

Reading Essentials and Study Guide



Life During the Cold War, 1945–1989

Lesson 1 Western Europe and North America

ESSENTIAL QUESTIONS

How does war result in change? What challenges may countries face as a result of war?

Reading HELPDESK

Academic Vocabulary

shift a change in direction

minimal the least possible

Content Vocabulary

welfare state a state in which the government takes responsibility for providing citizens with services such as health care

bloc a group of nations with a common purpose

real wages the actual purchasing power of income

consumer society a society preoccupied with buying goods

women’s liberation movement the renewed feminist movement of the late 1960s, which demanded political and economic equality with men

TAKING NOTES: *Identifying*

ACTIVITY As you read, use a chart like the one below to identify the economic policies of Western countries during the Cold War.

Country	Policies
France	
West Germany	
Great Britain	
United States	
Canada	

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IT MATTERS BECAUSE

World War II destroyed the economies of many nations. However, most Western European countries recovered rapidly. The United States experienced a period of strong economic growth, but it faced social and political problems.

Western Europe

Guiding Question *How did Western Europe recover from World War II?*

The Marshall Plan provided much needed economic aid to the countries of Western Europe. As a result, they recovered relatively rapidly from the damage of World War II. By 1950, industrial output in Europe was 30 percent higher than it was before the war.

France and de Gaulle

Charles de Gaulle dominated the history of France for nearly a quarter of a century after the war. De Gaulle was a war hero. In 1946 he helped establish a new French government called the Fourth Republic. This new government was largely ineffective. A crisis in the French colony of Algeria caused bitter divisions in the government. Leaders of the Fourth Republic felt threatened by these divisions. As a result, in 1958 they asked de Gaulle to form a new government. That year de Gaulle drafted a new constitution for the Fifth Republic. The constitution gave the president more power. The French president now had the right to choose the prime minister, dissolve parliament, and manage both defense and foreign policy. French voters approved the constitution. De Gaulle became the first president of the Fifth Republic.

De Gaulle wanted France to be a world power once again. To achieve this, de Gaulle invested heavily in nuclear arms. France exploded its first nuclear bomb in 1960.

During de Gaulle's presidency, the French economy grew at an annual rate of 5.5 percent. This was faster than the United States was growing. France became a major industrial producer and exporter, especially of cars and weapons. Despite this success, problems remained. The government had large deficits. Also, the cost of living rose. Political unrest followed. In May 1968, a series of student protests was followed by a general labor strike. De Gaulle was discouraged by these events. He resigned from office in April 1969. He died within a year.

The deteriorating economic situation in the 1970s caused a political **shift** to the left. The Socialists gained power in the National Assembly by 1981. Socialist François Mitterrand was elected president. He began a number of steps to aid workers. Minimum wage was increased, a 39-hour workweek was put in place, and taxes were increased for the rich. The Socialist government also nationalized, or put under government control, major banks, the steel industry, the space and electronics industries, and insurance companies.

Socialist policies largely failed to work. France's economy continued to decline. In the elections in March of 1993, the Socialists won only 28 percent of the vote. A coalition of conservative parties included 80 percent of the members in the National Assembly.

West Germany: The Economic Miracle

After World War II, Germany was divided into four zones, or areas. The zones were controlled by the United States, Great Britain, France, and the Soviet Union. The three Western zones of Germany were unified, or joined together, as the Federal Republic of Germany in 1949. Konrad Adenauer (AHD•uh•NAU•OWR), the leader of the Christian Democratic Union (CDU), served as chancellor (head

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of state) from 1949 to 1963. Adenauer wanted West Germany to be respected in the international community. He cooperated with the United States and other Western European nations. He especially worked with France—Germany’s longtime enemy.

West Germany experienced an “economic miracle” under the leadership of Adenauer. The West German economy was revived, or brought back to health. Minister of Finance Ludwig Erhard guided West Germany to economic success. Unemployment fell from 8 percent in 1950 to 0.4 percent in 1965. Adenauer resigned in 1963, and Erhard succeeded him. Erhard largely continued Adenauer’s policies.

West Germany experienced an economic downturn in the mid-1960s. As a result, the Social Democratic Party came into power in 1969. The Social Democrats were a moderate socialist party. Willy Brandt, mayor of West Berlin, was their leader. In December 1972, Brandt signed a treaty that led to greater contact between East Germany and West Germany. Economic, cultural, and personal ties between the countries were stronger as a result. For his efforts, Brandt received the Nobel Peace Prize for 1971.

Great Britain

The end of World War II left Great Britain with massive economic problems. Elections were held immediately after the war. The Labour Party overwhelmingly defeated Winston Churchill’s Conservative Party. Churchill had led the government during the difficult times of the war.

Clement Attlee was elected as the new prime minister. He led the Labour government as it set out to create a modern **welfare state**. That is, he planned to create a state in which the government takes responsibility for providing citizens with services and a **minimal** standard of living. The new government passed the National Insurance Act and the National Health Service Act in 1946. The insurance act provided government money to help the unemployed, the sick, and the aged. The health act created a system of socialized medicine, a system of national health care that is regulated and supported by the government. It ensured medical care for everyone. The British welfare system became a model, and most European states adopted similar systems after the war.

Despite the change in government, economic problems continued. As a result, the Conservatives came back into power from 1951 to 1964. They favored private enterprise, but they accepted the welfare state. In fact, they even extended it by financing a large building program to improve British housing.

Between 1964 and 1979, control of Great Britain alternated between the Conservative Party and the Labour Party. In 1979 the Conservatives came to power under Margaret Thatcher. She was Britain’s first female prime minister. Thatcher promised to limit social welfare, to restrict union power, and to end inflation. Her main focus was privatization. She did not eliminate the basic social welfare system, but Thatcher did reduce the power of the labor unions. She also controlled inflation.

Margaret Thatcher’s economic policy was termed *Thatcherism*. It did improve the British economic situation, but that improvement came at a price. Business investment and the number of small businesses increased. The south of England prospered. Old industrial areas elsewhere did not. They experienced high unemployment, poverty, and even violence. Thatcher dominated British politics in the 1980s. In 1990 her popularity fell, and she resigned.

The European Economic Community

The destructiveness of two world wars caused many Europeans to consider the need for some form of European unity. Nationalism was still a powerful force, though. European nations would not give up their political sovereignty. As a result, the desire for unity focused mainly on the economic, not political, arena.

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In 1957 France, West Germany, the Benelux countries (Belgium, the Netherlands, and Luxembourg), and Italy signed the Rome Treaty. This treaty created the European Economic Community (EEC). It is also known as the Common Market.

The EEC was a free-trade area made up of the six member nations. These six nations would impose no tariffs, or import charges, on one another's goods. Tariffs were imposed on goods from non-EEC nations. Therefore, goods within the community were less expensive than those from outside. In this way, the EEC encouraged cooperation among the member nations' economies.

By the 1960s, the EEC had become an important trading **bloc** (or group with a common goal). In 1973 Britain, Denmark, and Ireland joined the EEC. The EEC had a total population of 165 million. It was the world's largest exporter and purchaser of raw materials. By 1986, Spain, Portugal, and Greece had become members. By 1992, the EEC was made up of 344 million people and was the world's largest single trading bloc.



Reading Progress Check

Describing How was the Fifth Republic in France different from the Fourth Republic?

The U.S. After the War

Guiding Question *What social and political issues challenged the United States during the Cold War?*

The ideas of Franklin Delano Roosevelt's policy known as the New Deal largely determined the patterns of American domestic politics between 1945 and 1970. The New Deal brought basic changes to American society. The role and power of the federal government dramatically increased. Other major changes included the rise of organized labor and the beginning of a welfare state. Also, the government paid attention to the need to deal fairly with the concerns of minorities, especially African Americans.

The New Deal tradition in American politics was reinforced by the election of Democratic presidents. Harry S. Truman was elected in 1948, John F. Kennedy in 1960, and Lyndon B. Johnson in 1964. Even the election of Republican President Dwight D. Eisenhower in 1952 and 1956 did not change the basic direction of the New Deal.

An economic boom followed World War II. There was a shortage, or lack, of consumer goods in America during the war. This shortage left Americans with the desire to buy goods. The boom gave them the extra income to do so. Also, the growth of labor unions brought higher wages. As a result, more workers were able to buy consumer goods. Between 1945 and 1973, **real wages**—what money was worth in terms of what people could buy—grew an average of 3 percent a year. This was the most prolonged increase ever in American history.

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Prosperity was not the only characteristic of the early 1950s. Cold War struggles around the world led to the widespread fear that Communists had entered the United States. This fear created a dangerous political agitator, Senator Joseph R. McCarthy of Wisconsin. He charged that hundreds of supposed Communists were in high government positions. This helped create a huge “Red Scare” or fear of Communist subversion. McCarthy claimed that Communists were trying to overthrow the government from the inside. McCarthy took his attack too far when he attacked “Communist conspirators” in the U.S. Army. As a result, he was condemned by the Senate in 1954. His anti-Communist crusade came to an end very quickly then.

The 1960s and Civil Rights

The Reverend Martin Luther King, Jr., was the leader of a movement for racial equality. In August 1963, his movement reached a high point when he led a march on Washington, D.C. The march showed just how great the African American desire for equality was. King’s march and his impassioned call for racial equality had an electrifying effect on the American people. By the end of 1963, civil rights had become the most significant national issue for most Americans.

President John F. Kennedy was assassinated in 1963. His vice president, Lyndon B. Johnson, then became president. In 1964 Johnson won the presidential election by a landslide, or by a large amount of votes. He then worked for equal rights for African Americans. The Civil Rights Act of 1964 created laws and a system to help end segregation and discrimination in the workplace and all public places. The Voting Rights Act addressed the discrimination African Americans experienced in their attempts to vote in Southern states.

It quickly became clear that laws alone could not guarantee the Great Society that Johnson wanted. He soon faced social unrest. Martin Luther King, Jr., was assassinated in 1968. Riots erupted in over 100 cities, including Washington, D.C. These led to a “white backlash” (whites became less sympathetic to the cause of racial equality). The racial division of the United States continued. Antiwar protests also divided the United States as some Americans turned against the Vietnam War.

The combination of antiwar demonstrations and riots in the cities caused many people to call for “law and order.” Richard Nixon, the Republican presidential candidate in 1968, joined in this call. With Nixon’s election, American politics began a shift to the political right.

The 1970s and 1980s

As president, Nixon used illegal methods to gain information about his opponents. This led to the Watergate scandal. Nixon lied to the American public about his involvement in the incident. However, secret tapes of his conversations in the White House revealed the truth. Rather than face possible impeachment, or the process of removal from office, Nixon resigned on August 9, 1974.

Democrat Jimmy Carter, the former governor of Georgia, won the 1976 presidential election. A crisis abroad occurred in 1979 when the Iranian government of the Ayatollah Khomeini (koh•MAY•nee) took 52 Americans hostages (people who are held as prisoners until demands are met). Carter was not able to gain the freedom of the American hostages. This contributed to his loss to Ronald Reagan in the 1980 presidential election.

Canada

After World War II, Canada began a major development of electronic, aircraft, nuclear, and chemical engineering industries. Lester Pearson led the Liberal government. It laid the groundwork for Canada’s welfare state. A national social security system and health insurance program became law.

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Pierre Trudeau (TROO-doh) became prime minister in 1968. He supported a strong program of industrialization. He was dedicated to preserving a united Canada. At the same time, he acknowledged, or recognized, the rights of French-speaking Canadians. His government passed the Official Languages Act. This act allowed both English and French to be used in the federal civil service.



Reading Progress Check

Drawing Conclusions In the United States, how was the decade of the 1970s a reaction to the 1960s?

Western Society

Guiding Question *How did Western society change during the Cold War?*

After World War II, Western society witnessed rapid change. New inventions such as computers, televisions, and jet planes changed the speed and nature of everyday life.

A New Social Structure

The social structure, or organization, of Western society changed after the war. The middle class underwent especially noticeable shifts. Traditional middle-class groups were made up of businesspeople, lawyers, doctors, and teachers. A new group of managers and technicians were hired by large companies and government agencies. These people now joined the middle class.

Changes also occurred in the lower classes. People continued to move from rural to urban areas. The number of farmers declined a great deal. By the 1950s, the number of farmers in most parts of Europe had dropped by 50 percent. The number of industrial workers also declined as white-collar workers increased.

At the same time, the real wages of workers increased. As a result, they could copy the buying patterns of the middle-class. This led to what some people have called the **consumer society**—a society focused on buying things. Buying on credit became widespread in the 1950s. Workers could now buy such products as televisions, washing machines, and refrigerators.

Women in the Postwar World

Women across the globe participated in the world wars. This had led to several gains for women. They achieved one of the major aims of the nineteenth-century women’s movement—the right to vote.

During World War II, huge numbers of women entered the workforce. At the war’s end, though, they lost their jobs. The jobs were given to soldiers who returned home. For a time, women fell back into traditional roles of wives and mothers. Birthrates rose, creating a “baby boom” in the late 1940s and the 1950s.

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By the end of the 1950s, birthrates began to fall. The size of families was also reduced. The structure of the workplace changed once again. This was because the number of married women in the workforce increased in Europe and the United States. These women, especially working-class women, faced an old problem. They still earned less money than men earned for the same work. Also, women still tended to enter traditionally female jobs, such as teaching or office work. Many faced the double burden of earning income and raising a family. Such inequalities led increasing numbers of women to rebel. In the late 1960s interest in feminism, or the **women's liberation movement**, was renewed.

In the 1960s and 1970s, the women's movement emerged in the United States. It quickly spread to Western Europe. Supporters of the movement wanted to change the basic conditions of women's lives. The United States passed the Equal Pay Act in 1963. It required women to be paid the same as men for performing the same work.

A controversial issue was abortion. In 1973 the U.S. Supreme Court legalized abortion in *Roe v. Wade*. National health insurance paid for abortion in most of Europe. However, the procedure was debated in the United States.

Student Revolts

Discontent among university students grew throughout the 1960s. By the late 1960s, a number of student revolts took place. Many protests grew out of the revolts in American universities. These revolts often started because students were against the Vietnam War. Some students, particularly in Europe, believed that universities failed to respond to their needs. These students also thought that universities did not respond to the realities of the modern world. Others believed they were becoming small cogs in the large and impersonal bureaucratic wheels of the modern world.



Reading Progress Check

Summarizing What was a goal of the women's liberation movement?
