Chapter 16
Postwar America
1945–1960

SECTION 1  Truman and Eisenhower
SECTION 2  The Affluent Society
SECTION 3  The Other Side of American Life

1944
- GI Bill is enacted
- Truman 1945–1953

1945

1946
- Strikers erupt across country
- Scientists led by Edward Teller develop hydrogen bomb

1947
- Congress passes Taft-Hartley Act over Truman’s veto
- Churchill gives “Iron Curtain” speech

1948
- South Africa introduces apartheid

1951
- The I Love Lucy television show airs its first show

1952
- Scientists led by Edward Teller develop hydrogen bomb

Teens enjoy milkshakes while studying in a 1950's-style diner.
Chapter 16
Postwar America

Chapter Overview
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MAKING CONNECTIONS
What Does It Mean to Be Prosperous?

After World War II, the United States experienced years of steady economic growth. Although not everyone benefited, the economic boom meant most Americans enjoyed more prosperity than earlier generations.

• How did Americans spend this new wealth?
• How does prosperity change the way people live?

1955
• Salk polio vaccine becomes widely available

1956
• Congress passes Federal Highway Act
• Estimated 40 million television sets in use in the United States

1957
• USSR launches Sputnik I and Sputnik II satellites

1954
• Gamal Abdel Nasser takes power in Egypt
• Suez Canal crisis

Categorizing Information
Make a Folded-Table Foldable on popular culture in the 1950s and present. List the following for both time periods: data on the types of mass media and size of the audiences for them, characteristics of youth culture, and groups represented in the mass media.

<table>
<thead>
<tr>
<th>Time Period</th>
<th>Popular Culture</th>
<th>Youth Culture</th>
<th>Groups Represented in Media</th>
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<tbody>
<tr>
<td>1950s</td>
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<td>Present</td>
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In the postwar era, Congress limited the power of unions and rejected most of President Truman’s plan for a “Fair Deal.” When Eisenhower became president, he cut back some government programs and launched the interstate highway system.

**Return to a Peacetime Economy**

**MAIN Idea** Despite inflation and strikes, the nation was able to shift to a peacetime economy without a recession.

**HISTORY AND YOU** Do you know you can get help paying for college if you serve in the military? Read to learn about the origins of the “GI Bill” and how it helped World War II veterans get a college education.

After the war many Americans feared the return to a peacetime economy. They worried that, after military production halted and millions of former soldiers glutted the labor market, unemployment and recession might sweep the country. Despite such worries, the economy continued to grow after the war as increased consumer spending helped ward off a recession. After 17 years of an economic depression and wartime shortages, Americans rushed out to buy the consumer goods they had long desired.

The Servicemen’s Readjustment Act, popularly called the GI Bill, boosted the economy further. The act provided generous funds to veterans to help them establish businesses, buy homes, and attend college. The postwar economy did have problems, particularly in the first couple of years following the end of the war. A greater demand for goods led to higher prices, and this inflation soon triggered labor unrest. As the cost of living rose, workers in the automobile, steel, electrical, and mining industries went on strike for better pay.

Afraid that the nation’s energy supply would be drastically reduced because of the striking miners, Truman ordered government seizure of the mines, while pressuring mine owners to grant the union most of its demands. The president also halted a strike that shut down the nation’s railroads by threatening to draft the striking workers into the army.

Labor unrest and high prices prompted many Americans to call for a change. The Republicans seized on these sentiments during the 1946 congressional elections, winning control of both houses of Congress for the first time since 1930.

The new conservative Congress quickly set out to curb the power of organized labor. Legislators proposed a measure known as the Taft-Hartley Act, which outlawed the closed shop, or the practice of forcing business owners to hire only union members. Under this law,
One reason the American economy rebounded so quickly after World War II ended was the Servicemen’s Readjustment Act of 1944, popularly called the GI Bill of Rights. The act subsidized college tuition and provided zero down-payment, low-interest loans to veterans to help them buy homes and establish businesses.

states could pass right-to-work laws, which outlawed union shops (shops in which new workers were required to join the union). The measure also prohibited featherbedding, the practice of limiting work output in order to create more jobs. Furthermore, the bill forbade unions from using their money to support political campaigns.

When the bill reached Truman, however, he vetoed it, arguing that it was a mistake:

“...[It would] reverse the basic direction of our national labor policy, inject the government into private economic affairs on an unprecedented scale, and conflict with important principles of our democratic society. Its provisions would cause more strikes, not fewer.”

—quoted in The Growth of the American Republic

The president’s concerns did little to sway Congress, which passed the Taft–Hartley Act in 1947 over Truman’s veto. Its supporters claimed that the law held irresponsible unions in check, just as the Wagner Act of 1935 had restrained anti-union activities and employers. Labor leaders called the act a “slave labor” law and insisted that it erased many of the gains that unions had made since 1933.

Analyzing VISUALS

1. Calculating Based on the graph, what was the increase in college enrollments between 1944 and 1950?
2. Specifying About how many new homes were constructed in 1950?
Truman’s Program

MAIN Idea  Truman pushed for a “Fair Deal” for Americans, despite the legislative conflicts he had with Congress.

HISTORY AND YOU  Do you remember how close the last presidential election was? Read on to learn about Truman’s surprise victory in 1948.

The Democratic Party’s loss of control in Congress in the 1946 elections did not dampen President Truman’s spirits or his plans. Shortly after taking office, Truman had proposed domestic measures seeking to continue the work of Franklin Roosevelt’s New Deal. During his tenure in office, Truman worked to push this agenda through Congress.

Truman’s Legislative Agenda

Truman’s proposals included expansion of Social Security benefits; raising the minimum wage; a program to ensure full employment through aggressive use of federal spending and investment; public housing and slum clearance; and long-range environmental and public works planning. He also proposed a system of national health insurance.

Truman also boldly asked Congress in February 1948 to pass a broad civil rights bill that would protect African Americans’ right to vote, abolish poll taxes, and make lynching a federal crime. He issued an executive order barring discrimination in federal employment and ending segregation in the armed forces. He also proposed a system of national health insurance.

Truman also boldly asked Congress in February 1948 to pass a broad civil rights bill that would protect African Americans’ right to vote, abolish poll taxes, and make lynching a federal crime. He issued an executive order barring discrimination in federal employment and ending segregation in the armed forces. Most of Truman’s legislative efforts, however, met with little success, as a coalition of Republicans and conservative Southern Democrats defeated many of his proposals.

The Election of 1948

As the presidential election of 1948 approached, most observers gave Truman little chance of winning. Some Americans still believed that he lacked the stature for the job, and they viewed his administration as weak and inept.

Divisions within the Democratic Party also seemed to spell disaster for Truman. At the Democratic Convention that summer, two factions abandoned the party altogether. Reacting angrily to Truman’s support of civil rights, a group of Southern Democrats formed the States’ Rights, or Dixiecrat, Party and nominated South Carolina Governor Strom Thurmond for president. At the same time, the party’s more liberal members were frustrated by Truman’s ineffective domestic policies and critical of his anti-Soviet foreign policy. They formed a new Progressive Party, with Henry A. Wallace as their presidential candidate.

The president’s Republican opponent was New York Governor Thomas Dewey, a dignified and popular candidate who seemed unbeatable. After polling 50 political writers, Newsweek magazine declared three weeks before the election, “The landslide for Dewey will sweep the country.”

Perhaps the only person who gave Truman any chance to win the election was Truman himself. “I know every one of those 50 fellows,” he declared about the writers polled in Newsweek. “There isn’t one of them has enough sense to pound sand in a rat hole.” Ignoring the polls, he poured his energy into the campaign, traveling more than 20,000 miles by train and making more than 350 speeches. Along the way, Truman attacked the majority Republican Congress as “do-nothing, good-for-nothing” for refusing to enact his legislative agenda.

Truman’s attacks on the “Do-Nothing Congress” did not mention that both he and Congress had passed the Truman Doctrine’s aid program to Greece and Turkey, as well as the Marshall Plan. Congress had also enacted the National Security Act of 1947, which created the Department of Defense, the National Security Council, and the CIA; established the Joint Chiefs of Staff as a permanent organization; and made the Air Force an independent branch of the military. The 80th Congress did not “do nothing” as Truman charged, but its accomplishments were in areas that did not affect most Americans directly. As a result, Truman’s charges began to stick.

With a great deal of support from laborers, African Americans, and farmers, Truman won a narrow but stunning victory over Dewey. Perhaps just as remarkable as the president’s victory was the resurgence of the Democratic Party. When the dust had cleared after election day, Democrats had regained control of both houses of Congress.
The Fair Deal

Truman’s 1949 State of the Union address repeated the domestic agenda he had put forth previously. “Every segment of our population and every individual,” he declared, “has a right to expect from . . . government a fair deal.” Whether intentional or not, the president had coined a name—the Fair Deal—to set his program apart from the New Deal. In February, he began to send his proposals to Congress.

The 81st Congress did not completely embrace Truman’s Fair Deal. Legislators did raise the legal minimum wage to 75¢ an hour. They increased Social Security benefits by 75 percent and extended them to 10 million additional people. Congress also passed the National Housing Act of 1949, which provided for the construction of low-income housing, accompanied by long-term rent subsidies.

Congress refused, however, to pass national health insurance or to provide subsidies for farmers or federal aid for schools. In addition, legislators, led by the same coalition of conservative Republicans and Dixiecrats, opposed Truman’s efforts to enact civil rights legislation. His plans for federal aid to education were also not enacted.

Summarizing What did Truman and the Congress accomplish in foreign relations?

What Was the Fair Deal?

In 1949 Truman outlined in his State of the Union address an ambitious legislative program that became known as the Fair Deal. Some of its main features were:

- the expansion of Social Security benefits
- an increase in the minimum wage
- a program to ensure full employment
- a program of public housing and slum clearance
- a long-range plan for environmental and public works
- a system of national health insurance
- a broad program of civil rights legislation

Analyzing VISUALS

1. Interpreting In what regions of the nation did Thomas Dewey receive the most votes?

2. Calculating What was the difference in percentage of the popular vote received by Truman and Dewey?
The Eisenhower Years

**MAIN Idea** President Eisenhower cut federal spending, supported business, funded the interstate highway system, and extended some New Deal programs.

**HISTORY AND YOU** Do you think it is important for a president to have served in the military? Read to learn how Americans chose a war hero as president in the 1950s.

In 1950 the United States went to war in Korea. The war consumed the nation’s attention and resources and effectively ended Truman’s Fair Deal. By 1952, with the war at a bloody stalemate and his approval rating dropping quickly, Truman declined to run again for the presidency.

With no Democratic incumbent to face, Republicans pinned their hopes for regaining the White House in 1952 on a popular World War II hero: Dwight Eisenhower, former commander of the Allied Forces in Europe. The Democrats nominated Illinois Governor Adlai Stevenson.

The Republicans adopted the slogan: “It’s time for a change!” The warm and friendly Eisenhower, known as “Ike,” promised to end the war in Korea. “I like Ike” became the Republican rallying cry. Eisenhower won the election in a landslide, carrying the Electoral College, 442 votes to 89. The Republicans also gained an eight-seat majority in the House, while the Senate became evenly divided between Democrats and Republicans.

**Eisenhower Takes Office**

President Eisenhower had two favorite phrases. “Middle of the road” described his political beliefs and “dynamic conservatism” meant balancing economic conservatism with activism in areas that would benefit the country. Eisenhower wasted little time in showing his conservative side. The new president’s cabinet appointments included several business leaders.”

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**Rise of Suburbs** Interstate highways contributed to the growth of suburbs and urban sprawl. Interstates let people commute long distances from home to work.

**Commercial Trucking** Interstate highways made distribution of goods by transport truck fast and efficient. By the 1990s, trucks moved more than 6 billion tons of goods—mostly by interstate.

**Road Culture** Interstate travel encouraged the development of cheap hotel chains, roadside convenience stores, and fast food restaurants located near interstate exits.

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**Analyzing GEOGRAPHY**

1. **Location** Where were most of the interstate highways built? Why do you think that is?
2. **Movement** In what ways did the interstate highway system change daily life?
leaders. Under their guidance, Eisenhower ended government price and rent controls, which many conservatives viewed as unnecessary federal regulation of the economy. Eisenhower’s administration believed business growth was vital to the nation. His secretary of defense, formerly the president of General Motors, declared to the Senate that “what is good for our country is good for General Motors, and vice versa.”

Eisenhower’s conservatism showed itself in other ways as well. In an attempt to cut federal spending, the president vetoed a school construction bill and agreed to slash government aid to public housing. Along with these cuts, he supported some modest tax cuts.

Eisenhower also targeted the federal government’s continuing aid to businesses, or what he termed “creeping socialism.” Shortly after taking office, the president abolished the Reconstruction Finance Corporation (RFC), which since 1932 had lent money to banks, railroads, and other large institutions in financial trouble. Another Depression-era agency, the Tennessee Valley Authority (TVA), also came under Eisenhower’s scrutiny. During his presidency, appropriations for the TVA fell from $185 million to $12 million.

In some areas, President Eisenhower took an activist role. For example, he pushed for two large government projects. During the 1950s, as the number of Americans who owned cars increased, so too did the need for greater and more efficient travel routes. In 1956 Congress responded to this growing need by passing the Federal Highway Act, the largest public works program in American history. The act appropriated $25 billion for a 10-year effort to construct more than 40,000 miles (64,400 km) of interstate highways. Congress also authorized construction of the Great Lakes–St. Lawrence Seaway to connect the Great Lakes with the Atlantic Ocean through a series of locks on the St. Lawrence River. Three previous presidents had been unable to reach agreements with Canada to build this waterway to aid international shipping. Through Eisenhower’s efforts, the two nations finally agreed on a plan to complete the project.

### Extending Social Security

Although President Eisenhower cut federal spending and tried to limit the federal government’s role in the economy, he agreed to extend the Social Security system to an additional 10 million people. He also extended unemployment compensation to an additional 4 million citizens and agreed to raise the minimum wage and continue to provide some government aid to farmers.

By the time Eisenhower ran for a second term in 1956, the nation had successfully shifted back to a peacetime economy. The battles between liberals and conservatives over whether to continue New Deal policies would continue. In the meantime, however, most Americans focused their energy on enjoying what had become a decade of tremendous prosperity.

**Evaluating** What conservative and activist measures did Eisenhower take during his administration?