Reading Essentials and Study Guide

The Cold War Begins, 1945–1960

Lesson 1 The Origins of the Cold War

ESSENTIAL QUESTIONS

How did the Cold War shape postwar international relations? How did Cold War tensions affect American society?

Reading HELPDESK

Academic Vocabulary

*liberate to set free

*equipment the articles or physical resources prepared or furnished for a specific task

Content Vocabulary

charter a constitution

satellite nations nations politically and economically dominated or controlled by another more powerful country

Iron Curtain the political and military barrier that isolated Soviet-controlled countries of Eastern Europe after World War II

TAKING NOTES: Organizing

ACTIVITY As you read, complete a graphic organizer similar to the one below by filling in the names of the conferences held during the last days of World War II and the outcomes of each.

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Conferences	Outcomes

Reading Essentials and Study Guide

The Cold War Begins, 1945–1960

Lesson 1 The Origins of the Cold War, *continued*

IT MATTERS BECAUSE

As World War II was coming to an end, the Allied powers set up a peacekeeping organization. Its aim was to stop future wars from taking place. Soon, however, tensions arose over the amount of freedom the Soviets would allow the nations they controlled.

Building a New World

Guiding Question How did the conferences at Dumbarton Oaks and Yalta attempt to shape the postwar world?

Before the war ended, President Roosevelt had begun to think about what the world would be like after the war. Many people in the United States worried that the Great Depression would come back. Others worried that the United States would return to isolationism. They worried this would let the differences and conflicts between other countries lead to new wars. Roosevelt was determined to build a new economic and political system. He wanted to build systems that would keep peace and push economic growth in the world.

The Bretton Woods System

President Roosevelt believed that high tariffs had helped cause the Great Depression. He and his advisors wanted to create wealth and economic growth after the war. Roosevelt and his advisors felt the best way to do this was to increase the amount of trade between countries. They also wanted to create institutions that would keep the trade system stable.

In July 1944, Roosevelt put together a conference for the world's nations except those that belonged to the Axis. The conference was held at Bretton Woods, New Hampshire. The conference set up many international economic institutions that are still part of the world's economic system today.

The first organization set up at Bretton Woods was the World Bank. It was set up to help rebuild Europe after the war. It was also to help nations in Asia, Africa, and Latin America develop their economies. The World Bank still performs this role today, loaning money to help nations with their economic development.

The second institution set up was the International Monetary Fund (IMF). Its purpose was to help countries with trade deficits. A trade deficit is when a country imports more than it exports. Countries with trade deficits have more of their money flowing out to buy foreign goods than they have flowing in from other countries who are buying their goods. The IMF was to use its funds to stop trade wars and to keep each country's money from changing too much in value. The IMF still performs this role today.

The nations also set up a new currency system. The U.S. dollar became the world's reserve currency. All nations set an exchange rate between their currency and the dollar. The dollar in turn was put on a gold standard. One ounce of gold would equal 35 U.S. dollars. The United States promised to always keep enough gold in reserve so that anyone with dollars could change them into gold on demand.

One of the positives of the Bretton Woods system was that it would keep nations from using inflation to escape their debts. Everyone remembered that Germany had used inflation to make its currency almost worthless after World War I as a way to avoid paying its reparations debts. The Bretton Woods system would keep the world's currencies stable. It would also help keep the world at peace. The weakness of the system was that a gold standard limited the use of monetary policy to fight inflation or get out of a recession. By setting exchange rates, it also meant trade between nations could become unbalanced. Unbalanced trade can happen if the exchange rate does not reflect the market value of goods being traded across borders.

Reading Essentials and Study Guide **networks** The Cold War Begins, 1945–1960

Lesson 1 The Origins of the Cold War, *continued*

Creating the United Nations

Roosevelt also wanted a new political system to help prevent another world war. He believed one cause of World War II had been the American decision to stay out of the League of Nations after World War I. He wanted the United States and its allies to create a new international organization that would take an active role in keeping the peace.

In 1944 delegates from 39 countries came together at Dumbarton Oaks in Washington, D.C. They met to talk about the new organization, which was to be called the United Nations (UN). The delegates agreed that the UN would have a General Assembly. Every member nation in the world would have one vote in the General Assembly. The UN would also have a Security Council with 11 members. Five countries would be permanent members: Britain, France, China, the Soviet Union, and the United States. The five permanent members would each have veto power.

The advantage of the United Nations was that it put all of the great powers that had helped to defeat the Axis in the Security Council. This would force them to talk with each other and work together whenever the United Nations took action. The weakness of the United Nations was that the veto allowed any one member of the Security Council to stop the UN from taking action.

On April 25, 1945, representatives from 50 countries went to San Francisco to officially organize the United Nations and design its **charter**. The General Assembly was given the power to vote on resolutions. It also had the power to choose the non-permanent members of the Security Council. The Security Council was responsible for international peace and security. It was responsible for international peace and security. It could also ask its members to use military force to uphold a UN resolution.

The Yalta Conference

By February 1945, the war in Europe was almost over. That month Roosevelt, Churchill, and Stalin met in Yalta, a Soviet resort on the Black Sea. The purpose of the meeting was to make a plan for the world after the war. The three leaders made several agreements at Yalta. These agreements would later play an important role in causing the Cold War.

One key issue the leaders discussed at Yalta was Poland. Shortly after the Germans had invaded Poland, members of the existing Polish government fled to Britain. In 1944, however, Soviet troops drove back the Germans and entered Poland. The Soviets had **liberated** Poland from German control. So the Soviets wanted Polish Communists to set up a new government. As a result, members of two different governments said they had the right to govern Poland: one Communist and one non-Communist. President Roosevelt and Prime Minister Churchill both felt that the Poles should be free to choose their own government.

Stalin, however, said that every time invaders entered Russia from the west, they had come through Poland. Therefore, Roosevelt and Churchill agreed to recognize the Polish government set up by the Soviets. Stalin agreed that members of the prewar Polish government would be included in the new government. He also said that free elections would be held as soon as possible.

The Declaration of Liberated Europe

After reaching a compromise on Poland, the three leaders agreed to issue the Declaration of Liberated Europe. The declaration was like the Atlantic Charter. Both documents said that all people could choose the form of government they wanted. The Allies promised that the people of Europe

Reading Essentials and Study Guide The Cold War Begins, 1945–1960

Lesson 1 The Origins of the Cold War, continued

could create democratic organizations and temporary governments that were partly democratic. They promised free elections and a government that represented the people.

Dividing Germany

The meeting in Yalta then focused on Germany. Roosevelt, Churchill, and Stalin agreed to split Germany into four zones. Britain, the United States, the Soviet Union, and France would each control one zone. The same four countries would also split Berlin, Germany's capital, into four zones. This split came despite Berlin's location in the Soviet zone.

Stalin was happy with the decision to divide Germany. But he also wanted Germany to pay heavy reparations for the war damages it had caused. The leaders eventually agreed that Germany could pay war reparations with goods and products. Half of these would go to the Soviet Union. The Allies would remove industrial machinery, railroad cars, and other **equipment** from Germany as reparations. Later arguments about reparations greatly added to the tensions between the United States and the Soviet Union.

Rising Tensions

The Yalta decisions shaped the expectations of the United States. Two weeks after Yalta, the Soviets pressured the king of Romania into creating a Communist government. The United States said the Soviets were violating the Declaration of Liberated Europe. Soon afterward, the Soviets decided not to allow more than three non-Communist Poles to serve in the 18-member Polish government. It also did not appear that the promised free elections would take place in Poland. On April 1, President Roosevelt told the Soviets that their actions in Poland were not acceptable.

Yalta marked a turning point in Soviet-U.S. relations. President Roosevelt had hoped that an Allied victory and the creation of the United Nations would lead to a more peaceful world. Instead, as the war came to an end, the United States and the Soviet Union became more hostile toward each other. This led to an era of conflict and competition between the nations. This era lasted from about 1946 to about 1990. It was known as the Cold War.

Soviet Concerns

As the war ended, Soviet leaders became worried about keeping their country safe. They wanted to keep Germany weak. They also wanted to put the countries between Germany and the Soviet Union under Soviet control. Soviet leaders also believed that communism was the best economic system and that it would eventually replace capitalism. Soviet leaders believed Lenin's theory that capitalist countries would try to destroy communism. This theory made them wary of capitalist nations.

American Economic Issues

Soviet leaders focused on keeping their borders safe. Meanwhile, U.S. leaders believed that the Great Depression had been so severe because nations reduced trade during the Depression. These same leaders also believed that when nations stop trading, they go to war to get resources. By 1945 Roosevelt and his advisers felt that economic growth through world trade was the key to peace. A free enterprise system focuses on private property rights with little government involvement in the economy. U.S. leaders thought that this kind of system was the best route to prosperity.

Reading Essentials and Study Guide **networks** The Cold War Begins, 1945–1960

Lesson 1 The Origins of the Cold War, *continued*

UN Responses to the War

In response to the horrors of World War II, the United Nations held a General Assembly in December 1946. It passed an agreement that made genocide punishable internationally. The text of the Convention on the Prevention and Punishment of the Crime of Genocide became the first UN human rights treaty. Former first lady Eleanor Roosevelt oversaw a UN Commission on Human Rights in 1948. The commission wrote the Universal Declaration of Human Rights. The declaration stated the rights that every human being is born with. Members of the commission hoped that this agreement would end discrimination.

Reading Progress Check

Identifying What agreements at the Yalta Conference contributed to the rise of the Cold War?

Truman Takes Control

Guiding Question Why did the Potsdam Conference further increase tensions between the United States and the Soviet Union?

Eleven days after challenging the Soviets about Poland, President Roosevelt died. Harry S. Truman became president. Truman was strongly anti-Communist. He believed World War II had started because Britain had tried to appease Hitler. Truman did not want to make that mistake with Stalin.

Ten days later, Truman was at a meeting with Soviet foreign minister Molotov. Truman immediately brought up Poland. He demanded that Stalin hold free elections as he had promised at Yalta. Molotov took the unexpectedly strong message back to Stalin. The meeting marked an important shift in Soviet-U.S. relations. It also set the stage for further conflicts.

The Potsdam Conference

In July 1945, the war against Japan was still not over. Truman finally met Stalin in Potsdam, near Berlin. Both men had come to Potsdam to work out a deal on Germany. Truman was now certain that industry was the key to Germany's survival. Unless its economy could grow stronger, the rest of Europe would never recover. Out of desperation, the German people might turn to communism.

Stalin and his advisers felt they needed reparations from Germany. The war had greatly hurt the Soviet economy. Soviet troops had begun taking machinery and equipment from their zone in Germany to use in the Soviet Union. But Stalin wanted Germany to pay much more.

At the conference, Truman took a stand against heavy reparations. He insisted that Germany's industry be allowed to recover. Truman suggested the Soviets continue to take reparations from their own zone. The Allies would allow industry to grow in the other zones. But Stalin was against this idea because the Soviet zone was mostly agricultural. To get the Soviets to accept the agreement, Truman

Reading Essentials and Study Guide The Cold War Begins, 1945–1960

Lesson 1 The Origins of the Cold War, continued

offered Stalin a small amount of industrial equipment from the other zones. But he made the Soviets pay for part of it with food shipments. He also offered to accept the new German-Polish border the Soviets had established.

Stalin did not like Truman's proposal. At Potsdam, Truman learned of the successful U.S. atomic bomb tests. He hinted to Stalin that the United States had a new, powerful weapon. Stalin thought Truman was trying to pressure him. He thought the United States wanted to limit reparations to keep the Soviets weak. Despite his suspicions, Stalin had to accept the terms. U.S. and British troops controlled Germany's industrial heartland. Thus, the Soviets could not get reparations without working together. The Potsdam Conference marked yet another increase in tensions.

The Iron Curtain Descends

Although Truman had won the argument over reparations, he had less success on other issues at Potsdam. The Soviets refused to make stronger commitments to uphold the Declaration of Liberated Europe.

The presence of the Soviet army in Eastern Europe helped the creation of pro-Communist governments. In time, Poland, Romania, Bulgaria, Hungary, and Czechoslovakia all created Communist governments. The Communist countries of Eastern Europe came to be called **satellite nations**. The term applied because the Soviets controlled these nations in the same way that planets control the orbits of their moons, or satellites. These nations had to remain Communist and friendly to the Soviet Union. They also had to follow policies the Soviets approved.

After watching the Communist takeover in Eastern Europe, Winston Churchill came up with a phrase to describe what had happened. In a 1946 speech, Churchill said that an "iron curtain" had fallen across Eastern Europe. The press used the saying to describe the Communist nations of Eastern Europe and the Soviet Union for the next 43 years. With the **Iron Curtain** separating Eastern Europe from the West, the World War II era had come to an end. The Cold War was about to begin.

Reading Progress Check

Determining Cause and Effect How did the Potsdam Conference lead to greater tensions between the Americans and the Soviets?