The Public Diplomacy of the Marshall Plan

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“Giving aid to foreign countries is not easy. ...Whoever wishes to help quickly and efficiently and who at the same time calls on the receivers for self-help, needs great persuasive power, ample subject knowledge and a good deal of psychological skill.”

Gunther Harkort†
Representative of the Federal Republic of Germany
to the Economic Cooperation Administration

In retrospect, World War II seems like an historical partition. More than any other event in modern history, WWII delineates the cleavage between two separate and highly distinct eras. With this perspective, historians often turn to reevaluate and criticize the legendary and once almost religiously revered American policies in response to the violently tectonic shifts in the structure of the global world order: policies such as containment* and the Marshall Plan.† The urge to fully expose the miscalculations of policymakers of the past is commendable, both in the sense that it creates a more complete historical narrative and that it may help prevent the blunders of future actors. However, the temptations of hindsight may bring too strong a focus onto the factors that policymakers failed to account for (especially as these factors tend to become the problems of ensuing generations), rather than the elegant and brilliant solutions that characterize successful policy. In other words, as the historical record becomes extant and de-politicized, historians attempt to create a balanced reconstruction of events, with the tendency to strongly oppose the dominant narrative framework if evidence comes to light that subverts or re-contextualizes it.

* The Containment Policy designated the United States’ position to its communist rivals, first in the Soviet Union and later in China and elsewhere. The policy prescribed that the United States should attempt to contain the spread of communism “by the adroit and vigilant application of counter-force at a series of constantly shifting geographical and political points.”
† The Marshall Plan, as first proposed by Secretary of State George C. Marshall in 1947, was a policy designed to give foreign aid to help rebuild Europe after World War II. The program was particularly focused on increasing economic stability and competitiveness.
To fruitfully inform future action however, it is important to evaluate the success of policy in light of what was and could have been known by policymakers of the time, in tandem with a balanced historical narrative. Policy that may be critiqued with the benefit of a more complete and thoroughly analyzed historical record may well have been the most effective strategy that policymakers could possibly construct given their available information and the constraints of ‘real-time’ situational analysis. Thus, though susceptible to long-term reevaluations, the strategies of past policymakers deemed to be successful by their peers and immediate successors can be an excellent guide for the leaders of the present and future, especially when current strategies are failing. The public diplomacy of the Marshall Plan presents a perfect opportunity for just such a genealogy of success, particularly given the United States’ current large-scale public diplomatic failings.

The public diplomacy efforts of the Marshall Plan are by far the most successful that the United States has ever undertaken. Proponents of the Plan were able to convince both a traditionally isolationist American public and a Europe desirous for, but debatably dependent upon, foreign aid, that the sacrifices that each needed to make in order to enact the Marshall Plan were well worth their cost. Furthermore, despite evidence suggesting that the Plan may not have been essential to post-war European reconstruction, it is still viewed by many historians and political scientists “as Washington’s greatest public policy of the past century.” Given the doubt concerning its actual economic impact, it would seem that this lingering affection for the plan derives primarily from two sources: first, fear of any number of potential calamities that might have befallen Europe and the world in absence of the Plan as it was undertaken (an
eminently valid concern, but highly elusive in terms of concrete evidence) and secondly, the alacrity with which the Plan was continually sold to the public.

This success could not have been accomplished solely by the liberal application of propaganda, although this was a crucial element of selling the Marshall Plan in both Europe and America. Rather, the architects of the Marshall plan realized, either intuitively or explicitly, that creative problem solving, open communication and a spirit of multi-partisanship were all prerequisite to their attempt to sell the Plan to the world. The origins of the term “public diplomacy” post-date the Marshall Plan by more than a decade.4 Tactics adopted by the Plan’s proponents reflect this in that they show no obvious understanding of a bifurcation between policy and public diplomacy. Propaganda, as Marshall Planners would likely have referred to the types of material currently categorized as public diplomacy, was only one piece of the larger system of the Plan: a system that, as a whole, was designed to accomplish successes in rebuilding post-war Europe and to publicly promote itself, with the understanding that by coordinating both of these functions each would enhance the other. In essence, the genius of the Plan was not only that it was never clear whether the tail was wagging the dog, but also that observers were unable to discern which end of the dog was which.

It makes sense, therefore, to minimize the policy v. public diplomacy cleavage when analyzing the public diplomacy of the Marshall Plan. Rather than limiting analysis to the role of propaganda as a tool of planners, one can discern the holism of the Plan’s approach to consent-building by analyzing how a variety of political, institutional, ideological and propagandistic aspects of the Plan were shaped in order to make the Plan most palatable. This essentially posits a redefinition of the term ‘public diplomacy’ away
from its traditional association with foreign-targeted propaganda\textsuperscript{5} into a realm in which the borders of what can be called public diplomacy are expanded and obfuscated. This, I argue, is necessary not only for analysis of the Marshall Plan, but also to reshape public diplomacy into a more effective consent-building tool in the future. In this new sense of public diplomacy, the most relevant division that can circumscribe the Marshall Plan is that between its domestic and international faces.

\textbf{Domestic Public Diplomacy}

The historical partition erected by WWII that now seems clearly delineated was not readily apparent in the War’s immediate aftermath. Few in the United States had yet crossed the barrier. George Keenan’s pseudo-anonymous 1947 \textit{Foreign Affairs} article, \textit{The Sources of Soviet Conduct}\textsuperscript{6} presented one pole of a continuum of America’s awareness of its role in this new world. Keenan articulated a policy that perceived the bipolar nature of the new global power structure: a structure that would thrust America into a leading role on the global stage for years to come. The other pole of this continuum was represented by a significant portion of Americans and their Congressmen who still held to the doctrine of isolationism derived from President George Washington’s \textit{Farewell Address}.\textsuperscript{7} Following the address, isolationism was, for the most part, pursued by every subsequent U.S. president until President McKinley led the country into the Spanish American War in 1898.

In the ensuing decades, isolationism would become an increasingly less viable policy for America in the world. By the time Keenan had published his article, America had participated in, and helped to win, two World Wars. It had troops occupying Germany and Japan. Yet isolationism versus internationalism had only just begun to
cease to be a defining issue. From the 76th Congress (1939-40) to the 85th Congress (1957-58), isolationism went from being a virtually foolproof indicator of party affiliation in the House of Representatives, with Democrats being internationalist and Republicans isolationist, to there being no statistically significant difference between the two parties on the issue, with a majority of each favoring internationalism.\(^8\) It can be assumed that the constituencies of these Representatives followed a roughly similar shift of opinion with, potentially, a slight lag in the onset of the shift.

It was into the middle of this lumbering shift of public opinion that the Marshall Planners had to sell their ideas for postwar reconstruction to Congress and the Nation. Given that this movement had already begun to take place, this was far from an impossible task. Nevertheless, the inertia of public opinion required a significant campaign by the Planners in order to pass the necessary legislation to make the Marshall Plan a reality. The tactics of the Planners in the run up to the signing of the Foreign Assistance Act reflect the Marshall Plan’s early respect for the power of public diplomacy.

To secure passage of the Foreign Assistance Act, the State Department and President Truman used a dual tiered approach to pressure isolationists for their votes. The first tier was a top-down propaganda campaign aimed at Congressmen. The campaign to legally implement the European Recovery Program (ERP) prompted Representative Fred Busby of the 80th Congress (R, Ill), a staunch opponent of the Marshall Plan, to lament that, “Never has Congress been so bombarded with propaganda.”\(^9\) The second tier was a bottom-up approach aimed at the constituencies of isolationist Congressmen. Averill Harriman and Paul Hoffman, two early Marshall
Planners, went on speaking tours of the West and Midwest aimed at securing business support for the Plan, while Marshall himself toured cross-country promoting his plan, essentially to anyone who would listen.\textsuperscript{10} These activities were necessary and instrumental in building support, but it was the combination of these efforts with a genuine attempt to incorporate the interests of the targets of this propaganda into the Plan’s implementation that ultimately led to success for the Planners.

Marshall Planners spent nearly half a year selling the Plan in Congress. They used this time to allow public recognition and support of the Plan to build. Additionally, however, they were willing, as Machado suggests, “to concede a great deal to the concerns and biases of Congress in jointly crafting the final, compromise version of the ERP bill.”\textsuperscript{11} ‘Concede’ is perhaps not precisely the right word, in that the Marshall Planners didn’t compromise their vision. They instead built highly creative and innovative solutions into the Plan to address the concerns of their domestic opposition. For instance, through a complex system involving vouchers, aid programs were instituted in a way that very little money ever left the United States. By the end of the Marshall Plan, “83% of all dollar purchases were spent in the United States.”\textsuperscript{12} Additionally, there were protections against corruption that were remarkably successful. There was only one significant financial scandal during the tenure of the Marshall Plan, in which Austrian cabinet ministers diverted counterpart funds.\textsuperscript{13} Given the tremendous amount of money involved (approximately $13,200,000,000 in the dollar values of the era over the life of the program\textsuperscript{14}), this is particularly impressive. These are just a few of myriad examples of the oversight and structural policies that were incorporated into the Plan to gain domestic backing.
By making these changes, one can argue, the program benefited both from enjoying increased support and from increased institutional efficacy. Thus, by retaining the core of Marshall’s vision and using that as the compass for negotiating interest-based changes, the Planners were simultaneously building consensus and improving, rather than diluting, the program. This is the crux of Marshall Plan public diplomacy and an undeniable attribute of its success. This success becomes even more impressive when viewed in the context of the Marshall Plan in Europe, in that, while incorporating the changes necessary to build domestic acceptance of the program, Marshall Planners did not neglect the eventual necessity of selling the program to the Europeans. In other words, even though Planners made domestic concessions, they did not do so in a way that significantly reduced the benefits for Europe. This was instrumental in allowing the Planners to successfully gain European support for participation in the plan.

**International Public Diplomacy**

In Europe, the Marshall Planners faced a much larger challenge in building support for their programs. Postwar Europe was devastated and unstable. France, Italy, Greece and Turkey were all in danger of coming under communist rule (a possibility that the Truman Administration was willing to go great lengths to prevent). The adoption of Kennan’s Containment Policy, in the form of the Truman Doctrine, had recast Europe yet again as a battlefield in a global war. In this conflict, the enemy was the spread of communist governance and ideology. The means of battle were propaganda and proxy politics. With the onset of this new cold war, the Marshall Plan programs became the first line of defense in Europe. The stakes, it must be understood, were much higher for American interests in the region than merely ensuring the successful completion of a
foreign assistance program. The Marshall Planners also had to sculpt their programs to build a European consensus that the capitalist system represented by the Plan was the appropriate path to rebuilding Europe. The mechanisms with which the aid programs of the Plan were administered were consciously designed to build this consensus.

Even in the Plan’s nascent stages, Marshall knew that, for it to be successful, it would have to be primarily a tool at the disposal of Europeans to enact their own economic recovery. In his 1947 Harvard address, in which he first announced the Plan, Marshall stated, “It would be neither fitting nor efficacious for this Government to undertake to draw up unilaterally a program designed to place Europe on its feet economically.”15 As such, Europeans would be included as much a possible in the planning and implementation of the Plan. The initial implementation of this doctrine was enacted in the form of the Organisation for European Economic Cooperation (OEEC). Including all of the states receiving Marshall aid, the OEEC was responsible for preparing the ERP.16 In essence, the countries (and occupied territories) of Europe were allowed to propose and plan the aid that they would receive. The American counterpart organization, the Economic Cooperation Administration (ECA) would primarily be in charge of administering this aid. This played a large part in creating a positive image of the Marshall Planners amongst Europeans who worked with them in administering aid programs.17

Also instrumental to this positive perception was the decided lack of bureaucratic entanglements in the early years of the ECA. ECA was a new agency that had been created specifically to administer Marshall aid (quite possibly because Congress was somewhat wary of allowing the State Department to administer the program18). As such,
it had no pre-established structures and procedures. This created a significant scarcity of bureaucratic inertia that certainly contributed to the esteem in which many European officials held the program.

In addition to impressing Europe’s governmental functionaries, however, it was also incumbent upon the Marshall Planners to gain the support of European publics. Ideally the Marshall Plan, as the positive projection of American power in Europe, would convince Europeans to support not only the Plan itself, but also America as a whole. Given that the U.S. still maintained a military force in Europe, this had the potential to be a difficult task. As with any military occupation, there were numerous incidents of friction between troops and locals, and the potential for friction became greater as U.S. troops increased their presence on the continent as a whole after the creation of NATO in 1950. In response to these challenges, propaganda became an important tool for Marshall Planners in sculpting a positive narrative framework for America in Europe.

As with other elements of the Marshall Plan, the theme of including Europeans in the process of the Plan is evident in its propagandistic efforts, specifically in films supporting the Marshall Plan. In addition to a plethora of films made by the U.S. Information Service for distribution in Europe, there were several films that were sponsored by the ECA, but created by local Europeans. In essence, this reflected a recognition by the Marshall Planners that Europeans are best able to influence the European public, by virtue of shared life experiences and values. This willingness by the Planners to relax a degree of control over their message in order to make it more effective reflects the subtlety and pragmatism that underscored much of the Marshall Plan public
diplomacy. Furthermore, the inclusiveness reflected in this action in and of itself can be considered to heighten the public diplomatic value of the propaganda.

Perhaps the most impressive instance of a Marshall program designed to integrate a public diplomatic function was the United States Technical Assistance Program (USTAP). Designed to help to improve the competitiveness of European businesses, USTAP brought a host of Europeans involved in a variety of aspects of business to the United States to gain knowledge directly from U.S. businessmen and companies. Participation by U.S. companies in the program was voluntary and, while concerns of compromising competitiveness caused many companies to shun USTAP, many prominent businesses participated. The inherent public diplomatic value of this program was immense. USTAP provided an opportunity for Europeans to see America first hand and deal with Americans who, by choice and as private citizens, were contributing constructively to European recovery. Because of this, though ostensibly USTAP was an economic assistance program, its primary value was, arguably, as a tool of public diplomacy.

USTAP is indicative of a larger theme of the Marshall Plan and its integrated public diplomacy functions -- sincerity. There are inherent elements of respect and inclusiveness toward Europeans in a great deal of the Marshall Programs. These elements were invaluable as public diplomatic tools, especially when exerting, as is necessary when administering aid, a measure of well-intentioned and necessary control. It would have been easy for the Marshall Planners to patronize Europeans or to exert an overt imperialistic influence over Europe. If post-war reconstruction aid were presented as ‘America’s burden’ to help a helpless Europe that had demonstrated itself incapable of
self-control, one can imagine a quite different reaction to the program. By engaging Europeans on a more level playing field, while still retaining the degree of command necessary to create a functioning program that would retain domestic support, the Marshall Planners sculpted an alternative model for public diplomacy that deserves greater attention.

As the term has come to be accepted, public diplomacy is essentially defined as using communicative tools to influence a foreign audience in favor of governmental policy. Unfortunately, this definition condemns public diplomacy to failure, or at best a significantly limited utility. A dominant theme of the present media and academic discourse on public diplomacy refers to policy as a ‘product,’ and theorizes that the product must be ‘sellable’ in order for public diplomacy to be successful. While this concept does incorporate the idea of making policy palatable to the public, it maintains a dichotomy inherent in the concept of public diplomacy. It suggests that policy comes first and public diplomacy second. A much broader definition of public diplomacy could include, even encourage, the concept that policy in and of itself can be an instrument of public diplomacy.

This idea of policy as its own promoter may well be the genius stroke of the Marshall Planners. There is still controversy surrounding the material success of the Marshall Plan, but there is significant evidence that suggests that it doesn’t deserve its hallowed place in American history as pure altruism personified and executed to a T. The shining example that it does provide, however, is that of highly successful public diplomacy. By reevaluating the Plan in this light, a clear paradigm for building new policy is established: a paradigm in which the sum is greater than its parts.
In essence, Marshall programs show that truly effective policy that inherently builds public support is achieved by refusing to accept a zero-sum model. The policies of the Marshall Plan executed the Marshall vision while putting a premium on incorporating as many interests as possible into their execution. The Planners sculpted programs with tremendous creativity and, in so doing, greatly enhanced the potential for public consent. With this potential, gaining acceptance for the programs became much simpler. It is incumbent upon today’s policymakers to learn from this model if they wish to build truly successful public diplomacy.
2 Machado, 5.
3 Machado, xiii.
9 Quoted in Machado, 15.
10 Machado, 18.
11 Machado, 21.
12 Machado, 41.
18 Machado, 33.
19 McKenzie, 23.
21 Machado, 47.