

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS



**Woodrow Wilson
International Center
for Scholars**

**Lee H. Hamilton,
Director**

**BOARD OF
TRUSTEES:**

Joseph A. Cari, Jr.,
Chairman
Steven Alan Bennett,
Vice Chairman

PUBLIC MEMBERS

The Secretary of State
Colin Powell;
The Librarian of
Congress
James H. Billington;
The Archivist of the
United States
John W. Carlin;
The Chairman of the
National Endowment
for the Humanities
Bruce Cole;
The Secretary of the
Smithsonian Institution
Lawrence M. Small;
The Secretary of
Education
Roderick R. Paige;
The Secretary of Health
& Human Services
Tommy G. Thompson;

PRIVATE MEMBERS

Carol Cartwright,
John H. Foster,
Jean L. Hennessey,
Daniel L. Lamaute,
Doris O. Mausui,
Thomas R. Reedy,
Nancy M. Zirkin

**NEW EVIDENCE ON THE SOVIET
REJECTION OF THE MARSHALL
PLAN, 1947: TWO REPORTS**

**SCOTT D. PARRISH
University of Texas in Austin**

**MIKHAIL M. NARINSKY
Institute of Universal History, Moscow**

Working Paper No. 9

Washington, D.C.

March 1994

COLD WAR INTERNATIONAL HISTORY PROJECT



**Christian Ostermann,
Director**

**ADVISORY
COMMITTEE:**

William Taubman
(Amherst College)
Chairman

Michael Beschloss
(Historian, Author)

James H. Billington
(Librarian of Congress)

Warren I. Cohen
(University of Maryland-
Baltimore)

John Lewis Gaddis
(Yale University)

James Hershberg
(The George Washington
University)

Samuel F. Wells, Jr.
(Woodrow Wilson
Center)

Sharon Wolchik
(The George Washington
University)

**THE COLD WAR INTERNATIONAL HISTORY PROJECT
WORKING PAPER SERIES**

CHRISTIAN F. OSTERMANN, Series Editor

This paper is one of a series of Working Papers published by the Cold War International History Project of the Woodrow Wilson International Center for Scholars in Washington, D.C. Established in 1991 by a grant from the John D. and Catherine T. MacArthur Foundation, the Cold War International History Project (CWIHP) disseminates new information and perspectives on the history of the Cold War as it emerges from previously inaccessible sources on “the other side” of the post-World War II superpower rivalry. The project supports the full and prompt release of historical materials by governments on all sides of the Cold War, and seeks to accelerate the process of integrating new sources, materials and perspectives from the former “Communist bloc” with the historiography of the Cold War which has been written over the past few decades largely by Western scholars reliant on Western archival sources. It also seeks to transcend barriers of language, geography, and regional specialization to create new links among scholars interested in Cold War history. Among the activities undertaken by the project to promote this aim are a periodic *BULLETIN* to disseminate new findings, views, and activities pertaining to Cold War history; a fellowship program for young historians from the former Communist bloc to conduct archival research and study Cold War history in the United States; international scholarly meetings, conferences, and seminars; and publications.

The *CWIHP Working Paper Series* is designed to provide a speedy publications outlet for historians associated with the project who have gained access to newly-available archives and sources and would like to share their results. We especially welcome submissions by junior scholars from the former Communist bloc who have done research in their countries’ archives and are looking to introduce their findings to a Western audience. As a non-partisan institute of scholarly study, the Woodrow Wilson Center takes no position on the historical interpretations and opinions offered by the authors.

Those interested in receiving copies of the *Cold War International History Project Bulletin* or any of the Working Papers should contact:

**Cold War International History Project
Woodrow Wilson International Center for Scholars
One Woodrow Wilson Plaza
1300 Pennsylvania Ave, NW
Washington, DC 20523**

**Telephone: (202) 691-4110
Fax: (202) 691-4001
Email: COLDWAR1@wwic.si.edu**

CWIHP Web Page: <http://cwihip.si.edu>

COLD WAR INTERNATIONAL HISTORY PROJECT WORKING PAPERS SERIES
Christian F. Ostermann, Series Editor

- #1 Chen Jian, “The Sino-Soviet Alliance and China’s Entry into the Korean War”
- #2 P.J. Simmons, “Archival Research on the Cold War Era: A Report from Budapest, Prague and Warsaw”
- #3 James Richter, “Reexamining Soviet Policy Towards Germany during the Beria Interregnum”
- #4 Vladislav M. Zubok, “Soviet Intelligence and the Cold War: The ‘Small’ Committee of Information, 1952-53”
- #5 Hope M. Harrison, “Ulbricht and the Concrete ‘Rose’: New Archival Evidence on the Dynamics of Soviet-East German Relations and the Berlin Crisis, 1958-61”
- #6 Vladislav M. Zubok, “Khrushchev and the Berlin Crisis (1958-62)”
- #7 Mark Bradley and Robert K. Brigham, “Vietnamese Archives and Scholarship on the Cold War Period: Two Reports”
- #8 Kathryn Weathersby, “Soviet Aims in Korea and the Origins of the Korean War, 1945-50: New Evidence From Russian Archives”
- #9 Scott D. Parrish and Mikhail M. Narinsky, “New Evidence on the Soviet Rejection of the Marshall Plan, 1947: Two Reports”
- #10 Norman M. Naimark, “‘To Know Everything and To Report Everything Worth Knowing’: Building the East German Police State, 1945-49”
- #11 Christian F. Ostermann, “The United States, the East German Uprising of 1953, and the Limits of Rollback”
- #12 Brian Murray, “Stalin, the Cold War, and the Division of China: A Multi-Archival Mystery”
- #13 Vladimir O. Pechatnov, “The Big Three After World War II: New Documents on Soviet Thinking about Post-War Relations with the United States and Great Britain”
- #14 Ruud van Dijk, “The 1952 Stalin Note Debate: Myth or Missed Opportunity for German Unification?”
- #15 Natalia I. Yegorova, “The ‘Iran Crisis’ of 1945-46: A View from the Russian Archives”
- #16 Csaba Bekes, “The 1956 Hungarian Revolution and World Politics”
- #17 Leszek W. Gluchowski, “The Soviet-Polish Confrontation of October 1956: The Situation in the Polish Internal Security Corps”
- #18 Qiang Zhai, “Beijing and the Vietnam Peace Talks, 1965-68: New Evidence from Chinese Sources”
- #19 Matthew Evangelista, “‘Why Keep Such an Army?’” Khrushchev’s Troop Reductions”
- #20 Patricia K. Grimsted, “The Russian Archives Seven Years After: ‘Purveyors of Sensations’ or ‘Shadows Cast to the Past’?”
- #21 Andrzej Paczkowski and Andrzej Werblan, “‘On the Decision to Introduce Martial Law in Poland in 1981’ Two Historians Report to the Commission on Constitutional Oversight of the *SEJM* of the Republic of Poland”

- #22 Odd Arne Westad, Chen Jian, Stein Tonnesson, Nguyen Vu Tung, and James G. Hershberg, “77 Conversations Between Chinese and Foreign Leaders on the Wars in Indochina, 1964-77”**
- #23 Vojtech Mastny, “The Soviet Non-Invasion of Poland in 1980-81 and the End of the Cold War”**
- #24 John P. C. Matthews, “Majales: The Abortive Student Revolt in Czechoslovakia in 1956”**
- #25 Stephen J. Morris, “The Soviet-Chinese-Vietnamese Triangle in the 1970’s: The View from Moscow”**
- #26 Vladimir O. Pechatnov, translated by Vladimir Zubok, “‘The Allies are Pressing on You to Break Your Will...’ Foreign Policy Correspondence between Stalin and Molotov and Other Politburo Members, September 1945-December 1946”**
- #27 James G. Hershberg, with the assistance of L.W. Gluchowski, “Who Murdered ‘Marigold’? New Evidence on the Mysterious Failure of Poland’s Secret Initiative to Start U.S.-North Vietnamese Peace Talks, 1966”**
- #28 Laszlo G. Borhi, “The Merchants of the Kremlin—The Economic Roots of Soviet Expansion in Hungary”**
- #29 Rainer Karlsch and Zbynek Zeman, “The End of the Soviet Uranium Gap: The Soviet Uranium Agreements with Czechoslovakia and East Germany (1945/1953)”**
- #30 David Wolff, “‘One Finger’s Worth of Historical Events’: New Russian and Chinese Evidence on the Sino-Soviet Alliance and Split, 1948-1959”**
- #31 Eduard Mark, “Revolution By Degrees: Stalin’s National-Front Strategy For Europe, 1941-1947”**
- #32 Douglas Selvage, “The Warsaw Pact and Nuclear Nonproliferation, 1963-1965”**
- #33 Ethan Pollock, “Conversations with Stalin on Questions of Political Economy”**
- #34 Yang Kuisong, “Changes in Mao Zedong’s Attitude towards the Indochina War, 1949-1973”**
- #35 Vojtech Mastny, “NATO in the Beholder’s Eye: Soviet Perceptions and Policies, 1949-1956”**
- #36 Paul Wingrove, “Mao’s Conversations with the Soviet Ambassador, 1953-55”**
- #37 Vladimir Tismăneanu, “Gheorghiu-Dej and the Romanian Workers’ Party: From de-Sovietization to the Emergence of National Communism”**
- #38 János Rainer, “The New Course in Hungary in 1953”**
- #39 Kathryn Weathersby, “‘Should We Fear This?’ Stalin and the Danger of War with America”**
- #40 Vasiliy Mitrokhin, “The KGB in Afghanistan” (English Edition)**

Special Working Papers Series

- #1 Mark Kramer, “Soviet Deliberations during the Polish Crisis, 1980-1981”**

Table of Contents

Scott D. Parrish

The Turn Toward Confrontation: The Soviet Reaction to the Marshall Plan, 1947

Introduction	1
Prelude: The Future of Europe and the Failure of the Moscow Conference	5
Initial Soviet Reaction to the Marshall Plan	13
The Soviet Response: The Turn to Confrontation	31
 <i>Mikhail M. Narinsky</i>	
<i>The Soviet Union and the Marshall Plan</i>	40
 <i>About the Authors</i>	52

The Turn Toward Confrontation: The Soviet Reaction to the Marshall Plan, 1947

Scott D. Parrish
Lecturer, Department of Government
University of Texas at Austin

Introduction

The Soviet rejection of the Marshall Plan in the summer of 1947 has long been viewed as a turning point in the development of the Cold War. As Adam Ulam put it, “with the Marshall Plan, the cold war assumes the character of position warfare.” After the summer of 1947, it was no longer simply differences on individual issues which divided the erstwhile members of the wartime anti-Hitler coalition; rather, “it was the totality of foreign policies of each side that became the object of attack by the other.”¹ While this general point has been clear for some time, the question has remained, however, just what sort of turning point the Marshall Plan represented. Was the Soviet rejection of the plan in July 1947 merely the implementation of a policy of confrontation with the West which had been formulated earlier, or did the American offer of aid and the conditions attached to it provoke a fundamental reappraisal in Moscow of its policy towards the West?

The answers which Americans have given to this question have been fundamental in shaping their overall interpretations of the origins of the Cold War. At the time, U.S. government officials viewed Moscow’s response to the Marshall Plan as additional evidence of inherent Soviet hostility and aggressiveness. Following the Soviet rejection of the plan, the American ambassador in Moscow, Walter Bedell Smith, described Soviet actions as “nothing less than a declaration of war by the Soviet Union on the immediate issue of the control of Europe.”² In his memoirs, George Kennan, one of the intellectual authors of the Marshall Plan, also saw the Soviet response as indicative of a Soviet desire to seize the substantial industrial and human resources of Europe.³

¹ Adam Ulam, *Expansion and Coexistence: A History of Soviet Foreign Policy, 1917-73* (New York: Praeger, 1973), 237.

² Smith to Secretary of State, 11 July 1947, in U.S. Department of State, *Foreign Relations of the United States: Diplomatic Papers, 1947*, vol. 3, p. 327 (Washington, DC: Government Printing Office, 1972), 340-41. Volumes from this series will hereafter be referred to as *FR*, followed by the year, volume, and page number. See also Harry S. Truman, *Memoirs*, vol. 2, *Years of Trial and Hope, 1946-1952* (Garden City, NY: Doubleday and Co., 1956), 115-16.

³ George F. Kennan, *Memoirs, 1925-1950* (Boston: Little, Brown and Co., 1967), 330.

From this point of view the Marshall Plan was a necessary defensive step, taken to prevent Soviet expansion into Western Europe.

The earliest scholarly treatments of the Marshall Plan generally agreed with this official interpretation. Historians such as Joseph M. Jones and Harry B. Price viewed the Marshall Plan as a bold American initiative to prevent economic catastrophe in Western Europe, and portrayed Soviet rejection of the plan as expressive of Soviet expansionism and aggression.⁴ From this “orthodox” viewpoint, Soviet aggressiveness had caused the Cold War, and the Marshall Plan was simply a logical defensive move on the part of the United States. The Soviet rejection of the plan, in turn, was the natural response of a frustrated aggressor state whose expansionist plans had been thwarted.

Later, so-called “revisionist” accounts of the origins of the Cold War pointed to the underlying economic motivations of such American initiatives as the Marshall Plan. Such authors as William Appleman Williams and Gabriel Kolko cited the American desire following WWII to maintain open access to markets around the world, including Eastern Europe. They viewed American policies as not simply geostrategic moves to “defend” Western Europe from communist expansionism, but also as assertive, even aggressive policies designed to protect and even expand the reach of the world capitalist system.⁵ From this perspective, the Soviet rejection of the Marshall Plan could not be viewed simply as an expression of Soviet expansionism. Rather, Soviet rejection of the Marshall Plan was the natural response of a noncapitalist state trying to avoid integration into the capitalist world economy, and the subordination to the industrialized West which such integration would imply.

Some previous accounts of the Soviet decision to reject the Marshall Plan share the “orthodox” perspective. Adam Ulam agrees with other orthodox scholars that the Marshall Plan was a defensive policy which aimed to shore up Western Europe and prevent the spread of aggressive Soviet expansionism. Stalin’s ideologically-driven fears of Western aggression, according to Ulam, led him to misinterpret the plan: “Thus into the Americans’ ‘containment’ policy, the morbidly suspicious Kremlin mind soon read the implications of what became known some years later as the ‘rollback’ scheme.” If the Cold War assumed a new and harsher character

⁴ Joseph M. Jones, *The Fifteen Weeks (February 21-June 5, 1947)* (New York: Harcourt, Brace, 1955), and Harry B. Price, *The Marshall Plan and its Meaning* (Ithaca, NY: Cornell University Press, 1955).

⁵ See, e.g., William Appleman Williams, *The Tragedy of American Diplomacy*, 2nd ed. (New York: Dell, 1972) and Gabriel Kolko, *The Politics of War: The World and United States Foreign Policy, 1943-45* (New York: Random House, 1968).

after the Marshall Plan, then, it was the fault of the aggressive Soviet leadership, its paranoid worldview, and its ideologically-driven policy.⁶

Other analysts have imputed a somewhat more defensive cast to Soviet policy, however. Marshall Shulman wrote that the Soviet Union assessed “the Marshall Plan as a threat to its tenuously established position in Eastern Europe,” and that the aggressive Soviet actions which followed were in part a response to this threat.⁷ And the most recent comprehensive American study of Soviet foreign policy during this period, William Taubman’s *Stalin’s American Policy*, concluded that the Marshall Plan triggered a shift in Soviet policy away from pursuit of a limited form of detente and toward confrontation.⁸ These arguments suggest that while Stalin may have been opportunistically aggressive during the early years of the Cold War, Soviet foreign policy was motivated as much by fear of vulnerability and losses as by the hope of making revolutionary gains.

New documentary evidence from the recently opened archives of the former Soviet Foreign Ministry and the Communist Party of the Soviet Union (CPSU) on the Soviet reaction to the Marshall Plan enables a fresh look at these contrasting interpretations. The new documentation allows scholars, if only tentatively, to begin to construct a clearer picture of Soviet perceptions of American policy and of the international situation in the summer of 1947. While these new documents do not suggest the need for any radical revisions in the accepted account of the development of Soviet foreign policy during that period, they do help illuminate the murky questions of why and how Soviet policy changed in response to the Marshall Plan.

In general, the new evidence supports the overall thrust of Shulman’s and Taubman’s arguments that Soviet policy in 1947 was largely defensive and reactive. As recent American scholarship has demonstrated, U.S. officials felt embattled in the spring of 1947, and feared that the deteriorating economic situation in Western Europe could lead to communists coming to power in such countries as France and Italy. If this were to happen, American security would be threatened.⁹ American uncertainty did not translate into Soviet confidence, however. The view

⁶ Ulam, *Expansion and Coexistence*, 436.

⁷ Marshall Shulman, *Stalin’s Foreign Policy Reappraised* (Cambridge, MA: Belknap, 1963; repr. Boulder, CO: Westview Press, 1985), 13-17.

⁸ William Taubman, *Stalin’s American Policy: From Entente to Detente to Cold War* (New York: Norton & Norton, 1982), ch. 7.

⁹ See Melvyn P. Leffler, *A Preponderance of Power: National Security, The Truman Administration and the Cold War* (Stanford, CA: Stanford University Press, 1992), 159-64. See also Michael J. Hogan, *The Marshall Plan: America, Britain, and the Reconstruction of Western Europe, 1947-52* (Cambridge, Eng.: Cambridge University Press, 1987), 29-53.

from Moscow in 1947 looked no more comforting than that from Washington. Far from pursuing grandiose plans of expansion, Stalin and his comrades in the Soviet leadership viewed themselves as relatively vulnerable, well aware that their country was much weaker in industrial and military capability than the United States. Accordingly, their prime concern was consolidating the territory and security gains which the USSR had won in World War II. Because of the relative weakness of the Soviet Union, a policy of confrontation with the West would not serve this goal, and might in fact undermine it.

Prior to the summer of 1947, then, available if still incomplete evidence suggests that Stalin still hoped to pursue a variant of detente with the Western Powers. While he understood that the continuation of wartime levels of cooperation with the West would not be possible—since the West refused to accept Soviet predominance in East Europe—he apparently still hoped to reach a negotiated settlement on most areas of difference, especially on the question of Germany's future. The Marshall Plan, however, radically changed Stalin's calculus, and led him to shift away from this more moderate line and to adopt a strategy of confrontational unilateral action to secure Soviet interests. The new archival documentation shows that in making this shift, the Soviet leadership was moved primarily by fear of its own vulnerability to American economic power.

The vague wording of Marshall's June 1947 speech made it difficult for the Soviet leaders to reach definite conclusions about the purpose of his offer, and they initially hoped it might prove to be a source of capital for the reconstruction of the war-damaged USSR. As the details of the American plan unfolded, however, the Soviet leadership slowly came to view it as an attempt to use economic aid not only to consolidate a Western European bloc, but also to undermine recently-won, and still somewhat tenuous, Soviet gains in Eastern Europe. They feared that the U.S. economic aid program sought to transform Stalin's new chain of Soviet-oriented buffer states into a revamped version of the "cordon sanitaire" of the interwar years. The plan appeared to aim at the reintegration of Eastern Europe into the capitalist economic system of the West, with all the political ramification that implied. Thus the Marshall Plan, conceived by U.S. policy-makers primarily as a defensive measure to stave off economic collapse in Western Europe, proved indistinguishable to the Kremlin leadership from an offensive attempt to subvert Soviet security interests.

Confronted with the ambiguous American initiative, Stalin first hesitated, then assumed the worst and acted accordingly. The Soviet leader did not desire to provoke a confrontation with the Western powers, but in the situation created by the Marshall Plan, he apparently felt that he had no other choice. The upshot was what we have come to know as the Cold War. Here is

where the new documentation can help us to clarify some of the old interpretive disputes in the literature on the origins of that conflict. The Marshall Plan does appear to have been largely a defensive move on the part of the United States, as the orthodox scholars would have us believe. But the story hardly ends there. The plan had its “offensive” side as well, in that its authors did indeed hope to lure some of the Eastern European states out of the Soviet orbit and integrate them into the Western European economy.¹⁰ In this sense, the revisionists were correct to focus on the economic motivations behind behind the plan, which was more than just a geostrategic move to counter Soviet expansionism. As for the Soviet response, as the new documentation suggests, it was indeed largely defensive and reactive, even if it often relied upon crude offensive tactics.

What the new documentation helps us see more clearly, then, is that the real difficulty and source of conflict in 1947 was neither Soviet nor American “aggression.” Rather, it lay in the unstable international economic and political conditions in key European countries which led both sides to believe that the current status quo was unstable, and that assertive action was required to defend that status quo. It was in this environment that the Western powers felt compelled to design the details of the Marshall Plan in such a way that it would stabilize Western Europe, but only at the cost of provoking a confrontation with the USSR. And it was this same environment that compelled Stalin to respond to the plan with a series of tactically offensive maneuvers which fanned the flames of confrontation even higher. This decisive moment in the emergence of the Cold War was thus more a story of tragedy than evil. Neither the West nor the Soviet Union deliberately strove to provoke a confrontation with the other. Instead, the fluid political and economic conditions in postwar Europe compelled each side to design policies which were largely defensive, but had the unfortunate consequence of provoking conflict with the other.

Prelude: The Future of Europe and the Failure of the Moscow Conference

Since the defeat of Germany in May 1945, relations between the Soviet Union and the Western Powers had been deteriorating, and by early 1947 the relationship between the members of the wartime Grand Alliance was such that they could no longer regard one another as “allies” in any real sense. Their relationship, rather, had become characterized by substantial tension, mitigated by continuing negotiation. Each side in the nascent Cold War now viewed the other in two different roles: as a partner in the ongoing negotiations to solve such questions of general

¹⁰ Ulam was quite wrong on this point. Even a leader considerably less suspicious than Stalin, as will later be documented, would have had ample reason to suspect that the Marshall Plan was more than just defensive, but did in fact include significant elements of “rollback.”

interest such as the future of Germany and Austria; and as an adversary in the sense that each viewed the other as a potential threat to its interests and security.¹¹ To some, who have focused on the points of contention in Soviet-Western relations at this time, 1946 has been seen as the start of the Cold War.¹² This view is shaped too much by our present historical perspective. It is all too easy now to point to the “deep roots” of the “inevitable” Soviet-American confrontation. But the political actors did not see themselves locked in confrontation at this time. While tension was increasing, it was not until mid-1947 that both sides abandoned all hope of finding cooperative solutions to the problem of constructing a new political order in Europe and resorted to confrontational unilateralism.

It took more than two years after the close of hostilities for the Allies to resolve the issues surrounding the peace treaties with the German satellites: Italy, Hungary, Rumania, and Bulgaria. The debate over the issues involved in these treaties had at times been acrimonious, and by its close, each side had more than ample cause to suspect the motives of the other. From the Soviet perspective, Western unwillingness to accept predominant Soviet interest in the countries of Eastern Europe provoked suspicion. Why did the Western powers seem so intent on depriving the USSR of the security benefits it had earned by bearing the lion’s share of the struggle against Germany? From the other side, the heavy-handed tactics that the USSR had used to assert its predominance in that region, as well as the crude pressure employed in an attempt to coerce concessions from Turkey and Iran, aroused Western fears that Soviet ambitions exceeded Stalin’s expressed desire simply to have “friendly” nations bordering the USSR. Despite these tensions, however, by the spring of 1947 there had still been no decisive break in Soviet-Western relations.

Nevertheless, the largest issue facing the wartime allies, the future of Germany, remained to be resolved. The provisional accords reached at the Potsdam Conference in July 1945 had yet to be implemented. The task of cobbling together a more formal agreement was first addressed at the New York meeting of the Council of Foreign Ministers (CFM) in November and December 1946, and then continued at the March-April 1947 Moscow CFM meeting, which was primarily devoted to this question. The significance and urgency of the issues involved varied for each side. For the West, the solution of the German question was a matter of great economic significance. German industry and resources, especially coal, had been the “motor” of economic growth in prewar Western Europe. And so long as Germany remained divided into occupation zones with no common economic policy, the economies of the other Western European nations would remain

¹¹ This interpretation is put forward in Taubman, *Stalin’s American Policy*, ch. 6.

¹² See, e.g., Fraser Harbutt, “American Challenge, Soviet Response: The Beginning of the Cold War, February-May, 1946,” *Political Science Quarterly* 96 (Winter 1981-82), 623-39.

stagnant. Reflecting this reality, after some gains in the first year after the war, the economic recovery of Western Europe had begun to slow drastically in 1947. Only increased economic aid from the United States and/or the reintegration of German resources into the European economy offered the possibility of stemming Western Europe's economic hemorrhaging.

For the Soviet Union, too, the German question had economic importance, but political issues also played a role. On the economic side, the USSR wanted reparations from Germany in the sum of \$20 billion. The Soviets wanted these reparations partly in the form of shipments of dismantled German factories, but also in payments from current German production. Given the devastation caused by the war, the Soviet leaders viewed these reparations as a major source of capital for reconstruction. On the political side, the Soviets were concerned to prevent a possible resurgence of German power. To achieve this goal Soviet Foreign Minister Vyacheslav Molotov argued for German demilitarization and the creation of a German political system that assured a significant role for German Communists.

The Moscow conference proved unable to bridge the gap between Western and Soviet concerns. The Western powers refused to grant Moscow the reparations that were so crucial to the Soviet leaders. Without a deal on reparations, Molotov and Stalin remained unwilling to compromise on the question of Germany's political structure, nor would they agree to Western proposals on the formation of an interim unified economic policy for all the occupation zones. The conference dragged on in deadlock for over three weeks, with each side repeating its arguments to its apparently deaf counterparts.

It was in this atmosphere that U.S. Secretary of State George C. Marshall spoke with Stalin on April 15. Marshall was deeply concerned with the failure of the conference to reach any agreement on German economic unity, which had wide-ranging implications. His advisor, Charles Bohlen, reports that Marshall requested the interview to tell Stalin "how dangerous it was to leave Germany in a chaotic and divided state."¹³ After lamenting the failure of the conference and the breakdown of cooperation in Soviet-American relations, Marshall told Stalin that the United States hoped to aid "those countries that are suffering from economic deterioration which, if unchecked, might lead to economic collapse and the consequent elimination of any chance of democratic survival." At the end, Marshall stated that he hoped to "rebuild the basis of cooperation which had existed during the war and that he had come to Generalissimo Stalin with

¹³ Charles Bohlen, *Witness to History, 1929-1969* (New York: Norton & Norton, 1973), 262-63, quoted in Taubman, *Stalin's American Policy*, 157.

that hope, feeling that if they cleared away some of the suspicion it would be a good beginning for the restoration of that understanding.”¹⁴

In his reply, Stalin showed that he did not share either Marshall’s pessimism or his sense of urgency. He first lodged a protest that the British and the Americans did not take the issue of reparations seriously enough. “The United States and England might be willing to give up reparations,” he declared, “but the Soviet Union could not.” Notwithstanding the failure to achieve agreement, however, Stalin took a more optimistic view of the longer-term prospects for reaching a mutually acceptable compromise solution. He described the conference as

only the first skirmishes and brushes of reconnaissance forces on this question. Differences had occurred before on other questions, and as a rule after people had exhausted themselves in dispute they then recognized the necessity of compromise. It is possible that no great success would be achieved at this session, but that should not cause anyone to be desperate.

Stalin added his belief that

compromises were possible on all the main questions including demilitarization, political structure of Germany, reparations and economic unity. It was necessary to have patience and not become depressed.¹⁵

Stalin’s remarks gave the impression that he remained unswayed by Marshall’s concern over the rapidly deteriorating situation in Europe, and his diffident attitude toward the economic implications of the deadlock over Germany convinced Marshall that Stalin was merely stalling, hoping that economic collapse in Western Europe would create conditions favorable to the further expansion of Soviet influence in the region. As another member of the U.S. delegation, John Foster Dulles, put it: “the Moscow conference was, to those who were there, like a streak of lightning that illuminated a dark and stormy scene. We saw as never before the magnitude of the task of saving Europe for Western civilization.”¹⁶ Marshall shared this view, and he returned to Washington from Moscow determined to take some action that could arrest Europe’s precipitous economic decline, and prevent a crisis that the USSR could exploit for political advantage.

One might easily doubt the validity of Marshall’s interpretation of Stalin’s intentions. Stalin may have simply been stalling in order eventually to gain American and British concessions

¹⁴ Memorandum of conversation, 15 April 1947, *FR: 1947*, 2:340-41.

¹⁵ *Ibid.*, 343-44.

¹⁶ John Foster Dulles, *War or Peace* (New York: Macmillan, 1950), 105.

on the issues related to German unification. Reparations had, after all, consistently played a major role in Soviet policy toward Germany, and Stalin and Molotov had proven adamant about receiving reparations at both the Yalta and Potsdam conferences. Thus Stalin may have simply been holding out for a better deal on the German issues and not cannily waiting for all Europe to collapse and fall into his lap. Of course, economic collapse in Western Europe would have served Stalin's interests, but it need not have been the primary consideration in his negotiating position, as Marshall assumed.

If Stalin was awaiting the impending collapse of the European economy, he did not show it. Rather, he appears to have been somewhat skeptical about the prospect of imminent economic collapse in the West. In conversations with Western representatives during the Moscow conference, Stalin repeatedly pressed his interlocutors to explain the extent of economic difficulties in the West. Speaking with British Foreign Minister Ernest Bevin on March 24, Stalin asked "whether the coal crisis in England was serious or was it merely a noise in the press?" Even after Bevin had explained the genesis of the crisis and its gravity, Stalin again inquired, "was the crisis in England now over? Was it still serious?"¹⁷ One comes away from reading the transcript with the impression that Stalin remained unconvinced that the difficulties were indeed severe.

Later in the conference, Stalin met with an American politician, Harold Stassen, at the time a prominent figure in the Republican Party and a possible candidate in the 1948 presidential elections. Stalin most likely regarded Stassen as a representative of the "ruling class" of the United States, as the Republican Party was more clearly linked to big business ("monopoly capital" in Soviet parlance) than the Democrats. The biographical sketch of Stassen prepared for his visit by the Soviet Foreign Ministry noted that although Stassen "enjoys the reputation of a 'liberal' and 'unorthodox' Republican, he is distinguished from clearly conservative Republicans more by his tactics than his political views."¹⁸ In his discussion with Stassen, Stalin again asked several questions about economic issues. As U.S. Ambassador Walter Bedell Smith summarized the discussion, "Stalin on at least three occasions asked Stassen about [the] economic situation in [the] U.S. and was very anxious to know whether Stassen expected a depression and what we are doing to head one off."¹⁹

¹⁷ British record of conversation, 24 March 1947, in *FR: 1947*, 2: 283.

¹⁸ "Information on Harold Stassen," unsigned internal memo, 5 April 1947, Archive of the Foreign Policy of the Russian Federation (hereafter AVP RF), f. 0129, op. 31, p. 193, d. 33,1. 25.

¹⁹ Smith to Secretary of State, 14 April 1947, *FR: 1947*, 4:552-53.

Stalin particularly focused his queries on the possibility of government intervention heading off a future economic crisis. And he seemed more optimistic than Stassen that such intervention could succeed. These questions dovetailed with the views earlier advanced by the influential Soviet economist Evgenii Varga. In a book published in 1946, Varga had suggested that the increased role played in the economy by the governments of the Western capitalist states might make possible the emergence of a limited form of economic planning in those economies after the war. With such planning, Varga contended, these economies might be able to avoid economic crises of the type that had caused the Great Depression in the 1930s.²⁰ The implication was that the Western powers would be more stable and hence less aggressive as a result of their more stable economies and that consequently a moderate Soviet policy of cooperation with the Western powers might pay large dividends. In the latter part of 1947, once confrontation had come to dominate Soviet-Western relations, Varga would be publicly pilloried in the Soviet press and forced to recant this viewpoint. By then, his views no longer comported with the thrust of Soviet policy, but in April and March, he remained influential.²¹ Perhaps, then, Stalin was merely gathering information in these conversations to confirm his impression that despite some economic difficulties, the Western economies were not on the verge of collapse. If this were the case, then the lack of progress at the Moscow conference most likely signalled only that Stalin was holding out for a better deal on Germany, primarily on reparations.

Nor, as we have seen, was Stalin inclined to cease searching for some sort of agreed compromise solution to the difficulties dividing the USSR and the Western powers once the conference adjourned. At the end of his conversation with Stassen, he went out of his way to underline his belief in the possibility of future cooperation, stating:

Of course they [the United States and the Soviet Union] could cooperate with one another. The differences between them did not have any great significance, since one is speaking about cooperation. The economic systems of Germany and the USA are the same, but nevertheless war broke out between them. The USA and the USSR had different economic systems, however they did not fight one another, but rather, cooperated during the war. If two different systems could cooperate during the war, then why could they not do so during peacetime? Of course, it is implied that if there is a desire to cooperate then cooperation between different

²⁰ Eugene Varga, *Izmeneniya v ekonomike kapitalizma v itoge vtoroi mirovoi voiny* [Changes in the Economy of Capitalism as a Result of the Second World War] (Moscow: Gospolitizdat, 1946). For an English summary, see Leo Gruilow, trans., *Soviet Views on the Post-War Economy* (Washington, DC: Public Affairs Press, 1948).

²¹ For a discussion of the debate on economics in the USSR in 1945-48, see Werner Hahn, *Postwar Soviet Politics: The Fall of Zhdanov and the Defeat of Moderation, 1946-53* (Ithaca, NY: Cornell University Press, 1982), 84-94.

systems is entirely possible. But if the desire to cooperate is absent, then even states and people of identical economic systems can come into conflict.²²

The implication here was that although Stalin had some doubts about the desire of the West to reach such a cooperative settlement, he did not rule it out.

Nor was this interview the last official expression of such a view. The journal *New Times*, which Stalin had established as forum during the war for criticizing the policy of the Western Allies under the veil of a “free press,” offered an assessment of the results of the Moscow conference which paralleled Stalin’s. “The facts show,” said *New Times* in its lead editorial on 16 May 1947,

that the Moscow conference performed a work of no little value, bearing in mind the complexity and importance of the German problem which it had under discussion. Unless one believes in miracles, it must be recognized that the working out of agreed decisions on such a problem requires time, patience, good will, and serious effort. The value of the Moscow conference is that the position of the powers on the disputed issues has become more clearly defined. And this clears the way—given good will on all sides—to the necessary, if exacting, work of reconciling the different points of view and arriving at agreed decisions.²³

That this position represented the official line is clear from an interview with a former Soviet Foreign Ministry official, who recalled that *New Times*, ostensibly published by a Soviet trade union organization, was actually run out of Molotov’s office, with the foreign minister himself often writing and editing the lead editorials.²⁴ Just before the announcement of the Marshall Plan, then, the Soviet leadership still viewed cooperation with the West as possible and desirable.

It also should be noted that this rhetoric continued despite the proclamation by President Truman of what came to be known as the “Truman Doctrine.” On 12 March 1947, Truman had asked Congress to vote for economic and military aid for Greece and Turkey and called more broadly for America to support “free peoples” against “direct or indirect aggression” by “totalitarian regimes,” in a clear allusion to the Soviet Union. Many historians have regarded this

²² J.V. Stalin, *Sochineniya* [Works], vol. 16 (Stanford: Hoover Institution Press, 1967), 76.

²³ “The Prospects for International Cooperation,” *New Times* 20 (16 May 1947), 1.

²⁴ Author’s interview with Valentin Berezhev, December 1990. See also the memoir of another Molotov assistant, Vladimir I. Erofeev, “Desyat’ let v sekretariate narkomindela,” *Mezhdunarodnaya Zhizn’* 8 (August 1991), 124.

speech as the opening salvo of the Cold War.²⁵ So it was, from the American side, but the Soviet leadership continued to act as if nothing substantive had changed. As far as Stalin was concerned, Truman's declaration, and the aid he intended to send Greece and Turkey, did not substantially alter the underlying dynamic of Soviet-Western relations. All the statements underlining the possibility of continued cooperation noted above were made *after* Truman's speech.

Furthermore, the Soviet press reacted with relative moderation to Truman's declaration. *New Times*, while criticizing the speech and the aid to the "fascist" Greek and Turkish regimes, and accusing the United States of aspiring to world hegemony, still noted that in the United States, "more farsighted and circumspect elements" did not approve of the new policy. And reports from Soviet officials in the United States also suggested that the Truman Doctrine did not represent the last word on the development of American policy. Reporting on the reaction in the United States to the announcement of the Truman Doctrine, the Soviet consul in New York, Yakov Lomakin, cabled Moscow that "Truman's speech ... provoked a serious wave of dissatisfaction among the populace." He estimated that, "Without exaggeration, one can say that 70-80% of the American people are opposed to granting aid to Greece and Turkey for the reasons put forward by Truman." Lomakin did not suppose that people opposed Truman's plan because they trusted the USSR. Rather, he argued, they feared that Truman's plan "could lead to war between the Soviet Union and the United States."²⁶ This analysis, in tandem with those comments noted above, suggested that cooperation with the United States remained possible, and that the shift in American policies, while potentially troublesome, was not yet regarded as permanent or decisive.

As William Taubman has pointed out, Soviet policy in Korea, of all places, underlined the fact that Stalin's statements about the possibility of cooperation were not merely empty rhetoric. Like Germany, Korea had been divided into occupation zones following the surrender of Japan. Northern Korea had been occupied by the Russians, while the Americans had control over the South. As in Germany, the two sides could not agree on the process of reunification. Earlier attempts to form an interim Korean government had foundered on the inability of the Americans and Soviets to agree on which Korean groups to consult on this question. In February 1947, the Soviet side broke this deadlock by agreeing to U.S. proposals to speed the work of the joint

²⁵ For recent interpretations in this vein, see Leffler, *A Preponderance of Power*, ch. 4, and Deborah Larson, *Origins of Containment: A Psychological Explanation* (Princeton: Princeton University Press, 1985), ch. 7. For Truman's speech, see *Public Papers of the Presidents of the United States: Harry S. Truman*, 1947 (Washington, DC: Government Printing Office, 1963), 176-80.

²⁶ Consul General Lomakin to Soviet Foreign Ministry, 19 April 1947, AVP RF, f. 0129, op. 31, p. 192, d. 12, l. 19.

commission on forming an interim government. The commission actually began to work in May 1947, and the American delegates found that the Soviet delegates were workmanlike, although still bargaining hard on the question of whom to consult.²⁷ In fact, documents from the Russian archives show that the Soviet delegates had instructions to agree to form an interim government if they could gain sufficient representation for “leftist” South Korean groups.²⁸ After Molotov walked out of the Paris conference on the Marshall Plan, however, these talks also failed.²⁹

Initial Soviet Reaction to the Marshall Plan

Given Marshall’s remarks to Stalin during their conversation in April, it cannot have come as a surprise to the Soviet leader when Marshall gave his famous speech at Harvard University on 5 June 1947, in which he suggested that the United States was prepared to give economic aid to Europe to forestall economic catastrophe there.³⁰ Initial Soviet reaction to the speech itself seems to have been cautious, and tinged with suspicion, but far from categorical. Marshall’s speech was sufficiently ambiguous to make its interpretation difficult. Was this new American initiative a threat or an opportunity? Reflecting this uncertainty, the Soviet ambassador in Washington, Nikolai V. Novikov, cabled Moscow on June 9 that although Marshall had relied on vague generalities in his speech, the U.S. initiative appeared to lend support to the “Monnet Plan,” the economic reconstruction plan put forward earlier in France.³¹ In his analysis, based on a close reading of the American press, Novikov suggested that the purpose of Marshall’s speech was to inspire the British to join the French in creating an economic plan for European recovery. But this plan would have more than simply economic objectives. In the American proposal, Novikov concluded, “the outlines of a Western European bloc directed against us [the USSR] are patently

²⁷ Taubman, *Stalin’s American Policy*, 152-53.

²⁸ N.P. Pavlova, “Soviet-American Relations, 1945-53” (an historical summary prepared by archivists of the Soviet Foreign Ministry for internal use, written in 1965), AVP RF, f. 048g, op. 24g, p. 19, d. 1,1. 258, citing AVP RF, f. 06, op. 9, p. 70, d. 876, 11. 10-17.

²⁹ For a much more detailed discussion of Soviet policy in Korea during this period, see Kathryn Weathersby, “Soviet Aims in Korea and the Origins of the Korean War, 1945-50: New Evidence From the Russian Archives,” Cold War International History Project, Working Paper No. 8, Woodrow Wilson Center, November 1993, esp. pp. 5-19. Weathersby argues that Stalin was never interested in unifying the Korean peninsula under an interim government; his main goal was simply to prevent any other power from coming to dominate the entire peninsula. In this interpretation, then, the Soviet negotiators were not very serious in their attempts to find a mutually acceptable solution with the Americans. However, even if this interpretation is correct, the fact that the Soviet leaders reopened negotiations on this topic before the Marshall Plan, and then walked out afterwards, is suggestive of a shift in their general attitude toward the possibility of reaching compromise decisions with the United States.

³⁰ For the official text of Marshall’s speech, see *FR: 1947*, 3: 237-39.

³¹ The Monnet Plan, named for Jean Monnet, then Head of the French Cabinet Planning office, was a plan for the economic reconstruction of France. The plan emphasized rapid industrial growth, and the use of German resources—especially coal—to fuel French industry. See Leffler, *A Preponderance of Power*, 118, and also Hogan, *The Marshall Plan* 32, 65.

visible. The State Department is now working furiously on this plan.”³² The first analysis Molotov and Stalin received from their embassy in Washington almost certainly increased their suspicions of American intent.

To the extent that one can judge from available documentation, Soviet Foreign Minister Molotov was also cautious in his initial assessment, but not as not so pessimistic as his ambassador. The original translation of Marshall’s speech into Russian that Molotov read is heavily underlined, hinting at the interpretation he placed on it. First, Molotov underlined the sections that emphasized the seriousness of the economic situation in Europe. He heavily underlined not only the sentence: “Thus a very serious situation is rapidly developing which bodes no good for the world,” but also later Marshall’s remark that “It should be clear to everyone what effects this could have on the economy of the United States.” Molotov also underlined the conclusion: “the United States must do everything within its power so as to assist in the return of normal economic conditions in the world.”

Secondly, as one would expect from the suspicious Molotov, he underlined the following two sentences: “Our policy is directed not against any country or doctrine, but against hunger, poverty, desperation, and chaos,” as well as the phrase, “governments, political parties or groups which seek to perpetuate human misery in order to profit therefrom politically or otherwise will encounter the opposition of the United States.” Molotov then underlined and noted in the margin three main points of the plan’s structure that Marshall alluded to in the closing paragraphs of his speech: 1) that the European countries must come to an agreement about their economic requirements; 2) that the initiative must come from the Europeans themselves; and 3) that the American role should be limited to aid and support of such an economic program.³³

What can one conclude (albeit tenuously) from Molotov’s underlining of the speech? First, it seems that he concentrated on the self-interested motives of the Americans in putting forward the proposal, by heavily marking in the margin Marshall’s warning about the effects on the United States of an economic collapse in Europe. He seems to have viewed the proposal as motivated by economic necessity. (Other evidence presented later also supports this conclusion.) Second, Molotov seems to have suspected that the plan was directed against the Soviet Union in that he circled the same passage as Novikov did in reaching this conclusion. But Molotov’s marking of Marshall’s three closing points suggests that he still sensed that possibly the proposal

³² Novikov to Molotov, 9 June 1947, AVP RF, f. 059, op. 18, p. 39, d. 250, 11. 207-209, printed in *Mezhdunarodnaya Zhizn’* 5 (May 1992), 118-19.

³³ Translation of Secretary of State Marshall’s speech of 5 June 1947, AVP RF, f. 06, op. 9, d. 209, p. 18, 1. 2-5.

could be turned to Soviet advantage; perhaps the Soviet Union could gain some much-needed reconstruction credits from the United States. That Marshall suggested the Europeans themselves draw up the proposed aid program made this interpretation plausible. It is quite possible that Novikov was deliberately more pessimistic than his boss to protect himself from charges that he was insufficiently vigilant.³⁴

Molotov and Novikov had a firm foundation for their suspicions. Most of the available evidence indicates that the Western powers designed the aid program to ensure that Moscow would not participate. The Americans, the British, and the French all agreed that Soviet participation would lead to protracted bargaining and delays in implementing any plan, since the suspicious Soviet leaders would be sure to impose many difficult conditions on their participation. The West Europeans and Americans were united on the need to move quickly. If, as Marshall put it, “the patient is sinking while the doctors deliberate,” then endless haggling with the Soviets had to be avoided.³⁵

In the days following Marshall’s speech, both the British and French governments scrambled to put together a rapid response. Desperate for the credits which Marshall was offering, they were nevertheless on the horns of a difficult political dilemma. For reasons of efficiency and strategy, noted above, they did not want to include the USSR in their plans, but, on the other hand, they had to put together an all-European plan of some sort for by the summer of 1947 it had become clear that the U.S. Congress would not approve any further piecemeal aid to individual European countries. American legislators felt that too much aid had already been sent into the “black hole” of the European economies. Thus any response to Marshall’s plan—if it was to pass muster in the American legislature—had to take the form of an all-European plan which held out the prospect of re-creating in the near future a self-sustaining European economy. The rub was that putting together such a plan also had to include a visible effort to include the Soviet Union, because in France and Italy, two countries whose participation was deemed essential to any successful program for Western European recovery, joining an economic plan which overtly barred Moscow would be politically unacceptable. In both countries, socialist-led governments had only just that past spring excluded the Communists from governing coalitions and were hanging on to bare majorities in their respective parliaments. Any further action which would antagonize the Left—as the deliberate exclusion of the USSR surely would—might throw these countries into a political crisis. As a result, even though British Foreign Minister Bevin and his

³⁴ This sort of caution in reporting would hardly have been an irrational strategy for Novikov at the time, given the fate of many Soviet diplomats purged in the 1930s.

³⁵ “Radio Address of Secretary of State George C. Marshall,” *Department of State Bulletin*, 11 May 1947, 919.

French counterpart Georges Bidault did not desire Soviet participation in the American aid program, they felt constrained to invite the USSR to collaborate in the initial planning.³⁶

When Bevin and Bidault met in Paris a few days after Marshall's speech, they were careful to transmit to Moscow their desire to enter into consultations with the Soviets about a European response to the American initiative. As Bevin reported to London, "the main concern of the French government was to disarm domestic criticism to the effect that Russia had not been given in good faith a full and cordial opportunity to join in the discussions at the outset."³⁷ Thus, following their discussions, Bevin and Bidault extended an invitation to Molotov to join them at a meeting to be held in Paris the week of June 23. Both Bevin and Bidault assured the U.S. ambassador in Paris, Jefferson Caffery, however, that the invitation was little more than window dressing to defuse potential leftist opposition at home. Both separately informed Caffery that "they hope the Soviets will refuse to cooperate and that in any event they will be prepared to 'go ahead full steam even if the Soviets refuse to do so.'"³⁸

At the same time, the Soviet Foreign Ministry attempted to clarify both the intent of Marshall's speech and the nature of the Anglo-French discussions regarding a response. In early June, in a series of meetings with the French charge d'affaires and the British ambassador in Moscow, Deputy Foreign Minister Jacob Malik attempted to discover if the British and the French had any information other than the speech itself as to what the Americans intended. He was especially interested in details about the amount of aid the Americans might be prepared to offer and what conditions might be attached. Neither diplomat volunteered any further information, however.³⁹ Despite these assurances, the Soviet leaders must have suspected (and, as we have seen, not without reason) that the British, French and Americans were already planning a unified approach to the question. Even the invitation to the conference in Paris probably did not suffice to quell such apprehensions.

To supplement reports from the field, in early June Molotov requested that Evgenii Varga, the economist mentioned above, assess the motives behind the Marshall Plan. In response, Varga

³⁶ William C. Cromwell, "The Marshall Plan, Britain, and the cold war," *Review of International Studies* 8 (October 1982), 240; Henry Pelling, *Britain and the Marshall Plan* (New York: St. Martin's Press, 1988), ch. 2.

³⁷ "Bevin's Report to the Cabinet on his Meeting with French officials," 23 June 1947, Cabinet Meetings (CAB), 129 19, p. 2, Public Record Office, London, quoted in Cromwell, "The Marshall Plan, Britain, and the cold war," 240.

³⁸ Caffery to Secretary of State Marshall, 18 June 1947, *FR:1947*, 3:260.

³⁹ "Memorandum of Conversation between Soviet Deputy Foreign Minister Malik and British Ambassador Peterson," 10 June 1947, and "Memorandum of Conversation between Soviet Deputy Foreign Minister Malik and French Charge Charpentier," 11 June 1947, AVP RF, f. 06, op. 9, d. 217, p. 19, 11. 12-25.

submitted a report to Molotov on June 26 that, according to the foreign minister's hand-written notation on the cover, was circulated to Stalin and other senior Soviet leaders.⁴⁰ Predictably, Varga put forward an economic explanation, arguing that "[t]he economic situation in the United States was the decisive factor in the putting forward of the Marshall Plan proposal. The Marshall Plan is intended in the first instance to serve as a means of softening the expected economic crisis, the approach of which already no one in the United States denies." Varga then went on to outline the dimensions of the economic crisis which he expected would soon overtake the United States. He anticipated a twenty percent drop in production during this crisis, leading to the creation of a ten-million man army of unemployed, and wreaking havoc on the American banking system. As to the political effects of these economic difficulties, he concluded that "the explosion of the economic and financial crisis will result in a significant drop in the foreign policy prestige of the United States, which hopes to play the role of stabilizer of international capitalism."⁴¹

The Marshall Plan, then, wrote Varga, represented an attempt to forestall this crisis. In this view, the United States found itself compelled to increase exports in order to avoid the onset of a serious economic depression. To accomplish such an increase in exports, the United States would grant credits to the European countries, even if they could not repay them. Varga observed that this expedient would prove especially beneficial to "monopoly capital." He concluded:

Seen against this background, the idea behind the Marshall Plan is the following. If it is in the interest of the United States itself to sell abroad American goods worth several billion dollars on credit to bankrupt borrowers, then it is necessary to attempt to gain from these credits the maximum political benefits.⁴²

Thus, in Varga's analysis, economic self-interest required the American capitalists to extend credits to Europe in order to avoid economic catastrophe, even as they sought to extract a political bonus from this dire situation.

⁴⁰ "Report of Academician Varga to Foreign Minister Molotov," 24 June 1947, AVP RF, f. 06, op. 9, d. 213, p. 18, l. 2. The complete distribution list included Stalin, Beria (head of State Security), Zhdanov, Mikoyan, Malenkov, Voznesensky (all Politburo members), Vyshinsky (Deputy Foreign Minister), and Malik. Unfortunately, the author had no way to verify whether these individuals, in particular Stalin, actually read this report. Nor have any materials documenting Politburo deliberations on this subject been released. Despite the considerable material which is available on this topic, this gap at the highest level of decisionmaking imposes serious limitations on any analysis of the decision to send Molotov to the Paris meeting. These limitations might be addressed if scholars were allowed full access to the historical sections of the "Presidential" or Kremlin archive in Moscow.

⁴¹ Ibid., 1. 3.

⁴² Ibid., 1. 4.

In the final section of his report, Varga explained why Marshall insisted that the European countries put together a single, all-European plan for American aid. He listed five reasons: 1) to show American superiority over Europe, since all the European countries together must make the request, rather than on a more equal bilateral basis; 2) the possibility “within the framework of a unified plan of aid to Europe to put forward a demand for the economic unification of Germany on a bourgeois basis. In this way, the United States is striving for the creation of a unified front of the bourgeois states of Europe against the USSR on the German question”; 3) “the possibility of putting forward the demand of removing the ‘iron curtain’ as a precondition for the ostensible economic reconstruction of Europe”; 4) to create pressure to form an anti-Soviet bloc in Europe if the USSR refuses to participate; and 5) to blame the USSR if the plan fails.⁴³

Varga’s analysis, like that of Molotov and Novikov, reflected a strong degree of caution and suspicion, but it did not openly recommend outright rejection of the U.S. initiative. The report, while pointing out the “imperialist” motivations behind the proposal, did not explicitly rule out Soviet participation, provided, of course, that any strings which the Americans might attach to the aid were not unduly onerous. In fact, since Varga contended that the United States *must* grant credits or face economic catastrophe, his analysis implied that the USSR might be able to obtain some of these credits without agreeing to unacceptable political conditions. The final section outlined likely American strategies for imposing such conditions, but stopped short of asserting that the Soviet Union would be forced to agree to them. One may infer from this analysis that with astute bargaining, the Soviet Union might benefit from participation in a plan largely motivated by American economic necessity.

Interestingly, the report dovetailed with Varga’s earlier analysis with respect to capitalist states regulating their economies. Were the Marshall Plan to succeed, the impending economic crisis would be averted, at least temporarily. Indirectly, here too, Varga seemed to counsel moderation. For if this sort of government intervention could forestall economic crisis in the West, then the Western powers might prove more stable than traditional Soviet thinking suggested. If the United States could avert collapse from such economic “crises,” then it would prove necessary to deal with the Western powers for a considerable period of time. This conclusion implied following a more moderate foreign policy encompassing at least limited cooperation with the West. Strictly speaking, then, Varga’s analysis left the door open for Soviet participation.⁴⁴

⁴³ Ibid., 1. 5.

⁴⁴ Varga’s caution and circumspection in laying out the implications of his analysis, like Novikov’s, can be attributed in part to his desire to protect himself against future accusations of insufficient vigilance. Varga had

The Paris conference to discuss Marshall's proposal was set to open on June 26. Molotov agreed to take part—a decision fully consistent with both his own reading of Marshall's speech and Varga's analysis. Apparently, Moscow viewed attendance at the conference as necessary in order to clarify the details of the U.S. proposal and to learn what conditions the Americans might attach to their aid. The Soviet leadership at this point not only felt that its own participation was appropriate, but encouraged its Eastern European allies to participate. On June 22, even before he read Varga's report, Molotov cabled Soviet embassies in Poland, Czechoslovakia, and Yugoslavia, and ordered the ambassadors there to inform their host governments that the Soviet Government

thought it desirable that the friendly allied countries, from their side, take the initiative in arranging their participation in the drawing up of such an economic program, and announce their desire to participate, keeping in mind that several European countries (i.e. Holland, Belgium) have already made such requests.⁴⁵

Within a few days, the Czechoslovak and Polish governments responded to Molotov's cable. Both indicated that they would put forward their own requests to be included in the proposed aid program, and each expressed enthusiasm at the prospect of participation in such a program.⁴⁶

But as the conference in Paris approached, Soviet suspicions about American intentions appear to have increased. These fears revolved around the idea that Marshall's proposal, far from being a simple plan of economic aid, actually represented the first step in the formation of a Western European alliance, led by the United States and directed against Soviet interests, especially in Eastern Europe. Ambassador Novikov explicitly articulated such fears in a cable to Moscow on June 24. This cable contained a notably more pessimistic appraisal of the situation than the one he had sent earlier in the month. He now gave substance to what had earlier been diffuse, generalized suspicion about American intentions. Novikov started by observing that the "Truman Doctrine," initiated in March, had been a political flop, its "crude" methods and rhetoric

already come under attack by this time for his views on the possibility of successful government economic intervention in the West, and although he had refused to recant his views, he may well have felt the need to adopt a more "vigilant" stance toward the Western powers in this assessment for Molotov. Thus, he may have been more optimistic about the possibility of cooperation with Western powers than this report suggested. It becomes rather difficult, under such circumstances, to determine what Varga was trying to convey in this report. This is one of many difficult issues of interpretation which scholars face in dealing with primary documents from the late Stalin era.

⁴⁵ Molotov to Soviet embassies in Eastern Europe, 22 June 1947, AVP RF, f. 06, op. 9, d. 214, p. 18, 1. 19, printed in *Mezhdunarodnaya Zhizn'* 5 (May 1992), 125.

⁴⁶ Polish Ambassador M. Nashkovskii to Molotov, 24 June 1947, and Czechoslovak Government to Soviet Government, 1 July 1947, AVP RF, f. 06, op. 9, d. 212, p. 18, 1. 1, 11.

having proven unpopular both in the United States and in Western Europe, which did not want to get caught up in a conflict between the USSR and the U.S. and had therefore remained aloof from the “openly anti-Soviet program of Truman.” Marshall’s Harvard speech and proposal, argued Novikov, simply constituted a more subtle and politically acceptable tactic to involve the West Europeans in support of American policies directed against the Soviet Union.⁴⁷

Novikov characterized the underlying goal of the American initiative as “the hindering of the democratization of the countries of Europe, the stimulation of forces opposing the Soviet Union, and the establishment of conditions for the strengthening of the position of American capital in Europe and Asia.” Novikov’s analysis interpreted the Marshall Plan as an attempt to roll back Soviet influence in Europe. This impression is strengthened by his later comments on the form in which Marshall put forward his proposal:

Externally, the “Marshall Plan” appears as if the United States has decided to give the European states themselves the initiative in establishing a program of economic reconstruction for Europe....But it cannot be doubted, however, that matters here will not be decided without some prompting [from the U.S.]. This task, apparently, is already being carried out by American representatives in the appropriate countries. It is to this end that the talks of [Undersecretary of State for Economic Affairs Will L.] Clayton in London are directed.⁴⁸

Novikov was not far off the mark in his reporting here. In fact, Clayton did travel to London shortly before the opening of the Paris conference, and held several meetings with Bevin. The subject of these talks was a matter of speculation in the Western press, which Soviet observers duly noted.⁴⁹ At the meeting, Bevin and Clayton did indeed discuss ways of precluding Soviet participation in the American aid program without incurring the political costs of openly banning the USSR; Bevin also noted the possibility of luring some East European states away from Soviet tutelage with American economic aid.⁵⁰ The suspicious Novikov was right on target,

⁴⁷ Novikov to Molotov, 24 June 1947 AVP RF, f. 059, op. 18, p. 39, d. 250,11. 314-320, printed in *Mezhdunarodnaya Zhizn'* 5 (May 1992), 121.

⁴⁸ *Ibid.*, 121.

⁴⁹ For Soviet press coverage of Clayton’s visit, see *Pravda*, 29 June 1947. This article suggested that Clayton had travelled to Paris in order to “lay out for the British government the viewpoint of the American government about what Bevin should do at Paris.” For an internal Foreign Ministry analysis of speculation in the Western press about the purpose of Clayton’s visit to London, which also notes the possibility that the Americans are acting behind the scenes to influence the outcome of the Paris meeting, see “Survey of the Press for 27 June 1947, Soviet Embassy in Paris,” AVP RF, f. 06, op. 9, p. 18, d. 220,1. 125.

⁵⁰ For information on the Clayton-Bevin meeting, see Leffler, *A Preponderance of Power*, 183; Cromwell, “The Marshall Plan, Britain, and the cold war,” 242-44. For the official American report of the meeting, see “Summary of First Meeting of Under Secretary Clayton and Ambassador with British Cabinet Members,” 24 June 1947, *FR*: 1947, 3: 268-76.

then, when he inferred that Clayton and Bevin were working out a plan of action for the Paris conference which conformed to explicit American conditions and expectations.

Novikov went on to conclude that the Marshall Plan should be regarded as the first stage of a coordinated plan to create an anti-Soviet alliance in Europe:

In this way, the “Marshall Plan,” in place of the previous disorganized actions, directed at the economic and political subordination of the European countries to American capital and the creation of anti-Soviet groupings, envisions a broader frame of action, aiming to solve this problem more effectively.

As a result, Novikov expected that the participation of the USSR was not envisioned in the plan, and he cited Marshall’s statement in the speech that “governments, political parties or groups which seek to perpetuate human misery in order to profit therefrom politically or otherwise will encounter the opposition of the United States,” as evidence for this view. This statement, Novikov argued, was “clearly directed against the USSR.”⁵¹ Novikov’s analysis concluded that formal Soviet participation in the Paris conference has remained possible only because it would be politically costly explicitly to exclude the USSR. But this formal opportunity is illusory, argued Novikov, for in reality Soviet participation in the program on acceptable terms remained highly unlikely.

On the other hand, perhaps not wanting to commit himself fully to a pessimistic analysis, Novikov also noted the role economic pressures had played in shaping the American proposal, observing, like Varga, that it had, to some extent, been compelled by economic necessity. Truman’s economic policies, wrote Novikov, had come under harsh criticism from his political opponents in the U.S. Congress. There was also a huge export-import imbalance—the so-called dollar gap—between Europe and the United States. These factors in combination had forced a new turn in American policy, designed to enable the United States to strengthen its economy and achieve its foreign policy goals. Novikov also stated that the United States was not well-prepared to carry out a massive overseas reconstruction aid program, noting that the administration faced “significant opposition from various circles” to any attempt to appropriate large sums for Western Europe. Thus, while the economic interests of the country seemed to indicate that such a program of aid to Europe was required, there was no assurance that such a plan would receive the necessary Congressional support.

⁵¹ Novikov to Molotov, 24 June 1947, AVP RF, f. 059, op. 18, p. 39, d. 250,11. 314-320, printed in *Mezhdunarodnaya Zhizn’* 5 (May 1992), 121-22.

Putting all these considerations together, Novikov, prudently avoiding definitive statements in the absence of explicit instructions from Moscow, did not come to any far-reaching conclusion. American intentions were still too unclear for that, he argued, despite his clearly voiced suspicions. He recommended that the USSR attend the conference in Paris in order to clarify both the scope of the proposed American aid program and the conditions under which that aid might be offered, observing innocuously that “it will be possible to further develop our position on the question of American aid after the concrete plans of the Americans, their conditions, and so on become clear.”⁵² In addition, Novikov suggested that Soviet participation would give the USSR the opportunity to shape the American aid program to Soviet advantage, and to thus prevent its use as a tool for the formation of a Western European anti-Soviet alliance. He noted:

Our relationship to the “Marshall Plan,” and to the meeting of the three ministers, I propose, should be expressed in an attempt to gain a decisive role in the formation of a program of the reconstruction and development of the national economies of the European countries. In the matter of granting aid we should strive for preference to be granted to the Allied states, whose economies especially suffered during the war. Our participation in the design of the program will hinder the realization of the American plans for the subordination of Europe and the creation of an anti-Soviet bloc.⁵³

On a related topic Novikov noted that since German resources would play an important role in any plan for European recovery, the discussion of the plan would serve as a opportunity to again raise the issue of reparations. This comment implied that by participating in the process of drawing up the plan, the USSR might receive not only American aid, but also further reparations from Germany.⁵⁴ Thus, while Novikov suspected that this latest initiative by the United States was designed to build up a Western European bloc in opposition to the Soviet Union, he did not rule out Soviet participation, which could bring certain benefits, both political and economic. Soviet participation might even prevent the formation of a cohesive Western bloc.

The Paris Conference on the Marshall Plan and the USSR

All of these threads of advice and information were tied together in the instructions for the Soviet delegation to the Paris conference, written by Molotov himself and presumably approved by Stalin. In his cover letter to Stalin, Molotov noted that the instructions were “insufficiently

⁵² Ibid., 123

⁵³ Ibid., 122

⁵⁴ Ibid., 122.

worked out,” but did not elaborate—perhaps further changes were made in the instructions after Stalin read them, and before the Soviet delegation departed for Paris.⁵⁵ The instructions laid out the main lines of the Soviet negotiating position at the Paris conference. As one would expect from the Molotov’s reading of Marshall’s speech, Varga’s analysis, and Novikov’s reporting, the instructions did not call for outright rejection of Marshall’s proposal. Rather, they broadly outlined the terms under which Moscow would be willing to participate in an American aid program.

The primary objective of the Soviet delegation, according to the instructions, was to determine just what type of aid and on what scale the Americans were prepared to offer. This was only natural, since Marshall’s speech had been rather vague on this point. It also followed from Novikov’s speculation that Marshall’s initiative might not be supported in Congress. In addition, the Soviet delegation was instructed to call for the formation of economic recovery plans on a country-by-country basis, rather than an all-European plan.⁵⁶ Such multi-national institutions, the Soviet leaders feared, could serve as the framework for an anti-Soviet alliance.

The instructions also directed the delegation to oppose the imposition of certain conditions on any aid which might be offered. In particular the delegation received instructions that

In the discussion of any concrete proposals dealing with American aid to Europe, the Soviet delegation should object to any conditions of such aid which would carry with them the infringement of the sovereignty of the European countries or their economic enslavement. In the process of discussion of this question, the Soviet delegation should make clear the negative attitude of the Soviet Union to such conditions of aid as were put into place in Greece and Turkey.⁵⁷

Underlining the exact focus of this concern about economic “enslavement,” the instructions further directed that “the Soviet delegation should object to possible proposals about the formation of a unified European aid plan which would obstruct the industrial development of Eastern Europe and would reinforce the prewar relationships between the economies of individual

⁵⁵ “Instructions for the Soviet Delegation to the Foreign Ministers Meeting in Paris,” 25 June 1947, AVP RF, f. 06, op. 9, d. 214, p. 18,1. 2. From the cover letter, which is addressed to Stalin, one can assume that Stalin was sent a copy of the instructions, but nothing in the files to which the author had access indicated that Stalin actually read the report, or shed any light on what changes, if any, the Soviet leader made in these instructions. (Again, this gap in documentation underlines the need to gain access to the “Presidential” or Kremlin archive.) These instructions have been published in *Mezhdunarodnaya Zhizn’* 5 (May 1992), 123-25.

⁵⁶ *Ibid.*, 1. 1-3.

⁵⁷ *Ibid.*, 1. 9.

European countries.”⁵⁸ In other words, the Soviet leaders would not accept a plan which limited the East European states to their traditional role as suppliers of raw materials to the industries of Western Europe.

On the question of German participation in any plan of American aid, the delegation was instructed to take a hard bargaining stance, following Novikov’s suggestions. The delegation was to object to any use of German resources unless agreement could be reached on the now long-standing Soviet demands for reparations and the establishment of four-power control over the Ruhr. If such an agreement could not be reached, then the Soviet delegation received instructions to object to any use of German resources in such a plan on a zonal basis. In tandem with these policies, the instructions also directed the delegation to object to any attempt to transfer German problems out of the competence of the four-power Allied control council for Germany, because, as the instructions noted, in this council the Soviet Union retained veto power.⁵⁹

Overall, then, the Soviet position coming into the Paris conference remained cautious, but still moderate. The instructions are generally negative, in the sense that they outlined potential Western proposals to which the Soviet delegation must object. They devoted little space to the terms of a potential agreement. But acceptance of an American offer of aid under certain conditions was not precluded, and one suspects that when the Soviet delegation arrived in Paris that the possibility of Moscow’s participation remained open. In order to achieve Soviet agreement, however, the West would have had to agree to a package deal which included concessions on German reparations. In addition, any aid program to which the Soviet Union agreed would have had to be based on the aid requests of individual countries, only loosely coordinated. This concept stood in contrast to the one put forward by Marshall, which envisioned a single, unified European plan. As the instructions made clear, such a unified plan was unacceptable to the Soviet government because it would enhance Eastern European economic integration with Western Europe, and would institutionalize the subordinate role of the Eastern European states as suppliers of raw materials.

The notion that the Soviet leadership remained undecided about how to respond to the American proposal until after the Paris conference opened is reinforced by the behavior of the Soviet delegation during the meeting itself. When Molotov arrived in Paris, his delegation numbered more than 100, far more than necessary if he had come simply to delay the proceedings or to deliver a ceremonial refusal to participate. The size of the delegation itself suggested a

⁵⁸ Ibid., 1. 10.

⁵⁹ Ibid., 1. 11-13.

willingness to engage in serious discussion.⁶⁰ Molotov seemed to believe that a cooperative outcome was possible; American aid still might be offered on terms which would be acceptable to the USSR. The tone of his speech on the first day was quite moderate, and his main thrust consisted of getting the Americans, who were not at the conference, to outline the proposed aid program more clearly. In this context, a French diplomat noted after the first day of the conference that Molotov “has been unusually mild,” and that “the Soviets wish at all costs to avoid giving the French or British a valid pretext to break with them.”⁶¹

Despite this promising beginning, the conference ultimately foundered on the question of what sort of aid request to forward to the Americans. The French and British wanted to set up a multinational committee which would examine the aid requests of all European states and then coordinate them, so as to make most efficient use of the aid. The Soviets, on the other hand, simply wanted to aggregate all the individual requests and forward them to Washington. They did not want to create any multinational institutions, which they argued would infringe upon the “sovereignty” of individual states. In addition, the issue of Germany again proved divisive. Molotov wanted assurances that any German participation in the aid program would not jeopardize possible reparations payments or lead to an increase in German industrial capacity. The British and the French fudged the issue, but refused to agree to such terms. When it became clear that the French and British would not agree with the Soviet proposal, Molotov delivered a harsh denunciation of the Western states and stalked out of the conference. Essentially, the Western states had attempted to impose exactly those conditions which the Soviet leaders had defined as unacceptable in their pre-conference analyses.⁶²

In his closing speech, on July 3, Molotov accused the Western powers of seeking to divide Europe into two hostile camps and forecast what the adoption of the Anglo-French plan would produce: “This [plan] would lead England, France and a group of countries following them to separate themselves from the other states of Europe, which would split Europe into two groups of states and would create new difficulties in the relations between them.”⁶³ The Soviet leaders clearly feared that if they accepted the Anglo-French proposal, it would mean allowing Western

⁶⁰ The size of Molotov’s delegation is noted in Douglas to Marshall, 4 July 1947, *FR: 1947*, 3:310.

⁶¹ Quoted in Caffrey to Marshall, 29 June 1947, *ibid.*, 300.

⁶² For another view of Soviet motives and actions during the Paris Conference, including telegraphic communications between Molotov in Paris and Stalin in Moscow taken from the “Presidential Archive,” see Mikhail Narinsky, “The Soviet Union and the Marshall Plan,” paper presented at the Cold War International History Project’s Conference on New Evidence on Cold War History, Moscow, January 1993, and printed in revised form as a CWIHP working paper.

⁶³ “Stenographic Record of the Paris Conference of Foreign Ministers,” 3 July 1947, AVP RF, f. 06, op. 9, d. 215, p. 18, l. 96.

penetration into the economies of Eastern Europe. Trade patterns in Eastern Europe, which since 1945 had been directed towards the Soviet Union by a series of bilateral agreements, would be reoriented in accordance with an all-European plan. Such a reintegration with Western Europe would also reinforce the resistance of those groups in the Eastern European states which hoped to avoid the imposition of Soviet hegemony. All these developments would greatly dilute Soviet influence in Eastern Europe. The Marshall Plan, then, once the details were filled in, appeared as an attempt to use American economic power to undermine the newly established Soviet buffer zone in Eastern Europe.

In fairly rapid order, the Soviet leaders not only withdrew their own participation, but also pressured East European states to do the same. In response to the earlier messages from the Soviet leadership that their participation in the Marshall Plan would be acceptable, both the Polish and Czechoslovak governments had expressed enthusiasm about the plan to the United States. Before the Paris conference, the Polish ambassador in Washington, Jozef Winiewicz, told a State Department official that his government viewed the Plan with “great interest” and that “he personally did not interpret” Soviet press commentary “as excluding the possibility of Soviet cooperation,” nor did he expect “that the Soviet government would oppose the program.”⁶⁴ Even after Molotov’s departure from Paris, the Poles and the Czechoslovaks continued to show interest in participating in the U.S. aid program. This behavior is hardly surprising when one learns that the Czechoslovak government received a directive from Molotov on July 5 urging it to participate in the next conference on the Marshall Plan even though the USSR had now decided not to attend. Czechoslovak participation would be useful, argued Molotov, in order to “demonstrate at the conference itself the unacceptability of the Anglo-French plan, prevent adoption of a unanimous decision [on that plan], and then leave the conference, taking as many delegates of other countries as possible.”⁶⁵ Thus the Soviet leadership apparently hoped to use the East European countries as a foil to obstruct the American aid program and prevent it from becoming the basis of a unified anti-Soviet bloc.

Consequently, as late as July 7, several days after Molotov had walked out of the Paris talks, the Czechoslovak government issued a formal acceptance of the British and French invitation to the follow-up conference in Paris. This decision had been taken at a lengthy meeting of the Czechoslovak cabinet which also decided to appoint Prague’s ambassador in France, Jiri

⁶⁴ Memorandum of conversation by the Counselor of the Department of State, n.d., but apparently 18 or 19 June 1947, *FR: 1947*, 3:261.

⁶⁵ Molotov to Soviet Charge in Czechoslovakia Bodrov (for delivery to Prime Minister Gottwald), 5 July 1947, AVP RF, f. 059, op. 18, p. 22, d. 151, l. 87, printed in *Mezhdunarodnaya Zhizn* 5 (May 1992), 125.

Nosek, as its representative to this conference. A final decision on participation in the plan could be taken once Nosek reported on the substance of the proposals put forward at the Paris meeting.⁶⁶ The U.S. embassy in Prague reported to Washington that the Czechoslovaks appeared “extremely anxious to participate in [the] Marshall plan.”⁶⁷ On the same day, in Warsaw, the Polish foreign minister, Zygmunt Modzelewski, told the new U.S. ambassador, Stanton Griffis, that although the “final decision had not been made,” he felt “certain [the] Polish Government would accept the British-French invitation and be present at [the] meeting in Paris.”⁶⁸

It did not take long, however, for the Soviet leadership to re-evaluate its position and conclude that participation by the East European “New Democracies,” even for the purpose of disrupting the July 12 meeting in Paris, would be too dangerous. By now, Stalin had reversed his initial tentative assessment that it might prove possible to obtain U.S. economic support without accepting harsh political conditions. The result of this new conclusion was a sweeping turn in Soviet grand strategy and the rejection of the model of interaction with the Western Powers which had guided Soviet actions since the end of the war. From the Soviet viewpoint, the new American initiative now stood unveiled as more than an attempt to create an anti-Soviet bloc in Western Europe. Stalin would certainly have found such a development threatening, but he might have been able to accept it as a legitimate expression of American concern with an area which he largely acknowledged as part of the American sphere of interest.

However, the Marshall Plan now seemed also to aim at undermining Soviet influence in Eastern Europe. The Czechoslovak and Polish interest in the Plan demonstrated with vivid clarity just how powerful the lure of American economic aid could be to the coalition governments of the “New Democratic” states. The Czechoslovak and Polish flirtation with acceptance of the Marshall Plan underlined how incomplete communist control remained in these states. Faced with this new and potent threat to the recently-won buffer zone in Eastern Europe, Stalin apparently decided that he would no longer place any faith in cooperation with the Western powers, or attempt to reach agreed compromise solutions to outstanding differences. From this point forward, the Soviet Union would rely upon unilateral action to safeguard its security interests.

In response to the perceived offensive threat presented by the Marshall Plan, the Soviet leaders exploited their considerable, if still incomplete, political influence in Eastern Europe to

⁶⁶ Karel Kratky, “Czechoslovakia, The Soviet Union and The Marshall Plan,” in O.A. Westad et. al., eds., *The Soviet Union in Eastern Europe, 1945-1989* (London: Macmillan, forthcoming), 35.

⁶⁷ Steinhardt to Secretary of State, 7 July 1947, *FR: 1947*, 3:313-14.

⁶⁸ Keith to Secretary of State, 7 July 1947, *FR: 1947*, 3:313.

counter the lure of American reconstruction credits. Recently opened documents from the Czechoslovak and Russian archives clearly demonstrate the nature of this shift in Soviet policy. Although the majority of the ministers of the Czechoslovak government desired to participate in the U.S. aid plan, they understood that such participation was possible only if the Soviet government approved. Therefore, while on July 4 they decided to send a delegate to the next conference on the Marshall Plan in Paris (opening on July 12), they agreed at the same time to send a delegation to Moscow to consult with Stalin and Molotov.⁶⁹ Accordingly, on July 9, a Czechoslovak delegation arrived in Moscow for discussions on the question of further Czechoslovak participation in the preparation of the Marshall Plan. By then, Molotov had already reversed his earlier decision and sent Czechoslovak prime minister Klement Gottwald a cable urging Czechoslovakia to retract its acceptance of the invitation to the second meeting in Paris. Molotov gave two reasons for this change of heart. First, the French and British showed no signs of changing their plan to put together an all-European aid program “without taking into account the interests of sovereignty and economic independence of the small countries.” More importantly, Molotov added that “under the guise of formulating a plan for the reconstruction of Europe, the initiators of the conference in fact desire to establish a Western bloc with the participation of Western Germany.”⁷⁰ The new evidence thus indicates that in the days immediately following the conclusion of the Bevin-Bidault-Molotov meeting in Paris, the Soviet leadership reached the conclusion that the Marshall Plan represented the first step in a Western offensive against the USSR.

The recently published second-hand recounting of Molotov’s memoirs by an obscure Stalinist poet also confirms this interpretation of the Soviet evaluation of the Marshall Plan. The author, Felix Chuyev, writes that in 1979 Molotov recalled:

At the beginning we in the foreign ministry wanted to propose that all socialist countries participate [in the Marshall Plan]. But we quickly realized that such a decision would be incorrect. They [the United States] hoped to attract us into their coalition, but it would have been a subordinated coalition. We would have become dependent on them, but we wouldn’t really have received anything...This [dependence] would have been even more serious for the Czechs and Poles, who were in a very difficult position.⁷¹

⁶⁹ Kratky, “Czechoslovakia, The Soviet Union and The Marshall Plan,” 33.

⁷⁰ Molotov to Bodrov (for delivery to Prime Minister Gottwald), 8 July 1947, AVP RF, f. 059, op. 18, p. 22, d. 15,1. 101, printed in *Mezhdunarodnaya Zhizn* 5 (May 1992), 126. It remains unclear whether Gottwald received this telegram before he departed with the Czechoslovak delegation to Moscow.

⁷¹ Feliks I. Chuyev, *Sto sorok besed s Molotovym* [140 Conversations with Molotov] (Moscow: Terra, 1991), 88-89.

Up until the Paris meeting on the Marshall Plan itself, strong evidence indicates that the Soviet leadership remained uncertain about Western intentions, and had yet to depart from the interpretations of American and British policies which had dominated Soviet thinking since late 1945.

Once the Czechoslovak delegation reached Moscow, they had to wait several hours before their scheduled meeting with Stalin that evening. In the meantime, some evidence suggests that Gottwald, who in addition to serving as Prime Minister of the Czech government was also the leader of the Czechoslovak Communist Party, had a face-to-face meeting with Stalin. Eugen Loebel, who as deputy minister of foreign trade accompanied the Czechoslovak delegation to Moscow, recalls in his memoirs that after the delegation arrived,

While Gottwald rested after the journey, the other members of the Government and some of the experts seated themselves in the drawing room. Time dragged on, but there was no sign of Gottwald. [Foreign Minister Jan] Masaryk became nervous and kept sending Pavel Reiman, head of Gottwald's chancellery, to see what was happening. On each occasion, Reiman reported that Gottwald was still asleep. Then suddenly Gottwald walked into the room, still in his hat and coat, and said: "Everything is all right. I've just come to an agreement with Stalin. We're to see him this evening."⁷²

In this manner, the non-Communist members of the Czechoslovak delegation were presented with a *fait accompli*. Under undoubtedly heavy pressure, Gottwald had apparently already acquiesced in Stalin's request that Czechoslovakia rescind its decision to attend the Paris preparatory meeting. At the delegation's formal meeting with Stalin later that evening the other Czechoslovak leaders had little choice but to ratify the decision which the two Communist party bosses had already reached in private.

The meeting took place late at night, in accordance with Stalin's nocturnal work habits. Gottwald opened the meeting by stating that although Czechoslovakia had accepted the invitation to the follow-on meeting in Paris, it had done so "with serious reservations, which give us the possibility of a free decision."⁷³ Gottwald further emphasized that the Czechoslovak government

⁷² Eugen Loebel, *Stalinism in Prague: The Loebel Story* (New York: Grove Press, 1969), 38. See also the cable from the U.S. ambassador in Prague, Laurence Steinhardt, 10 July 1947, *FR*:1947,3:319-20, in which a telegram from Gottwald to the Czechoslovak Government reporting on the meetings in Moscow (and given to the U.S. embassy by a "reliable source") is reprinted. In that report, Gottwald refers to having had *two* "audiences" with Stalin, the first "shortly after our arrival, the second at 11 p.m." Gottwald's phrasing suggests that his first meeting with Stalin was a private one.

⁷³ "Minutes of a Visit to Generalissimo J.V. Stalin on 9 July 1947," printed in *Bohemia: A Journal of History and Civilisation in East Central Europe* 32 (1991), 134. These minutes were taken by a member of the Czechoslovak

“was resolved to withdraw its delegate immediately if this should turn out to be necessary.” The rest of the delegation tried to put the best face on a difficult situation. Since they had no choice, they tried to reassure Stalin of their continued support for the Soviet line in foreign policy. Foreign Minister Masaryk pointedly noted that all the parties in Czechoslovakia’s coalition government had “agreed that Czechoslovakia may not undertake anything which would be against the interests of the Soviet Union.” He too promised to “act without delay” if Stalin should request that Czechoslovakia not attend the Paris sessions.⁷⁴ Minister of Justice Prokop Drtina also went out of his way to note that his party “would not participate in anything in the field of foreign policy which would appear as an act directed against the Soviet Union.”⁷⁵

Stalin’s response to the Czechoslovak demonstrations of deference for Soviet foreign policy reveals much about his thinking about the Marshall Plan. Stalin first acknowledged to his visitors that there had indeed been a recent change of heart in Moscow with respect to the Marshall Plan. Initially, Stalin indicated, the Soviet leaders had “concluded that it would be correcter to go to the Conference and then, if it should turn out to be necessary, to leave the Conference.”⁷⁶ However, in the few days following Molotov’s walk-out from the Paris meeting, a new judgment had taken shape: “the credits which are referred to in the Marshall Plan are very uncertain,” Stalin pointed out, suggesting that the conditions which would accompany any American aid grants would likely be unacceptable. Thus, concluded Stalin, “using the pretext of credits the Great Powers are attempting to form a Western bloc and isolate the Soviet Union.”⁷⁷

Stalin based this conclusion on the observation that both England and France were economically bankrupt. Neither could develop and finance a plan of European economic recovery by themselves. The United States, then, would be the main creditor behind the economic program. This analysis led Stalin to conclude: “The Paris plans do not appear serious to the government of the USSR.” He then followed up this comment by noting that “now the government of the USSR has become convinced on the basis of factual reasons that it is in fact a question of isolating the USSR.”⁷⁸ Since the Marshall Plan was simply a pretext for forming an anti-Soviet alliance, Stalin told the Czechoslovaks that for the USSR, Prague’s decision to participate in the Paris meeting was “a question of friendship.” Any credits which Czechoslovakia

delegation and were discovered in the archive of Jan Sramek, then a deputy prime minister of the Czechoslovak Government.

⁷⁴ Ibid., 135.

⁷⁵ Ibid., 136.

⁷⁶ Ibid., 135.

⁷⁷ Ibid., 135. The transcript of the discussion notes that Stalin stated this phrase verbatim.

⁷⁸ Ibid.

might receive, he argued, would be on such poor terms as to “endanger [Czechoslovak] economic and political sovereignty.”⁷⁹ Here Stalin revealed his fear that American economic power might effectively undermine the Soviet sphere of influence in Eastern Europe. Under the guise of the Marshall Plan, not only Western Europe, but also Eastern Europe, could be mobilized into an anti-Soviet coalition.

If the Czechoslovak delegation went to Paris, Stalin noted, it “would show that you want to cooperate in an action aimed at isolating the Soviet Union.” Even attending the opening day of the conference and then leaving, as Molotov had earlier suggested, would put the Czechoslovak position “in a false light.” It would be “a break in the front” of the Slav states, and “a success for the Western Great Powers.”⁸⁰ Stalin made it clear that he opposed Czechoslovak participation, and his phraseology illustrates that he now viewed his primary task as consolidating his own sphere of influence and hindering the incipient Western attempt to form a bloc against the USSR.

The Czechoslovaks, of course, both because of the power disparities in their relationship with the Soviet Union, and because they had already decided that they would take no action to antagonize the USSR, did not hesitate any further. They revoked their decision to participate in the Paris meeting. The available evidence indicates that the Polish government retracted its decision under similar pressure from Moscow. On the morning of July 9, U.S. Ambassador Griffis, in a discussion with Polish President Boleslaw Beirut, learned that the Polish government had not yet made a final decision whether to go to Paris. That evening, however, Griffis was summoned back to the Polish Foreign Ministry, where he was informed that Poland would not participate in the Paris meeting. Foreign Minister Modzelewski contended that the conference would be controlled by the British and French, and that Poland would receive little aid in any case. He also objected that the British, French and Americans apparently placed a greater priority on rebuilding Germany than on helping Poland.⁸¹ These arguments were very similar to those made by Stalin in his meeting with the Czechoslovaks, and had probably been transmitted to the Poles from Moscow in a comparable manner. Ambassador Griffis sent another cable to Washington the following day in which he surmised that pressure from Moscow had led to the last-minute Polish reversal. He wrote:

In reference to [the] sudden change in Polish plans to send [a] delegation [to the] Paris conference it is my distinct and firm impression that Foreign Minister [Modzelewski] was honest in statement on Monday that delegation would attend

⁷⁹ Ibid.

⁸⁰ Ibid.

⁸¹ Griffis to Secretary of State, 10 July 1947, *FR: 1947*, 3:320-22.

and again my firm impression last night that he himself if not entire Polish Cabinet had in the interim been overruled by higher authority. His attitude was extremely apologetic and at least apparently regretful.⁸²

The Soviet Response: The Turn to Confrontation

The Soviet reaction to the Marshall Plan was a comprehensive shift in grand strategy. If before Marshall's announcement Stalin had retained hopes that it would prove possible to cooperate with the West on at least some issues, in the context of a mixed relationship of competition and cooperation, now he apparently believed that even limited cooperation was impossible. The offensive threat which the Marshall Plan appeared to represent seems to have convinced the Soviet leader that the West, led by the United States, was intent on creating a hostile encirclement of the Soviet Union. Since by its actions the West had shown that it was intrinsically hostile to the Soviet Union, he seems to have reasoned, any further attempts to work out a compromise settlement would not only fail to yield positive results, but might leave the Soviet Union open to Western exploitation. Consequently, Stalin rapidly moved to implement a series of harsh measures designed not only to protect his own sphere of influence in Eastern Europe, but also to undermine what he perceived to be American efforts to consolidate an anti-Soviet bloc in Western Europe. This general line of policy would continue until his death in 1953.

This shift in strategy received its clearest expression in the Soviet decision to form a new coordinating center for European Communist parties. The new organization would be used both to mobilize resistance to the Marshall Plan in Western Europe, and to consolidate Soviet control over the countries of Eastern Europe. The former task was essential to derail the formation of a unified anti-Soviet bloc in Western Europe, while the response of the Czechoslovak and Polish governments to the Marshall Plan had shown that Soviet influence in Eastern Europe was not strong enough to meet the demands of the new challenge presented by the apparently aggressive American strategy. Accordingly, on 22-27 September 1947, representatives of nine Communist parties met at Szlarska Poreba in Poland to discuss the formation of such a new international Communist organization. This organization, the Cominform, was the institutional expression of the shift in Soviet grand strategy.⁸³

⁸² Griffis to Secretary of State, 10 July 1947, *FR: 1947*, 3:322. The author is not currently aware of the release of any new Polish archival materials which document the details of the Polish decision to reject the Anglo-French invitation to Paris. Presumably Griffis' impression that the Polish decision process was heavily influenced by Soviet pressure could be confirmed by documents in the Warsaw archives, but the author has not had the opportunity to pursue such evidence, nor has any come to his attention.

⁸³ The Cominform should not be confused with its "predecessor," the Comintern. The Comintern was an international organization of Communist Parties from around the world, formed in 1919 after the Bolshevik

New material from the CPSU archives demonstrates that Stalin and his lieutenant Andrei Zhdanov, then the Secretary of the CPSU Central Committee assigned to work with foreign communists, designed the meeting, its agenda, and the organization which emerged from it, primarily as a response to the perceived threat presented by the Marshall Plan. In a memo to Stalin about the agenda of the proposed conference, Zhdanov wrote that it should begin with the presentation of informational reports by the delegates of each party to “bring out sufficient material to develop the agenda of the conference.” Zhdanov then suggested that following these reports, the Soviet delegates should put forward two items for discussion: “1) the international situation, and 2) the coordination of the activities of the communist parties.”⁸⁴

In the event, the agenda of the conference corresponded exactly with the course which Zhdanov outlined in his memo. The conference opened with a series of reports from the delegates representing Eastern and Western European Communist parties. Several of the reports indicated the as yet incomplete nature of Soviet control in the countries of Eastern Europe. For example, according to reports sent back to Stalin by Zhdanov during the conference, the Hungarian delegate Jozsef Revai noted that

the question of whether Hungary will become a people’s democracy or a bourgeois democracy, whether Hungary will join the ranks of the countries of new democracy or become a bastion of Anglo-American imperialism, is not yet decided. Currently in Hungary there exists a mixture of both one and the other types of democracy, and which type of democracy will finally be established depends on the energy, tactics, and talent of the Communist party.⁸⁵

Revolution and dedicated to promoting the “world socialist revolution.” Stalin officially disbanded the Comintern in 1943, so as to convince his Western allies that the Soviet Union had become a “normal” Great Power. Although some Comintern activity continued after 1943, the Cominform was not simply a revival of the old organization. Unlike the Comintern, the Cominform was limited in geographic scope to Europe, and its organization was a response to the perceived threat of the Marshall Plan, rather than an expression of a new period of revolutionary optimism. For further discussion of these issues, see Natalya Yegorova, “From the Comintern to the Cominform: Ideological Dimensions of the Origins of the Cold War,” paper presented at the Conference on New Evidence on Cold War History, Moscow, January 1993.

⁸⁴ Zhdanov to Stalin, early September 1947, Russian Center for the Preservation and Study of Recent Historical Documents (RTsKhIDNI), f. 77, op. 3, d. 90, l. 12. This memo is not precisely dated, carrying only the general notation, “early September.” While the documents in this file, taken from Zhdanov’s personal papers, show that Stalin received memos from Zhdanov regarding the planning of the Cominform meeting, they contain no information about Stalin’s response. They thus shed only indirect light on what one can only assume was Stalin’s considerable role in this process. Here again, a more informed picture of Soviet motivations may only emerge if the historical sections of the Presidential archive are opened to scholars.

⁸⁵ Sergeev and Borisov to Fillipov (the files indicate that these are pseudonyms for Zhdanov, Malenkov, and Stalin, respectively; I will use their actual names in future citations), 24 September 1947, RTsKhIDNI, f. 77, op. 3, d. 92, l. 49.

Revai further noted that the “current coalition of four parties cannot create the conditions for the victory of democracy in the country. This coalition is temporary and unstable.”⁸⁶ Thus, as late as September 1947 the Hungarian Communists believed that further consolidation was necessary to ensure their country’s political reliability. Revai accordingly closed his report by calling for intensified struggle against reactionary elements in Hungary.

The Czechoslovak delegate, Rudolf Slansky, made similar observations about the situation in his country. While the Communists had made gains, Slansky noted, the “reactionary forces within the country remain strong.” Slansky noted that control over the government apparatus was a particular problem, “because of many reactionary bureaucrats,” holdovers from the interwar Czechoslovak government. The position of the Communists in the Foreign Ministry, he observed, “is particularly weak.”⁸⁷ Finally, Slansky stated that

Czechoslovakia is the Westernmost bastion of new democracy and feels especially harsh pressure from American imperialism. The attacks of reactionaries on the foreign policy of the Communist party have been increasing...But up to the present time, on major foreign policy questions (the treaty of friendship with the USSR, the treaty with Poland, policy toward the Marshall Plan), the Communists have retained the upper hand.⁸⁸

Thus the situation in Czechoslovakia also remained unconsolidated. True, the Communists remained in control of the direction of Czechoslovak foreign policy, but under the new American assault signalled by the Marshall Plan, Slansky’s remarks suggested, additional action would need to be taken to solidify and deepen that control.

While the Eastern European delegates may have had to admit that “reactionary” elements in their countries remained strong potential opponents, they called for intensified political struggle to “purge” such elements from positions of political power. In essence, reflecting the changed strategic environment created by the Marshall Plan, they did not want to continue the wartime strategy of cooperation with all non-fascist political parties and groups. The French and Italian delegates, on the other hand, remained committed to the wartime strategy of collaboration with other non-Communist parties, and did not plan to go beyond electoral and legal means of competition with their bourgeois adversaries. Their views had not yet adapted to the changed

⁸⁶ Ibid., I. 50.

⁸⁷ Zhdanov and Malenkov to Stalin, 24 September 1947, *ibid.*, I. 34. This analysis suggests another reason to pressure the Czechoslovak government into rejecting the Marshall Plan, since the Foreign Ministry, which would have been in charge of negotiating Czechoslovak participation in the plan, was not under Communist control.

⁸⁸ Ibid., 34.

strategic context. Accordingly, Zhdanov bitterly criticized both parties for their “incorrect” views. In his summary for Stalin of the report by the French delegate, Jacques Duclos, Zhdanov wrote:

Duclos’ report made a very poor impression on us. Duclos has not drawn any lessons from the position of the French Party since its expulsion from the government. Instead, Duclos defends all the actions of the French Party. The basic contents of Duclos’ report can be reduced to the following: the political situation in France is evolving in the direction of reaction.⁸⁹

What Zhdanov had in mind as the appropriate lessons which the French CP should have drawn emerged at the end of his summary:

After this Duclos turned to a survey of the tactics of the [French] Communist party and other parties during the last years, and at the end carried this story up until the exclusion of the Communists from the government. In this discussion he defended the tactics of the party and did not acknowledge any mistakes on the part of the party leadership...The discussion of the helpless and unprincipled swinging of the party from one parliamentary coalition to another made an extremely unfavorable impression on the meeting. The position of the party was placed in an especially unfavorable light when Duclos turned to his conclusions. All the hopes of the party are linked with the upcoming municipal elections.⁹⁰

In other words, until the Cominform meeting, the French party intended to pursue a “legal” strategy which emphasized attempting to garner more votes and regain admission to the French government. The Italian party, too, outlined such a strategy in its report.⁹¹ Under the new conditions created by the Marshall Plan, however, such tactics had, in Zhdanov’s eyes, become obsolete.

Following the reports of the other delegations, Zhdanov give his famous report, “On the International Situation.” This speech is best known in the West as the first public declaration by a Soviet leader of the division of Europe into “two camps.” In the report, Zhdanov argued that recent Western policies—especially the Marshall Plan—had highlighted the division of Europe into a socialist, “democratic” camp (led by the USSR), and an imperialist, “antidemocratic” camp (led by the USA). Interestingly, a review of the rough drafts of the report in Zhdanov’s personal papers in Moscow reveals that the explicit thesis of the division of Europe into “two camps”

⁸⁹ Zhdanov and Malenkov to Stalin, 23 September 1947, RTsKhIDNI, f. 77, op. 3, d. 92, 1. 12.

⁹⁰ Ibid., 1. 14.

⁹¹ Ibid., 1. 43.

appeared only late in the drafting process. Early drafts of the speech, while similar to the final version in their criticisms of Western policies, do not contain the “two camp” thesis in an explicit formulation.

Apparently, even at the beginning of September the Soviet leadership had still not decided on a new framework which could guide their response to the Marshall Plan. It was only in the later drafts of the speech that the “two camp” thesis emerged in its final form. It seems likely, although the currently available files provide no direct evidence of this, that Stalin directed Zhdanov to add this thesis to his report. The late addition of this concept, which was central to the analysis and conclusions of the report, again underlines the essentially reactive nature of Soviet policy in 1947. The “two camp” thesis, the new international Communist organization which it inspired, and the harsher tactics adopted by Communists in the aftermath of the meeting, arose only in response to the threat presented by the Marshall Plan. And given the haste with which the initial Cominform meeting was organized, it can be seen as an improvised response, one imposed by the rapidly shifting strategic environment.⁹²

The “two camp” thesis provided the official justification for the formation of a new coordinating bureau of European Communist parties, which came to be known as the Cominform. In simple terms, Zhdanov explained the need to create the Cominform as a response to the Marshall Plan, which he described as part of a “general plan” for “global expansion” by the United States. The Marshall Plan, Zhdanov told his comrades, was the culmination of a trend in Western policy which had been gaining strength for some time. “Already during the Second World War,” Zhdanov asserted, “in England and the United States the activity of reactionary circles which strove to disrupt the agreed actions of the Allies, lengthen the war, and weaken the USSR, had steadily increased.” Since the Potsdam conference, argued Zhdanov, “the Anglo-American

⁹² The early drafts of Zhdanov’s report which do not contain the explicit reference to the “two camp thesis” can be found in “Annotated Rough Drafts of Comrade Zhdanov’s Report on the International Situation,” RTsKhlDNI, f. 77, op. 3, d. 94, 11. 50-201. In the early drafts, the second section of the report—which was ultimately headed, “The new correlation of political forces after the war and the formation of two camps—the anti-democratic and imperialist camp, headed by the USA, and the anti-imperialist and democratic camp on the other”—was instead given the more innocuous heading, “The USSR, the stronghold of peace, democracy, and socialism.” Unfortunately, the documents the author saw did not indicate which Soviet leaders other than Zhdanov worked on the drafts of this report. Stalin’s role, in particular, remains unelucidated. The various draft reports were also not dated, so it is difficult to be certain at what stage the shift to the explicit “two camp” thesis occurred. For additional information on the process by which the Cominform meeting was called, and an alternative interpretation of the process of drafting Zhdanov’s speech, see Leonid Gibyanskii, “Problems of East European International-Political Structuring in the Period of the Formation of the Soviet Bloc in the 1940s,” paper delivered at the Cold War International History Project’s Conference on New Evidence on Cold War History, Moscow, January 1993, pp. 36-65.

imperialists have demonstrated their unwillingness to take into account the legitimate interests of the Soviet Union and other democratic countries.”⁹³

Zhdanov emphasized that Soviet foreign policy proceeded from the assumption that “Socialism and Capitalism would both continue to exist for a long period of time.” As a result, “cooperation between the USSR and countries of the other system is possible under conditions of reciprocity and the mutual observance of agreed commitments.” The Soviet Union, he went on to say, “has shown its will and desire for such cooperation.” The Western powers, however, had not shown any such desire, and Zhdanov placed the full blame for the disintegration of wartime cooperation on them.⁹⁴ In an interesting parallel, Zhdanov, like Marshall several months earlier, emphasized the failure of the Moscow session of the CFM as evidence of the other side’s malign intent. Zhdanov argued that the the Moscow conference “showed that the USA, England and France are prepared not only to frustrate the policy of democratization and demilitarization of Germany, but even to liquidate Germany as a unified state and divide her.”⁹⁵ Now, under the new circumstances created by the Marshall Plan, Zhdanov altered the view put forward by Stalin himself in his meeting with Marshall at the close of the Moscow conference. At that time, Stalin had remained optimistic, viewing the disagreements at the conference as “only the first skirmishes” on the way to an agreed compromise decision. In retrospect, Zhdanov now portrayed the failure of the Moscow conference as the predictable result of inherently aggressive imperialist policies.

The Marshall Plan itself, continued Zhdanov, was not a simple package of economic aid, but rather an “important addition to the realization of a strategic plan.” By exploiting Europe’s difficulties, American imperialists could gain control over its economy. But, warned Zhdanov, those who participated in the U.S. program would lose control not only over their economies, but also over their political sovereignty, for “economic control brings with it political subordination to American imperialism.” And the American goal in achieving such political influence?

In this way, the increase of the monopolistic sphere of dominance of American products goes along with the acquisition by the United States of new bridgeheads for the struggle against democratic [i.e., pro-Soviet] forces in Europe. The American monopolies, having “saved” one or another country from hunger and destruction, make claims to depriving it of all political independence. American

⁹³ “Text of Zhdanov’s Report on the International Situation,” RTsKhIDNI, f. 77, op. 3, d. 94,1. 15. The final draft of the report consists of 49 typewritten pages. It is somewhat longer than the published version, which excluded certain passages, notably those explicitly critical of the French and Italian Communist parties.

⁹⁴ Ibid., 1. 17.

⁹⁵ Ibid., 1. 19.

“aid” almost automatically brings with it the alteration of the policies of the country to which the aid is given: into power come individuals and parties who are ready to put into place the internal and external program directed by Washington (i.e. as in France, Italy and elsewhere).⁹⁶

Thus the United States hoped to use the Marshall Plan to hammer together a Western European alliance, dominated by Washington, which could serve as “a jumping-off place for attacking Soviet Russia.”

In the final section of the report, Zhdanov outlined what he believed should be the action program of the European Communist parties in response to the Marshall Plan. First, he lambasted as totally inadequate the existing strategic visions of the French and Italian parties:

In particular, when discussing mistakes, it is appropriate to note the mistakes of the leadership of the French and Italian parties in response to the new “crusade” against the working class by world imperialism. The French and Italian leaders have not unmasked in sufficient measure the Truman-Marshall plan, the American plan of enslavement of Europe, and in particular France. The departure of the Communists from the [Paul] Ramadier government [in France] was regarded by the French Communist party as an internal French matter, when the real reason for the exclusion of the Communists from the government was American demands. Now it has become completely clear that the removal of the Communists from the government was a prior condition for receipt of American credits.⁹⁷

Zhdanov criticized the French Communists for failing to protest their exclusion from the government more vigorously and concluded that the French and Italian parties must now break with their old coalition-oriented strategies and engage in direct action to prevent the successful implementation of the Marshall Plan. He closed this section of his speech by urging:

In Italy, as in France, the Communists have overestimated the strength of reactionary forces and become victims of imperialists’ intimidation and blackmail, while also underestimating their own forces, the forces of democracy, and the will of the masses to defend the basic national rights and interests of their country.⁹⁸

Thus further cooperation with other parties who had shown themselves to be “agents of the imperialist circles of the USA” was now ruled out, reversing the coalition strategy which had been initiated by Stalin in 1944. This revised strategy would be effective, argued Zhdanov, because the

⁹⁶ Ibid., 1. 22-23.

⁹⁷ Ibid., 11. 40-42.

⁹⁸ Ibid., 1. 43.

forces opposed to imperialism, “if they remain firm and steadfast,” were strong enough to cause “the plans of the aggressors to suffer complete defeat.” As a spur to action, Zhdanov added:

The greatest danger for the working class now lies in the underestimation of its forces and the overestimation of the strength of its opposition. As the Munich policy had untied the hands of Hitlerite aggression, so concessions to the new course of the USA and the imperialist camp would make its leaders even more openly aggressive.⁹⁹

The offensive threat presented by the Marshall Plan, then, in Zhdanov’s view, showed that the Western powers were inherently aggressive and hostile to the USSR and its allies. Any concessions to the Western powers would not lead to a compromise settlement, but would simply be swallowed up, and then followed by new demands. The Marshall Plan had shown that negotiations with the West were futile, and that resolute unilateral action was the only available strategy for the USSR and its allies.

The practical result of the policy shift outlined by Zhdanov’s speech was expressed in two parallel lines of policy. First, the last elements of pluralism were expunged from the regimes in Eastern Europe. Prior to the Marshall Plan, coalition governments with varying levels of noncommunist participation were the norm in the region. Prior to the summer of 1947, such coalition governments had been in place in Poland, Czechoslovakia, Hungary, Bulgaria, and Romania. After the Marshall Plan, the decision to launch full-scale Sovietization of these states was evidently taken. While the earlier “New Type Government” strategy had not called for the imposition of Stalinist police states throughout the region, the new policy did. Zhdanov’s speech signaled an offensive not only against the Marshall Plan in Western Europe, but also against the remnants of capitalist, “bourgeois” democracy in Eastern Europe. Without delving deeply into detail, one can safely say that throughout Eastern Europe, late 1947 and 1948 saw the eradication of legal opposition to Communist control. In Hungary, for example, the coalition government, which had held office since the relatively open elections of 1945, collapsed when Prime Minister Ferenc Nagy was forced to resign and his Smallholder Party was repressed. In rigged elections held in August 1947, the Communist party gained much greater influence in the Government. Throughout 1948, opposition parties were slowly repressed or co-opted. By the end of 1948, Communist domination of Hungary was complete.¹⁰⁰ In Czechoslovakia, likewise ruled by a coalition government, power passed to the local Communists after a constitutional crisis in

⁹⁹ Ibid., 1. 49.

¹⁰⁰ Charles Gati, “The Democratic Struggle for Power in Hungary: Party Strategies, 1945-46,” *East Central Europe* 6 (1979), 17-19; Hugh Seaton-Watson, *The East European Revolution*, (New York: Praeger, 1951), 199-202.

February 1948. In Poland, Bulgaria, and Romania, where the local Communists already had predominant influence before the announcement of the Marshall Plan, in 1947 and 1948 what little opposition remained was likewise either co-opted or eliminated.

Second, in Western Europe, the new strategy called for a reversal of the coalition tactics which had earlier been pursued by the French and Italian Communist parties. Exactly what type of opposition to the Marshall Plan Zhdanov had in mind soon became apparent as “within a fortnight France and Italy were plunged into a wave of strikes so violent as to raise the question of whether they expressed a revolutionary intent.”¹⁰¹ While these strikes served to temporarily disrupt the process of economic reconstruction in France and Italy, they ultimately redounded greatly to the disadvantage of both the French and Italian Communists and the Soviet Union. Stalin and his allies must have hoped that given the political fluidity in Western Europe, harsh offensive action would prove sufficient to derail the Marshall Plan. But the strikes in Italy and France did not have the effect which Moscow had anticipated and desired. Although severe crises were provoked in both countries, marked by strife between militant communist workers and government forces, the ultimate result was only to move the French and Italian governments domestically further to the right, and also to convince their leaders to align themselves more closely with the United States. Earlier misgivings in the West about Soviet intentions now began to solidify and find more strident political expression, leading to the diplomatic isolation of the USSR and its Eastern European allies. It was only in the aftermath of the Marshall Plan that the nascent conflict of interest between the Soviet Union and the United States assumed the aspects of positional warfare which characterized the Cold War. The process of bloc formation on each side was greatly accelerated by the Marshall Plan and the Soviet reaction to it. Thus the Soviet reaction to the Marshall Plan represented a turning point in Soviet strategy, and the Soviet policies which followed played a significant role in precipitating the forty-year conflict which became known as the Cold War.

¹⁰¹ Shulman, *Stalin's Foreign Policy Reappraised*, 16.

THE SOVIET UNION AND THE MARSHALL PLAN

Mikhail M. Narinsky
Deputy Director
Institute of Universal History
Russian Academy of Sciences

In the spring of 1947 the atmosphere in Europe was unstable and tense. The Soviet Union was steadily tightening its control over Eastern Europe and its newly established People's Democracies. The signs of an imminent crisis were evident throughout Western Europe, wrought with mounting social tensions. Millions lost their jobs and eked out a miserable existence on the verge of starvation during the austere winter of 1946-47. The growing economic difficulties fed hopelessness and despair. In May, as U.S. government agencies explored opportunities to render assistance to Europe, Under Secretary of State Dean G. Acheson made a public statement about the need for urgent American aid in order to promote the unification of European states, which would also take their own steps toward their rehabilitation. "It is necessary if we are to preserve our own freedoms and our own democratic institutions" Acheson stressed. "It is necessary for our national security."¹⁰² On 5 June 1947, Secretary of State George C. Marshall made a programmatic speech at Harvard University which served as a point of departure for the realization of a set of economic and political measures which became widely known as the Marshall Plan.

I accept the viewpoint, expressed by my colleague Melvyn P. Leffler, that the Marshall Plan was essentially designed to stabilize the socio-political situation in Western Europe, to speed the incorporation of western Germany into the Western bloc, and to reduce Soviet influence in Eastern Europe.¹⁰³ In regard to this last aim, it was decided at a meeting held by Secretary of State Marshall that the East European countries would take part in the rehabilitation program on the condition that they alter their almost exclusive pro-Soviet economic orientation in favor of broad European integration.¹⁰⁴ The Marshall Plan proposed to exploit East European raw

¹⁰² See Dean G. Acheson, *Present at the Creation: My Years in the State Department* (New York: Norton & Co., 1969), 229.

¹⁰³ See Melvyn P. Leffler, "The United States and the Strategic Dimensions of the Marshall Plan", *Diplomatic History* 12:3 (Summer 1988), 283; see also Leffler, *A Preponderance of Power: National Security, the Truman Administration, and the Cold War* (Stanford, CA: Stanford University Press, 1992), esp. 185-86.

¹⁰⁴ Michael J. Hogan, "One World into Two: American Economic Diplomacy from Bretton Woods to the Marshall Plan," unpublished paper presented at the Soviet Academy of Sciences, Moscow, June 1987, 28. Paper in possession of the author.

material resources for the rehabilitation of Western Europe. In fact, the Plan's terms were such that it looked from the outset quite doubtful that the Soviet Union and East European countries would accept it.

The British and French Foreign Ministers, Ernest Bevin and Georges Bidault, played the decisive role in the discussion of Marshall's offer with the Soviet Union. They offered to hold a meeting of foreign ministers of the three principal European powers—Britain, France, and the Soviet Union—in Paris on 27 June 1947 to discuss Marshall's proposals. There is every reason to assert now that Bevin and Bidault were playing a double game: claiming in public that they favored Soviet participation in the implementation of the Marshall Plan, while assuring the US Ambassador in Paris, Jefferson Caffery, “that they hope the Soviets will refuse to cooperate, and that in any event they will be prepared ‘to go ahead with full steam even if the Soviets refuse to do so.’”¹⁰⁵

Initially, Moscow received with interest Marshall's proposal, regarding it as an opportunity to obtain U.S. credits for the postwar recovery of Europe and the USSR. Soviet Foreign Minister V.M. Molotov gave instructions for serious preparations to be made for the Marshall Plan discussions. On 21 June 1947 the Politburo CPSU(B) Central Committee (CC) endorsed the Soviet government's positive reply to the notes of the British and French governments proposing the meeting of the three foreign ministers in Paris.¹⁰⁶

The cables sent on 22 June 1947 to Soviet Ambassadors in Warsaw, Prague, and Belgrade confirm that the Soviet Union took the matter quite seriously. The ambassadors were instructed to tell Boleslaw Bierut, Klement Gottwald and Josef Broz Tito—the Communist leaders of, respectively, Poland, Czechoslovakia, and Yugoslavia—the following: “We consider it desirable that the friendly allied countries should, for their part, make a corresponding initiative to ensure their own participation in the elaboration of the economic measures under consideration and make their own claims, in view of the fact that some European countries (Holland, Belgium) have already stated such desires.”¹⁰⁷

¹⁰⁵ Caffery to Secretary of State, 18 June 1947, in U.S. Department of State, *Foreign Relations of the United States*, 1947, Vol. 3, p. 260. (Hereafter referred to as *FR* with year, volume, and page numbers.)

¹⁰⁶ Decision of the CPSU CC Politburo, 21 June 1947, Archives of the President of the Russian Federation (APRF), fund 3, inventory 63, case 270, list 12.

¹⁰⁷ Molotov to Soviet ambassadors in Warsaw, Prague, Belgrade, telegram, 22 June 1947, Foreign Policy Archives of the Russian Federation (FPARF), f. 6, i. 9, p.c. 18, c. 214, l. 19.

At the same time distrust and warnings were constantly expressed inside Soviet official circles. For instance, the economist Yevgeny Varga asserted in a report to Molotov dated June 24: “The US economic position was of decisive importance in proposing the Marshall Plan. The Marshall Plan was meant primarily to be instrumental in resolving the imminent economic crisis, the approach of which no one in the USA denies. Thus, the USA, in its own interests, must grant much greater credits than it has done heretofore - just to rid itself of surplus goods at home, even if it knows in advance that part of those credits will never be repaid ... In this context, the Marshall Plan’s aim was this: If it is necessary for the USA, in its own interests, to send abroad American goods worth billions of dollars on credit to unreliable debtors, then it is necessary to try to squeeze the maximum political advantages from this.”¹⁰⁸

The Soviet ambassador to the United States, Nikolai V. Novikov, emphasized the political aspects of the Marshall Plan in a telegram to Molotov on June 24: “In this context, the main goals of U.S. foreign policy, the essence of the ‘Truman doctrine,’—to check the process of democratization in European countries, to stimulate forces hostile to the Soviet Union and to create conditions for the buttressing of the positions of American capital in Europe and Asia—remain without any substantial changes. A thorough analysis of the ‘Marshall Plan’ shows that, in the final analysis, it is directed toward the establishment of a West European bloc as an instrument of American policy... Thus, instead of the haphazard actions of the past, which were aimed at economic and political subjugation of European countries to American capital and to the establishment of anti-Soviet groupings, the ‘Marshall Plan’ envisages a wider-scale action, designed to solve the problem more effectively.”¹⁰⁹

In that situation, the Soviet leadership sought to prevent the United States from obtaining any economic and political advantages through the implementation of the Marshall Plan. The Soviet Union resolutely rejected any forms of U.S. control over the economy of the USSR and the East European countries. At the same time, the Soviet Union had a stake in obtaining U.S. credits for its postwar rehabilitation. Ambassador V.I. Yerofeyev, a former staff member in Molotov’s Secretariat, defined the Soviet government’s stand thusly: “The best plan was to accept that proposal and make an attempt, if not to eliminate, at least to minimize its negative aspects and ensure that they should not impose any conditions on us. In a word, it should be something like Lend-Lease. Comrade Molotov was, in fact, a supporter of just this kind of

¹⁰⁸ E. Varga to Molotov, note, “The Marshall Plan and the US economic situation,” 24 June 1947, *ibid.*, c. 213, l. 2-4.

¹⁰⁹ N. Novikov to Molotov, telegram, 24 June 1947, quoted in G. Takhnenko, “An Anatomy of a Political Decision: Documents,” *Mezhdunarodnaya zhizn* 5 (May 1992), 121.

approach.”¹¹⁰ However, American officials found such an approach entirely unacceptable, and in fact, Will L. Clayton, the under secretary of state for economic affairs, during negotiations with British leaders on 25 June 1947, specifically rejected any reference to the term “Lend-Lease” in the memorandum which was in preparation.¹¹¹

Grounded in skepticism toward U.S. intentions and a desire to shape the emerging aid proposals in a form suitable to Soviet interests, the Kremlin’s instructions to the Soviet delegation to the Paris meeting of foreign ministers emphasized the importance of obtaining information “on the nature and terms of the proposed economic assistance to Europe.” In particular, the instructions stressed, “the Soviet delegation should clarify the following points: the forms, possible dimensions and conditions under which this assistance will be offered.” The Soviet delegation was to proceed from the fact that “U.S. economic assistance should be seen not as an economic program for European countries but rather as a means to expose their economic need for U.S. assistance (credits, deliveries of goods), with European countries themselves making the demands. In this regard the delegation should not allow the meeting of Ministers to take the course of evaluating and confirming the European countries’ resources, deflecting such a formulation of the question by insisting that the meeting’s task is to elucidate the requirements of the European countries and to find out whether or not the USA can satisfy them, rather than to draft economic plans for the European countries.” In particular, the instruction stressed the following: “In discussing any concrete proposals bearing on US assistance to Europe, the Soviet delegation must object to terms of assistance, which could entail any limitation on countries’ sovereignty, or violation of their economic independence.”¹¹²

The Soviet delegation at the Paris meeting of the three powers’ foreign ministers was consistently guided by those instructions, so it was impossible for it to accept the Western proposals for a coordinated European effort to rehabilitate the continent’s economy. The fact that the Soviet leadership ruled out in advance the possibility of evaluating and confirming the European countries’ resources, in fact, precluded reaching mutually acceptable agreements in Paris. The Soviet proposals, which confined themselves to determining the individual European countries’ requirements and sending the respective applications in a package request to the United States, were unacceptable to the West. The Paris meeting showed that it was impossible to reconcile those mutually exclusive positions.

¹¹⁰ Author’s interview with V.I. Yerofeyev, 15 October 1992.

¹¹¹ Peterson, memorandum of conversation, 25 [26] June 1947, *FR*:1947, 3:283.

¹¹² Directives for Soviet delegation, 25 June 47, *FPARF*, f. 6, i. 9, p.c. 18, c. 214, l. 4-6.

In the course of the Paris meeting the French delegation, led by Bidault, showed the greatest zeal in search of a mutually acceptable compromise. Molotov, however, stressed in a coded telegram message from Paris to Moscow, sent after the second meeting, that the Soviet and French proposals differed fundamentally. “To [Bidault] I answered,” Molotov wrote, “that such a difference exists and it boils down to the fact that the Soviet project limits the tasks of the meeting and committees, which may be set up, exclusively to the discussion of the issues which are directly related to the American economic assistance to Europe, whereas the French project envisages also the design of economic programs which encompass both the domestic economies of European countries and issues concerning economic relations between them.”¹¹³

Early in the morning of June 30, Molotov received important information, which showed the Western powers’ position in an extremely disadvantageous light, in a ciphered cable sent by Soviet Deputy Foreign Minister Andrei Vyshinsky. The information had been supplied through the channels of the Soviet intelligence service. The cable, alluding to London sources, informed Molotov that as a result of meetings between U.S. Under Secretary of State Clayton and British ministers, an agreement was reached on the following:

- a) Britain and the USA agreed that the Marshall Plan should be regarded as a plan for the reconstruction of Europe, not as assistance to Europe, and that it should not be a continuation of UNRRA [United Nations Relief and Rehabilitation Administration).
- b) Britain and the USA have agreed that the reconstruction of Europe may be achieved by setting up of a series of functional committees for coal, steel, transport, agriculture and food, under the leadership of one main committee.
- c) Any organization set up for the realization of the Marshall Plan should operate outside the United Nations framework. That is explained by the fact that Germany is not a member of the United Nations Organization.
- d) Britain and the USA believe that Germany is still the key to the European economy. Therefore it is, in fact, one of the bases of any plan for rehabilitation of the continent.
- e) ...Britain and America will oppose payment of [German] reparations to the Soviet Union from the current production.¹¹⁴

Throughout this period the Soviet leadership had well-placed informants of a special nature in the British Foreign Office. Thus Moscow’s privileged information from these espionage sources about the principal results of Clayton’s London conversations was accurate. During his

¹¹³ Molotov to Moscow, cipher telegram, 29 June 1947, APRF, f. 3, i. 63, c. 270, l. 54.

¹¹⁴ A. Vyshinsky to Molotov, cipher telegram, 30 June 1947, *ibid.*, l. 59-60.

first meeting with British Cabinet ministers, according to later declassified official Western records, “Mr. Clayton described the idea presented by Secretary Marshall as involving a really big problem. The U.S. Administration wanted information from all of the interested European countries as to why recovery in Europe has been so slow, what Europe could do to help itself, and how long it might take, with a minimum of assistance from the United States, for Europe to get back on its own foot.”¹¹⁵ In fact, during Clayton’s visit the U.S. and British officials decided to implement the Marshall Plan without Soviet participation. An aide-memoire by the British Foreign office summing up the Anglo-American agreement noted: “It is understood that, while it is hoped that the scheme will cover Europe as a whole, the U.S. Administration would be satisfied if it could be started with the Western countries of Europe as a nucleus, on the understanding that the scheme would be open to other countries if they so desired.”¹¹⁶ Indeed, the U.S. and British officials hoped for the participation of Eastern European countries in the Marshall Plan even if the Soviets refused—as Foreign Minister Bevin said: “...Russia cannot hold its satellites against the attraction of fundamental help toward economic revival in Europe.”¹¹⁷

In light of the information from Moscow, Molotov’s talks in Paris looked quite futile and ambiguous. As it happened, the U.S. and British leaders had already decided everything in advance, and were using the Paris meeting to hide their double game. One should also take into account how morbidly Moscow reacted to any attempts to shove the Soviet Union aside in the settlement of the German issue or to infringe upon its rights as a victorious power, especially regarding reparations. It is no accident that the instructions to the Soviet delegation specified that it should “object to discussion at the meeting of foreign ministers of the issue of the utilization of German economic resources to meet the requirements of European countries and to the discussion of the issue of economic assistance to Germany from the USA....”¹¹⁸

The message from Moscow made the Soviet foreign minister take more resolute steps to rebuff the “behind-the-scenes collusion of the USA and Great Britain” against the Soviet Union. Therefore, in his address at the June 30 meeting, Molotov stressed that the task of the conference “does not include the drafting of an all-round program for European countries” and that “the German issue is subject to discussion by the four powers: Great Britain, France, the USSR and the USA.”¹¹⁹

¹¹⁵ Quoted in Peterson, memorandum of conversation, 24 June 1947, *FR:1947*, 3:273.

¹¹⁶ Bevin aide-memoire, 25 June 1947, *FR:1947*, 3:268.

¹¹⁷ Quoted in Peterson, memorandum of conversation, 24 June 1947, *FR:1947*, 3:268.

¹¹⁸ Directives for Soviet delegation, 25 June 1947, *FPARF*, f. 3, i. 63, c. 270, l. 64-65.

¹¹⁹ Molotov to Moscow, telegram, 30 June 1947, *APRF*, f. 3, i. 63, c. 270, l. 64-65.

It became clear at that meeting that it would be impossible to adopt coordinated positive decisions. In assessing the work of the conference, Molotov telegraphed to Stalin: “Since our stand differs in its essence from the Anglo-French position, we are not counting on any joint decisions on the substance of the issue in question.”¹²⁰ And by then, Bidault’s last-ditch diplomatic efforts could not change anything.

On July 2, the Paris meeting of the three foreign ministers ended with the Soviet delegation’s refusal to take part in the Marshall Plan’s implementation. In this way, ironically, Soviet foreign policy only played into the hands of the Plan’s organizers. That was, I believe, a serious diplomatic blunder. In September 1947, in conversation with former U.S. Secretary of State James F. Byrnes, Bidault similarly evaluated Molotov’s actions: “I admit, I could never figure out why Molotov had acted like that—either he had hoped to profit partially from it, or, if the whole thing had ended in failure, that would have succeeded because no one would have gained anything from it, for if he had continued to side with us, he could not have lost anything in any case, but he had chosen the only way to lose for sure.”¹²¹

Nevertheless, there was a certain logic in the Soviet leadership’s policy. The unbending and unconstructive stand taken by the Soviet delegation in Paris was largely attributable to the desire to prevent the West from gaining a foothold in Eastern Europe, which Moscow regarded as its sphere of influence. Approaching international relations as a zero-sum game required them to exert maximum effort, to thwart the U.S. plans to increase its influence in Europe. In a message to Stalin on the night of June 30, Molotov summed up his impressions of the Paris meeting: “Both Britain and France are now in dire straits and they do not have at their disposal any serious levers to overcome their economic difficulties. Their only hope is the United States, which demands that Britain and France set up some kind of European body to facilitate US interference in the economic and political affairs of European countries. Great Britain and—to some extent—France count on using this body to promote their own interests.”¹²²

On the concluding day of the Paris meeting, Bevin and Bidault published a joint communique on behalf of the governments of Great Britain and France inviting all European countries (with the temporary exception of Spain) to take part in an economic conference to set up a provisional organization to draw up speedily a program of European reconstruction which

¹²⁰ Molotov to Stalin, cipher telegram, 1 July 1947, *ibid.*, 1. 70-71.

¹²¹ “Entretien de M. Bidault avec M. Byrnes du 23 septembre 1947,” Archives Nationales (Paris), Section contemporaine, Papiers privés de M. Georges Bidault, AP-80, 735-4, p. 6.

¹²² Molotov to Stalin, cipher telegram, 1 July 1947, APRF, f. 3, i. 63, c. 270, 1. 71.

would coordinate the resources and requirements of each state. On July 4, official invitations were sent to the governments of 22 European countries to attend the conference, which was scheduled to open in Paris on 12 July 1947.

The Soviet Union refused to attend that conference and took steps to prevent its success, yet showed hesitation and uncertainty as to the best means of doing so, particularly on the sensitive question of whether Soviet-aligned states in Eastern Europe should attend at least the conference's early stages. On the morning of July 5, Soviet ambassadors in several European capitals received instructions from Moscow to relay a statement with a negative assessment of Marshall's proposals to the respective host countries' foreign ministers. The statement said, in particular: "The Soviet delegation saw in those claims a desire to interfere in the European states' internal affairs by imposing its own program and making it difficult for them to export their goods where they would wish and in this way forcing those countries' economies into dependence on the interests of the USA."¹²³ The Kremlin assigned a special role to its East European allies, as explained, precisely and with great clarity, in Molotov's July 5 telegram to the Soviet ambassador in Belgrade. In the name of the CPSU(B) CC the ambassador was to tell Tito: "We have received a message about the Yugoslavian government's intention not to attend the Paris conference convened for July 12 by the British and French. We are gratified that you are standing firm on the issue of the US credits, which are intended to enslave you. However, we believe that it would be better for you to take part in that conference, sending your delegation there and giving a rebuff to America and its satellites, Britain and France, in order to prevent the Americans from unanimously pushing through their plan, and then leaving the conference, taking with you as many delegations of other countries as possible."¹²⁴ In a more diplomatic and milder form, that CPSU(B) CC stand was communicated to party leaders Boleslaw Bierut (Poland), Klement Gottwald (Czechoslovakia), Gheorghe Gheorghiu-Dej (Romania), Georgi Dimitrov (Bulgaria), Mathias Rakosi (Hungary), Enver Hoxha (Albania), and Hertta Kuusinen, the leader of the Finnish Communists. (The head of the Bulgarian government, Dimitrov, had already gone on record favoring the stand adopted in Moscow, i.e., that East European countries should attend the Paris conference and at it uphold the Soviet concept of European reconstruction. At a reception held by the American political representative in Sofia on July 4, Dimitrov pointed out in a conversation with Soviet Ambassador Kirsanov that "refusal to attend the conference by such countries as Bulgaria would have given grounds to accuse them of a lack of political independence."¹²⁵) Accordingly, on the evening of July 6, Molotov cabled instructions to Soviet ambassadors in

¹²³ Molotov to Soviet ambassadors, cipher telegram, 5 July 1947, *ibid.*, 1. 93-94.

¹²⁴ Molotov to Soviet ambassador in Belgrade, cipher telegram, 5 July 1947, *ibid.*, 1. 96.

¹²⁵ Kirsanov to Moscow, cipher telegram, 6 July 1947, *ibid.*, 1. 118.

Warsaw and Belgrade to tell Bierut and Tito that an unofficial visit of their envoys to Moscow would be desirable “in order to adopt a coordinated stand on the Paris conference and avoid unnecessary difficulties during that conference.”¹²⁶

However, just a few hours later, Moscow beat a retreat. On the night of July 6, messages were sent to Soviet ambassadors in Belgrade, Budapest, Bucharest, Warsaw, Prague, Sofia, Tirana, and Helsinki with instructions to inform Bierut, Gottwald, Gheorghiu-Dej, Dimitrov, Rakosi, Tito, Hoxha, and Kuusinen that “the CPSU(B) does not advise them to give any reply to the British and French until July 10, for in some countries the friends [i.e., leaders of Communist parties—M.N.] were against participation in the conference which is to be held on July 12, since the USSR was not going to attend it.”¹²⁷

The Stalinist leadership vacillated. On the one hand, it wished not only to refuse to attend the conference but also to spoil all the plans of its sponsors, that is, to leave the stage by “slamming the door” after kicking up a row. On the other hand, they realized that the temptation of U.S. economic aid might prove too alluring for the governments of some East European countries. If one takes into account the coalition nature of the governments of Czechoslovakia and Poland, with no absolute Communist control over the diplomatic services of those countries, Moscow would have been hard pressed to bend their representatives to its *diktat* at the Paris conference in specific cases. For instance, Czechoslovakia was supposed to be represented at the conference by its ambassador in France, Jiri Nosek. In view of this, the Soviet ambassador in France, A. Bogomolov, drew the attention of the Soviet leadership “to the fact that Ambassador Nosek is well known as a conservative in domestic policy and as an advocate of a pro-Western orientation in foreign policy.”¹²⁸ Moreover, participation by People’s Democracies in the Paris conference would seriously hamper the propaganda campaign launched by Western European Communist parties against the Marshall Plan.

Finally, all those apprehensions took the upper hand. On the night of July 7, Soviet envoys in Belgrade, Budapest, Warsaw, Prague, Sofia, Tirana, and Helsinki received messages with instructions immediately to hand deliver to Bierut, Gottwald, Gheorghiu-Dej, Dimitrov, Rakosi, Tito, Hoxha, and Kuusinen the following CPSU(B) CC message:

¹²⁶ Molotov to Sov. Amb. Lebedev, cipher telegram, 6 July 1947, *ibid.*, l. 135.

¹²⁷ Molotov to Lebedev, cipher telegram, 7 July 1947, *ibid.*, l. 142.

¹²⁸ Bogomolov to Moscow, cipher telegram, 10 July 1947, *ibid.*, l. 201.

The latest information received by the Soviet Government about the July 12 Paris meeting revealed two facts. First, the sponsors of the conference, the British and the French, have no intention of introducing any changes in their plans for the economic revival of Europe, without taking into account the interests of sovereignty and economic independence of small countries. Second, under the guise of drafting plans for the revival of Europe, the sponsors of the conference in fact are planning to set up a Western bloc which includes West Germany.

In view of those facts, the CC CPSU(B) cancels its message of July 5 and suggests refusing to participate in the conference, that is, not sending your delegations to the conference.

Each side may present its own reasons for its refusal.¹²⁹

However, the Kremlin's vacillations on July 4-7 had complicated the situation. The governments of Albania, Bulgaria, Hungary, Poland, Romania, Yugoslavia, and Finland acted in compliance with the instruction, but difficulties arose in Prague. When M. Bodrov, the acting Soviet charge d'affaires in Czechoslovakia, on July 8 visited Gottwald, the head of the Czechoslovak government, and handed over the message to him, the latter said that it was impossible to change the Czechoslovak government's decision to attend the Paris conference, for "the government will not support us (communists)." Gottwald was supported by Communist V. Klementis, the state secretary for foreign affairs, who told Bodrov "that they will not be able to change anything now, for they have already taken the necessary steps, the British and French have been informed of their decision, and it has been carried by the press, Nosek in Paris has received instructions to the effect that he is entrusted with the task of attending the conference."¹³⁰

An enraged Stalin demanded that a Czechoslovak government delegation immediately visit Moscow, and on the morning of July 9, a delegation led by Gottwald duly flew to the Soviet capital. At first Stalin received only Gottwald, and according to the latter, furiously demanded that the Czechoslovak government immediately cancel its decision to attend the Paris conference. About five hours later Gottwald rejoined his colleagues, having promised that Stalin's demand would be fulfilled. When Stalin received the entire Czechoslovak delegation at 11 a.m. he was in a more placid mood. He asserted that, according to the information received by the Soviet government, the Paris conference was intended to become a part of a large-scale Western plan to isolate the Soviet Union. And he stressed the West's stake in the rehabilitation of the German economy, notably of the Ruhr Basin, which was to become the industrial core of the Western bloc. Sweeping aside mild protests by the Czechoslovak ministers, Stalin declared: "Participation in that conference will present you in a false light. This 'breaking of the front-line' would be a

¹²⁹ Molotov to Sov. Amb. Lebedev, cipher telegram, 8 July 1947, *Ibid.*, 1. 158.

¹³⁰ Sov. chargé d'affaires M. Bodrov to Molotov, cipher telegram, 9 July 1947, *Ibid.*, 1. 183-184.

success for the Western powers. Switzerland and Sweden are still vacillating, and your participation would influence their decision. We know that you're our friends, none of us doubts this fact. But if you would participate in the Paris Conference you would give them a chance to use you as a tool against the USSR. Neither the Soviet Union nor its government could allow it."¹³¹

As soon as the Czechoslovak delegation returned to Prague on July 11, an extraordinary meeting of the Czechoslovak government was held, lasting for almost a whole day. In closing the meeting, William Siroky, the deputy head of government, read out a new decision: the government unanimously cancelled its decision attend the Paris conference on the Marshall Plan. Czechoslovak Foreign Minister Jan Masaryk is said to have told friends: "I went to Moscow as the Foreign Minister of an independent sovereign state; I returned as a lackey of the Soviet Government."¹³²

An analysis of the Soviet stand on the Marshall Plan leads one to the conclusion that the establishment and consolidation of Soviet control over the countries of Eastern Europe was the first priority of Moscow's foreign policy strategy. Stalin considered the Soviet zone of influence to be the most important legacy of World War II. He was not going to make any concessions to the West in that region, for at that time the Soviet government regarded control over that sphere of its influence as most essential for imperial, geopolitical, and ideological considerations. The Soviet leadership saw the United States of America as its main rival in the international arena and bent every effort to prevent the United States from expanding its influence in Europe. Any attempt to set up a Western bloc, dominated by the United States, was simply intolerable to Moscow.

Paradoxically enough, implementation of the Marshall Plan without Soviet participation and with strong opposition by the USSR to a certain extent suited both sides. The Soviet Union retained and consolidated its influence in the countries of Eastern Europe, whereas the USA and its partners in the Marshall Plan had an opportunity to carry out a set of measures to stabilize the socio-political situation in Western Europe and, later, to set up a military-political Western alliance. The actual realization of the Marshall Plan and the sharply negative Soviet reaction to it marked an important turning point on the way to the split of Europe. The concept of Europe's division into spheres of influence, to which the US ruling circles had earlier been opposed, triumphed.

¹³¹ Quoted in: *Izvestia*, 9 January 1992.

¹³² R.H. Bruce Lockhart, *Jan Masaryk, A Personal Memoir* (New York: Philosophical Library, 1951), 66.

ABOUT THE AUTHORS

Scott D. Parrish, a Lecturer in the Department of Government at the University of Texas at Austin, received his Ph.D. in Political Science from Columbia University in 1993. His dissertation, entitled, “The USSR and the Security Dilemma: Explaining Soviet Self-Encirclement, 1945-85,” examines the political problem of the recurrent adoption of self-defeating aggressive grand strategies by the USSR during the years of the Cold War. With support from the International Research & Exchanges Board, and the Fund for Peace, he spent 1990-91 conducting archival and interview research in Moscow, and in January and February 1993 he returned to Moscow for further research with the generous assistance of the Cold War International History Project (CWIHP) and the Harriman Institute of Columbia University. He is currently working on a book based on his dissertation. This working paper is derived from one of the chapters of that manuscript, and is also a revised and expanded version of a paper presented at the Conference on New Evidence on Cold War History, held in Moscow in January 1993 and sponsored by CWIHP.

Dr. Mikhail M. Narinsky, born in 1942, has worked since 1968 at the Institute of Universal History of the Russian Academy of Sciences. In his present position as deputy director, Dr. Narinsky heads the section on Contemporary History of Western Europe. A specialist on the history of international relations and twentieth-century Europe, he graduated from the Historical Faculty of Moscow State University in 1964, and did his graduate studies at the Institute of History of the Academy of Sciences. Dr. Narinsky presented his candidate thesis in 1969 and his doctoral dissertation in 1985 in the Institute of Universal History. He is the author of *Great Britain and France in Post-War Europe* (Moscow, 1972) and *Classes and Parties in France* (Moscow, 1985), *Allies in War* (in press). This Working Paper is a revised version of a paper originally presented to the Conference on New Evidence on Cold War History, organized by the Cold War International History Project and the Institute of Universal History, in Moscow in January 1993.