

"European Integration Under Duress: Is It Time To Rethink and Renew?"

Lessons From Post-World War II Events and Activities For
Post-Cold War Policies and Plans

by Werner Feld

The possibility of applying lessons from the earlier period, Post-World War II, to the current situation requires the precise identification of the two time periods and the issue areas that may benefit from the comparison. The major concerns in both periods were economic-financial problems of mostly West European countries that either had suffered from the ravages of World War II and tried to rebuild their economies or which, located in central and eastern Europe, had been exposed to Communist control for approximately forty years and which after the collapse of the Soviet Union in 1989 were seeking to adopt systems of democracy, free market trade and basic capitalist rules. The first time span was approximately from 1945 to 1955; the second time span could be from 1989 to 1999. In both time periods the satisfaction of economic and financial needs was and will be the primary focus and consequently comparisons will be useful as far as policies and activities are concerned.

Other issues which may lend themselves to comparison and application of lessons learned may be in the field of military strategy and threat perception, but comparative situations may be few. We will return later to those issues.

The Post-World War II Period

In the field of economic-financial need satisfaction the U.S. Marshall Plan was an outstanding success. Needy countries, limited to Western Europe, although help had been offered to East European states but rejected following Soviet intervention, were given the necessary financial support to rebuild their economies. The U.S. government had developed effective rules and organizations to assure the success of the Marshall Plan including the OEEC, the Organization for European Economic Cooperation, which was to manage the American aid, encourage joint economic policies and discourage barriers to interstate trade. In turn, the OEEC supported another organization, the European Payments Union (EPU), which established effective payment schemes among aid recipients and thereby furthered trade among West European states.

Another important step forward in the first period was the establishment of the ECSC and EEC. Preferential trade arrangements reflected in the two organizations offered a need basis for expanded economic success which confirms its attractiveness today.

Finally, a tremendous advantage during the Post-World War II period was the similarity of political, sociological, and ideological assumptions between the aid givers in America and the aid recipients in Western Europe. Hence, although there were recurring frictions between these two groups as to the efficacy of the aid program, economic and political expectations in Western Europe were similar to those in the United States and the economic and financial successes in Western Europe were appreciated on both sides of the Atlantic.

The Post-Cold War Period

The favorable conditions for the supply of economic and financial aid which marked the Post-World War II period were and are largely absent during the Post-Cold War period. Long exposure to communism has influenced the expectations of benefits on the part of the people in the former COMECON countries and the member states of the CIS and the government-provided benefits were often preferred to the competitive struggles inherent in the capitalistic free market system on whose acceptance the Western aid providers insisted. Moreover, the hopes in 1989 that joint enterprises between local firms and Western companies could be created in large numbers were disappointed, although some minor successes were recorded. Finally, the enormous inflation of some local currencies in Eastern Europe has undermined and slowed the provision of financial aid as donors feared a rapid decline of the value of this aid. Hence, relatively few lessons can be applied from the successful activities of the Marshall Plan to the present but as the socio-psychological attitudes of the population adopt to the changing political and economic conditions in Central and Eastern Europe, the situation for providing effective aid by the Western powers is likely to improve. Clearly, the European Communities play a major role in this task. The association and cooperation agreements signed by the EEC with some of the Central European, formerly communist, countries will be helpful to the exports of these states, although complaints have been heard about various restrictions on selected imports imposed in the agreements. Some of the CIS countries -- Russia especially -- will also benefit from similar agreements to be signed in the near future.

The Strategic-Military Field

After World War II the international arena evolved into a bipolar system with both superpowers developing a high level of certitude as to the military intentions of either one and a high degree of specific threat perceptions. The balance of terror was perhaps inconceivable as a policy, but each superpower made detailed, and mostly accurate, calculations as to what the other side might be up to. Thus bipolarity helped to make necessary defense plans for the Western powers and the same would apply to Warsaw Treaty military plans. The NATO policy of containment was straight forward and successful.

With now only one superpower operational (the U.S.) and a variety of nuclear weapons on the loose in some of the CIS countries and ones perhaps being developed in the Middle East and Far East (N. Korea), U.S. threat perceptions may be difficult to be clearly defined. Reliance on the U.N. Security Council and other U.N. Agencies (for example IAEA) may provide policy options but successful implementations may turn out to be elusive as the situation in Yugoslavia demonstrates.

Conclusion

Some basic lessons can be learned for the provision of economic and financial aid: (1) the aid-giving organizations must exercise maximum control over the process as was done by the United States after World War II in Western Europe and (2) democratic ideas and free-market conditions should prevail among the aid-receiving population. This seemed fairly easy when in 1989-90 the Soviet Union disintegrated and communism collapsed. But it is clear now that it will take time to set up the appropriate conditions for the aid from the West to be successful, including the establishment of joint enterprises and profitable investments by Western firms. McDonald's three restaurants in Russia are an outstanding example.

As for the military-strategic situation, it is impossible to recreate the security conditions of the cold war from 1945 to 1989. Whether the U.S. can persuade the CIS countries of Belarus, Ukraine, and Kazakhstan to give up the nuclear weapons on their territories and become an active force in the non-proliferation of nuclear weapons, is uncertain. In any case much uncertainty prevails in both the nuclear and non-nuclear security areas and few lessons are applicable today from the 1945-55 period.