The United States responded to an uncertain and unstable postwar world by asserting and working to maintain a position of global leadership, with far-reaching domestic and international consequences.

I. Eisenhower’s Domestic Policies
   A. Modern Republicanism
      i. Modern Republicanism combined the basic features of the New Deal with a conservative economic policy, particularly controlling government spending.
      ii. Eisenhower sought to balance the federal budget and lower taxes but did not attempt to curtail existing social and economic legislation.
      iii. Social Security was extended in 1954 and 1956 to an additional 10 million people, including professionals, domestic and clerical workers, farm workers, and members of the armed services.
   B. Interstate Highway System
      i. Passed during the Eisenhower administration, the Federal Highway Act of 1956 created the interstate highway system.
      ii. The 1950s witnessed the beginning of a mass migration of middle-income Americans from cities to their surrounding suburbs.
      iii. The creation of interstate highways vastly accelerated the growth of suburbia.
   C. Prosperity
      i. The decade after World War II was characterized by unprecedented prosperity and a rapid suburbanization.
      ii. The Gross National Product (GNP) doubled between 1945 and 1960, growing at an annual rate of 3.2% while inflation grew at just 2%.
      iii. Defense spending was the most important stimulant, and military-related research helped create or expand the nation’s new industries of chemicals, electronics, and aviation.
      iv. The U.S. had a virtual monopoly over international trade, because of the devastation of WWII.
      v. Home ownership grew by 50% between 1945 and 1960. These new homes required consumer appliances such as refrigerators and washing machines, but the most popular product was the television, increasing from 7,000 sets in 1946 to 50 million by 1960.

II. Eisenhower and the Cold War
   A. Massive Retaliation
      i. Massive retaliation, also known as brinksmanship, was a military doctrine association with Dwight Eisenhower and his Secretary of State, John Foster Dulles.
      ii. Dulles was opposed to simply containing the USSR and wanted to liberate the countries under Soviet control.
      iii. In the event of an attack by the Soviet Union or any other hostile power, the U.S. would retaliate with massive force, including nuclear weapons.
      iv. The threat of massive retaliation was designed to deter an enemy from launching an initial attack by emphasizing nuclear deterrents instead of the conventional use of the armed forces.
      v. The U.S. exploded its first hydrogen bomb in November 1952 while the Soviets followed with theirs in August 1953.
B. Indochina
   i. Division of Vietnam
      a. Following World War II, the U.S. adopted a policy of containment to halt the expansion of Communist influence. France continued to exercise influence and control over Indochina.
      b. Led by Ho Chi Minh, the Viet Minh defeated the French at the Battle of Dienbienphu. Following their defeat, the French withdrew from Vietnam in 1954.
      c. American involvement in Vietnam grew out of the policy commitments and assumptions of containment.
      d. The United States refused to sign the Geneva Accords which divided North and South Vietnam and soon replaced France as the dominant Western power in Indochina.
      e. The CIA organized commando raids across the border into North Vietnam, hoping to provoke a response which could be blamed on the communists.
   ii. Domino Effect
      a. The U.S. believed that if one nation fell under communist control, nearby nations would inevitably also fall under communist influence.
      b. The U.S. feared that it might eventually be forced back to Hawaii, as it was before WWII.
   iii. SEATO
      a. To prevent South Vietnam, Laos, and Cambodia from “falling” to communism, Secretary of State Dulles put together a regional defense pact called the Southeast Asia Treaty Organization, agreeing to defend one another in case of an attack within the region.
      b. The U.S., Great Britain, France, Australia, New Zealand, the Philippines, Thailand, and Pakistan also signed.

C. The Middle East
   i. Suez Crisis
      a. The U.S. had agreed to lend money to Egypt under the leadership of Colonel Gamal Abdul Nasser, to build the Aswan Dam but refused to give arms.
      b. Nasser drifted toward the USSR and in 1956 established diplomatic relations with the People’s Republic of China. The U.S. responded by withdrawing its loans to Egypt. Egypt then seized the Suez Canal.
      c. Without U.S. assistance, France, the UK, and Israel attacked Egypt but Eisenhower demanded that they pull out, and a cease-fire was announced shortly thereafter.
   ii. Eisenhower Doctrine
      a. According to the Eisenhower Doctrine, the U.S. was prepared to use force in the Middle East against aggression from any country controlled by the Soviet Union.
      b. Under this doctrine, the U.S. marines entered Lebanon in 1958 to promote political stability and prevent a civil war between Christians and Muslims.
   iii. OPEC and Oil
      a. In Eisenhower’s last year in office, the Arab nations of Saudi Arabia, Kuwait, Iraq, and Iran joined Venezuela to form the Organization of Petroleum Exporting Countries (OPEC), as oil was shaping up to be a critical foreign policy issue.
b. The combination of western dependence on Middle East oil, Arab nationalism, and a conflict between Israelis and Palestinian refugees would trouble American presidents in the coming decades.

D. U.S.-Soviet Relations
   i. Death of Stalin
      a. President Eisenhower hoped that the death of Joseph Stalin in 1953 might improve American-Soviet relations. Initially, the new Russian leader Nikita Khrushchev offered hope.
      b. Khrushchev denounced Stalin’s totalitarianism and called for “peaceful coexistence” among nations with different economic philosophies.
   ii. Hungarian Revolt
      a. Some Soviet satellite states took Khrushchev’s pronouncements as signs of weakness, and rebellions took place in Poland and Hungary.
      b. When the USSR crushed the uprisings, U.S.-Soviet relations returned to where they were during the Stalin era.
   iii. Sputnik
      a. Launched by the Soviet Union in 1957, Sputnik was the first Earth-orbiting satellite.
      b. Sputnik stunned America, prompting President Dwight Eisenhower to establish NASA.
      c. Sputnik made education an issue of national security. Congress responded to the launch by passing the National Defense Education Act. The legislation significantly expanded federal aid to education by funding programs in mathematics, foreign languages, and the sciences.
   iv. U-2 Incident
      a. In May 1960, the Soviet Union shot down an American U-2 spy plane.
      b. Eisenhower ultimately took responsibility for the spy plane and Khrushchev angrily called off a summit conference which was to take place a few days later.

E. Communism in Cuba
   i. Fidel Castro gained control over Cuba in 1959.
   ii. Castro soon began criticizing the United States and moved closer to the Soviet Union.
   iii. The U.S. prohibited the importation of Cuban sugar in October 1960 and broke off diplomatic relations the following year.

F. Eisenhower’s Legacy
   i. Americans debated the merits of a large nuclear arsenal, the military-industrial complex, and the appropriate power of the executive branch in conducting foreign and military policy.
   ii. In his farewell address, Eisenhower warned of the danger posed by a strong defense industry and the armed forces (military-industrial complex); despite his own background, Eisenhower wanted to control military spending.