

The Cold War and the 1950s: The Affluent Society

Domestic Affairs

America's foreign policies of the Cold War had an enormous impact domestically, influencing the Red Scare and McCarthyism. But other things on the home front marked this era.

Features of the 1950s included:

1. The Cold War
2. Rising income and affluence
3. Older Americans were weary of the years of depression and war
4. Younger Americans were apolitical.

The 1950s are often represented by symbols:

1. The "American Dream"
 - a. a home in the suburbs
 - b. job security in a large corporation
 - c. a new car every few years
2. Cultural Success:
 - a. Rock & Roll
 - b. Marilyn Monroe
 - c. Television

‘Swords into Frisbees:’ The Military-Industrial Complex

1. The "American Dream" was supported by the rapidly expanding military-industrial complex.
2. Defense spending was increased as a means of standing up to Communism after the "fall" of China and the Korean War.
 - a. By the mid-1950s, there were over 40,000 defense contractors working for the government.
 - b. By the 1960s more than half of all government expenditures would go to the military.
 - c. By the 1970s, the Department of Defense had more economic assets than the 75 largest corporations in America.
3. social critics charged the U.S. was geared up to be a permanent wartime economy.
4. Recession struck in 1956-57
5. President Eisenhower responded by
 - a. allocating more money to defense
 - b. not by supporting public works projects as Roosevelt had done.
6. At the end of his term, Eisenhower himself warned that the growing relationship between defense contractors and the federal government actually posed a threat.
7. 1961 farewell address, Ike coined the term "military-industrial complex."
8. However, the warnings of the outgoing President were lost on many.
 - a. Why worry when the economy was going full blast?
 - b. Americans:
 - i. made up only 6% of the world population
 - ii. Produced and consumed 1/3 of the world's goods and services.
9. During the 1950s, America's GNP increased 51%.

- a. growth was caused in part by defense spending
 - b. also because of a much larger home market for consumer goods
 - c. GIs returning from World War II and then Korea were eager to spend money and have children.
10. During the 1950s, 29 million new Americans were born
11. American industry expanded at an amazing pace, turning out:
- a. new cars
 - b. clothing
 - c. frisbees,
 - d. a host of other consumer items

Meeting the Demand

1. "Automation"
 - a. the use of self-regulating electronic mechanisms to run complex industrial operations.
 - b. Nothing did more to increase productivity
2. made its greatest long-term impact with the introduction of the computer.
3. Many blue-collar workers feared they would lose their jobs to machinery
4. White-collar professionals, on the other hand, stood to gain from automation
5. Job growth was chiefly for college graduates
6. Much of the new technology owed its rise to "R&D"
7. They existed not only in big corps like IBM, but increasingly at universities
8. Connections of modern research universities to the military-industrial complex made campuses a strategic place of protest in the 1960s

Growth of the Middle Class

1. During the 1950s, the real weekly earnings of factory workers increased 50%
2. burgeoning middle class
3. Based on a purely economic definition, if an annual income of \$10,000 is considered middle-class, then
 - a. in the 1940s, 9% of families were middle class
 - b. By 1960, more than 30% of the population was middle class
4. The growth of the middle class could be seen in things like education and housing.
 - a. 1960 marked the first time in U.S. history that a majority of high-school aged people actually graduated from high school.
 - b. Aided by the GI Bill, college enrollments also increased
 - c. Owning one's own home also became a reality, as the availability of housing increased and veterans could secure low-interest mortgages
 - d. By 1960, 25% of all housing available had been built in the prior decade.

The "Kitchen Debate"

1. The American consumer economy became the focus of the so-called "Kitchen Debate" between Vice President Richard Nixon and Soviet Premier Nikita Khrushchev
2. In 1959, an international exhibition was held in Moscow.
3. The U.S. delegation, led by Nixon, displayed a modern, fully-stocked American kitchen in order to demonstrate America's success in providing its people with consumer goods.
4. At this exhibition, Nixon and Khrushchev got into a debate, with each side swearing that his form of government would outlast the other's.

Consumer Culture: The Rise of the Teenager

1. In the past, Americans had longed for long-lasting things like houses and cars
2. Now, there seemed to be an obsession with collecting stuff
3. This is best demonstrated in the growing youth culture
4. Older people also began to emulate their teen-aged sons and daughters, trying out jeans, hula hoops, and surfboards
5. For the first time, teenagers became major consumers.
6. They supported the popular music industry, especially the new "rock and roll."
7. New industries were geared essentially at youth
8. By 1960, America's teenagers spent \$22 billion a year on consumer items.
9. \$22 billion a year was twice the gross national product of Austria.

The Televised Society

1. The biggest consumer revolution was the growth of the television industry
2. The technology for television had existed since the late 1920s
3. TVs weren't mass produced until after World War II
4. In 1946, there were 17,000 television sets in the nation, mostly in the East.
5. By 1949, 250,000 sets were purchased every month
6. By 1953, two-thirds of American homes had at least one TV
7. TV & Politics
 - a. TV had a great influence on how political campaigns were run.
 - b. The presidential election of 1952 was the first time that a candidate for president made use of television advertising
 - c. Eisenhower used 15- and 30-second spots
 - d. TV had become so central to people's lives that by the 1960 presidential campaign, many would blame TV for Nixon's loss to JFK
 - i. Nixon looked sickly, "resembled a 'sinister chipmunk'"
 - ii. JFK looked cool, collected, presidential

TV + Youth Culture + Suburbs = Homogenization

1. America was becoming "homogenized" - a conformist society
2. Homogenization evident in the growth of non-denominational churches
3. real spirituality seemed to be disappearing from American society
4. By 1960, about 30.5% of Americans, or 55 million out of 180 million, lived in suburbs.
5. Stereotypical images of suburbia supported the view that America was becoming homogenized:
 - a. Levittown
 - b. Housewives
 - c. Corporate slaves
 - d. Backyard barbecues
6. perfect politician for this time: President Dwight D. Eisenhower
7. He came to practice "the politics of tranquility" -- a new style that was quite different from the social activism of Roosevelt and Truman
8. This decade of tranquility would be succeeded by the presidency of John F. Kennedy, ushering in a decade of confrontation

John Fitzgerald Kennedy (1917-1963)

1. Kennedy won the election of 1960, but only by a popular margin of about 120,000.
2. Kennedy proposed his new plan for America, the "New Frontier."
3. New Frontier had three main points:
 - a. A more sophisticated sense of economics
 - b. An emphasis on social welfare programs
 - c. Cold War policies and the space program
4. Specifically, Kennedy had eight goals in his New Frontier, most of which were defeated in Congress.
 - a. Increased federal aid for education. Defeated.
 - b. Medical care for the elderly. Defeated during the Kennedy administration, but eventually enacted as Medicare and Medicaid.
 - c. Increase in minimum wage. Passed.
 - d. Urban reforms. Modest success.
 - e. Civil rights. None. Despite the lingering myth that JFK was a strong proponent of civil rights, his administration saw no major civil rights legislation. It was actually brother Robert Kennedy, JFK's attorney general, who was passionately committed to civil rights. JFK, afraid of losing the always tenuous support of Southern Democrats, put civil rights on the back burner once he was in office.
 - f. End to poverty. No.
 - g. Major tax cuts. Defeated.
 - h. Cold War goals. Yes, Kennedy's term saw both increased expenditures on defense and money for the new space program.
5. Kennedy proved to be a man of much rhetoric and little action.
6. Frequently appearing on television to promote the New Frontier
7. Kennedy actually accomplished little in the way of legislation.
8. Kennedy did demonstrate growth in his understanding of economics
9. Having come to the White House as a fiscal conservative, he grew to understand the complexities of the economy.
10. Kennedy and his advisors dubbed his economic plans a "New Economics,"
11. they weren't much different from Keynesian economics.
12. "New Economics" advocated:
 - a. Moderate increase in federal spending
 - b. Trade Expansion Act
 - c. Stabilize interest rates
 - d. Major tax cuts
13. received either lukewarmly or negatively in Congress and the American public.
14. Many of Kennedy's economic ideas were eventually proven true
15. most only after his term in office, which was cut short on November 22, 1963.