LESSONS FROM THE MARSHALL PLAN FOR UKRAINE'S POST-WAR RECOVERY

This article presents a comprehensive discourse analysis of the Marshall Plan's administration, shedding light on a facet of history that has often been overlooked in favor of discussions on aid effectiveness and outcomes. Central to our inquiry is the hypothesis that the institutionalization of U.S. foreign aid, initiated with the Marshall Plan, played a critical role in its success and laid the foundation for future aid initiatives. By focusing on the administrative strategies and decision-making processes, the study offers novel insights into how these elements contributed to the Plan's effectiveness and the overall evolution of U.S. foreign aid policy. The analysis draws on a variety of primary sources, including historical documents, speeches, and policy papers, to provide a detailed picture of the Plan's implementation. In doing so, we unveil the complex dynamics and challenges of post-war recovery efforts and the strategic decisions that shaped them. The findings reveal the intricacies of the Marshall Plan's administration and provide valuable lessons for contemporary policy discourse, particularly in the context of Ukraine's ongoing recovery and its significance to Kyiv's international partners. This study contributes to the existing body of literature by offering a comprehensive view of the Marshall Plan's administration and its lasting influence on U.S. foreign aid policy.

Key words: United States, American-Ukrainian relations, American foreign policy, Marshall Plan, Point Four Program, Truman doctrine.
Problem statement. Two years after Russia launched a full-scale war against its neighbor, Ukraine, rebuilding and recovery efforts have already begun. However, the so-called “Marshall Plan 2.0” cannot be named as the one currently being implemented or specifically designed. There is no doubt that there are no two identical conflicts and wars, as there is no one-size-fits-all recovery process. However, many researchers and decision-makers consider the Marshall Plan ideal quite substantial. It prompts Western politicians to wonder whether they can meet the rigorous standards set by the Truman Administration (1945–1953). Nevertheless, many scientific and media publications lack the historical context of US aid’s institutionalization to back arguments for a new Marshall Plan for Ukraine or any other country.

Analysis of Research and Publications. One can barely debate the significance of American economic aid to Europe after the devastating end of World War II. The Marshall Plan, a pivotal moment in the history of US foreign aid, has been extensively studied and analyzed by scholars. Jackson highlights the origins of the American commitment to the European Recovery Program, noting the significance of Secretary of State George C. Marshall’s 1947 Harvard speech in shaping American foreign aid policy. This moment marked a turning point in the US approach to international development and set the stage for future assistance programs [5].

McCourt and Mudge delve into the complexities of how the Marshall Plan came to fruition, exploring the political and economic circumstances that made such an ambitious program possible. Their analysis provides insight into the strategic considerations that drove the Plan’s development and implementation [7]. Similarly, McGlinchey examines the interplay between the Marshall Plan and the Truman Doctrine, providing insight into the broader geopolitical context of US foreign aid during the Cold War era [8]. The historical significance and impact of the Marshall Plan are further explored by Price, who offers an in-depth look at the Plan’s objectives and outcomes [9].

Truman’s memoirs provide a unique perspective from one of the Plan’s key figures, offering valuable firsthand insights into the decision-making processes and challenges faced during its administration [11]. Van den Berk focuses on the Marshall Plan’s role in US public diplomacy, particularly its impact on productivity drives in the Netherlands between 1948 and 1952. This study highlights the multifaceted nature of the Plan, encompassing not only economic recovery but also diplomatic and cultural objectives [12].

Weissman further emphasizes the Marshall Plan’s role as a turning point in foreign aid and its contributions to the global struggle for democracy [13]. Curti and Birr, and Macekura provide historical context for the Marshall Plan by tracing the evolution of American technical missions overseas and the development of US international development policy. These works offer a broader perspective on the Plan’s origins and its place within the larger narrative of US foreign assistance [3].

The primary purpose of this article is to analyze the Marshall Plan and its impact on the institutionalization of U.S. foreign aid. Through in-depth discourse analysis, the article aims to elucidate how the administrative strategies, decision-making processes, and policy implementations during the Marshall Plan contributed to its effectiveness and set a precedent for subsequent U.S. foreign aid programs. Additionally, the article seeks to draw lessons from the Marshall Plan that can be applied to contemporary foreign aid challenges, particularly focusing on Ukraine’s post-war recovery and the role of Kyiv’s international partners.

Novelty of Research. What has mainly been overlooked by the modern 21st-century scholarship on the Marshall Plan is its forethought and administration. What is also omitted is that by the time of the introduction of the Program Economic Recovery, the United States already had a considerable history of providing aid to other countries in need. In addition, the plan’s outcomes are more frequently prioritized over its planning and implementation. Thus, this article contributes to the topic by including more context to the Marshall Plan’s origin and its preface, influencing the theoretical paradigm of its origin and, therefore, scientific implications.

The article’s research question focuses on analyzing the Marshall Plan and its impact on the institutionalization of U.S. foreign aid. The article aims to elucidate how the administrative strategies, decision-making processes, and policy implementations during the Marshall Plan contributed to its effectiveness and set a precedent for subsequent U.S. foreign aid programs.

Methodological design. This study employs discourse analysis as the primary methodological
approach, chosen for its effectiveness in exploring the less-examined aspects of the Marshall Plan’s administration. This method allows for an in-depth examination of how narratives, language, and communication strategies shaped the implementation and perception of the Plan. The article is anchored on the hypothesis that the institutionalization of American aid, which commenced with the Marshall Plan’s implementation, was pivotal to its success and guided subsequent US foreign aid programs. Theoretical perspectives from international relations and development studies will guide the discourse analysis, providing a framework for interpreting the findings. The study will concentrate on the administrative strategies of the Marshall Plan’s organizational strategy, specifically its implementation mechanisms. Key historical documents, speeches, and official records will be scrutinized to uncover insights into these administrative aspects. Primary and secondary sources, including government archives, official reports, speeches by key figures, and contemporaneous media coverage, will be collected. These sources will be systematically analyzed to extract relevant information about the Plan’s administration. Data analysis will involve coding the collected materials to identify recurring themes, patterns, and narratives. Techniques such as thematic analysis and narrative interpretation will be utilized to understand the complexities of the implementation of the Plan’s administration. The study acknowledges its limitations, primarily the scope of its research, which focuses on administration aspects. While this approach offers valuable insights, it only encompasses part of the Marshall Plan’s history and impact. The study will conclude with a summary of the key findings from the discourse analysis and their implications for current public policy discourse, especially regarding Ukraine’s recovery and international partnerships. Recommendations for future foreign aid programs will be derived from these insights.

**The main text of the article.** Data-based evidence suggests that the United States has provided the most significant amount of aid to any country on Earth. That tendency is likely to be sustained. Therefore, returning to the foundations and culminations of institutionalized forms of American foreign assistance, particularly its economic dimension, is essential. In a famous Harvard speech in June 1947, US Secretary of State George C. Marshall mentioned that the United States had prepared to consider a considerable economic assistance program for European recovery [5].

By the time the program was launched, US President Harry Truman had already thought about ways of design assistance for Europe in order to facilitate its recovery from World War II. That concept was later introduced as the “European Recovery Program” (ERP).

Three primary reasons for the origin of the economic assistance package are discussed in the existing literature. First, the humanitarian and financial needs of devastated Europe. Second, American lessons learned from World War I in terms of ending the major conflict in Europe. Third, the political reasons included the combination of Truman’s doctrine of Containment of the spread of Communism and the Marshall Plan [8; 11]. However, Truman administration officials did not mention the ideological virtue of the Plan at the time. Paul Hofman, Head of the US Economic Cooperation Administration in charge of the Plan, recalled: “To wage the peace intelligently, we must realize the kind of war that threatens us. The Soviet Union has been and is carrying on a completely new kind of war. The military is only one of four fronts for the Kremlin, each a battleground of implacable attack. These four fronts are military, economic, political and psychological. We must wage peace along the same four fronts – the military, the economic, the political and the psychological” [9].

This article contends that the aforementioned factors had driven the Marshall Plan. It should be noted that the Marshall Plan’s substance to stop the spread of communism and promote American-style democracy aligned with the anti-communist message domestically in America, where President Truman had been just gaining ground and stepping out of the shadow of Franklin Delano Roosevelt [13].

The United States, as any other donor, has assisted in a foreign country for reasons of enlightened self-interest. As many claim, one of the reasons why America provided aid was to assist developing countries in fulfilling their domestic objectives. At the same time, the specific literature does not rule out that, from the donor perspective, the aid has also advanced its foreign policy objectives, particularly aimed at defeating poverty worldwide, garnering allies for America. [3].

In fact, the technical missions that the US government started to send abroad in the mid-19th century became a prologue to the Point Four Program and the Marshall Plan. These quasi-missions, of course, cannot be referred to as “assistance missions” in their modern sense, but without hesitation, they could be perceived as more of a cooperation style. However, such missions were crucial in establishing bilateral relations between countries [3].
The unique added value of this article is that it incorporates the following original source: the memoir of Harry S. Truman. The American President, under whose watch the Point Four Program and Marshall Plan had been designed. Speaking of which, Harry Truman never explicitly mentioned that the Marshall Plan was the most significant achievement of his administration. Still, he wrote that: “In its immediate and long-range effects, however, the Point Four Program provided The strongest antidote to Communism that has so far been put into practice. It was created and designed to operate on a continuing basis to point the way to a better living for more and more of the world’s people – and thus, the way to more lasting peace. Thus, it stands as a vitally important development in the search for peace, which lies at the very heart of America’s foreign policy” [11].

Another critical context that needs to be provided is that before the US joined WWII, Truman’s predecessor, Roosevelt, established the Institute for Inter-American Affairs (IIA) to tighten cooperation with Latin American countries, oversee the extraction of raw materials, and increase domestic production in cooperating nations. By 1949, the newly created body arranged projects related to hospital construction, education promotion, and vocational training in some Latin American countries [6].

Speaking of the effectiveness of the Marshall Plan, the European leaders and the American administration pursued contrasting approaches to conveying the same idea. Western European government prioritized economic growth by distributing social provision, thus contributing to better living standards. In doing so, they preferred relying on state coordination. However, the Americans chose market mechanisms [12].

Latin America also contributed to developing US foreign aid as an institution. After the introduction of the Marshall Plan, the Latin American countries recognized that it was their best chance to call for a particular development program as well. However, the focus was needed on modernizing and investing in underdeveloped regions. Speaking of the Point Four Program, President Truman, in his inaugural address in January 1949, after careful advice from his aides, emphasized the role of private investments, not government funding, in the aid program. In this regard, he also referred to the United States as a facilitator of national self-reliance, yet not the sole contributor [6].

It should be noted that Point Four, not the Marshall Plan, contributed to institutionalizing US foreign aid. The attribution toward a war hero, George Marshall, helped create the image of a powerful aid entity. Thus, it is essential to mention the transformation of federal agencies responsible for administering aid, which changed from the Truman administration to Eisenhower and through the Kennedy administration. Following the initiation of Point Four, the respective institutions have changed. The most essential are the following:

- Mutual Security Agency (MSA) 1951–1953;
- United States Foreign Operations Administration (FOA) 1953–1955;
- The International Cooperation Administration (ICA) 1955–1961;

In the framework of Point Four development strategies, emphasis was placed on modest-scale technology transfers and educational initiatives aimed at elevating living standards, thereby fostering national economic expansion. This approach was perceived as instrumental in furthering the strategic objectives of the United States. As the 1950s progressed, policymakers’ perspectives shifted, recognizing that technical assistance programs could further broader economic and geopolitical goals [6].

In the following section of this article, I examine the Marshall Plan’s implications for Ukraine’s 21st-century needs in the context of its war with Russia. The Marshall Plan’s successful administration relied on creating two key implementing organizations: the US Economic Cooperation Administration (USCEA) and the European-run Organization for European Economic Cooperation. These agencies coordinated aid allocations, ensured that aid was distributed effectively, and negotiated impactful policy reforms. This dual structure facilitated continuous dialogue on European economic issues and was a cornerstone of the plan’s implementation. A critical component of the plan’s administration was the establishment of a 600-man local office in Paris, headed by Averell Harriman as the US Special Representative Abroad. This office played a significant role in coordinating individual country programs and obtaining European perspectives on implementation. Furthermore, missions in each country were established to maintain close contact with local government officials, ensuring the recovery effort was effective and respectful of national sovereignty [1]. The appointment of Paul G. Hoffman as the Administrator of the Marshall Plan was pivotal. Hoffman was tasked with constructing an organization to administer the multi-billion-dollar aid program
and simultaneously support the fragile European economies. His leadership was marked by a firm belief in the effectiveness of European-led planning and recovery, emphasizing the importance of local responsibility and initiative in the recovery process. These aspects of the Marshall Plan’s administration highlight the importance of effective organizational structure, local involvement, and adaptive responses to immediate needs, which are crucial lessons for Ukraine’s post-war recovery efforts [2].

There are several substantial lessons for policymakers in recipient nations and donor countries, given the history of US aid in the 20th century. First, it took 14 years to develop the institutions that administer the aid and keep it in the final version, which has operated for over 60 years. In addition, it would be inaccurate to say that the Marshall Plan represents the manifestation of political thought regarding US foreign aid. Therefore, the Marshall Plan and what has been done following unlock the entire infrastructure of the system of aid that works. The measurement of effectiveness and the responsibility for doing so is a subject of ongoing debate, with differing opinions on whether the donor, recipient, or groups of recipient states should carry it out.

Second, in contrast with the Marshall Plan, where only one donor played a significant role, planning assistance is needed. In particular, coordination with the private sector from the Point Four Program paved the way for the modern variety of implementation of US aid. Aid can manifest in various forms, encompassing direct financial support, provision of equipment and commodities, infrastructure development, educational and training initiatives, and technical expertise. In contemporary practice, this aid is predominantly distributed as grants, a shift from earlier loan-based approaches. Instead of foreign governments, nongovernmental entities primarily implement US aid. Notably, the United States is the preeminent global donor of foreign aid, contributing approximately 23% of the aggregate official development assistance from major donor nations, as evidenced by data from 2019, the most recent year for which such information is accessible [1].

Third, economic support is needed for a country grappling with the aftermath of the ruins of war. In addition, there is close coordination between allies and partners. Since the public debate over Marshall Plan 2.0 for Ukraine does not mention that the sole donor is needed and that damages caused by Russia’s war of aggression include both physical damage and human losses, the new Marshall Plan will need to be distinct from the previous one. Moreover, Ukraine has a vibrant civil society sector, which Ukraine’s international partners often describe as the most crucial point of democracy development in Ukraine. In that context, planning Ukraine’s reconstruction and engaging with civil society is a must, as emphasized by the German Marshall Fund. One of their recommendations for the Plan for Ukraine is to establish a Ukrainian civil society advisory board. It’s possible to assume that the existing Donor Coordination Platform for Ukraine can be transformed into similar institutions as there have been ones in charge of the Marshall Plan [4].

Given the policy implications, it’s important to mention that the new Marshall Plan is a reassurance of a shift in Ukraine’s dependency on past patterns toward a future characterized by victory and prosperity. As President Truman mentioned in his memoirs, “The Marshall Plan will go down in history as one of America’s greatest contributions to the people of the world. Without the Marshall Plan, it would have posed difficult challenges for Western Europe to remain free from the tyranny of Communism” [11, p. 119].

**Implications.** The study highlights several key implications for modern foreign aid and recovery efforts, particularly in the context of Ukraine’s post-war recovery. It emphasizes the importance of effective organizational structure, local involvement, and adaptive responses to immediate needs. The article notes that the Marshall Plan’s success was largely due to establishing effective implementing organizations, which facilitated continuous dialogue on European economic issues and respected national sovereignty.

Furthermore, the study underscores the significance of the Marshall Plan in elevating the prominence and recognition of U.S. foreign aid, contributing to the transformation of federal agencies responsible for administering aid. It also points out the need for coordination with the private sector and the importance of economic support for countries grappling with the aftermath of war. The study suggests that lessons from the Marshall Plan can inform the planning of Ukraine’s reconstruction, emphasizing the role of civil society and the need for a distinct approach to address the unique challenges posed by the current conflict.

Overall, the study provides valuable insights into the history of U.S. foreign aid, the administration of the Marshall Plan, and its relevance to contemporary policy discourse, particularly regarding Ukraine’s recovery and international partnerships.
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