



## The Tragedy of American Diplomacy?

Rethinking the Marshall Plan

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### Rethinking the Cold War

If we take seriously E. H. Carr's dictum that history is not a single, well-defined narrative but a terrain of contestation between competing and evolving interpretations whose influence is as much shaped by time and place as by any given set of facts, it should come as no great shock to discover that the past is constantly being reassessed or, to use the more familiar term, "revised" by successive generations of historians.<sup>1</sup> The post-1945 period in general, and the Cold War conflict in particular, has been no exception to this simple but important historiographic rule. After all, for the better part of forty years, the East-West confrontation divided nations, shaped people's political choices, justified repression in the East, gave rise to the new national security state in the West, distorted the economies of both capitalism and Communism, inserted itself into the culture of the two sides, led to the death of nearly twenty million people, and came close to destroying tens of millions more in October 1962. Little wonder that the Cold War has been studied in such minute and acrimonious detail. Arguably, it was the most important period in world history.

There have been at least three waves of Cold War revisionism. The first of these, given intellectual definition by William Appleman Williams but made popular as a result of the Vietnam War, sought to challenge the orthodox view that it was the Soviet Union's refusal to withdraw from Eastern Europe and the threat of further Soviet aggression that made hostilities inevitable. Holding up a mirror to the United States rather than the USSR, Williams essentially inverted the old orthodox story and argued that the basic cause of the conflict was not Communist expansion, but the U.S. pursuit of an "Open Door" world in which all countries and all peoples would have to sing from the same free enterprise hymn sheet printed in Washington—and those that

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1. E. H. Carr, *What Is History?* (London: Macmillan, 1961).

did not (including the Soviet Union) would be forced to suffer the consequences. Inspired more by Fredrick Jackson Turner and Charles Beard than by Karl Marx or Vladimir Lenin, Williams and others in the so-called “Wisconsin school” offered an analysis that was radical in form but quintessentially American in character. They caused rough seas for the traditionalist ship of state by suggesting that the latter’s explanation of the Cold War was questionable on at least four empirical grounds: it underestimated Soviet weakness, overstated the Soviet threat, ignored the degree to which U.S. policymakers were guided by economic considerations, and failed to discuss the active role played by the United States in bringing about the collapse of the Grand Alliance after World War II. The revisionists accused the traditionalists of having been trapped by their own blinkered ideology and of producing what was less a real history of the Cold War than a rationalization for U.S. foreign policy in the postwar years.<sup>2</sup>

Revisionism in its classical form peaked remarkably quickly, to be superseded in the post-Vietnam era by what many academics came to regard as a more balanced, less exciting, but ultimately more scholarly picture of the Cold War. Eschewing the materialism and radicalism of the revisionists, but at the same time refusing to endorse the traditionalist view that the Soviet Union constituted a serious military threat to Western Europe, the proponents of what was somewhat imprecisely termed “post-revisionism” aimed to construct what they believed would be a more complete picture of how the Cold War began. Working on the positivist assumption that the task of the historian is not to write morality tales in which heroes and evil demons are locked in mortal combat, they sought to stand back from the fray and to discern the underlying reasons for events. Post-revisionism swept all before it, leaving conservative defenders and left-wing opponents of American foreign policy behind in its wake. Inspired in large part by George Kennan’s realist critique of the Cold War, the post-revisionists in general—and John Gaddis in particular—authored many studies that reflected solid scholarship and balanced judgment. No doubt for these reasons, post-revisionist work soon became extremely popular among a new generation of students tired of old dogmas.<sup>3</sup> However, the larger role performed by the post-revisionists was not so

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2. The primary and secondary literature on revisionism is of course huge. The most obvious starting point for William Appleman Williams is his justly famous *The Tragedy of American Diplomacy*. First published by a small New York company in 1959, it went on to be reprinted twice (in 1962 and 1972) and soon became a national best-seller. For background, see Paul M. Buhle and Edward Rice-Maximin, *William Appleman Williams: The Tragedy of Empire* (New York: Routledge, 1995). See also Bradford Perkins, “The Tragedy of American Diplomacy: Twenty-Five Years After,” *Reviews in American History*, Vol. 12, No. 1 (March 1984), pp. 1–18.

3. John Lewis Gaddis, *The United States and the Origins of the Cold War 1941–1947* (New York: Co-

much to modify revisionism while absorbing its insights, but, instead, to bury it almost completely. Indeed, according to some skeptics, there was nothing at all “revisionist” about post-revisionism: It was merely a new brand of traditionalism made academically respectable by the number of archival references cited. In a memorable phrase, the radical historian Carolyn Eisenberg described it at the time as merely “orthodoxy, plus archives.”<sup>4</sup>

The third and final wave of Cold War “rethinking” came with the quite unexpected end of the Cold War, an event that not only changed the structure of the international system but also precipitated a deep intellectual crisis in at least two of the academic disciplines that had purportedly failed to anticipate what happened in 1989–1991. However, whereas the fall of Communism caused a genuine shock in both international relations and Soviet studies,<sup>5</sup> the disintegration of the “socialist project” created enormous opportunities for new research in the field of Cold War history by opening up several archives in the old enemy camp. Now, for the first time, it finally seemed possible to piece together the whole story and not just a selective version based almost entirely on Western sources.<sup>6</sup> The prospects were obviously exciting, and for a while historians had a veritable field day—to such an extent that some began to worry that they might now have too much original material with which to work rather than too little. Admittedly, researchers never had access to the most important archives in Moscow, which have remained sealed.<sup>7</sup> Nor would any historian be so epistemologically naïve as to assume that archives are neutral spaces or provide all the answers. But at least there were new primary sources to explore, and what they yielded was most impressive, so impressive in fact that many believed it was once again time to revise our views about the

lumbia University Press, 1972). See also John Lewis Gaddis, “The Emerging Post-Revisionist Synthesis on the Origins of the Cold War,” *Diplomatic History*, Vol. 7, No. 3 (Summer 1983), pp. 171–190.

4. On Eisenberg’s own contribution to the early revisionist canon, see her “U.S. Policy in Post-War Germany: the Conservative Restoration,” *Science and Society*, Vol. 46, No. 2 (Spring 1982), pp. 24–38. Her most developed contribution to the revisionist cause remains Carolyn Eisenberg, *Drawing the Line: The American Decision to Divide Germany, 1944–1949* (Cambridge, UK: Cambridge University Press, 1996).

5. See Michael Cox, ed., *Rethinking the Soviet Collapse: Sovietology, the Death of Communism, and the New Russia* (London: Pinter Publishers, 1998).

6. Odd Arne Westad, “Secrets of the Second World: The Russian Archives and the Reinterpretation of Cold War History,” *Diplomatic History*, Vol. 21, No. 2 (Spring 1997), pp. 259–271. See more generally, “Symposium: Soviet Archives—Recent Revelations and Cold War Historiography,” *Diplomatic History*, Vol. 21, No. 2 (Spring 1997), pp. 217–305.

7. See Mark Kramer, “Archival Research in Moscow: Progress and Pitfalls,” *Cold War International History Project Bulletin*, No. 3 (Fall 1993), pp. 1, 21–44, esp. 31–34; James G. Hershberg, “Soviet Archives: The Opening Door,” *Cold War International History Project Bulletin*, No. 1 (Spring 1992), p. 1; and Jonathan Haslam, “Russian Archives and Our Understanding of the Cold War,” *Diplomatic History*, Vol. 21, No. 2 (1997), p. 217.

Cold War. Or at least that was the position adopted by John Gaddis, who, having earlier led the move toward post-revisionism, now suggested that the new evidence made it necessary for us to look once again at the past and to accept that a good deal of what had passed for Cold War history before was not an all-rounded account but only a rough approximation. Gaddis even suggested a new Cold War typology. Whereas he previously divided the field into proponents of different schools of thought who had access to more or less the same limited sources, he now argued that the real line of demarcation was between “old” and “new” versions of the Cold War—the former based on almost no information from the ex-Communist archives and the latter based on increasing amounts of material through which to sift. Gaddis argued that in the past we could not “know” what really happened, but now we could, at least with much greater certainty.<sup>8</sup>

Regardless of whether Gaddis is right that we do “now know” what happened (a claim that many historians have questioned), we can all accept that the new sources have provided Cold War studies with a much-needed shot in the arm. In some ways, the end of the Cold War could not have come at a better time for a subject that seemed to have reached an intellectual dead end. Charges of staleness could hardly be leveled against the field now with the proliferation of journal articles, the frequent conferences on various aspects of the Cold War, and the continued influx of newly released primary material.<sup>9</sup> It is also true that far more attention is now being paid, at least within the scholarly community in Europe, to the experiences of the smaller West European countries during the years of the Marshall Plan.<sup>10</sup> But, as we will go on to argue, a considerable academic deficit remains in our understanding of the experiences of Central and East European states. Moreover, not all is well in the academic garden, as recent rumblings have made only too clear. Although we now have more of everything—including two new journals devoted to the study of the Cold War<sup>11</sup>—some critics have argued that there has not been enough intellectual innovation over the past decade. It may well be true, as Geir Lundestad has observed, that “the new Cold War” history “represents very significant progress compared to the old,” but, as he has also argued, this has not been accompanied by much in the way of new thinking.<sup>12</sup>

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8. John Lewis Gaddis, *We Now Know: Rethinking Cold War History* (Oxford: Clarendon Press, 1997).

9. Kathleen Burk, “The Marshall Plan: Filling in Some of the Blanks,” *Contemporary European History*, Vol. 10, No. 2 (July 2001), pp. 267–294.

10. Bernadette Whelan, *Ireland and the Marshall Plan 1947–1957* (Dublin: Four Courts Press, 2000).

11. See *Journal of Cold War Studies*, edited at Harvard University and published by MIT Press since the beginning of 1999; and *Cold War History*, edited at the University of London since August 2000.

12. See Geir Lundestad, “How (Not) to Study the Origins of the Cold War,” in Odd Arne Westad, ed., *Reviewing the Cold War: Approaches, Interpretations, Theory* (London: Frank Cass, 2000), p. 75.

On the contrary, when historians (including some of the most eminent) have sought to produce a synthesis, they have tended to look back instead of looking forward. The result has been a partial but discernible rehabilitation of old orthodoxies about who started the Cold War and why.<sup>13</sup> In some cases, like that of Gaddis, the argument has been advanced with a notable degree of subtlety. In others, it has, to paraphrase Dean Acheson, been made in ways that are sometimes “clearer than the truth.”<sup>14</sup> Of course, the long march back toward what one European historian has called the new “traditionalism” has not upset everybody.<sup>15</sup> One observer, who could scarcely conceal his delight, argued that the new history represented progress on many fronts, but its most important result, he believed, was to put the last nail into the coffin of radical revisionism and all those who in the 1960s had been critical of the U.S. role in the Cold War.<sup>16</sup> The specter of William Appleman Williams, it seemed, could finally be laid to rest.

The central purpose of this article is to question the increasingly influential thesis that new evidence does indeed bear out old truths about the Cold War. Naturally, we are not the first to do so. Melvyn Leffler, among others, has shown that once you get inside the “enemy archives” the stories you discover there do not necessarily confirm the orthodox view that the Cold War was “a simple case of Soviet expansionism and American reaction.” The new evidence might prove many things, he notes, but the one thing it does not do is provide us “with a clear and unambiguous view of the Cold War.”<sup>17</sup> We wholeheartedly agree. As our discussion of one especially important moment in the Cold War will attempt to demonstrate, the evidence—both old and new—does not point to simple traditional conclusions about

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13. For some of the more recent examples of the new orthodoxy, see Beatrice Heuser, “NSC 68 and the Soviet Threat: A New Perspective on Western Threat Perceptions and Policy Making,” *Review of International Studies*, Vol. 17, No. 1 (January 1991), pp. 17–40; Douglas J. McDonald, “Communist Bloc Expansion in the Early Cold War: Challenging Realism, Refuting Revisionism,” *International Security*, Vol. 20, No. 3 (Winter 1995), pp. 152–178; Eduard Mark, “The War Scare of 1946 and Its Consequences,” *Diplomatic History*, Vol. 21, No. 3 (July 1997), pp. 383–415. See also Harvey Klehr, John Earl Haynes, and Fridrikh Firsov, eds., *The Secret World of American Communism* (New Haven: Yale University Press, 1995); and R. C. Raack, *Stalin’s Drive to the West 1938–1945: The Origins of the Cold War* (Stanford, CA: Stanford University Press, 1995).

14. See James Chace, *Acheson: The Secretary of State Who Created the American World* (New York: Simon & Schuster, 1998), pp. 156–169.

15. Lundestad, “How (Not) to Study the Origins of the Cold War,” p. 75.

16. Sam Tanenhaus, “The Red Scare,” *New York Review of Books*, Vol. 46, No. 1 (14 January 1999), pp. 44–48. See also his heated exchange with several of the better-known American revisionist historians of the Cold War in “The Red Scare: An Exchange,” *New York Review of Books*, Vol. 46, No. 6 (8 April 1999), pp. 75–76.

17. Melvyn P. Leffler, “Inside Enemy Archives: The Cold War Reopened,” *Foreign Affairs*, Vol. 75, No. 2 (July August 1996), p. 122; and Melvyn P. Leffler, “The Cold War: What Do We Now Know,” *American Historical Review*, Vol. 104, No. 2 (April 1999), pp. 501–524.

American innocence and Soviet intransigence. What emerges instead is an altogether more complex picture that seems to run directly counter to the new orthodoxy and its working assumption of Soviet guilt and U.S. impartiality.<sup>18</sup> Our analysis of the Marshall Plan will show that it was American policies as much as (and perhaps more than) Soviet actions that finally led to the division of Europe and thus to the Cold War itself. Many historians will feel uncomfortable with this conclusion; and it is certainly not a point of view that is popular with American historians, especially now. Nor should this much surprise us. After all, the Marshall Plan has always tended to receive favorable reviews within the United States—partly because few appear inclined to think critically about an act of generosity involving something close to \$13 billion;<sup>19</sup> partly because in the context of 1947 the Marshall Plan stood in sharp contrast to its shrill predecessor, the Truman Doctrine; and partly because of the huge reputation of George Marshall, whose role in the Marshall Plan was commemorated by the British government with the scholarships that still bear his name.<sup>20</sup> There may also be concern in some quarters that attacking the Marshall Plan would lend credibility to the revisionist cause, which has long been out of fashion. The result, as Diane Kunz noted in a special 1997 issue of *Foreign Affairs* designed mainly to celebrate the Marshall Plan rather than to analyze it, has been to leave the reputation of both the Plan and Marshall himself essentially intact. Although the end of the Cold War might have “forced scholars to rethink their views” on nearly everything else, she notes, this has not been true of the Marshall Plan. Kunz writes that, far from challenging established truths about the Plan and its place in history, “the collapse of the Soviet Union” and “the thaw of the Cold War”

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18. For a sample of some of the more recent work on the USSR and the Marshall Plan, see Vladislav Zubok and Constantine Pleshakov, *Inside the Kremlin's Cold War* (Cambridge, MA: Harvard University Press, 1996), pp. 98–139; and Vojtech Mastny, *The Cold War and Soviet Insecurity: The Stalin Years* (New York: Oxford University Press, 1996), pp. 23–29. See also Scott Parrish and Mikhail M. Narishky, “New Evidence on the Soviet Rejection of the Marshall Plan, 1947: Two Reports,” Working Paper No. 9, Cold War International History Project, Washington, DC, March 1994; Scott Parrish, “The Marshall Plan, Soviet-American Relations, and the Division of Europe,” in Norman Naimark and Leonid Gibianski, eds., *The Establishment of Communist Regimes in Eastern Europe, 1944–1949* (Boulder: Westview Press, 1997), pp. 267–312; and Geoffrey Roberts, “Moscow and the Marshall Plan: Politics, Ideology and the Onset of Cold War, 1947,” *Europe-Asia Studies*, Vol. 46, No. 8 (December 1994), pp. 1371–1386; and Silvio Pons, *Stalin and the Inevitable War* (London: Frank Cass, 2002).

19. Significantly, the one major attempt in the past to think about the Marshall Plan in new ways was by a British historian. See Alan Milward, *The Reconstruction of Western Europe, 1945–1951* (London: Methuen, 1984). His efforts, however, did little to impress Americans. See the rebuttal in Michael J. Hogan, *The Marshall Plan: America, Britain, and the Reconstruction of Western Europe, 1947–1952* (Cambridge, UK: Cambridge University Press, 1987), pp. 431–432.

20. See, for example, Forrest Pogue, *George C. Marshall: Statesman, 1945–1949* (New York: Viking, 1987); and Ed Cray, *George C. Marshall, Soldier and Statesman* (New York: W.W. Norton, 1990).

have only “enhanced” its importance and the “reputation of its American creators.”<sup>21</sup>

This deferential attitude toward the Marshall Plan and U.S. policy has meant that Cold War historians have merely been pouring fine new empirical wine into some fairly old conceptual bottles—a tendency that not only makes for somewhat lackluster history, but also leaves old certainties unchallenged. Here we would like to challenge those certainties by raising a number of difficult issues that over the last several years have not been addressed with the seriousness they deserve. We suspect that these issues have not been addressed because they raise awkward questions about the now-fashionable view that as long as Josif “Stalin was running the Soviet Union a Cold War was unavoidable,”<sup>22</sup> and that by 1947 the “methods that Stalin employed in Eastern Europe” made the Cold War “inevitable.”<sup>23</sup> In this article we shall seek to refute both of these claims.<sup>24</sup>

The first part of our article focuses on the issue of what finally happened in Eastern Europe after the promulgation of the Marshall Plan. We do not doubt that it was Stalin who eventually sealed the fate of Eastern Europe. That much is self-evident. However, as we shall attempt to argue, the way that U.S. aid was originally conceived under the Marshall Plan not only limited Soviet options but propelled the Soviet Union into a more antagonistic and hostile stance, including the establishment of its own economic and political bloc, for which it was then held exclusively responsible. We do not assume Soviet, let alone Stalin’s, innocence; nor do we see anything particularly benign about Soviet intentions. Nevertheless, we would still insist, as have some other observers who benefited from having been there at the time, that Soviet foreign policy was not just a given thing deriving from an essentialist core, but a series of responses and reactions that were just as likely to be shaped by the way others acted toward the Soviet Union as by Stalin’s own outlook.<sup>25</sup> Exactly what the Soviet Union did in Eastern Europe was not pre-

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21. See Diane B. Kunz, “The Marshall Plan Reconsidered: A Complex of Motives,” in Peter Grose, ed., *The Marshall Plan and Its Legacy* (New York: Council on Foreign Relations, 1997), p. 13.

22. Gaddis, *We Now Know*, pp. 292–294.

23. Mastny, *The Cold War and Soviet Insecurity*, p. 27. See also pp. 23–24.

24. There is of course a problem with any exercise that seeks to highlight the complexities of Stalinist foreign policymaking. Not the least of these is that any attempt to interpret the rather narrow parameters of Soviet policy options can lead to the charge of justifying Soviet behavior. This is certainly not the intention here. The tragedies and brutality of the Soviet system cannot be glossed over. For the problems of working on Stalinist policy, see Stephen F. Cohen, *Rethinking the Soviet Experience: Politics and History Since 1917* (New York: Oxford University Press, 1985), pp. 31–38.

25. The “others” we have in mind here are George Kennan and E. H. Carr, the British historian of early Soviet Russia. For an examination of their oddly similar views about Soviet foreign policy, see Michael Cox, “Requiem for a Cold War Critic: The Rise and Fall of George F. Kennan, 1946–1950,”

determined, and thus the final complexion of the countries in the region was by no means set in stone. This raises the question of whether a different approach by U.S. policymakers could have led to a different outcome for the peoples of East and Central Europe.

That question in turn leads to another issue, again one largely bypassed in the new historiography: the extent to which the division of Europe was the outcome most desired by the Soviet leadership itself.<sup>26</sup> The traditional or orthodox line is that, other things being equal, division was the option most favored by Moscow after the war. We take a rather different view and suggest that the division of Europe, far from being Stalin's preferred option, was possibly the outcome he least desired.<sup>27</sup> Once again the new material points to less orthodox conclusions than those recently propounded by some historians. What this material shows, basically, is that Stalin was still committed to cooperation with the West and some level of serious intercourse between the two parts of Europe. According to Vladislav Zubok and Constantine Pleshakov, it was only by late 1947 that Stalin finally gave up on this preferred route and accepted the inevitability, though not necessarily the desirability, of the two-bloc system.<sup>28</sup> The puzzling feature about European politics after 1948, therefore, was that the Soviet Union probably ended up with a situation, in response to the European Recovery Program (ERP), that it had showed little sign of wanting during and after World War II.

It is not surprising that Stalin was reluctant to get involved in a confrontation with the West. After all, as even the rather conventional-minded Vojtech Mastny has acknowledged, the Cold War was something that Stalin never wanted because he realized that the Soviet Union was manifestly unable to compete with the United States over the long term.<sup>29</sup> An extended and costly standoff against a powerful enemy held out great uncertainty. The most immediate results of the breakdown of relations in 1947 were distinctly nega-

*Irish Slavonic Studies*, No. 11 (1990–1991), pp. 1–36; and Michael Cox, "Will the Real E. H. Carr Please Stand Up?" *International Affairs*, Vol. 75, No. 3 (July 1999), pp. 643–653.

26. On the making of Soviet foreign policy, see Vladislav Zubok, "Soviet Intelligence and the Cold War: The 'Small' Committee of Information, 1952–53," *Diplomatic History*, Vol. 10, No. 2 (July 1995), pp. 453–472.

27. For a more detailed discussion of Soviet foreign policy in this period see Caroline Kennedy-Pipe, *Stalin's Cold War: Soviet Strategies in Europe, 1943–1956* (Manchester, UK: Manchester University Press, 1995).

28. Zubok and Pleshakov, *Inside the Kremlin's Cold War*, p. 39. See also Vladislav Zubok and Constantine Pleshakov "The Soviet Union," in David Reynolds, ed., *The Origins of the Cold War in Europe: International Perspective* (New Haven: Yale University Press, 1994), p. 60.

29. His exact phrase is the "Unwanted Cold War." Mastny argues that the Cold War was "both unintended and unexpected;" it was, though, he argues, predetermined. See Mastny, *The Cold War and Soviet Insecurity*, p. 23.



tive from the Soviet Union's perspective—antagonizing the Western powers and uniting them more closely together, precipitating a costly economic embargo against the Soviet bloc itself, and leaving the Soviet Union in control of a series of hostile countries that proved politically unstable and, after 1968, economically costly to prop up. How much the Cold War actually cost the Soviet Union can never be assessed, but there seems little doubt that the social, political, and economic burden on Moscow was immense.<sup>30</sup>

Our article goes on to address the larger question of whether Eastern and Central Europe might have escaped the Soviet grip. It is difficult to envisage how this might have occurred, not just because of Stalin's determination to maintain tight control over countries like Poland and Czechoslovakia—the standard orthodox explanation—but also because of his genuine concern (confirmed by the Marshall Plan) that the United States and its Western allies were determined to undermine Soviet influence in Eastern Europe by exploiting the USSR's weak economic control over the region and “luring” the East Europeans back into the Western camp. In this sense there really was a basic “security dilemma” that stemmed initially from the U.S. government's refusal to recognize that Moscow had certain security needs in Eastern Europe.<sup>31</sup> Although U.S. policy may have seemed perfectly reasonable to the officials who formulated it, the net effect was to invite the Soviet Union to act in a more intransigent way than it might have otherwise. It is no coincidence that Stalin's turn toward Cold War policies *followed* rather than *preceded* the breakdown in negotiations in July 1947. One of the likely reasons for this change of course was a concern that the Plan was intended to pull Eastern Europe gradually back into the capitalist fold. As more recent scholarship has shown, the United States never accepted the “loss” of Eastern Europe and did everything it could short of war to eliminate Communist influence in the region. Furthermore, as both Peter Grose and Gregory Mitrovich have revealed, the concept of “rollback” began not with the election of Dwight Eisenhower in 1952, but with the Marshall Plan itself.<sup>32</sup> Unfortunately, this particular aspect of the

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30. For reflections on the costs of the Cold War to the Soviet Union, see Mikhail Gorbachev, *On My Country and the World* (New York: Columbia University Press, 2000).

31. See Robert Jervis, “Was the Cold War a Security Dilemma?” *Journal of Cold War Studies*, Vol. 3, No. 1 (Winter 2001), pp. 36–60.

32. See, for example, Peter Grose, *Operation Rollback; America's Secret War behind the Iron Curtain* (New York: Houghton Mifflin, 2000); and Gregory Mitrovich, *Undermining the Kremlin: American Strategy to Subvert the Soviet Bloc, 1947–1956* (Ithaca: Cornell University Press, 2000). See also the claims that the ERP contained “operatives” from the CIA in Sallie Pisani, *The CIA and the Marshall Plan* (Edinburgh: Edinburgh University Press, 1991). On the very positive propaganda campaign waged by the Americans over the benefits of Marshall Aid, see Hans-Jürgen Schröder, “Marshall Plan Propaganda in Austria and Western Germany,” in Günter Bischof, Anton Pelinka, and Dieter Stiefel, eds., *The Marshall Plan in Austria* (New Brunswick, NJ: Transaction Publishers, 2000).

Plan has not received the full attention it deserves, mainly because most historians seem to have agreed with William Taubman's earlier judgment that "Marshall's intentions," and presumably those of the Plan, "were primarily defensive" in character.<sup>33</sup> In light of what we now know, such a view can no longer be sustained. It neither corresponds to the evidence nor explains why the Soviet Union responded to the Plan by dramatically changing the status of Eastern Europe from a sphere of influence—which it had been since the end of the war—to a bloc of tightly-controlled economic and political satellites.

This brings us to a fourth issue, namely, the curious tendency in some of the more recent U.S. analyses of the Marshall Plan to overlook or downplay the role of America's key allies. This charge is not new. After all, nearly twenty years ago the British writer William Cromwell made much the same point.<sup>34</sup> European historians more generally have always complained about their American counterparts' apparent indifference to what the European states said or did during the Cold War. It would seem that this bias has not disappeared entirely, and, in the rush to explain or justify U.S. actions, scant notice seems to have been taken of the large body of recent work on the positions adopted by the United Kingdom or France in response to the ERP.<sup>35</sup> As we shall see, a serious rethinking of the Marshall Plan demonstrates just how keen the British and the French were to exclude the Soviet Union from a conference on European security and how aware Soviet leaders were of what one historian has called "the double game" then being played by the British and French foreign ministers, Ernest Bevin and Georges Bidault.<sup>36</sup> The attitude of the British and French governments was apparently one of the most crucial reasons for Moscow's decision not to participate in the plan.<sup>37</sup>

Finally, our analysis also raises a series of questions about which of the two "superpowers" had the greater range of choices after the war. Here again we want to take issue with those, including Gaddis, who insist that Stalin

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33. William Taubman, *Stalin's American Policy: From Entente to Détente to Cold War* (New York: W. W. Norton & Company, 1981), p. 173.

34. William Cromwell, "The Marshall Plan, Britain and the Cold War," *Review of International Studies*, Vol. 8, No. 4 (October 1982), pp. 233–249.

35. Henry Pelling, *Britain and the Marshall Plan* (London: Macmillan, 1988).

36. Scott Parrish and Mikhail M. Narinsky, "New Evidence on the Soviet Rejection of the Marshall Plan, 1947: Two Reports," CWIHP Working Paper No. 9 (Washington, DC: Cold War International History Project, March 1994), p. 42.

37. Wilfried Loth, *Stalin's Unwanted Child: The Soviet Union, the German Question and the Founding of the GDR* (London: Macmillan, 1998), p. 65; Alan Bullock, *Ernest Bevin: Foreign Secretary 1945–1951* (London: Heinemann, 1983), pp. 405–27; and Feliks Chuev, ed., *Sto sorok s Molotovym: Iz dnevnika F. Chueva* (Moscow: Terra, 1991), p. 88, quoted in Mikhail Narinsky, "Soviet Foreign Policy and the Origins of the Cold War," in Gabriel Gorodetsky, ed., *Soviet Foreign Policy, 1917–1991: A Retrospective* (London: Frank Cass, 1994), p. 108.

rather than Harry Truman had more options after the war and in 1947. This view ignores the gap in the two sides' economic capabilities—a gap that was huge by any measure and unlikely to be closed for a long time if ever. The gap in itself did not make the United States aggressive, nor did it make the Soviet Union defensive. However, the existence of the gap does suggest that, other things being equal, the Soviet Union was far less free to choose a course of action than its main capitalist competitor was.<sup>38</sup> In pointing out this disparity we certainly are not trying to justify anything the USSR might have done, but, by situating Moscow's policy in the "real world" of material capabilities, we are more likely to arrive at a realistic assessment of what Stalin *could* have done. Moreover, although we accept that ideology played a role in shaping the Soviet Union's outlook—indeed one of the more important developments over the past several years has been the systematic attempt by scholars to trace the impact of ideology on Moscow's response to the Marshall Plan—we would be concerned if the stress on ideational factors went too far.<sup>39</sup> Mark Kramer has convincingly shown that we cannot understand how the Cold War began, continued, and ended without bringing in ideology.<sup>40</sup> Yet we should be careful (as of course Kramer is) in not allowing this renewed interest in the ideology to distract us from looking at some of the more basic material factors that determined and constrained Soviet actions. Catastrophically weakened by four years of one of the most brutal and devastating wars in history, the Soviet Union confronted massive economic problems at home and was faced by the material and military power of a reinvigorated and highly dynamic American economy that was at least six times larger than the Soviet economy. In that sense Stalin had only a limited range of policy choices. In the end he chose (or was impelled) to go along one path rather than another. This outcome was not necessarily the only one possible, but given the straits in which the Soviet Union found itself by the second half of 1947, we should not be surprised by what happened. The irony, though, is that what Stalin ultimately did—in opposing the Marshall Plan's intended reinvigoration of the Western world, in establishing the Communist Information Bureau (Cominform), and in imposing greater economic and political control over Eastern Europe while attempting to force a resolution of the German ques-

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38. Melvyn Leffler, *A Preponderance of Power: National Security, the Truman Administration, and the Cold War* (Stanford, CA: Stanford University Press, 1992). See also William Curti Wohlforth, *The Elusive Balance: Power and Perceptions during the Cold War* (Ithaca, NY: Cornell University Press, 1993).

39. Roberts, "Moscow and the Marshall Plan," pp. 1381–1383.

40. See Mark Kramer's definitive statement on this in his "Ideology and the Cold War," *Review of International Studies*, Vol. 25, No. 4 (October 1999), pp. 539–576. See also Nigel Gould-Davies, "Rethinking the Role of Ideology in International Politics during the Cold War," *Journal of Cold War Studies*, Vol. 1, No. 1 (Winter 1999), pp. 90–109.

tion through the blockade of 1948–1949—was probably not what he would have done if left to his druthers.

## Marshall Aid: American Initiative

Perhaps no other American initiative in the post-1945 period has generated as much interest and favorable comment among Western historians as the Marshall Plan. Much of the commentary initially came from those who were actually “present at the creation.”<sup>41</sup> A good deal more analysis followed in the 1960s and 1970s as new archival material became available in the West.<sup>42</sup> The result was a mass of new work ranging from the more standard diplomatic accounts of what actually happened to more complex assessments that refused to see the Plan in simple Cold War terms and depicted it either as an attempt to reconcile France and Germany and give a huge boost to the process of European integration or as a means of exporting the more successful corporatist American economic model to a class-divided postwar Europe.<sup>43</sup> Yet in spite of this new intellectual ferment, most writers agreed about one thing: that the purposes of the Plan were multiple and that its consequences were of enormous import. Whether indeed there ever was a “Plan” per se is not at all certain, but, as the chief historian of the Plan has pointed out, the measure “rested squarely on an American conviction that European economic recovery was essential to the long-term interests of the United States.”<sup>44</sup>

The details of the Plan’s genesis require only the briefest recitation here. On 5 June 1947, in a commencement address at Harvard University, Secretary of State George Marshall announced what became known as the Marshall Plan. The secretary of state argued that the economic plight of postwar Europe made the continent vulnerable to economic and political collapse and ul-

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41. For an early example of an official history of the Marshall Plan “published under the auspices of the Governmental Affairs Institute” in Washington, DC, see Harry Bayard Price, *The Marshall Plan and Its Meaning* (Ithaca: Cornell University Press, 1955). For a later example, see Charles P. Kindleberger, *Marshall Plan Days* (Boston: George Allen & Unwin, 1987).

42. See, for example, Hadley Arkes, *Bureaucracy, The Marshall Plan and the National Interest* (Princeton, NJ: Princeton University Press, 1972); and John Gimbel, *The Origins of the Marshall Plan* (Stanford, CA: Stanford University Press, 1976).

43. See, above all, Hogan, *The Marshall Plan*. For a summary of the literature, see Melvyn P. Leffler, “The United States and the Strategic Dimensions of the Marshall Plan,” *Diplomatic History*, Vol. 12, No. 3 (July 1998), pp. 277–306.

44. Hogan, *The Marshall Plan*, p. 27. This view was shared by some on the Soviet side who perceived U.S. economic leadership in Europe as a prerequisite for the survival of many West European countries and of the United States itself. See Aleksandr V. Kirsanov, *The USA and Western Europe: Economic Relations after World War II* (Moscow: Progress, 1975).

timately war. Marshall called on the European countries to consult about the type of aid they needed and to notify the United States, which would respond in a positive fashion to an appeal for help.<sup>45</sup> The motives behind the offer were of course highly complex. Nonetheless, the primary aim was to stabilize Western Europe through economic and political reconstruction and, in so doing, to create a pan-national framework in which the West European countries could look forward to sustained growth, deeper cooperation, and an end to the nationalist conflicts that had so scarred the continent for the past century.<sup>46</sup>

The Plan, however, was never quite what it seemed. Contrary to popular mythology, it was not just a simple program of aid. As the influential British economist Sir Alec Cairncross has pointed out, U.S. aid to Europe had been flowing across the Atlantic for the better part of two years even before Marshall's speech.<sup>47</sup> What made the June 1947 initiative different, Cairncross noted, was its attempt to link aid to the reform of European institutions and practices. Moreover, although the tone of the speech was mild and non-ideological, its implications were anything but. For, as we now know (and have known for a long time), the Plan was not merely a reactive move designed to prevent economic chaos; instead, it was the most dedicated effort yet to reduce Communist influence in Europe and was intended to affect not only the most obvious countries like France and Italy,<sup>48</sup> but also the smaller states under Soviet control. This was certainly how George Kennan conceived of the Plan. Although Kennan continued to believe that the basic cause of the crisis in Western Europe was not Communism as such but the need to restore the continent's economic health, he was in no doubt that the Plan had a deeply subversive purpose.<sup>49</sup> Dean Acheson was equally convinced of the

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45. For essential background on how the speech was formulated, see Dean Acheson, *Present at the Creation: My Years in the State Department* (New York: W. W. Norton, 1969), pp. 226–235.

46. For a discussion of the perceptions of U.S. policymakers regarding Soviet motivations and the vulnerability of West European countries to political and economic implosion, see Notter to Rusk, 14 July 1947, in U.S. Department of State, *Foreign Relations of the United States, 1947*, Vol. VI, p. 217 (hereinafter referred to as *FRUS*, with appropriate years and volume numbers). See also Clayton Memorandum, "The European Crisis," 27 May 1947, in *FRUS, 1947*, Vol. III, p. 217, quoted in John Lewis Gaddis, *The Long Peace: Inquiries into the History of the Cold War* (New York: Oxford University Press, 1987), p. 41.

47. See Sir Alec Cairncross, "The Marshall Plan," paper presented at "The Marshall Plan and Its Consequences: A 50th Anniversary Conference," University of Leeds, Leeds, UK, 23–24 May 1997.

48. Stalin appears to have believed that a Communist takeover in Italy was a serious possibility in 1947. See Arkhiv Prezidenta Rossiiskoi Federatsii (APRF), Fond (F) 45, Opis' (Op.) 1, Delo (D.) 319, Listy (Ll.) 4–7, quoted in Dmitri Volkogonov, *The Rise and Fall of the Soviet Empire: Political Leaders from Lenin to Gorbachev* (London: Harper Collins, 1998).

49. See Walter L. Hixson, *George Kennan: Cold War Iconoclast* (New York: Columbia University Press, 1988).

Plan's thrust, noting that what U.S. "citizens and the representatives in congress alike always wanted to learn in the last analysis was how Marshall aid operated to block the extension of Soviet power and the acceptance of Communist economic and political organisation and alignment."<sup>50</sup> At a meeting on 28 May 1947, when U.S. officials decided that the East European countries would be allowed to participate in the program, they stipulated that any countries taking part would have to reorient their economies away from the USSR toward broader European integration.

In light of these objectives, it is hardly surprising that U.S. officials were amenable to the idea of including the East European governments in discussions of aid but were much less happy about the prospect of Soviet participation. There is little evidence that officials in Washington ever seriously considered bringing the Soviet Union into the ERP. There was of course a view, expressed most forcefully by James Forrestal, that Moscow might participate, but Forrestal raised this issue not because he wanted Moscow to join but because he feared that it would, thereby "wrecking the Plan" altogether.<sup>51</sup> Despite this minor risk, the informed view was that the Soviet Union in the end would refuse to take part. Kennan, among others, believed and hoped that this would be the case. "The Marshall Plan," he wrote, "was offered to the Soviet Union with the intention that it would be turned down." He explained that the "offer would be in such a form that the Russian satellite economies would either exclude themselves by an unwillingness to accept or agree to abandon the exclusive orientation of their economies."<sup>52</sup> According to the long-time U.S. envoy Averell Harriman, Marshall, too, was "confident that the Russians would not accept" the ERP. Marshall realized that if, contrary to his expectations, the Soviet Union did seek to take part, "Congress would have killed the Plan" at the outset. One of Marshall's economic advisers, Charles Kindleberger, was less confident than his boss about Moscow's intentions regarding the Plan, and he later acknowledged that he had been greatly relieved when the Soviet Union "decided not to participate."<sup>53</sup> Kindleberger made much the same point in 1987 during ceremonies marking the fortieth anniversary of the Plan. "The fear in Washington," he recalled "was that the Soviet bear might hug the Marshall Plan to death."<sup>54</sup> Nevertheless, the invita-

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50. Acheson, *Present at the Creation*, p. 233.

51. See Walter Isaacson and Evan Thomas, *The Wise Men: Six Friends and the World That They Made* (New York: Simon & Schuster, 1986), p. 414. See also Kramer, "Ideology and the Cold War."

52. Kennan to Secretary of State, in *FRUS 1947*, Vol. III, p. 228.

53. See Kindleberger's comments in Stanley Hoffmann and Charles S. Maier, eds., *The Marshall Plan: A Retrospective* (Boulder: Westview Press, 1984), pp. 22–23.

54. Charles Kindleberger, *Marshall Plan Days* (Boston: Allen & Unwin, 1987), p. 100.

tion to Moscow still had to be extended. Politically there was no alternative, even though, as the U.S. ambassador to France reassured both Bidault and Bevin in June (a reassurance they welcomed), the offer was “little more than window dressing.”<sup>55</sup>

Thus, by the late spring of 1947, U.S. officials had concluded that if the Plan was to proceed, the Soviet Union would have to be kept out. Not only would Soviet participation hamper the recovery program in Western Europe, it would also eliminate any possibility of getting Congress to agree to the ERP. More generally, from an economic point of view, there was no need for the Soviet Union to be involved. In fact, in the hectic weeks following Marshall’s speech, a view began to emerge in Washington, though it was not shared by all, that it might not even be essential for the East European countries to be included. A senior official involved in high-level U.S. discussions pointed out that although the reunification of Europe might be desirable, it was not critical for the recovery program in Western Europe. William Clayton, one of the main architects of the Plan, agreed, and in a May 1947 memorandum he noted, *en passant*, that although Western Europe was economically “essential” to the East, the reverse was not true. The ERP could thus go forward “without the participation of the Eastern European countries.”<sup>56</sup>

U.S. opposition to Soviet involvement in the Marshall Plan was in line with a larger shift that had already taken place in U.S. thinking over the previous year. The reasons for this shift have been analyzed in great detail by scholars of the early Cold War, who have clearly demonstrated that Soviet behavior itself was one of the main factors responsible. Other factors also contributed to the changes in Western thinking signaled by Kennan’s famous “Long Telegram” of February 1946, Winston Churchill’s “Iron Curtain” speech a month later, Clark Clifford’s memorandum of September 1946, and the Truman Doctrine of March 1947. How and why this reorientation took place need not detain us here. What is important is the impact it had in shaping a near-consensus in Washington about the nature of the Soviet Union and the best way of dealing with it. Increasingly, policymakers concluded that the United States could not rely solely on diplomacy and must instead achieve and maintain a defined “position of strength.” They realized that this ap-

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55. Caffrey to Secretary of State Marshall, 18 June 1947, in *FRUS*, 1947, Vol. III, p. 260; and Clayton’s memorandum, “The European Crisis,” 27 May 1947, in *FRUS*, 1947, Vol. III, p. 230. See also Clayton’s view that “there would have to be a radical change in the Russian position regarding European recovery and other related matters *before the American people* would approve the extension of financial assistance to Russia.” *FRUS*, 1947, Vol. III, pp. 268, 270, 284.

56. See George F. Kennan, *Memoirs, 1925–1950* (Boston: Little Brown & Co., 1976), p. 452; and *FRUS*, 1947, Vol. III, p. 235.

proach could lead to rigidity and would leave little room for a serious exchange of views. But at least it was safer than the alternative of negotiations, which carried all sorts of dangers, particularly if Stalin tried to shape the Western policy agenda. The meeting of the Council of Foreign Ministers in Moscow in April 1947 was crucial in finally convincing Marshall that negotiating with the Soviet Union was an almost impossible task and that there was little point in pursuing the matter much further.<sup>57</sup>

Policy-makers in the United States were not the only ones who revised their thinking about the Soviet Union and the prospect of its participation in the ERP. As we have known for some time, the West Europeans in general—and the British in particular—were equally hostile to the idea of including the Soviet Union in a future European settlement. Although the views of the West Europeans have been somewhat underplayed in recent assessments, their changing perceptions of Stalin's intentions were crucial to the debates over the Marshall Plan.<sup>58</sup> In saying this, we are not endorsing the once popular view that U.S. leaders were pushed into confrontation with the Soviet Union by their wily British counterparts.<sup>59</sup> The Cold War, after all, was not just a ruse devised in London to preserve British influence in the wider world, as some have suggested.<sup>60</sup> Still, there is no denying that some influential figures on the British side accepted the inevitability of a de facto division of Germany and the exclusion of the Soviet Union from any real involvement in Europe's future. The British Foreign Secretary, Ernest Bevin, was convinced that Soviet participation in the Marshall program would greatly complicate Britain's chances of receiving substantial American aid.<sup>61</sup> As he later made clear in a report given to the British Cabinet a short while after the Soviet Union withdrew from the Franco-British-Soviet discussions on 2 July 1947, "from a practical point of view, it is far better to have them definitely out than half-heartedly in." Any other outcome, he noted "might have enabled the Soviets

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57. For the best short account of this episode and its significance, see Philip Zelikow, "George C. Marshall and the Moscow CFM Meeting," *Diplomacy and Statecraft*, Vol. 8, No. 2 (July 1997), pp. 97–124.

58. See, for example, Victor Rothwell, *Britain and the Cold War, 1941–1947* (London: Macmillan, 1947). For an assessment of Soviet attitudes in the wake of the Yalta Conference, see also Sir Frank Roberts "The Yalta Conference," in Gill Bennett, ed., *The End of the War in Europe, 1945* (London: HMSO, 1996), pp. 55–61. Roberts argues that Soviet behavior from 1944 onward gave the British and the Americans no choice but to proceed with the Marshall Plan and the Atlantic Alliance.

59. For an assessment of the British part in the Cold War, see Sean Greenwood, *Britain and the Cold War, 1945–1991* (Basingstoke: Macmillan, 2000).

60. For an earlier and typically provocative discussion, see Donald Cameron Watt, "Rethinking the Cold War: A Letter to a British Historian," *The Political Quarterly*, Vol. 49, No. 4 (October–December 1978), pp. 446–456; and Michael F. Hopkins, "A British Cold War?" *Intelligence and National Security*, Vol. 7, No. 4 (October 1992), pp. 479–482.

61. See Anne Deighton, *The Impossible Peace, Britain, the Division of Germany, and the Origins of the Cold War* (Oxford, UK: Clarendon Press, 1990), pp. 182–189.



to play the Trojan horse and wreck Europe's prospects of availing themselves of American assistance."<sup>62</sup>

British hostility to Soviet involvement in the Marshall Plan was evident when Bevin held a series of important meetings with U.S. Under Secretary of State William Clayton in London on 24–26 June 1947. Although Clayton informed a press conference before leaving for Europe that these meetings were not connected to the issue of aid, he brought along a memorandum from George Marshall about the proposed program.<sup>63</sup> The issue of Soviet participation was not directly addressed, but the message urged the British to seize the initiative.<sup>64</sup> The four subsequent meetings between British and American officials discussed the issue of aid and Britain's future role in Europe. Bevin pressed the British case, explicitly linking the argument for rejuvenation in the United Kingdom to the containment of the Soviet Union. Without a powerful and stable Britain, he argued, the Soviet Union could assume control of the continent. Bevin also linked future British prosperity to the establishment of the Bizone in Germany, emphasizing yet again that without economic aid, Britain, the Bizone and indeed Europe as a whole would find it hard to resist Soviet pressure.<sup>65</sup> Bevin was equally clear on another matter: that at least one of the goals of the Marshall Plan should be to break down the Iron Curtain and lure the Soviet satellites away from Moscow's influence.<sup>66</sup>

Inevitably, the issue of Soviet participation in the ERP was discussed. The participants expressed strong doubts about the advisability of including the Soviet Union in any recovery program drawn up in Washington. Clayton indicated that there would have to be a radical shift in Moscow's position before the American people would approve financial aid to the USSR. Moreover, because the Soviet Union, in his view, "did not need food, fuel and fiber there would be little basis for participating in the short term phase." He pointed out that the Soviet Union had already offered wheat to France and had actually delivered 180,000 tons. In addition, given the sheer scale of Polish reparations to the USSR, Stalin would have difficulty in making a case for early entry into the aid program.<sup>67</sup> Soviet participation in the first phase therefore was ruled out. In the longer term, a rather different argument was used against possible Soviet participation: that of the general weakness of the Soviet economy itself. Kennan noted at the time that "the state of Russia's own economy

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62. Quoted in Peter Hennessy, *Never Again* (London: Vintage, 1993), p. 296.

63. *FRUS*, 1947, Vol. III, p. 247, cited in Deighton, *The Impossible Peace*, p. 181.

64. *FRUS*, 1947, Vol. III, p. 247.

65. *Ibid.* p. 272.

66. *Ibid.* p. 291.

67. *FRUS*, 1947, Vol. III, p. 290.

was such that she was in any case ill-placed to make a substantial contribution to a constructive project.”<sup>68</sup> Much to Bevin’s relief, the Truman administration was determined to have the aid program go ahead with or without the Soviet Union. As Kennan argued once again, “if it proved impossible to secure Soviet or satellite participation on reasonable terms, the United States would look for the elaboration of the western European project as a pis-aller.”<sup>69</sup>

With the conclusion of these initial discussions British foreign policy had effectively come full circle, evolving from what it had been in 1946—when British officials were still seeking cooperation with Moscow in the hope of avoiding the division of Germany and Europe—to a position of ready acceptance that a divided Europe was likely and that one should not be unduly concerned about Soviet sensitivities. This was a striking turnaround. As Sean Greenwood has recently shown, only a year earlier Bevin not only had been keen to keep his lines of communication open to Moscow but had remained more than a little suspicious of U.S. motives and intentions.<sup>70</sup> Twelve months later the United Kingdom was locked into a “special relationship” with the United States, and the Soviet threat was the cement holding it together. Indeed, as Anne Deighton has argued, Bevin was convinced after the meetings with Clayton that the most important task was to make sure “that the Soviets did not participate” in the recovery program.<sup>71</sup> The Anglo-American talks therefore established the tone for the subsequent meeting with Soviet officials to discuss the Marshall Plan. Bevin had the assurances he wanted that the ERP would go ahead with, or more hopefully, without the Soviet Union.

## **Marshall Plan: The Soviet Dimension**

The question of Soviet participation in the Marshall Plan represented less of an opportunity for the West to improve relations with Moscow than a problem that required careful finessing lest it disrupt the ERP. At no time did the Truman administration take steps to ease the path for Soviet inclusion in the Plan; on the contrary, nearly everything was done to guarantee that Moscow would stay out. Although the Plan conceivably might have been used as a bridge to the USSR, it instead merely increased the distance between the two

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68. Washington to Foreign Office (FO), 25 June 1947, Report of Secretary of State’s Visit to Paris, in United Kingdom National Archives (UKNA), Cabinet Papers, CAB 21/1759.

69. Washington to FO, 25 June 1947, CAB 21/1759.

70. Sean Greenwood, *Britain and the Cold War, 1945–1951* (London: Macmillan, 2000), p. 45.

71. Deighton, *The Impossible Peace*, p. 185.

sides. William Cromwell, whose views on the American role can hardly be described as hostile, has noted that “one finds almost entirely missing any serious conviction by U.S. policy-makers that the Marshall Plan” represented a “major opportunity to reduce East-West tensions by organizing economic recovery in a pan-European framework.” If anything, the opposite was probably the case. The whole Western “approach,” in Cromwell’s view, was designed not “to ameliorate the cold war,” but to pursue a struggle that had already begun.<sup>72</sup>

The approach adopted by both the Americans and the British stood in rather sharp contrast to that of Stalin. Newly available documents show that Soviet leaders were still interested in pursuing some form of détente with the West, despite the Western governments’ increasing movement toward a final break with Moscow.<sup>73</sup> A more belligerent option always remained a distinct possibility, but in the months leading up to the critical meeting in July there was strong evidence that the Soviet government was still seeking a better relationship with the United States. This at least was the conclusion reached by the U.S. Central Intelligence Group, which in January 1947 reported eight instances of apparently accommodating Soviet behavior, including concessions on Trieste, East European force reductions, a more conciliatory stance on the veto in the United Nations, and acceptance of former secretary of state James Byrnes’s proposals for drafting the German and Austrian treaties. Even the announcement of the Truman Doctrine in March 1947 did not much change this orientation. Stalin’s response to the speech was “notably mild” according to one source.<sup>74</sup> On the same day that Truman was delivering his message to Congress, the U.S. embassy in Moscow continued to report (as it had for some months) on the Soviet Union’s “less aggressive international position.” Embassy officials speculated that this might be connected to the deteriorating economic situation within the USSR itself and the need “to concentrate on internal problems.”<sup>75</sup> A U.S. State Department official, John Hickerson, wondered the same thing, and in a memorandum in late March 1947 he even compared the economic situation in the USSR in the spring of

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72. William C. Cromwell, “The Marshall Non-Plan, Congress and the Soviet Union,” *Western Political Quarterly*, Vol. 32, No. 4 (December 1979), p. 434.

73. Scott D. Parrish “The Turn toward Confrontation: The Soviet Reaction to the Marshall Plan, 1947,” in Parrish and Narinsky, “New Evidence on the Soviet Rejection of the Marshall Plan”; Anna Di Biagio, “The Marshall Plan and the Founding of the Cominform, June–September 1947,” in Francesca Gori and Silvio Pons, eds., *The Soviet Union and Europe in the Cold War, 1943–53* (London: Macmillan, 1996), pp. 208–221.

74. William O. McCagg Jr., *Stalin Embattled, 1943–1948* (Detroit: Wayne State University Press, 1978), p. 262.

75. *FRUS*, 1947, Vol. IV, p. 544 n. 2. See also Taubman, *Stalin’s American Policy*, p. 155.

1947 with the disastrous year of 1933. He acknowledged that things were not quite as bad as they had been fourteen years earlier, but he said “it seems clear that the Politburo desires to avoid major political developments that might lead to a showdown.” The Politburo’s stance, he concluded “was largely due to weakness of the internal situation.”<sup>76</sup>

This view of the Soviet situation was not an aberration. There seemed to be a widespread understanding in both the United States and Western Europe that the economic situation in the USSR was distinctly unfavorable. The influential British magazine *The Economist* carried regular reports through March 1947 on the critical problems facing the Soviet Union.<sup>77</sup> *The New York Times* carried an equally somber analysis on 9 March that came to the attention of the State Department.<sup>78</sup> Meanwhile, in the U.S. embassy in Moscow, few doubted that Stalin was facing challenges on many different fronts. As Walter Bedell Smith pointed out in February 1947, there was a “consciousness” in Moscow that the USSR’s overall position was precarious. Although this had not resulted in a diminution of anti-American propaganda, what Bedell Smith called the Soviet Union’s “weakened position” was likely to have an impact on Soviet conduct abroad.<sup>79</sup> The adverse circumstances of the USSR may in part explain the posture adopted by Stalin, who was eager to reassure any Westerner who cared to listen that there was no danger of war and that good relations with the West were most desirable. Even Stalin’s evaluation of the Conference of Foreign Ministers (CFM) in April 1947 was reasonably upbeat. Whereas Marshall had returned home convinced that the game was up with the Soviet Union, Stalin was relatively optimistic. He agreed that the meeting had all the qualities of “combat reconnaissance,” but he claimed that on all “important issues, such as democratization, political organizations, economic unity and reparations, compromise is within reach.”<sup>80</sup> In conversations with both Bevin and Marshall during the CFM in Moscow on the proposed treaties with Austria and Germany, the Soviet leader continued to speak with some confidence about the future of the wartime alliance.<sup>81</sup> Moreover, despite

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76. Memorandum of 27 March 1947, Ref. 861.00/3-2747, in *Confidential U.S. State Department Central Files – Soviet Union: Internal Affairs, 1945–1949*, Reel 2 (Frederick, MD: University Publications of America, 1985). For U.S. embassy reports on the dire situation in the USSR from late 1946 onward, see *FRUS*, 1947, Vol. IV, pp. 515–517, 535, 544 n. 2.

77. See *The Economist*, 31 May 1947, cited in Deighton, *The Impossible Peace*, p. 174.

78. “Days of Decision: On Our Russian Policy,” *The New York Times*, 9 March 1947, p. E1.

79. *FRUS*, 1947, Vol. IV, p. 535.

80. Quoted in Narinsky, “Soviet Foreign Policy and the Origins of the Cold War,” p. 106. See also Geoffrey Roberts, *The Soviet Union in World Politics: Coexistence, Revolution and Cold War, 1945–1991* (London: Routledge, 1998) p. 23.

81. *FRUS*, 1947, Vol. II, pp. 340–341.

the obvious lack of agreement over the future of Germany and the issue of Soviet reparations, he sensed that compromise was still possible.<sup>82</sup> In an interview with the Republican senator Harold Stassen in May 1947, he reaffirmed that there was every reason to hope for continued cooperation between the two sides.<sup>83</sup>

Naturally, Stalin was keeping his options and had not abandoned his traditional suspicion of the West. As a Soviet diplomatic cable in September 1946 made clear, the war had changed the international landscape, leaving the United States as the most powerful force in the world and the greatest threat to Soviet security. But even this relatively bleak analysis, Stalin believed, was no cause for panic.<sup>84</sup> Soviet Foreign Minister Vyacheslav Molotov did not rule out further cooperation,<sup>85</sup> and until the middle of 1947 he continued to look forward to “the possibility” that the United States and the Soviet Union would jointly manage “the system of international relations.”<sup>86</sup> This outlook also received theoretical support from the economist Evgenii Varga—the “Polonius of the Comintern” as Leon Trotsky had once called him—who was never one to stray too far from the official line. In an earlier study, *Changes in the Capitalist Economy in the Wake of the Second World War*, Varga had argued that the crisis of capitalism might be delayed because certain elements of centralized planning had been adopted by the Western powers during the war. He even hinted that capitalism might develop peacefully. Although in the period leading up to the summer of 1947 he came under attack and was roundly condemned, he was not forced to recant his argument. By mid-1947 he had returned to a robust defense of his main thesis: that the adoption of planning in the Western states signaled important structural changes in the nature of capitalism and possibly allowed for better relations between the capitalist world and the Soviet Union.<sup>87</sup>

It was therefore not insignificant that Molotov asked Varga in June 1947 to assess U.S. intentions with regard to the Marshall Plan. Varga prepared a

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82. *Ibid.*, pp. 343–344.

83. On Stalin's optimism concerning the future of cooperation with the West, see Alexander Werth, *Russia: The Post-War Years* (New York: Taplinger, 1971). See also J. V. Stalin, *Sochineniya*, Vol. 3 (16), 1946–1953 (Stanford, CA: Hoover Institution Press, 1967), pp. 75–77.

84. Zubok and Pleshakov, *Inside the Kremlin's Cold War*, pp. 101–103.

85. For recent disclosures about Molotov, see Alexander O. Chubaryan and Vladimir O. Pechatnov, “Molotov, ‘The Liberal’: Stalin's 1945 Criticism of His Deputy,” *Cold War History*, Vol. 1, No. 1 (August 2000), pp. 129–140.

86. Zubok and Pleshakov, *Inside the Kremlin's Cold War*, pp. 102–103.

87. Varga's view that some form of economic cooperation with the United States was possible was not discredited until 1949. In April 1949 the journal *Voprosy ekonomiki* printed transcripts of a session of the Learned Council of the Economics Institute of the USSR Academy of Sciences that severely criticized Varga.

report and submitted it to Molotov on 24 June.<sup>88</sup> He argued that the primary purpose of the Plan was to forestall, or at least mitigate, the worst effects of the coming crisis within the American economy by seeking out new markets in Europe—a classic restatement of the standard Soviet theory of capitalist crises. Economic self-interest, rather than enlightenment, lay at the heart of the Plan, according to Varga. But he also contended that the Plan had multiple political purposes along with its economic rationale. The three most significant political aims, in his view, were to demonstrate U.S. hegemony over Europe, to induce the West Europeans to form an anti-Soviet bloc if the USSR refused to participate, and to hold the USSR responsible if the Plan did not achieve its specified objectives. He noted that the Plan also had a fairly obvious subversive purpose—to place maximum pressure on the East Europeans and thereby draw them away from Moscow back into the larger capitalist fold. But he claimed there was no reason to be alarmed at this stage. After all, the United States was unlikely to get everything it wanted. Furthermore, if the Plan was driven largely by economic necessity, as Varga and others assumed,<sup>89</sup> it was possible for the USSR to exploit this need for its own ends. Varga thus implied that the Plan was an opportunity as much as a threat, and that the aim of Soviet diplomacy therefore should be to disconnect the issue of aid from the political conditions the United States would inevitably seek to attach to it. In this way the Soviet Union could derive maximum advantage. As one analyst has cogently observed, although Varga’s analysis “reflected a strong degree of caution and suspicion” one could still infer “that with astute bargaining the Soviet Union” would be able to “gain from participation in [the Plan].”<sup>90</sup>

On 21 June, the Soviet Politburo endorsed the idea of at least discussing the aid program with the British and the French. The assembled officials hoped that the Marshall Plan might offer a useful opportunity to establish a framework for receiving substantial credits from Washington. Accordingly, Molotov suggested to the British and the French that they should meet in Paris to discuss the program. The Soviet authorities also transmitted instructions to the other East European states to ensure their participation in the Plan.<sup>91</sup> At this stage, Soviet leaders wanted to ensure that the countries that

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88. “Report of Academician Varga to Foreign Minister Molotov,” 24 June 1947, *Arkhiv vneshnei politiki Rossiiskoi Federatsii (AVP RF)*, F 6, Op. 9, D. 213, Ll. 215, cited in Narinsky, “Soviet Foreign Policy and the Origins of the Cold War,” p. 108. See also Parrish, “The Marshall Plan and the Division of Europe,” pp. 277–279.

89. Novikov to Molotov, cited in Parrish, “The Turn toward Confrontation,” p. 19.

90. Narinsky, “Soviet Foreign Policy and the Origins of the Cold War,” pp. 105–110.

91. Molotov to Bodrov, 22 June 1947, in Galina A. Takhnenko, “Anatomiya odnogo politicheskogo resheniya: K 45-letiyu plana Marshalla,” *Mezhdunarodnaya zhizn’* (Moscow), No. 5 (May 1992), pp. 113–127.

suffered most from German aggression would be given priority for the receipt of U.S. credits. This stance, though self-serving, was in line with Moscow's long-standing position that any economic aid should be distributed according to efforts made in defeating Nazi Germany. For the time being, Soviet leaders remained serious in pursuing the aid initiative. In a cable on 22 June, the Politburo instructed the Soviet ambassadors in Warsaw, Prague, and Belgrade to tell the leaders of those countries—Bolesław Beirut, Klement Gottwald and Josip Broz Tito respectively—to “take the initiative in securing their participation in working out the economic measures in question, and ensure that they lodge their claims.”<sup>92</sup> Soviet leaders did not discount the need for vigilance, as reflected in the 24 June memorandum from Soviet Ambassador Nikolai Novikov.<sup>93</sup> But at this stage in the proceedings, they still hoped that under the auspices of the Marshall Plan there would be ample room for what Anna Di Biagio has called a “zone of economic exchange” that would enable the two sides to continue their wartime cooperation while avoiding undue interference in each other's “sphere of influence.”<sup>94</sup>

Stalin highlighted three key issues in the official instructions he gave to the Soviet officials who traveled to Paris for the meeting. Although the three guidelines were cautious in tone, they did not preclude Soviet agreement if the West was prepared to enter into serious negotiations that might lead to a compromise. The first issue was Germany, the resolution of which Stalin hoped to keep separate from the issue of economic aid. The Soviet delegation for the Paris conference was thus instructed not to discuss the German question during the Paris meeting. The second issue was economic aid. Stalin instructed the delegates to ensure that this question was discussed in terms of specific country needs rather than an all-European basis that would enable U.S. officials to design their own program of reform. The final issue was the status of Eastern Europe. Once again, the instructions were clear, and the Soviet delegates were left in no doubt that they should “object”—and presumably object strongly—to any “aid terms” that “threatened interference in the internal affairs” of the “recipient” countries. As Stalin envisaged it, the United States could provide aid, but it would have to be aid without any conditions, especially conditions that “might infringe on the European countries' sovereignty or encroach on their economic independence.”<sup>95</sup>

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92. *Ibid.*

93. Novikov to Molotov, 24 June 1947, AVP RF, F. 18, Op. 39, D. 250, Ll. 314–320, reproduced in Takhnenko, “Anatomiya odnogo politicheskogo resheniya,” pp. 121–122.

94. Di Biagio, “The Marshall Plan,” p. 210.

95. On fears of what would happen if the USSR opened up to the West, see Anna Di Biagio, *Le origini dell'isolazionismo sovietico. L'Unione Sovietica e l'Europa dal 1918 al 1928* (Milan: Feltrinelli, 1990), p. 131.

When Molotov arrived in Paris on 26 June for the meeting, he had more than 100 advisers with him. As both contemporaneous and later commentators have pointed out, this in itself was at least one indicator of the seriousness with which Stalin was prepared to treat the negotiations.<sup>96</sup> Two days before the meeting, the leading British newspaper commented that “the whole atmosphere of international debate had changed to a healthier and hopefully more helpful mood.”<sup>97</sup> Molotov’s speech on the first day was relatively mild in tone and thus seemed to confirm this analysis. However, there was no hiding the underlying tensions and the fact that the British and French, egged on by the Americans, were in no mood to negotiate. Bevin conveyed this sentiment in his subsequent report to the British cabinet, noting that he and Bidault had “aimed from the outset” of the Paris conference “on thrashing out the differences of principle between us, making that the breaking point” with the Soviet Union.<sup>98</sup> When Molotov asked Bevin what had been discussed during the earlier meetings with Clayton, Bevin was less than frank.<sup>99</sup> According to Bidault, Molotov asked him, immediately after arriving, what Bidault and Bevin had been doing behind his back. In the first session Molotov also inquired what additional information the French and British governments had received from the United States. Again the Soviet foreign minister was reassured that nothing had been discussed that affected his position.<sup>100</sup>

At the subsequent negotiating sessions, Molotov was presented with Anglo-French proposals calling for economic modernization programs under the auspices of a central European organization that would oversee the distribution of U.S. aid. The French also tabled a proposal requiring an audit of the individual resources of participating members. Soviet opposition to these proposals soon became evident. Molotov attacked both ideas on the grounds that they infringed on the sovereignty and independence of the European states. As an alternative, he proposed that individual countries should make their own assessments of national needs and that these analyses would determine the amount of total credit required from the United States. Bevin and Bidault insisted, however, that disclosure of resources was a prerequisite for participa-

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96. Vojtech Mastny has argued that the Soviet participants were determined to use the Paris meeting to see how the U.S. proposal could be “deprived of any strings attached, thus making it possible to have the American cake and eat it too.” See Mastny, *The Cold War and Soviet Insecurity*, p. 28.

97. “Hope of Soviet Cooperation?” *The Times* (London), 24 June 1947, p. 4.

98. On this issue, see Bullock, *Ernest Bevin*, p. 416. See also Deighton, *The Impossible Peace*, pp. 185–186. See also note of 14 July 1948 in *FRUS*, 1948, Vol. II, p. 964.

99. *FRUS*, 1947, Vol. III, p. 297.

100. Ambassador in France (Caffrey) to the Secretary of State, Telegram 501.BD.Europe/6–2747, Paris, 27 June 1947, in *FRUS*, 1947, Vol. III, p. 296.



tion in the aid program. It is not difficult to see why this demand and the proposal for a central European organization were unpalatable to Molotov. Both proposals would have led to the very sort of “interference in the internal affairs” of the East European countries that Stalin had explicitly ruled out. Soviet leaders realized that if these proposals were adopted, the East European governments would have to alter their internal policies and priorities in a way that would leave them dependent on the markets and systems of Western Europe, and thus ultimately on the United States. From Moscow’s perspective, this was unacceptable. There was a risk that a central organization overseeing the program would acquire undue influence in Eastern and Central Europe and even in the USSR itself.<sup>101</sup>

Soviet suspicions of Western intentions were heightened when Molotov received information from other sources about the various discussions that had already taken place between Bevin, Bidault, and the Americans. The reports confirmed what he already suspected about the central role that Western leaders envisaged for the Bizone in a recovered Europe. Molotov had tried to prohibit any discussion of the German question during the meetings. He suggested that German participation in the Marshall Plan should not be considered until key decisions had been made about Germany as a whole.<sup>102</sup> This view was rejected by both Bevin and Bidault, who argued that, in light of continued food shortages, it was essential for Germany to be represented at the planning stage.<sup>103</sup>

The United States took no official part in these meetings, but both the British and the French kept the U.S. ambassador in Paris, Jefferson Caffrey, fully informed. Caffrey reported to Marshall that although there were difficulties in the discussion with Molotov, the British and French had let the Soviet foreign minister know that they were “prepared to go ahead with full steam even if the Soviets refuse to do so.” By 1 July, Bevin was predicting that the conference would soon break down.<sup>104</sup> On 2 July, after consulting with Stalin (who had remained in Moscow), Molotov reemphasized the Soviet Union’s refusal to accept the terms of the Marshall Plan. At a meeting on 3 July, Molotov predicted that Western actions would “result not in the unification or reconstruction of Europe but the division of Europe into two groups.” That same day, Bevin and Bidault issued a joint communiqué invit-

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101. On this point, see Natalia I. Egorova, “Stalin’s Foreign Policy and the Cominform 1947–53,” in Gori and Pons, eds., *The Soviet Union and Europe in the Cold War*, p. 198.

102. *FRUS*, 1947, Vol. III, p. 304.

103. *Ibid.*

104. *Ibid.*, p. 302.

ing twenty-two other European countries to send representatives to Paris to consider the recovery plan. The “Western bloc,” as Bevin observed, was about to be born.<sup>105</sup>

Soviet leaders considered a “wrecking plan” to disrupt the forthcoming Paris conference. The British and the French had agreed that the European states would work out a common program and send it to Washington for approval. Soviet officials planned to turn up for the conference, but then to leave, taking the East European delegations with them. In a telegram on 5 July, the Soviet government instructed the East European leaders to attend the conference but to stress their opposition to the Plan. This initiative, however, was dropped.<sup>106</sup> According to Anna Di Biagio, Soviet leaders worried that such a dramatic strategy might compel the East European leaders to choose between national economic interests and ideological loyalty to Moscow. Evidently, Stalin hesitated before trying to coerce all the East European states into such action, for fear that some of them might resist.<sup>107</sup> At this stage, when the Communist parties did not yet have full control in some of the East European states, Soviet leaders could not be fully confident that their line would hold.

The Paris conference duly collapsed, but the readiness of some of the East European governments, most notably the Czechoslovak government, to take part in the Marshall Plan (even without the USSR) spurred a forceful Soviet reaction. The Marshall Plan was threatening to undermine cohesion in the East. To be sure, opinions among the East European states about the Marshall Plan varied widely. Tito was adamantly opposed to the program, whereas the Polish authorities displayed a considerable degree of interest.<sup>108</sup> However, it was Czechoslovakia’s position that particularly worried Stalin.<sup>109</sup> From the beginning the Prague government had been in favor of joining the ERP. Even when Czechoslovak leaders were informed of Moscow’s rejection of the Plan, the Czechoslovak government led by Klement Gottwald and Edvard Beneš decided to accept the invitation to attend the Paris meeting.<sup>110</sup> Polish leaders

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105. V. Molotov, *Voprosy vneshnei politiki: Rechi i zayavleniya* (Moscow: Politizdat, 1948).

106. M. M. Narinskii, “SSSR i plan Marshalla. Po materialam Arkhiva Prezidenta NE,” *Novaya i noveishaya istoriya* (Moscow), No. 2 (March–April 1993), pp. 12–37.

107. Di Biagio, “The Marshall Plan,” pp. 208–221.

108. On Yugoslavia’s role during this period, see Beatrice Heuser, *Western Containment Policies in the Cold War, 1948–1953* (London: Routledge, 1989). On the relationship between Stalin and Tito, see Yu S. Girenko, *Stalin-Tito* (Moscow: Novosti, 1991), pp. 325–326, in R. Craig Nation, “A Balkan Union?” in Gori and Pons, eds., *The Soviet Union and Europe in the Cold War*, pp. 132–138.

109. *FRUS*, 1947, Vol. III, p. 318.

110. The U.S. ambassador in Prague reported that Beneš had been determined to accept the offer but had been forced to go along with the Soviet position. *FRUS*, 1947, Vol. III, p. 318.

signaled that they, too, would attend, and the Bulgarians, Hungarians, and Albanians also seemed to favor this option.

As is now well known, Stalin exerted enormous pressure on Czechoslovak leaders to reverse their decision. When Jan Masaryk, the Czechoslovak foreign minister, visited Moscow in early July, he was threatened with draconian sanctions if his government continued to pursue the Marshall Plan.<sup>111</sup> The Czechoslovak leaders duly submitted to Soviet pressure. Oddly, this momentous development caused little concern on the part of the Americans. In an assessment of the outcome of the Paris conference and the withdrawal of the Soviet Union and Czechoslovakia, Dean Acheson remarked that “once again General George Marshall’s judgment and his luck combined to produce the desired result.”<sup>112</sup> By July, under pressure from Moscow, the Romanians, Albanians, and Poles had also declined the offer of American aid, and the Finns did so as well. Any hopes the Soviet Union once had of economic cooperation with the West were effectively shelved. The so-called Molotov Plan was proclaimed as a response to the ERP, and it prompted swift efforts to coordinate economic activities among the East European states. By August, the U.S. ambassador in Belgrade was reporting that Yugoslavia had intensified its drive to coordinate economic and financial policies with other East European states. Poland, too, began redirecting its foreign trade toward Moscow.<sup>113</sup> In November, George Marshall said he had believed all along that Czechoslovakia would not be permitted to join the Plan.<sup>114</sup>

## Toward Cold War

Significantly, the collapse of the Paris conference, with all its implications for the future of East-West relations, did not provoke doom and gloom on the Western side. On the contrary, Western leaders were pleased that Moscow’s bluff had been called and that the Soviet delegation had withdrawn from the discussions. The Western powers could now get on with the job at hand without having to worry about Soviet obstructionism. There was a sense of relief

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111. Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State, Telegram 840.50 Recovery/7-1047, 10 July 1947, in *FRUS*, 1947, Vol. III, pp. 318–320.

112. Acheson, *Present at the Creation*, p. 235.

113. For an assessment of the changes in Soviet trade, see Ambassador in Yugoslavia (Cannon) to the Secretary of State, Telegram 840.50 Recovery/8-747, in *FRUS*, 1947, Vol. IV, pp. 834–836.

114. See PPS-13, “Resumé of World Situation,” 6 November 1947, in Anna Kasten Nelson, ed., *The State Department Policy Planning Staff Papers, 1947–1949*, 3 vols. (New York: Garland, 1983), Vol. 1 (1947), pp. 129–136.

that Moscow had declined to participate, even though the likelihood of Soviet participation had never been particularly great. As Kennan later admitted, one of the prices of Soviet participation “would have been cooperation in overcoming real barriers in East-West trade.” Such a move would have exposed the war-ravaged Soviet economy to the much more powerful American economy; “so in a sense we put the Russians over a barrel” and “when the full horror of [their] alternatives dawned on them, they left suddenly in the middle of the night.” The departure of the Soviet delegates did not much surprise Jan Masaryk. With bitterness and resignation, he indicated that Czechoslovakia would be staying out of the Marshall Plan, partly because it would inevitably have led to the loss of Soviet control over Eastern Europe—the American goal all along—and partly because of the way the Plan had been put together. He believed that the offer of aid to Poland and Czechoslovakia had been genuine. But the offer to the Soviet Union, “the crux of the matter” as he called it, was “the biggest piece of eyewash in the whole scheme. Do you see Truman and Congress forking out billions of dollars to enemy Number One, Communist Russia, from whom we all have to be saved?” The answer, he concluded, was obvious.<sup>115</sup>

With the Paris conference over, Stalin concluded—albeit reluctantly—that the Soviet Union no longer could count on having serious economic relations with the West or on avoiding the creation of a two-bloc system in Europe. The most immediate response was the tightening of Soviet control over the East European states and foreign Communist parties in general. The political counterpart to both the Truman doctrine and the Marshall Plan came with the announcement of the Molotov Plan and the formal establishment of the Communist Information Bureau, or Cominform.<sup>116</sup> In September 1947, representatives of the Communist parties of the Soviet Union, Bulgaria, Romania, Czechoslovakia, Hungary, Poland, and Yugoslavia—as well as France and Italy—met in Szklarska Poreba in Poland to create an organization to coordinate their activities. The Cominform was at one level the successor to the Communist International (Comintern), which had been abolished in 1943; but the first meeting of the new body, as Geoffrey Roberts has noted, was “a strictly European affair” intended mainly to establish a political line for Eastern Europe in the wake of the Marshall Plan.<sup>117</sup> At the conference, the delegates, even those from countries such as Czechoslovakia that had earlier expressed an interest in joining the Marshall Plan, roundly condemned the

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115. Quoted in Charles L. Mee, *The Marshall Plan: The Launching of the Pax Americana* (New York: Simon & Schuster, 1984), pp. 136–150.

116. Giuliano Procacci, ed., *The Cominform Minutes of the Three Conferences 1947/1948/1949*, *Annali*, XXX (Milan: Feltrinelli, 1994).

117. Roberts, *The Soviet Union*, p. 25.

American initiative. This marked a return to the type of thinking that had been associated with Politburo member Andrei Zhdanov—namely that of the militant “two camps line.” Apparently, the two-camp thesis made its way into Zhdanov’s speech at a relatively late stage of the drafting process, indicating a degree of improvisation after the failure of the Marshall Plan conference.<sup>118</sup>

The establishment of the Cominform had profound implications for the conduct of Soviet foreign policy vis-à-vis the Western governments as well as Eastern Europe. At the Szklarska Poreba conference, the French and Italian Communists were criticized for their attempts to follow “reformist” strategies of national unity.<sup>119</sup> The West European Communist parties were discouraged from taking part in any form of coalition government or cooperating with other parties, and they were encouraged simply to be parties of opposition.<sup>120</sup> What chance did this opposition have; and more precisely, how did the delegates at the Cominform conference rate their own chances of success? There are two views on this matter.

According to Wilfried Loth, the new Cominform program was essentially an optimistic one. Soviet leaders believed that at this stage they could forestall the success of the Marshall Plan in Western Europe through the encouragement of “positive” forces. Loth argues that for the duration of the conference Stalin was convinced that the peoples of Europe would not accept the “exploitation of American capital.”<sup>121</sup> Stalin also hoped that the restoration of Germany would be unpalatable to both the British and the French. The Soviet dictator continued to assert that the division of Europe could be avoided through “education,” which would provide the ground for resistance in Europe against American-style “economic enslavement.” This meant an intensification of strikes, demonstrations, and mass mobilizations against capitalism but certainly not inter-bloc conflict. As Zhdanov noted at the conference: “If only two million people bellow, they [the French] would chase out the Americans and the English. Later we will see if any coalitions are possible.”<sup>122</sup>

This interpretation has not gone unchallenged. Di Biagio agrees that the tone of the conference was initially upbeat and enlivened by the view that the Marshall Plan might fail in the same way that the Dawes plan did in the

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118. Di Biagio, “The Marshall Plan,” pp. 214–215. Di Biagio’s evidence is at variance with British views of the Cominform in 1947. Sir Frank Roberts argued that the establishment of the Cominform was not a departure in Soviet foreign policy because the Comintern had never really been dissolved. Roberts to Bevin, 7 October 1947, in FO, 371/66475. See also Martin Kitchen, “British Policy towards the Soviet Union, 1945–1948,” in Gorodetsky, ed., *Soviet Foreign Policy 1917–1991*, pp. 111–134.

119. Di Biagio, “The Marshall Plan,” pp. 214–215.

120. Roberts, “Moscow and the Marshall Plan,” pp. 1381–1383.

121. Loth, *Stalin’s Unwanted Child*, p. 65.

122. Cited in *ibid.*

1920s. But she contends that this assessment did not carry over into the program adopted by the end of the conference. The final program, she argues, was aggressive in tone but lacking in inner confidence. Although it called on the Communist parties in Western Europe to abandon their previous gradualism and adopt a line of militant opposition to the Marshall Plan, few if any of the participants truly believed that this would thwart the ERP.<sup>123</sup> As it turned out, the new aggressive line had the opposite impact of what was intended. In the United States the hardening of the Iron Curtain helped mobilize political support behind the Marshall Plan. In Europe it provided a new sense of urgency, and it put the Communist parties in the untenable position of opposing the vast quantities of American aid that could improve ordinary people's lives.

At the Cominform meeting, the discussions focused on the thorny issue of Germany. The Soviet delegation made clear its own position and pressed for the establishment of a united, demilitarized, and "democratic" Germany.<sup>124</sup> However, the failure of the CFM meeting in London in November–December 1947, and the subsequent Frankfurt resolutions, left no doubt that the West would not agree to such a thing and was intent on creating a West German state. Any hopes on the Soviet side for a great-power condominium over Germany had disintegrated by the end of 1947. Molotov linked the advent of the Marshall aid scheme to the permanent division of Germany and the economic reinvigoration of the Western zones under American domination.<sup>125</sup> The promise of U.S. assistance to the Western zones of Germany under the Marshall Plan had a far-reaching impact in the Soviet zone. The leaders of the Socialist Unity Party of Germany (SED, the Communist party) were becoming increasingly concerned about the deterioration of economic conditions and the surge of popular resentment against reparations payments to the Soviet Union. In a message sent directly to Stalin, SED leaders argued that the "promised dollars" from the Americans were having a powerful effect among the working masses and had raised hopes of finding a way to end the everyday suffering in the Soviet zone of Germany.<sup>126</sup> As has been noted elsewhere, the prospect of the Western zones' participation in the Marshall plan made the reparations payments from the Soviet zone seem increasingly unbearable.<sup>127</sup> The SED therefore wanted a halt to the Soviet Union's disman-

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123. Di Biagio, "The Marshall Plan," pp. 214–215.

124. Procacci, *The Cominform Minutes of the Three Conferences*, pp. 216–251.

125. Di Biagio, "The Marshall Plan," p. 214.

126. Loth, *Stalin's Unwanted Child*, pp. 65–67.

127. *Ibid.*, p. 66.

ting of industrial facilities and the provision by Moscow of economic aid to alleviate suffering. Above all, the provision of U.S. aid to the Western zones undermined any plans the SED may have had to push for an all-German solution.<sup>128</sup> The leaders of the SED were correct in predicting that the creation of two economic and political blocs inherent in the Marshall Plan would result in the division of Germany along the Elbe.<sup>129</sup> Stalin briefly took heart from the disputes that erupted when the three Western occupying powers met in London in February 1948 to discuss the form of the new West German state, and he implemented a mini-blockade over Berlin for two days in March and April. Nonetheless, Soviet pressure and suggestions for top-level discussions with the Americans proved futile. Stalin's final gamble to blockade Berlin in June 1948 also failed to dent Western resolve.<sup>130</sup>

The repercussions for Eastern and Central Europe were immense. The change in Soviet strategy was radical and was marked by a series of bilateral treaties that were imposed on the East-European states. The first of these was concluded with Romania on 4 February 1948. Two weeks later the Soviet Union signed a nearly identical treaty with Hungary. The following month, Soviet and Bulgarian leaders adopted a Treaty of Friendship and Mutual Cooperation. All these documents contained clauses outlining the duties of both parties in the event of a military conflict, particularly if it resulted from German aggression. The primary Soviet concern was the establishment of a military-political coalition in the Western zones of Germany. Soviet writers explicitly linked the two issues.

At the beginning of 1948 the USSR concluded treaties of friendship, cooperation, and mutual assistance with Romania, Hungary, Bulgaria, and Finland, fully corresponding to the goals and principles of the United Nations Organization and having great significance for strengthening peace and security in Europe. . . . Together with them the Soviet Union continued its efforts to prevent the shameful consequences of the policy of the Western powers in relation to Germany.<sup>131</sup>

The process of consolidation following the Marshall Plan also had an impact in northern Europe, sparked by Finnish interest in joining the ERP. On 22 February 1948, Stalin sent a letter to Finnish President Juho Paasikivi pro-

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128. *Ibid.*, p. 67.

129. *Ibid.*, pp. 67–69.

130. On the Soviet blockade of Berlin in 1948, see Hannes Adomeit, *Soviet Risk-Taking and Crisis Behaviour* (London: Allen and Unwin, 1982).

131. V. G. Trukhanovskii, ed., *Istoriya mezhdunarodnykh otnoshenii i vneshnei politiki SSSR*, Vol. III, 1945–1963 (Moscow: Izdatel'stvo mezhdunarodnykh otnoshenii, 1993) p. 219.

posing a Soviet-Finnish treaty. The Soviet leader directly alluded to the bilateral treaty with Hungary as a possible model. He suggested that the treaty provide for mutual assistance “against a possible attack by Germany.” Molotov described the treaty as a joint defense pact. At the time there was widespread concern in both Finland and the West that Moscow intended to “swallow” Finland. Paasikivi feared, at least initially, that Stalin’s intention was to bring Finland under Soviet military control and into a Communist bloc. Western diplomats believed that Stalin was pursuing a policy of East European military integration.<sup>132</sup>

It was in Czechoslovakia that Stalin took the most radical measures of all. With the backing of the Soviet Army, the Czechoslovak Communist Party engineered the removal of Beneš’s coalition government and installed itself in power.<sup>133</sup> The Communist takeover in Czechoslovakia led to a brief war scare in the United States and eliminated any remaining congressional objections to the Marshall Plan.<sup>134</sup> The fears, though perhaps somewhat overblown, were real enough, as intelligence reports at the time seemed to indicate.<sup>135</sup> In a notable understatement, a U.S. official commented that the possibility of reaching agreement with the Soviet Union had been much “reduced.”<sup>136</sup> None of this really came as much of a surprise to other American officials, least of all George Kennan. He had predicted that once the Soviet Union rejected the terms laid down in July 1947 a period of Sturm und Drang would ensue, as Soviet officials resorted to belligerent rhetoric and moved quickly to consolidate their control over Eastern Europe. The task for American diplomacy, as he saw it, was to ride out the storm, explain why it was happening, and advise those in power not to allow all this to upset their nerve by responding in such a way that would reinforce the status quo in Europe. This may have been sound advice, but, as Kennan soon discovered, few high-level officials were ready or willing to listen to such words of reassurance and calm. The die had already been cast.

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132. See U.S. Department of State, 27 February 1948, in U.S. National Archives (NARA), Record Group (RG) 59, 760D.6111/2–2748; and U.S. Department of State, 28 February 1948, in NARA, RG 59, 760D. 6111/2–2848, both cited in Caroline Kennedy-Pipe, *Stalin’s Cold War* (Manchester, UK: Manchester University Press, 1995), p. 123.

133. Karel Kaplan, *The Short March: The Communist Takeover in Czechoslovakia: 1945–1948* (New York: St. Martin’s Press, 1987).

134. Frank Kofsky, *Harry S. Truman and the War Scare of 1948: A Successful Campaign to Deceive the Nation* (New York: St Martin’s Press, 1993).

135. Leffler, “The United States and the Strategic Dimensions of the Marshall Plan,” pp. 277–306.

136. Ibid. For a discussion of the tragic ramifications of the effects of exclusion from the Marshall Plan on Czech areas abutting Austria, a recipient of Marshall Plan aid, See Burk, “The Marshall Plan,” p. 280.



## Conclusion

We began this paper with a brief tour of the historiography of the Cold War. It is therefore fitting that we conclude by asking once again what the events of 1947–1948 actually mean for the way historians—including the new traditionalists—have tried to make sense of the origins of the Cold War. To answer this question it is perhaps worth looking at an assessment made by John Gaddis in his earlier “post-revisionist” phase. In his justly famous *The United States and the Origins of the Cold War 1941–1947*, Gaddis discussed the unavoidable issue of Cold War responsibility:

If one must assign responsibility for the Cold War, the most meaningful way to proceed is to ask which side had the greater opportunity to accommodate itself, at least in part, to the other’s position, given the range of alternatives as they appeared at the time. Revisionists have argued that American policy-makers possessed greater freedom of action, but their view ignores the constraints imposed by domestic politics. Little is known even today about how Stalin defined his options, but it does seem safe to say that the very nature of the Soviet system afforded him a larger selection of alternatives than were open to leaders of the United States. The Russian dictator was immune from pressures of Congress, public opinion, or the press. Even ideology did not restrict him: Stalin was the master of communist doctrine, not a prisoner of it, and could modify or suspend Marxism-Leninism whenever it suited him to do so. This is not to say that Stalin wanted a Cold War—he had every reason to avoid one. But his absolute powers did give him more chances to surmount the internal restraints on his policy than were available to his democratic counterparts in the West.<sup>137</sup>

This is an interesting and multifaceted assessment of the comparable positions of the Soviet Union and the United States in the early postwar period, and it is an especially useful framework through which to view the Marshall Plan. Gaddis in 1972 rightly saw the origins of the Cold War as a complicated issue (a position he now seems to have abandoned) and raised the critical question of options and opportunities. We agree with the way he addressed the issue. Nonetheless, even his earlier, more nuanced conclusion is misleading. In 1972, it may well have seemed that the autocratic Stalin had more room for maneuver; and no doubt some would still make this argument today. But despotism should not be equated with freedom of action. The totalitarian nature of the system did not permit Stalin the luxury of overcoming the limits of the Soviet system any more than he could wish away the huge (and as it turned out insuperable) problem of controlling “allies” such as Tito. Natu-

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137. Gaddis, *The Origins of the Cold War*, pp. 353–361.

rally, all rulers, including those in democratic countries, work within a set of constraints. Truman faced a difficult Congress, a hostile press, a divided Democratic Party, and a budget he knew he had to balance. But the sorts of difficulties Stalin faced at the time were much more severe. The American system set limits on what Truman could do, but Truman did not face the terrible problem of having to reconstruct a teetering economy in a country that had just lost 27 million people. The American economy was not in crisis in 1947, despite Varga's jeremiads to the contrary. In fact, it is somewhat strange that in the same year Varga was confidently predicting an American recession, the USSR itself was in the midst of a real recession and was also plagued by famine. Nor did Truman face the problem of violent nationalist insurgencies, as Stalin did in the Baltic states and western Ukraine.<sup>138</sup> The existence of these problems does not mean that the Soviet system would have been less brutal under better circumstances. Nor does it mean that Soviet leaders would have been pro-Western or would have cut off support for Communist Parties abroad. But the constraints did make Soviet leaders cautious in their dealings with the powerful, nuclear-armed United States. As Vojtech Mastny has argued, the Marshall Plan not only was "deeply subversive" of Stalin's concept of international order, but also "shifted onto Stalin the burden of deciding whether he would allow his East European clients to accept the American aid. He had the unenviable choice of either risking the intrusion of Western influences . . . or insulating the sphere."<sup>139</sup> In the end, with great reluctance, Stalin chose the latter course of action.

Soviet insecurity might also help explain something else we have examined here, namely, Stalin's desire through the first part of 1947 to maintain at least some sort of dialogue with the United States. He seemed to be more than willing to cooperate with the West over a range of issues and indeed appeared to envisage a postwar situation in which great-power collaboration—or, more precisely, condominium—would have been the norm, *not* the exception.<sup>140</sup> This was certainly the case in Germany, where Stalin did not seek the creation of what became the Trizone. To be sure, Stalin viewed contacts and connections with the West with great suspicion. He feared that these contacts, if mediated through a central European organization, could undermine Communist influence in the East. Soviet officials had argued from the outset that a

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138. Gosudarstvennyi Arkhiv Rossiiskoi Federatsii (GARF), F. 9401, Op. 2, D. 235, Ll. 27–35, cited in Volkogonov, *The Rise and Fall of the Soviet Empire*, p. 150.

139. Mastny, *The Cold War and Soviet Insecurity*, p. 27.

140. Here too, though, it is important to take account of Soviet leaders' perceptions of the way the USSR was being treated by the United States. Molotov himself believed that the United States would seek to dominate the Soviet Union. See N. V. Novikov, *Vospominaniya diplomata* (Moscow: Politizdat, 1989), p. 379.

United States of Europe was possible only for the purpose of “suppressing socialism in Europe.”<sup>141</sup> The trick for Stalin therefore was to secure economic and political aid but not to compromise Soviet security interests.<sup>142</sup> The problem was that this ambition ran afoul of U.S. planning for the application of the Marshall Plan to Eastern Europe. The explicit purpose of the U.S. proposal was to mitigate Soviet influence in Central and Eastern Europe within a more general strategic framework of rolling back Communism to its original prewar frontiers. The tragedy, in our view, was that in working so conspicuously to achieve this goal, the United States actually made Sovietization of the region more or less inevitable. The U.S. government was supported in this venture by British leaders, who like their American counterparts sought to pull the East Europeans away from the USSR without apparently realizing that such a frontal challenge was likely to make the situation worse by posing a threat to Soviet security.<sup>143</sup>

As we have seen, Soviet intentions toward the East European states were far less clear in 1947 than traditional accounts imply. This aspect of Cold War studies—the experiences of the East European states in 1945–1948—is in need of much greater analysis. Churchill in 1946 spoke about the “Iron Curtain” dividing Europe, but, as Soviet reactions to the Marshall Plan indicate, the division of Europe was not what Stalin was seeking. As Di Biagio in particular has shown, Soviet leaders could still envisage serious economic ties between the two parts of Europe. This possibility, however, had to be balanced against fears that Western economic penetration might undermine Communist influence in the East, turning the Central and East European economies away from Moscow. Such fears were especially salient with regard to the Soviet zone of Germany, where even the prospect of U.S. aid had provided a much-needed boost to popular morale. The subsequent exclusion of eastern Germany from the aid program had dramatic social and economic consequences.<sup>144</sup> Up to the time that U.S. assistance began flowing to the Western zones of Germany, Soviet leaders were still hoping for cooperation under the banner of the quadripartite agreements.

This brings us to the knotty issue of economic aid to Eastern Europe. One of the perennial debates in Cold War historiography has revolved around

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141. See Kirsanov, *The USA and Western Europe*, pp. 362.

142. Takhnenko, “Anatomiya odnogo politicheskogo resheniya,” pp. 113–27.

143. The British by and large seemed to discount the prospect that the Marshall Plan might in fact make relations with the USSR significantly more dangerous. See FO 371/66475. For a broader analysis of British views of the Soviet threat after 1947, see Kitchen, “British Policy towards the Soviet Union, 1945–1948,” pp. 111–134.

144. The implications for Soviet policy in the eastern zone of Germany are evident in GARE F 7184, Op. 1, D. 165, Ll. 160–161, in Norman M. Naimark, *The Russians in Germany. A History of the Soviet Zone of Occupation, 1945–1949* (Cambridge, MA: Belknap Press, 1995), pp. 310–311.

two questions relating to this issue: First, where does responsibility lie for consigning Eastern and Central Europe to Communism? Second, could Eastern Europe have escaped Soviet domination? Western policymakers in 1947 seemed to believe that they could save at least some of the East and Central European states. One suspects, however, that many East European citizens feared that their fate was already sealed. This also appears to be the underlying assumption of some historians currently working on the Cold War. Yet, our examination of Soviet reactions to the Marshall Plan suggests that a more flexible operation of the U.S. program might have curbed the momentum toward Stalinization in the East. The problem was that the chief American concern was the reconstruction of democratic West European countries, rather than the plight of the East Europeans. Similarly, the British and French were intent on ensuring U.S. support for economic recovery in Western Europe, an objective that in their view presupposed the exclusion of the Soviet Union from the ERP.<sup>145</sup>

Nonetheless, the question remains: Would Stalin really have been prepared to accept any form of American conditionally attached aid? The answer depends of course on the conditions themselves and the extent to which they would have impinged on the integrity of the Soviet system or on Soviet relations with Eastern Europe. Here Stalin was caught on the horns of an obvious dilemma. On the one hand, he had every reason to want U.S. aid; on the other, the fragility of Soviet control over Eastern Europe and the many weaknesses of his own command economy meant that he could never be confident about the ability of the Soviet system to withstand external scrutiny or to compete with what the Americans had to offer in Eastern Europe.

Indeed, the argument could be made that one of the reasons Stalin had to refuse the Marshall Plan was not that he was blinded by his own ideological opposition to capitalism or even by a romantic attachment to the idea of revolution, but that he was deeply fearful of the strength and lure of capitalism. What increased this fear was the attempt by the United States to exploit its economic superiority not only to revive Western Europe but also to lure Eastern Europe back into the Western camp. Faced with such an adversary, Stalin may have felt that he had little choice but to retreat into his political lair, draw in his security blanket in the shape of a newly created Communist Eastern Europe, mobilize his external support, and order Andrei Zhdanov to promote

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145. See for example, the French position favoring the creation of an anti-Soviet bloc in October 1947, in UKNA, FO 371/67674, cited in Kitchen, "British Policy towards the Soviet Union, 1945–1948," p. 129. It was also apparent to Soviet officials at the Paris conference that Britain and France had no intention of agreeing to a plan that the Soviet Union would accept. See V. M. Molotov, *Problems of Foreign Policy: Speeches and Statements, April 1945–November 1948* (Moscow: Foreign Languages Publishing House, 1949).

the two-camp thesis as loudly as possible. As a result of the Marshall Plan, Stalin moved ahead with the Cominform and rejected any idea that Communist parties in Eastern and Central Europe could or should act independently through individual paths to socialism.<sup>146</sup> This volte-face did little to aid the path of political development in the East, but that was because it was a strategy born not of self-confidence or even desire, but of weakness and insecurity.<sup>147</sup> Dmitrii Volkogonov argues that Stalin was acutely aware of the dearth of state funds, state gold, and state valuables throughout the postwar period, a constraint that limited Moscow's ability to fund the activities of foreign Communist parties. On occasion the Soviet dictator was not above asking the Chinese Communist Party for contributions to the maintenance of the international Communist movement. Whereas the United States could amply afford to fund the new Central Intelligence Agency, Stalin had to divert money from the poorest in his own land to foment opposition to capitalism elsewhere.<sup>148</sup> This is not, it should be stressed, a frivolous point. For those within the Soviet bloc, the human costs of the pursuit of the Cold War were high indeed.

The formation of the Soviet bloc at the very time that a Western bloc was emerging was no coincidence.<sup>149</sup> Nor is it an accident that the Western bloc survived long after the Soviet bloc disappeared. To be sure, nothing is inevitable. Few scholars of international relations anticipated the demise of Soviet power in Eastern Europe in 1989. Nonetheless, it would not be too fanciful to argue that the roots of the Soviet bloc's dissolution can be traced back to the way the bloc was put together in the first place—in haste, without much enthusiasm or legitimacy, and as an option of last resort. The contrast with the U.S. experience could not be more stark. The democratically elected governments in Western Europe were eager to establish close ties with the United States, and they did their best to ensure a strong U.S. presence in Europe. It is therefore not surprising that the Western bloc outlived its competitor.

Whether the Cold War might have been avoided if U.S. leaders had acted more cautiously and had taken greater account of Soviet security concerns remains an open question. Historians are not required to think of alternatives or to dwell too long on counterfactuals. Vojtech Mastny has argued with great certainty that the Marshall Plan was not “the turning point it was later made

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146. Paolo Spriano, *Stalin and the European Communists* (London: Verso, 1985).

147. Some historians have pointed to Stalin's extraordinary ineptitude in foreign policy. They stress that his diplomacy usually provoked the opposite reaction of the one he had intended. See, for example, Mikhail M. Narinskii, “The Soviet Union and the Berlin Crisis,” in Gori and Pons, eds., *The Soviet Union and Europe in the Cold War*, pp. 73–74.

148. Volkogonov, *The Rise and Fall of the Soviet Empire*, p. 145.

149. Soviet commentators were well aware that the Marshall Aid program heralded the establishment of a Western bloc. See Takhnenko, “Anatomiya odnogo politicheskogo resheniya.”

out to be” for the Soviet Union, but we are far less certain.<sup>150</sup> If we accept that history is not predetermined and that different outcomes are always feasible, we are bound to wonder what might have happened in Europe if, despite the urging of the British and French, the United States had tried to keep the door open to Moscow or at least had tried to keep it open longer rather than shutting it with such finality in the spring and summer of 1947. Ironically, if the United States had more consistently pursued an Open Door strategy—the very strategy that the radical historian William Appleman Williams had always insisted was the basic cause of the Cold War—it is possible that the East-West conflict might have been less intense or, perhaps, might have been avoided altogether. This surely was the real tragedy of American diplomacy in the year 1947.

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150. Mastny, *The Cold War and Soviet Insecurity*, p. 26.