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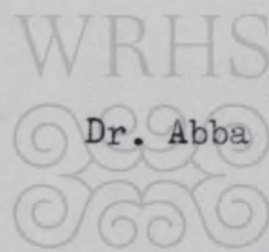
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The Marshall Plan, 1947.

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THE MARSHALL PLAN
Will It Save Europe?



By
Dr. Abba Hillel Silver



At
The Temple

On
Sunday morning, November 16, 1947

The Marshall Plan is a very difficult subject indeed to discuss. It is so vast and its implications are so manifold. No one knows all the answers to the many questions connected with the reconstruction of Europe. The Marshall Plan is rather vague, as yet in outline, especially as regards its long range proposals. The Secretary of State himself stated that the situation contains many imponderables. The Plan is based on sundry political and economical premises which are not easily demonstrable, some of them very debatable. The Plan involves certain economic calculations which are not easily grasped by laymen and which unfortunately frequently come to dissappoint even experts -- expert economists.

Above all this Plan has come to be enswathed, ^{Wra}pped up, as it were, in a great deal of emotionalism, an emotionalism which seems to attend every proposal which involves the expenditure of American funds for foreign aid, a certain sentimental panic seems to go with every proposal that is made to extend American aid to foreign countries. And one wonders whether this financial romanticism, this political messianism is not artificially stimulated by certain groups who are not sure that their proposals would otherwise be acceptable by the American people.

I recall, for example, the emotional climate in which the British loan of a year ago was rushed through. It was made to appear to the American people that the salvation of Great Britain and the security of the United States and the deliverance of the whole of mankind were in some ways bound up with the granting of this loan to Great Britain. And those of us who questioned the loan, who argued against it on economic grounds, or on other grounds came to be suspect. And our Americanism was questioned. A few days ago I read an editorial in a local newspaper which I recall endorsed the loan. And I am quoting from this editorial:

"The British today are almost unanimous in the opinion that the Anglo-American loan of a year ago failed of the purpose for which it was intended. It is the judgment of many well informed Englishmen, both in and out of the government, that the British would have been further along on the road to recovery, and thus a

good deal happier, if there had been no extension of credit after lend-lease and if, therefore, they had been forced to meet their own problem realistically earlier rather than later."

You may recall the objections which many of us raised to the proposed aid to Greece and Turkey. They justified this grant on the part of our people -- hundreds of millions of dollars, which meant the taking over by the United States the financial obligations which Great Britain no longer was willing to carry in those countries. Our President invented a whole new foreign doctrine which came to be known as the Truman Doctrine. This money was to be rushed to Greece and Turkey in order to save somebody. It was made clear to us that in monarchical-ridden Greece and in the dictatorship Turkey, democracy was entrenched. Those countries were outposts of American democracy, the American way of life and they had to be defended against the menace of Communism lurking on their borders and against the Communist guerillas. The cry was -- hurry, hurry -- we must save those countries!. And those who cautioned the American people against this precipitate and rash act of voting hundreds of millions of dollars of the American taxpayers... were again held suspect.

I read the other day a dispatch from Athens Greece in the New York Times in which the reporter writes: "No matter what the subject is, one cannot go wrong in Greece this autumn if one reports that the situation is deteriorating.

"The guerrillas are more active than ever and the army's offensive has not yet started. The number of refugees and displaced persons is growing and has passed 310,000. The guerrillas dominate more territory more of the time than at any other time since the revolution of December, 1944.

"There are fewer goods on the shelves, because fewer goods are being imported since the Americans took a hand in Greece and because merchants anticipate higher prices and hide what they have."

And almost the same day there appeared in the New York ~~Times~~ press an interview with Col. A. Sheppard, former chief of the British Economic Mission in

Northern Greece, who arrived on the Queen Mary on Tuesday warned that "the combination of British troops and United States dollars' will not improve economic conditions but rather 'is making mercenaries out of British troops.'"

"He declared communism 'would not work in Greece because the people are strong individualists' and the Communist opposition was directed at the Greek Government, because of its 'rightist' stand."

"He criticized the Athens Government as 'a police state.' He said that 'in Macedonia, it doesn't matter how much equipment the Greek Government forces may have at their disposal, they can't beat the rebels, because their hearts are not in the fight.'"

And "denying 'the rebels are leftists,' the British official explained many of them are 'ordinary citizens' who received aid from the United Nations Relief and Rehabilitation Administration under his direction."

I am afraid that the same emotional lava is being whipped up in connection with the Marshall Plan. And before it will be difficult to criticize any part of that plan for fear of being branded as a Communist fellow traveler.

To be sure Europe needs aid. And so do other parts of the world. And the American people has not been entirely unmindful of this fact. Since the termination of the war our people has spent some 20 billion, some 20 thousand million dollars to feed Europe and other continents. We cannot be charged with niggardliness or callousness with regard to the needs of the world, and we ought not to be put on the defensive. We ought not to be made to apologize. We have no one to apologize to. The American people is prepared to extend additional aid if necessary, and undoubtedly will for some time to come, and they don't have to be stampeded into giving necessary aid. There is great generosity in this people. But the American people has a right to ask: Is the aid which it is extending fulfilling its purpose? How long is this aid to continue? To what extent is this aid in danger of undermining our own economy? What are other nations doing to help along those nations which are appealing to us? What foreign policy, what international

international politics is being linked up with this aid which the American people ask to give, and is this foreign policy a sound one? If we are asked to make loans to foreign governments, how are these loans to be repaid, if at all? How does the American people intend to raise this money? Will this Marshall Plan save Europe? Will this Marshall Plan save America?

And the American people has a right to ask these questions, and has a right to expect a frank answer to them. And these answers have not yet been given. In fact some of these questions are still to be raised. It is not enough to have a slogan -- 20 billions more to save Europe from Communism! -- that is not enough. That is not enough to persuade the American people that these slogans are actually needed and should be used. We once before tried to save Europe with American dollars. It is unfortunate that we don't go back to history often enough

After the First War, brought about by the same mood and the same people, we poured billions of dollars in to Europe -- four billions into Germany alone. Our bankers and brokers were so bent upon getting commissions on loans that they actually coaxed German municipalities to accept American loans, and these loans financed industrial labor of Germany. The years 1924-29 were very prosperous years in Germany. Germany had practically recovered her pre-war economic position in Europe. She had abundant money for industry, for schools, for recreation centers, swimming pools. There was something wrong with the picture, something desperately, sadly, mortally wrong with the picture. Germany and Europe were thriving on borrowed money. When they couldn't borrow any more then their whole structure collapsed.

In October, 1929, with the crash of our stock market in this country it became clear that the holiday of fictitious prosperity built upon borrowed money was at an end. We couldn't keep it up. We couldn't afford to lend money. We had to call in all the short term loans. This precipitated a financial crisis all over the world. Shortly after came the crash in the United States.

You will recall that Credit Austell failed in Vienna. The Great Darmstadter Bank in

Germany closed its doors a few months later. England went off the Gold standard shortly thereafter. Europe was in economic ruin....in a sense because of the easy money poured into Europe. Then, of course, followed dictatorship, Hitler and the Second World War.

We tried to restore Europe after the First World War and we plunged in deeper into ruin. We did not watch our own economy. A run-a-way credit system, a run-a-way inflation, a run-a-way stock market, mass production unrelated to the capacity of the masses to buy was being produced. Great profit poured into further industrial expansion and further production and gambling in the stock market. All of that soon led to a disastrous collapse here and abroad.

Now the questions which the American people is asking now is: What safeguards are being taken against a repetition of a similar disaster? Inflation is already upon us. And now we are asked to pour out some additional billions of dollars to restore Europe there, increasing the dangers of inflation at home and again creating what may be fictitious prosperity abroad. What is the answer? Has the answer been given? I am afraid not. Our Senator Taft, the other day said that he sees danger to America's economy in this plan. He does not think that the American economy can stand it without danger. Unless we are careful and place careful restrictions on the use of the money we can do more harm than good with it. One may differ with Senator Taft's political views, one cannot question, however, the wisdom, the note of caution which the Senator has struck.

Presumably some of these billions are to be in the nature of grants and some in the nature of loans. How are these loans to be repayed? Certainly not in gold. They have not the gold with which to repay. With goods? After the last war a high tariff was placed on goods to keep foreign goods from swamping our markets.....Some have asked to have the loans returned in scarce, strategic materials, some materials which we could use badly. Have these countries been asked? Will they be asked to supply us with these needed raw materials which we will extend

to them? No clear answer has been given to that question by the State Department.

Another question which the American people is asking is why do we not insist that these Marshall Plan countries use the dollar reserves which their nations have in the United States? Or the money they hold as investments in the United States in terms of bank deposits, stocks and bonds and other forms of investments? It has been estimated. It has been estimated that there are some 17 billions of dollars of European countries in the United States almost equal to the total of the Marshall Plan. Why are these countries not drawing on these dollar reserves to meet their shortages before the American tax-payer is asked to draw on his reserves to help them.

It was testified the other day before the Committee in Congress "that it is estimated that the hoarded gold in France ranged from \$2,000,000,000 to 5½ billion dollars. It was pointed out that if French assets in the United States were added to the highest estimates of hoarded gold, the figure would run to 4 billion 340 million dollars, or nearly double the amount the United States faces in European aid in the next nineteen months."

Another question which the American people would like to have answered is why are not other countries besides the United States not asked to contribute their share in European reconstruction. European countries were using dollars received from the United States to buy wheat in Argentina at \$5 and \$6 a bushel. Argentina, a very prosperous country is not only not contributing to European aid but is profiteering in the black market at the expense of the American depositor.

There is a more serious question than these serious questions. At the heart of this whole entire Marshall Plan is rebuilding Germany. Secretary of State Marshall himself made it very clear. He was questioned in some detail about the plans for increasing Germany's production and generally ~~xxx~~ speeding that country's recovery. Mr. Marshall strongly endorsed such plans. He declared

"that greater German production was essential both to European reconstruction and the taking of the heavy burden of supporting Germany 'off the backs of American taxpayers'.

"There is no question that Germany is the heart of Europe, particularly of its economic life, he said, adding that, unless the economies of Germany and Europe were rebuilt simultaneously the United States would be faced with supporting both for an 'interminable procession of years.'

"Mr. Marshall declared that 'exaggerated propaganda' and 'perversion of facts' had aroused fears in France and other nations of western Europe that the United States planned to rebuild Germany at their expense and eventual peril.

"'I think we can manage this (the recovery of Germany),' he commented, 'without the people of Europe being confused about our aims.'"

That, I maintain, is not a very satisfactory answer to the very grave and serious questions. Just how does the Secretary of State intend to rebuild Germany and her heavy industries without at the same time restoring her war-making capacity? Has he thought it through? Has he a definite plan? If so the American people is entitled to know that plan before it is asked to build Germany for a 3rd World War. Twice in a single generation that country plunged Europe and the United States into a world war causing terrific suffering, calamity and disaster in the world. All the wreck and ruin the world is due to belligerence. No one in his right senses thinks that Germany is regenerated, repentant, or has given up her war-like intentions. After the last World War, we helped to build up Germany.

Mr. Edwin W. Pauley, former head of the American Delegation to the Allied Commission on Reparations stated the other day: "The consequences of this blunder (Allied policy toward Germany after World War I) are of course an old and bitterly tragic story. Germany build up its industry so effectively and fashioned its cartel arrangements so skillfully that it brought most of Europe under its economic dominance. Worse still, this hampered or actually prevented the development

of essential techniques in the countries which had been her conquerors -- and it gave Germany the industrial plant that readied it for its next try at world conquest."

Are we about to do the same thing now after the Second World War? At Potsdam an agreement was reached to make it impossible for Germany to plan a third world war. This agreement involved extensive capital, reparations on the part of Germany, raw materials and limiting the industrial development to light industry, to no beligerant goods. This Potsdam agreement seemingly has been abandoned and a campaign is afoot for some time now by industrialists here and bankers here and in other countries to rebuild Germany.

There is the Ruhr, Germany's arsenal which has coal, steel, chemicals to rebuild Germany. To rebuild the Ruhr is to give Germany again dominance of the economic life of Europe and to give her a war potential of incalculable proportions. The Ruhr should be rebuild under some international safeguards whereby the industrial capacity should be for the benefit not of Germany alone but to heap those countries which Germany helped to ravage during the second world war.

Have such plans been made? If so, what are they? This answer should be given before American dollars are poured into Germany. The ~~an~~ answer has not yet been given. Nor has a frank answer been given to the question: Just how do we really expect to plan to work in a divided Europe? Has this plan really a chance to succeed with Europe split in half, the industrial west against the agricultural east, not only split in half, but every Western country is split within -- bitter class strife against class.

Europe is a single economic community. No one knows it better than the 16 countries who are going to be the beneficiaries of this Marshall Plan. They must trade with the rest of the countries to survive. We should make preliminary provisions. A free exchange of goods and commodities between Eastern and Western Europe.

In a very thoughtful article the other day of Walter Lippmann, the following

thought was expressed. I called it to your attention a few weeks ago. He writes: "For the hard facts and figures of the Paris report and of the Harriman report show that western Europe and western Germany cannot be supported from North America. The supplies do not exist in the Western Hemisphere even if the American taxpayer were prepared to keep buying them for Europe in order to give them away. Western Europe can only be tided over for a while, helped to eke out a precarious existence at a low standard of life, enabled to buy time in which to restore the ruptures and dislocations of the war.

"Failing a resumption of trade and of mutual aid between East and West, our foreign 'aid program' as the Harriman report says in another connection, 'degenerate into just another relief program.' Without a political settlement, or at least a modus vivendi which keeps the door wide open to an eventual settlement, the American taxpayer will be confronted annually for the indefinite future with appeals directed to his charity and to his fear of communism."

Therefore I should like to repeat a suggestion which I made some time ago that another effort be made by the head of our government to come to an understanding with the head of the Soviet Union, now, before the Marshall Plan is implemented, before it is put into execution. An effort on the highest level, should be made to see whether these two great peoples really cannot come together, to live together in the same world, as they will have to come to an understanding. I believe that it is possible and I believe that a major effort has not yet been made. I blame no one. I do not saddle our government with the blame. But I say, the situation is so serious today that this well-intentioned Marshall Plan is in danger of causing . Another effort must be made to work out a modus vivendi for these peoples in the world.

I do not see those insurmountable obstacles which must forever keep these two nations from living together peaceably. I, for one, am heartsick about this talk about going to war and the slogans on fighting communism with dollars. That is how Hitler won support in some of the Western countries by offering his services

with their dollars to fight communism. It turned out that instead of fighting communism they had to fight Nazism.

We poured out money primarily to fight communism, hundreds of millions of dollars into China to fight communism and communism there is growing stronger and stronger. And now we are asked to do it again. I may be wrong, but I believe that there is far greater danger from Fascism than from communism. I believe that the greatest danger to democracy today as after the First World War is Fascism, not Communism. Witness France today. We keep our eyes focussed on communism, but it is Fascism which confronts us as the menace which we must fight.

Let us help all the peoples of the world on the basis of humanity and to a degree that we can with food, fuel, whatever we can spare. Let us even make sacrifices to help those who have suffered gravely as a result of the last war. Let us make whatever contribution we can to the economic reconstruction by way of loans, grants, but let us first have ~~these~~ these questions that fill us with apprehension answered lest in our desire to do good, we may be doing harm, unintentionally in the world.

1) A difficult subject, indeed, to discuss. - Vast - no one knew at
Vague in outline - esp. as regards its long range proposals.
As M. stated it ~~is~~ contains many "inponderables."

It is based on sundry pol. & econ. premises, which are
not easily demonstrable. - debatable

It involves econ. calculations which are not easily
crossed by assumptions, & which unfortunately frequently come
to disappoint even the expert economist.

Above all it has come to be enslaved in a great deal
of emotionality. which seems to attend every proposal
involving the expenditure of am. funds for foreign aid.
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Pawie - One wonders whether this financial romanticism or
pol. messianism is not artificially stimulated by those
who are not sure ^{whether} that their proposals cannot otherwise
be made acceptable to the am. people.

4. I recall the tense emot. climate in which the Br. loan
of a year ago was worked through. It was made to
appear that the salvation of Britain, the security of the U.S.
and the deliverance, menaced from the menace, can
depend upon it. Those who agreed against it
on econ. grounds, were held suspect - Americans

(a) 4 days ago - I read an Editorial - (Ind. P.T.)

5. You may recall the objections which many am. raised
against the aid demanded by the Edm. for Greece &
Turkey - To justify this grant of hundreds, millions,
dollars to these countries - (which G.B. has no longer
willing to expend). our Pres. intervened & which was
doctrinaire - "Tr. Doctrine". We were to not denure. -

7/ We once tried to save E. with Am. dollars. - after 1st world war (3)

We poured billions into Europe - 4 b. into J. alone -

Our bankers & others were so bent upon commissions that they
cried - J. manufacturers & local authorities to borrow Am money
They financed J. industries. The years 1924-28 were the
prosperous years - money for J. was plentiful. She had
money - Am. money - for schools, recreation grounds, housing
ports,

then + Europe
J. was thriving on borrowed money. Crash Oct. 29. ↓

We couldn't keep it up. - Am. could not afford to lend.

She had to call in her short-term loans -

This precipitated a financial crisis - all over world.

Credit curtailment forced in Vienna - 1931

Great Danubian Bank - July 1931

England went off gold standard - Sept. 1931

- Europe was in Ruins - Dictatorship swept into

power - Hitler - II world war

(c) We tried to restore E. after I.W. was with our
dollars - ~~we plunged her deeper into ruin.~~

We did not watch her own economy - a run -
away inflation - a run away credit system -
a run away stock market - mass production
unrelated to capacity of masses to buy -

collapse & total collapse

undistributed
profits poured
into further
expansion & speculation

Why are there not drains open to meet their dollar shortages - before Am. taxpayers are asked to contribute their dollars to help reconstruct those E. countries, ~~the France~~ (Just), What is the answer? - State Dept. so eager to spend

11). What are not other countries beside U.S. asked to help in E. reconstruction.

(a) E. countries were using dollars received for U.S. to buy wheat in Argentina, and paying for it. \$5 a bushel. — Argentina is not only not contributing a penny to help E. but is profiting by double in a black market in wheat. The Am. taxpayer is paying the bill!

12). At the heart of this program — rebuild Germany! (Just). — Just how does the Secy. intend to rebuild for — and her heavy industry — without making her a war potential — restoring her war-making capacity?

Has he that at heart? Has he a def. plan?

Twice in a single generation. — Sec. played —

all the warts & runs — due to belligerency —

No one — on his right nose — Sec. is no prophet

— Unredeemed — unrepentant — heart shape
— After 1st war helped — on plan — that ag. can be
— Edwin Pauley.

Now again - G. undoubtedly must be rebuilt for the
role of reconstruction; E. day 16 of G. Communism. (6)

- Potsdam Agreement, right to define G. in-making
by approaching capital, reparations, factories & heavy machinery,
power - Agriculture & light industry, non-bel. ports

- Abandoned - Campaigns on foot - understood & harder
to rebuild G. - marked increasing industrial loss
of victim nations.

→ There is the Russian - G. arsenal. - Steel - Coal & other
industries - almost ~~entire~~ and restored wholly to

G. comes under inter nat. safeguards for benefit
of Europe - now again become "a lethal ~~weapon~~
instrument in the hands, the very few survivors"

- Have provisions been made - will they made - before
we pour our dem. Am. dollars into Germany?
to arm her for third world war?

13/. And have we humbly faced the prospect of 1% of
working in a divided Europe?

Has this plan really a chance to succeed - E. divides
of brief Ford. West - Agr. East - and we get
division within every W. country also?

- Europe is a single econ. community - 16 states know
it. Must trade with E. Europe.

→ (Intro to Khrushchev) -

Again - I propose - Truman. & Stalin - before (7)
M. P. is put into execution.

14). Should we not close talk of Cold War. - fighting
Comm. with dollars.

(1) That's how Hitler got support - war -

(2) Poured vast sums into China to fight Comm.

Comm. money change 15 times -

(3) And now we are urged to do it again.

15). The present danger to democ. today as after Fort Sumter -
to Communism, not Communism.

without Do fault in France.

16). Let us help - to the degree that we can - all peoples -
on basis of humanity - & sound econ. principles -
not on basis of some ideologic crusades -
with food, fuel

Recovery of Europe.

In this connection, we quote an excerpt from a recent statement made by Edwin W. Pauley, former head of the American Delegation to the Allied Commission on Reparations. Mr. Pauley, stressing the need for rehabilitating Europe by extracting capital reparations, factories and raw materials from Germany, bitterly criticized Allied policy after World War I in the following words:

"The consequences of this blunder (Allied policy toward Germany after World War I) are of course an old—and bitterly tragic—story. Germany built up its industry so effectively and fashioned its cartel arrangements so skillfully that it brought most of Europe under its economic dominance. Worse still, this hampered or actually prevented the development of essential techniques in the countries which had been her conquerors—and it gave Germany the industrial plant that readied it for its next try at world conquest."

Germany's victims will be held

outside.

The Senate committee also heard Representative Christian A. Herter who, during the summer, directed first-hand investigating in eighteen European countries by a select House committee. Mr. Herter's testimony paralleled in general that which he gave yesterday before the House Foreign Affairs Committee. He urged the Senate committee to study the seven reports which his committee had just released.

Individual Senators displayed interest in that phase of the Herter committee report on the French crisis which declared that estimates of hoarded gold in France ranged from \$2,000,000,000 to \$5,400,000,000. It was pointed out that if French assets in the United States were added to the highest estimates of hoarded gold, the figure would run to \$4,340,000,000, or nearly double the \$2,397,000,000 which the United States Government faces in European aid during the next nineteen months.

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candidates for vice-president of the United States in sight. Everywhere we look we see men running (or pretending not to run, which is the same thing) for presidential candidate on the Republican ticket. The Democrats don't have to worry about selecting a presidential candidate; just about electing him.

The vice-presidency of the United States is quite a high office and has several times led to better things. Yet no one seems to want to be a candidate for vice-president. It may reach the point where, after the Democrats and the Republicans have formally designated their presidential candidates, the personnel men in each party will have to take an also-ran for the presidential candidacy into a smoke-filled room, gently twist his arm and force him to run for the vice-presidency.

NO BLANK CHECK

House Republicans who object to the suggestion of President Truman that future aid to European nations be extended under a "lenient charter" are on sound ground when they ask for a bill of particulars. This is no time for Congress to underwrite billions for aids and grants to foreign nations on the assumption that the funds will be wisely spent and will purchase the desired stability.

The British today are almost unanimous in the opinion that the Anglo-American loan of a year ago failed of the purpose for which it was intended. It is the judgment of many well informed Englishmen, both in and out of the government, that the British would have been further along on the road to recovery, and thus a good deal happier, if there had been no extension of credit after lend-lease and if, therefore, they had been forced to meet their own problems realistically earlier rather than later.

The implications of "lenient charter" are not entirely clear. If the president means the United States should be charitable and willing to tide over the food shortage that has developed in France and possibly some other countries as a

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WEDNESDAY, NOVEMBER 12, 1947

"The important thing in this program is speed."

Views on Germany

The Secretary was also questioned in some detail about plans for increasing Germany production and generally speeding that country's recovery.

He strongly indorsed such plans, declaring that greater German production was essential both to European reconstruction and to the taking of the heavy burden of supporting Germany "off the backs of American taxpayers."

"There is no question that Germany is the heart of Europe, particularly of its economic life," he said, adding that, unless the economies of Germany and Europe were rebuilt simultaneously the United States would be faced with supporting both for "an interminable procession of years."

Mr. Marshall declared that "exaggested propaganda" and "perversion of facts" had aroused fears in France and other nations

of western Europe that the United States planned to rebuild Germany at their expense and eventual peril.

While he did not identify the source of such propaganda, he was obviously referring to Russians attacks on all western proposals to increase Germany production.

"I think we can manage this (the recovery of Germany)," he commented, "without the people of Europe being confusd about our aims."

He added that, if the London conference succeeded in unifying the zone of occupation in Germany, a new level of industry might be worked out to increase its productivity and speed the recovery of Europe generally.

"Is it not true that we cannot indefinitely continue the existing lack of German reorganization if we hope to defeat confusion and chaos in Europe?" Senator Vandenberg asked.

"That is my view," Mr. Marshall replied in concluding his testimony.

EEN MARY



GENERAL DECLINE IS SEEN IN GREECE

Some Blame the U. S. Mission,
Disliked by Extremes of
Both Left and Right

By DANA ADAMS SCHMIDT

Special to THE NEW YORK TIMES.

ATHENS, Nov. 11 — No matter what the subject is, one cannot go wrong in Greece this autumn if one reports that the situation is deteriorating.

The guerrillas are more active than ever and the army's offensive has not yet started. The number of refugees and displaced persons is growing and has passed 310,000. The guerrillas dominate more territory more of the time than at any other time since the revolution of December, 1944.

The people are frightened, especially if they have something to lose. They buy gold sovereigns because frightened people in this part of the world prefer gold to bank accounts or investments. The price of gold is higher than ever after the last inflationary blow-up and other prices are not far behind.

There are fewer goods on the shelves, because fewer goods are being imported since the Americans took a hand in Greece and because merchants anticipate higher prices and hide what they have.

Labor is panting for higher wages. There would certainly have been a general strike last week if the labor union leadership had not been thoroughly anti-Communist and convinced that a strike would play into the Communists' hands.

Some Greeks Blame United States

If it were not for the United States mission of aid to Greece, matters would probably be worse than they are. But certain sections of the Greek public, having discovered that the formulas of

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surrender.

For the hard facts and figures of the Paris report and of the Harriman report show that western Europe and western Germany cannot be supported from North America. The supplies do not exist in the Western Hemisphere even if the American taxpayer were prepared to keep buying them for Europe in order to give them away. Western Europe can only be tided over for a while, helped to eke out a precarious existence at a low standard of life, enabled to buy time in which to restore the ruptures and dislocations of the war.

Failing a resumption of trade and of mutual aid between East and West, our foreign "aid program" must, as the Harriman report says in another connection, "degenerate into just another relief program." Without a political settlement, or at least a modus vivendi which keeps the door wide open to an eventual settlement, the American taxpayer will be confronted annually for the indefinite future with appeals directed to his charity and to his fear of communism.

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Question Box

The Christian Flag

Will you please give the origin or the "Christian Flag" often displayed in Protestant churches?

Cleveland.

A. M.

The Christian flag was the invention of Charles C. Overton, superintendent of Brighton Chapel Sunday School of Coney Island, N. Y.

Support for the unorganized "centrist section" of the Greek population by the United States and British Governments is more likely to lead to peace than the present policy, which has failed to bring about "economic improvement," according to Col. A. W. Sheppard, former chief of the British Economic Mission in Northern Greece.

Colonel Sheppard, who arrived on the Queen Mary on Tuesday, warned yesterday in an interview at the Hotel Gotham that "the combination of British troops and United States dollars" will not improve economic conditions but rather "is making mercenaries out of British troops."

He declared communism "would not work in Greece because the people are strong individualists" and the Communist opposition was directed at the Greek Government, because of its "rightist" stand.

He criticized the Athens Government as "a police state." He said that "in Macedonia, it doesn't matter how much equipment the Greek Government forces may have at their disposal, they can't beat the rebels, because their hearts are not in the fight."

Colonel Sheppard proposed support for the large numbers of the population who are not getting support from overseas but who have "the same democratic ideas and ideals as we have here."

Denying "the rebels are leftists," the British official explained many of them are "ordinary citizens" who received aid from the United Nations Relief and Rehabilitation Administration under his direction.

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