

Section Note Taking Transparency 190
The Cold War Section 2

Economic and Political Changes in the Industrialized Democracies

United States

- The United States became the world's wealthiest economy.
- Exports of goods and services helped build U.S. foreign trade.
- Recessions were brief and mild in 1950s and 1960s.
- Oil crisis contributed to recession in 1974.
- President Truman desegregated the armed forces.
- The Supreme Court declared segregated schools unconstitutional.
- Dr. Martin Luther King, Jr., led the civil rights movement.
- Congress passed laws to protect minorities' voting rights and equal access to housing and jobs.
- Government created social programs during the 1960s. Many were cut during the 1980s as budget deficit increased.
- Women's rights movement won laws banning gender-based discrimination.

Western Europe

- Division of Germany in 1949 and reunification in 1990
- Marshall Plan helped rebuild Western Europe.
- Germany rebuilt cities, factories, and trade, creating an industrial base.
- End of colonial empires
- Government expanded social benefits and established welfare states, which meant greater taxes.
- Conservative leaders reduced welfare programs in Britain during the 1980s.
- The European Coal and Steel Community was created in 1952 to eliminate tariffs and other trade barriers among member nations.
- Development of European Community freed up trade among member nations.

Japan

- Emperor's power ends; Japan becomes a democracy.
- Occupation forces introduced social reforms, including education systems opened to all people and equality for women.
- Land-reform program bought out landowners and gave land to landless farmers.
- In 1952, the United States signed a peace treaty with Japan.
- Developed trade surplus and imposed tariffs on imports