CHAPTER OUTLINE

The following annotated chapter outline will help you review the major topics covered in this chapter.

I. Postwar Prosperity and the Affluent Society
   A. Economy: From Recovery to Domination
      1. The Bretton Woods System
         a. In 1945, the United States was the only major industrial power not devastated by war; U.S. corporations, banks, and manufacturers dominated the world economy, a preeminence that would continue unchallenged for twenty years.
         b. American economic leadership abroad translated into affluence at home; domestic prosperity benefitted a wider segment of society than anyone had thought possible in the dark days of the Great Depression.
         c. A meeting in Bretton Woods, New Hampshire, established the U.S. dollar as the capitalist world’s principal reserve currency and resulted in the creation of two global institutions—the International Bank for Reconstruction and Development (World Bank) and the International Monetary Fund (IMF).
      d. The World Bank provided private loans for the reconstruction of war-torn Europe as well as for the development of Third World countries, and the IMF was designed to stabilize the value of currencies, thereby helping to guide the world economy after the war.
      e. In 1947, the first General Agreement on Tariffs and Trade (GATT) established an international framework for overseeing trade rules and practices.
      f. Although Bretton Woods and GATT intended to create a free-market global economy, the programs benefitted the United States more than recently independent countries.
    2. The Military-Industrial Complex
       a. A second linchpin of postwar prosperity was defense spending. The military-industrial complex that President Eisenhower identified in his 1961 farewell address had its roots in the business-government partnerships of the world wars. But unlike after World War I, the massive commitment of government dollars for defense continued after 1945.
b. As military spending rose from 1 percent of GDP to 10 percent, defense-related industries established long-term relationships with the Pentagon. Companies such as Boeing and Lockheed earned the majority of their income through military contracts.
c. As permanent mobilization took hold, science, industry, and the federal government became increasingly intertwined. According to the National Science Foundation, federal money underwrote 90 percent of the cost of research for aviation and space, 65 percent for electricity and electronics, 42 percent for scientific instruments, and 24 percent for automobiles.
d. From 1947 to 1975, worker productivity more than doubled across the whole of the economy. As industries mechanized, they could suddenly turn out products more efficiently and at lower cost. But millions of high-wage manufacturing jobs were lost as machines replaced workers.

4. The Economic Record
a. America’s annual GDP jumped from $213 billion in 1945 to more than $500 billion in 1960; by 1970, it exceeded $1 trillion. This sustained growth provided a 25 percent rise in real income for ordinary Americans between 1946 and 1959. Homeownership rose from 43 percent in 1940 to 62 percent in 1960.
b. Americans at the bottom of society, however, struggled to survive. In The Affluent Society (1958), John Kenneth Galbraith argued that the poor were only an “afterthought” in the minds of politicians. He noted that one in thirteen families earned less than $1,000 a year. In The Other America, Michael Harrington concluded that although the elite and middle class converged, the lower class lagged far behind.

B. A Nation of Consumers
1. The GI Bill
a. The most breathtaking development in the postwar American economy was the dramatic expansion of the domestic consumer market. The sheer quantity of consumer goods available to the average person was without precedent.
b. The new ethic of consumption appealed to the postwar middle class. Middle-class status was more
accessible than ever before because of

the Servicemen’s Readjustment Act of 1944, popularly known as the GI Bill. By 1955, over 2 million veterans had attended college, and another 5.6 million had attended trade school with government financing.

c. Government-financed education contributed to a better educated workforce, higher earning power, and increased consumerism.

d. The GI Bill also sparked a building boom and expanded the middle class through home ownership.

2. Trade Unions

a. After lengthy strikes between 1945 and 1947, labor and management gradually accepted collective bargaining as the normal means for determining a worker’s reward.

b. Consequently, the nation’s major industries, including auto, steel, clothing, chemical, and virtually all consumer product manufacturing, were operating with union contracts by the early 1950s and workers experienced real increases in income.

c. Collective bargaining became the alternative to the European welfare state and the venue into the middle class as negotiated contracts did not just increase wages but also provided for pension plans and company-paid health insurance.

d. Though impressive, the labor-management accord was never as durable as it seemed. Vulnerabilities lurked, even in the accord’s heyday. Domestic markets remained fragile, unorganized workers did not receive the same benefits, and employers retained their antiunion philosophy. The postwar labor-management accord, thus, was a transitory event, not a permanent condition of American economic life.
3. Houses, Cars, and Children  
   a. Increased educational levels, growing home ownership, and higher wages all enabled more Americans than ever to become consumers. In the emerging suburban nation, three elements came together to create patterns of consumption that would endure for decades: houses, cars, and children.  
   b. Consumption for the home, such as accessories for a baby’s room, new stoves, ovens, and refrigerators, as well as washers and dryers drove the postwar American economy.  
   c. Producers that developed planned obsolescence—the encouragement of consumers to replace appliances and cars every few year—transformed the home into a site of perpetual consumer desire.  
   d. Advertisers turned the baby boomers into consumers by targeting their real and perceived needs from birth through adulthood.  

4. Television  
   a. Television’s leap to cultural prominence was swift and overpowering. There were only 7,000 television sets in American homes in 1947, but a year later the CBS and NBC radio networks began offering regular programming, and by 1950 Americans owned 7.3 million television sets. Ten years later, 87 percent of American homes had at least one television set.  
   b. Television became the primary mediator between the consumer and the marketplace. Television stations, dependent entirely on advertising for profits, offered corporate-sponsored shows such as General Electric Theater.  
   c. Television revolutionized and forever changed the ways products were sold to American consumers.  
   d. What Americans saw on television, besides the omnipresent commercials, was an overwhelmingly white, Anglo-Saxon world of nuclear families, suburban homes, and middle-class life.  

C. Youth Culture  
   1. Rock ‘n’ Roll  
      a. The emergence of a mass youth culture had its roots in the lengthening years of education and increasing purchasing power of teenagers, a process at work since the 1920s.  
      b. Advertisers eagerly exploited this new market to capture teenagers’ spending money and to exploit their influence on family purchases.  
      c. Since young people made up the largest audience for motion pictures, Hollywood movies soon catered to the desires of teenagers through horror, rock ‘n’ roll, dangerous youth, and beach party films.  
      d. Music really defined the 1950s youth culture, with rock ‘n’ roll, a music style that originated in African American rhythm and blues, being a driving force.  
      e. Suggestions that rock ‘n’ roll would contribute to interracial dating, rebellion, and more open sexuality did not diminish its popularity.  

   2. Cultural Dissenters  
      a. Postwar artists, musicians, and writers expressed their alienation from mainstream society through intensely personal, introspective art forms, such as the improvisational style of bebop in jazz.  
      b. The Beats were a group of writers and poets such as Allen Ginsberg and Jack Kerouac who were both literary innovators and outspoken critics of middle-class materialism; they inspired a new generation of rebels in the 1960s.
D. Religion and the Middle Class
1. In an age of anxiety, Americans yearned for a reaffirmation of faith. Church membership jumped from 49 percent of the population in 1940 to 70 percent in 1960. People flocked especially into the evangelical Protestant denominations, which benefitted from a remarkable new crop of preachers. Most notable was the young Reverend Billy Graham, who made brilliant use of television, radio, and advertising to spread the Gospel.
2. Graham, Robert Schuller, Norman Vincent Peale, and other 1950s evangelicals laid the foundation for the rise of the televangelists, who created popular television ministries in the 1970s.
3. Growing religious faith defined the Cold War as a conflict between Americans as a righteous people opposed to communist atheism and drew Catholics, Protestants, and Jews into an ecumenical movement that downplayed doctrinal differences. Congress added the phrase “under God” to the Pledge of Allegiance in 1954 and added “In God We Trust” to American currency in 1956.

II. The American Family in the Era of Containment
A. The Baby Boom
1. Improving Health and Education
   a. Two aspects about American families after World War II are noteworthy: marriages were remarkably stable and married couples decided to have babies. More babies were born between 1948 and 1953 than in the previous thirty years.
   b. Reasons for the baby boom include so many couples getting married at a younger age and having babies at the same time. The boom peaked in 1957 and remained relatively high in the early 1960s.
   c. The baby boom had a long-term impact with a secondary jump in birth rates in the 1980s as boomers had their own children; unforeseen funding problems now threaten to engulf Social Security and Medicare as boomers reach retirement age.
   d. Baby boomers benefitted from new advances in public health and medical practice after World War II. Drugs such as penicillin, streptomycin, and cortisone turned former serious illnesses into mere childhood routines.
   e. The nation’s education system also profited as middle-class college-educated parents placed high value on education and approved 90 percent of proposed school bond issues during the 1950s.
2. Dr. Benjamin Spock
   a. To keep baby boom children healthy and happy, middle-class parents increasingly relied on the advice of experts. Dr. Benjamin Spock’s Common Sense Book of Baby and Child Care sold a million copies a year after its publication in 1946. Spock urged mothers to abandon the rigid feeding and baby-care schedules of an earlier generation.
   b. Spock’s contradictory message that mothers should not be too protective but that they should be constantly available for their children did not reassure many women. Some of them would be inspired by the resurgence of feminism in the 1960s.
B. Women, Work, and Family
1. In the postwar years, women attempted to reconcile the middle-class domestic ideal of raising children, attending to their household duties, and devoting themselves to their husbands with the need or desire to work outside of the home in a job market that offered limited opportunities.
2. The postwar definition of womanhood pronounced motherhood the only “normal” female role and described career
women as social misfits in need of therapy.

3. Although many middle- and working-class women embraced their role as housewives, they were also seeking work outside of the home. In 1954, married women made up half of all women workers. By 1960, the number of mothers working had increased four times and 30 percent of wives worked.

4. Most women worked in gender-stereotyped jobs such as salesclerk, waitress, domestic servant, and secretary.

5. Contrary to belief, women’s paid work was not merely supplemental but also allowed families to move into the middle class. The highest rate of labor-force participation for women came from the lower end of the middle class; however, women of all class backgrounds entered the workforce.

6. Working women still bore full responsibility for child care and household management, allowing families and society to avoid facing the social implications of women’s new roles.

C. Challenging Middle-Class Morality

1. Alfred Kinsey
   a. The two decades between 1945 and 1965 were a time of sexual conservatism when young men and women channeled their sexual desire strictly toward marriage.
   b. Scientific studies by Alfred Kinsey, a zoologist at Indiana University, in the late 1940s and early 1950s revealed a broad range of actual sexual behaviors among average American people.
   c. His studies confirmed that a sexual revolution had already begun to transform American society by the early 1950s, and his research opened a national conversation about sex.

2. The Homophile Movement
   a. Kinsey also revealed that homosexuality was far more prevalent in American society than contemporaries assumed.
   b. These findings gave encouragement to “homophiles,” gays and lesbians who wanted to actively change homophobia in American society.
   c. Homophiles faced daunting obstacles because same-sex sexual relations were illegal in every state. Members of homophile organizations cultivated a respectable, middle-class image to combat prejudice and change the laws. Their actions laid the groundwork for the gay rights movement of the 1970s.

III. A Suburban Nation

A. The Postwar Housing Boom

1. William J. Levitt and the FHA
   a. Migration to the suburbs grew on an unprecedented scale after World War II; by 1960, one-third of Americans lived in suburbs.
   b. William J. Levitt, a Long Island building contractor, revolutionized suburban housing by applying mass-production techniques to home construction; other developers followed suit in subdivisions all over the country, hastening the exodus from farms and cities.
c. Many homes were financed with mortgages from the Federal Housing Administration (FHA) and the Veterans Administration at rates dramatically lower than those offered by private lenders. FHA and VA mortgages explain why homeownership jumped to 60 percent by 1960.

d. New suburban homes, as well as their funding, were reserved mostly for middle-class young whites; some homeowners had to sign a restrictive covenant prohibiting occupation in the development by blacks, Asians, or Jews.

e. Although *Shelley v. Kraemer* (1948) ruled that restrictive covenants were illegal, the practice continued until the civil rights laws of the 1960s banned private discrimination.

2. Interstate Highways

a. Suburban growth would have been impossible without the automobile. Car ownership increased from twenty-five million cars in 1945 to seventy-five million in 1965.

b. The federal government took note of the increasing demand for roads and funded the construction of new highways through programs such as the National Interstate and Defense Highway Act of 1956. The nationally integrated highway system changed American cities by making massive suburbanization possible, rerouting traffic from small towns, and cutting wide swaths through old urban neighborhoods.

3. Fast Food and Shopping Malls

a. As Americans began to abandon city centers in the 1950s, entrepreneurs developed new commercial forms: the shopping mall and the fast-food restaurant.

b. Suburban shopping centers brought the market to the consumer.

c. In 1954, Ray Kroc bought a franchise of the little-known McDonald’s Restaurant; three years later, he bought the company from the McDonald brothers and turned it into the largest chain of restaurants in the world and in the process transformed the way Americans consumed food.

B. Rise of the Sunbelt

1. New growth patterns were most striking in the South and West, where inexpensive land, unorganized labor, low taxes, and warm climates beckoned; California grew the most rapidly, containing one-tenth of the nation’s population by 1970, surpassing New York as the most populous state.

2. A distinctive feature of Sunbelt suburbanization was its close relationship to the military-industrial complex. Military bases proliferated in the South and Southwest in the postwar decades, especially in Florida, Texas, and California.

3. Aerospace, defense, and electronics industries were also located in Sunbelt metropolitan areas.

4. Orange County, California, southwest of Los Angeles, illustrated this Sunbelt suburbanization; its population jumped from 130,760 in 1940 to 703,925 in 1960.

C. Two Societies: Urban and Suburban

1. The Urban Crisis

a. Between 1950 and 1960, the nation’s twelve largest cities lost 3.6 million whites and gained 4.5 million nonwhites.

b. Postwar cities in the industrial Northeast and Midwest experienced a rise in the urban problems of poverty, slum housing, and hardships as the manufacturing sector contracted and thousands of semiskilled or unskilled jobs disappeared.
c. Intensification of poverty, aging apartment buildings, and racial segregation contributed to the urban crisis.

d. Urban renewal programs aimed to revitalize inner cities by demolishing old buildings to make way for new highways, high-rise housing, and commercial buildings. In the process, 1.4 million people were displaced.

e. Federally funded housing projects for the displaced produced grim high-rise housing projects that destroyed community bonds and created an environment for crime and hopelessness.

2. Urban Immigrants


b. The federal government’s welcoming of Mexican labor under its Bracero Program, which began during World War II, was revived in 1951 and ended in 1964.

c. Although many Mexicans settled in Los Angeles, Long Beach, San Jose, and El Paso, others also established Mexican American communities in Chicago, Denver, Detroit, and Kansas City.

d. Residents of Puerto Rico had been American citizens since 1917, so they were not subject to immigration laws; they became America’s first group to immigrate by air. Most moved to New York City.

e. Cuban refugees were the third largest group of Spanish-speaking immigrants; the Cuban refugee community turned Miami into a cosmopolitan, bilingual city almost overnight.

f. Spanish-speaking immigrants created huge barrios in major American cities, where bilingualism flourished and the Catholic Church shaped religious life.