

Europe: What the United States Make of It

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ABSTRACT

Europe matters. It matters even more these days, as the world watches closely Eurozone member states governments' efforts to prevent the Greek drama turn into a European tragedy. Across the Atlantic, an uneasy United States is urging its European allies to remedy the Continent's ills and prevent them from infecting other countries. Aloof yet entangled, Captain America still remains as a beacon of hope for the European governments. As always, it can generate optimism and instill hopes in European capitals. In fact, it is once again the engine behind the European integration with the new Transatlantic Trade and Investment Partnership (TTIP). The following article draws lessons for the new transatlantic trade cooperation from the motives and interests underlying US support for the process of European integration against the backdrop of the Marshall plan. It does so by examining the European Recovery Program from two contending yet complimentary perspectives.

Key Words: Transatlantic relations, trade, free trade area, European Union, United States, realism, revisionism, Transatlantic Trade and Investment Partnership (TTIP).

Avrupa: ABD'nin Ondan Yarattığı

ÖZ

Avrupa kıtası tarihte her zaman olduğu gibi bugün de gündemde olmayı ve kalmayı başarıyor. Avro bölgesi ülkelerinin yaşadığı borç krizi Avrupa'yı her gün derin bir batağa sürüklerken, Atlantik ötesinden kıtaya temkinli ama endişeli bakan Amerika Birleşik Devletler'i Avrupalı müttefiklerine daha fazla yayılmadan krizi çözmeleri talimatı veriyor. Kıtaya kordon bağıyla bağlı Amerika, Avrupalılar için yine umut olmaya devam ediyor. Tarihin farklı dönemlerinde olduğu gibi Avrupa başkentlerinde yine bir iyimserlik ve güven havası estirmeyi başarıyor. Avrupa liderlerinin öncülük ettiği ve Amerikan başkanı Barack Obama'nın da desteğini alan Transatlantik Ticaret ve Yatırım Ortaklığı (TTYO) düşüşe geçen Avro bölgesini eski haline döndürecek bir tarihi proje olarak alkışlanıyor. Bu çalışma, TTYO projesi ile Amerika'nın Avrupa'ya verdiği desteğin arkasında yatan derin nedenleri inceliyor. Bunun için ise İkinci Dünya Savaşı'nın hemen ertesine, 1945'li yıllara dönmemiz ve Marshall yardımının ardındaki siyasi yapıyı incelememiz gerektiğini vurguluyor. Bu çalışma, Avrupa birleşmesinin asıl mimarının Amerika Birleşik Devletleri olduğunu göstermeyi amaçlamaktadır.

Anahtar Kelimeler: Transatlantik ortaklığı, ticaret, Serbest Ticaret Bölgesi, Amerika, Avrupa Birliği, realizm, revizyonizm, Transatlantik Ticaret ve Yatırım Ortaklığı (TTYO).

The State of the Union address of an American President is rarely a much anticipated event on the other side of the Atlantic, but the last one surely was, as it ushered in a new era for the Transatlantic partnership. President Obama reaching to its fellow Europeans gave its support to the idea conceived in the European Council Summit back in December 2012: “Tonight, I’m announcing that we will launch talks on a comprehensive trans-Atlantic trade and investment partnership with the European Union, because trade that is fair and free across the Atlantic supports millions of good-paying American jobs.”

That’s right, if negotiations end with an accord, the trans-Atlantic trade and investment partnership will create prosperity not only for the two partners but for the global economy. A comprehensive study, commissioned by the European Commission’s Directorate General for Trade and prepared by the Centre for Economic Policy Research (CEPR) at London, finds that the trade deal would increase GDP in the rest of the world by almost €100 billion. The gains for the two trading blocs are even more pronounced with the EU exports to the US increasing by 28 per cent, while the US exports to the EU by 37 per cent.

As the US and EU trade representatives are getting ready for the bilateral trade agreement negotiations, history repeats itself. The current state of the European continent very much resembles the post-World War II environment. Europe, as it was in 1945, is crisis-stricken and looking to its Atlantic partner for relief. Unlike 1945, Uncle Sam is in no position to assume leadership in fixing economies of Europe. Busy with its own ailing economy and short of cash, the United States is urging its European allies to remedy the Continent’s ills. Yet, it still has a lot to offer. And once again, as it did in the late 1940s, it will contribute to the reconstruction of Europe. As the President of the European Parliament aptly summarizes: “The US is not interested in 27 different trade agreements, they want to hear a unified EU position. This project will bring about more integration.” Echoing former US Secretary of State Henry Kissinger’s famous question “Who do I call if I want to call Europe?” the EP President Martin Schulz’s statement sums up what the US desires. The question naturally arises: Why does the United States want and has always wanted a unified Europe?

Once, US policy makers believed in “unity beyond the national level would create a stronger, more self sufficient Cold war ally, able to bear more of the economic and military burden of matching the USSR in Europe, thus allowing the United States to focus on containing Soviet and communist expansion elsewhere in the world” (Giauque, 2002:5). The Soviet Union is long gone, but threats never disappear. The ongoing debate around the world’s largest free trade area very much resembles the debate on the origins of the European Coal and Steel Community, European Economic Community, and North Atlantic Treaty Organization. The Transatlantic Trade and Investment Partnership (TTIP) is as historic and watershed as the NATO and ECSC. Thus, going back to my earlier question, in the words of Robert D. Hormats, Under Secretary for Economic Growth, Energy, and the Environment: “TTIP is America’s New Oppor-

tunity to Benefit from, and Revitalize its Leadership of, the Global Economy” (U.S. Department of State Speech, 25 April 2013).

An ascending and ever expanding China replaces the Soviet Union in these scenarios, but this time, economic interests are at stake. Thus, the response is an “economic NATO” uttered by many analysts (Gray, 2013). A transatlantic trade bloc is desperately needed to counterbalance this neo-imperialist economic giant yet it is only one of the strategies at the United States’ disposal. Thus, what I argue is that the motive behind America’s new trade partnership with Europe has its roots in the post-World War II era. Without a thorough understanding of America’s post war involvement in Europe and its implications for Europeans, we are not able to explain today’s developments. To this end, this article offers an alternative explanation for the creation of the European Economic Community. It argues that the Marshall plan and the following ERP is the origin of the European integration. Through the study of the European Recovery Program, this article emphasizes the role of the United States and the ERP in the creation of a united Western Europe. Studying the European problem in the American policy making over a decade, this article outlines how both external and internal imperatives drove the US to endorse a unified and stronger Europe. Thus, it calls for a synthesis of the two contending approaches to US foreign policy making towards Europe.

FOREIGN POLICY MAKING: THEORETICAL EXPLANATIONS

The challenge for scholars of international politics has been to construct a theoretical framework that explains the sources of foreign policy. The literature has been divided into two major sources: internal and external. Although they are by no means mutually exclusive, scholars have long disagreed over which set of sources is more important. They have preferred one over the other and debated the explanatory power of their rivals in accounting for foreign policy making. Those who emphasized external sources have argued that state behavior is a response to imperatives of global environment, and they ignored the role of factors internal to the state, whereas others have stressed the role of domestic factors in foreign policy making by ignoring systemic influences. In this article, these two sources are posed against one another. In the following section I discuss separately theoretical approaches that associate themselves with one of these sources.

EXTERNAL SOURCES OF FOREIGN POLICY MAKING

External factors of foreign policy have been central to the research in the realist tradition. It was actually neorealism or structural realism, introduced by Kenneth Waltz

(1979) in his pathbreaking work, *Theory of International Politics*, made the external environment central to the realist paradigm. Kenneth Waltz's theory of international politics is a systemic theory that emphasizes the role of system-level variables. Waltz criticized earlier works written in the realist tradition for failing short in accomplishing their task of constructing a systemic theory (Waltz, 1979:41). He argued that "any approach to international politics that is properly called systemic must at least try to infer some expectations about the outcomes of states' behavior and interactions from a knowledge of systems-level elements" (Waltz, 1979:50).

Waltz and other neorealists have long argued that it is not possible to comprehend international politics by looking inside of states (Waltz, 1979:65). The actions, behaviors and policies of states need to be studied within the context of international structure. In other words, the primary determinant of state behavior is the international structure not the domestic societal factors as they are of secondary importance in determining the state behavior. They also regarded the state as a monolithic unit or a "unitary actor" that reacts to domestic conflict by projecting it into the international system.

Waltz defines international structure as the environment "in which action takes place, and unfolds. It is the setting in which states exist and behave". International structure has three important characteristics: 1) the ordering principle of the system, 2) the character of the units in the system, and 3) the distribution of the units in the system. The ordering principle of the international system is anarchical. The character of the units is identical, meaning all states in the international system are made functionally similar by the constraints of structure. However although they are functionally similar, states differ in their capabilities. The configuration of the international system and how resources and capabilities are distributed determine states' behavior. There is an unequal and constantly shifting distribution of power, therefore the differences are of capability not of function (Waltz, 1979:88-97).

In this self-help system, units act first and foremost to provide the means of protecting themselves against others. They all worry about their survival and this worry conditions their behavior (Waltz, 1979:105). Like economic actors that seek to maximize expected returns, states in a self-help environment, strive to secure their survival (Waltz, 1979:134).

This self-help environment in which states (as unitary actors) exist is therefore the primary determinant of their behavior. In other words, state behavior is related to its position in the international system and domestic politics and structures are eliminated from the picture (Mastanduno, Lake and Ikenberry, 1989:460).

Domestic sources of foreign policy

Efforts to explain foreign policy making with domestic/societal factors have a long tradition. In fact, one variant of the realist theory, classical realism, had never discounted the importance of domestic level factors. According to Waltz, this was one of the problems associated with classical realism. Waltz criticized, classical realists, such as Carr (1946), Morgenthau (1974) and Singer (1961) for making domestic politics matters of direct international concern (Waltz, 1979:62). However recently a new generation of realists realized the need to incorporate domestic-level variables into the study of international outcomes and argued for a revision of realism (Snyder, 1991, 1993; Zakaria, 1992; Rosecrance and Stein, 1993; Bueno de Mesquita and Lalman, 1992). Snyder expresses this need as follows: "Realism must be recaptured from those who look only at politics between societies, ignoring what goes on within societies" (Snyder, 1993:20).

While international relations scholars have ignored the effect of domestic politics in their research, societal factors have been central to scholars of diplomatic history and international political economy. These scholars, known as "revisionists," or "corporatists," have long examined linkages between societal actors (e.g. organized labor, public opinion, business interests) and public authorities (Cummings, 1983; Ferguson, 1984; Hogan, 1984; van der Pijl, 1984; Hogan, 1985; Trubowitz, 1992). They have brought domestic forces into the picture, which have been neglected by realist scholars in studying the US foreign policy making.

Unlike realists, adherents of the domestic/societal approach acknowledge the complexity of decision making within states and emphasize the influence exerted by powerful societal actors in foreign policy making. They do not deny the role of government elites but they study those elites within the domestic system they operate. However, as realists, they see the causal arrow flowing in one direction and neglect the role of external factors.

After having reviewed the theoretical explanations with regard to foreign policy making in the remainder of the article I examine the U.S. foreign policy making in the early Cold war period towards Europe.

US STANCE TOWARD EUROPEAN INTEGRATION

The idea of European integration first appeared in American foreign policy planning in the early 1947 when economic conditions in Europe worsened in the wake of the winter crisis of 1946-47. The US policy makers became convinced that the previous programs of piecemeal assistance had not been successful in bringing economic and political stability to the Continent. What Europe needed was a comprehensive recovery program, which would create a united Western Europe that could contain

Germany and balance the Soviet Union without a permanent military presence. This was the line of thinking of the American policy makers on the eve of the first official pronouncement of what was later to become the European Recovery Program (ERP), made by Under Secretary of State Dean Acheson on May 8, 1947. Acheson outlined a five-point program implementing American international political and economic policies. At the Harvard Commencement on June 5, 1947, Secretary of State George C. Marshall carried the policy outlined in Acheson's speech one step further and took occasion to say that if the European countries wished to plan and cooperate in a program of reconstruction, the United States stood ready to consider what assistance it could provide for such a program (House Foreign Affairs Committee, 1947:2).

Marshall's announcement of the European Recovery Program marked the beginning of "America's long and ultimately elusive quest to establish a united Western Europe" (McAllister, 2002:123). His emphasis on a comprehensive scheme and on collective responsibility, mutual aid, and joint action in Europe as a whole was designed to point the Europeans in the right direction: integration within a framework of supra-national or federal institutions (Hogan, 1985:46).

On June 22, President Truman appointed three committees to examine the more pertinent aspects of the proposal in search of answers which would have to be given if the program were to be given definite form and congressional approval obtained. The first committee was composed of specialists within the Government under the chairmanship of the Secretary of the Interior. The second committee, which was also known as the Council of Economic Advisers was to investigate the impact of the proposed aid on the U.S. economy. The third committee was an advisory committee under the chairmanship of the Secretary of Commerce. It was composed of financial, business and farm leaders charged with the responsibility of examining the broad aspects of the aid program and to advise the President on the limits within which the United States may supply and wisely plan to extent such assistance. These committees worked throughout the summer of 1947 and each made its report to the President in October. (House Foreign Affairs Committee, 1947:3, 4)

Meanwhile, the House of Representatives decided also to make its own inquiries into European needs, and a preliminary study, "Needs, Limits, and Sources of American Aid to Foreign Countries," was issued on July 19, 1947, by subcommittee No.2 of the Foreign Affairs Committee. House Resolution No. 296 was passed with the intent of establishing a select committee to put the study of European recovery program on a broader basis. As a result the Select Committee on Foreign Aid was established on July 29 to make special inquiries. (House Foreign Affairs Committee, 1947:6)

The various committees of Congress visited Europe and witnessed the conditions existed there. The food situation in Europe was growing worse. In order to assure public support and to ensure an adequate amount of food for foreign relief, President Truman proclaimed the national "waste less" campaign to conserve food products.

Later, on October 27, the President took another step in order to secure further public participation of the program and invited 100 leaders of industry, labor, agriculture, and the general public to confer with him at the White House. (House Foreign Affairs Committee, 1947:9)

On December 19, 1947, President Truman transmitted to the Congress of the United States his message on the European recovery program. At the same time, the Secretary of State Marshall submitted to the chairman of the Foreign Relations Committee certain materials which he felt would be helpful to the committee in considering legislation for U.S. participation in such an aid program. (Senate Foreign Relations Committee, 1947:ii)

In the following spring Congress passed the Foreign Assistance Act of 1948, and with this Act, the Economic Cooperation Administration (ECA), a Government agency to administer the European Recovery Program was established. The Foreign Assistance Act of 1948 urged European nations to replace “the old self-defeating pattern of narrow nationalism with new forms of economic cooperation and integration because this was the path to lasting peace and prosperity in the Continent” (Hogan, 1985:46).

In the course of Congressional discussions of the Marshall Plan several members of Congress expressed the point of view that the program of economic aid to Europe would have to be accompanied by a program of political union between the beneficiaries of the ERP. There existed a strong belief that it will be impossible to establish an economic union unless there is a political federation on the Continent. Senator Fulbright of Arkansas expressed this sentiment when he introduced in the Senate a resolution favoring immediate formation of a European Union (Dean, 1970:249,250).

The American position became clearer when policy makers in the State Department and in the Economic Cooperation Administration (ECA) employed a variety of strategies and enumerated a set of planning principles to integrate Europe and create a new era of “lasting peace and prosperity.” Any program for putting Europe on a self-supporting basis, the ECA Administrator Paul Hoffman argued, could not be traced on an old design; instead it would require “new patterns of intra European trade and exchange, new efforts to adjust national economies to the needs of Europe as a whole and new directions in the use of Europe’s resources” (Hogan, 1985:47). American officials agreed with Hoffman and shared the view that the Marshall Plan would be a complete failure and a waste of money if Europeans would recreate the conditions that existed before the war. As Under Secretary of State William L. Clayton stated, “Europe [could not] recover from this war and again would [not] become independent if her economy continued to be divided into many small watertight compartments as it is today” (Foreign Relations of the United States (FRUS), 1947:232). The principles enumerated to guide European and American action (e.g. maximum European self-help and mutual aid, joint programming, resource sharing and German reconstruction) were “the keys to eliminating the small watertight compartments into which Europe-

ans divided and to building instead an economic federation that could utilize German resources and unleash European productivity” (Hogan, 1984:339).

Strategists George Kennan and John Foster Dulles firmly believed that European unification was the only viable solution to both the German question and the decline of Western Europe as a center of power. However regardless of how much they thought that the future of Europe depended on integration and unification, members of the Truman administration were cognizant of the fact that advances in that direction could not be dictated by Americans (McAllister, 2002:141). Secretary of Marshall stressed this point in his celebrated speech:

Before the United States Government can proceed much further in its efforts to alleviate the situation and help start the European world on its way to recovery, there must be some agreement among the countries of Europe as to the requirements of the situation and the part those countries themselves will take in order to give proper effect to whatever action might be undertaken by this Government. It would be neither fitting nor efficacious for this Government to undertake to draw up unilaterally a program to place Europe on its feet economically. The initiative must come from Europe. The program should be a joint one agreed to by a number, if not all European nations.

The Europeans had also come to realize that the United States is deadly earnest in urging reorganization of the Continent’s economies and have given increasingly serious attention to the creation of at least a limited economic union, possibly composed of the Benelux and Franco-Italian customs union, with the eventual participation of Germany (Dean, 1970:257) While American officials believed the fact that the proposals must come from Europeans themselves, they acknowledged that the beneficial effects of the ERP will be dissipated in the long run unless the European countries make use of the respite thereby gained to reorganize fundamentally both the economy and the political structure of Europe. Both the ECA and State Department lent support for a Franco-Italian tariff union and a merger of this union with the Benelux group. Moreover they supported the intra-European payments plan of 1948 and 1949, under which ECA dollars helped creditors finance a system of drawing rights that debtors used to balance their accounts without resorting to quantitative import quotas and restrictions on trade (Hogan, 1985:48).

The United States began to be seriously interested in projects for Western European economic and political union in 1949, when the problem of military assistance to the Marshall Plan countries emerged into the open. Washington officially indicated its interest in American-European collective defense arrangements after British Foreign Secretary Ernest Bevin, had proposed that Britain, France, and the Benelux countries set up a military-economic-political “Western Union.” While Bevin did not suggest the inclusion of United States to such a union, the United States in January 1949 expressed its view of the reasons, which made a North Atlantic pact necessary. To liberate from

fear, the United States had proposed the conclusion of a defense pact for the North Atlantic region, and implementation of this pact by integration of the armed forces of Western Europe and the dispatch of American armaments to countries of this area.

On April 4, 1949, the United States undertook to supplement the economic assistance given to Europe under the ERP by military measures under the North Atlantic Treaty, “which carried forward on a broader geographic scale the objectives of the Truman doctrine that had originally appeared to be designed to cover only nations along the immediate periphery of the USSR” (Dean, 1970:250).

As it is stated initially in the draft legislation and background information of the European Recovery Program (ERP), “the interests of the United States in helping to bring about European economic recovery” were threefold-“humanitarian, economic and political” (FRUS, 1947:25). However first, George Kennan’s famous Long Telegram, then the Soviet Union’s opposition to recovery plan and the Soviet reply to the Marshall Plan (the so-called Molotov Plan), the creation of the Cominform to oppose ERP, and the Berlin Blockade led the United States to a military containment.

TOWARD A SYNTHESIS IN THE FOREIGN POLICY MAKING: THEORETICAL EXPLANATIONS TESTED

Under the Marshall Plan, Europeans were promised for four years approximately twenty billion dollars’ worth of food, fuel, certain raw materials, and industrial equipment, while American producers were assured of a market for their goods during the same period (Dean, 1970:252). As originally outlined and emphasized by Marshall himself, the objective of the Marshall Plan was “the revival of a working economy in the world, so as to permit the emergence of political and social conditions in which free institutions could exist” (Dean, 1970:249).

The questions that are addressed in this section are as follows: Was “the revival of a working economy” the sole objective of the U.S.? What were the other objectives that U.S. policymakers had? Why did the US urge Europeans toward unification? Which theory explains best American policy toward the European integration?

Systemic Explanations Tested

Dean defines America’s two objectives, which were closely intertwined, to reappear on the European stage in 1947 as follows: 1) to contain Russia and communism and 2) to restore the economy and security of Europe. She argues that Americans operated on an oversimplified formula that if people would have enough to eat they would become immune to Communist expansion. (Dean, 1970:187)

First and foremost the US policy makers did want a self-sufficient, an economically stable Europe, which was regarded as “a prerequisite to the maintenance the civilization in which the American way of life is rooted” (The Department of State, 1947:26). As it is also stated in the Background Information on the ERP, “the security of free institutions throughout the world was linked to the health and strength of Western Europe” (House Foreign Affairs Committee, 1947:2). The only way to achieve these goals was European unification. What Europe needed was “far-reaching changes that its old-guard political and business leaders viewed as tantamount to revolution” (Dean, 1970:187). The creation of a united Western Europe, it was thought, would bring into being a power bloc equivalent to the United States and Soviet Union and transform a latent tripolar system into an actual tripolar system (McAllister, 2002:16). American strategy was based on the idea that the key to lasting European stability lay in the creation of a powerful Western Europe to defend its security against both the Soviet Union and Germany without an absolute and total reliance on American power. The Soviet threat was therefore very important in motivating European unity in the earliest days of the Cold War. Whenever Europeans had a falling out, the Soviets were always there to remind them and the U.S. why unity was necessary, whether blockading Berlin in 1948-49 and menacing it in 1958-62, invading Hungary in 1956. Therefore uncertainty regarding the USSR was often in the minds of American and European policy makers and helped the Europeans to overcome differences among them (Giauque, 2002:3).

The Marshall aid to Europe constituted the strongest weapon at U.S. command against communism. At times during Congressional hearings on the ERP appropriations, this aspect of the recovery program was presented in a sensational manner, designed to make the public feel that an armed attack by Russia or a series of Communist upheavals in European countries were imminent and therefore American aid should be continued and stepped up. The Marshall plan increasingly pictured as a method for checking Russia and communism (Dean, 1970:253).

In the light of the evidence presented above, it seems that the systemic approach advocated by neorealism, which concentrates on the distribution of power, the existence of external threats, shifts in the balance of power, strategies to contain the aggressor and to ensure and promote security is able to explain the U.S. policy toward the European integration. However we need to test the validity of the societal/domestic explanation. Therefore I turn to the domestic level explanations discussed in the first section of the paper and test their validity.

Domestic Explanations Tested

One of the advocates of corporatist theory Michael Hogan in his article on the Marshall Plan presents a very convincing argument on the role of different domestic forces in the U.S. policy making with regard to European question. He argues that collabora-

tion among corporations, public and private agencies, and supranational organizations had an immense impact on American policy toward Europe. He criticizes the existing literature for telling little about how American leaders have applied their corporative strategies to the management of foreign policy. According to Hogan, a closer look at the Marshall plan can tell us more than we know about this facet of public policy (Hogan, 1985:45)

For Hogan, through the Marshall Plan, American officials “sought to recast Europe in the image of American neocapitalism and envisioned a Western European system in which class conflict would give way to corporative collaboration, economic self-sufficiency to economic interdependence, international rivalry to rapprochement and cooperation, and arbitrary national controls to the integrating powers of supranational authorities and natural market forces” (Hogan, 1985:45). He stresses the role of the ECA to forge both national and transnational links between private economic groups and between these groups and authorities. He defines the ECA as “the hub in an elaborate system of public-private cooperation and power sharing” (Hogan, 1985:54).

Hogan suggests us to look more closely to the debates at the creation of the ECA, its internal structure and powers. For policy makers in the Truman administration, the need “to revitalize industry, maximize output, and liberalize trade together with the need to appease Congress, required a bipartisan recovery administration that could recruit managerial talent from the private sector and guarantee a business-like efficiency in operation matters” (Hogan, 1985:54). In accordance with this, draft legislation submitted to Congress in 1948 called for a new agency “to handle the operational aspects of recovery program subject to the State Department’s control in areas relating to foreign policy” (Hogan, 1985:54). However for Senator Arthur Vandenberg and other members of Congress “an efficient and successful recovery program required greater limitations on the State Department’s authority and a larger role for managers from the private sector.” Therefore they were no less interested in “relieving suffering and combating communism, yet achieving these goals meant stabilizing currencies, fixing realistic exchange rates, reviving industry, liberalizing trade and through these and other reforms, fostering integration” (Hogan, 1985:54). What they needed was “a truly independent agency managed by private leaders who controlled operational decisions and shared with public officials the responsibility for making policy (Hogan, 1985:55). Those involved in the congressional hearings suggested a variety of proposals for achieving this kind of public-private cooperation in managing the recovery program. From a variety of witnesses, (e.g. business, farm and labor leaders) came different schemes for a blend of direct and indirect representation, to be achieved by staffing the ECA with representatives from private groups, establishing private advisory committees, and preserving some role in the recovery program for those government agencies, particularly the Commerce and Agriculture departments.

The Brookings Institution was one of these groups and suggested a “new and separate agency,” headed by a single administrator, which should be exempt from various

federal regulations, particularly those limiting salaries. Because the ERP was not a purely business job, and must not encroach on roles properly played by government departments. (Hogan, 1985:56)

These different ideas were incorporated into the Foreign Assistance Act of 1948. The result was “an administrative structure that deliberately dissolved the distinction between public and private spheres, and did so as part of a strategy for achieving these goals of economic integration and greater productivity” (Hogan, 1985:56). The ECA had the Public Advisory Board, to which the administrator of the ECA appointed representatives of organized business, labor and agriculture. It also had private advisory committees, which were dominated by prominent figures from the world of business and finance. The Committee on Financing Foreign Trade was headed by Winthrop Aldrich, board chairman of the Chase National Bank. The Committee on Fiscal and Monetary problems included George Harrison of the New York Life Insurance Company, Walter Steward of the Rockefeller Foundation. W. Averell Harriman, the special representative in Europe, was a senior partner in the Wall Street firm of Brown Brothers, Harriman. Among the chief assistants to the administrator and deputy administrator in Washington were C. Tyler Wood, formerly a partner in the law firm of Gilbert, Elliot and Company; Wayne C. Taylor, a Chicago banker before entering government service in the 1930s, Samuel Richards, an executive with Studebaker Corporation (Hogan, 1985:57-58).

Along with prominent figures from business and finance world, Hoffman, the administrator of the ECA, tried to incorporate other groups into schemes of corporatist collaboration with the government. The major farm groups and organized labor also played an important role, “not only in countering communist attacks on the Marshall Plan but in persuading European workers to work harder, defer consumption and make the other necessary sacrifices to raise production and achieve effective European collaboration and economic integration in Western Europe” (Hogan, 1985:59).

Hogan finally claims that “American leaders had goals besides Communist containment, goals that would have shaped their diplomacy regardless of the perceived Communist menace. Foremost among them were the interrelated goals of economic integration and enhanced productivity in Europe” (Hogan, 1984:338). For American corporations an integrated Europe was the most open and profitable market with which to do business, like the Balkans in the previous times (Gianaris, 1991:41).

CONCLUSION

The Transatlantic Trade and Investment Partnership (TTIP) initiative, like the European Recovery Program following World War II, is an unprecedented even that raises important questions about our understanding of foreign policy making. Among these questions, one that particularly interests me is the U.S. policy towards Europe, Western

Europe in particular, in late 1940s. What are the determinants of America's postwar engagement with European nations? What motivated the United States to support a unified Western Europe through the European Recovery program? And finally what lessons can we draw from the US support for today's transatlantic deal?

While traditionalists point to the security interests of the US, revisionist scholars strongly disagree and stress the search for healthy markets for US exports. Thus, the promotion of US economic interests is the principal if not the sole motive. An examination of the official history of the Marshall Plan led me to conclude that none of the theoretical explanations alone is able to speak satisfactorily about U.S. involvement in Europe. The systemic approach does a very good job in explaining the role of external forces on U.S. policymaking however disregards the influence of domestic forces. The domestic or societal approach, on the other hand, incorporates these elements into the analysis but downplays geopolitical forces. Thus what is needed to fully understand the U.S. behavior vis-à-vis Europe is a synthesis of these two approaches. Yet, as Erik Jones argues, the marriage of these two traditions could be "less than the sum of their individual contributions" towards the US policy (Jones, 2009:236). The narrative of the European Recovery program is informative about the newly agreed trade deal, yet our analytical tools are not sufficient.

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