

# Chapter 36 (14th)

## The Cold War Begins

1. Postwar Economic Anxieties
  1. Many feared a return to the Great Depression or at least a post-war recession.
    1. When the war time price controls ended, inflation did increase significantly.
  2. Labor unions had made steady gains during the Depression and the war. With the economy now strong, the pendulum now swung back against unions.
    1. Congress passed the **Taft-Hartley Act**. It banned "closed shops" (closed to anyone *not* joining the union). It also made unions liable for certain damages and that union leaders take a non-communist oath. Opposite of the Wagner Act of the New Deal, Taft-Hartley weakened labor unions.
    2. Unions tried to move into the South and the West, in the CIO's "**Operation Dixie**." This was unsuccessful.
      1. Two factors caused the failure: (1) Workers in the South and West were generally not factory workers but were scattered around and thus not easily unionized, and (2) these areas had a longtime value on individual freedom and hard work, and thus a disdain for labor unions which focused on *group* action to yield more pay with lower hours.
  3. The government took steps to ward off any slow-down in the economy.
    1. War factories and government facilities were sold to businesses at rock bottom prices.
    2. The **Employment Act** (1946) got the government to "promote maximum employment, production, and purchasing power."
    3. The **Council of Economic Advisors** were to give the president solid data to make solid decisions.
  4. The **Servicemen's Readjustment Act** (1944) was better known as the **GI Bill of Rights**. It 8 million former soldiers to vocational schools and colleges.
2. The Long Economic Boom, 1950-1970
  1. The economy held its ground through the late 40's. By 1950, the economy began to skyrocket. America pushed toward, and reached, a new age of prosperity.
    1. By 1960, America's national income nearly doubled, and then nearly doubled again by 1970. By 1973, Americans made up 6% of the world's population and held 40% of the money.
  2. The middle class was the big winner during these years. The class doubled in size and they expanded their ambitions: *two* cars in the garage, and a pool out back, and whatever else can be thrown in.
  3. Women benefited from the good times as well. Many women found jobs in new offices and shops. Women were 25% of the workforce at war's end, about 50% five years later.
    1. The traditional roles of women at home were still glorified in popular media. A clash was being set up between women at work and women at home.
3. The Roots of Postwar Prosperity
  1. The postwar economic boom had several causes and propellants...
    1. The war's massive production jump-started the entire economy.
    2. Post-war military projects kept the "military-industrial complex" in business.
      1. There were tons of jobs in military-related areas, such as aerospace, plastics, electronics, and "R and D" (research and development).
    3. Energy was cheap and plentiful. High car sales reflected the cheap gas. A strong infrastructure of power lines, gas lines helped feed homes and businesses.
    4. Worker production increased. More Americans went to and stayed in school. Increased education meant increased standard of living.
  2. Farms changed and turned toward big-businesses and away from family farms. Machinery costs fueled this change. Former farmers left for other jobs. Still, with new equipment and better hybrids and fertilizers, food production increased.
4. The Smiling Sunbelt
  1. Many babies arrived in the **baby boom** and many families had moved around the country. Unable to just ask her mother what-to-do question, many new moms turned to **Dr. Benjamin Spock's** how-to *The Common Sense Book of Baby and Child Care*. It was a huge seller.
  2. The **Sunbelt**, from California to Florida, began a boom of its own.
    1. There was a shift-of-power from the old Northeast and Midwest to the new South and West—from the Frostbelt and Rustbelt to the Sunbelt.
      1. Symbolizing this shift, California became the most populous state in the 50's, passing New York.
    2. Immigration helped increase the Sunbelt's population.
    3. Many of the government's new military facilities were built in the Sunbelt. Good-paying jobs came with them.
    4. A political battle was shaping up. By 1990, the Sunbelt received \$125 billion more federal money than the northern areas. And, with their populations increased, more Congressional and presidential votes had moved down to the Sunbelt states.
5. The Rush to the Suburbs
  1. After the war, whites abandoned the inner-cities and moved out to the grass and trees of the suburbs.

1. Cheap home loans offered by the FHA and the Veteran's Administration made buying a home more sensible than renting an apartment in town.
2. 25% of Americans lived in the suburbs by 1960.
2. The best example of a post-war suburb was **Levittown** on Long Island.
  1. The Levitt brothers perfected the "cookie cutter" house. They were identical but also very affordable.
  2. Despite their monotony, many in the 50's actually *preferred* the standardization, conformity, and comfort-factor the houses gave. It was like the McDonald's theory (which also started and boomed at the time)—no matter which McDonald's you go in, you always get the same burger.
3. This so-called "white flight" left blacks in the inner-cities, and left the cities poor.
  1. Symbolic of this movement would be the growth of shopping centers and Wal-Marts and the "closed" signs on downtown shops.
  2. Blacks often had a hard time getting loans, even from government agencies, due to the "risk" involved. Thus, whites were able to move to the suburbs, blacks were not.
6. The Postwar Baby Boom
  1. When soldiers returned from war, the **baby boom** began. The birthrate peaked in 1957. It slowed & started "birth dearth."
  2. The baby boom generation has had a huge impact on America.
    1. While they grew up, entire industries rode their wave. For example in clothing, Levi's jeans went from work pants to standard teenage wear; burger joints boomed; music changed (rock 'n' roll).
    2. Prior, children and adolescents were expected to dress and act like small adults. By the 50's, youth dressed and acted their own way and did their own thing.
  3. The baby boom, and later birth dearth, created a swell and then a narrowing, in the population of generations. Simply put, the baby boomers far outnumber other generations.
    1. By 2020, when most baby boomers are retired, it is projected that the **Social Security** system will go broke.
7. Truman: the "Gutty" Man from Missouri
  1. Harry S Truman was at the helm just after WWII. He had a big smile, was a sharp dresser, and a small but very spunky fellow. He was the first president in many years without a college education.
    1. Truman was called "The Man from Independence" (Missouri). His cabinet was made of the "Missouri gang", and like Harding of the 20's, Truman was prone to stick by his boys when they got caught in some wrong-doings.
    2. Truman gained confidence as he went along. He also earned the nickname of "Give 'em Hell Harry." He also a bit prone to making hot-headed or rash decisions, or sticking with a bad decision out of stubbornness.
  2. Despite little drawbacks, Truman was decisive, "real", responsible, had moxie. He loved the sayings "The buck stops here," and "If you can't stand the heat, get out of the kitchen."
8. Yalta: Bargain or Betrayal?
  1. The Big Three (Roosevelt, Churchill, and Stalin) had met at the **Yalta Conference** in Feb. 1945 (there last meeting). That meeting shaped the Cold War to come. It was highlighted by distrust between the U.S./Britain and the Soviet Union.
    1. FDR and Churchill did not trust Russia's ambitions for the post-war, ditto Russia the other way.
  2. Promises were made...
    1. Russia promised to enter the war against Japan. In return, Russia would get land—1/2 of Sakhalin Island, Japan's Kurile Islands, railroads in Manchuria, and Port Arthur on the Pacific.
      1. This promise was kept. However, by the time Russia entered, the U.S. had all but won. It appeared Russia entered to just look good and accept the spoils of victory.
    2. Russia pledged free elections for Poland and a representative government; also elections in Bulgaria and Romania. These promises were flatly broken. The Soviets set up puppet communist governments.
  3. FDR was roundly criticized for doing poorly at the Yalta Conference.
    1. Promises had been accepted from Stalin only to be broken.
    2. China fell to the communists a few years later (1948) and FDR got some of the blame for selling out **Chiang Kai-Shek** and China to communist Russia.
  4. Defenders of FDR say he did what he could in the circumstances. If he'd not bargained with Stalin over Japan, the Soviets may have even taken *more* of China.
9. The United States and the Soviet Union
  1. The post-war world had 2 superpowers: the U.S. & the U.S.S.R. (Union of Soviet Socialist Republics) & high Distrust.
  2. The Soviet Union felt put-out by the Americans because: (1) the U.S. had waited until 1933 to officially recognize the U.S.S.R., (2) the Allies had been slow to start a 2<sup>nd</sup> front, (3) America withdrew the lend-lease program to Russia in 1945, and (4) America rejected Russia's request for a \$6 billion reconstruction loan, but gave 1 for Germany for \$3.75 billion.
    1. Russia perceived all of these things as insults.
  3. Russia had been attacked from the west twice within about 25 years, so, Stalin wanted a protective buffer from Western Europe. To create that protection, Russia set up puppet communist governments in Eastern Europe. These "satellite nations" would serve as a **buffer zone** to the Soviet Union.
  4. Both U.S. and U.S.S.R. had now been thrown into the international spotlight. They'd both been isolationist, but now had to drive international policies. Both had a history of "missionary" diplomacy—of trying to press their ways onto others.
  5. The U.S. and U.S.S.R. had opposing economic-political systems (capitalism and democracy vs. communism) and they didn't trust the other side. The "Cold War" had begun. Their actions and policies would dominate international affairs for the next 40 years.
10. Shaping the Postwar World
  1. The Atlantic Charter had called for a new League of Nations. That was realized.

2. A meeting was held at **Bretton Woods**, NH (1944). There, the Allies set up the **International Monetary Fund (IMF)** to propell world trade and regulate currency exchange rates. It also started the **World Bank** to give loans to needy nations (ravaged by war or just poor).
3. Days after FDR died, a charter was drawn up for the **United Nations** in April 1945 in San Francisco. 50 nations participated. It's headquarters would be in New York City.
4. The U.N. was like the League in concept, the U.N.'s structure was different. It had three main categories...
  1. The General Assembly—the main meeting place where each nation got 2 votes.
  2. The Security Council dealing with conflict and war. It had 11 member nations, 5 were permanent with total veto power (U.S., Britain, France, U.S.S.R. and China). The Security Council would prove to be the most influential and active in world affairs.
  3. Other relief-based agencies, such as UNESCO (U.N. Educational, Scientific, and Cultural Org.), the FAO (Food and Agricultural Org.) and WHO (World Health Org.).
5. *Unlike* the old League of Nations, the senate was *favorable* to the U.N. It was accepted by a vote of 89 to 2.
6. U.N. helped keep the peace in Iran, Kashmir, and other hotspots. It also helped set up Israel as a homeland for the Jews.
7. The pressing issue was atomic weaponry. America was the only nation with an atomic bomb at the time—though Russia was getting very close.
  1. U.S. delegate to the United Nations Bernard Baruch called for a U.N. agency to totally regulate atomic weapons. Russia was distrustful of American ambitions.
  2. The Soviets proposed a total ban on atomic weapons. Neither proposal was accepted thus regulation of atomic weapons did *not* happen. The nations were to go at it on their own.

#### 11. The Problem of Germany

1. Nazi leaders were tried at the **Nuremberg Trials** just after the war for crimes against humanity. Everyone's rationale was that they'd just been following their orders. Twelve hanged, seven were given long sentences. Hermann Goering killed himself with cyanide.
2. There was disagreement with what to do about Germany. The U.S. wanted Germany to rebuild as that's good for Europe's economy. Russia wanted reparations.
  1. To avoid Germany rearming, the country was divided into 4 zones. U.S., France, Britain, & Russia would oversee 1 zone. The idea was to reunite Germany, but Russia balked at the idea. Germany would remain split.
  2. West Germany would be a democracy, East Germany was a puppet communist nation.
3. Berlin was located in East Germany (Russia's section) and it was also split into four zones. The end result was a free *West* Berlin located inside Russian-controlled *East* Germany, like an island.
  1. Russia suddenly cut off the railway to West Berlin (1948) in attempt to strangle West Berlin into giving itself over to the East.
  2. America's response was the **Berlin Airlift** where the U.S. simply flew in needed supplies to West Berlin. The operation was on a massive scale, and it worked. The Soviet Union ended their blockade the next year.

#### 12. The Cold War Congeals

1. Wanting oil fields, Stalin failed to fulfill a treaty to remove troops in Iran, but rather he helped some rebels. Pres. Truman was not happy. By this time, deep distrust was the rule, and both sides hardened toward the other.
2. The American position toward Russia became formal with the **George F. Kennan's "containment doctrine."** It simply said the U.S.S.R. was expansionist by nature and but it could be held in check by firm American containment.
  1. Pres. Truman made the containment policy official by announcing the **Truman Doctrine** (1947). In the doctrine he asked Congress for \$400 million to aid Greece and Turkey who were feeling communist pressures.
  2. Though focused on Greece and Turkey at the time, the Truman Doctrine was greatly broadened—the U.S. was to stop communism anywhere it seemed to be trying to expand. This policy would dominate U.S. foreign policy for the next four decades.
3. Western Europe's economy was struggling badly. To help, Truman and Sec. of State **George C. Marshall** started the **Marshall Plan**, a massive project to lend financial help to rebuild Europe.
  1. The plan helped in the formation of the European Community (EC).
  2. Some \$12.5 billion was spent over four years, a huge sum. Congress thought the number too high (they'd already given \$2 billion to U.N. agencies), but a Russia-sponsored revolution in Czechoslovakia changed their minds.
  3. The Marshall Plan worked. West Europe's economies rebounded, communist groups there lost influence.
4. Pres. Truman formally recognized Israel on May 14, 1948, the day it was started. He wanted to help the Jews after the Holocaust, but also hurt the Soviet influence there.
  1. Arab nations were not pleased. America's decision to support Israel, along with oil in the region, would long affect U.S.-Arab relations.

#### 13. America Begins to Rearm

1. The military reorganized in 1947 with the **National Security Act**.
  1. The old War Department was replaced with the **Department of Defense**; the Sec. of War replaced with the **Sec. of Defense**. Civilian secretaries would also head the army, navy, and air force. The military heads of each branch were to meet in the **Joint Chiefs of Staff**.
2. The **National Security Council (NSC)** was formed by the National Security Act. The council was to advise the president on security matters. The act also formed the **Central Intelligence Agency (CIA)** to gather foreign intelligence.
3. America fired up the propaganda machine. Congress okayed the **Voice of America** (1948) radio broadcast to be transmitted into Eastern Europe.
4. The military draft was brought back. Young men 19 to 25 might be drafted by the Selective Service System.

5. The old allies organized in 1948. The U.S. joined up with Britain, France, Belgium, the Netherlands, and Luxembourg united to start the **North Atlantic Treaty Org.** (NATO). It was an alliance where attacking one meant attacking them all. The U.S. joined despite an unwritten national policy and tradition of avoiding "entangling alliances."
  1. NATO would grow. Greece & Turkey joined up in 1952, West Germany in 1955. NATO had 15 nations by then.
  2. Not to be outdone by the West, the Soviets set up the **Warsaw Pact** made up of the U.S.S.R. and the Eastern European nations.
14. Reconstruction and Revolution in Asia
  1. Japan also had to be managed after the war. Gen. Douglas MacArthur essentially ran as a dictator to draw up a new Japanese constitution based on the U.S. Constitution (1946).
    1. Japan was a success story. It quickly and successfully embraced democracy and also recovered economically to become one of the world's richest and most productive nations.
  2. China, however, was having problems.
    1. **Mao Zedong** led communist forces in civil war against **Chiang Kai-Shek's** (AKA Jiang Jieshi) Nationalist gov.
    2. Mao and the communists won in 1949. Chiang Kai-Shek and the Nationalists had to retreat offshore to the island of Formosa (Taiwan).
  3. With a huge nation like China going communist, this was a bad loss for the U.S. in the Cold War.
    1. Truman was criticized for not doing enough to stop the loss. Likely, he couldn't have stopped it anyway.
  4. The **nuclear arms race** began in Sept. 1949 when the U.S.S.R. announced it'd successfully detonated an atomic bomb, ending America's "nuclear monopoly."
    1. In 1952, the U.S. detonated a *hydrogen* bomb. The "H-bomb" (which relies on nuclear *fusion* of hydrogen) was a 1,000 times more powerful than an "A-bomb" (which relies on fission of a heavy element like uranium).
    2. It was so powerful that both **Albert Einstein** and **J. Robert Oppenheimer** spoke out. Einstein had written a letter to FDR to initiate the A-bomb's construction and Oppenheimer had been in charge of the Manhattan Project which built the bomb. They both advised to not build the H-bomb.
    3. Not only was the arms race on, but the H-bomb had *greatly* raised the stakes.
15. Ferreting Out Alleged Communists
  1. The question then became, "Are any communists here in America?"
    1. The attorney general named 90 possibly-communist organizations. They were not allowed to defend themselves.
    2. The **Loyalty Review Board** was started to investigate the loyalties of some 3 million federal employees. About 3,000 either resigned or were fired. Many states made "loyalty" a priority. Teachers, especially, were often made to take "loyalty oaths."
    3. The obvious problems were the rights to free speech, press, and thought being hampered. Still, at this time, those rights were muffled.
  2. 11 communists were tried in New York in 1949 under the **Smith Act**. It was a peacetime anti-sedition act (the first since 1798). They were convicted, imprisoned, and their case upheld by the Supreme Court in *Dennis v. U.S.* (1951).
  3. The **House Un-American Activities Committee** (HUAC) set out to investigate "subversion".
    1. **Richard Nixon** made a name for himself as a red hunter by pursuing **Alger Hiss**. He was convicted of perjury and served five years.
  4. **Sen. Joseph McCarthy** wanted to show himself a red hunter too. He threw around wild accusations with little or no basis to them.
  5. Some people started to think the red hunting business was going too far—turning from concern to hysteria.
    1. Pres. Truman vetoed the **McCarran Internal Security Bill**. It was to allow the president to arrest and hold suspicious persons during an "internal security emergency." Congress passed the bill over Truman's veto.
    2. Since the U.S.S.R. had built the atomic bomb quicker than was expected, many Americans suspected spies within the U.S. had sold nuclear secrets.
      1. **Julius and Ethel Rosenberg** were suspected of leaking U.S. secrets to Russia. They were convicted for espionage and executed. The whole nasty business of trial and execution, and their two newly orphaned children, began to sober up Americans against red hunting.
16. Democratic Divisions in 1948
  1. The Republican had won control of the House in 1946 and was feeling confident in '48. They nominated **Thomas Dewey** as candidate for president.
  2. The Democrats wanted Gen. Eisenhower, but he refused the nomination. So, Pres. **Truman** was up for reelection. This split the party.
    1. South Democrats (called "**Dixiecrats**") nominated **Gov. Strom Thurmond** of SC for the **States' Rights Party**.
  3. A new Progressive Party offered former V.P. **Henry Wallace**.
  4. It's really a Dewey vs. Truman race. Dewey seemed to have momentum, but the Democratic vote had been split 3 ways.
    1. Chicago Daily Tribune jumped the gun and infamously printed the headline "DEWEY DEFEATS TRUMAN."
    2. Truman actually won 303 to 189 in the electoral (Thurmond also got 39). The Democrats also retook Congress.
    3. Pres. Truman had gotten support from regular folks, especially farmers, workers, and blacks.
  5. Reinvigorated, he started a program named "**Point Four**." It was to give money and technical help to underdeveloped nations. It was a humanitarian effort, but it was also to prevent them from going communist.
  6. He outlined a new domestic program called the "**Fair Deal**." It was a mini-New Deal. The Fair Deal was to improve housing; increase employment, minimum wage, farm price supports; start a new TVA, and extend Social Security.
    1. Many of these programs were shot down in Congress.

2. Its major successes were in upping the minimum wage, passing the **Housing Act** (1949) to provide public housing, and extending old-age benefits in a new Social Securities Act (1950).
17. The Korean Volcano Erupts (1950)
1. As Germany had been split, so too had Korea. North Korea had a communist government thanks to Russia, South Korea was democratic thanks to the U.S. North and South Korea were split at the 38th parallel.
  2. Things were okay until June 25, 1950 when the North suddenly invaded the South. The South was overrun except for the southernmost city of Pusan.
    1. America's Truman Doctrine policy of containment was being challenged. It was time to put-up or shut-up.
  3. Pres. Truman took action and used Korea as an opportunity to build up the U.S. military.
    1. The National Security Council had recommended in 1950 document called **NSC-68** that America's defense spending be quadrupled. Truman put NSC-68 into action.
      1. NSC-68 was symbolic in that (1) it showed the fear of communism and (2) it showed the seemingly limitless production possibilities of the U.S. to even *order* such a massive build-up.
  4. Truman also used the U.N. With Russia and their veto temporarily out, the U.N. named North Korea the aggressor. The U.N. called for action to restore peace—this was the go-ahead to military action.
    1. Within the week, Truman sent Gen. MacArthur's troops to South Korea in a "police action." The U.N. named MacArthur commander of the entire operation, but he took orders from Washington.
18. The Military Seesaw in Korea
1. There were three phases of the war...
    1. First, was the North's invasion of the South in 1950.
    2. Secondly, MacArthur's troops set up at Pusan then did a bold "end-around" and hit behind enemy lines at Inchon. Surprised, the North Koreans were quickly driven northward. They went nearly all the way to the Yalu River, the China border. MacArthur thought the war nearly over. Crossing the 38th parallel into the North raised the stakes.
    3. Third, some 200,000 Chinese "volunteers" helped push back southward to the original line at the 38th parallel.
      1. MacArthur called for a blockade and bombing of China. Washington didn't want to take the war that big. MacArthur pressed the issue and went public with it.
      2. Pres. Truman fired MacArthur. Truman was criticized for removing the popular general, but he felt he had no choice. The American military is ultimately run by *civilians*, not the military.
      3. The war bogged down there for two more years, and that's where it ended in 1953.