

**CHAPTER**  
**18**  
**Section 1**

**GEOGRAPHY APPLICATION: REGION** *The Marshall Plan*

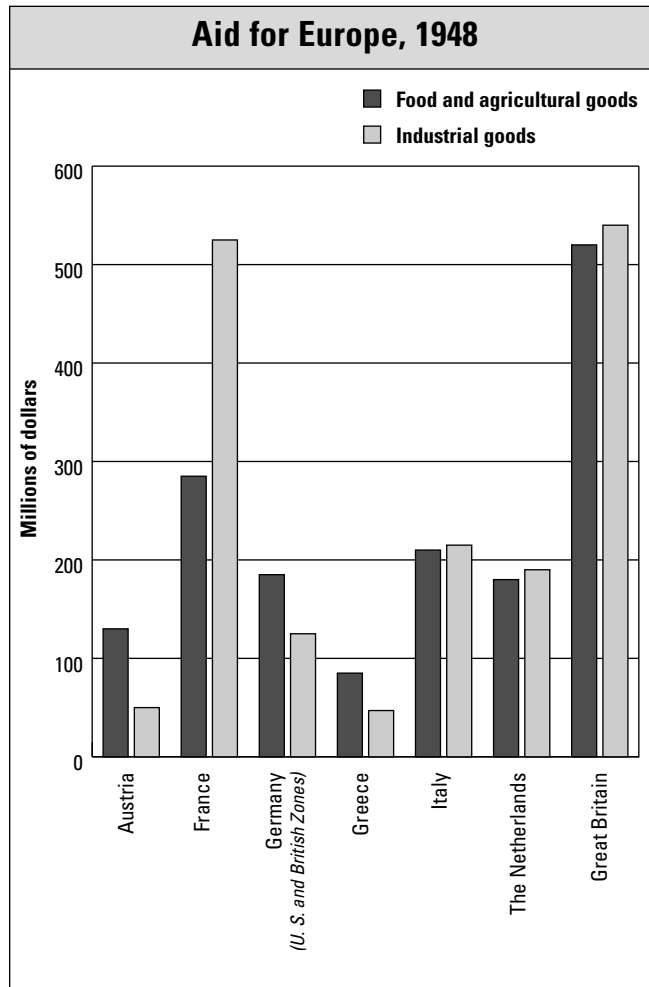
*Directions: Read the paragraphs below and study the graph carefully. Then answer the questions that follow.*

When World War II ended and the countries of Europe needed emergency relief and economic aid, the United States, Canada, and other nations contributed to the effort. Despite their efforts, necessities were still in short supply. In some countries, food was even scarcer than it had been during the war. To determine the full extent of the problem, President Truman sent former President Herbert Hoover on a fact-finding mission to 22 European nations. On his return, Hoover reported the stark reality to Truman. People were starving in Europe, and stopgap aid would not solve the problem. A long-term plan was needed.

During a Harvard College commencement address in June 1947, Secretary of State George C. Marshall offered the aid of the United States to all European nations in need. He asked the nations of Europe to agree on a plan of recovery and to tell the United States what aid was needed. In return for the aid of the United States, Marshall proposed that European nations would have to agree to cooperate and remove trade barriers. Although invited to participate, the Soviet Union refused Marshall's offer. In addition, the Soviets prevented their satellite nations in Eastern Europe from applying for aid.

In all, 16 Western European countries applied for assistance under what was known as the European Recovery Program, or the Marshall Plan. Congress heatedly debated the plan for ten months. The loudest and most insistent criticism concerned the estimated cost—about \$12.5 billion. For a time, it looked as if Congress would reject the plan. However, in February 1948, a Soviet-backed uprising put Communists in control of Czechoslovakia. Alarmed by this Soviet aggression, Congress promptly approved the Marshall Plan by large majorities in both houses.

The Marshall Plan proved to be a great success, both politically and economically. The spread of communism was halted, and Western European economies quickly revived. Within three years, the production of goods in Western Europe surpassed prewar levels. The Marshall Plan also proved beneficial to the American economy, for an economically revitalized Western Europe provided a ready market for American goods and services.



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**The Marshall Plan**  
*Discussion Questions*

**Name:**

1. Which **two** countries on the graph received the most total aid in 1948, the first year of the Marshall Plan?
2. Why do you suppose this was true?
3. Why do you think the *Soviet Union* **opposed** the Marshall Plan?
4. How many dollars worth of food and agricultural aid did **Italy** receive in 1948?
5. Which country received the most in **total** aid in 1948? How much aid did they receive?
6. What event finally moved Congress to approve the Marshall Plan? Why, do you think, this made them approve the Marshall Plan?
7. In your own words, **explain** the following statement: "*The Marshall Plan saved Western Europe from being absorbed into the Soviet Bloc.*" Explain your answer clearly