

## SECTION 1

# Postwar America

### MAIN IDEA

The Truman and Eisenhower administrations led the nation to make social, economic, and political adjustments following World War II.

### WHY IT MATTERS NOW

In the years after World War II, the United States became the economic and military power that it still is today.

### Terms & Names

- GI Bill of Rights
- suburb
- Harry S. Truman
- Dixiecrat
- Fair Deal

## One American's Story

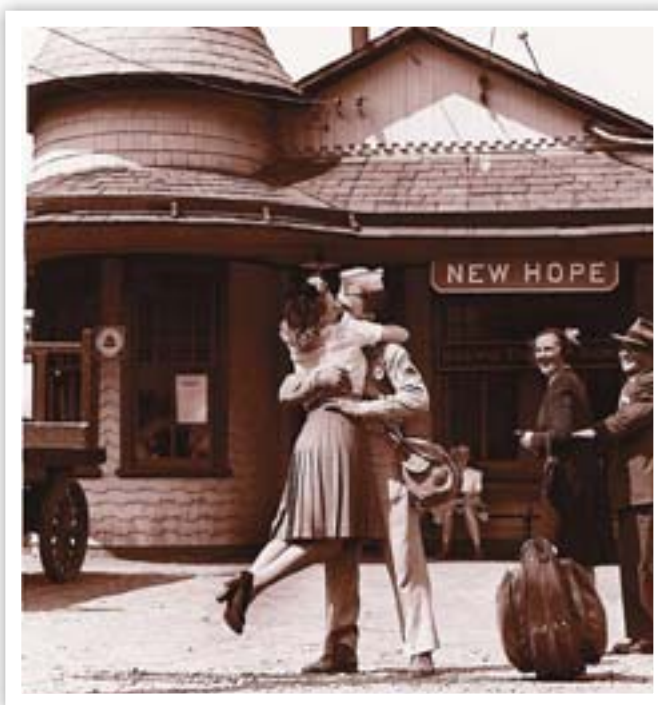
Sam Gordon had been married less than a year when he was shipped overseas in July 1943. As a sergeant in the United States Army, he fought in Belgium and France during World War II. Arriving back home in November 1945, Sam nervously anticipated a reunion with his family. A friend, Donald Katz, described Sam's reactions.

### A PERSONAL VOICE DONALD KATZ

“Sam bulled through the crowd and hailed a taxi. The cab motored north through the warm autumn day as he groped for feelings appropriate to being back home alive from a terrible war. . . . [He was] nearly panting under the weight of fear. . . . *Back home alive . . . married to a girl I haven't seen since 1943 . . . father of a child I've never seen at all.*”

— *Home Fires*

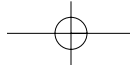
Sam Gordon met his daughter, Susan, for the first time the day he returned home from the war, and he went to work the next morning. Like many other young couples, the Gordons began to put the nightmare of the war behind them and to return to normality.



▲ GIs returned home to their families after World War II with new hope, but also with new problems.

## Readjustment and Recovery

By the summer of 1946, about 10 million men and women had been released from the armed forces. Veterans like Sam Gordon—along with the rest of American society—settled down to rebuild their lives.



**THE IMPACT OF THE GI BILL** To help ease veterans' return to civilian life, Congress passed the Servicemen's Readjustment Act, or the **GI Bill of Rights**, in 1944. In addition to encouraging veterans to get an education by paying part of their tuition, the GI Bill guaranteed them a year's worth of unemployment benefits while job hunting. It also offered low-interest, federally guaranteed loans. Millions of young families used these benefits to buy homes and farms or to establish businesses.

**HOUSING CRISIS** In 1945 and 1946, returning veterans faced a severe housing shortage. Many families lived in cramped apartments or moved in with relatives. In response to this housing crisis, developers like William Levitt and Henry Kaiser used efficient, assembly-line methods to mass-produce houses. Levitt, who bragged that his company could build a house in 16 minutes, offered homes in small residential communities surrounding cities, called **suburbs**, for less than \$7,000.

Levitt's first postwar development—rows of standardized homes built on treeless lots—was located on New York's Long Island and named Levittown. These homes looked exactly alike, and certain zoning laws ensured that they would stay the same. Despite their rigid conformity, Americans loved the openness and small-town feel to the planned suburbs. With the help of the GI Bill, many veterans and their families moved in and cultivated a new lifestyle.

**REDEFINING THE FAMILY** Tension created by changes in men's and women's roles after the war contributed to a rising divorce rate. Traditionally, men were the breadwinners and heads of households, while women were expected to stay home and care for the family. During the war, however, about 8 million women, 75 percent of whom were married, entered the paid work force. These women supported their families and made important household decisions. Many were reluctant to give up their newfound independence when their husbands returned. By 1950, more than a million war marriages had ended in divorce.

**ECONOMIC READJUSTMENT** After World War II, the United States converted from a wartime to a peacetime economy. The U.S. government immediately canceled war contracts totaling \$35 billion. Within ten days of Japan's surrender, more than a million defense workers were laid off. Unemployment increased as veterans joined laid-off defense workers in the search for jobs. At the peak of postwar unemployment, in March 1946, nearly 3 million people were seeking work.

Rising unemployment was not the nation's only postwar economic problem, however. During the war, the Office of Price Administration (OPA) had halted inflation by imposing maximum prices on goods. When these controls ended on June 30, 1946, prices skyrocketed. In the next two weeks, the cost of consumer products soared 25 percent, double the increase of the previous three years. In some cities, consumers stood in long lines, hoping to buy scarce items, such as sugar, coffee, and beans. Prices continued to rise for the next two years until the supply of goods caught up with the demand.

While prices spiraled upward, many American workers also earned less than they had earned during the war. To halt runaway inflation and to help the nation convert to a peacetime economy, Congress eventually reestablished controls similar to the wartime controls on prices, wages, and rents. **A**



▲  
The suburbs were a mass phenomenon, even on moving day.

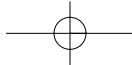
### Background

See *unemployment rate* on page R47 in the Economics Handbook.

### MAIN IDEA

#### Identifying Problems

**A** What problems did Americans face after World War II?



**REMARKABLE RECOVERY** Most economists who had forecast a postwar depression were proved wrong because they had failed to consider consumers' pent-up accumulation of needs and wants. People had gone without many goods for so long that by the late 1940s, with more than \$135 billion in savings from defense work, service pay, and investments in war bonds, Americans suddenly had money to spend. They snatched up everything from automobiles to houses. After a brief period of postwar economic readjustment, the American economy boomed. The demand for goods and services outstripped the supply and increased

production, which created new jobs. Judging from the graphs (shown left), many Americans prospered in the 1950s in what the economist John Kenneth Galbraith called "the affluent society."

The Cold War also contributed to economic growth. Concern over Soviet expansion kept American defense spending high and people employed. Foreign-aid programs, such as the Marshall Plan, provided another boost to the American economy. By helping nations in Western Europe recover from the war, the United States helped itself by creating strong foreign markets for its exports. **B**

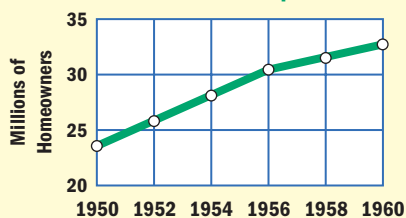
**MAIN IDEA**

**Analyzing Causes**

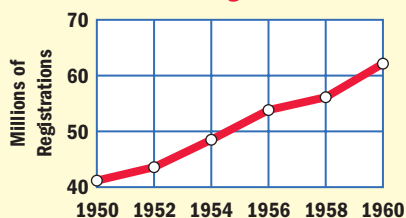
**B** What factors contributed to the American postwar economic boom?

**A Dynamic Economy**

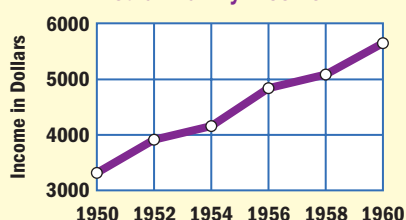
**Home Ownership**



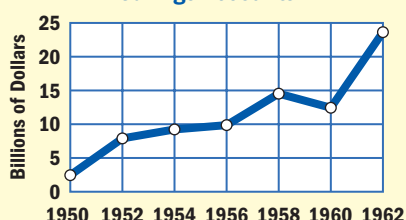
**Automobile Registrations**



**Median Family Income**



**Savings Accounts**



Source: Historical Statistics of the United States, Colonial times to 1970

**SKILLBUILDER**

**Interpreting Graphs**

1. From 1950 to 1960, by what percentage did each of the economic indicators shown above increase?
2. Which years show the biggest increases for each of the graphs above?

**Meeting Economic Challenges**

Despite an impressive recovery, Americans faced a number of economic problems. Their lives had been in turmoil throughout the war, and a desire for stability made the country more conservative.

**PRESIDENT TRUMAN'S INHERITANCE** When **Harry S. Truman** suddenly became president after Franklin D. Roosevelt's death in 1945, he asked Roosevelt's widow, Eleanor, whether there was anything he could do for her. She replied, "Is there anything we can do for you? For you are the one in trouble now." In many ways, President Truman was in trouble.

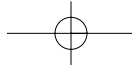
**A PERSONAL VOICE HARRY S. TRUMAN**

"I don't know whether you fellows ever had a load of hay fall on you, but when they told me yesterday what had happened [Roosevelt's death], I felt like the moon, the stars, and all the planets had fallen on me."

—excerpt from a speech, April 13, 1945

Despite his lack of preparation for the job, Truman was widely viewed as honorable, down-to-earth, and self-confident. Most important of all, he had the ability to make difficult decisions and to accept full responsibility for their consequences. As the plaque on his White House desk read, "The Buck Stops Here." Truman faced two huge challenges: dealing with the rising threat of communism, as discussed in Chapter 18, and restoring the American economy to a strong footing after the war's end.




**MAIN IDEA**
**Summarizing**

**C** What actions did President Truman take to avert labor strikes?

**TRUMAN FACES STRIKES** One economic problem that Truman had to address was strikes. Facing higher prices and lower wages, 4.5 million discontented workers, including steelworkers, coal miners, and railroad workers, went on strike in 1946. Although he generally supported organized labor, Truman refused to let strikes cripple the nation. He threatened to draft the striking workers and to order them as soldiers to stay on the job. He authorized the federal government to seize the mines, and he threatened to take control of the railroads as well. Truman appeared before Congress and asked for the authority to draft the striking railroad workers into the army. Before he could finish his speech, the unions gave in. **C**

**“HAD ENOUGH?”** Disgusted by shortages of goods, rising inflation, and labor strikes, Americans were ready for a change. The Republicans asked the public, “Had enough?” Voters gave their answer at the polls: in the 1946 congressional elections, the Republican Party won control of both the Senate and the House of Representatives for the first time since 1928. The new 80th Congress ignored Truman’s domestic proposals. In 1947, Congress passed the Taft-Hartley Act over Truman’s veto. This bill overturned many rights won by the unions under the New Deal.

## Social Unrest Persists

Problems arose not only in the economy but in the very fabric of society. After World War II, a wave of racial violence erupted in the South. Many African Americans, particularly those who had served in the armed forces during the war, demanded their rights as citizens.

**TRUMAN SUPPORTS CIVIL RIGHTS** Truman put his presidency on the line for civil rights. “I am asking for equality of opportunity for all human beings,” he said, “. . . and if that ends up in my failure to be reelected, that failure will be in a good cause.” In September 1946, Truman met with African-American leaders who proposed a federal anti-lynching law, abolition of the poll tax as a voting requirement, and the establishment of a permanent body to prevent racial discrimination in hiring.

Congress refused to pass these measures, or a measure to integrate the armed forces. As a result, Truman himself took action. In July 1948, he issued an executive order for integration of the armed forces, calling for “equality of treatment and opportunity in the armed forces without regard to race, color, religion, or national origin.” In addition, he ordered an end to discrimination in the hiring of government employees. The Supreme Court also ruled that the lower courts could not bar

**Vocabulary**

**discrimination:** treatment based on class or category rather than individual merit

### HISTORICAL SPOTLIGHT

**JACKIE ROBINSON**

Jackie Robinson took a brave step when he turned the Brooklyn Dodgers into an integrated baseball team in 1947. But he—and the country—had a long way to go.

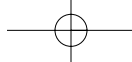
Unhappy fans hurled insults at Robinson from the stands. Some players on opposing teams tried to hit him with pitches or to injure him with the spikes on their shoes. He even received death threats. But he endured this with poise and restraint, saying,

“Plenty of times, I wanted to haul off when somebody insulted me for the color of my skin but I had to hold to myself. I knew I was kind of an experiment.”

In 1949, Robinson was voted the National League’s most valuable player. He later became the first African American to be inducted into the Baseball Hall of Fame.



**In 1947, Jackie Robinson joined the Brooklyn Dodgers, angering some fans but winning the hearts, and respect, of many others.**



▲ **Wipe Out Discrimination (1949)**, a poster by Milton Ackoff, depicts the civil rights consciousness that angered the Dixiecrats.

African Americans from residential neighborhoods. These actions represented the beginnings of a federal commitment to dealing with racial issues. **D**

**THE 1948 ELECTION** Although many Americans blamed Truman for the nation’s inflation and labor unrest, the Democrats nominated him for president in 1948. To protest Truman’s emphasis on civil rights, a number of Southern Democrats—who became known as **Dixiecrats**—formed the States’ Rights Democratic Party, and nominated their own presidential candidate, Governor J. Strom Thurmond of South Carolina. Discontent reigned at the far left of the Democratic spectrum as well. The former vice-president Henry A. Wallace led his supporters out of mainstream Democratic ranks to form a more liberal Progressive Party.

As the election approached, opinion polls gave the Republican candidate, New York Governor Thomas E. Dewey, a comfortable lead. Refusing to believe the polls, Truman poured his energy into the campaign. First, he called the Republican-dominated Congress into a special session. He challenged it to pass laws supporting such elements of the Democratic Party platform as public housing, federal aid to education, a higher minimum wage, and extended Social Security coverage. Not one of these laws was passed. Then he took his campaign to the people. He traveled from one end of the country to the other by train, speaking from the rear platform in a sweeping “whistlestop campaign.” Day after day, people heard the president denounce the “do-nothing, 80th Congress.”

**STUNNING UPSET** Truman’s “Give ‘em hell, Harry” campaign worked. He won the election in a close political upset. The Democrats gained control of Congress as well, even though they suffered losses in the South, which had been solidly Democratic since Reconstruction.

**MAIN IDEA**

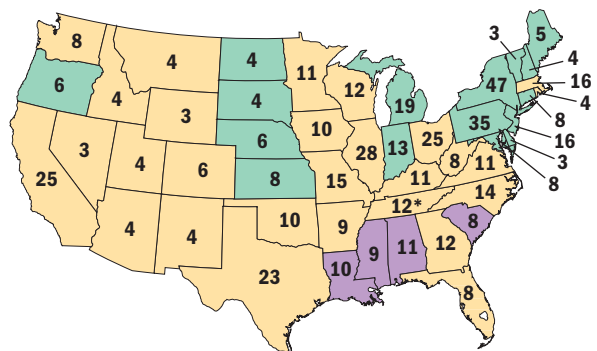
**Summarizing**

**D** How did Truman use his executive power to advance civil rights?



▶ Truman surprised the newspapers by winning the 1948 election.

**Presidential Election of 1948**

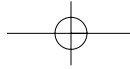


\* Tennessee—11 electoral votes for Truman, 1 electoral vote for Thurmond

Party	Candidate	Electoral Votes	Popular Votes
Democratic	Harry S. Truman	303	24,179,000
Republican	Thomas E. Dewey	189	21,991,000
States' Rights	J. Strom Thurmond	39	1,176,000
Progressive	Henry A. Wallace	—	1,157,000

**GEOGRAPHY SKILLBUILDER**

- 1. Region** In which regions of the country did Truman carry states? Dewey? Thurmond?
- 2. Region** In which regions was support for Truman the weakest?


**MAIN IDEA**
**Evaluating Leadership**

**E** What were some of Truman's achievements as president?

**THE FAIR DEAL** After his victory, Truman continued proposing an ambitious economic program. Truman's **Fair Deal**, an extension of Roosevelt's New Deal, included proposals for a nationwide system of compulsory health insurance and a crop-subsidy system to provide a steady income for farmers. In Congress, some Northern Democrats joined Dixiecrats and Republicans in defeating both measures.

In other instances, however, Truman's ideas prevailed. Congress raised the hourly minimum wage from 40 cents to 75 cents, extended Social Security coverage to about 10 million more people, and initiated flood control and irrigation projects. Congress also provided financial support for cities to clear out slums and build 810,000 housing units for low-income families. **E**

## Republicans Take the Middle Road

Despite these social and economic victories, Truman's approval rating sank to an all-time low of 23 percent in 1951. The stalemate in the Korean War and the rising tide of McCarthyism, which cast doubt on the loyalty of some federal employees, became overwhelming issues. Truman decided not to run for reelection. The Democrats nominated the intellectual and articulate governor Adlai Stevenson of Illinois to run against the Republican candidate, General Dwight D. Eisenhower, known popularly as "Ike."

**I LIKE IKE!** During the campaign, the Republicans accused the Democrats of "plunder at home and blunder abroad." To fan the anti-Communist hysteria that was sweeping over the country, Republicans raised the specter of the rise of communism in China and Eastern Europe. They also criticized the growing power of the federal government and the alleged bribery and corruption among Truman's political allies.

Eisenhower's campaign hit a snag, however, when newspapers accused his running mate, California Senator Richard M. Nixon, of profiting from a secret slush fund set up by wealthy supporters. Nixon decided to reply to the charges. In an emotional speech to an audience of 58 million, now known as the "Checkers speech," he exhibited masterful use of a new medium—television. Nixon denied any wrongdoing, but he did admit to accepting one gift from a political supporter.

**Vocabulary**

**slush fund:** a fund often designated for corrupt practices, such as bribery



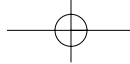
◀ Campaign accessories expressed Ike's popularity and voters' desire for a positive political change.

### A PERSONAL VOICE RICHARD M. NIXON

**"You know what it was? It was a little cocker spaniel dog in a crate, that he'd [the political supporter] sent all the way from Texas. Black and white spotted. And our little girl—Tricia, the six-year-old—named it Checkers. And you know the kids, like all kids, love the dog and I just want to say this right now, that regardless of what they say about it, we're going to keep it."**

—"Checkers speech," September 23, 1952





▲  
Countering slush fund charges, Richard Nixon speaks to TV viewers about his daughters and their dog, Checkers.

Nixon's speech saved his place on the Republican ticket. In November 1952, Eisenhower won 55 percent of the popular vote and a majority of the electoral college votes, while the Republicans narrowly captured Congress.

### WALKING THE MIDDLE OF THE ROAD

President Eisenhower's style of governing differed from that of the Democrats. His approach, which he called "dynamic conservatism," was also known as "Modern Republicanism." He called for government to be "conservative when it comes to money and liberal when it comes to human beings."

Eisenhower followed a middle-of-the-road course and avoided many controver-

sial issues, but he could not completely sidestep a persistent domestic issue—civil rights—that gained national attention due to court rulings and acts of civil disobedience in the mid-1950s. The most significant judicial action occurred in 1954, when the Supreme Court ruled in *Brown v. Board of Education of Topeka* that public schools must be racially integrated. (See page 914.) In a landmark act of civil disobedience a year later, a black seamstress named Rosa Parks refused to give up her seat on a bus to a white man. Her arrest sparked a boycott of the entire Montgomery, Alabama, bus system. The civil rights movement had entered a new era.

Although Eisenhower did not assume leadership on civil rights issues, he accomplished much on the domestic scene. Shortly after becoming president, Eisenhower pressed hard for programs that would bring around a balanced budget and a cut in taxes. During his two terms, Ike's administration raised the minimum wage, extended Social Security and unemployment benefits, increased funding for public housing, and backed the creation of interstate highways and the Department of Health, Education, and Welfare. His popularity soared, and he won reelection in 1956.



## ASSESSMENT

**1. TERMS & NAMES** For each term or name, write a sentence explaining its significance.

• GI Bill of Rights  
• suburb

• Harry S. Truman

• Dixiecrat

• Fair Deal

### MAIN IDEA

#### 2. TAKING NOTES

Create a time line of key events relating to postwar America. Use the dates below as a guide.



Write a paragraph describing the effects of one of these events.

### CRITICAL THINKING

#### 3. DRAWING CONCLUSIONS

Do you think Eisenhower's actions reflected his philosophy of dynamic conservatism? Why or why not?

**Think About:**

- the definition of dynamic conservatism
- Eisenhower's actions on civil rights policies
- Eisenhower's accomplishments on other domestic issues

#### 4. EVALUATING LEADERSHIP

Why do you think most Americans went along with Eisenhower's conservative approach to domestic policy?

#### 5. CONTRASTING

How did Presidents Truman and Eisenhower differ regarding civil rights?