

OPINION COMMENTARY

No More ‘Marshall Plans’

When America rebuilt Europe, it also built a pernicious cliché.

By

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The first U.S. shipment of Caribbean sugar to war-torn London. PHOTO: CORBIS VIA GETTY IMAGES

Sen. Elizabeth Warren proposes a “Green Marshall Plan,” which would lend \$100 billion to foreign governments to purchase “clean” energy products made in the U.S. Julián Castro, a former mayor of San Antonio, wants “a 21st century ‘Marshall Plan’

for Central America.” Columbia economist Glenn Hubbard [likens President Trump’s \\$50 billion Mideast peace plan to the Marshall Plan](#).

It’s time to stop with these latter-day Marshall Plans. As the only nation-rebuilding effort perceived to have been successful, the 71-year-old plan has become the go-to association for policy entrepreneurs everywhere. Without substantive detail—almost invariably absent—these neo-Marshall Plans are sure to fail.

Appeals to the Marshall Plan cloak designs for massive government spending. No matter the cause’s worth, no matter the plan’s feasibility, this analogy provides an easy off-the-shelf sales pitch.

The real Marshall Plan of 1948 provided grants and loans to speed Europe’s economic recovery after World War II. Although named for Secretary of State George Marshall, the plan’s real author was Will Clayton, an international financier and former cotton trader. Debate persists about whether the Marshall Plan was motivated by humanitarian concerns, self-interest or anti-communism. To varying degrees, it was all of the above. Although scholars quibble about the plan’s effectiveness and context, the American public remembers it as a triumph. But many forget why it succeeded—not merely due to its ambition or price tag but, critically, because of good political and economic institutions in recipient countries.

The Marshall Plan often resurfaces in periods of crisis. In 1958 Bruno Kreisky, a socialist who went on to become chancellor of Austria, proposed a “Marshall Plan for the Third World.” In 1999 Secretary of State Madeleine Albright appealed for a “Marshall Plan for the Balkans.”

After 9/11, proponents of aid to Arab countries turned to the analogy. “The security of the United States now depends upon achieving throughout the Arab and Islamic World what the Marshall Plan achieved in Europe,” wrote Richard Sokolsky and Joseph McMillan in the New York Times. President George W. Bush invoked the Marshall Plan while spending \$20 billion to reconstruct Iraq after the 2003 invasion, and liberal critics like Susan Rice [argued it wasn’t generous](#) enough.

More recently, the musician Bono proposed a Marshall Plan for refugees in 2016. Commentators writing everywhere from [Bloomberg](#) to the [Jakarta Post](#) have implausibly christened the \$575 billion Belt and Road Initiative “China’s Marshall Plan.” Mexican President Andrés Manuel López Obrador has trumpeted a \$30 billion “Marshall Plan” for Guatemala, Honduras and El Salvador.

The original Marshall Plan’s success now confers instant legitimacy on knockoffs of dubious merit. Without regard for accountability, administrative concerns, loan default, corruption, oversight, appropriate measures of success, or recipient-country history, all of these counterfeit Marshall Plans risk building up only one thing: the federal deficit.

Mr. Dattel is author of “Reckoning With Race: America’s Failure.”