Postwar Economic Anxieties

* Joblessness and insecurity increased suicide rate, marriage rate fell, babies went unborn due to tight budgets. Sexual depression in the United states
* Were post-war predictions going to be true? Was the war just a breather from the permanent economic depression
* Faltering economy threatened to confirm
  + GNP slumped sickeningly to confirm the worst predictions.
  + Prices levitated 33%
  + 4.6 million laborers laid down their tools
* Taft-Hartley act was passed, despite Truman’s veto
  + “Slave-labor Law”
  + Closed all union sops, made unions liable for damages that resulted from disputes, and union leaders had to take non-communistic oaths.
  + Obstacle that slowed down labor
* Labor was unable to help the South.
* CIO operation Dixie
  + Unionizing southern textile and steelworkers failed due to mixed races.
  + Women in growing service industries were hard to organize.
* Democratic took their own measures to forestall such a collapse
  + Sold factories to private investors
  + Employment Act: To promote Maximum Employment, Production and Purchasing power
  + Council of Economic Advisers
* Service Readjustment Act( GI- Bill)
  + Generous provisions to soldiers and sent them to school. 2 million ex-GI’s stormed halls of higher learning.
  + Veterans Administration: Gave soldiers ability to buy homes, farms, and small businesses. Nurtured the robust and economic expansion

Long Economic Boom:

* GNP began to rise in 1948
  + Fell into a plateau during the 1950, surged for 2 decades
  + National income doubled, shooting the trillion dollar mark.
  + Enjoyed 40% of the planet’s wealth
* Transformed the lives of majority of American citizens and molded political agenda for two generations
* Passed ways for the civil right movement, expanded Medicar and confidence to exercise leadership
* Middle Class definition was doubled and 60% of all Americans fell into this class.
  + 90% owned a TV, 60% owned homes
* Women workers were being promoted. They accounted for over a quarter of the industry.
  + Went into Urban offices and etc. Popular culture still glorified the traditional roles of woman as a homemaker and a mother

Root of prosperity:

* Powerful stimulus. Countries had been ravaged by years of fighting, U.S used the war to improve its economic conditions
* The success pinned on colossal military budgets, making it “permanent war economy”
  + Korean War. GNP =10% of the GNP in ensuing decades
  + Aerospace, plastics and electronics, areas in which US reigned supreme.
* R&D in scientific research.
* Cheap energy also feed the boom
  + US and Europe controlled abundant petroleum from the Middle East and kept prices low
  + Doubling consumption in inexhaustible oil seemed as if it was endless.
  + Endless highways, air condition, and electricity-generating capacity increased.
* Productivity increased at an average rate of 3%
  + 90% of the school-age population was in education institutions by 1970
* Better educated and equipped produced twice as much in hour’s labors.
* Economic structure changed immensely: accelerating shift of the workforce out of agriculture.
  + Family farm was antique. Businesses produced costly machinery to make stuff efficient.
  + Rich, new fertilizers, government subsidies and price supports for farmers. 1 farmworker produced food for 50 people.
* Farmers made up 2% of the American population and fed majority of the world

Sunbelt:

* Economic changes of the post-1943 period shook and shifted people and amplified the population
* Immigrants and westward trekking pioneers changed houses every year. Families became more nuclear.
  + Common sense of Baby and Childcare.
  + Instruction that was usually given from grandparents to parent, parent to child.
  + Friendships and neighbors were hard to maintain.
* Sunbelt area: Virginia through Florida and Texas to Arizona and California. Increased population at double of old industrial zones.
  + CA – 1/5 of growth. Most populous state by the 21st century.
* South and Southwest were a new frontier for Americans
  + Came jobs, better climate, and lower taxes
* Found jobs in abundance: CA- Electronics Florida and Texas- Aerospace.
  + Niagara of federal dollars accounted for much of the sunbelt’s prosperity.
* A new economic war was rising: Northeast and their allies from Ohio tried to rally support with the slogan: the north shall rise again.
  + Every elected occupant of the Whitehouse has come from the Sunbelt. Redrawing Republic’s political map.

Rush to the Suburbs

* Modern migrants, if they were white, went to new suburbs. Government policies helped this immense movement
  + FHA and VA home-loan made it attractive to own a home in the suburbs.
  + Tax deductions for interest payments on the home mortgage made financial incentive.
  + ¼ Americans lived in the suburbs and held ½ population.
* Construction industry boomed in the 1950’s
  + Levitt brothers: Revolutionized the techniques of home construction. Erecting millions of projects from standardized plans with framing modules and etc.
* White flight to the leafy green suburbs left inner cities. Migrating blacks made up the cities.
  + Imported poverty of south into inner cities.
  + Tax paying businesses fled with their affluent customers to suburban shops.
  + Risk of loans to black and other unharmonious racial or nationality groups and refused mortgages on private home purchases
    - This caused lack of mobility out of inner cities and into pulic projects.

Postwar Baby Boom:

* None was more dramatic than the baby boom, huge leap in confidence
* Tied he nuptial knots in record numbers and filled empty cardles
  + Crested in 1957 , which let to a birth dearth.
* Fertility rates dropped below the point necessary to maintain existing population figures.
* As the bulging wave along the population curve grew, it strained many aspects. Elementary schools swelled to 34 million and then declines, leaving closing schools.
* Economic shocks waves undulating.
  + Culture had an immense influence.
    - 1950’s canned food, 1960’s music investment 1960s jeans
* In 1980s, the horde of baby boomers bumped and jostled for a foot in the job market. And soon led to a secondary boom generation in the 1990’s.

Truman: The Gutty man from Missouri

* Chosen to replace dead Roosevelet.
* Average man’s average man. Everything about him was average. He was without a college degree, farmed, artiellery officer in France, and failed as a haberdasher.
  + Become a Judgship to the U.S Senate and a protégé of a political machine in Kansas.
* Became, from a pipseqak, to a confident person with cockiness.
* Permtted his Missouri Gang to assemble around him, and was loyal to them. “S.OB.” letters.
* To err is Truman. He would be too decisive in public
* He had down-home aunthetcity, few pretensions, and a character trait called moxie. “The buck stops here”.

Yalta: Bargain or Betrayal?

* Soviety Union was an immense enigma.
  + Tehran: Had done something to clear the air but stilled remained unresolved, questions about fates of Germany, Europe, and Asia.
* Yalta Congerence: Big three finally meet again. Final plans were laid for smashing Germans. Stalin agrees that Polan should have representative government and free elections. Same with Bulgaria and Romania.
* Peacekeeping organization: The UN
* FDR wanted that Stalin should enter the war in Japan fearful of high American losses. But Russia needed its consolation to enter the war.
  + Stalin could exact his price. Attack Japan in three months after collapse of Germany. In return, he would get Sakhalin Island and Kurile Islands. And also: Machuria and privlages at Dairen and Port Arthur.
* FDR was charged with selling out Jiang Jieshi down the river.
  + Contributed to his overthrow by the communists four years later.
  + Defenders countered that Stalin could have secured much more of China if he wished and set limits at Yalta.
* Sketching general intentions and testing one another’s reactions. FDR admitted Yalta was so elastic that the Russians can stretch it all the way from Yalta to Washington without breaking it.

The U.S. and Soviet Union:

* Little hope there would be cordial relations between the two countries.
  + Communism and capitalism were historically enemies of one another.
  + U.S. refused to recognize the Bolshevik revolutionary government in Moscow until it was 16 years old.
  + Left out Russia from atomic bomb project.
* Rubbed more salt when it terminated Lend –Lease and spurned 6 billion dollar reconstruction loan.
* Stalin: Aimed to guarantee security of Soviet Union. He was determined to have friendly governments along the western border by maintaining extensive spheres of influence.
  + Sphere of influence looked like an ill-gained empire. Doubting that Stalin’s goals were only defense, they remembered the earlier Bolshevik call for word revolution.
* Open world idea clashed with Stalin ( Decolonized, demilitarized and democratized)
* Unaccustomed to their great power roles and unfamiliar with each other, and believing in own particular ideology, USSR and US found themselves in an eye to ye staring contest over Europe.
  + Grand Alliance of the United States had been a mis begotten child of necessity and soon crushed.
  + Communist Russia and Democratic America fight was inevitable. Standoff known as the Cold War that shaped Soviet-America relations and shadowed the postwar order in globe. Molded societies and economies all over planet.

Shaping the Postwar World

* United States did manage to erect some structures that would support Roosevelt’s vision of an open world.
* Western Allies established the International Monetary Fund (IMF) to encourage world trade and regulate currency exchanges
  + International Bank for Reconstruction and Development ( World Bank) to promote growth in certain areas.
  + Soviets declined to participate
  + UN opened on April 25th, 1945 despite Roosevelt’s death earlier.
    - Reps from 50 nations came together, each of whom had a right of veto and the assembly would be controlled by smaller countries.
    - Council: US, Britain, France and China
* The senate approved the document 89 to 2
* The UN set up its home in the New York City and had some success
  + Preserved peace in Iran, Kashmir and other spots.
  + Helped create new Jewish State in Israel.
  + Guided former colonies to independence
* UNESCO: Organization that brought multiple benefits
  + Failure of US to control the fearsome of the atom. Bernard Baruch, free from the great-power veto, attempted to bring worldwide control over atomic energy.
    - Soviet delegate countered and said that possession of nuclear weapons simply be outlawed by every nation.
  + Both ideas collapsed as Truman wouldn’t give up his bombs and soviets refused to give up their veto.

Problem of Germany:

* Hitler’s ruined Reich posed problems for Allies
  + Agreed to rid of Nazi, but not Germany.
  + Nuremberg, Germany trials were happening as top 21 culprits were put on trial for crimes.
  + 12 of Nazis swung from gallows, 7 death, and some had cyanide.
  + Condemned as judicial lynching
* Allies could agree little about postwar Germany
  + American-Hitler haters said that Germany was a brutal aggressor and wanted to dismantle Germany to potatoes. Soviet denied assistance and wanted to repair the land by extracting enormous reparations from Germany
  + Clashing viewpoints occurred.
  + Germany had been divided at war’s end into four military zones each assigned to the Big Four Powers
* Western Allies refused to allow Moscow to bled their zones of the reparations that Stalin insisted he had been promised at Yalta. They wanted to reunite Germany.
  + Communists responded by tightening grip on Eastern Zone.
  + Split into West Germany and East Germany
* East Germany was Soviet dominated. Europe countries such as Poland and Hungary become satellite states, bound to the Soviet Union.
  + Eastern Europe disappeared from Western signt behind the iron curtain of secrecy and isolation Stalin clanged down across Europe from the Baltic to Adriatic
* With Germany split, there was a problem known as Berlin:
  + Broken into sectors occupation zones.
  + Soviets chocked of all rail and high way access to Berlins. They wanted to starve the Allies out.
* Berlin was a test of wills between Moscow and Washington. Americans organized an immense airlift in the mdist of the tension.
  + Feried thousands of of supplies a day to Berliners
  + Western Europe took heart from the demonstrations
  + Soviets bluff and been called lifted the blockade present
  + Governments of the two Germans were formally established.

Crystalizing the Cold War:

* Stalin also probed the West’s resolve at other sensitive points, including Iran.
  + Stalin broke an agreement to remove his troops from Iran’s northernmost province.
  + Used troops to create a rebel movement.
  + Truman sent a stinging protest
* Moscow’s hard policies in Germany, Eastern Europe, and Middle east brought a psychological Pearl Harbor
  + Jarred wide open by the Kremlin’s unwillingness to continue the wartime partnership
* Any good will from the period of comrade had evaporated into distrust
* George F. Kennan: Russia was expansionist. Kremlin was also cautious and the flow of Soviet power could be stemmed by firm and vigilant containment
  + Truman embraced his ideas and adopted a “get-touch-with-Russia” policy in 1947.
  + Britain could no longer bear the financial load of defending Greece from communism.
    - Greece fell, Turkey would fall and the Mediterranean would pass into Soviets
* President went before Congress and requested support for Truman doctrine.
  + 400 million to support Greece and Turkey. “Policy of US to support free people” who are resisting outside subjugation by armed pressures.
* People later claimed that Truman overreacted by promosing support to any tinhorn despot who claimed to be resisting Communist Aggression
  + Truman Doctrine was polarized the world into pro-Soviet and pro-American camps.
  + Others credit it to his fear of isolationism that led him to exaggerate the Soviet threat and cast his message.
* A threat of difference sort loomed in Western Europe
  + Nations were still suffering from hunger and economic chaos and were danger of being taken over by Communist parties
  + Truman responded with a bold policy.
  + At Harvard, Secretary of State George C. Marshall invited European nations to get together and work out a join plan for their recovery.
    - United states would provide financial assistance
* Forced cooperation and led to the European Community (EC)
* Democracy nations of Europe gave bait to the Marshall Plan
  + Marshall offered aid to the Soviet Union and allies as long as they would accept certain outside controls
  + “Martial Plan”
  + 12.5 billion dollars over four years. Congress balked but soon awoke legislators when the voted on it.
* Truman’s Marshall Plan was a huge success
  + Pumped reviving blood into Europe. Economic miracle and back into the war, exceeding its prewar outputs.
  + Communism was lost in Italy and France
* Truman made another decision
  + Arab oil sheiks did not like Israel. Threatened to lay siege to it.
  + Truman recognized Israel despite much protest from his people
    - Humanitarianism sympathy for the Jewish ranked high among the reasons as did wishes to preempt Soviet influence in Jewish state.

America begins to rearm:

* Soviet Communism
  + Standoff with the Kremlin banished dreams of tax-fatigued Americans that tanks could be made into automobiles
  + Soviet caused unification of armed services
* NSA: Created the DoD. House in the Pentagon building on the banks of the Potomac and header by a Secretary of Defense.
  + Joint chiefs of staffs: Air force, army and navy.
* NSA also created NSC:
  + Advise President on security matters and the CIA to coordinate
  + “Voice of America” began beaming American Radio broadcasts behind the iron curtain
* Military Conscription was resurrected. Shaped millions of men into educational, marital, and career plans.
* Democracies in Europe were also quite nervous:
  + NATO: Britain, France, Belgium, the Netherlands and Luxembourg signed a treaty of defense. US usually does not create alliances during war time peace but saw that it was necessary as:
    - Strengthen containment
    - Reassure European family
    - Not to abandon them and join Russian Bear

Reconstruction and Revolution in Asia

* Reconstruction in Japan was simple
  + General MacArthur was the leading commander in Japan
* He followed his own process despite many protests from the Soviet Union
  + His plan was as follows:
    - Nuremberg trials for the Japanese
    - Japanese cooperation was amazing as they wanted to adopt democracy
    - Constitution was adopted and renounced militarism and embraced democracy
* China was the opposite situation:
  + A bitter civil war had been going on
  + Washington gave half-hearted support to Jian Jieshi in his struggle with Mao ZeDong.
  + Ineptitude and corruption riddled his government, which led to defeat.
    - Jian was forced to escape to Taiwan
* Nationalist China was a huge defeat for the United States. In one swoop, 500 million people, ¼ of the world, became communist
  + Republicans seeked the Goat who had lost china.
  + Assailed Truman and Dean Acheson. They insisted that the democratic had purposely allowed this to happen while Democrats said that no amount of support could have prevented this
* 1949: Atomic Bomb Development by Soviet, three years early than it was anticipated.
  + To outpace them, the U.S. developed the H-Bomb and decided it in the South Pacific.
  + Practically leading to human genocide

Ferreting out Alleged Communists

* Many citizens feared that communism was coming back at home.
  + Feared communist spies, paid with Moscow gold.
* Truman launches a massive loyalty program.
  + Loyalty Review Board: Investigates 3million federal employees. 3000 were resigned
  + Individual states were security conscious and demanded loyalty oaths from employers. Could the nation still continue traditional freedoms?
* Dennis V. United States
  + 11 communists were brought to a jury in NY for violating Smith Act of 1940. Sent to prison for advocating communism
* HUAC investigated “subversion”
  + Richard M. Nixon: Led the chase after Alger Hiss, an ex-new dealer. Hiss wanted to demand himself. He denied everything but was caught and put to prison for perjury.
* Was US really riddled with spies? Joseph McCarthy led the search for communists in Washington.
  + He looked for declining religious sentiment, increased sexual freedom and agitation for civil rights. Ransacked school libraries for “subversive” textbooks and drove debtors, drinkers, and homosexuals from their jobs
* Truman Vetoed the McCarran Internal Security Bill among other such provisions
  + “Arrest and detain suspicious people during internal security emergency”
  + Enacted over Truman’s veto
* Success of Soviet Scientists attributed by clever Soviet spies who had leaked atomic data to Moscow:
  + Julius and Ethel Rosenberg. They longed appeals and went to the electric chair and executed.
  + Left the nation sober for their two orphaned children

Democratic Divisions in the 1948:

* High-Tax Harry Truman.: Republicans had won control of Congress in 1946.
* Republicans nominated Thomas E. Dewey, still as a debonair
  + Dump Truman movement collapsed when Eisenhower refused to be drafter.
  + Truman was chosen despite vehement protests of the Southern delegates.
* Truman split the party wide open.
* Dixiecrats: Southern confederates who nominated Governor J. Strom Thurmond of South Carolina.
* Henry Wallace threw his hat into the ring. Nominated in Philadelphia by a new Progressive Party.
  + Wallace was a misguided liberal who assailed the dollar imperialism from the stump.
    - Pied piper of the Politburo
    - Only hopeful candidate
* Democrats were ruptured three ways but Dewey felt as if the tide was in his favor. He assumed victory and remained overconfident.
  + He engendered his massive lead by being cold and smug
* The seemingly doomed Truman, with little money and few supporters relied on his gut-fight instincts
  + Traveled all across the country in order to give speeches and present himself. He lashed out at Taft-Hartley Act and delivered “give ‘em hell” speeches.
* On Election night, Chicago Tribune ran off an early edition but turned out that President Dewey had lost from the jaws of victory
  + Truman had swept to a stunning triumph to the complete bewilderment. Even Thurmond took 39 electoral votes in the South. Truman one 303, Dewey 189.
  + Democrats regained Congress
* His victory rested on farmers, workers, blacks.
  + Only the people wanted him.
* He went in with a “bold new program”: Point four
  + Lend U.S money to underdeveloped land
  + Spend millions to keep underprivileged people from becoming communists
  + Helped Latin America, Africa and Near East.
  + Fair Deal
    - Improved Housing, Minimum wage, and farm price supports.
    - Only thing that passed was Housing Act

Korean Volcano Erupts:

* Korea, the land of the morning calm, heralded a new and more disturbing part of the Cold War
  + Soviet troops had accepted the Japes surrender north of the 38th parallel and American troops had done on the South.
  + Both superpowers wanted the reunification of Korea, but as in Germany, each set up rival regimes above and below the parallel.
* Entire Peninsula was a bristling armed camp
  + Secretary of State Acheson washed his hands of the dispute
  + Declared in a memorable speech that Korea was essential to US Defense perimeter in the pacific
* Truman sprang quickly and was reminded of the containment doctrine.
  + Also provided the occasion for a vast expansion of the American military.
  + NSC recommended in NSC- 68 that US should quadruple its defense spending.
  + Resurrected by the Korea Crisis.
* Truman ordered a massive military buildup, well beyond that as needed
* NSC 68 was a key document because it marked a step in militarization of American foreign policy and limitless possibility.
  + America could bear the huge costs of gigantic rearmament program.
  + Obtained a unanimous condemnation of North Korea as an aggressor.

The military seesaw in Korea

* Rather than fight his way out of Pusan perimeter, Macarthur launched a daring landing behind the enemy’s lines at Inchon.
* This bold gamble on Sept. 15 1950 succeeded brilliantly
  + North Koreans had scrambled back into 38th parallel.
  + Truman wanted to restore South Korea to form borders but Koreans had already crossed the 38th parallel.
  + The U.N. authorized a crossing by MacArthur as long as there were no intervneions
* The Americans thus raised stakes in Korea and got involved with China.
  + Would not stay idle as they watched hostile groups approach the Yalu River.
  + MacArthur ignored and continue on
* MacArthur erred as Chinese fell upon his lines and hurled the UN forces beck down into peninsula.
* Imperious MacArthur was humiliated and wanted a blockade of Chinese coast and bombardment of Manchuria
  + Washington refused to enlarge it.
  + First place to watch was Europe and not Asia
  + General MacArthur sneered at limited war and said there was no substitute for victory.
* MacArthur was fired for his insolence and returned to America has a hero while Truman as a pig .
* Truce discussions began but were ended at the issue of prisoner exchange.