



**CALIFORNIA CONTENT  
STANDARD 11.7.8**

*The Marshall Plan*

**Specific Objective:** Analyze the effect of massive aid given to Western Europe under the Marshall Plan to rebuild itself after the war and the importance of a rebuilt Europe to the U.S. economy.

**Read the chart to answer questions on the next page.**

<b>The Marshall Plan</b>	<b>Importance of U.S. Economy</b>
<p>After World War II, Western Europe was in chaos. Factories had been destroyed. Millions were living in refugee camps. Poverty and unemployment rates were high. Harsh winter weather in 1946–1947 damaged crops, cut off water transportation, and caused a fuel shortage.</p> <p>Secretary of State George Marshall proposed a plan to aid any countries in Europe rebuilding from the destruction of World War II. It required European countries to cooperate to develop a common plan for recovery. The Soviet Union refused to participate.</p> <p>Under the Marshall Plan, the United States provided \$13 billion in aid to 16 countries between 1947 and 1952. The goal was to create stable market-based economies that would promote democratic institutions. By the mid-1950s, most countries of Western Europe were U.S. allies with strong economies. West Germany was brought back into the rebuilt European community.</p>	<p>The U.S. economy had grown very large during World War II. After the war, it feared the return of the depression conditions of the 1930s. It needed strong markets for food and manufactured goods.</p> <p>The Marshall Plan prevented Europe, and therefore the United States, from falling into economic depression. Much of the money from the Marshall Plan was spent on American goods transported in American ships. The Marshall Plan helped the United States maintain a strong economy and world economic leadership.</p> <p>The plan promoted free trade between Europe and the United States. Europe became a favorable place for American investment. It strengthened capitalism as an economic system against Soviet communism. Communism was less appealing to European voters when democracy resulted in good economic conditions.</p>

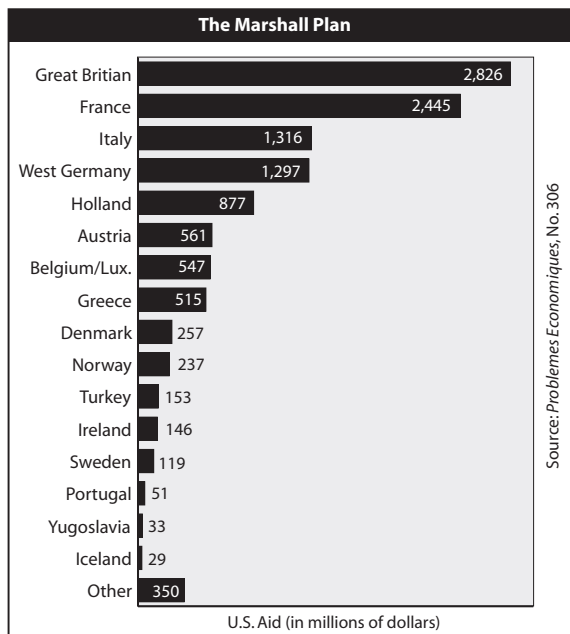


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# The Marshall Plan

Directions: Choose the letter of the *best* answer.

Use the graph to answer questions 1 and 2.



**1 Based on the graph, what can you conclude about countries that received aid under the Marshall Plan?**

- A The aid only went to U.S. allies.
- B The aid helped Germany rebuild.
- C The aid was important for the USSR.
- D Only large countries received aid.

**2 What can you conclude from the graph about the amount of aid distributed by the Marshall Plan?**

- A Billions of dollars were distributed in total U.S. aid.
- B All countries received less than a billion dollars each.
- C Most countries received less than a million dollars each.
- D The amount of aid was too small to have an economic impact.

**3 How did the Marshall Plan promote unity in Europe after World War II?**

- A It motivated countries to form a military alliance.
- B It required European countries to work together on a plan for economic recovery.
- C It united European countries under a common government.
- D It established a common currency throughout the countries of Western Europe.

**4 How did assistance to Europe after World War II help the U.S. economy?**

- A It helped the United States to get rid of surplus goods from the war years.
- B It raised tariffs to protect U.S. manufacturers from cheap European goods.
- C It prevented migration to the United States by unemployed Europeans.
- D It provided strong markets for U. S. food and manufactured goods.

**5 Which statement *best* describes a political reason for providing aid through the Marshall Plan?**

- A A strong economy helped liberal candidates get elected in democracies.
- B If a country's economy was strong, communism was less attractive to voters.
- C Truman hoped to get re-elected, and strong support from Europe would help him.
- D Strong economies would allow European countries to join the United Nations.