

WARM UP

1 **When was World War II? What were the economies of the US and Europe like at the end of the war?**

George Catlett Marshall (31st December 1880 – 16th October 1959), who studied at the Virginia Military Institute, had a successful army career during World War I and was chief of staff during World War II. He was appointed Secretary of State in 1947 by President Truman and held this role until 1949. Later, he briefly served as Secretary of Defence. In 1953 he won the Nobel Peace Prize for his contribution to the economic rehabilitation of Europe.

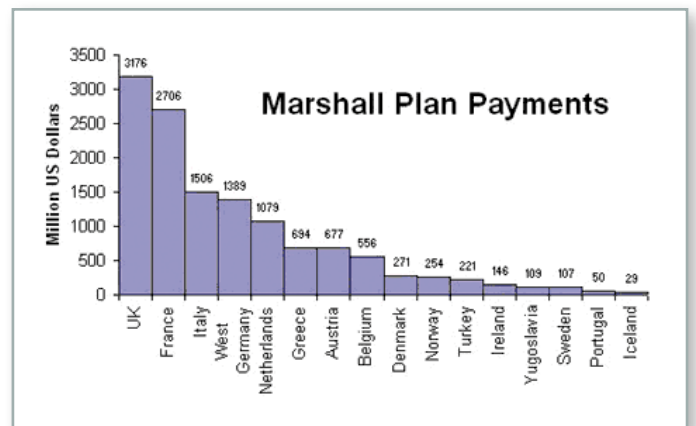
The **Seventeen nations** were Austria, Belgium, Denmark, France, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey, the United Kingdom and West Germany.

THE MARSHALL PLAN

At the end of the Second World War (1939-1945) after years of fighting and bombing, Europe was in ruins both physically and economically. Residential areas and industries had been destroyed, transport and infrastructure had been severely damaged and there were extreme food shortages as agricultural production had virtually stopped. The United States of America was the only major nation whose economy was relatively undamaged after the conflict. On 5th June 1947 the US Secretary of State, **George Marshall***, gave a speech at Harvard where he introduced his plan to help Europe recover from this devastation, a plan officially known as the European Recovery Program, but commonly referred to as the Marshall Plan. During his speech, Marshall said, 'It is logical that the United States should do whatever it is able to do to assist in the return of normal economic health in the world, without which there can be no political stability and no assured peace.'

Seventeen nations* accepted to take part in the programme and together with the US they decided the type of aid needed for each country. This took the form of food and other staples, fuel and machinery in order to solve the immediate problems of shortages and hunger. The Marshall Plan also included helping restart the economies of the participating countries, providing them with efficient American business and production techniques and models, as well as with loans and grants for industrial investment. In total, between 1948 and 1951, US\$13 billion of aid were given which contributed to increasing productivity, stimulating economic growth and trade, and improving living conditions.

The reason behind the US decision to aid European recovery was, as Marshall said, to restore political stability and peace. The Communist parties, particularly in France and Italy, were gaining a lot of strength in the post-war period, so the US also saw the Marshall Plan as a way to stop the spread and influence of Communism and favour democratic rule in Europe. The US, in fact, did invite the Soviet Union and the other Eastern bloc countries to participate in the Marshall Plan, but they refused, most likely due to the fact that it would have allowed the US too much control over their economy.



READING COMPREHENSION

2 **PET** Read the text and decide if these sentences are true (T) or false (F).

- The lack of agricultural land in Europe led to food shortages after the Second World War.
- The US economy was quite healthy after the Second World War.
- George Marshall gave his speech about European recovery to the US Congress.
- The European Recovery Program was the official name of the Marshall Plan.
- The US decided on its own what kind of aid to give each country.
- The aid given was only in the form of physical goods and materials.
- One of the motives behind the Marshall Plan was to try to stop the rise of Communism in Europe.
- The Soviet Union was not invited to take part in the Marshall Plan.

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