plan.
3. A 19-member advisory committee, also known as the Harriman Committee, consisting of financial, business, and farm leaders, to study the broad aspects of the aid program and to advise the President "on the limits within which the United States may safely and wisely plan to extend such assistance," headed by Secretary of Commerce W. Averell Harriman, and consisting of various subcommittees:

Subcommittee on capital and durable goods: Hiland Batcheller (Pres., Allegheny-Ludlum Steel Corp., Pittsburgh, Pa.), chairman; James B. Carey (Sec'y-Treas. of EIO); Paul G. Hoffman (Pres., Studebaker Corp., South Bend, Ind.); Harold G. Moulton (Pres., The Brookings Institution, Washington, D. C.).

Subcommittee on consumer goods: John L. Collyer (Pres., B. F. Goodrich Co., Akron, O.), chairman; R. R. Deupree (Pres., Proctor and Gamble Co., Cincinnati, O.); Calvin B. Hoover (Dean, Grad. School, Duke Univ.); Robert E. Buchanan (Dean, Grad. Coll., Iowa State Coll.).

Subcommittee on food resources: Chester C. Davis (Pres., Federal Reserve Bank, St. Louis, Mo.), chairman; Robert E. Buchanan; William I. Myers (Dean, Coll. of Agriculture, Cornell Univ.); Robert G. Sproul (Pres., Univ. of Calif.).

Subcommittee on manpower: Paul G. Hoffman, chairman; James B. Carey; George Meany (Sec'y-Treas., A. F. of L.); Robert M. La Follette.

Subcommittee on mineral resources: Robert Koenig (Pres., Ayrshire Collieries Co., Indianapolis, Ind.), chairman; McIville F. Coolbaugh (Golden, Colo.); R. R. Deupree; George Meany.

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Subcommittee on transportation: Granville Conway
(The Cosmopolitan Shipping Co., New York, N. Y.),
chairman; James B. Carey; Robert Koenig; Edward
S. Mason (Déan) School of Public Administration,
Harvard Univ.).

Subcommittee on economic and financial analyses:
Owen D. Young (General Electric Co.), chairman;
Harold G. Moulton; W. Randolph Burgess (National
City Bank, New York, N. Y.); Paul G. Hoffman;
Calvin B. Hoover; Edward S. Mason.

Subcommittee on organization: Owen D. Young,
chairman; Chester C. Davis; Paul G. Hoffman;
Robert M. La Follette; Edward S. Mason; George
Meany; Harold G. Moulton.

Final Drafting Committee: Robert M. La Follette,
chairman.

On July 29, the House of Representatives established the Herter Com-
mittee and charged it with the responsibility of surveying the economic
conditions of the European nations which were to cooperate in the Marshall
Plan. The committee chairman was Rep. Charles A. Eaton who also headed
the House Foreign Affairs Committee. He was assisted by Christian A.
Herter (Mass.), Vice Chairman, and the following:

John C. Kunkel (Pa.)) Subcommittce A - Finance
Francis E. Walter (Pa.))
Francis S. Case (S. Dak.))
John M. Vorys (O.))
Charles W. Vursell (Ill.)) Subcommittce B - Austria, Germany
E. E. Cox (Ga.))
Overton Brooks (La.))
Charles A. Wolverton (N.J.))
W. K. Macv. (N.Y.))
Eugene J. Keogh (N.Y.)) Subcommittce C - France, Belgium,
A. S. Mike Moñroney (Okla.)) Luxembourg, the Netherlands
Thomas A. Jenkins (O.))
Richard M. Nixon (Calif.))
James P. Richards (S. C.)) Subcommittce D - Italy, Greece, Trieste
George H. Mahon (Tex.))
August H. Andresen (Minn.)	} Subcommittce E - Agriculture
Harold D. Cooley (N.C.))

On September 22, 1947, the Committee of European Economic Co-operation, having completed its deliberations, reported to President Truman and the Department of State (Vol. I of General Report of committee, signed by the sixteen nations participating in European conference) relative to the problems of European economic recovery and the plans for the meeting of the with American aid. The second volume of the report was to be released at a later date and was to be devoted to the report of the technical subcommittees of the conference. The final report was written by Professor Dennis Marris of Oxford and Isaiah Berlin (Great Britain), and Jean Monnet and Hervé Alphand (France).

Meanwhile, returning Congressmen and other leaders became convinced that the long-range Marshall Plan could not be developed and set into operation in time to meet impending starvation and difficulties in Western Europe. They were particularly concerned with interim aid for France and Italy. Therefore President Truman, on October 23, summoned Congress to meet on November 17, 1947, for the purpose of enacting legislation to provide interim assistance for France and Italy.

On October 19, 1947, the so-called Krug Committee made its report. The Harriman Committee was supposed to report on September 15 but was unable to do so on time. The Nourse Committee's deliberations, which were overall, were not scheduled for report; the Herter Committee met on October 29; the House Foreign Affairs Committee and the Senate Foreign Relations Committee were scheduled to meet jointly on November 10; and a meeting of the Senate Appropriations Committee was slated for November 18.

Two questions of assistance for Western Europe were under consideration at the time Congress was prorogued; one was the long-range Marshall

Plan; the other was the interim aid program for France and Italy. Ostensibly Congress was called to deal with the latter in special session and could postpone the long range program until the beginning of the regular session; actually the two subjects seemed too closely interrelated to make a clear-cut distinction possible.

Chronology:

June 5, 1947

State Secretary George C. Marshall in Harvard University Commencement speech outlines basis for the economic recovery of Europe, since called the "Marshall Plan."

"Before the United States Government can proceed much further in its efforts to ... start the European world on its way to recovery there must be some agreement among the countries of Europe as to the requirements of the situation and the part those countries themselves will take in order to give proper effect to whatever action might be undertaken by this Government."

June 11, 1947

President Truman in Ottawa address restates Marshall Doctrine and emphasizes that initiative lies with Europe.

June 12, 1947

Secretary Marshall announces in press conference that Marshall Plan will embrace Britain and Soviet Russia.

June 13, 1947

Foreign Minister Ernest Bevin of Britain hails Marshall Plan as "a real attempt ... to (create) a healthy world ... (and produce) cooperation between Europe and the ... Western Hemisphere."

June 14, 1947

French Foreign Minister Georges Bidault invites Bevin to Paris to discuss proposal. (French government reported to have sounded out Soviet Union about participation in discussion.)

June 15, 1947

Pravda, official Soviet Communist mouthpiece, in editorial assails Marshall Plan as "President Truman's plan for political pressure with dollars" and as a program of interference in the internal affairs of other states.

June 15, 1947

Ex-President Herbert Hoover, in letter to Senator Styles Bridges, Chairman of Senate Appropriations Committee, without mentioning Marshall Plan, raises questions about a need for limitation of aid to foreign countries.

Points out: (1) United States cannot reconstruct world alone; (2) in two years we have expended 29 billion dollars, provided 13 billions in relief, and are committed to 6 billion expenditure in coming year. Russian obstruction has cost the United States billions; need to coordinate all relief, credit, and export activities, prevent excessive prices and export, modify consumption at home, and in return for our sacrifices require assistance to the United States with stockpiling strategical materials obtainable abroad for national defense.

June 16, 1947

The British Ambassador in Moscow is instructed to see Foreign Minister Molotov about Marshall Plan.

June 16, 1947

Herbert Hoover, Allen W. Dulles, James V. Forrestal, Harold E. Stassen, at commencements urge support of Marshall Plan.

June 16, 1947

Undersecretary of State Dean Acheson announces at Wesleyan the need for taking an inventory of our resources.

June 17, 1947

British Ambassador to Moscow discusses Marshall Plan with Foreign Minister Molotov who asks for further information.

June 17, 1947

Talks open in Paris between Foreign Ministers Bevin and Bidault, accompanied by experts. Subject: (1) making raw materials accessible on equitable basis; (2) elimination of tariff and trade barriers; (3) fiscal and currency reforms; (4) priority of aid for basic areas.

June 19, 1947

Tass attacks the Bevin-Bidault talks as "an attempt to make a deal behind the back of the Soviet Union and other European countries."

June 19, 1947

In speech in House of Commons, Foreign Minister Bevin warns that Britain is prepared to go ahead with Marshall Plan, with or without the Soviet Union.

June 19, 1947

Paris talks broken off and invitation sent to Foreign Secretary Molotov to join Bevin and Bidault.

June 20, 1947

The Soviet press reports that the USSR wishes further information on the conditions of the credits to be granted by the United States and the relation of the plan to the United Nations Organization.

June 22, 1947

President Truman appoints 19-member advisory committee (Harriman Committee), consisting of financial, business, and farm leaders, to study the broad aspects of the aid program and to advise the President "on the limits within which the United States may safely and wisely plan to extend such assistance."

June 22, 1947

President Truman appoints a committee of specialists within the government, (Krug Committee) to study the state of the nation's resources, with a view to determining the ability of the United States to finance the Marshall Plan.

June 22, 1947

President Truman appoints Council of Economic Advisers (Nourse Committee) to study "the impact on our economy of aid to other countries."

June 23, 1947

Foreign Minister Molotov accepts invitation to Big Three conference scheduled for Paris June 27. [Britain, France, Russia]

June 24, 1947

Poland agrees to cooperate with Marshall Plan.

June 24, 1947

Undersecretary of State Clayton discusses plan with Prime Minister Attlee and Foreign Minister Bevin.

June 25, 1947

A Pravda editorial expresses concern over possible conditions to be imposed by the United States in rendering economic assistance under the Marshall Plan.

June 25, 1947

Pravda declares that Marshall Plan is influenced by desire to prolong postwar boom in the United States, and to lessen the ripening economic crisis.

June 25, 1947

Secretary of the Treasury Snyder remarks, "all that Secretary Marshall has done was to invite European countries to sit down and see what their problem is. He didn't say anything about letting the U. S. know how much is wanted."

June 25, 1947

Russian, French, and Italian communists assail Marshall Plan as "Western snare."

June 26, 1947

President Truman gives Marshall Plan unqualified endorsement and through his National Advisory Council on Foreign Financing sends report to that effect to Congress.

June 27, 1947

Paris conference opens with Foreign Ministers Bevin and Bidault opposing Foreign Minister Molotov in several major issues.

June 27, 1947

Anglo-French plan calls for immediate creation of a steering committee consisting of Big Three and other states. Function: to coordinate subcommittees charged with surveying resources and programming to meet the Marshall Plan. Russia proposes that the United States be asked the exact amount of help she would be willing to grant, and that each nation should make its own survey and estimates. Regards steering committee as meddler in domestic affairs of nations.

June 28, 1947

Anglo-French-Russian plans tabled.

June 28, 1947

At Paris meeting of Foreign Ministers of France, Great Britain, and the USSR, Foreign Minister Molotov demands that Washington specify extent and terms of aid to be granted under Marshall Plan.

June 29, 1947

Tass, commenting on the Marshall Plan conference, warns that the conference should limit itself to determining national needs to serve as the basis for requests for aid from the United States. "Any attempts to compel the conference to draw up an all-embracing economic program for the European countries cannot be accepted as a basis for cooperation among the European countries." It states that war-damaged nations should receive priority in obtaining aid and that all allied countries should participate in formulating the program.

June 29, 1947

Tass attacks Europe aid program as American interference in Europe; then calls for broader aid program.

June 30, 1947

Pope Pius endorses Marshall Plan for European recovery.

June 30, 1947

Paris conference deadlocks over Foreign Minister Molotov's refusal to accept basic principle of Marshall Plan - that European nations should first make a common effort to aid themselves.

July 1, 1947

Secretary Marshall states to the Women's National Press Club in Washington: "All the United States wants ... is that the aid be used for the purpose it is intended; that it should not be expended to serve selfish economic or political interests; that it should help to restore hope and confidence among the people concerned, that the world will know peace and security in the future."

July 1, 1947

Foreign Minister Bidault suggests compromise whereby steering committee would become committee of cooperation.

July 2, 1947

The Three Power conference breaks down in serious disagreement over the form of cooperation that might be developed. Foreign Minister Molotov in his concluding speech charges that the Franco-British plan will result in splitting Europe into two groups and creating new difficulties in the relations between them.

July 2, 1947

The conference of Foreign Ministers of France, Great Britain, and USSR ends. France and Great Britain reveal intention to push Marshall Plan without Russia.

July 2, 1947

After five sessions of conference Foreign Minister Molotov rejects plan which he says "would lead to interference in the internal affairs of European countries."

July 2, 1947

James P. Warburg says Marshall program marks the death of Truman doctrine.

July 3, 1947

Foreign Ministers Bevin and Bidault issue joint communique inviting 22 additional European nations to meet in Paris for further discussion of Marshall Plan. Program calls for committee of cooperation to prepare report by September 1947 on available means and needs of Europe for the next few years.

July 4, 1947

President Truman at Monticello calls rejection of Marshall Plan for European reconstruction "fallacious."

July 4, 1947

Foreign Secretary Bevin warns Russia, "there comes a moment when ... people say, 'we have had enough'... Nothing will ever separate the United States and Britain again."

July 5, 1947

President Truman states United States shipped record total of 18,433,000 tons of food to needy nations during 12 months ended June 30, but that "many millions of people are still desperately hungry."

July 5, 1947

Invitation of Foreign Ministers Bevin and Bidault accepted by ten nations for conference to meet July 12.

(Italy, Portugal, the Netherlands, Sweden, Denmark, Ireland, Greece, Poland, Austria, Czechoslovakia.)
Deadline for acceptance of invitation set as of July 10.

July 6, 1947

Czechoslovakia announces she will send an observer to Paris.

July 7, 1947

Tass, official Russian news agency, reports Poland, Yugoslavia, and Rumania cannot attend.

July 8, 1947.

Investigation into the economic state of Great Britain instituted by House of Commons.

July 8, 1947

Foreign Minister Masaryk of Czechoslovakia states his country is to be represented at conference by her ambassador.

Poland, Yugoslavia, Rumania repudiate Tass statement. [Tass statement of July 7.]

July 9, 1947

U. S. State Department urges Russians to reconsider their attitude toward Paris Conference on European rehabilitation.

July 9, 1947

Rumania, Bulgaria, Poland, Yugoslavia refuse invitation.

Premier Clement Gottwald of Czechoslovakia flies to Moscow for instructions.

July 10, 1947

Czech government withdraws acceptance when Kremlin instructions are telephoned by Premier Gottwald to Czechoslovakia.

Reason given: "Acceptance of the invitation might be construed as an action against the Soviet Union."

Hungary, Albania, and Finland send refusal.
Europe split into East and West.

July 12, 1947

Conference convenes in Paris at Quai d'Orsay. 48 diplomats represent 16 nations. In attendance representatives of: Austria, Belgium, Denmark, France, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey, United Kingdom. Not represented were: Finland, Poland, Hungary, Rumania, Bulgaria, Yugoslavia, Czechoslovakia, Russia.

Door left open to Russia and satellite states to come in subsequently if they desire.

July 12, 1947

Premier Clement Gottwald and Foreign Minister Masaryk bring back five-year trade pact with Russia.

July 12, 1947

Pravda assails Paris conference but declares Eastern European countries would take credits from United States on an individual country basis.

July 12, 1947

Bulgarian cabinet completes 87 million dollar trade agreement for 1947/48, with Soviet Russia.

July 12, 1947

Russia spurs trade agreements among her satellites of which the Russian-Czech trade treaty concluded at Moscow was the first.

July 14, 1947

Secretary Marshall addresses Governors' conference at Salt Lake City, Utah, on the preservation of our national interests and of European civilization.

July 14, 1947

Secretary Marshall warns that United States must help nations of Western Europe rehabilitate themselves or see them drift into Russian orbit.

July 14, 1947

Secretary of Agriculture Anderson indicates that United States food relief shipments next year will not go to countries in Russian orbit.

July 14, 1947

Harold E. Stassen says: "Russia must be convinced that American will not have a depression."

July 14, 1947

Secretary of Commerce Hartman in London in an interview states: (1) United States not closing door to future participation in Marshall Plan of European states not participating in Paris conference; (2) United States not attaching political conditions to economic aid to world; (3) American policy looks toward two-way thriving trade.

July 15, 1947

Working committees set up to prepare reports during summer and to reconvene in Paris to complete report for submission to United States on September 1, 1947. After 4-day session an overall operating committee to direct the report and 4 subcommittees created to deal with (1) food and agriculture, (2) iron and steel, (3) transport, (4) fuel and power.

July 15, 1947

New directive issued to United States Military Government in Germany ordering Lt. General Lucius D. Clay to take all possible steps to increase German production, and United States and Britain reach tentative agreement on plan to double German production.

July 16, 1947

Anglo-American friction develops over coal production program in Ruhr as Britain urges socialization of industries and the United States opposes "social experimentation" in favor of immediate production.

July 16, 1947

Bulgaria and Rumania agree to power, transport, and territorial adjustment pact.

July 17, 1947

Hungary signs trade pact with Russia.

July 18, 1947

Finland and Hungary sign trade treaty.

July 18, 1947

Supplementary appropriation bill carrying additional \$1,353,024,900 for all foreign aid, and with relief funds for Poland and Hungary cut by 18 millions because they yielded to Russia favorably reported by voice vote from House to Senate. House refuses to adopt Dirksen motion to deny aid to all nations that fail to cooperate with Marshall Plan.

July 19, 1947

Premier Paul Ramadier of France suggests that Marshall Plan will fail unless Soviet Union and its satellites are persuaded to take part.

July 19, 1947

France is apprehensive of large-scale increase in German production and Ambassador Henri Bonnet in Washington states, "If France is confronted with decisions she cannot approve, the negotiations in Paris could be greatly endangered."

France favors increased coal production but not German steel production.

July 21, 1947

President Truman, in reply to Congress, says, Marshall Plan for aid to Europe lies "at the core" of United States foreign policy. Lasting benefits make it profitable to endure temporary shortages. In any case, the cost of effective foreign aid will be only a small fraction of the cost of winning a war.

July 21, 1947

Secretary Marshal meets with House Foreign Affairs Committee in closed session to explain his plan.

July 22, 1947

House decides to make own inquiries into foreign needs during recess of Congress and instructs Foreign Affairs Committee to direct investigation; also sets up new 19-man committee to make special inquiries.

July 23, 1947

Secretary Marshall assures Foreign Minister Bidault no discussions to be held on German industry without French representation.

July 23, 1947

Announcement that the United States will not undertake relief program for Poland.

July 24, 1947

London Board of Trade announces Anglo-Soviet Trade talks in Moscow have reached deadlock.

July 24, 1947

Reports from London and Paris state; Foreign Ministers Bevin and Bidault to come to Washington around August 15 for discussion with Secretary Marshall. Ruhr question to be discussed in Washington in the immediate future without French representation.

July 25, 1947

France indicates willingness to participate in Three Power conference on German problems.

July 26, 1947

L'Osservatore Romano, Italian newspaper, urges Western European statesmen to pay attention to Russian fears that Marshall Plan might represent danger for sovereignty of European nations.

July 27, 1947

Moscow grants Albania a "small credit" for machinery.

July 28, 1947

At a meeting of the UN Economic and Social Council the Soviet representatives again reject a French plea to participate in the Marshall Plan. They state that the UN has not officially been informed of the Plan and further that the Plan calls for the reconstruction of Europe linked closely to German economy.

August 6, 1947

Commander of Soviet zone in Germany refuses to answer questionnaire on Germany's requirements and capacity for self-help under Marshall Plan.

August 6, 1947

It is announced that the United States returns her quota of approximately 28 wartime seized ships to Italy.

August 9, 1947

Secretary Marshall assures France that her views will be invited on Ruhr coal and German production questions.

August 11, 1947

France accepts invitation to confer with United States and Britain in London on raising level of German industrial output.

August 12, 1947

Ruhr coal production talks between United States and Britain open in Washington.

August 13, 1947

State Department issues point by point denial of all charges made by Marshal Tito against United States and reminds him that he refused to share in Marshall Plan.

August 14, 1947

United States cancels 1 billion dollars of war claims against Italy; unfreezes 60 million dollars in war assets; signs over to Italy 28 ships seized during wartime; redeems 10-15 million dollars in script issued to Italian war prisoners in the United States; trims United States claims against Italy to 5 million dollars; agrees to sign friendship pact with Italy later this year. A second pact covers return of prewar American property in Italy and retirement of 136 million dollars in prewar Italian bonds. A third pact covers disposal of German external assets.

July 28, 1947:

Rep. Charles A. Halleck demands that executive branch recognize House as "full-fledged" partner in conduct of foreign affairs; says, "no more surprises like Marshall Plan and Truman Doctrine."

July 29, 1947:

Speaker Martin appoints Rep. Eaton to head 19-member group, but Rep. Herter to head the group when it goes overseas August 27. Also \$125,000 voted for Rep. Eaton's Foreign Affairs Committee.

July 29, 1947:

Soviet-Yugoslav barter and credit agreement is announced in Moscow.

August 1, 1947:

Secretary of War Kenneth C. Royall denies French reports that State or War Department have agreed to consult French before raising level of German industry.

August 3, 1947:

Bulgarian Premier Dimitrov returns to Sofia after concluding agreements with Marshall Tito for customs union, abolition of visas and coordination of foreign policy.

August 4, 1947:

Mr. Churchill in speech at Blenheim Palace urges British self-reliance and states: "There is no shame in one brave and faithful ally, deeply injured in the common struggle, asking another to help him recover and stand upon his feet."

August 5, 1947:

A new one-year Russian-Polish trade agreement is reported in Warsaw.

August 31, 1947

American Legion backs Marshall Plan.

September 3, 1947

Secretary Lovett says Western Europe's economic plight is getting worse faster than expected due to "acts of God," including drought and damaged food production.

September 5, 1947

Washington-Anglo-American discussions reach agreement on plan for the joint operation of Ruhr mines now operated by Britain.

Britain rejects Russian protests on Three Power pact, criticizing Russia for failing to treat Germany as an economic unit, which was provided for in the Potsdam agreement.

September 10, 1947

Secretary Marshall tells news conference Europe faces "intolerable hunger and cold" next winter unless emergency food and fuel are provided.

September 10, 1947

Senator Robert A. Taft opposes special session of Congress on basis that reports cannot be completed until January.

September 10, 1947

Foreign Minister Bevin suggests United States start peacetime lend-lease program and redistribute Ft. Knox gold.

September 10, 1947

Secretary Marshall announces that papers necessary for appropriate congressional action on European supplies and relief will be ready in latter part of October.

August 21, 1947

State Department discloses that a protest has been received from Soviet Union against impending conference of United States, Great Britain and France to raise industrial level of Anglo-American zone in Germany.

August 25, 1947

Russia bars Congressional subcommittee from entering the Soviet Union.

August 27, 1947

Secretary Lovett at a news conference states, European recovery program being drafted in Paris must be "reasonable and realistic."

August 28, 1947

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William L. Clayton, George F. Kennan, Louis W. Douglas, Jefferson Caffery in Paris to consult on trimming down first estimates of the Committee for European Economic Co-operation.

August 28, 1947

Harter Committee sails for Europe.

August 29, 1947

As a result of 6-day conference in London, France, United States and Britain announce plans for restoration of German industrial production to 1936 levels.

Talks held in spite of Russian protests. Fail to provide guarantee that France will receive all Ruhr coal and coke she needs. France assured: (1) German recovery not to be given priority over democratic countries; (2) demilitarization of Germany the primary objective; (3) any new United States-Britain plan will be so drawn up as not to allow the Ruhr to become an instrument of aggression. London decision subject to change by Big Four foreign ministers in November London meeting.

September 17, 1947

Vishinsky withdraws request to speak same day. [the day Marshall speaks]

September 17, 1947

Secretary Marshall addresses U.N. taking Russia to task for raising again the specter of war and because of Russia's boycott of Marshall Plan.

September 18, 1947

Chairman Eaton of House Foreign Affairs Committee states a "showdown with Russia" is inevitable.

September 18, 1947

House Speaker Martin announces President Truman has failed to keep Republican leaders informed on European conditions; sees no need for special session.

September 18, 1947

Senator Taft endorses Marshall Plan in Los Angeles.

September 18, 1947

Sen. George D. Aiken recommends Export-Import Bank aid to Italy.

September 18, 1947

Soviet Deputy Foreign Minister Vishinsky charges United States with war-mongering.

September 20, 1947

Senate Appropriations Committee meets to discuss American financial policies abroad.

September 20, 1947

Arthur H. Vandenberg, Chairman of the Senate Foreign Relations Committee, sees aid to Europe as vital.

September 11, 1947

Secretary Harriman states Marshall Plan will involve additional government controls over exports.

September 12, 1947

The 16-nation European Economic Co-operation Committee in Paris announces report due September 15, delayed at least a week, and states that the original 29 billion dollar estimates have been pared to 20 billion dollars.

September 12, 1947

Aid conference in Paris accepts 6 basic conditions made by Secretary Clayton, namely: (1) to take immediate steps toward financial and monetary stability; (2) each to guarantee its production program; (3) to agree to reduce trade barriers; (4) to deduct capital needs financed by World Bank; (5) to form continuing organization and check expenditures under it; (6) to recognize common objectives and responsibilities.

September 12, 1947

French Foreign Ministry announces study of a customs union will be made by Austria, Belgium, Britain, Denmark, Ireland, France, Greece, Iceland, Italy, Luxembourg, the Netherlands, Portugal, Turkey, Rumania, and 10 other Eastern European countries will probably be invited, including Russia.

Moscow warns Scandinavian nations against creation of regional customs unions and voices suspicion Northern Europe being included in Western bloc now sponsored "by reactionary Anglo-American sources."

September 16, 1947

Moses report on German industry. Speaks of danger of democratic forces in Germany gravitating toward Russia.

September 20, 1947

Winthrop W. Aldrich, in public address to American Bankers Association at Atlantic City advocates formation by the United States of a U. S. Corporation for European Reconstruction to handle Marshall Plan;

- (1) to make certain that assistance by United States was productively used and used to promote the key industries, (2) to exert influence to persuade Western European nations to check inflationary measures, (3) to encourage removal of trade restrictions and economic control.

September 21, 1947

Herbert Hoover states world faces "gravest danger of mass starvation."

September 21 to 28, 1947

Conference in Poland (at Hermann Goering's former hunting-lodge Wilka in Wrocław in Lower-Silesia) producing Cominform manifesto of October 5, 1947, and approving information bureau.

Present: Andrei A. Zhdanov, Georgi M. Malenkov, of Russia's Politbureau; Vice Premier Edward Kardelij, Minister without portfolio Milovan Djilas of Yugoslavia; Vice Premier Józef Gomulka, Industry-Trade Minister Hilary Minc of Poland; Jacques Duclos and Etien Fajon of France; Luigi Longo and Eugenio Reale of Italy; Anna Paukow and George Gheorghiu-Dej of Rumania; Vulko Chervenkov and B. Poptomov of Bulgaria; Mihali Fakas and Josef Revai of Hungary; R. Slausky and S. Dashtovansky of Czechoslovakia.

September 22, 1947

Volume I, General Report of Committee of European Economic Co-operation signed by the 16 nations participating in European conference, presented to the United States.

Recovery plan covers all 16 signatories and sets up production bases in coal, electric power, crude steel, inland transport facilities, and crude oil.

September 22, 1947

Estimated needs are: \$22,440,000,000 for the next 4 years, \$3,110,000,000 to be financed by World Bank; \$15,810,000,000 from United States, \$5,970,000,000 from the rest of the American continents.

The report itemizes the year-by-year deficit as follows:

	(in billions of dollars)				
	1948	1949	1950	1951	Total
Deficit with the U. S.	5.64	4.27	3.25	2.62	15.81
Rest of American Continent	1.94	1.82	1.30	0.91	5.97
	7.58	6.09	4.58	3.53	21.78
Deficit of Depende- terri- tories	0.46	0.26	0.70	0.13	0.65
TOTALS	8.04	6.35	4.65	3.40	22.44

Major points call for: (1) "a productive effort unparalleled in Europe's history; (2) establishment of international, economic, financial, and monetary stability in Western Europe; (3) a cooperative effort to reduce trade barriers and to form eventually a European customs union; (4) large but diminishing American aid for 4 years to tide over Europe until she can pay her own way."

Aid to be furnished on a diminishing scale. Self-help program stressed. Warns that failure to assist Europe would be fraught with disaster.

The part of report designated as Volume I concerned with general statement of the problems of European economic recovery and plans for the meeting of the problems.

Volume II to be released at later date, to be devoted to the report of technical subcommittees of the conference.

Final report written by Professor Dennis Marris of Oxford, Isaiah Berlin - Britain; Jean Monnet and Hervé Alphand - France.

September 22, 1947

Senator Homer Ferguson announces he will offer Congress substitute for Marshall Plan providing private instead of government loans be given.

September 24, 1947

President Truman calls conference of Congressional leaders on September 29 to discuss European report. Congressional leaders reticent about special session.

September 24, 1947

Acting Secretary of State Robert A. Lovett acknowledges receipt of report and calls attention to anticipatory work by the Harriman, Krug, and Nourse committees. States some of the participants at the Paris conference were being invited to United States for conference early in October.

September 24, 1947

Harriman committee makes special interim report on grain export policy.

September 25, 1947

President Truman proclaims national waste-less campaign to conserve food products affecting grain supply.

Appoints Citizens Food Committee under chairmanship of Charles Luckman to direct campaign.

States Europe's economic emergency "cannot wait on a careful study required for the overall decision on the Marshall Plan."

September 25, 1947

President Truman acknowledges receipt of 16 European nations report and states that it reflects an unprecedented effort at economic cooperation by the 16 countries participating ... it is an important and encouraging first step that these nations have had the initiative and determination to meet together and produce this report; states he has asked Congressional leaders to meet with him on Monday, September 29, to discuss ... action to be taken by the United States ..."

September 26, 1947

Associated Press survey shows most of Europe will be hungry this winter.

September 26, 1947

Senate Armed Services and Appropriations Committees representatives leave for Europe.

September 27, 1947

Poland's Dr. Oscar Lange calls upon U.N. members to boycott Western Europe's recovery blueprint.

September 29, 1947

British Undersecretary for Foreign Affairs Christopher Mahew announces at U.N. that the door still remains open to Eastern European countries to come into the Marshall Plan.

September 29, 1947

President Truman meets with Congressional leaders, requesting Appropriations and Foreign Relations committees of both Houses of Congress to "meet at the earliest possible date." Need 580 million dollars winter stopgap aid program for France and Italy. Administration can salvage only 332 millions from present appropriations.

President Truman at White House conference states (1) long-range Marshall Plan impossible unless United States provides food and fuel to help France and Italy to "survive this critical winter as free and independent nations;" (2) there is no use calling a special session unless President of opinion that appropriations and foreign policy committees will approve stopgap aid.

September 29, 1947

Russia rejects American protests against "personal insult" to President Truman in Boris Gorbakov's article in Moscow Literary Gazette.

September 30, 1947

United States assures Poland bolstering German industry will not threaten peace of Europe.

September 30, 1947

Senate Appropriations Committee refused visas by Moscow for travel in Russia.

October, 1947

Many "Washington conversations on European economic cooperation" for discussion of the 16-nation report.

October 1, 1947

President Truman requests Appropriations and Foreign Relations Committees of both Houses of Congress to meet at earliest possible time on stopgap plans.

Senate and House Foreign Affairs Committees to be called in joint meeting November 10.

October 2, 1947

French Foreign Minister Bidault encouraged by Western Hemisphere conference.

October 3, 1947

Charles Luckman of Citizens Food Committee promised cooperation in saving grain by distilled spirits institute.

October 3, 1947

Representative John Taber in Berlin says he saw no underfed people on trip, contradicted by Representative Dirksen who calls for reconstruction, and says: "I have been in Germany four weeks, and I think there is definite undernourishment all over the country."

October 4, 1947

International News Service announces, Congressmen "confused by sick Europe and are voicing conflicting views."

October 5, 1947

President Truman and Messrs. Harriman, Marshall, Anderson and Luckman spur food drive over radio.

October 5, 1947

Returning members of Congress criticize foreign aid.

October 6, 1947

Senate Appropriations Committee is called for meeting on November 18.

October 6, 1947

Moscow. Cominform, new version of Comintern, representing the communist party of 9 nations (Russia, Yugoslavia, France, Italy, Poland, Bulgaria, Czechoslovakia, Hungary, Rumania), organized for all-out fight against Truman Plan, Marshall Plan, and "United States imperialism." Declaration to this effect issued in Pravda. Organized at Warsaw meeting; Belgrade selected as headquarters.

October 7, 1947

Soviet government agrees to November 25 as date for London meeting of Foreign Ministers Council to write a German peace treaty.

October 7, 1947

Washington conversations begin between European and United States aid technicians.

October 7, 1947

British Foreign Office calls Cominform "official resuscitation" of the Comintern.

October 7, 1947

Krug report states America has natural resources, industrial capacity, and agricultural means to extend Marshall Plan aid to Europe without damaging our own economy; takes an overall look at power and transport capacities, and recognizes scarcities in wheat, steel, coal, fertilizers, various types of machinery.

October 8, 1947

Anglo-American discussion in London relative to reducing Britain's share of bizonal occupation costs in Germany; closely related to Marshall Plan.

October 8, 1947

Acting Secretary of State Robert A. Lovett states, the Cominform manifesto will carry to new lengths the distortion of United States policy ... the parties and governments associated with this program have made clear their intention to prevent, if they can, the economic recovery of Europe.

October 8, 1947

Industry and Trade Minister Hillary Minc of Poland at exposition at Szczecin says that Poland is increasing its Western trade without succumbing to the Marshall "noose."

October 9, 1947

Representative Dirksen urges quick aid to Europe as a means of combatting communism.

October 9, 1947

Foreign Minister Bidault calls Polish conference "a stupid thing for the Comintern to do" for it will not effect France, the Marshall Plan, "or anything else."

October 9, 1947

President Truman backs Secretary Lovett's Cominform statement.

October 9, 1947

Foreign Minister Bidault announces France must discontinue United States food and fuel purchases for lack of dollars.

October 9, 1947

Undersecretary of State Clayton declares nothing can prevent East-West trade once production hits full stride.

October 10, 1947

Governor Thomas E. Dewey of New York states that we must "do our honest share to feed hungry people overseas" but that "we have ~~an~~ a prior and binding obligation to see that no American is poorly fed."

October 10, 1947

French Foreign Ministry announces Russia agrees to exchange by barter one and a half million tons of bread cereals with France.

October 10, 1947

Herter Committee returns with 17 trunks filled with data, and chairman states: "We are convinced that no program of American aid can achieve the objective desired unless each country sets its own house in order . . . and cooperates with its neighbors . . . for the fullest use of existing or potential resources."

Herter Committee reported cool to special session of Congress.

October 11, 1947

United States representative on Austrian treaty commission announces treaty discussions close without results.

October 12, 1947

New York Times reports Comintern to wreck Marshall Plan, and Congress is expected to approve large-scale aid as reply to Russia.

October 17, 1947

Cominform will not alter policy of Russia, Konni Ziliakis of Britain announces Stalin told him.

October 21, 1947

Senate Appropriations Committee leaves for Europe.

October 21, 1947

Joint Senate-House Committee to study State Department Information Program leaves for Europe.

October 21, 1947

American aid mission in Greece uncovers 75 million dollars hoard of goods.

October 22, 1947

Secretary Marshall states at New York Herald-Tribune forum, "Marshall Plan, now only in drafting stage, when it is completed it will truly be a program of the United States government, and not of any one department or agency."

October 22, 1947

Speaking for Cominform, Zhdanov calls upon communists everywhere to wreck Marshall Plan as an instrument designed by the United States to achieve "world domination by American imperialism."

October 22, 1947

Senator Styles Bridges opposes further dismantling of German industrial plants on basis that it is inconsistent on the one hand to tear down and on the other to build up Germany economy.

October 23, 1947

President Truman calls special session of Congress for November 17 on foreign aid and living costs.

President states: "There are two compelling reasons ... the continued rise in prices ... and ... it is also necessary to meet the crisis in Western Europe."

October 23, 1947

Kurt Schumacher, head of German Social Democratic Party, declares Marshall Plan cannot be realized if German factory dismantling continues.

October 23, 1947

National Foreign Trade Council spokesman urges the United States to "help other nations to help themselves, but don't be the fall guy."

October 23, 1947

Britain fearing economic collapse will mean end of British democracy cuts tobacco imports from United States.

October 23, 1947

President Truman confers with Cabinet on aid to Europe.

October 24 and 25, 1947

Harriman Committee meets to draft final report for President, and to give appraisal of 16-nation committee of European economic cooperation request.

October 25, 1947

House Armed Services subcommittee under chairman Rep. Dewey Short advocates "reasonable" aid to Europe but doubts the advisability of a permanent program costing billions.

October 25, 1947

Italian government forces prices down by loan curbs.

Octcber 25, 1947

Sen. Popper for aid to Europe.

October 25, 1947

Budget Bureau announces it has blueprint for a central purchasing unit for the European aid program while the Administration is reported to be considering an agency similar to the War Production Board to administer the aid.

October 26, 1947

Rigid federal controls over grain being met, it is announced.

October 26, 1947

Father Bela Varga, former president of the Hungarian National Assembly, states Comintern never ceased to exist.

October 26, 1947

Harriman Committee said to be in accord on aid proposal, believes some European requests should go up and others down.

October 26, 1947

Republicans see "politics" in Congress call.

October 27, 1947

President's Congress call spurs works on aid plan; European governments announced as greatly reassured.

October 26, 1947

Rep. Andresen says on return of his committee: "We saw no starvation," but Harold McKinley of Iowa, on same program, challenges this view, whereupon Rep. Andresen says: "I forgot to mention Germany. Things are pretty tough there."

October 27, 1947

Assistance needed by South American republics because of food deficit under study.

October 27, 1947

100 representatives of industry, labor, agriculture, and general public confer with Government officials at White House on Marshall Plan.

October 27, 1947

Emergency Food Council told world's food output to fall off this year.

October 28, 1947

President Truman's Council of Economic Advisors (Nourse Committee) reports United States able to handle Marshall Plan.

1. United States is financially able to carry out the Marshall Plan and cut the National Debt without increasing taxes. However taxes cannot be reduced.

2. Failure to help means industrial paralysis due to trade barriers and political changes abroad.

3. The Marshall Plan will not cause inflation because present inflation is due to demands at home.

The Council recommends curbs similar to those imposed during the war period. These would include:

1. Allocation of grain, steel, and other items which are short.
2. Controls on speculation and hoarding.
3. Renewal of credit controls.
4. Price controls over producers but not over retailers.
5. Continued high taxes and federal economy.

October 28, 1947

Food Council hears warnings of winter famine in Europe.

October 28, 1947

Sen. Taft predicts United States will give aid to Europe by December 19.

October 29, 1947

Charles A. Eaton, Chairman of House Foreign Affairs Committee, urges swift interim aid action first.

October 29, 1947

President Truman's Council of Economic Advisors favors the Marshall Plan and states price inflation can be controlled.

October 29, 1947

Early formation of socialist Cominform predicted from London.

October 30, 1947

Secretary Marshall returns from New York to speed up Marshall Plan.

October 31, 1947

Marshall planners stated to favor the use of funds derived from aid, supplies to be limited to recovery program.

October 31, 1947

Chairman Eaton of House Foreign Affairs Committee favors separate treatment of interim aid to France and Italy and the Marshall long-range program.

October 31, 1947

Taft favors "one-bit" aid by Congress. Would consider emergency help and Marshall Plan at same time.

November 1, 1947

United States sounds "Canada on her ability to help Europe."

November 1, 1947

Joint Congressional Committee headed by Senator Harry F. Byrd, Chairman of the Committee on reduction of non-essential federal expenditures, estimates United States aid to foreign countries since outbreak of Second World War at 19 to 20 billion dollars.

November 1, 1947

Soviet demands upon Czech industrial output, jeopardizes Czech trade with countries other than Russia, the latter proposing to absorb the entire/

November 2, 1947

Secretary of Commerce Harriman announces he has recommended to President Truman that the initial aid to Europe shall be 3 billion dollars as an outright gift.

November 2, 1947

Communist party of the United States announces it will stay out of "Cominform."

November 2, 1947

Právda criticizes American policy with respect to Greek and Turkish aid and the Marshall Plan as American imperialism and Hitlerism comparable to the German prewar Drang nach Osten.

November 3, 1947

Citizens Food Committee seeks wider saving in grain.

November 4, 1947

Independent aid agency plans being shaped by Republicans.

November 5, 1947

Rep. Dirksen seeks buffer role for Germany.

November 5, 1947

China to receive 27 million dollars worth more in relief.

November 5, 1947

World lack of grain for all of 1949 forecast by Director General of FAO, Sir John Boyd Orr.

November 5, 1947

Griswold seeks 15 million dollars more for aid in Greece.

November 5, 1947

Lack of rain slows planting of vital United States wheat.

November 5, 1947

Plans for a 7-man European reconstruction corporation to handle foreign relief meet opposition in Congress.