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America, Russia, and the Cold War, 1945 - 1996
Walter La Feber

NSC-68 (1948-1950)

Our last podcast ended with Truman arguing that the Marshall Plan was not enough to prevent Europe from sliding into the Soviet camp. Nevertheless, the Americans were continuing to emphasize that the prosperity of Western Europe depended on German industrial recovery. The Soviets, meanwhile, were confronting the prospect of a revitalized West Berlin deep inside the Soviet zone.

The US was worried about Stalin's response to unfolding events, and Truman was insistent that Europe had to have more protection against internal and external aggression. In this podcast, we'll move on from here.

America's concern intensified when, suddenly, Stalin's authority was challenged from within his own bloc by **Marshal Tito** of Yugoslavia. Tito's country did not border the Soviets, and it even had access to the Mediterranean. Tito was a strong communist but he was also a nationalist. When Stalin tried to challenge Tito, he lost, and then responded by ordering bloody purges all over Eastern Europe.

Subsequently, Stalin tried to cut off the 2.4 million West Berliners from the West. On June 24, 1948, he stopped all surface traffic between Berlin and the Western zones. On June 28, the US began a massive airlift lasting 325 days and delivering 13,000 tons of supplies a day.

On another front, in mid-May 1948, Truman recognized the state of Israel, rejecting the advice of both his diplomatic and military advisers. Britain's Prime Minister asserted: "Truman overrode his advisers because 'there's no Arab vote in America but there's a very heavy Jewish vote and the Americans are always having elections.'"

In his Inaugural Address of January 20, 1949, Truman proposed a program to spread scientific and industrial knowledge to the newly emerging areas. This became **Point Four** of his **four point foreign policy**, (**Point One** was full support of the UN; the other two points were the encouragement of European recovery and the pledge of aid to help nations defend themselves.)

The world was undergoing rapid change. This was especially evident in the Soviet Union where the Allied response to the Berlin blockade and Tito's defiance of the Cominform forced Stalin to question Zhdanov's "two-camp" fanaticism. During April 1949, the Soviets began lifting the Berlin blockade; Italian and French communists lost considerable ground.

In the West, a new era would soon be opened by the **NATO Pact**. Twelve nations had signed the Pact by the time the US Senate opened hearings on it. The signatories pledged to use force only in self-defense and to develop "free institutions," particularly through the encouragement of economic collaboration between any or all of the parties. **Article 5**--collective defense--was central:

The parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all; and consequently they agree that, if such an armed attack occurs, each of them . . . will assist the Party or Parties so attacked by taking forthwith, individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force.

Senate hearings enforced the idea that European defense could not be left to the

UN, and that NATO was not to create a *balance of power* but a *preponderance of power*. The financial price for NATO came in a one-year **Mutual Defense Assistance (MDA) Bill** providing one and a half billion dollars for European military aid. The purpose of MDA was said to be to build up our own military industry, to create a common defense frontier in Western Europe by having the Allies pool their industrial and manpower resources, and to subordinate nationalist tendencies. Passage was tough sledding until the announcement that the Soviets had exploded an atom bomb coincided with the fall of China. Truman ordered that the production of the hydrogen bomb be accelerated. American military authorities also determined to build a large conventional European army that would include German military units.

The struggle for Europe was reignited. The French hoped to tie down Germany and shape Western Europe through economic means; the Americans planned to influence Germany and Western Europe through NATO. In 1949-1950, George Kennan came up with a third approach. He concluded that Russia could be contained through some kind of neutralization plan for Central Europe, but he thought NATO was an obstacle to such neutralization since the new alliance permanently divided and threatened to rearm Germany. In the end, Kennan left the State Department. Still, American foreign policy remained contentious, even though the focus shifted from Europe to Asia.

As a Europe-first advocate, and as secretary of state when Chiang Kai-shek finally gave up China, Secretary of State Acheson became the target of a growing body of Chiang supporters known as the **China Lobby**. The lobby had begun in the Chinese embassy during WWII, coordinating pro-Chiang propaganda in the US, and paying its expenses by illegally smuggling narcotics into the country. Until 1948, the China Lobby

was not significant but then it was transformed into a highly effective pressure group. It gained the support of wealthy, conservative Americans who believed Truman was selling out China and the free enterprise system to communists. Many Americans could not understand why the US “allowed” Mao Ze-dong’s communist forces to conquer China. Their ignorance of China and of the limits of American power led them to believe that communist sympathizers were hidden in the State Department. The lobby gained tremendous support from congressmen.

By February 1949, the Nationalists had lost nearly half their troops, and 80 percent of the American equipment given Chiang had fallen into communist hands. In August 1949, Acheson released a White Paper to support his contention that the civil war in China was beyond the control of the US government. Chiang Kai-shek fled to Formosa (Taiwan) to establish a rival Chinese government. Washington surmised that Mao would probably conquer Formosa sometime in 1950, so it was not advisable for the US to give military aid to the Nationalists since they absolutely could not hold their ground.

Meanwhile, a debate erupted among top Soviet officials over whether their possession of the atomic bomb and the victory of the Chinese communists meant that the threat of **capitalist encirclement** was so weakened that internal discipline could be eased and domestic consumer production increased. In the end, though, there was a sense that the balance of power was so tipping in favor of the Soviets that it might lead to Western attacks on Eastern Europe, Communist China, and North Korea.

Chinese and Russian leaders entered into discussions. Meanwhile, the US decided that the Far East was threatened by subversion rather than military aggression. It

was concluded, however, that the US had special economic responsibilities in both Korea and Japan. If an attack occurred west of the stated “**defense perimeter**,” the world would have to assist those who wanted to protect their independence. A **Sino-Soviet Treaty** also became public, and it was interpreted as Mao’s selling out of the Chinese people to Stalin.

Shifting gears a bit, in early 1950 the US National Security Council began work on a secret document known as **NSC-68**. This became the American blueprint for waging the Cold War. It began with two assumptions: 1) the global balance of power had been fundamentally altered since the 19th Century so that Americans and Russians now dominated the world; 2) the Soviet Union was attempting to spread a new “fanatic faith” worldwide and Soviet efforts were now directed toward the domination of the Eurasian land mass. Despite the opposition of Kennan and some others who believed that Stalin had no grand design for world conquest, that his attention was focused almost exclusively on the Soviet bloc, and that he feared overextension, the conclusion of the document was that the US must lead in building a successfully functioning political and economic system in the free world. The key would be military power. Military rebuilding was immediately required. NSC-68 recommended:

- 1) against negotiations with Russia
- 2) development of hydrogen bombs
- 3) rapid rebuilding of conventional military forces
- 4) large increases in taxes
- 5) mobilization of American society
- 6) a strong alliance system directed by the US

7) undermining the Soviet totalitariat from within

Truman and Acheson were no longer satisfied with containment. They wanted Soviet withdrawal and absolute victory. But the American people were in no mood to pay the associated costs. So, luckily for the President and the Secretary of State, on June 25, 1950, Korea came along and saved them. We'll talk about that next time.