Spring 1998

The United States and the Netherlands: A Study of Early Cold War Cooperation

Michael R. Hirman

Old Dominion University

Follow this and additional works at: https://digitalcommons.odu.edu/history_etds

Part of the Diplomatic History Commons, European History Commons, and the United States History Commons

Recommended Citation

https://digitalcommons.odu.edu/history_etds/147

This Thesis is brought to you for free and open access by the History at ODU Digital Commons. It has been accepted for inclusion in History Theses & Dissertations by an authorized administrator of ODU Digital Commons. For more information, please contact digitalcommons@odu.edu.
THE UNITED STATES AND THE NETHERLANDS: A STUDY OF EARLY COLD WAR COOPERATION

by

Michael R. Hirman
B. A. August 1991, University of Minnesota

A Thesis submitted to the Faculty of Old Dominion University in Partial fulfillment of the Requirements for the Degree of

MASTER OF ARTS

HISTORY

OLD DOMINION UNIVERSITY
May 1998

Approved by:

Lorraine M. Lees (Director)

Willard G. Frank, Jr. (Member)

Austin Jersild (Member)
Abstract

The United States and the Netherlands: A Study of Early Cold War Cooperation.

Michael R. Hirman
Old Dominion University, 1998
Director: Dr. Lorraine M. Lees
Co-Directors of Advisory Committee: Dr. W. C. Frank, Jr.
Dr. A. Jersild.

This thesis examines the policy that the United States utilized between 1945 and 1950 to enlist Dutch support for post-war European organizations and the place of this relationship within United States overall Cold War policy. The Netherlands willingness to cooperate and further United States objectives significantly contributed to the development of economic reconstruction and military security in Western Europe. In addition the United States unprecedented vision for a multilateral defense treaty came to fruition in part through Dutch support and compliance. However, the Dutch also had to make some historic changes. The United States opposed the Dutch attempt to retake Indonesia forcing the Dutch to choose security in Europe over their colony. Sources include memoirs of principal participants as well as United States and Netherlands governmental documents relative to foreign relations.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABSTRACT</td>
<td>ii</td>
</tr>
<tr>
<td>LIST OF ABBREVIATIONS</td>
<td>iv</td>
</tr>
<tr>
<td>Chapter</td>
<td></td>
</tr>
<tr>
<td>I.  INTRODUCTION.</td>
<td>1</td>
</tr>
<tr>
<td>II. EUROPEAN RECOVERY PROGRAM</td>
<td>7</td>
</tr>
<tr>
<td>III. BRUSSELS PACT</td>
<td>41</td>
</tr>
<tr>
<td>IV. NORTH ATLANTIC TREATY</td>
<td>72</td>
</tr>
<tr>
<td>V.  CONCLUSION.</td>
<td>91</td>
</tr>
<tr>
<td>SELECT BIBLIOGRAPHY</td>
<td>95</td>
</tr>
<tr>
<td>VITA</td>
<td>97</td>
</tr>
</tbody>
</table>
LIST OF ABBREVIATIONS

BENELUX  Belgium, the Netherlands, and Luxembourg Customs Union

ECA  European Cooperation Act

ERP  European Recovery Program

FRUS  Foreign Relations of the United States

JEIA  Joint Export-Import Agency

MAP  Military Assistance Program

NATO  North Atlantic Treaty Organization

NSC  National Security Council

NVV  General Council of the Netherlands Federation of Trade Unions

PPS  Policy Planning Staff
CHAPTER I
INTRODUCTION

In the years immediately following the Second World War, as the hostility between the United States and the Soviet Union intensified, the United States sought alliances to contain its former ally. For the Netherlands, alignment with the United States seemed the natural choice. However, some Dutch conservatives continued to advocate a return to their pre-Second World War policy of neutrality. This had served the Netherlands well, but failed to prevent Germany's invasion in 1940. Additionally, as a result of the late war, much of the Dutch industrial infrastructure was destroyed leaving the Netherlands vulnerable to social upheaval and possibly Soviet propaganda.

The actions of the Soviets and the kind of economic uncertainty existent in the Netherlands led the United States to become more involved in Europe. The United States first bolstered Western Europe's economy through the European Recovery Program (ERP) or "Marshall Plan." However, this was not sufficient. The United States and Western European nations began a military alliance, first established by the Europeans through the Brussels Pact and later including the United States in the North Atlantic

The journal used for this thesis was A Manual for Writers by Kate Turabian.
Treaty. Both the economic response and the military response developed by the United States included Dutch participation.

The Dutch were responsive to the creation of the ERP and participated openly in the European economic cooperation called for by the plan. When the United States urged the Europeans to create a security arrangement of their own, the Dutch were instrumental in the creation of the Brussels Pact. Only during the negotiations for the North Atlantic Pact while the United Nations (UN) and the United States were urging the Netherlands to leave Indonesia did the two countries have difficulties. The question for this thesis is how did the United States and the Netherlands cooperate in the creation of a Western security alliance and the economic recovery of Western Europe as a whole and what role did this cooperation play in the foreign policy of each power?

The Netherlands is a small country and one that is rarely studied by historians in the United States who are examining the twentieth century; yet the Netherlands is important because the Netherlands is crucial to the health and defense of Europe. Much of the trade of Central Europe passes through this low country and the commercial value of the ports of Amsterdam and Rotterdam cannot be overlooked. They also have military value as a debarkation point and
control because of the potential access to the Rhine River.

Treatment of Dutch participation with the United States in early Cold War institutions has been neglected by American historians. In addition, the *Foreign Relations of the United States* (FRUS) series pays very little attention to the Netherlands, concentrating more of its content on the larger European nations such as France, Germany, and the United Kingdom.

Many of the principle Dutch participants in the events did not publish memoirs or accounts of their actions. In fact, only three Dutch officials did record accounts of their activity. They were Ernst van der Beugel, Secretary of State for Foreign Affairs; H. M. Hirschfeld, European Recovery Program Coordinator; and Dirk. U. Stikker, Foreign Minister. On the American side many officials have published their memoirs but like *FRUS*, overlook activity dealing with the Netherlands. None of the American Ambassadors to the Netherlands have published their memoirs. Of the numerous officials sent to the Netherlands by the State Department most write of their affairs in England, France and even Belgium but neglect their activity in the Netherlands. Even with these handicaps, official State Department documents combined with memoirs, which deal with the larger aspects of Western Europe and the Soviet Union, lends themselves to a clear picture of the relationship
between the United States and the Netherlands immediately after the Second World War and at the start of the Cold War.

The Netherlands, like the United States, is a multi-party democracy and a market economy. In world affairs the Netherlands have traditionally pursued a policy of neutrality. This was the cornerstone of Dutch foreign policy. This enabled the Dutch to remain neutral during the First World War but this policy failed during the Second World War.

When Germany began its blitz of Western Europe in the spring of 1940 it entered the southern portion of the Netherlands in the province of Limburg, which extends between Belgium and Germany. The Dutch, naturally, resisted the German Army. Germany countered by bombing and destroyed the city of Rotterdam. The Dutch surrendered after five days. They believed they could not resist the Germans without destroying their country.¹

As the Allied armies began their liberation of Western Europe in 1944 and 1945, their march east was halted in the Netherlands by German forces. While the Netherlands south of the great rivers was liberated in late 1944, the area north of the rivers endured another six months of

This resistance in the Netherlands by the Germans wrought terrible damage to the Netherlands' principle cities. Finally on 4 May 1945 all of the Netherlands were liberated, only four days before the surrender of Germany itself, making the Netherlands one of the first European countries to be occupied and one of the last to be liberated.³

The long occupation experienced by the Netherlands led to disillusionment with the policy of neutrality. Thus, the Netherlands sought an alliance to guarantee its security. Though the United States perspective of a post-war world closely matched the Dutch perspective there were obstacles that had to be overcome. The Dutch hoped that the Soviets could be included in European security but Soviet actions prohibited this. Security in Western Europe had to include an alliance with Britain and France, who initially desired an alliance that would specify the attacker. But the Dutch wanted a broader defense alliance that did not specify the attacker. In addition, the Dutch also wanted to maintain their holdings in Indonesia. The United States opposed this, finally convincing the Dutch to remove their troops

² It was widely reported that the Dutch in the North were so destitute that they resorted to eating tulip bulbs.

and recognize Indonesia's declared independence as the price of North Atlantic security.  

---

4 Indonesia declared their independence 17 August 1945 but the Dutch attempted to restore their colonial rule on 20 July 1947.
CHAPTER II
EUROPEAN RECOVERY PROGRAM

By 1946, the United States believed that Soviet actions warranted a change in American policy. In crafting a response to the deterioration in relations between the United States and the Soviet Union, the administration of Harry S. Truman closely followed the advice of Soviet expert George F. Kennan, who suggested that rather than confront the Soviets with a military based policy, the United States should adopt a policy of economic and political pressure to limit Soviet power.¹ Kennan based this on his experience with the Soviets and his belief that the Soviets did not desire a military confrontation with the United States.² In response, the United States adopted its containment policy began to cultivate its ties with the Western European countries, including the Netherlands.

One of the containment policy's main instrument's was ERP. The plan was designed to instill psychological confidence while rebuilding Western European economies and creating political cohesion among the Western powers by aligning them with the strength of the American economy.


The Dutch response to American assistance was mostly positive, particularly in regard to economic assistance. The Dutch were somewhat divided over the aspect of political containment, however, especially the prospect of another division in Europe if the Soviet Union was excluded. Nonetheless the United States pushed ahead with its agenda for economic and political containment in Europe, while seeking Congressional support back home for the plan.

During 1945 and 1946 the United States dominated the world economy. The United States had not suffered the war damage that the other industrial areas of the world had. This gave the United States a tremendous advantage because American business merely had to re-tool their factories from war related production to civilian production. By contrast, West European infrastructure laid in ruins, suffering from a lack of spare parts and means of transporting goods to markets because of a disrupted transportation system.

The conditions of the Netherlands and Western Europe were grim when Secretary of State George C. Marshall proposed massive American aid to the European countries willing to participate in ERP. The weakened state of Europe contributed to the Netherlands economic problems

---

since Europe was the Netherlands main trading partner.\textsuperscript{4} Sixty percent of Dutch port traffic consisted of goods destined for the interior of Europe. This essentially was removed when Germany was occupied and its economy collapsed. Adding to Dutch problems was the fact that the occupying powers chose to use German ports for shipping goods to Germany rather than Dutch ports, creating a substantial decrease in revenue for the Dutch shipping businesses.\textsuperscript{5} Before the war the Netherlands had reasonable access to German waterways. After the war Germany no longer had jurisdiction over its water passages as the occupying forces took control. This was a major issue for the Netherlands as German trade had represented the largest amount of trans- shipments with the Netherlands.\textsuperscript{6} So, for the Dutch, economic recovery of Germany was essential to economic recovery of the Netherlands.

In examining European trade patterns the United States observed a great deal of duplicity and artificial


\textsuperscript{5} Ibid., 128.

American policy planners preferred an economy in which trade could freely traverse state boundaries. In Europe, barriers to trade existed on nearly every product. The result of protectionism by the Europeans was to complicate their recovery by making conditions more difficult for the recovery to occur. American officials believed greater cooperation in the economic field would result in greater cooperation in the political field. Political cooperation among the European powers would reduce the chance of another war in Europe that would again involve the United States.

Unfortunately, there remained limitations on what the United States could do. The Europeans had their own goals and plans that sometimes ran contrary to American goals. If the United States was too forceful in its objectives, the Europeans might reject American aims, regardless of potential benefit. Therefore, any program to aid Europe economically would have to be made in full cooperation with the Europeans themselves.

Another limitation that the United States faced with respect to aiding Europe was fiscal restraints. Europe's needs for monetary aid was much greater than the United States.

---


8 Ibid., 26.
States treasury could fund. It was not possible for the United States to supplement the needs of individual European countries entirely. So, the United States began a plan in which the Europeans would help each other. Thus, cooperation was a key concept for European economic recovery.9

While plans for greater cooperation among Europeans and the United States were developing, the United States began establishing grants and loans to the West Europeans to be used to purchase American products. This resulted from a tremendous increase in debt to the United States which caused West European economies a great challenge. It was difficult to avoid, however, because the United States often had the only supplies available. Western European countries began to run deficits in their current accounts with the United States. In order to offset these deficits, foreign countries, including the Netherlands, sold gold to purchase American dollars. After the war the world monetary system continued the gold standard for the base currencies of the dollar and the British Pound Sterling with all other currencies being converted into the base currencies. The result of these deficits was that the gold supplies of

---

European countries diminished to the point of jeopardizing the convertibility of European currencies.

The United States feared that Western European countries without assistance would run out of assets to pay for goods used to aid their recovery and would have to reduce the amount of goods purchased which would then slow their recovery process. Eventually this might have led to another depression. Also, according to Kennan’s policy of containment, the United States should keep the Soviets and communists out of the industrialized areas of the world of which Western Europe was one. It was critical that ERP assist in the reconstruction and restoration of confidence in Western European economies and governments to avoid those potential downfalls.

The Netherlands welcomed Marshall's speech at Harvard in June 1947 on economic aid to Europe. In their response they stated that the economic rehabilitation of Europe could not materialize without the help of the United States. The Netherlands found Marshall's comments regarding cooperation among the European countries of particular interest. The Dutch seemed to grasp the need for

---


12 Dr. Alexander Lounden to Marshall, 17 June 1947, RG 59, no. HA-6166, 840.50 Recovery/6-1747.
cooperation in Europe early, as evidenced by their efforts in creating the Benelux customs union.

The foundation of Benelux Customs Union was laid on 21 October 1943 in the form of a monetary agreement while the governments in exile of Belgium, the Netherlands, and Luxembourg were in London during the Second World War. The three governments committed themselves to the abolition of tariffs on their intra-trade and the erection of a common external tariff through another agreement on 5 September 1944. In that same agreement the three governments adopted the acronym Benelux as an expression of integration. Although the text of the Customs Convention provided for its immediate implementation after the return of the Benelux governments, this decision was postponed because economic conditions in the three countries were unsettled. Belgium was liberated with relatively little fighting losing only about 4 percent of national capital in September 1944 while the Netherlands was liberated eight months later after heavy fighting. Both the Netherlands and Luxembourg lost one third of their national capital. By January 1950 the

---


Benelux Customs Union was finalized when all quotas and controls on trade were abolished.

This early cooperating effort was encouraging to the United States. The Dutch reported that they were very interested in the views of the United States and desired to work with the United States on European Recovery.\(^\text{16}\) Benelux is sometimes thought of as the starting point of European integration. This is partially true. Benelux was planned as an economic union. In this sense Benelux serves as an example for the 1957 Treaty of Rome which created the European common market. Benelux is not an accurate example, however, of European political union since the Benelux states never surrendered political power only economic taxation on imported goods. While the three states often acted in concert they did not form a separate parliament as called for in the 1992 Treaty of Maastricht. Nonetheless, the Benelux customs union provided a pattern for the economic integration of Europe.

Public reaction to Marshall's speech was overwhelmingly positive in the Netherlands. The Dutch newspaper *Elsevier's* on 4 July 1947 reported that,

> Dutch War Minister Lieutenant Colonel A. H. J. L. Fievez greeted the plan favorably as did former War Minister J. Meynan who believed the chief importance was that it was a means to get Germany recognized as a

\(^{16}\) Lounden to Marshall, 17 June 1947, RG 59, no. HA-6166, 840.50 Recovery/6-1747.
hinterlands of the Netherlands or rehabilitate relations with that country.\textsuperscript{17}

Dr. S. Posthuma stated it offered hope that, "the United States Congress, then dominated by the more fiscally conservative Republican Party, would support Europe's efforts and not cling to its free economy thought without aid." Former Dutch Prime Minister P. S. Gerbrandy endorsed the plan stating it offered hope for Western Europe and eventually all of Europe.\textsuperscript{18}

Additionally, German trade which had been so important to the Netherlands before the war would have to be replaced. The economic recovery of the Netherlands would be severely hampered without the economic recovery of Germany, since Germany had represented the Netherlands greatest trading partner. Dutch industry relied heavily on German machinery for which replacements and spare parts could now be obtained only with great difficulty. The German economic collapse closed one of the principal markets for Dutch foodstuffs and destroyed the transit traffic of German and Central European imports and exports through the Netherlands which had been an important source of income.\textsuperscript{19} The Netherlands believed a

\textsuperscript{17} Selden Chapin to Marshall, 17 July 1947, RG 59, no. 2107, 840.50 Recovery/7-847.

\textsuperscript{18} Chapin to Marshall, 8 July 1947, RG 59, no. A-207, 840.50 Recovery/7-847.

\textsuperscript{19} Meade, \textit{Negotiations for Benelux}, 12.
significant element of Dutch recovery would be tied to the health and vitality of Germany. They hoped that Marshall's plan would serve as a vehicle to rehabilitating Germany and restoring Dutch trade with that country.

The Netherlands foreign office immediately began working on the American proposals and stipulations for greater European cooperation. At this early stage Dutch foreign ministry officials believed that the Soviet Union should play a role in the recovery process of Europe. They thought that the recovery of Europe should include all European states. The Dutch did not want to create a division in Europe so soon after the war. Soon after Marshall's speech the Dutch received a joint invitation from the British and French for a twenty-two country European conference on Marshall's proposals in Paris on 12 July 1947. This cooperation among the Europeans was important for the eventual passage of the ERP bill in Congress. Without cooperation among the Europeans the United States would not be able to sustain European economic recovery. In their invitation, the British and French stated that, "it is the responsibility of the Europeans to take the initiative in


21 Dr. Herman Baruch to Marshall, 20 June 1947, RG 59, no. 418, 840.50 Recovery/6-2047. Baruch wrote before official Soviet refusal.
the reconstruction effort” and to “establish a program which takes into account the resources and needs of Europe.” They believed, “an organization should be created to gather the necessary elements for an effective program.” The committee of cooperation would then seek the friendly aid of the United States and submit a report to the United States by 1 September 1947 listing their proposals and needs. The British and French believed Marshall's supposition that the task of reconstruction would be facilitated in a fundamental manner by American aid, and subordinated by coordination and mutual aid by the European's themselves. Thus, the first step toward European recovery envisioned and required by ERP was for the Europeans to organize themselves and the resources they already possessed.\footnote{Jefferson Caffery to Marshall, 3 July 1947, RG 59, no. NIACT 2668, 840.50 Recovery/7-347.}

The committee, once created, would report to the United States regarding production and exchanges between countries and the extent and value of needs which could be covered by the United States. The committee was made up of France, the United Kingdom and selected European states. The committee asked the United States for help in drawing up the report.\footnote{Ibid.}

\footnote{Ibid.} \footnote{Ibid.}
The Netherlands, as well as its Benelux partners, accepted the invitation from the British and French. Prior to attending the meeting in Paris, Dutch Foreign Minister C. G. W. H. van Boetzelar van Oosterhout met with his Belgian counterpart, Paul-Henri Spaak, to coordinate a joint Benelux position. They concluded that the emphasis of the Paris meeting, as well as recovery in general, should stress getting industry to full capacity. The meeting recommended three courses of action: first, a survey should be conducted of industrialists to find what special shortages were preventing recovery; second, a multilateral revolving account should be created immediately to fund intra-European trade; third, long term plans should be developed to include a comprehensive program of European reconstruction.25

The importance of the joint action by Belgium, Luxembourg, and the Netherlands was their coordinated policy. Separately the Benelux countries could not influence the conference a great deal. They concluded they would be better served entering the conference as one voice rather than three small voices.

For this reason the Netherlands Foreign Office hoped that the Benelux states would be represented as one unit.26

---
25 Baruch to Marshall, 8 July 1947, RG 59, no. 474, 840.50 Recovery/7-847.
They decided that Spaak would represent Benelux with van Boetzelaer as an alternate. They also agreed that H. M. Hirschfeld would take part given his technical expertise. They believed it extremely important to have a representative on the Coordinating Committee. Once this was achieved they agreed to leave Hirschfeld on the Coordinating Committee since he was skilled at negotiations and had the technical knowledge of Benelux's fiscal and economic needs. The Dutch agreed with the Belgians in objecting to a possible proposal of France as a spokesman for the Low Countries. They believed the French would not represent their positions as convincingly as they themselves could.

The Netherlands information service reported that the Dutch government, however, was disappointed that total European cooperation could not be achieved since the Soviets chose not to take part. The Dutch believed that cooperation among the Europeans was of the utmost importance in making Marshall aid effective and would be enhanced by the inclusion of the Soviet Union.

---

27 Baruch to Marshall, 12 July 1947, RG 59, no. 495, 840.50 Recovery/7-1247.
28 Ibid.
29 Chapin to Marshall, Comment for Press Released by Netherlands Ministry for Foreign Affairs, 4 July 1947, RG 59, no. A-269, 840.50 Recovery/7-847.
When Boetzelæer arrived at the European conference he submitted a memorandum to the Executive of the European Economic Cooperation Committee. The Benelux countries were most concerned with trade at the conference and viewed Europe's problems as those of trade, which was natural since they had trade orientated economies. Hirschfeld believed that exchange rate controls should be removed. Benelux were very interested in removing all internal controls and rationing which were left over from the war. The Benelux states wanted the conference to examine the means necessary to reach full production in Europe, to estimate European trade on a multilateral basis, and to complete a multilateral exchange of payments to eliminate hindrance of foreign exchange. Essentially Benelux wanted to consider the questions of recovery, reconstruction and economic activity on the broader basis of Europe, not simply individual states.

Before the conference ended the Dutch contacted United States Undersecretary William Clayton to gather American

---

30 Caffery to Marshall, Memorandum submitted by the Netherlands Delegate to Executive of the European Economic Cooperation Committee, 30 July 1947, RG 59, no. 320, 840.50 Recovery/7-3047.

31 Caffery to Marshall, Conversation member of Netherlands Delegation to Committee of European Economic Cooperation, 6 August 1947, RG 59, no. A-1306, 840.50 Recovery/8-647.

32 Caffery to Marshall, Memorandum submitted by Netherlands Delegate to Executive Committee of the European Economic Cooperation Committee, 30 July 1947, RG 59, no. 320, 840.50 Recovery/7-3047.
opinion. "The Dutch," Hirschfeld noted, "had a very positive view of American efforts." Hirschfeld decided to approach discussions with the United States with frankness and it appeared to him that the United States gave the Netherlands its undivided support. This was a result of Dutch accord with the United States policy of integration of the West European economies.\(^{33}\) Thus, the Netherlands shared American goals.\(^{34}\) Hirschfeld also wanted to know from Clayton if emergency aid could be obtained for countries who had the most critical dollar shortages, before Marshall aid began in 1948.\(^{35}\) This was important for the Netherlands since its dollar shortage was becoming increasingly critical. In addition, Hirschfeld wanted to know before the final draft was ready if the committee should enter into contact with the United States in order to get a general idea of the orders that would be involved in a Marshall proposal. Clayton thought that it was too soon to discuss this. In regard to the emergency funds, the United States had no program envisioned. Dutch Finance Minister P. Lieftinck feared that Marshall aid might not come before

\(^{33}\) Van der Beugel, "Cooperation with the Americans," in Road, 113.

\(^{34}\) Ibid., 135.

\(^{35}\) Caffery to Marshall, Conversation member of Netherlands Delegation to Committee of European Economic Cooperation, 6 August 1947, RG 59, no. A-1306, 040.50 Recovery/8-647.
economic collapse in the Netherlands. The Netherlands had to wait until the spring of 1948 for any discussion of emergency actions and funds. This was very disappointing to the Dutch.

The conference of European Economic Cooperation submitted their report to the United States on 17 September 1947. In the report, sixteen countries determined that they would need $22.4 billion from the United States between 1948 and 1951. In the final text, the Benelux states insisted a clause be included stating the position of the conference toward Germany and its economic relationship with the rest of Europe. The French opposed this, but an appendix to the report took up the position toward Germany anyway.

The United States viewed the $22.4 billion as grossly excessive and rejected the sum. The Truman Administration knew that the Republican dominated Congress would never grant this sum. This did not, however, end discussions on aid. Instead the Europeans and the United States continued negotiations to find a mutually acceptable sum. Not only did the State Department find the total monetary sum

---


37 Caffery to Marshall, Conversation member Delegation to Committee of European Economic Cooperation, 6 August 1947, RG 59, no. A-1306, 840.50 Recovery/ 8-647.

38 Hogan, Marshall Plan, 81. See also, H. M. Hirschfeld, “Conception and Origin of the Marshall Plan,” in Road, 16.
unacceptable, they criticized the European representatives for not going far enough with plans to integrate their economies. Integration and greater cooperation among the Western Europeans would reduce the total number of dollars the United States would have to contribute. Hirschfeld left the meeting impressed with "the broad vision apparent in the United States advice."\(^{39}\)

A. H. Phillipse perhaps had the best perspective of ERP planning and negotiation from his position at the Dutch Embassy in Washington. Phillipse did not believe ERP was entirely about economics. He believed ERP involved politics and became anti-Communist only after the combined actions of Vyacheslav M. Molotov's rejection of ERP and the Czechoslovakian Coup in February 1948. He suspected the plan was more political than economic because, "foreign aid was always an easy target for budget cutting in Congress because it did not affect members home districts."\(^{40}\) Finally he believed that, "ERP was not offered to keep the American export markets from failing rather the United States had a strategic obligation to keep industrialized Western Europe out of the Soviet orbit."\(^{41}\)

---

\(^{39}\) Hirschfeld, "Conception and Origin of the Marshall Plan," in Road, 17.


\(^{41}\) Ibid.
By the beginning of 1948 economic conditions in the Netherlands were improving, but at a great cost to the Dutch people, government and economy. The Netherlands was losing 5 percent of its population annually to emigration mostly to Canada and Australia. On 1 January 1948 the Bank of the Netherlands had only $15 million on hand. Thus, the Dutch government had no choice but to reduce purchasing in the dollar area by 40 percent. They called in their dollar securities and continued to sell gold. Financing for the recovery had largely come at the expense of the country’s foreign assets and its gold supply, both of which were running dangerously low in 1948.42

During January 1948, Marshall requested from the American mission at the Hague as much information as possible about the state of Dutch finances, their trade deficits and gold supplies. Marshall used this information for tabulating the amount of aid the United States needed to allocate to the Netherlands. Not only did the State Department use this information in formulating total aid but gave it to Congress who would have to pay the foreign aid bill. The Netherlands cooperated and supplied the United States with as much information it could.43

42 "The Netherlands Working for the Future," in Road, 149.
43 Marshall to Baruch, 5 January 1948, RG 59, no. 8, 840.50 Recovery/1-548.
The first quarter of 1948 was characterized by organizing. The Dutch government made preparations for American aid while the United States planned allocation of ERP aid. Hirschfeld continued contact with his European counterparts in the hope of continuing and expanding economic cooperation.\textsuperscript{44} The United States interpreted Hirschfeld’s actions as devotion to establishing a participating national organization of economic integration and concluded they indicated the willingness of the Dutch to participate in economic cooperation.\textsuperscript{45}

In examining Dutch finances, the United States may have begun to understand why the Dutch were disappointed that emergency aid was not offered prior to the beginning of ERP. During the first half of 1947 the Netherlands ran a deficit of $893 million, $592 million of this was with the United States.\textsuperscript{46} Third quarter balance of payments improved for the Netherlands slightly and the total deficit was $323 million.\textsuperscript{47} Marshall also requested comparison numbers for 1938, which was the last complete fiscal year before the

\textsuperscript{44} Phillip W. Bonsal to Marshall, 7 January 1948, RG 59, no. 8, 840.50 Recovery/1-748.

\textsuperscript{45} Ibid.

\textsuperscript{46} Bonsal to Marshall, 9 January 1948, RG 59, no. 14, 840.50 Recovery/1-948.

\textsuperscript{47} Bonsal to Marshall, 14 January 1948, RG 59, no. 28, 840.50 Recovery/1-1448.
war. Phillip W. Bonsal, counselor at the Hague embassy, noted that these figures would be terribly difficult to obtain given the Netherlands Central Bank's accounting methods. The Bank's bookkeeping was not set up for this type of analysis. The records broke down into categories so total figures did not exist. The Netherlands, of course, wanted to comply but also wanted to be relieved of burdensome and expensive bookkeeping whenever possible. Regardless, the figures for 1938 were calculated and supplied two weeks later as a balanced current account, but, if capital and gold movements were included the Netherlands had a surplus of f89 million. This rather rosy figure compared with the revised 1947 deficit, sent simultaneously, slipped the total deficit to a staggering f1.236 billion.

Such cooperation between the United States and the Netherlands while amicable did not mean that the two countries always agreed. The United States Department of State Commodity Reports issued on 7 January 1948 proposed using American vessels to transport cargo related to ERP. Ostensibly this was done to free up steel production in industries more vital than shipbuilding. This met with fierce opposition in the Netherlands. Shipbuilding was very

---

48 Ibid.

49 Bonsal to Marshall, 27 January 1948, RG 59, no. 61, 840.50 Recovery/1-2748.
important to the Dutch recovery. Even a tentative suggestion of reducing production was received badly in Dutch shipping circles. The Rotterdamsche Bank issued a statement which challenged the American proposal and stated that the Paris commission regarded an increase in shipbuilding as vitally important. The program, they said, must be carried out so countries can stand on their own. A proposal to postpone construction of 6.2 million tons of shipping space until 1952, if applied, would represent a reduction of 40 percent production. This would hit the Dutch especially hard. Purchase of 540,000 tons of steel from the United States greatly aided Dutch shipbuilding. Dutch shipyards were full but hampered by lack of materials. Also Dutch ships were better suited for Dutch needs as opposed to foreign-built ships. If the United States plan were placed in effect Dutch shipping shares would be greatly affected on the stock market, thus crippling supplies and damaging demand for Dutch ships.50

This was vitally important since the Dutch economy relied on trade. The main mode of transportation depended on the riparian roads. Thus, the recovery of the Netherlands would be hampered if the United States removed this from the Dutch economy. Not only was the sea-transport trade dependent on ships, but the Netherlands had a

significant shipbuilding industry which made up a large segment of the Dutch economy. Recovery of the national economy without a domestic shipbuilding industry would have been nearly impossible.

Dutch authorities cooperated with the United States as often as possible and to the fullest extent possible. But this did not mean that the Netherlands shared all its information with the United States freely and openly. Dutch authorities were occasionally reluctant to give the United States information on its supply and foreign exchange situation. As in any negotiations the Dutch hoped to achieve the most favorable position possible for themselves. One example of this reluctance occurred when Hirschfeld was at Luxembourg negotiating with the Organization of European Economic Cooperation and the Dutch negotiator, E. R. Treep was in Washington coordinating with the Americans. When the United States State Department questioned the stalled release of figures the Dutch Foreign Office explained that "they feared confusion over numbers would embarrass Hirschfeld and Treep as they negotiated."51 This was simply cover for the Dutch to obtain the best aid possible and favorable figures may have damaged this.

51 Bonsal to Marshall, 29 January 1948, RG 59, no. 67, 840.50 Recovery/1-2948.
The Dutch Foreign Office calculated their 1948 needs by the end of January 1948. They expected f600 million in imports with a deficit of f150 million. This, however, presupposed stocks at minimal working level, although exhaustion of liquid dollar assets on 1 January 1948 resulted in a reduction of dollar program to f65 million for the first quarter. The Foreign Office estimated that this would lower stocks to a dangerous level by 1 April 1948 and result in curtailment of industrial activity, notably shipbuilding and textiles. Already some industrial raw materials were scarce, products such as iron and steel had been curtailed and some long term delivery had been refused due to uncertainty.  

The Dutch reported that food supplies could become serious late in the second quarter of 1948. Only four months of wheat supplies remained and the Netherlands would need a supplement before the autumn harvest. The report stated that, "gold reserves in the Netherlands Bank could not be reduced more without endangering the bank. The Netherlands recently recovered $40 million in gold from Germany and has $100 million loan from the International Bank. The Netherlands could recover $10 million monthly by liquidating dollar securities but must meet $170 million for

---

52 Ibid.
food and a minimal level of imports.”

The Dutch actively restored trade after the war concluding thirteen trade agreements in 1947 plus eight more in the first quarter of 1948.

There remained the question of supplies arriving in the Netherlands. Ambassador Baruch met with Prime Minister Beel, van Boetzelaer and Lieftinck after which Baruch was convinced that no gap should occur in the pipeline of supplies to the Netherlands. The Dutch authorities expected availability of ERP funds by 1 April for approved imports and reimbursements but became apprehensive that ERP terms would prove financially embarrassing on goods ordered, paid for or received after 1 April. Baruch asked for instructions on the Dutch request that goods in the pipeline be covered with ERP.

While awaiting the State Department’s decision, the Dutch responded to the Department's circular telegram of 25 March 1948 to the Western European countries, which furthered their position that the majority of second quarter goods will be ineligible for reimbursement. In such

53 Ibid.
54 Ibid.
55 Baruch to Marshall, 28 February 1948, RG 59, no. 133, 840.50 Recovery/ 2-2848.
circumstances the Netherlands would have no other option but to sell foreign assets or gold, which American authorities including Treasury Secretary John W. Snyder stated, "was not in accordance with American policy." The Dutch suggested modification to permit reimbursement. The Embassy went further in suggesting that the member states not be allowed to sell gold or foreign assets after passage of ERP to finance their dollar shortage on goods ordered but not yet received. Further the Netherlands stated that they were pursuing an active policy of encouragement of private industrial and agricultural development, had successfully stabilized prices, inflation and stability of the guilder, reestablished trade, and made use of Dutch assets in the United States. They were essentially making efficient use of their resources and economy.

On 2 April 1948, the State Department responded to the Dutch request that ERP funds be made available for goods ordered before passage. Undersecretary for Economic Affairs Robert Lovett stated that under the ERP bill passed by the Senate, reimbursements could be made with ERP funds for goods arriving on or after the effective date of enabling legislation. Goods arriving in the Netherlands prior to that date were not eligible. Reimbursement for German coal

---

57 Baruch to Marshall, 25 March 1948, RG 59, no. 194, 840.50 Recovery/3-2548.
58 Ibid.
through ERP funds would also be possible.\footnote{59} This met many of the Dutch demands and needs. It also represented a victory for Dutch policy.

At the beginning of February 1948 the Department of State finished tabulating the imports and exports by commodity and area for the Netherlands for the fiscal year of 1948-49.\footnote{60} These numbers were not as important as the Dutch reaction to them. Hirschfeld immediately protested to the American embassy over the accounting procedures. He summarized the figures as a starting point for consultations. Hirschfeld believed the Netherlands needs to be far greater than the State Department determined. He then listed point by point the discrepancies he saw.\footnote{61} Naturally the Netherlands wanted to procure the largest amount of aid they possibly could.

The United States Embassy to the Hague thought that the Dutch exaggerated, but did state "the Netherlands would not make it past 1 July 1948 without ERP." Officials believed "Delay to 1 July would be damaging psychologically to the

\footnote{59} Robert Lovett to United States Embassy at the Hague, Reply to Embassy Telegrams no. 133, 28 February 1948, and no. 194 25 March 1948, 2 April 1948, RG 59, no. 122, 840.50 Recovery/4-248.

\footnote{60} Marshall to Baruch, 4 February 1948, RG 59, no. 42, 840.50 Recovery/2-448.

\footnote{61} Baruch to Marshall, 6 February 1948, RG 59, no. 83, 840.50 Recovery/2-648.
Dutch and seriously hamper recovery." Complicating matters, the Dutch elections were scheduled for the second quarter 1948. Bonsal feared that failure of ERP to crystallize before the election would most likely hurt American political allies and aid the communists. Emergency aid would counter this. However this was not ever a real problem given the fact that the Dutch Communist party’s popularity was only about 10 percent. Though the Dutch economy was in bad shape it probably would not completely collapse, which is what would have been required for the communists to come to power. For the rest of the Spring of 1948 the United States and the Netherlands continued attempts to get an agreement on ERP and some sort of immediate aid until the main program was approved.

While the United States, the Netherlands, and Western European countries were working on the details of ERP preparations and coordination it became apparent that the communists and Soviets were attempting to undermine the program through propaganda. The communist party of the Netherlands ran the newspaper De Waarheid. The newspaper served as the official voice of the communist party. Often the newspaper attempted to oppose the official Dutch government actions or statements. Not surprisingly the

---

62 Bonsal to Marshall, 29 January 1948, RG 59, no. 67, 840.50 Recovery/ 1-2948.

63 Ibid.
newspaper appeared to oppose everything the United States and the Netherlands said or actions they took.

De Waarheid's basic premise was that the Netherlands would be dependent on the United States for many goods that it needed and if the Netherlands did not develop its own industries that dependency would continue indefinitely. De Waarheid differed from the rest of Dutch political newspapers in that it advocated the Netherlands "must fight tooth and nail against liquidation of Dutch industry and agriculture," by implying the Netherlands must resist the United States efforts in coordination of European recovery. The newspaper attempted to create doubt regarding the effectiveness of ERP by claiming the inclusion of Switzerland, Portugal, and Turkey had not been planned so aid for thirteen countries would be watered down by the increase to sixteen. The paper failed to mention, however, that total figures for aid had not yet been determined, so it was not possible that an undetermined number could be watered down. It also overlooked the fact that the United States had initially offered assistance to all of Europe which would have been a great deal more expensive than the aid to sixteen currently envisioned.

---

64 Bonsal to Marshall, 11 January 1948, RG 59, no. 24, 840.50 Recovery/1-1148.
65 Ibid.
Though the communist propaganda intended to sway the working class to its point of view regarding ERP, this did not happen. On 28 January 1948 the General Council of Netherlands Federation of Trade Unions (NVV) passed a resolution endorsing the ERP. In its statement the NVV said the Netherlands economic life had recovered substantially from the Second World War. The results of Dutch recovery, however, were not possible without aid from the United States by way of donations and credits. In addition the economic recovery of the Netherlands was not possible without the rest of Europe recovering substantially. Without further aid from the United States, recovery would be hampered. Unemployment the NVV said, "would result from the lack of raw materials." ERP was welcomed by the labor unions.66 This endorsement was carried widely by the Dutch press.67

As the Netherlands worked through its internal discussions regarding the enactment and subsequent use of ERP funds, it continued talks with its West European neighbors for furthering European cooperation. Only five of the sixteen intended ERP recipient states participated in


67 Baruch to Marshall, Press Reports from the General Council of the Netherlands Federation of Trade Unions, 3 February 1948, RG 59, no. 73, 840.50 Recovery/2-348.
the talks; Benelux, France and the United Kingdom. While only the five participated in these talks, Baruch correctly presumed that decisions reached between them applied to all of the sixteen ERP participants.\(^{68}\) The meeting resolved an outline for cooperation in administering ERP funds. The plan called for close cooperation among the Europeans and the United States. The plan recommended four stages: first, the Europeans should develop a multilateral organization. Second, members should adhere to a ERP based on self help and mutual cooperation. Third, the members should form a committee in regard to Germany's role. Finally, the organization the Europeans form should be an instrument of European recovery.\(^{69}\) The organization could make recommendations to the individual countries which implied that the organization's decisions were not binding on the member states; if one state found a decision adverse to its national goals it could reject it. The European states were now cooperating and coordinating their economies, in part due to the Netherlands untiring efforts in continuing talks with its close neighbors. Moreover, it was this type of cooperation that the United States desired and ultimately led to a positive Congressional vote for ERP.

---

\(^{68}\) Baruch to Marshall, 7 February 1948, RG 59, no. 84, 840.50 Recovery/2-748.

\(^{69}\) Steere to Marshall, 9 February 1948, RG 59, no. 85, 840.50 Recovery/2-948.
Dutch reaction to passage of ERP was overwhelmingly positive. Every major newspaper in the country, with the exception of De Waarheid, carried the passage on the front page. The Catholic paper, Maasbode, wrote "Moscow will continue to sabotage the European Recovery Program because communism can flourish only where economic and social chaos prevail." The Liberal paper, Algemeen Handelsblad, wrote "the United States realizes that its interests cannot be separated from that of the old world but Europe will have to prove it is worthy of aid."\(^7\)

The first official reaction from the Dutch government came through the Netherlands Information Bureau. Lieftinck said that a "sigh of relief had gone up from sixteen countries participating in the European Recovery Program." He was grateful for the economic achievement over the last three years, noting that "production had already surpassed prewar levels despite looting and destruction of the Germans and despite being the last liberated." He said, "all of these accomplishments could not have been achieved without the aid the United States, Canada, United Kingdom, Belgium and Luxembourg." Regarding the use of reserves, "over the last year it became clear that these would not be enough to continue the recovery. ERP gave the Dutch people new hope.

\(^7\)Baruch to United States Department of State, Dutch Newspaper Comments, 7 April 1948, RG 59, no. A-268, 840.50 Recovery/ 4-748.
and renewed confidence in the American people." Here is evidence that ERP was political and psychological as well as economic. Lieftinck acknowledged that there was still work to be done. "The Netherlands," he said, "wanted to show the world that free and democratic people can make sacrifices [and succeed]."

Though initial delays in United States passage of ERP had been discouraging to the Netherlands, its government and people were ultimately appreciative of the support that the United States gave them. They also "desired to demonstrate the virtues of a democratic society." This last ambition was aimed at communist Eastern Europe as a demonstration of will power that the Netherlands could resist subversion and totalitarianism.

Simple passage of ERP, however, did not complete the relationship between the United States and the Netherlands. A bi-lateral agreement outlining the economic relationship between the two countries still had to be concluded. The bi-lateral agreement would specify the roles and duties for each country thereby eliminating ambiguity regarding the responsibilities each had. Negotiations began almost immediately after passage of the Act in April. Because of

---

71 The Netherlands Information Bureau, Dutch Official Welcomes E. R. P., 5 April 1948, RG 59, 840.50 Recovery/4-548.
72 Ibid.
73 Ibid.
the complexity involved in implementing ERP officials believed that one could not be concluded until June 1948. 74

This situation was further complicated by the expected dissolution of the Staaten Generaal at the end of June and elections in July. Passage or ratification of any bi-
lateral agreement would not be likely until after the July elections. 75 Yet, progress was made sooner when the two countries agreed in June that the Dutch would have access to all the territories occupied by the United States as a result of the war. This allowed the Netherlands to once again have access to the valuable German market. 76

As predicted, the United States and the Netherlands signed the bi-lateral agreement on 2 July 1948, consequently resolving the complicated provisions of the ERP. ERP lasted from 1948 through 1952 and the Netherlands received f3.5 billion in funds from the United States altogether, the bulk of which was received in the first year and the third year, coinciding with the beginning of the Korean War. 77 After

74 Lovett to Baruch, 23 April 1948, RG 59, no. 156, 840.50 Recovery/4-2348.

75 Baruch to Marshall, 7 May 1948, RG 59, no. 273, 840.50 Recovery/5-748.

76 Marshall to the United States at the Hague, Exchange of Notes between the United States and the Netherlands on Most Favored Nation Areas under Military Control, 26 June 1948, RG 59, no. 282, 840.50 Recovery/6-2648.

77 J. Tinbergen, “The Significance of the Marshall Plan for the Netherlands Economy,” in Road, 22.
1947 the current account deficits in the Netherlands began to decrease, but stagnated as a result of the start of the Korean War. The dollar shortage continued throughout 1948-52, though with ERP aid the devastation to the Dutch economy was decreased, and by the end of ERP the Netherlands economy had completely recovered. Deficits in the dollar area continued after 1952 but Dutch surpluses in other areas balanced the current account.

The European Recovery Plan proved to be a practical tool for economic recovery for much of Europe, including the Netherlands, it also served as a psychological and political boost for countries dedicated to the ideals of free market and anti-communism. ERP cemented relations between the United States and Western Europe. Once ERP aid was offered and implemented, Dutch fears of economic and eventual political collapse ceased, as did similar fears throughout Western Europe. However, economic aid alone would not be enough to ensure security in Europe.

---

78 E. van Lennep, "Monetary Aspects of American Economic Aid," in Road, 29.

79 Baruch to Marshall, Economic Co-operation Agreement between the Governments of the Netherlands and the United States, 2 July 1948, RG 59, no. NIACT 415, 840.50 Recovery/7-248.

80 Ibid.
CHAPTER III
BRUSSELS PACT

As the United States was preparing the ERP, Soviet actions such as the Czech Coup and the Berlin Blockade increasingly alarmed the Americans and initiated a change in American tactics. Though in 1947-48 the United States was not ready to sign an alliance committing to the defense of Europe, the rise in hostile Soviet actions prompted American determination to aid not only the economic recovery of Europe but also to establish a military cohesiveness within its sphere of influence. By pursuing both goals the United States felt it would be able to dissuade any lingering doubts in Europe of possible Soviet encroachments. Consequently, while the United States was formulating ERP it simultaneously began to develop a military program for the defense of Europe.

Western Europeans envisioned more than just a Soviet threat to their homelands. The legacy of the two world wars remained a fresh and bitter memory. Both the French and British could not bring themselves to believe that the Germans had been completely vanquished. Thus, the first mutual defense pact concluded after the Second World War focused on Germany rather than the Soviet Union. The United Kingdom and France signed the Treaty of Dunkirk on 4 March
1947. The treaty was an alliance and called for mutual assistance to be rendered in cases of violation of the peace by German aggression. The first three articles of the treaty were dedicated to demilitarizing Germany to prevent any renewal of possible German aggression.¹

However, Western European threat perception soon began to shift away from Germany. Breakdown of talks over a German peace treaty, East European exclusion from the Marshall Plan, near total communization of Eastern European countries and the Czechoslovakian Coup all worked together to "expose the shocking military weakness of Western Europe and the unpreparedness of the United States."² Also, the Soviet Union had thirty military divisions in Eastern Europe compared to six Western European divisions in Germany.³ These factors provided ample motivation for Western Europeans to move beyond a political reaction to Soviet actions. If the Soviets believed that their political position was challenged they might resort to a military solution and would find very little resistance from the

¹ Hugh Millard to Marshall, 20 February 1948, RG 59, no. 371, 840.00/2-1948.

² Dean Acheson, Present At Creation: My Years in the State Department (New York: Norton, 1969), 308.

³ Ibid.
disorganized West Europeans. The West Europeans ardently began to unify themselves in a defensive association.⁴

The best manner in which to ensure the security of Europe was through a defensive military alliance between the Europeans and the United States. The Truman Administration, however, did not want to initiate the first military alliance since the American Revolution without reasonable assurance that the Western Europeans were committed to their own defense. Like economic recovery, military security would require cooperative alliances to be established among the Europeans for their own defense.⁵ Therefore, the negotiations for the Brussels Pact became a prelude to a wider North Atlantic Pact.

The State Department was concerned that a European security arrangement based on American involvement would not be welcomed in Congress. The Republican controlled Congress tended to be both fiscally conservative and politically isolationist. At the same time a basic tenet of the Truman Administration foreign policy was the security of Western Europe. Marshall said, "If the peoples of Europe are prepared to develop a concept of spiritual and material

⁴ Lord Inverchapel to Marshall, 13 January 1948, RG 59, 840.00/1-1348.

unity and to make this work, there will be no real question as to the long-term relationship of the United States with it.  

Truman, Marshall and especially Marshall's successor, Dean Acheson, all desired a close alliance between Europe and the United States. 

When the State Department and the Truman Administration presented the idea of an American-European security alliance to a skeptical Congress they needed to show the commitment of Western Europe's resolve for their own security, so that the United States would not be solely responsible for that defense. 

West Europeans wanted United States military assurance and began to negotiate themselves into a mutual security alliance. Though they were primarily liable for their own protection the United States played an important role in the discussions. The United States wanted to steer negotiations but not take an overt role. 

"Moreover, the Secretary of State feels that European initiative is of first importance. Therefore, the injection of the United States into the matter, before agreement under the proposal of Mr. Bevin has been developed abroad, would be unwise and would 

---


7 Gaddis, Strategies of Containment, 23. 

8 Marshall to Caffery, 27 February 1948, RG 59, no. 615, 840.00/2- 2748.
certainly be subjected to serious challenge here as premature on our part.”

The United States needed to be involved in the negotiations in order to connect its foreign policy objective with an uneasy Congress. This meant that the United States would not take part in the negotiations but would advise the Europeans from American Embassies and through the Embassies of the Western European countries in Washington, DC. In this manner the United States kept abreast of all proposals and was able to inform the Western Europeans of its opinion.

The Western Europeans wanted American opinion. While information on the negotiations was kept from the Soviet Union and its Eastern European allies, it was made readily available to the United States. The West Europeans did not believe that a defense pact without the United States would be viable.  

Like that of its European neighbors, Dutch Foreign Policy was in flux following the Second World War. The Dutch had traditionally followed a foreign policy of neutrality. As a small state, the Netherlands had to be creative in its foreign policy but moderate in its views.

---

9 Lovett to Inverchapel, 2 February 1948, FRUS, 3:17-18.

10 Theodore Achilles, Memorandum of Conversation with Jonkheer O. Reuchlin, 2 March 1948, RG 59, 840.00/3-248. See also, John D. Hickerson, Memorandum, 8 March 1948, RG 59, 840.00/3-848.

11 Van Campen, Quest for Security, ix.
The general direction of Dutch Foreign Policy after the Second World War drifted toward European federalism. The Dutch desired Atlantic Cooperation for defense, and European integration for economic development.\(^\text{12}\)

Both of these goals differed greatly from neutrality which had been largely discredited by the German invasion in the spring of 1940. Remaining neutral in the conflicts of the great powers proved ineffectual. The Germans invaded the Netherlands in route to France. Neutrality simply could not guarantee the security of the Netherlands. For the Dutch the new question was how could the Netherlands protect its security.\(^\text{13}\)

The Netherlands realized in order to defend itself it would have to prevent long range missile attacks that had been used against Britain at the end of the war. Also, the resources and narrow industrial capacity that the Netherlands had available was not sufficient to thwart such attacks. The Dutch government concluded it would need allies to defend itself.\(^\text{14}\)

The first organization that the Netherlands hoped could solve its defensive dilemmas was the UN. This, however,

\(^\text{12}\) Ibid.


failed. Foreign Minister Eelco van Kleffens said that, “the small powers did their best at San Francisco but were not satisfied with the United Nations Charter.” Van Kleffens did not believe the UN was completely without merit as the UN represented a policy of universal cooperation and order. Without it there would be international anarchy as there was before the First World War and again after the collapse of the League of Nations prior to the Second World War. Nevertheless, the United Nations treaty was criticized in both Chambers of the Staaten Generaal particularly over the veto power, held by the major powers which was what so disturbed the small states.\textsuperscript{15} This veto power would prevent the UN from impeding large states aggression.\textsuperscript{16}

Early in 1948 British Foreign Minister Ernst Bevin and French Foreign Minister Bidault proposed closer relations and cooperation with the Benelux countries. Their proposal to the Benelux centered on a treaty for defense. Bevin suggested a future pact formulated on the Dunkirk model. Once the defense treaty had been formulated and functioning among the five powers Bevin recommended a pact expanded to link together the non-communist countries. Simultaneously, the Marshall Plan was being developed and Bevin expressed

\textsuperscript{15} Van Campen, \textit{Quest for Security}, 68.

\textsuperscript{16} A complete discussion on the definitions of large and small states can be found in Robert Rothstein, \textit{Alliances and Small Powers} (New York: Columbia University Press, 1968); nevertheless the definitions of state power and classification remains contentious.
his opinion that ERP and a strong defensive pact would succeed in bolstering Western Europe.\textsuperscript{17}

The Dutch, however, were suspicious of the Anglo-French offer. They did not want to participate under the Dunkirk format since it focused on one potential aggressor, Germany. If another treaty were to be created the Dutch did not want the new treaty to be focused on one power, whether Germany or the Soviet Union.\textsuperscript{18}

One of the fundamental concerns the Netherlands had regarding Bevin's proposals involved the role of the United States.\textsuperscript{19} Immediately after Bevin made his invitation to the Benelux countries, George Kennan, head of the National Security Council's Policy Planning Staff, wrote a memorandum to Marshall, regarding the position of the United States in relation to Bevin's proposals.

Kennan welcomed the idea of a defense pact but rejected the idea that it be based on the Dunkirk model. He thought that, "a military union should not be the starting point but, rather defense should flow from political, economic, and spiritual union not vice versa." Kennan was concerned over the rush to conclude a military pact, fearing that, "a quickly concluded military alliance may frighten the

\textsuperscript{17} Inverchapel to Marshall, 13 January 1948, RG 59, 840.00/1-1348.

\textsuperscript{18} Van Campen, \textit{Quest for Security}, 43.

\textsuperscript{19} Ibid., 43.
Scandinavian countries." Norway and Iceland would be vital to containing the Soviet Naval fleet. But, he concluded, "at this early stage the United States should get as much information as possible from British Ambassador Lord Inverchapel." The Belgians and Dutch did not allow the opportunity to pass them by. The two governments formulated a response to Bevin's proposals.

The Netherlands position closely resembled that of the United States. Both objected to the idea of a named aggressor, both wanted Germany to be tied to Western Europe, and both knew that the United States had to be associated with the West Europeans in order for any defensive arrangement to have credibility.

By early February Baruch reported that the Dutch Foreign Office was cooperating with other Benelux states and their Foreign Ministers met in Brussels to work out a common response and counter proposal to Bevin's offer. The Benelux proposal, as Baruch understood it, was based on Articles 51, allowing for collective self defense in the case of armed attack; 52, allowing for regional defense organizations to maintain international peace; and 53

---

20 Kennan to Marshall, Memorandum Concerning Bevin's Proposed Western Union Defense Pact, 20 January 1948, RG 59, 840.00/1-2048.

21 Bonsai to Marshall, 26 January 1948, RG 59, no. 59, 840.00/1-2648.

22 Baruch to Marshall, 3 February 1948, RG 59, no. 76, 840.00/2-348.
authorizing the UN Security Council to utilize regional arrangements or agencies for enforcement action under its authority, under chapter VIII regarding regional arrangements, of the UN charter. American Ambassador Hugh Millard in Brussels learned from Spaak that the Benelux Foreign Ministers were using the Rio Pact that the United States concluded with the nations of the Western Hemisphere as a model. The significance of the Rio Pact was that it did not single out a particular country as a potential aggressor. This appealed to the Dutch since they did not want to aim a defensive pact strictly at one country. It similarly appealed to all of the Benelux states who were in agreement for a defensive alliance that was multilateral rather than bilateral. The British and French were proposing to offer the Benelux states individual treaty security. Also, the Benelux favored a mutual military assistance pact in case of aggression of any type.

This widening of the scope of a potential defensive pact appealed to the United States. Millard informed Spaak that the United States approved the widening of the pact. Belgian Ambassador Loridan expressed the joint Benelux

---

23 Baruch to Marshall, 7 February 1948, RG 59, no. 86, 840.00/2-748.

24 Van Campen, Quest for Security, 62.

25 Ibid., 59.
desire to negotiate a Western European defense pact as provided by the UN Charter. Loridan also reported that the current Benelux thought was to negotiate as one but sign a pact separately. Loridan hoped that American backing could be achieved through adherence to the UN Charter. The Belgians essentially reflected Dutch opinions as well. The references by Spaak to the Rio Treaty pleased the State Department greatly. Marshall believed that, "there was no longer any reason to approach Spaak to help guide Benelux to a position favored by the United States." By 13 February 1948 the Benelux draft had largely been completed and based on UN articles 51, 52.26

Even though the Benelux proposal met with American approval the British and French continued to hope that the Dunkirk model could be used. British Chargé to Belgium H. Pollock, formally handed a copy of the joint British-French proposals to Spaak hoping that this proposal could serve as a basis for negotiations. Pollock believed that the Belgians would be more favorable than the Dutch to a Dunkirk

26 Hugh Millard to Marshall, 9 February 1948, RG 59, no. 289, 840.00/2-948.

27 Marshall to Millard, 10 February 1948, RG 59, no. 194, 840.00/2-948.

28 Millard to Marshall, 13 February 1948, RG 59, no. 330, 840.00/2-1348.
type treaty since the southern portion of Belgium consisted of Franco-phones.²⁹

However, the Benelux nations were closer to the American position than the British position which posited a narrower scope to a defensive treaty. The French Ambassador in Brussels said that, "the British and French had left the aim of treaty at Germany so as not to offend the Soviets."³⁰ Spaak firmly rejected this, "the Soviets had signed the charter and therefore could not object to a regional pact that provides force only in defense."³¹ Indeed, he did not understand the British position. To him, Bevin's speech appeared to abandon the four power formula which was the only means of reaching accord with the Soviets. Spaak pointed out that in contrast to Bevin's speech, which was aimed at the Soviets now, the French and British proposed a pact against Germany. At this point Spaak was not optimistic that Benelux proposals would be accepted and he

²⁹ Millard to Marshall, 19 February 1948, RG 59, no. 365, 840.00/2-1948.

³⁰ Millard to Marshall, 19 February 1948, RG 59, no. 371, 840.00/2-1948.

³¹ Paul-Henri Spaak, The Continuing Battle: Memoirs of a European, 1936-1966 (Boston: Little, Brown and Company, 1971), 147. Ironically, Spaak's actions on behalf of the Benelux is an example of one country allowing its foreign policy to be conducted by a foreign minister of another country without being coerced into doing so. See also, Millard to Marshall, 19 February 1948, RG 59, no. 391, 840.00/2-1948.
feared that Benelux would have to accept a Dunkirk formula.\(^{32}\)

The Benelux conference at Brussels ended with the three powers developing their own draft treaty. Once this was completed the Benelux countries submitted it to the British and French. All three powers had grave reservations about a Dunkirk model. While the Belgians objected less to it, the Dutch were completely opposed to it. The Dunkirk model most likely would not have overcome difficulties in the *Staaten Generaal*. Nevertheless the three powers awaited the outcome of the subsequent five power conference in Brussels.\(^{33}\)

This discussion over the two models baffled State Department Officials. The United States simply desired to have the West Europeans organize their defense to prove that they were serious about taking steps to defend themselves. The United States position was, of course, not to aim any defensive pact at the Soviets, but rather, to make it a regional defense pact against possible aggression.\(^{34}\) But there was little doubt who they were worried about.

Throughout the period that the Western Europeans were attempting to organize their defense they desired the

\(^{32}\) Ibid.

\(^{33}\) Baruch to Marshall, 21 February 1948, RG 59, no. 121, 840.00/2-2148.

\(^{34}\) Marshall to Caffery, 27 February 1948, RG 59, no. 615, 840.00/2-2748.
opinion of the United States. This was true of all five powers since they were aware that defense of Europe without the United States was impossible. French Prime Minister Bidault inquired what the United States position was. Marshall responded that the United States had made its position clear in support of a defensive alliance. The United States approved of closer association of the Western European countries in political, military and economic fields. As with ERP initiation, development of a security program was first the responsibility of the Western Europeans.  

In regard to the Dunkirk model Marshall believed, "it was neither adequate or suitable as a basis." The Secretary thought, "that the Benelux notes of 19 February offered a more sound and realistic basis." He welcomed Bevin's initiative to mobilize moral and material forces to maintain Western Europe's independence.  

Regarding American association, Marshall believed that "the United States should not be asked to consider association until there was a better idea of what the European governments envisioned." Marshall wanted the Western Europeans to clarify their position and resolve it on their own before the United States committed itself to

35 Ibid.
36 Ibid.
Western Europe's defense. He believed that recovery and security were interrelated. In regard to the four power formula Marshall thought that, "it was dead," for resolving the German situation, but thought that closer "association with Benelux, France and the United Kingdom was possible."³⁷

Late in February, Baruch requested and was granted permission to consult with the Dutch Foreign Office, which included stating the United States positions on integration of Western Europe's economy, Western Germany and the Netherlands relationship with French security. Baruch believed that the Netherlands position on these issues was very similar to the of the United States. Knowledge of American opinion, Baruch thought would allow the Netherlands to play a more active role in negotiations for a defensive alliance. Marshall agreed and granted Baruch permission to consult with the Dutch Foreign Office.³⁸

The pressure brought by both the United States and the Benelux countries convinced the British and the French to abandon the Dunkirk model. The French began working on a new draft for the five powers after receiving the Benelux draft.³⁹

³⁷ Ibid.

³⁸ Marshall to Baruch, 23 February 1948, RG 59, no. 127, 840.00/2-2348; and Marshall to Baruch, 24 February 1948, RG 59, no. 62, 840.00/2-2348.

³⁹ Millard to Marshall, 24 February 1948, RG 59, no. 391, 840.00/2-2448.
When van Boetzelaer submitted his memorandum of 20 February to the *Staaten Generaal*, his report of the security discussions created heated debate in the *Eerste Kamer*, the upper parliamentary house. The memorandum reported the proposals from Bevin and Bidault of using the Dunkirk formula. Debate centered on the need for a European organization. Kerstens of the Catholic Party criticized van Boetzelaer for not emphasizing the European Federal movement.⁴⁰ Mr. Brongersma of the Labor Party stated that so far the UN had been a disappointment. Dr. Schneider of the Catholic Party, pleaded for a strong Western Bloc to balance the Eastern Bloc. All suggestions were rejected by the communists.⁴¹

An additional matter of contention was the inclusion of Germany in a Western European defense pact. While the Netherlands had suffered greatly under German occupation, the Dutch were astute enough to understand that defense of the Netherlands and Western Europe without Germany would be impossible. This view, however, clashed with the French perspective of isolation and disarmament of Germany under the control of the "Big Four" powers. Thus, debate in the *Staaten Generaal* was sparked by van Boetzelaer’s statements

---


⁴¹ Ibid.
that, "Germany could not be excluded from a Western European Association, or defense pact." This received widespread support in the more powerful Tweede Kamer, the lower parliamentary house.

In late February 1948, Loridan in a conversation with Millard attempted to sound out the Americans as to whether the Dunkirk model was absolutely out of the question. He implied that the British were under the assumption that the United States favored a bilateral extension of the Dunkirk formula over the Benelux draft. "This," Millard stated, "was not the case." He went on to inform Loridan that "the United States was in favor of the Benelux formula." The British had also expressed concern over the use of UN Articles 51 and 52 that they may be subject to a Soviet veto in the Security Council. The British misunderstood the intent of those articles. Loridan and van Langenhove, the Belgian representatives, who were both at San Francisco for the signing of the UN Charter, remembered "articles 51 and 52 were drafted with definite intent that veto would not apply."

Just prior to the five power conference in Brussels, Jonkheer O. Reuchlin, Minister in the Dutch Embassy in

---

42 Ibid.

43 Millard to Marshall, 28 February 1948, RG 59, no. 426, 840.00/2-2848.

44 Ibid.
Washington met with John Hickerson of the State Department's European Desk and Theodore Achilles, State Department officer in charge of Western European Affairs, to additionally clarify the American position on security in Western Europe, specifically Bevin's regional defense pact proposals, the Dunkirk formula, and the possible inclusion of the United States in those plans. Reuchlin made it clear that the Netherlands opposed the Dunkirk approach as inadequate since it was based on Germany as a possible aggressor and that the Netherlands government hoped that Germany could eventually accede to the Western Group. Hickerson stated that the United States also did not favor the Dunkirk model for the same reasons. The State Department informed its embassies in London and Paris that it favored the Benelux formula as more sensible and realistic.45

Achilles suggested to Reuchlin that, “if the British and French insisted on a Dunkirk formula, the Netherlands might be interested in the formula used in a recent network of Eastern European mutual assistance pacts to provide full assistance if any were threatened by aggression.” Reuchlin inquired about possible American participation in association with the Western European group. Both Achilles and Hickerson thought it premature for the United States to

45 Achilles, Memorandum of Conversation with Jonkheer O. Reuchlin, 2 March 1948, RG 59, 840.00/3-248.
assent since this was not yet American policy. In an outgoing telegram to American Embassy in Paris the Department of State wrote, "We should not (repeat not) be asked to consider associating ourselves with such program until picture of what western European governments themselves are going to do about it is much clearer." They believed that the Europeans should continue their initiative to determine more definitely what actions they themselves were prepared to take before approaching the United States. The United States reiterated its demand that the Europeans work out their own defense plans, thus showing their resolve. Once this had been accomplished then the United States would consider joining. Nevertheless the position of the Netherlands closely resembled that of the United States. Both objected to the Dunkirk formula, both wanted Germany to be tied to Western Europe, and both knew that the United States had to be associated with the West Europeans in order for any defensive arrangement to have credibility. The five powers met in Brussels on 3 March 1948 and quickly began work on a regional defense pact.

After several days of discussion at the conference there remained only three major points of disagreement. First, the Benelux countries continued to insist that the

---

45 Marshall to Caffery, 27 February 1948, RG 59, no. 615, 840.00/2-2748.

47 Ibid.
Dunkirk Model be abandoned and include Germany which the French found unacceptable. Second, they also wanted the geographic position of the attacker to be considered the determining factor for response rather than the place of attack. In other words an attack on a colony could involve Europe. The Benelux countries rejected this because it could involve them in conflicts which did not threaten their home territories. Finally, the Benelux countries suggested a five power economic organization which Bevin and the British rejected since they wanted this discussed in the sixteen power talks on ERP.\footnote{Millard to Marshall, 8 March 1948, RG 59, no. 477, 840.00/3-848.} Relations at the conference were quite cordial despite differing views.

The Benelux countries submitted their Draft Treaty to the British and French delegations at the Five Power conference in Brussels. The Draft Treaty called for close cooperation on a regional basis, in accordance with articles 51, 52, and 53 of the UN Charter,\footnote{Millard to Marshall, 4 March 1948, RG 59, no. 451, 840.00/3-448.} and the draft stated that each state shall render mutual assistance and legitimate defense conforming to article 51. The preamble addressed German aggression by calling on the member states to forestall any aggressive policy that Germany should adopt. This appeased French concerns. The first article called for the members to converge their economies and make every
effort to increase economic prosperity. The second article required that the parties consult each other on all problems of common interest. The third article specified immediate assistance if one of the parties homelands or occupation troops in Germany were attacked. Of particular note was the exclusion of overseas territories from an obligation to assist.\textsuperscript{50}

Loridan stated that the Draft Treaty was well received by the British and French.\textsuperscript{51} Spaak stated that, "if the French wished to move more specifically toward Germany that Benelux States had another version dedicated to just this."\textsuperscript{52} Spaak, however, could speak easily about greater isolation of Germany since it was the Dutch who opposed this. Though the Benelux powers unified their position on foreign relations this did not mean they all held the same belief.

The negotiations for the regional defense pact were completely clouded by the specter of American involvement. While the United States remained uncommitted the State Department was also interested in the five powers position to the inclusion of other Western European countries such as

\textsuperscript{50} Ibid.

\textsuperscript{51} Ibid.

\textsuperscript{52} Ibid.
the Scandinavian countries and Italy, which would later become an issue for a North Atlantic Treaty.\(^5\)

In regard to the inclusion of Italy, Antonius H. J. Lovink, Secretary General Dutch Foreign Office, confirmed van Boetzelaer's statements that upon the conclusion of the Brussels pact, the Netherlands had no objection to the inclusion of Italy.\(^5\) However two months later Reuchlin stated that "the Italians should put their house in order before an invitation was extended."\(^5\) The issue of inclusion of Italy was contentious among the five powers. This came as the result of instability within the Italian government and from the relative popularity of the Italian Communist Party.\(^5\)

More important to the five powers was the inclusion of the United States in a defensive arrangement. Marshall suggested to Bidault that the United States desired to wait and see what the results of the Brussels pact were. After

\(^5\) Memorandum of Conversation, Possible U. S. Military Support to Western European Union, 4 May 1948, RG 59, 840.00/5-448.

\(^5\) Baruch to Marshall, Memorandum of a Conversation with Antonius H. J. Lovink, 8 March 1948, RG 59, no. 159, 840.00/3-848.

\(^5\) Memorandum of Conversation, Possible U. S. Military Support to Western European Union, 4 May 1948, RG 59, 840.00/5-448.

\(^5\) This is not settled until 1955 when the Brussels Treaty is expanded into the Western European Union with the inclusion of Italy and the Federal Republic of Germany. The term Western European Union has caused many historians difficulty since it is retroactively placed on the Brussels Pact. The WEU does not exist until 1955 but the term is often used to refer to the Brussels Pact and the relationship between the states.
the United States read the Brussels Pact agreement, they would invite Bevin, Bidault and a Benelux representative to Washington to discuss what the next steps should be.\(^5\)

Already, however, plans were being prepared within the State Department. John D. Hickerson suggested the possibility of the United States participating in a regional defense arrangement with the five powers and Italy.\(^6\) This was precisely the hope of the five powers. Though no formal announcement was made, it is reasonable to suspect that both the Europeans and the Americans knew that United States participation would eventually occur. However, when Spaak and British Ambassador to Brussels Sir George Rendel spoke to Millard in the hope of gaining American support for the Brussels Treaty and eventual military support, Millard would not make any guarantees. They told Millard that in session all the delegates agreed that to be effective the pact must have support from the United States in a crisis. The delegates pressured Millard to have a person of high authority make a public statement in support of the Treaty. Presumably this meant either Marshall or Truman himself.\(^7\)

\(^5\) Memorandum for the President, French and British Requests for Consultation on Measures to Check Extension of Communism, 12 March 1948, RG 59, 840.00/3-1248.

\(^6\) Memorandum of Conversation, Between Reuchlin and L. E. Thompson, 16 April 1948, RG 59, 840.00/4-1648.

\(^7\) Millard to Marshall, 14 March 1948, RG 59, no. 525, 840.00/3-1448.
Spaak, as if he knew Marshall's mind, stated that the next logical step was for the British, French and a Benelux representative to meet in Washington for a "working discussion." Marshall agreed.60

However, before the Brussels conference concluded the United States began private conversations with the British. The Netherlands had suspicions of this situation which caused them considerable angst. The Netherlands dispatched Reuchlin to inquire about official American thinking on the issue of a regional pact including the United States. Reuchlin also expressed the Dutch displeasure at both the British and French for having a tendency to act as spokesman for the Benelux countries without consulting them. The Netherlands dearly wanted to be included in any security discussions and did not want the British to speak on its behalf.61

The secret talks by the United States and the United Kingdom also caused the Netherlands government uneasiness over their role and the importance of the Netherlands. Three days later Reuchlin met with L. E. Thompson of the European Desk. Reuchlin wanted to know that since the Netherlands knew of talks between the United States and

60 Marshall to Baruch, 26 March 1948, RG 59, no. 115, 840.00/3-2648.

61 Caffery to Marshall, 13 April 1948, RG 59, no. 1920, 840.00/4-1348.
United Kingdom, whether the failure to inform the Netherlands raised doubts about the Netherlands reliability.\(^6\) This, of course, had nothing to do with Dutch reliability. The United States simply chose to deal with the British because they were the strongest Western European power, they had a close association in the last war, and they shared a common language. Thompson assured Reuchlin that the Netherlands would be informed of developments.\(^6\)

The Dutch prodding paid off two weeks later in a conversation with Hickerson and F. E. Nolting. For the first time the Dutch received assurances that the United States intended to more actively support Western European security. Hickerson stated, however, that it remained premature, given the mood of Congress and the coming elections in November, for the United States to enter into negotiations with the five powers. It was, Hickerson stated, "the intention of the State Department to hold such discussions as promptly as circumstances permitted."\(^6\) In regard to Italy, van Boetzelaer, Reuchlin noted, believed the Italians should "put its house in order before an

---

\(^6\) Memorandum of Conversation, Between Reuchlin and Thompson, 16 April 1948, RG 59, 840.00/4-1648.

\(^6\) Ibid.

\(^6\) Memorandum of Conversation, Possible U. S. Military Support to Western European Union, 4 May 1948, RG 59, 840.00/5-448.
invitation is sent." Hickerson agreed, but thought Italy was a natural partner for a Western European defense arrangement. 65

This essentially was where possible inclusion of the United States in a Western defense pact was left until the fall after the passage of the Vandenberg Resolution. Senator Arthur Vandenberg introduced a resolution calling for the United States to enter into a alliance with Western European states. The Resolution is considered so important for two reasons; first Vandenberg had converted from being a isolationist to an internationalist this coupled with his tremendous respect mitigated isolationist opposition to an alliance. Second Vandenberg was a Republican his support for a treaty between the United States and Europe created a non-partisan policy. Under the guidance of Vandenberg the Senate passed the bill with only four descending votes. The support of the Senate allowed the State Department to begin negotiations but only after the Europeans organized their own defense. 66

The Dutch were in accord. Beel, in a conversation with Baruch, stated that only strong immediate defense plans for Western Europe would be of value. Beel believed that "unless and until the United States was convinced that the

65 Ibid.

Brussels Pact was unanimous and enthusiastic about defending their own liberties that the Brussels Pact had no right to expect full cooperation of the United States."\(^{67}\)

By 10 March 1948 most of the differences had been cleared up. First, the five decided to grant mutual aid and consultation if any of signatories were attacked in Europe and home territories. This included Algeria which would later cause difficulty in NATO discussions. If attacked elsewhere then only consultation would be called for by the allies. This met the Dutch objection that the defensive pact should be effective for Europe only, thus avoiding conflicts in the extensive British or French empires. Second, in regard to potential German aggression, the Preamble of the agreement specified Germany, to meet French demands, but Germany was not mentioned anywhere else. Third, a permanent consultative council was established, but the United Kingdom insisted that this be left vague. Finally, the French objected to cultural and social articles which were redrafted to France's approval. These points resolved the major differences among the five powers.\(^{68}\) The treaty was signed by the delegates at Brussels 12 March

\(^{67}\) Baruch to Marshall, 19 July 1948, RG 59, no. 445, 840.00/7-1948.

\(^{68}\) Millard to Marshall, 10 March 1948, RG 59, no. 496, 840.00/3-1048.
1948. The Brussels Treaty was received well in the Netherlands.

Ambassador Baruch thought that, "the speed and scope of the Brussels treaty negotiations reflected the crystallization in the Netherlands of anti-Communist and anti-Soviet feeling." This led to the realization by large segments of the population to conclude that a neutral position was no longer possible especially given the Czech Coup. Baruch thought that American assistance such as Senate passage of ERP was "most helpful but the vital question was the United States political-military attitude toward further totalitarian encroachments." He stressed further evidence of American support would be particularly valuable at that time. Finally, he implied that, "the Brussels Treaty signature would be a perfect time for an official White House statement, as would a joint resolution of Congress." This would alleviate the possibility that the Soviet government might underestimate the United States and press its expansionist aims. Marshall did reply that "as soon as my Government has had an opportunity to study

---

69 Millard to Marshall, 15 March 1948, RG 59, no. CS/N 150, 840.00/3-1548.


71 Baruch to Marshall, 15 March 1948, RG 59, no. 172, 840.00/3-1548.

72 Ibid.
the agreements reached at Brussels I will be ready to discuss what further steps may be desirable."\textsuperscript{73}

Beel presented the pact to the Tweede Kamer on 17 March 1948. The Prime Minister characterized the pact as "the best collective security convention that the Netherlands could appropriate at the time."\textsuperscript{74} While the pact sacrificed neutrality, "it provided immediate joint military and other assistance in case of an attack in Europe which the UN Charter did not. The Netherlands, along with Belgium and Luxembourg, believed, given the situation in Europe, it was prudent to ally with other like minded powers." Regarding expansion, Beel thought "the Union must be consolidated and strengthened before it was expanded. The five powers must develop a coherent system for common defense before inviting other European states and the United States to join."\textsuperscript{75}

Van Boetzelraer submitted the Draft Bill of the Brussels Pact to the Tweede Kamer on 2 April 1948. The memorandum that accompanied the bill stated that "the experience with the UN had not been entirely satisfactory. The Brussels Pact offered the Netherlands the opportunity to cooperate within a smaller band of states involving mutual acceptance

\textsuperscript{73} Memorandum for the President, French and British Requests for Consultation on Measures to Check Extension of Communism, 12 March 1948, RG 59, 840.00/3-1248.

\textsuperscript{74} Baruch to Marshall, 18 March 1948, RG 59, no. 178, 840.00/3-1848.

\textsuperscript{75} Ibid.
of obligations." In regard to the policy of neutrality, the Draft Bill "renounced the right of the signatories the option of declaring neutrality in event of aggression against one of them." This renunciation by the Netherlands was a tremendous change in its traditional foreign policy. The Dutch saw it as a turning point and forecasted a period of closer cooperation for the Dutch with other Western European countries.

The Tweede Kamer ratified the Brussels Treaty on 28 April. The Eerste Kamer followed suit on 24 June. The passage of the Brussels Treaty effectively ended the Dutch policy of neutrality. The Brussels Treaty committed the Netherlands for the first time since 1815 to another country's defense.

Upon ratification, the Brussels signatories turned their attention to the operation of the defense pact. While the Western Europeans were creating the institutions and structure of their regional pact, the Soviet Union blocked off West Berlin from the Western zones of occupation. This resulted in the United States taking a defiant stance and

---

76 Bonsal to Marshall, 24 April 1948, RG 59, no. 225, 840.00/4-2448.

77 Ibid.

78 Baruch to Marshall, 29 April 1948, RG 59, no. A-341, 840.00/4-2948. See also, Baruch to Marshall, 25 June 1948, RG 59, no. 317, 840.00/6-2548.

79 Bonsal to Marshall, 24 April 1948, RG 59, no. 225, 840.00/4-2448.
airlifting supplies into West Berlin. This act of Communist aggression along with Truman’s reelection cleared the path for the Atlantic Pact.

Thus, the second half of 1948 found the five powers cooperating on many issues of security. The Netherlands demonstrated remarkable similarities with the United States in development of the Benelux draft treaty, which served as the basis of the Brussels Treaty. By the end of 1948 the Brussels Pact began pulling their resources together in common defense. This marked the start of a new cooperation in Europe and the abandonment of neutral or isolationist policies. The Brussels Pact became the foundation for an expanded Atlantic defense. The Dutch were well on their way to achieving their twin goals of obtaining economic recovery through increased cooperation with United States assistance, as well as developing a military defense that would ensure security from future continental devastation.
CHAPTER IV
NORTH ATLANTIC TREATY

The United States and the Netherlands had demonstrated much cooperation by their similarities on how European security should look, as well as their common disdain for communist expansion. The Netherlands had convincingly shown that the German economy was crucial to their economy based on their close proximity and extensive trade relations, and how Germany should be included in economic and security arrangements for Europe. The Netherlands also took an active role in furthering European cooperation. The Netherlands was convinced it needed a defense alliance and exerted a strong voice in Brussels Treaty negotiations which assisted in swift agreement. Like its neighbors, the Netherlands felt that true security could only come through an expanded security arrangement with the United States. The United States also believed this as Marshall stated, "the Brussels treaty would appear to be an essential prerequisite to any wider arrangement in which other countries, including the United States, might play a part."¹

Though the Netherlands was in agreement for an Atlantic security arrangement, there were difficulties in that the

¹ Inverchapel to Marshall, 18 March 1948, RG 59, 040.20/3-1848.
United States wanted the Netherlands to give up its claim on Indonesia. That was something the Netherlands was not willing to do since control of that colony added wealth to the nation. The issue of the East Indies was so strongly felt that the Netherlands had to decide whether to cling to its old empire, or to embrace a new security and European order. The Indonesian conflict endangered passage to the North Atlantic Pact the United States placed power and prestige behind the Indonesian republican nationalists. Naturally, there were other issues of coordination, but these were very similar to issues facing the creation of the Brussels Pact.

While the Brussels Pact produced cooperation among the five members it was not an entirely effective defense pact since the United States was not participating. The Soviet Union could easily invade and conquer all of Europe. Thus, for the West Europeans development of an Atlantic alliance involving the United States and Canada was an imperative. President Truman stated, with reference to the Brussels Treaty "the Soviet government's determination to prevent this development must be matched by an equal determination on the part of the United States to help the free nations of

---

Europe to protect themselves.\(^3\) Several events led the
United States to this conclusion. The coup in
Czechoslovakia convinced the United States that the Soviets
were willing to use force to consolidate their sphere of
influence in Eastern Europe. The Berlin Blockade led the
United States to believe the Soviets may not fear a
confrontation with the United States. Finally, the United
States had observed the meetings of the Brussels Pact at the
invitation of the five powers and deduced that the Europeans
had created a limited alliance but were determined to resist
communist aggression. While the United States was convinced
that the Western Europeans were sincere in their attempts to
organize a collective defense alliance, they believed that
overall European efforts fell short of effectiveness.
Similarly, the Dutch had become sufficiently alarmed at
Soviet tactics and called for an aggressive North Atlantic
organization.

The State Department favored an Atlantic pact.\(^4\)
President Truman expressed his support for a collective
agreement when the Brussels Pact was signed. On 11 June
1948 the Senate passed the Vandenberg Resolution advising
the President to seek association of the United States to a

\(^3\) Ibid.

collective security arrangement. The only way to ensure Western Europe remained outside the Soviet sphere of influence was for the United States, Italy, and the Scandinavian countries to join the Brussels Pact powers.

The post war security arrangement would have to deal with prior European entanglements. For the Netherlands that meant their territorial holdings in Indonesia. During the Second World War the Dutch East Indies were occupied by Japanese forces. Upon liberation the Netherlands tried to reassert the influence it had prior to the war. During the war, resistance to the Japanese occupation had been waged in Indonesia by nationalist forces. When the war was over these forces declared their independence from the Netherlands. The Indonesian-Dutch Treaty of 15 November 1946 established two sovereign states under the rule of the Dutch Queen. This was abrogated on 25 March 1947 when the Dutch attempted to re-establish colonial rule. The Dutch dispatched its army and quickly became bogged down in a guerrilla war. This war consumed large portions of Dutch military forces. This circumstance left the Netherlands home territory relatively un-defended. The Dutch did not

---


6 Memorandum by the Participants in the Washington Security Talks, July 6 to September 9, Submitted to Their Respective Governments for Study and Comment, 9 September 1948, FRUS 1948 3:237-245.

7 Ibid., 104.
have troops to spare in the occupation of Germany leaving
the Dutch little leverage with their allies in which to
bargain a better position and advantages over Dutch rights
in Germany. In addition, Dutch attempts to reassert control
in Indonesia met with stiff international criticism.⁸

On 28 January 1949 the UN condemned Dutch military
action in Indonesia and called on the Netherlands to
recognize the Republican Government of Indonesia. The Dutch
refused to do so; they believed the matter to be largely a
domestic issue. This resulted in an American arms embargo
on the Netherlands and Indonesia. This created difficulty
in the relationship with the United States, the world's
largest arms supplier, for the Netherlands which desperately
needed arms in its war in Indonesia. The United States
thought this embargo would force the Dutch to change their
position. The sanctions seriously strained relations
between the Netherlands and its biggest ally. It was this
strain that created problems in the negotiations over the
Atlantic Pact.

Yet, the proposed Atlantic Pact offered security for
the Netherlands. The Dutch government hoped that the
planned alliance would lower criticism it received over its
Indonesian policy.⁹ After all, the Dutch had succeeded in

⁸ Ibid.
⁹ Ibid., 105.
getting its imprint on the Brussels Pact and ERP, so perhaps did not need to bend on the issue of its colony. By contrast, the State Department hoped that the Atlantic Pact proposals would lead the Netherlands away from occupation of Indonesia, and, in fact, wanted the matter resolved before Congress voted on the proposed alliance.

In January and February 1949 while still grappling with political disagreements, concrete steps were taken to coordinate the Atlantic Pact. Secretary of State Dean Acheson requested information on the financial ability of each country being considered to join to purchase weapons and supplies. In this manner the assets of each potential partner could be tabulated and included in a comprehensive agreement. The Netherlands could supply approximately $40 million worth of military equipment, principally in electronics, radios and a small amount of optics. The Dutch economy was not designed to handle heavy industry, but other partners could. The Netherlands main contribution was its location. The Netherlands were strategically situated at the mouth of Central Europe’s great rivers. If the valuable lands of the great rivers delta were to participate

---


11 Baruch to Acheson, 1 February 1949, RG 59, no. 96, 840.20/2-149.
the Netherlands expected its territory to be defended and not simply to be used.  

Committed to the idea of a greater security alliance, the Netherlands was dismayed by alleged weakening of American resolve which dominated the Dutch press during February 1949. The liberal Dutch newspaper *Algemeen Dagblad* criticized the United States stating that they "clearly desired time to think before every war." Most of the press expressed anxiety over possible weakening of the Atlantic Pact. The source of this type of concern, indeed anxiety, came from the Netherlands government and weariness of waiting for the United States to commit itself to the defense of Western Europe and the North Atlantic area. The Dutch were extremely fearful that the United States would slip back into an isolationist policy and wait until another war ensued, leaving the Netherlands again occupied before the United States found its own security threatened. This uneasiness was unfounded considering the Vandenberg Resolution.

Dutch uneasiness over the American determination to adhere to a regional alliance was relatively minor in

---


13 Baruch to Acheson, 18 February 1949, RG 59, no. 162, 840.20/2-1849.

14 Ibid.
comparison to the American attitude in regard to Indonesia and Dutch military presence there. In the wake of the second Dutch police action in early 1947 American policies began to change. Lovett stated "the Netherlands is a strong proponent of United States policy in Europe. The [State] Department believes the stability of the present Dutch Government would be seriously undermined if the Netherlands fails to retain very considerable stake in the Netherlands East Indies [Indonesia]." Thus the United States no longer thought that the Netherlands should remain in control of the East Indies but should have a considerable economic stake there. Finally NSC-51 written 29 March 1949 crystallized long run American objectives in Southeast Asia.

Nineteenth century imperialism as practiced by the Dutch was no antidote to communism in the revolutionary colonial areas. Dutch efforts to pacify the archipelago were doomed to failure. NSC-51 recommended unequivocally support for Indonesian independence.

Anti-colonialism is an oversimplification to attribute to the American position. American anti-colonialism was a mixture of idealism with a strong element of economic self interest. Before the Second World War United States interest in the East Indies laid primarily in maintaining

---

15 McMahon, Colonialism and Cold War, 311.

16 Ibid., 312.
equal access to rich resources of the islands namely rubber and oil, the United States opposed the discriminatory practices of the Netherlands in limiting American access.\footnote{Ibid., 44-45.}

This economic element must be taken into account in assessing American policies toward the Netherlands.

Congress placed pressure on the Truman Administration threatening to hold up North Atlantic Treaty passage.\footnote{Ibid., 313.} This treaty laid at the heart of American policy and could not afford to be held up by a colonial/imperial war. Thus it was imperative that the United States dissuade the Netherlands from the Indonesian war.

Part of the draft North Atlantic Treaty called for the United States to supply the West Europeans subsidized arms under the Military Assistance Program (MAP) in a military form of the ERP. Because of the Indonesian crisis and the UN Security Council resolutions calling for Dutch forces to withdraw and imposing an arms embargo on the Dutch East Indies, the United States was in a difficult position on assistance to the Netherlands with arms. The State Department decided to resolve the Indonesian question first with the understanding that, "Irrespective of the Charter the United States may find it necessary to refuse to furnish military assistance to any country engaged in military
activity contrary to Security Council resolutions," Acheson said.\textsuperscript{19}

In connection with possible MAP discussions with the Netherlands, Acheson informed Baruch, as well as Ambassador Lewis W. Douglas in London and W. Averell Harriman, to make clear to the Dutch that in connection with the UN resolution the United States may find it necessary to refuse to furnish military equipment prior to an Indonesian settlement consistent with the UN Security Council. Further, at the time of presentation of the MAP legislation, Congress may require a settlement as condition to granting military assistance to the Netherlands.\textsuperscript{20}

The Dutch took the United States position as a threat. They believed that the United States was trying to pressure the Netherlands into a settlement. In a meeting with Harriman and delegates of the Brussels Pact, Dutch Foreign Minister D. U. Stikker, expressed his doubts that the Netherlands would be able to participate in the MAP, and subsequently NATO. The information provided by Harriman regarding Acheson's views was interpreted by Stikker as pressure from the United States to comply with the UN Security Council resolutions on Indonesia. Bevin was so

\textsuperscript{19} Acheson to Baruch, 12 March 1949, RG 59, no. 211, 840.20/3-949.

\textsuperscript{20} Acheson to Lewis W. Douglas and W. Averell Harriman, 4 March 1949, RG 59, no. NIACT 736, 840.00/3-249.
concerned that he urged delaying invitations for a MAP meeting scheduled for 14 March 1949.²¹

Bevin thought meeting without the Dutch would be disastrous for the North Atlantic Treaty since it would open the door for a potential gap in the treaty, and, as van Campen noted, "what would be the Treaty's value if Holland, the delta of Europe's great rivers, that point of intersection of strategic lines, did not participate?."²² Bevin stated that he intended to meet with the Dutch Ambassador in London and point out that, "the United States position was not pressure to comply, rather, it was a factual statement that American obligation to the UN made it impossible to furnish the MAP."²³ Furthermore, Bevin believed that the Indonesian Republicans would be willing to go to a peace conference, except at the Hague. Yet, Bevin alleged the rigid American position of total support for the Republicans would make it difficult for the Republicans to come to agreement with the Dutch since they knew they had American support regardless of their demands. Bevin believed the United States needed to provide a face saving measure for the Dutch if such a conference were to occur.

²¹ Douglas to Acheson, 7 March 1949, RG 59, no. NAICT 821, 840.20/3-749.

²² Van Campen, Quest For Security, 111.

²³ Ibid.
The task of the United States shifted briefly to convincing the Netherlands that the United States was not trying to pressure the Netherlands into a settlement. Baruch met with Lovink and impressed upon him that nothing in Harriman's talk with Stikker or Bonsal's with van Boetzelaer should be interpreted as pressuring an Indonesian settlement but, rather American obligations to the UN. Of course, this was not the complete truth. Clearly the United States supported the Republicans position; the underlying policy was based on one of Woodrow Wilson's fourteen points, national self determination of peoples. More importantly, the United States thought the Indonesian Republicans were committed to resisting Communism and an independent Indonesia would be open to American exports whereas a Dutch East Indies would not. The United States regarded "the successful defeat of an all-out armed communist offensive by the Republic of Indonesia as an outstanding example of effective resistance to communist aggression in Asia."2b

Acheson's attitude intensified after receiving Bevin's remarks regarding delay and American unwavering support for the Republicans. In a telegram to Baruch, Acheson stated that the State Department had no objections to the Netherlands participation in the Brussels Pact meetings. In

---

24 Baruch to Acheson, 8 March 1949, RG 59, no. 225, 840.00/3-849.

25 Memorandum, Questions on the North Atlantic Pact, 18 February 1949, RG 59, 840.20/2-1549.
addition, Acheson wanted the meeting held and planning to continue on the assumption that the Indonesian affair would be solved by the time that actual shipments of the MAP began. In response to Bevin's assertion that, "the United States held a rigid position," Acheson rebutted that, "the United States wanted a mutually satisfactory solution."

Stikker met with Baruch and Bonsal on 9 March 1949. Baruch thought Stikker was no longer under the impression that the United States was pressuring the Netherlands into a resolution. Stikker, however, desired the United States to clarify its position. He wanted to know if all three Western members of the Security Council, "would have difficulty in sending arms to the Netherlands." Stikker also wanted to know if, "the Department saw the possibility of whether certain types of military equipment could be supplied without directly or indirectly strengthening the Netherlands in Indonesia?"

Acheson replied that American obligations under the UN Charter were the same as the other members. "The United States," Acheson stated, "was convinced of the fairness of the Security Resolution on 28 January 1949." Without agreement of the parties, the United States would carry out

---

26 Acheson to Baruch, 8 March 1949, RG 59, no. 768, 840.00/3-749.
27 Ibid.
28 Baruch to Acheson, 9 March 1949, RG 59, no. 229, 840.00/3-949.
the terms of the resolution. Again Acheson asked that "the Brussels Pact meeting continue under the assumption the Indonesian affair would be resolved." ²⁹

Soon after the situation appeared to have found a means of resolution. In a letter to Bevin and forwarded to Dean Rusk by Reuchlin, Stikker summed the Dutch position and thinking, "the return of Djoc Jacarta [republican] government," Stikker stated, "would represent a capitulation of Netherlands authority."³⁰ Stikker believed that a settlement of the situation could be achieved provided the most serious consequences were eliminated. First, the Dutch authorities had to remain responsible for law and order throughout Indonesia. Second, there had to be a cease fire by the Republicans. In Djoc Jacarta, civil police would be responsible for order followed by a gradual withdrawal of Dutch forces in the recently occupied territories. Stikker stated that, "the Republicans would get the facilities to govern." The Dutch wanted Indonesia to remain intact. Finally, UN observers in Indonesia needed to approve of the plan.³¹

Stikker was disappointed in the UN and others. He implied Britain and the United States did not allow the

²⁹ Acheson to Baruch, 12 March 1949, RG 59, no. 211, 840.00/3-949.

³⁰ Letter from D. U. Stikker to British Foreign Minister Ernst Bevin Handed to Dean Rusk, 10 March 1949, RG 59, 840.20/3-1049.

³¹ Ibid.
Netherlands to find a face saving way to exit the conflict. The Dutch had 100,000 troops in Indonesia and they needed something to show for their efforts. Stikker wanted the United Kingdom and the United States to remain silent during the negotiations and not exacerbate the situation. If there was no support for the Netherlands by the United States and the United Kingdom then there was no way out of the deadlock.³²

Acheson sent the Netherlands Embassy a memorandum stating that he was encouraged by Stikker's proposals. Acheson made it clear that the United States wished the Djoc Jacarta government restored. Again, Acheson insisted that the negotiations continue under the assumption that the Indonesian affair could be cleared up.³³

On 18 March 1949 Hickerson sent Acheson a bleak memorandum. He informed Acheson that the Dutch were considering not signing the Atlantic Pact. This information came to Hickerson in a conversation with Nikolaas Helb, a counselor at the Dutch Embassy, in which Helb stated that this resulted from the American position toward Indonesia. But, Helb stated, "the Embassy in Washington was opposed to this." Helb explained the Netherlands rationale as: first, the United States response to the Netherlands Foreign

³² Ibid.

³³ Acheson, Memorandum, 12 March 1949, RG 59, 840.20/3-1249.
Minister's proposals in a letter to Bevin; second, Senator Austin's critical remarks at the Security Council; third, the United States complete rejection of a draft of views on Indonesia by the Netherlands in the Security Council. Finally, United States caveat regarding the MAP.  

Helb stated that, "these cautioned the Netherlands on entering any closer relationship with the United States," but that no firm decision had been made. Hickerson informed Helb that the United States supported the 28 January resolution which stipulated release of Republican prisoners, cease fire, and restoration of Republican government. The Netherlands still opposed restoration. Hickerson thought "the Netherlands Government appears to have come perilously close to facing one of two alternatives--either swinging over to the isolationist point of view and thereby fracturing the Benelux union, the Brussels Pact, the North Atlantic pact, MAP, and ECA; or, resigning and thereby delaying full Dutch participation in the emerging Western European structure."  

Hickerson recommended to Acheson that "the United States not raise the subject of the Netherlands delay in joining to van Kleffens when he met

---

34 Hickerson to Acheson, Memorandum on the Attitude of the Netherlands toward the Atlantic Pact, 18 March 1949, RG 59, 840.20/3-1849.

35 Ibid.
with him. If the Dutch will not sign, go ahead without them."^{36}

The Dutch very much wanted the North Atlantic Pact. They also desired Indonesia which provided the Netherlands with wealth. However, Dutch home security without an American guarantee could not secure the Netherlands and the wealth of Indonesia could not purchase security.

In a conversation with Spaak, Acheson noted, "that Congress would be unlikely to give military assistance to countries violating United Nations Security Council resolutions." But this did not translate to American prejudice against the Netherlands. The United States wanted the Indonesian matter cleared up before the appropriations bill went before Congress.^{37} Spaak thought "it was unreasonable for the Dutch to treat Indonesia as an internal matter." But he also believed that if the Republicans knew the United States was withholding MAP from the Netherlands the Republicans would not go to the conference. Acheson stated he was willing to pressure the Republicans but not to the point of rendering them impotent. Spaak thought that Acheson could influence the Netherlands and that he should tell the Netherlands what the Republicans would accept.

^{36} Ibid.

^{37} Memorandum of a Conversation with Belgian Prime Minister Paul-Henri Spaak, 1 April 1949, RG 59, 840.20/4-149.
Finally, Acheson stated that the military aid would not be ready until June 1949.

These difficulties did not prevent the Netherlands from signing the North Atlantic Treaty. Ultimately, the Dutch realized that they needed the Atlantic Pact more than they needed a colonial war in Southeast Asia. The Indonesian affair, as Acheson predicted, was resolved by the time the MAP was complete. The Netherlands reversed its previous stance and withdrew from Indonesia in 1949. Subsequently, Indonesia confirmed the independence it had declared four years earlier, at which time the UN embargo was lifted and the Netherlands received the security it had sought since 1940 when Germany invaded. The public reaction to the signing of the North Atlantic Pact in the Netherlands was overwhelmingly supportive. 38

The Winter of 1948-49 had produced much angst between the United States and the Netherlands over Indonesia. Though the Netherlands went so far as to consider not joining the Atlantic alliance, the need for a secure homeland prevailed and the Netherlands signed the North Atlantic Treaty, marking a distinct break from the old empire to embracing the new European order. The Dutch fit into their role within the North Atlantic Treaty Organization easily and little more was heard from them

38 Baruch to Acheson, 7 April 1949, RG 59, no. 325, 840.20/4-749.
after the Indonesian question was resolved. Most importantly, American and Dutch relations resumed their quiet, warm and cooperative characteristics.
CHAPTER V
CONCLUSION

Both the Netherlands and the United States were changed irrevocably by the Second World War. Both abandoned their traditional foreign policy for the first time. In the case of the Dutch it was neutrality, for the United States, independent internationalism.

Though the Netherlands in the first two years after the Second World War turned inward to rebuild its war torn country it emerged from this cocoon and embraced the policies of economic and military cooperation that the United States was proposing. Difficulties presented themselves to both countries over the status of Germany. At first, the United States did not realize the importance of Germany to the Dutch economy. Continual contact and persuasion by the Dutch Foreign Office convinced the United States to alter its policies, particularly on commerce to and from Germany via Dutch ports. This not only improved the Netherlands and Germany economically, but warmed relations between the United States and the Netherlands.

ERP came at a crucial period for the Netherlands. The ability of the Netherlands to pay for its imports in 1948 was doubtful. Aid to purchase goods in the United States was not only beneficial, but also necessary, since the
products from the United States were needed in rebuilding the Dutch economy. The true judge of ERP's value to the Netherlands was apparent in the estimates of the consequences if the aid had not been given; the complete collapse of the Dutch economy.

In regard to United States plans for regional security the Netherlands did not need prompting to join. On 28 December 1943, Foreign Minister van Kleffens in a radio broadcast to the occupied Netherlands stated that the policy of neutrality had failed. From that point forward the Netherlands began looking for ways to ensure its security.¹

The Netherlands was opposed to communist expansion in Europe. In the Netherlands, communism did not have a tremendous appeal. Only about 10 percent of the Dutch population identified themselves with the Communist Party. Thus, the Netherlands generally took similar positions on defense policies as the United States. The United States and the Netherlands were aware that the Soviets were the greatest threat to the stability of Europe. For this reason the Dutch, like the United States, opposed a regional defense pact which would isolate a single aggressor, such as the Germans in the Dunkirk Treaty.

The main difficulty between the United States and the Netherlands resulted from the crisis in Indonesia. The

¹ Van Campen, Quest for Security, 13.
Netherlands desperately wished to reassert control over its colony. The United States, however, wanted to detach Indonesia from its colonial bonds. The United States attached the collective security arrangement to the Netherlands withdrawal from Indonesia. In essence, the Netherlands had to choose between conflict in a remote colony or a mutual security arrangement that guaranteed the defense of the Dutch homeland in Europe. The Dutch did not like this choice but as the Soviet Union grew increasingly hostile and threatening, the Dutch had no choice but to accept the American position.

The passage of the ERP built trust and confidence in the Netherlands toward the United States, paving the way for an expanded military treaty which, like economic recovery, was based on the cooperation of its members. Overall, the Netherlands proved to be a hospitable and cooperative partner with the United States, both in economic recovery and military security issues. However, as these postwar policies required abandonment of prior foreign policies, the Netherlands balked, not at leaving neutrality behind, but at being required to abandon its Indonesian possession. Once the Indonesian crisis had been resolved and the North Atlantic treaty had been ratified and executed the Netherlands resumed its low profile.
The United States similarly had to rethink its traditional foreign policy of independent internationalism after the Second World War. As the only nation left physically unscathed from that war, it was in the unique position to help Europe recover. It did so through ERP, in which it found the Netherlands to be a willing participant for furthering cooperation in Europe. It could not stop there, however. The United States had to ensure military stability in Europe as well. After the Western European nations drafted the Brussels Pact, the United States stepped in to expand it into a North Atlantic Treaty. Again, the United States found the Netherlands to be a willing participant, and only had to persuade the Netherlands to accede to its Cold War agenda once in respect to the de-colonization of Indonesia. In all other instances the Netherlands readily agreed to the American agenda and cooperation was instituted as the foundation of economic and strategic foreign policy.
SELECT BIBLIOGRAPHY

Primary Sources


________. Department of State. General Records of the Department of State, Record Group 59. National Archives II, College Park, Maryland.

Secondary Sources


VITA

Michael R. Hirman graduated from the University of Minnesota in 1991 with a B. A. in History. He is currently pursuing an M. A. in International Studies. Mr. Hirman is married to the former Diane E. Greentree of Alaska. He currently resides in Suburban Washington, D. C. This thesis completes Mr. Hirman's Master of Arts Degree Program at Old Dominion University in the Department of History in Norfolk, Virginia 23529.
<table>
<thead>
<tr>
<th>DATE DUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>APR 03 2001</td>
</tr>
<tr>
<td>JAN 10 2005</td>
</tr>
</tbody>
</table>

DEMCO 38-297