

**THE MARSHALL PLAN
MEMORIAL LECTURE**

**Bonn
June 3, 1977**



**THE RIGHT HONORABLE ROY JENKINS
PRESIDENT
COMMISSION OF THE EUROPEAN COMMUNITIES**

June 1977 marked the thirtieth anniversary of the speech by General George C. Marshall which gave birth to the European Recovery Program, the Marshall Plan. It also marked the fifth anniversary of the German Marshall Fund of the United States, a private U.S. grant-making institution located in Washington, D.C. The Fund was established in 1972 by a gift of the Government of the Federal Republic of Germany, as a memorial to the Marshall Plan, to promote understanding of problems common to industrial societies.

To commemorate the Marshall Plan, the Board of Trustees of the Fund has established a Marshall Plan Memorial Lecture. The Right Honorable Roy Jenkins, President of the Commission of the European Communities, delivered the first Lecture on June 3, 1977 at "La Redoute" in Bonn-Bad Godesberg.

President Jenkins' lecture is reprinted in this commemorative brochure. It also includes anniversary messages from President Carter and Chancellor Schmidt and the remarks delivered on this occasion by the President of the German Bundestag, Professor Karl Carstens, by the State Minister of the Foreign Office of the Federal Republic, Dr. Klaus von Dohnanyi, and by the Chairman of the Board of Trustees of the German Marshall Fund, Professor Harvey Brooks.

*The German Marshall Fund
of the United States*

ANNIVERSARY MESSAGES

On the thirtieth anniversary of the European Recovery Program, I wish to express the appreciation of the American people for the Federal Republic's magnanimous gift five years ago which provides the financial basis for the German Marshall Fund of the United States.

Three decades ago the Marshall Plan enabled Europeans and Americans to work together to meet essential human needs in the difficult post-war years, to rebuild cities and to create the means of employment. Today the social, economic, and political issues that trouble Europe and America and other regions are less visible and dramatic. But they are more complex and deep-rooted and will require a cooperative effort as great as that of the Marshall Plan.

Governments and international organizations cannot master these problems by themselves. We need the help of private institutions like the Fund which are dedicated to assisting Americans and Europeans to work together toward a solution of our common problems.

Our industrial societies have much to learn from each other and from the other nations of the world. The unique gift of the German people is making it possible for new generations of Europeans and Americans to exchange ideas and experiences in surmounting the problems which confront our peoples. The Marshall Plan could have no finer memorial.

President Jimmy Carter

To the trustees and officers as well as to the American and German friends of the German Marshall Fund of the United States I extend my most cordial congratulations on the occasion of the Fund's fifth anniversary. I consider it a manifestation of the German-American friendship that the Fund has chosen Bonn to celebrate this anniversary and I regret deeply not to be able to be with you today. The activities and achievements of the Fund's first five years have been impressive and I send my very best wishes for its continued good work.

Federal Chancellor Helmut Schmidt

INTRODUCTION BY PROFESSOR HARVEY BROOKS

Chairman of the Board of the German Marshall Fund; Benjamin Peirce
Professor of Technology and Public Policy, Harvard University

It is my pleasant duty to introduce to you the first Marshall Plan Memorial Lecturer. It is an anomaly, perhaps, for an American to be introducing a European to Europeans. Not only a European but the person who more than any other represents that one European voice which is referred to so often in America.

For this reason and for many others it is fitting that the first Marshall Plan Memorial Lecturer is the Right Honorable Roy Jenkins, President of the Commission of the European Communities. The Board of Trustees of the German Marshall Fund was delighted when he agreed to accept our invitation to deliver this lecture. And it is a pleasure, on behalf of the Board, to welcome him here this afternoon.

President Jenkins has had a long and distinguished career in British politics, and his ties to both the United States and Europe are as many as they are varied. An author of many historical works and a member of the House of Commons for nearly thirty years, he has held high government posts, including that of Chancellor of the Exchequer and, most recently, Home Secretary.

If I may be permitted at this point to speak for a moment of Mr. Jenkins's early connection with the Fund. As Home Secretary he took the initiative in inviting representatives of the Vera Institute of Justice of New York City — whose Director, Mr. Herbert Sturz, is also with us today — to work with experts in the Home Office to test in the U.K. certain procedures relating to bail and to work for former offenders found successful in New York. The German Marshall Fund was pleased to have provided support for this effort.

Mr. Jenkins left his post as Home Secretary to assume the presidency of the Commission of the European Communities on the first of January 1977.

As a historian and one with a deep understanding of the U.S., he has referred often to the different origins and paths of the United States of America and the uniting states of Europe and to the different nature of the separation of powers between the White House, the Congress, and the courts in America on the one hand and between the Commission, the Council of Ministers, the European Parliament, and the European Court of Justice on this side of the Atlantic on the other hand.

As an experienced politician, he is aware of the practical difficulties that face a uniting Europe, both internally and in regulating its relations with countries outside the Community. As a statesman, though, he has called on Europeans to lift their sights. "To make our deeds a little better than our words . . . to always do more than we promise to do," as he put it to the European Parliament last February.

As historian, politician, and statesman — as all three — Roy Jenkins is superlatively qualified to deliver the first Marshall Plan Memorial Lecture.

Ladies and Gentlemen: The President of the Commission of the European Communities, Roy Jenkins.

THE MARSHALL PLAN MEMORIAL LECTURE

THE RIGHT HONORABLE ROY JENKINS
President of the Commission of the European Communities

It is a great honour to be asked to deliver this, the first Marshall Plan Memorial Lecture. I shall address myself to two principal themes: first, the challenge that faces the European Community in the prospect of its further enlargement, and second, the challenge that faces the industrialised nations as a whole in their relationship with the non-industrialised world. But I would like to begin with a reference back to 1947 as I believe it is both instructive and appropriate to examine these issues against the backcloth of the Marshall Plan as well as being an appropriate acknowledgement of the occasion on which we now meet. There are important lessons to be learned.

Like many seminal political speeches the idea contained in the Harvard Commencement Address of 1947 had been thoroughly worked over, but the preparation of the speech itself was a last minute rush. General George Marshall had in fact said that he could not attend the Harvard ceremony but the opportunity of carrying his ideas further at that moment encouraged him to change his mind and use the occasion for a major speech. It may not have seemed to the audience of students, alumni and parents a very dramatic occasion that day under the elms in Harvard Yard. Marshall was no orator. The speech read much better than it sounded. It did not propound ready-made solutions. The U.S. Administration was persuaded that public opinion at home needed more time to respond to its ideas, and that public opinion in Europe needed no more than a hint, not a programme of action. In Europe it had an immediate effect, most of all on the British Foreign Secretary, Ernest Bevin, who, by-passing official advice that perhaps it would be sensible first to ask what the Secretary of State had in mind, made it clear that the problem was not what Marshall meant, but how Europe would respond. As Marshall himself put it in the speech:

"It would be neither fitting nor efficacious for this Government to undertake to draw up unilaterally, a program designed to place Europe on its feet economically. This is the business of the Europeans. The initiative, I think, must come from Europe."

The critical four-year period that followed the Marshall Plan set in motion the two main currents that have formed relations between the United States and Europe over the past thirty years. First, the Marshall Plan in its conception and its implementation implanted in American foreign policy the idea of Europe as a possible and credible political and economic unity. Of course, it did not obliterate other views. An occasionally irritable incomprehension at a divided and unimaginative old world remained. From time to time the desire to remake that old world entire and new in an American image rose to the surface. But neither of these extremes was predominant for long. The normal view was the post-Marshall view. It was neither imperial nor isolationist.

Second, the European Recovery Plan and the Paris Conference offered Europe the first of many steps which she was to take towards her own integration. The Organisation for European Economic Cooperation, the Coal and Steel Community, Euratom, the Economic Community and then the fusion of the three Communities themselves were foreshadowed in part that afternoon in Harvard Yard.

As a result of European determination and trans-Atlantic support, Europe, and in particular the European Community, today displays a picture sharply different from the 1947 landscape of penury and insecurity. Compared with that Europe whose trade and economy had been crushed by war and whose horizons could embrace little more than a survival through the next winter, it is now, in the form of the European Community, a single and relatively prosperous common market, the largest trading unit in the world. The pattern of European relations with the United States has changed from one of dependence to one of interdependence. The political and economic cohesion of Europe has grown, not to the extent that the optimists of the previous generation would have wished, nor as far as some of us would desire, but it has grown, and the world outside, sometimes more than we ourselves, has come to take the European Community very seriously indeed.

This is not, however, the contemporary picture you hear in the public utterances of politicians or read in the political comment of journalists. The post-1973 recession and current rates of inflation and unemployment understandably influence the perspectives of us all: they reinforce a widespread feeling that the Community needs to be revitalised and regain a clearer sense of purpose and momentum. I share that feeling. Despite its difficulties, the Community should begin to take itself as seriously as the world outside takes it. I point to the contrast with the slough of despond in the immediate post-war years to mark the distance we have travelled and illustrate the strengths and resourcefulness I believe we possess to overcome our own major problems.

What are the problems? The first is the problem of the distribution of economic strength within our boundaries. The second is the question of enlargement. They are closely linked. The first problem first. The consequence of the Common Market in its lifting of trade barriers made a major contribution to achieving the surge forward of the 1960s and the relative prosperity that exists in much of the Community today. It intensified Community trade, increased contacts at all levels, and advanced European integration in the process. But the limitations of this original, laissez-faire approach have already become evident. The gap between rich and poor regions of the Community has not narrowed but widened and it is now obvious that, without complementary policies to those of free intra-Community competition, there is a real danger that the already poor economic situations in certain regions may be aggravated. The economically liberal principles of the Common Market took the original Six a long way during what now seems, at least in the glow of retrospect, a much more favourable general economic climate. But in less good years and without additional policies to hand, they are not only insufficient but in some ways even dangerous. Such a common market therefore cannot and does not any longer represent the conceptual frontier of

the Community economy. The Community's public sector, in its regional, manpower, investment and industrial policies already seeks to redistribute finance and encourage investment in order to balance the economic fortunes of Member States and regions of the Community. The divergences between different regions cannot just be ignored. The Regional Fund, for example, has become an integral part of Community action. In the future, the Fund must be renewed, reinforced, and made more effective. The financial instruments at the Communities' disposal must be coordinated and deployed to produce the maximum impact.

But Community action, whether through the Regional or Social Funds, or through the European Investment Bank or other borrowing and lending functions, is still very limited. The aim is to assist economic convergence, to keep on a politically acceptable track the forces of private economic integration set into motion by the creation of the Common Market. This involves mechanisms to steer employment and investment into the sectors and regions which are most vulnerable to economic circumstances. Community institutions have available only a limited range of actions from which to choose. There are three open to us: first, the choice of priorities in the Community budget, second, the enhancement of our non-budgetary finances, i.e., our borrowing and lending powers and, third, the development of our legal powers of financial intervention in both fields. Nor are the sums of money large in relation to national budgets. The Community budget represents less than 1% of Community G.N.P. Nonetheless, with relatively small increases and selective action we can link our Community means to our general Community economic objective of a convergent and adaptive economy. The Commission is currently considering important proposals in these areas.

It is at this point that the Community's own future economic cohesion and the prospect of enlargement are linked. There are here three essential principles. First, the Treaty clearly envisages the acceptance of European countries who are qualified to join. The founding fathers intended a Europe for Europeans. The Six, attached to parliamentary democracy, became Nine, on the basis of this common attachment. It would damagingly undercut our democratic purpose if the Community failed to sustain and support those European countries which have emerged from dictatorship. The peoples of these countries look to the Community as a guarantee of free elections. As we approach the prospect of enlargement, let us not forget we are also on the brink of direct elections for the European Parliament. That symbolism will not be lost upon the applicants; let it not be lost on us. The three Community institutions — Commission, Parliament and Council — recently, in the presence of the Court of Justice, solemnly signed and thereby re-emphasised their commitment to human rights. We cannot then turn and say that enlargement is too difficult, and shut the door on those whose democracy we have just underwritten. The process of seeing how the Community can grow is not instantaneous. Because it is not, there are bound to be moments when an apparent lack of speed is interpreted pessimistically. It is at such moments that our political commitment should not be forgotten.

The second principle must be that, while each country should be treated individually in negotiations and discussion, it is neither in their individual

interest, nor that of the existing Community as a whole to ignore the inter-relationship between them. The pace of decision must be different, and it is already so. Membership negotiations with Greece are in progress. The Portuguese application has been received and the Commission asked for its opinion. Spain has not yet applied. There should be no question of holding back our discussions with one country in order to wait for another. We should not have comprehensive negotiations, but we should not, of course, try to divide our minds up into separate compartments and avoid taking a comprehensive view.

The third principle is that the Community must, faced with the problem of enlargement, be ready to develop, realistically, its own political and economic arrangements. Political realism means that internally we must be ready to make institutional improvements if we are to adapt, at all efficiently, to the prospect of enlargement. Economically we must match our stand for democracy with a preparedness to sustain it in practice. It is this latter point I should like to develop.

Some doubt the capacity of the Community to undergo a further enlargement without being broken in the process. It has, in historical terms, only recently grown, and not without difficulty, from six to nine, and this was negotiated at a time of relative economic strength to absorb new Member States whose level of industrial and commercial development for the most part broadly matched that of the original members. Now, at a time of much greater economic difficulties, the Community must embrace the prospect of the membership of countries, which, while differing in their relative industrial base, share common features which pose particular problems for existing Community arrangements — especially in agriculture.

I underestimate neither the range nor importance of these problems. They must be faced, and be faced openly. But I equally believe that a pessimistic approach is founded on the wrong analysis of the Community's stage of development. Pessimism would assure that we are no more than a common market with some agricultural and industrial appendages. But this stage has already been passed. If it had not, I would myself face the prospect of enlargement with a sense of foreboding. The mere trading arrangement has a crucial and logical limitation. It means you must hold very tightly to the geographical extent of the club.

But even within the existing Community boundary we have passed beyond that phase. We have our essential political purposes, which have always been a vital background to our economic methods. We have recognised our own regional, sectoral and unemployment problems. We have started to tackle them. The Commission is committed to improving our means of doing so. And we cannot in that process ignore the impact on the Community economy of applicant countries. The structural differences and difficulties of the emerging democracies of Southern Europe are a part of, and not wholly separate from, the Community's own present and pressing problems. If we have the courage to face this issue frankly, there is an opportunity for the Community to act here and to work out a programme of assistance that benefits both the Community and applicant countries. The anniversary of the birth of the Marshall Plan is, I believe, an appropriate moment for us to

commit ourselves to meet that challenge. The courageous and imaginative statesmen of thirty years ago, both in America and in Europe, faced more daunting difficulties than we do today. We must not only commemorate them, but seek to emulate their courage. If we do so, we can turn the risks of enlargement into the catalysts of future progress. If Europe was ready enough to welcome Marshall Aid thirty years ago, let it now turn the economic strength it has and its capacity to develop its existing policies in an equally constructive way to a similar vital purpose.

I have spoken up to now of what must primarily be a European preoccupation. I should like to turn to one which is global. The differences between the industrial and non-industrial parts of Europe are no more than a reflection in miniature of similar, and deeper differences between rich and poor in the world. Here, still more than in the opposition of power blocs, lies the major problem of our time. It was the realisation that an active engagement to face up to this problem could no longer be postponed that led to the calling of the Conference on International Economic Cooperation. The mere convening of this Conference was a substantial step forward. The groups principally concerned had a framework in which they could define the problems involved, and begin a machinery to put solutions in hand. Throughout the Conference the European Community has been able to play an important part, thanks to the high level of coordination among its members and to a lesser extent with other groups in the industrialised world. This has not been a coordination directed against our partners in this dialogue; on the contrary, the industrialised countries have put forward proposals out of an evolving sense of international responsibility. This responsibility does not stem from a need to pay conscience money for possible misdeeds in the past or a pervading sense of guilt about the present. It is a responsibility resulting from an objective analysis of the situation, and the complementarity of the needs of the different parts of the world.

I do not suggest that there no longer exists any moral imperative for the richer industrialised countries of the world to accept a responsibility for righting the injustice of poverty. At least 500 million people will not have had enough to eat today. That has regrettably been the case for a long time. But, for perhaps the past ten years it has also been recognised that, as the balance of population shifted more and more towards developing countries, we would all of us in the West, however well we ordered our affairs, be in increasing danger of being separated from the rest of the world by so narrow a gulf of geography but so wide a gulf of comprehension and living conditions. Our belief in the universality of human rights unites with an enlightened self-interest to make us more determined than before to reject such a future. Only if there is continuing progress towards a fairer world can we be sure that the somewhat reduced tension of East/West relations is not replaced by a still more dangerous and deep-seated cleavage between the rich and the poor world.

But there has been, over the past four or five years, an important and different advance. There has been the increasing recognition that a purely charitable approach fails to respond to the real interdependence between the economies of the industrialised West and the less-developed primary pro-

ducers. The Community itself has given a strong lead in proffering more practical and relevant arrangements — notably under the Lomé Convention. Our scheme to help stabilise the export income of developing countries, which it is now envisaged should be studied on a world scale, and the progress made on stabilising the price of basic raw materials, have been good examples. We have learned the lesson that the health of world trade is dependent not on the maintenance of a privileged position in and for the West, but on a process of practical cooperation with the developing world. The United Nations Conference of last year and this week's CIEC meeting in Paris — which in my view achieved more than has yet been recognised — signal an awareness that we have made the mature transition from the idea of aid for the Third World to the idea of cooperation in the interest of us all.

Hitherto, in relations with the developing world, the Community has not only been in the lead but has been well in the lead. I recall writing myself five years ago that the greatest deficiency in the world aid scene at that time was the poor performance of the world's richest country. I wrote then, as I speak today, as a friend and not as a natural critic of the United States, and I am glad to record that the view taken by the present United States Administration is in considerable contrast with my gloomy reflections at that time. The Community is still ahead, but it now shares with the United States the same basic approach to this fundamental problem. In President Carter's recent commencement address at Notre Dame he made this clear in the following words: "We can no longer have a policy solely for the industrialised nations as the foundation of global stability; we must respond to the new reality of a politically awakening world." It is to the mutual support of both Europe and the United States if we can share a common vision of the interdependence of our actions in the world.

But the relationship between the United States and Europe should not exist only, or even primarily, at the level of political decision. The fact that I am today delivering the first Marshall Plan Memorial Lecture, sponsored by the German Marshall Fund of the United States, is itself proof of the contrary, as also is the type of work in which the Fund has engaged itself. By setting up the Fund as a memorial to the Marshall Plan, the Federal Republic not only made a generous gesture in keeping with the Plan itself, but provided an ideal vehicle for the type of international contacts and studies which are the lifeblood of mobile societies like those of the Western world. It is not only the developing countries which need a transfer of technology, a new idea or an experienced example to follow. Industrialised nations too need to organise and encourage the flow of information, techniques and approaches to common problems, in order to stimulate the renewal of their inventiveness. There are several domestic areas where the exchange of experience between Europe and the United States could be especially fruitful: for example, the comparison of approaches to the problems of urban living and of ways of running a modern industrial society, in particular the tripartite approach to the problems of unemployment and economic management, and the straightforward exchange of high technology in industry. To this end, I have never been in favour of purely intergovernmental exchanges; a whole range of independent, non-governmental studies is needed. The German Marshall Fund of the

United States is doing invaluable work in this field.

Europe has become, thirty years from the Marshall Plan, a coherent Community. Indeed, paradoxically, this identity is often more clearly perceived by others than by ourselves. Its policy, formed, sometimes with difficulty, under the pressure of its own particular conditions and constraints is not in any way tributary to the policy of others. We need not be tempted either by fear of undue subordination or feel the need to over-asset our independence by unnecessary intransigence. Our actions in the North/South dialogue have proved this. But Europe's international strength must be matched by our capacity to respond effectively to the tasks which face it closer at home — of which its overall cohesion in the face of the impending enlargement of the Community is the greatest. There is no reason why we should not overcome this challenge. Each time in the past the Community has been faced with a really fundamental decision about its future, it has faced up to it and surmounted it successfully. This has been the way forward in the past; I believe it will again be so in the future.

REMARKS BY PROFESSOR KARL CARSTENS
President of the German Bundestag

It is a great pleasure to welcome you on behalf of the German Bundestag in Bonn on this highly significant occasion.

The observance of the double anniversary which has brought us together here presents an opportunity to contemplate the past and also to turn towards the future.

When Secretary of State George Catlett Marshall, almost thirty years ago to the day, in his historic speech at Harvard University set forth the idea that the United States of America should lend assistance to the war-shattered European nations, the world witnessed the birth of a programme which in its political dimensions is without parallel in history. How was this signal from Cambridge received in a crippled and weary post-war Europe? Certainly, the Old Continent would hardly have been able to liberate itself by its own efforts from the pressures of misery, distress, and desperation. The immediate and generous help extended by the American people sparked new hope among the peoples of Europe. This American initiative restored the Europeans' faith in the future and brought back their will to live. The German people in particular feel a special obligation towards the United States for having been included from the very beginning in the European Recovery Programme.

This gratitude is not lessened by the fact that the process of the reconstruction of Europe has meanwhile been completed. True, German debts from Marshall Plan aid have formally — in a financial sense — been repaid. But the Marshall concept lives on in the European Recovery Programmes which are still today and will remain a valuable complex of operations. For these aid programmes represent in particular valuable support for our medium-sized businesses, for development aid, and for Berlin.

Let me take this opportunity, ladies and gentlemen, to speak also of a statesman from the Old Continent whose achievements supplemented the impetus from the New World. For without Ludwig Erhard's political imagination and farsightedness even the initial spark of the Marshall Plan, in itself, would hardly have been enough to get the motor of the German economy into high gear once more. That essential supplementary contribution was provided by Ludwig Erhard as he was in charge of the economy of the then British and American occupation zones. As we know, he went on from this initial contribution to become Minister of Economics of the new Federal Republic of Germany and later its Chancellor. His concept had far-reaching consequences. It restored the free interplay of the market. Thanks to his unrelenting struggle to liberate the economy from control, American help achieved its declared goal of safeguarding the recipient countries' capability for survival, not least on German soil. The answer of Europeans to the American offer has been and still is a growing readiness and preparedness to take on co-responsibilities extending beyond national and even European horizons. We Germans were of the opinion that we had to go a step further to keep alive the

Marshall concept, not least in the young generation. Accordingly, five years ago we laid the financial cornerstone for the establishment of the German Marshall Fund of the United States.

The successful work of this foundation as reflected in its Five Year Report bears out and justifies the original conception. The current main thrusts of the Fund's operations — urban problems, the working world, land utilization and area planning, criminal justice administration, communications and the media, international raw material, and other economic problems — may change with time.

But the basic concern remains: to enable Americans and Europeans to learn from each other and to work together in coping with national and international problems. To find common answers to the growing challenges of our time — that remains the continuing task of the Fund. We are especially indebted to the Board of Trustees of the Fund and to its Honorary Trustees for their voluntary and responsible sense of dedication. We, Americans and Europeans, are all called upon to do our utmost to support these people in their continual search for new approaches and ways to cope with the problems confronting us all.

Finally, I wish to congratulate the Board of Trustees of the Fund on its decision to engage Roy Jenkins, the President of the Commission of the European Communities, as speaker on this occasion. As a pioneer of many years' standing for the unification of Europe and as holder of the most important office in the European Executive, President Jenkins as few others is competent to present to you Europe's views regarding the possibilities for the necessary cooperation between the Old Continent and the New World.

The list of unsolved national and international problems is long. Urgent questions as regards the supply of energy and raw materials, the relationship between industrialized countries and the Third World — but even the relations between citizen and state — remain to be answered. The peoples on both sides of the Atlantic must pull together in order to find these answers.

In this spirit let me wish your undertakings every success.

REMARKS BY DR. KLAUS VON DOHNANYI
State Minister in the Foreign Office
of the Federal Republic of Germany

First let me thank you for giving me this opportunity to say a few words in place of Willy Brandt, who long ago arranged a series of meetings and discussions in Rome for this day.

At the beginning of festivities marking the thirtieth anniversary of the Marshall Plan we must express our thanks. Thanks to the American people and to the then Secretary of State of the United States, George Marshall, who in his address to the students of Harvard University on June 5, 1947, laid the spiritual foundations for this recovery program for Europe and thus for the Federal Republic of Germany. The German Marshall Fund of the United States, which was created in 1972 as a memorial to the Marshall Plan, is intended to express this gratitude not only in words, but at least partly in deeds as well.

To those who were able to follow developments in Europe and the United States in 1947 with some political understanding, George Marshall's generous proposal seemed to be an extremely rational one, which would also serve American interests. After all, in his speech Marshall also pointed out: "It is logical that the United States should do whatever it is able to do to assist in the return of normal economic health in the world, without which there can be no political stability and no assured peace."

But even if one takes into account the political interest of the United States in the recovery of Europe during the years immediately following World War II, the magnitude of Marshall Plan help is astounding, even from today's point of view. The European countries received altogether in the years 1948-1951 some \$13 billion in Marshall Plan aid, and this sum represented almost 1.5% of the national income of the United States during those years. Per capita every American contributed some \$85 to the Marshall Plan aid. And every citizen in Great Britain, France, Italy, and the Federal Republic of Germany received, on the average, during these years some \$56 in aid, and that represented nearly 3% of per capita income in Europe.

The Marshall Plan, for which we say once again thank you today, was intended to be magnanimous. In the words of George Marshall: "Such assistance, I am convinced, must not be on a piecemeal basis as various crises develop."

As I said — at the beginning must be our thanks. But we also share a sense of respect for this magnanimous and politically farsighted help. In that sense the Marshall Plan of 1947 also represents an obligation for us today, in 1977. An obligation, first of all, in regard to the relations between Europe and the United States. An obligation which should remind us Europeans time and again that we are inseparable partners of the United States. And that we are committed to solidarity with our friends even in difficult years such as the United States experienced in the early seventies.

In connection with the Marshall Plan the argument is frequently heard

these days that the industrial nations today should accept a similar obligation towards the developing countries. I would like to point out how questionable this comparison is: the United States recognized in 1947 that Europe, despite its considerable social, economic, and political strengths, was in danger of hopelessly drifting into serious difficulties because of acute production shortcomings. "It has become obvious during recent months that this visible destruction was probably less serious than the dislocation of the entire fabric of European economy." America, in other words, was able to help a group of nations which, because of their history and their existing infrastructure, were in a position to help themselves with this additional help.

The relations between the industrial nations and the developing countries today cannot be compared with the situation in 1947. Then the United States and Europe shared basic structural similarities and an equal number of people. Today, the relationship between the industrial nations and the developing countries is precisely marked by the fact that this is not the case, neither structurally nor in terms of the number of people; there are many more people living in developing countries than in the industrial countries.

Although the starting position for the Marshall Plan in 1947 can in no way be compared with the difficulties in the relationship between North and South today, the Marshall Plan remains of exemplary nature. Were the countries of Europe to raise today aid for the developing countries in approximately the same order of magnitude as the Americans did between 1948 and 1951, our aid would have to be more than double that of the period then. The difference between the development aid of the Europeans and that which we Europeans would have to contribute, if we were to follow the example of the Marshall Plan, would amount to some \$30 billion over a period of four years.

The fact that we are not able to provide aid in such magnitude has something to do (as absurd as this may sound) with our present standard of living — with the demands we are all making, which already are taxing the capabilities of our economies to their limits.

The challenge to the European industrial nations in the year 1977 thus is not comparable to the challenge faced by the United States in 1947. But the example set by the United States in 1947 makes us feel very modest indeed. Today, other steps and other decisions are required, different from those in 1947, but they are still steps and decisions which require a comparable measure of political imagination and economic sacrifice. To effect this is our task today, and also one way of expressing thanks to George Marshall and our friends in the United States.