

William W. Hill Writes On the Marshall Plan

This paper is written to familiarize the average American with The Marshall Plan. The Marshall Plan has both good and bad aspects. While it is the primary purpose of this plan to put Europe back on a level economic basis so it can once again become self-supporting, it could also very easily wreck the entire economic system of the United States. At the present time, this country is going through a period of inflation that has never before been equaled. This is dangerous, not only to the United States but also to the rest of the world, for our money is used as a standard through-out the world. However great the risk, Europe must be helped to help itself. Without Europe once again on a level economic basis, the rest of the world could not hope to survive this transition period. The world is basically the same as the human body. One part could not hope to function properly unless the rest was also going through its normal process, hence the Marshall Plan. Without it, Europe would undoubtedly never wholly recover. The United States must give those countries a will to help themselves. This is not an outright gift, it is more of a loan. The Marshall Plan is only for those countries who agree to put as much into this fight for survival as they hope to get out of it. The world today in its present dilemma is as a huge animal that has been mortally wounded. Not only wounded materially but also mentally. It is fighting for survival. The United States holds the key to the situation. We must produce a solution to this problem and I believe The Marshall Plan is that solution.

On June 5, 1947, Secretary of State George C. Marshall at Harvard's Commencement, made a very note worthy proposal which has become known as the Marshall Plan. In many respects it was the most important pronouncement made by any statesman since the active fighting ceased two years ago. One point Marshall specifically stressed was though the physical loss of life, the visible destruction of cities, factories, mines and railroads and probably less serious than the dislocation of the entire fabric of European economy. So it is logi-

cal that the United States should do whatever possible to assist in the return of normal health in the world without which there can be no political stability and no assured peace. It was also stated that any government that is ready to assist in the task of recovery will find full American cooperation, any government which maneuvers to block the recovery of other countries cannot expect help from the United States.

Europe was called upon to draw up a balance sheet of European resources and needs and to work out a blueprint of self-help. Also to submit to the United States a program under which United States dollars may be best used to help Europe help itself. Twenty two nations were invited by France and Great Britain on July 3, 1947 to send delegates to Paris by July 12 to join in putting the Marshall Plan into operation. Out of the twenty two nations invited fourteen quickly accepted and sent delegates to Paris, and there with Britain and France, made up the sixteen power Conference for European Cooperation. Soviet Russia and her satellite nations declined the invitation.

The Conference quickly set up an over-all Cooperation Committee and appointed four subcommittees to survey and report on the following subjects: (A) Food and agriculture; (B) Iron and steel; (C) Transportation; (D) Fuel and power. It then drew up an elaborate questionnaire to guide the committees and to be sent immediately to each of the sixteen cooperating countries.

It was in this manner the Marshall Plan had its beginning. The remaining parts of this paper are the facts on the Marshall Plan in simple outline form.

The Facts On The Marshall Plan

It outlines a Western European industrial power that by the end of 1951 will compare with the United States and surpass the Soviet Union in productive capacity. Politically it will be sixteen nations, but economically it will be united by joint production programs, an international power grid, standardized mining and electrical equipment, interchangeable freight cars, and mutually arranged modernization of steel mills.

"A European committee will continually supervise the program and report to the United States on the \$22,400,000,000 needed, \$19,300,000,000 directly from the Americas. By the end of 1951 the plans goal calls for the following:

Food—To be restored to prewar level, with the output of potatoes, sugar, fats and oils to be above prewar.

Coal—Production to be raised to 584,000,000 tons a year or one third above present levels and 30,000,000 tons above prewar.

Electricity — Output to be increased to a level 66% above prewar.

Oil—Refining capacity to be increased two and one half times.

Steel—Production to be raised to 55,000,000 ton for the cooperating nations, or 20% above prewar. This is an increase of 80% over the present.

Labor—The labor shortage will persist, except in Italy. With suitable training, housing, compensation, and freedom to migrate, the Italian man-power surplus can eventually fill the deficits of the rest of Europe.

Transportation—Inland transport to be developed to carry 25% more than prewar. One-third of the appropriations for the Plan go to Britain. Two-thirds of the appropriations for the Plan go to the rest of Europe."

Marshall Plan Obstacles

Any policy with as large a scope as the Marshall Plan is bound to have many obstacles. With the formation of this plan the United States is trying to do something that has been hoped for many times but no one ever dared think it would ever become a reality. That is the unification of Europe. The time is ripe for such a move, because it is more or less a must. The European nations will either have to swim or sink so to speak. Through a united Europe the countries can hope for survival, without it the situation would be grave. Within Europe there is a

deplorable situation. Europe is sharply divided, workers ill-nourished and fatigued, factories in ruins and morale pitifully low.

There is the question of Russia and her satellite nations. When they cut themselves from participation in the Marshall Plan there was great hope the program would develop without obstruction or sabotage. As this program proceeds it becomes most evident that Russia and her satellites are trying to do everything possible short of war to block the Marshall Plan.

The chief obstacle so far is the inability of the United States and Britain and France to reach an agreement on Germany. Some European countries do not like to accept the fact that Germany is the main block on which the European economy rests. The United States wants to revive German industry in the western occupied zones as rapidly as it can be done. Before World War II the rest of Europe became dependent on German heavy industry. The Germans with their industrial know how built an industrial empire never before equalled on the continent of Europe.

For that reason there can be little doubt in any normal persons' minds where European reconstruction should be started. Just before the war the German Ruhr supplied 26% of the continent's steel and also 40% of the coal. With Germany, because of their heavy industry, mining and also their geographical location, European recovery is possible and probable, without it the outcome is very doubtful.

Cost Of The Marshall Plan

This is the Marshall Plan, in dollar terms, as outlined by the sixteen nations that agreed, at United States' suggestion, to state their needs. In round figures it asks the United States directly for 19 billion dollars over a period of four years. More than 7 billion would be provided for use in 1948. The cost would recede about 2

billion dollars every year until 1951 when its cost would be approximately 2 billion dollars.

How Europe intends to spend this money is as follows in broad outline form for the year of 1948. Farming and mining machinery top the list with about 3 billion dollars. This being necessary to start the wheels of industry and farming moving again. Food and fertilizer come second. Most of it will be bought in the Western Hemisphere countries other than the United States. These are to cost some where around one and one-half billion dollars. Next are petroleum products. They are practically nonexistent since the war made such great demands and because oil wells and refineries were the targets of destruction by the Allies war machine. Most petroleum products are sought directly from the United States. Iron and Steel are down for 400 million dollars. Equipment, largely made from steel is down for a large portion of the 400 million dollars. Coal comes next in line with a total of 300 million dollars. Europe's coal output has fallen sharply because of inadequate machinery and facilities. Some mines in Europe are becoming worked out. Timber has long been a short item in Europe and since the war it has become more so. It takes its place on the list to be bought in the amount of 100 million dollars. Other minor imports would total about 1 billion 800 million dollars. This would make a grand total of around 8 billion and 40 million dollars to be spent in the 1948 calendar year. That's the spending outline for one year. The program itself is a four-year program and tapers off gradually after the first year.

Frank Gatto

Best in Shoe Repair
WESLEYVILLE, PA.

Compliments of

Forty's Cleaners

Wesleyville, Pa.



Wiener Roast Scavenger Hunt

Saturday Evening, 5:30

Picnic Grove, Weather Permitting

