The Fair Deal and Containment

- What was the economic, social, and political aftermath of WWII, and what were the origins and early developments of the cold war?
- What was Truman’s Fair Deal?
- What was the extent of US involvement in the Korean War?
- What were the roots of McCarthyism?

- Cold war began immediately after WWII
  - US-Soviet alliance collapsed
  - US and Soviet union could not bridge ideological differences
  - Mutual suspicion
  - Power vacuums created conflict
  - Anti-colonial uprisings in Asia and Africa, threatened British and French empires
  - postwar world was unstable

Demobilization under Truman

Truman’s Uneasy Start

- Roosevelt and Truman came from different backgrounds
  - Truman: no college, etc.
  - Unglamorous

- Truman served in France as captain of artillery battery during WWI
  - Went into clothing business after that
  - Became politician in Kansas
  - Democratic

- Truman lacked Roosevelt’s charm
  - Clumsy public speaker
  - Evoked spirit of Andrew Jackson

- Truman favored much of New Deal
  - Was prepared to extend its scope
  - Replaced much of the Roosevelt cabinet
  - On the whole, more conservative appointments

- Truman gave clue to his domestic policies in 1945
  - Sent Congress a comprehensive peacetime program—enlarged the New Deal
  - 21 points included:
    - Expansion of unemployment insurance
    - Higher minimum wage
    - Permanent Fair Employment Practices Committee
    - Slum clearance and low-rent housing
    - Development
    - Public works

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Converting to Peace

- Rapid demobilization of armed forces, return to congenial pursuits
  - Public demanded that troops be brought home
- Military veterans eagerly returned to schools, jobs, wives, babies
  - Population growth soared
  - Baby-boom generation
- End of war brought sharp dislocations but not postwar depression
  - Unemployment insurance and Social Security benefits cushioned demobilization
  - Servicemen’s Readjustment Act: GI Bill of Rights $13 billion spent for veterans in education, training, medical equipment, insurance, loans, demand for consumer goods
    - Created opportunities to spend money

Controlling Inflation

- Acute economic problem was inflation, not depression
  - Business was frustrated by government control of prices
  - Truman endorsed wage increases
  - Union demands for higher wages and benefits
- Series of strikes followed
  - United Automobile Workers walked out on General Motors—Walter Reuther argued that company could afford pay raise
  - Strike in steel industry generalized formula for settling most disputes
  - Truman suggested pay raise of 18.5 cents per hour, United Steelworkers accepted but management refused
  - Administration agreed to let company increase prices
  - Dangerous precedent of price-wage spirals was set
- Major disputes developed in coal and railroad industries
  - John Lewis, head of United Mine Workers, wanted more than 18.5 cent raise
  - Also demanded improved safety regulations and a health and welfare fund for union members
  - Owners refused demands, strike followed
  - Government used wartime powers to seize mines, Union demands accepted
- Truman seized control of railroads and won five-day postponement of a strike
  - Union leaders refused to budge
  - Truman demanded Congress to draft strikers into the armed forces
  - House passed a bill, but died in Senate
  - Strike was settled before
- Office of Price Administration maintained some restraint on price increases while gradually ending rationing
  - Truman asked for renewal of its powers
  - Business leaders campaigned against price controls
  - Truman gave up battle after Congressional elections of 1946
  - Ended price controls except on rent, sugar, rice
  - Truman wanted price controls
Partisan Cooperation and Conflict

- Congress and the administration worked out two important initiatives: Employment Act and Atomic Energy Commission
  - Full employment had been Democratic promise
  - Conservatives objected to what seemed like a carte blanche for deficit spending
  - Conservatives proposed nonpartisan commission to advise the president on the economy
  - Compromise resulted in Employment Act: dropped commitment to full employment and set up Council of Economic Advisers to make evaluations of economy, advise president
  - Joint Committee on the Economic Report would propose legislation
- Public welfare required control of atomic energy through a government monopoly
  - Disagreement over military vs. civilian control
  - Atomic Energy Commission: president alone was given power to order use of atomic weapons in warfare
- Public discontent was high, focused on administration
  - Truman was seen as responsible for labor problems
  - Republicans charged that Communists had infiltrated the government
  - Republicans won majority in both houses of Congress in 1946
- Republican Congress sought to curb the power of the unions
  - Taft-Hartley Labor Act: banned the closed shop (non union workers could not be hired) but permitted a union shop (newly hired workers were required to join union)
    - Included provisions against unfair union practices
  - Union political action committees were only allowed to function on voluntary basis
  - Employers were permitted to sue unions for breaking contracts that declared they were not Communist
  - The act forbade strikes by federal employees and imposed a “cooling-off” period of 80 days on any strike that the president found to be dangerous to national safety
- Truman's veto of the Taft-Hartley Bill restored his credit with labor, and many unionists
  - But bill passed over Truman’s veto
  - Most severe impact was on the CIO’s Operation Dixie, a drive to win unions a more secure foothold in the South
- Truman clashed with Republicans over domestic issues, including tax-reduction
  - Vetoed tax cut—believed high production and employment would allow people to afford higher taxes and thus reduce national debt
  - Congress overrode veto
- Conflicts between Truman and Congress obscured high degree of bipartisan cooperation
  - National Security Act: created National Military Establishment, headed the secretary of defense, National Security Council, made permanent Joint Chiefs of Staff, wartime innovation, established Central Intelligence Agency CIA

The Cold War

Building the UN

- Wartime alliance would not carry over
- Allied delegates from 50 nations met in San Francisco and drew up Charter of the United Nations
Senate ratified UN charter, first meeting in London

**Trying War Criminals**
- Allies agreed that war criminals would be punished
  - At Nuremburg, 21 German offenders faced international military tribunal
  - Thousands were tried

**Differences with the Soviets**
- Orthodox view suggests that Soviets tried to dominate globe, were first to spark Cold War
- Revisionists argue that Truman and American imperialists were the culprits
- There were signs of trouble in the Grand Alliance of Britain, Soviet Union, and US: Soviets installed compliant governments in Eastern Europe—violated Yalta promises
  - Soviet puppet governments
  - Protests led to Soviet counter protests
- Churchill sent a telegram to Truman, iron curtain was apparent in Europe
  - US forces withdrew from the German occupation zone assigned to Soviet Union
  - American diplomats hoped Yalta agreements would be carried out
- There was little the Western powers could do to prevent Soviet control of their region
  - Non-Communists could not gain influence due to military presence
- Secretary of State Byrnes struggled with postwar treat problems
  - Council of Foreign Ministers produced treaties for Italy, Hungary, Romania, Bulgaria, and Finland
  - Confirmed Soviet control over Eastern Europe
  - Yalta agreements of democracy in Eastern Europe turned out to be nothing more than rhetoric
- Byrnes’s impulse to pressure Soviet diplomats by brandishing atomic bomb did not intimidate anyone
  - Soviets paid little notice to America’s growing arsenal of nuclear weapons

**Containment**
- Relations with Soviet Union became troubled by 1947
  - Stalin believed peace was impossible due to capitalism
- *Foreign Affairs*, published anonymously by Kennan in State Department, spelled out ideas for response to Soviets
  - Analysis of Soviet insecurity
  - Insisted that main element of US policy must be long-term, patient, vigilant—containment
- Truman and his advisers feared that Soviet aims would reach beyond Eastern Europe
  - Soviet Union sought access to Mediterranean
  - 1946 Civil war broke out in Greece between British-backed government and Communist faction
  - British announced that they could no longer bear the economic burden of aiding Greece

**The Truman Doctrine and the Marshall Plan**
- Truman requested aid for Greece and Turkey
- Truman doctrine: justified aid to Greece and Turkey in terms more provocative that Kennan’s ideas
  - Policy of US should be to support free peoples who are resisting subjugation
Kennan did not support Truman’s indiscriminate commitment to contain communism everywhere

- Congress passed Greek-Turkish aid bill, spent $659 million
  - Turkey achieved economic stability
  - Greece defeated Communist insurrection

- The Truman Doctrine marked the beginning of the Cold War
  - Ideological struggle
  - Europe was devastated
  - Communist parties of France and Italy were flourishing
  - UN support provided little basis for economic recovery

- General George Marshall, secretary of state, called for program of massive aid to rescue western Europe from disaster
  - Policy against hunger, poverty, and chaos, not particular countries
  - Offered aid to all European countries, including Soviet Union
  - Meeting in London to discuss needs
  - Soviet foreign minister Molotov withdrew, feared imperialist scheme

- In 1947 Truman submitted proposal for European Recovery Program
  - Communist insurgency in Czechoslovakia
  - Ensured passage of Marshall Plan
  - Economic Cooperation Administration managed Marshall Plan, poured $13 billion into European economy

**Dividing Germany**

- Marshall Plan drew the nations of western Europe closer together
  - Germany economy stagnated
  - Zones of occupation evolved into governments
  - US, French, and British zones united to form West Germany
  - Soviet leaders resented the Marshall Plan and West Germany
  - Soviets began to restrict road and rail traffic to West Berlin
  - Stalin cut electricity, led to war by starvation
  - Soviets hoped blockade would force Allies to give up Berlin

- Truman insisted the West remain firm
  - Opted for airlift
  - After talks, Soviets lifted blockade
  - Federal Republic of Germany had a government under Chancellor Adenauer
  - West Germany gradually acquired more authority

**Building NATO**

- Transatlantic unity ripened into military alliance
  - North Atlantic Treaty was signed by twelve nations, Senate ratified, isolationism had disappeared
  - Treaty pledged that an attack against any was an attack on all
  - Provided North Atlantic Treaty Organization

- Zionists, who advocated Jewish nation in Palestine, migrated there
  - Number of migrants increased during WWII
  - British control offered promise of homeland
Jews of Palestine demanded their own state

- UN General Assembly voted to partition Palestine into Jewish and Arab states—Arab opposition
  - British mandate of control expired, Jewish leaders proclaimed Israel
  - Truman recognized Israel
  - Neighboring Arab nations attacked Israel
  - UN mediators worked out truce
  - Complicates US foreign affairs

Civil Rights during the 1940s

- America’s racial landscape was transformed
  - Times were ripe to fight against bigotry and prejudice
  - Treatment of blacks was compared to treatment of Jews

- Truman showed little concern with African Americans
  - Began to reassess his convictions
  - Hosted delegation of civil rights activists
  - Condemned KKK and lynchings
  - Truman appointed Committee on Civil Rights to investigate violence
  - Renewal of Fair Employment Practices Committee
  - Federal aid denied to segregated schools

- Truman banned racial discrimination in hiring federal employees in 1948
  - Issued end to segregation in armed forces

Jackie Robinson

- Racial segregation was confronted in baseball
  - First player to cross the color line
  - Robinson was booed
  - Appreciated by blacks
  - Other teams signed black players

Shaping the Fair Deal

- Truman had a weak image on the domestic front
  - Democratic party was about to fragment: southern conservatives resented Truman’s outspoken support of civil rights, left flared over firing of Secretary of Commerce Henry Wallace after he criticized policy against Russia
  - Left itself was splitting between Progressive Citizens of American (supported Wallace) and Americans for Democratic Action

- Predictions that Truman would be defeated in 1948 election
  - Truman mounted furious reelection campaign
  - Strong support from farmers
  - Got support from metropolitan areas by supporting labor and civil rights

- State of the Union address: protect human rights, resources, education, extend unemployment benefits, rural electrification, higher minimum wage, admission of refugees, more money for Marshall Plan
The Election of 1948

- Republican-controlled Congress rejected Truman
  - Republicans nominated Thomas E. Dewey
  - Platform: endorsed New Deal, bipartisanship, efficiency

- Truman won Democratic nomination
  - Opposed racial discrimination only in general terms to appease south
  - Liberal Democrats wanted more strict action for civil rights

- Rebellious southern Democrats met in Birmingham and nominated Strom Thurmond on States’ Rights Democratic ticket—Dixiecrat Party
  - Goal was to draw away votes and defer election to House
  - Left wing Democrats nominated Henry Wallace on Progressive Party ticket

- Polls predicted win for Dewey, but Truman won
  - Dixiecrat rebellion backfired: angered black voters
  - Thurmond’s success caused disruption in Democratic South
  - Democratic majorities in Congress

- Truman viewed his election has vindication of New Deal and mandate for moderate liberalism
  - “Every individual has a right to expect from his government a fair deal”
  - Fair Deal

- Some Fair Deal proposals became law, most remained extensions of the New Deal
  - Higher minimum wage
  - Extension of Social Security
  - Extension of rent controls
  - Increased subsidies
  - Slum-clearance and housing
  - Conservative coalition of Southern Democrats and Republicans thwarted drastic new departures in domestic policy
    - Congress rejected civil rights bills, health insurance, federal aid to education, plan to provide subsidies to farm income
    - Turned down repeal of Taft-Hartley Act

The Cold War Heats Up

- Global concerns plagued Truman’s second term
  - Called for anti-Communist foreign policy
  - Four pillars: UN, Marshall Plan, NATO, technical assistance to underdeveloped world (Point Four)

“Losing” China and the Bomb

- Chinese nationalists, led by Chiang Kai-shek, were fighting against Mao Zedong and the Communists
  - Chiang’s government was corrupt and inefficient
  - US policy promoted peace between the factions
  - Civil war broke out in 1945

- Nationalists fought losing battle against Communists
  - Nationalist government fled to Taiwan
  - US continued to recognize Nationalist government in Taiwan
Delayed formal relations with Communist China
US recognized Emperor Bao Dai in Vietnam to create friendship in Asia

- Mao and Communists gained control of China, US found out that Soviets had made their own atomic bomb
  - Strategic balance of power was upset
  - Truman ordered construction of hydrogen bomb

- National Security Council produced top-secret document: NSC-68, called for rebuilding of American’s conventional military forces to provide options other than nuclear war
  - Departure from aversion to keeping large standing armies
  - Expensive
  - Most Americans accepted America’s role as a world leader

War in Korea
- Japanese had occupied Korea since 1910, withdrew after losing WWII, Allies had to create new Korean nation
  - Soviet troops had advanced into North Korea, US into South Korea—divided by 38th parallel
  - Separation of government

- Initial goal was to unify Korea, but Cold War made the division permanent
  - Weakened US army gave impression that South Korea was more vulnerable
  - Soviets encouraged North Koreans to use force to unify Korea and oust Americans

- North Korean soldiers crossed the boundary in 1950, Truman responded decisively
  - Decided to wage war under auspices of UN rather than unilaterally
  - Decided to wage war without asking Congressional approval

- Emergency UN Security Council meeting censured the North Korean “breach of peace”
  - Soviet delegate boycotted
  - UN called for assistance to the Republic of Korea to repel armed attack and restore peace
  - Truman ordered US air, naval, and sea forces into action, MacArthur put in command
  - Important precedent: war ordered by president without Congressional approval
  - Had been done before, but to this scale

- Fighting in Korea went badly for the Republic of Korea and the UN forces
  - Brilliant maneuver by MacArthur in 1950: sudden blow coordinated with arrival of troops, MacArthur persuaded Truman to allow him to push north and seek unification
  - Wake Island Conference: Truman met with MacArthur due to fear of Chinese intervention, MacArthur discounted

- Beijing announced that China could not stand idly by
  - UN forces entered North Korean capital
  - Chinese “volunteers” counterattacked, turned the tables on UN troops
  - MacArthur wanted 34 atomic bombs

- Truman opposed leading US into gigantic booby trap of war with China
  - UN troops under General Ridgway secured lines below Seoul, launched counterattacks
  - Truman wanted to negotiate to restore status quo, MacArthur undermined and issued ultimatum for China to make peace or suffer attack
  - Truman fired MacArthur, replaced with Ridgway

- Truman’s actions resulted in uproar in the US
  - But MacArthur was criticized
  - General Bradley: taking on China would result in expensive deadlock
• Soviet delegate in UN proposed ceasefire in Korea
  o China and North Korea favored it
  o truce talks began in 1951
  o demilitarized zone separated forces, no final peace talk happened

Another Red Scare
• United States American Activities Committee (HUAC) kept up accusations
  o Truman approved procedures for employee loyalty program within government
• Alger Hiss, president of the Carnegie Endowment for International Peace
  o Whittaker Chambers, former Soviet general, accused Hiss of giving him secret documents
  o Hiss sued for libel, denied accusation, but convicted in 1950
• Most damaging to administration was that Truman took at face value the many testimonials to Hiss’s integrity, called the charges against him a “red herring”
  o Political consequence: raised Richard Nixon to national prominence
• More cases of Communist infiltration surfaced
  o Supreme Court upheld accusations, doctrine of “clear and present danger”

McCarthy’s Anti-Communist Witch Hunt
• Politicians exploited public fears
• McCarthy took up cause of anti-communism
  o Claimed that State Department was infested with Communists
  o McCarthy never uncovered a single Communist agent in the government
  o Called General Marshall a traitor
• Fear of Communist espionage led Congress to pass McCarran Internal Security Act over Truman’s veto
• Made it unlawful to conspire with any person to perform any act which would contribute to establishment of totalitarian dictatorship
  o Communist and Anti-Communist organization had to register with Attorney General
  o Smith Act of 1940 outlawed conspiracy to overthrow government

Assessing the Cold War
• Cold War was inevitable
  o America preferred international policies and self-determination and democracy
  o Soviet Union preferred international sphere of influence and totalitarianism
  o Communists believed in world revolution
• International conditions set the stage for war
  o Actions of politicians set it in motion
  o American policies may have incited hysteria
• America became “garrison state”
• American abandoned aversion of peacetime alliances