



Hwa Chong Institution (College)
Paper 1

Theme I: Understanding the Cold War, 1945 -1991
Why and when did the Cold War start?

Objectives:

- Analyse the origins of the conflict between the United States and the Soviet Union
- Evaluate the causal relationships that underpinned the continued discord between the two superpowers

Why and when did the Cold War start?

What was the Cold War?

Let's try and work it out using the sources below:



Political cartoon published in Canada in 1949

When you look at this political cartoon, what comes to mind? Questions about the source should include the following:

- Who wrote this?
- What is he/she trying to say?
- When was this written?
- Where was it written?
- Why was this written?
- How accurate is this?

Information and interpretation of the political cartoon:

This political cartoon was drawn by John Collins, a cartoonist for the Gazette, a conservative English-Canadian paper.¹ It was published in 1949 and reflects the change in relations between the East and the West from 1945 to 1949. The supposed overture of friendship by the Western Powers has clearly been rejected by the East, as depicted in the cartoon by the arm wrestling of the two sides, where the USSR has apparently failed the test of friendship and created the tense, competitive situation in 1949 – the Berlin Blockade. The Atlantic Pact, written on the “West” side refers to the agreement that established the North Atlantic Treaty Organisation (NATO) and the Iron Curtain written on the “East” side is a demonstration of their defence of the strength of communism.

¹ http://www.mccord-museum.qc.ca/scripts/explore.php?Lang=1&tableid=11&elementid=82__true&contentlong



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The following is an excerpt from US President Harry S. Truman's address to Congress on 12 March 1947. The Truman Doctrine, as it came to be known, was the first implementation of the containment foreign policy.

"At the present moment in world history nearly every nation must choose between alternative ways of life. The choice is too often not a free one.

One way of life is based upon the will of the majority, and is distinguished by free institutions, representative government, free elections, guarantees of individual liberty, freedom of speech and religion, and freedom from political oppression.

The second way of life is based upon the will of a minority forcibly imposed upon the majority. It relies upon terror and oppression, a controlled press and radio; fixed elections, and the suppression of personal freedoms.

I believe that it must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures.

I believe that our help should be primarily through economic and financial aid which is essential to economic stability and orderly political processes."

After the reading these 2 sources, come up with a definition of the Cold War.



Why and when did the Cold War start?

- The term “Cold War” was first used by the British writer George Orwell in 1945 to deplore the worldview, beliefs, and social structure of both the Soviet Union and the United States, and the undeclared state of war that would come to exist between them after the end of World War II.² “The atomic bomb,” Orwell found, may be “robbing the exploited classes and peoples of all power to revolt, and at the same time putting the possessors of the bomb on a basis of equality. Unable to conquer one another they are likely to continue ruling the world between them.”³ Historians first took up the term “Cold War” in the late 1940s when attempting to explain how the wartime alliances between the United States, Britain, and the Soviet Union had collapsed. In the first post-war decade, the term was mostly used by American historians as a synonym for which they saw as Soviet leader Stalin’s confrontational policies from the latter stages of World War II on. The Soviet Union waged cold war against the West (meaning, mostly the United States and Britain) while the West was seen as defending itself and the values it believed in. The Cold War, in other words, was imposed on the rest of the world by the Soviet leader and the tyrannical Communist system he had created.

- Throughout the Cold War, the main view of the conflict among historians both in the United States and Western Europe remained coloured by the anti-Stalinist approach. Deeply influenced by the wars against other authoritarian governments (Germany, Japan and Italy) that had just ended, this orthodox Western interpretation of the causes of the Cold War contains both a definition and timeline. The Cold War means a period of Soviet aggression that was initiated by its growing power in the latter stages of the war and which had become doctrine in 1947. Most early historians, not only in the United States but also in Western Europe, believed that this period would last as long as the Stalinists were in command in Moscow. Though in no way uncritical of Western policies – both the United States and Britain were often blamed for not confronting Soviet policies strongly and early enough on the main issues and the inflexibility and lack of cooperation on minor points – the anti-Stalinist interpretation places the blame squarely on the Soviet Union, and from the early 1950s, on what is termed “Communist ideology” (meaning in most cases the anti-capitalist agenda of the Soviet state).

² The Cambridge History of the Cold War, Volume 1, Michael P. Leffler and Odd Arne Westad (eds.), p. 3.

³ George Orwell, “You and the Atomic Bomb”, Tribune, 19 October 1945.



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- The change from emphasising Stalin to emphasising Communism as the main cause of the Cold War can be easily seen as part of the rollback of the wartime cooperation between Right and Left inside the West itself. While the Cold War was initially viewed as a security emergency, by the 1950s, it had become a battle of global alliances and of political ideas. Wartime cooperation had been an aberration, many historians working in the 1950s thought. The normal pattern was one of confrontation between Communism and its enemies, as had been the case in the interwar period. Even among the left-wing historians writing on the Cold War in the 1950s – more in Europe than the United States – the breakdown of the wartime alliance had become a confrontation of superpowers, each imposing its will and their political systems in Europe.
- With the expansion of the Cold War to the Third World in the 1960s – and especially with the American defeat in Vietnam – radical historians in the West gained a wider audience for their critique of the US role in the conflict. Still staying within the original political agendas of interpretation, these critics argued that the United States, with its increasingly global anti-collectivist agenda, had caused and perpetuated the Cold War to at least as high a degree as the Soviet Union had. To some of them, the American government's motives were driven by the economic needs of the United States as the global capitalist superpower. To others, Vietnam proved that the United States was simply not suited to pursuing change abroad, and that it should rather concentrate on a progressive political agenda at home, rectifying injustices based on race, gender, education, and income levels.⁴
- By the mid-1970s, as superpower détente seemed to take hold, the view of the Cold War as a system had a breakthrough among Western historians. The most comprehensive challenge to the anti-collectivist approach during all of the Cold War was the “realist” approach – which saw the Cold War primarily as an interest-driven clash of the strategic security needs of great powers. In their behaviour, both governments were not strikingly different from each other or from other great powers in history. The key concept for Cold War realists was “power” and implicitly at least, a “balance of power” – a global system in which the strategic arms race and formal or informal alliances had moved the Soviet-American relationship toward a high degree of stability and predictability.

⁴ Cambridge History of the Cold War, p. 4.



- Always more popular in Western Europe than the United States, Cold War realism foundered on the way the Cold War ended. Instead of slow, gradual change or war – the two outcomes of the conflict that Cold War realism seemed to point toward – the “balance of power” itself collapsed as a result of the fall of the Soviet Union. The disappearance of the Communist ‘pole’ seemingly happened mostly as a result of domestic political changes in the late 1980s. With the Soviet-American confrontation ended and the ideological civil wars in the West during the Reagan/Thatcher era fading, historians for the first time began studying the Cold War as distinct period of history. Helped by their own training and by widening access to source materials, the cohort of historians who came of age in the 1990s began emphasising a more international and multidisciplinary approach to Cold War history. Very often – in spite of varying overall interpretations – they focused on the role of ideas, ideologies, and culture, in stark and deliberate contrast to the approach of their realist predecessors. While undoubtedly an intellectual response to the new knowledge of how the Cold War ended, the focus was also highly influenced by changes in the national historiographies, especially in the United States, where cultural and social studies had been ascendant for more than a generation.

2. Why did tensions emerge between the United States and the Soviet Union?

2.1 Historical Animosity

- At the close of World War I, the enmity between the United States and the Soviet Union was particularly fierce, in part due to a sense of betrayal amongst the Western allies, as the Bolsheviks, who were struggling to establish control over Russian territory, negotiated a separate peace treaty with the Central Powers at Brest-Litovsk in March 1918, allowing Germany to concentrate on the western front of the war. The establishment of the Communist International or Comintern as it is more commonly known, in 1919 fuelled Western suspicion of the Soviet Union and its activities. The foreign intervention in the Russian Civil War in 1918-1920 where Western forces attempted to assist ‘counter-revolutionary Whites’ against the Bolshevik regime solidified lasting Soviet suspicions of the West.⁵ The outpouring of anti-Communist feelings in the United States during the first

⁵ John Lewis Gaddis, *Russia, the Soviet Union, and the United States— An Interpretive History*, p. 57.



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Red Scare in 1919-1920, served as evidence of the deep ideological conflict between the two nations.

- The emergence of the Nazi regime in Germany and the increasingly aggressive policies of Japan supplanted the threat of Communism for the Americans from the late 1920s, especially with Stalin's consolidation of power and the new Soviet slogan of 'socialism in one country'. However, the signing of the Nazi-Soviet Pact in August 1939 raised the unexpected spectre of an 'unholy alliance' that threatened the fragile post-WWI peace.
- The German attack on the Soviet Union in June 1941 (Operation Barbarossa) led to a transformation of the relations between the United States and the Soviet Union - from distant enemies to allies. Along with Great Britain, the United States offered material support and following American entry into the war in December 1941, the Grand Alliance was consolidated. For the next 4 years, this wartime cooperation included massive US military assistance, several wartime conferences, and the co-ordination of military strategies to bring about the unconditional surrender of Germany and Japan.

2.2 Wartime Issues

The Second Front and a Separate Peace

- The Grand Alliance was, however, far from a harmonious one, as is evident from the Big Three's (Soviet Union, Britain and the United States) shared mistrust of each other's motives. The Big Three sought to reconcile political objectives even as they pursued the war. For the most part, they failed and it was in that failure that the roots of the Cold War lay. Apart from defeat, the United States and Britain feared that the Soviet Union might again cut a deal with Germany. To keep the Soviet Union in the war on the allied side meant providing it assistance even if by desperate means and at great cost. It also meant not contesting Soviet demands for the restoration of lost territories. Finally, forestalling a separate peace also meant creating a second front on the continent as soon as was militarily feasible. As a result, the second front materialised slowly, a fact which angered the embattled Soviets who charged throughout the Cold War, that the West deliberately did so in order to shape the post-war settlement and dominate the continent. As early as July 1941, Stalin asked Britain to invade northern France and had also requested that the Western Allies open a second front from the early months of the war—which finally



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occurred on D-Day (6 June 1944). Soviet perceptions (or misconceptions) of the West and vice versa left a strong undercurrent of tension and hostility between the Allied powers.⁶

- The political importance of the second front was at least as great as their military significance, for they meant that the Americans and British would participate, along with the Soviet Union, in the surrender of Germany and its satellites. The Soviets were excluded from this process with the capitulation of Italy in September 1943, which provided Stalin with the excuse to deny the Americans and British any meaningful role in the occupation of Romania, Bulgaria and Hungary. In October 1944, Stalin and Churchill met in Moscow and agreed that the Soviet Union should have a predominant influence in those countries, in return for an acknowledgement of British preponderance in Greece. In return for Britain having a 90 per cent influence in Greece, the Soviet Union would have 75 per cent influence in Bulgaria, 50 per cent in Hungary and Yugoslavia and 90 per cent in Romania. Roosevelt protested at not having been informed about the agreement.⁷

Spheres of Influence

- A division of Europe into spheres of influence – as implied in the percentages agreement, raised Roosevelt's concerns about the Europeans' ability to determine their future. However, he sought to justify the war to himself in power terms, he explained it to the American public as a fight for self-determination. A major American-British objective therefore was to reconcile this with Stalin's territorial demands as well as his insistence on a sphere of influence that would ensure the presence of 'friendly' nations along the Soviet Union's post-war borders.⁸

⁶ Ibid., pp. 149-153. See also John Lewis Gaddis, *The Cold War: A New History*, p. 18. The decision to open a new front in the west by launching an invasion of France was taken by the Allied leaders who met at Tehran (28 November – 1 December 1943).

⁷ Gaddis, *The Cold War*, p. 20.

⁸ During the Tehran Conference, Churchill proposed the westward shift in the boundaries of Poland, which Stalin accepted. This would give Poland German territories in the west in return for giving up its marshlands in the east, which would provide the Soviet Union with a buffer against possible invasion.



- Roosevelt and Churchill repeatedly pressed Stalin to allow free elections in the Baltic States, Poland and elsewhere in Eastern Europe. At Yalta⁹, the Big Three agreed that democracies would be established, and all liberated European and former Axis satellite countries would hold free elections. This reflected a principle of the Atlantic Charter – “the right of all peoples to choose the form of government under which they will live”. The leaders also agreed that the provisional government in Poland, installed by the Soviets, should be reorganised on a broader democratic basis with the inclusion of leaders from Poland and Poles abroad.¹⁰ Even though Stalin agreed to the holding of free elections, he did not have the slightest intention of honouring his commitment.¹¹
- Ultimately, Stalin got the territories and sphere of influence he wanted and subservient regimes were installed throughout the liberated countries in Eastern Europe. The Americans and British had hoped for a different outcome where the Eastern Europeans, particularly the Poles, would choose their own government. The two positions might have been reconciled had all the Eastern Europeans been prepared to elect leaders who met Moscow’s requirements, but Poland could hardly follow this path, since Stalin’s actions had eliminated the possibility that a Polish government subservient to Moscow could sustain popular support.¹² By the time the Potsdam Conference was convened in July 1945, the Red Army effectively controlled the Baltic States, Poland, Czechoslovakia, Hungary, Bulgaria and Romania, and a communist government was installed in Poland. Stalin insisted that his control of Eastern Europe was a defensive measure against possible future attacks and claimed that it was a legitimate sphere of Soviet influence.¹³
- At Potsdam, the revision of Poland’s borders coincided with the expulsion of several million Germans from the disputed territories. In exchange for the territory it lost to the

⁹ The Yalta Conference, which was the second of the three major wartime conferences among the Big Three (Roosevelt, Churchill and Stalin) was held between 4 and 11 February 1945. It is sometimes referred to as the Crimea Conference. Its codename as Argonaut Conference.

¹⁰ Protocol and Proceedings and Communique of the Crimea Conference.

¹¹ On 10 February during the Yalta Conference, the Big Three issued a “Declaration of Liberated Europe”, a promise to allow the people of Europe “to create democratic institutions of their own choice... through free elections governments responsive to the will of the people.” By March 1945, there were reports of large scale deportations of Poles and liquidation of opposition in Poland by the Soviet occupation forces. 16 Polish opposition leaders were arrested, put on a show trial and sentenced to a gulag.

¹² Ibid., p. 21. The Nazi-Soviet Pact extinguished Polish independence. Furthermore, the discovery of the Katyn Massacre led to the breaking of Stalin’s ties with the Polish government-in-exile in London and his subsequent support for the Polish communists in Lublin. Stalin also stood by and did nothing when the Warsaw Uprising was put down by the Germans.

¹³ Melvyn P. Leffler, *For the Soul of Mankind: The United States, The Soviet Union and the Cold War*, p. 31.



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Soviet Union following the readjustment of the Soviet-Polish border, Poland received a large swath of German territory and began to deport the German residents of the territories in question, as did other nations that were host to large German minority populations. The negotiators at Potsdam were well-aware of the situation, and even though the Americans and British feared that a mass exodus of Germans into the Western occupation zones would destabilise them, they took no action other than to declare that “any transfers that take place should be effected in an orderly and humane manner” and to request that the Poles, Czechoslovaks and Hungarians temporarily suspend additional deportations.¹⁴

The Question of Defeated Enemies

- In contrast to unilateral Soviet control in Eastern Europe, there was no doubt – at least not after D-Day that Germany would be jointly occupied. At Yalta, it was agreed to divide Germany into four occupation zones, with the French occupation zone to be carved out of the American and British zones.¹⁵ The United States, Britain and France ended up controlling two-thirds of Germany as a result of geographical proximity to their advancing armies. Although the Soviet occupation zone surrounded the jointly-occupied capital Berlin, it contained only a third of Germany’s population and an even smaller percentage of its industrial facilities.
- Stalin acquiesced to this agreement probably in the belief that the government he intended to install in eastern Germany would induce Germans in the western occupation zones to choose leaders who would eventually unify the country under Soviet control. Two obstacles however emerged, first, Soviet brutality in occupied eastern Germany alienated almost all Germans. Second, the unilateralism with which the Soviets had handled affairs in Germany and Eastern Europe made the Americans and British wary on relying on cooperation with Moscow in occupying the rest of Germany.
- These developments left the United States with little incentive to include the Soviet Union in the occupation of Japan. The Soviet Union had not declared on Japan after Pearl

¹⁴ The Berlin (Potsdam) Conference, Protocol of the Proceedings, 1 August 1945. Office of the Historian, The Potsdam Conference. During the conference, Winston Churchill was replaced by Clement Attlee as Prime Minister. Roosevelt died in April 1945 and was succeeded by Harry S. Truman, who met Stalin for the first and only time in Potsdam.

¹⁵ Protocol and Proceedings and Communiqué of the Crimea Conference.



Harbor, nor was it expected to, since the Germans was on the outskirts of Moscow at the time. Stalin however had promised to enter the Pacific War three months after Germany's surrender. In return, Roosevelt and Churchill had agreed to transfer the Kurile Islands to Soviet control, restore the southern half of Sakhalin Island along with territorial rights and bases in Manchuria. The prevailing view then was that Moscow's intervention would be crucial in hastening victory. This was of course before the United States successfully tested the atomic bomb in July 1945. Once it became clear that the Americans possessed such a weapon, the need for Soviet military assistance vanished.¹⁶

- At Potsdam, it was confirmed that Germany would be demilitarised and disarmed and divided into four zones of Allied occupation. According to the Protocol of the Conference, there was to be “a complete disarmament and demilitarisation of Germany”; all aspects of German industry that could be utilised for military purposes were to be dismantled; all German military and paramilitary forces were to be eliminated; and the production of all military hardware in Germany was forbidden. Furthermore, German society was to be remade along democratic lines by repeal of all discriminatory laws from the Nazi era and by the arrest and trial of those Germans deemed to be “war criminals.” The German educational and judicial systems were to be purged of any authoritarian influences, and democratic political parties would be encouraged to participate in the administration of Germany at the local and state level. The reconstitution of a national German Government was, however, postponed indefinitely, and the Allied Control Commission would run the country during the interregnum.
- When the Potsdam Conference resumed on 28 July with two new members in the form of Clement Attlee, the new British Prime Minister and Ernest Bevin as foreign secretary, Byrnes sought to bring the conference to a rapid conclusion. He suggested that each country could take reparations from its own zone of occupation. Germany would not be treated as a single economic unit. If the Soviet Union accepted this compromise, which meant that it did not have access to the mines and industrial wealth of the Ruhr Valley, then the West would approve Poland's new boundaries. The deal was done. An agreement on the satellites left Italy in the western sphere of influence while Romania, Bulgaria and Hungary were left in that of the Soviet Union. Potsdam ended with such

¹⁶ Ibid., pp. 24-25.



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issues as the nature of the governments to be installed in Eastern Europe unclear but the Allies had assented to the division of Europe.¹⁷

The Atomic Bomb

- The atomic bomb was also intensifying Soviet-American distrust. The weapon was developed for use against Germany but the Nazis surrendered before its completion. Stalin's suspicions of Western aims were undoubtedly further fed by his knowledge of the Manhattan Project. The fact that Stalin mounted a major operation to spy on his allies in the middle of the war is another strong indication of his lack of trust in them. It has to be acknowledged that the Americans and British too did not choose to tell Stalin about the bomb. Stalin therefore showed little surprise when Truman gave him the news at the Potsdam Conference. Within days, he had ordered Molotov to speed up the Soviet atomic bomb project. When the first bomb was dropped on Hiroshima on 6 August 1945, Stalin reacted strongly and saw the bomb as a means by which the United States would seek to extract post-war concessions from the Soviet Union. While Truman had used the bomb to end the war, he and his advisors did indeed expect it to induce a more conciliatory attitude from Stalin.¹⁸
- The Cold War's roots in the world war therefore help explain why this new conflict emerged so quickly after the war had ended. To frame the issue in its most basic terms, Roosevelt and Churchill envisaged a post-war settlement which would balance power while embracing principles. The idea was to prevent any new conflict by avoiding the mistakes that had led to WWII: they would ensure cooperation among the great powers, revive the League of Nations in the form of a new United Nations collective security organisation, and encourage the maximum possible political self-determination and economic integration, so that the causes of war as they understood them would in time disappear. Stalin had a different vision: a settlement that would secure his own and his country's security while simultaneously encouraging the rivalries among the capitalists that would bring about a new war, paving the way for eventual Soviet domination of Europe. The first was a multilateral vision that assumed the possibility of compatible interests, even among incompatible systems. The second assumed no such thing.¹⁹

¹⁷ Jeremy Isaacs and Taylor Downing, *Cold War*, p. 23.

¹⁸ *Ibid.*, p. 26.

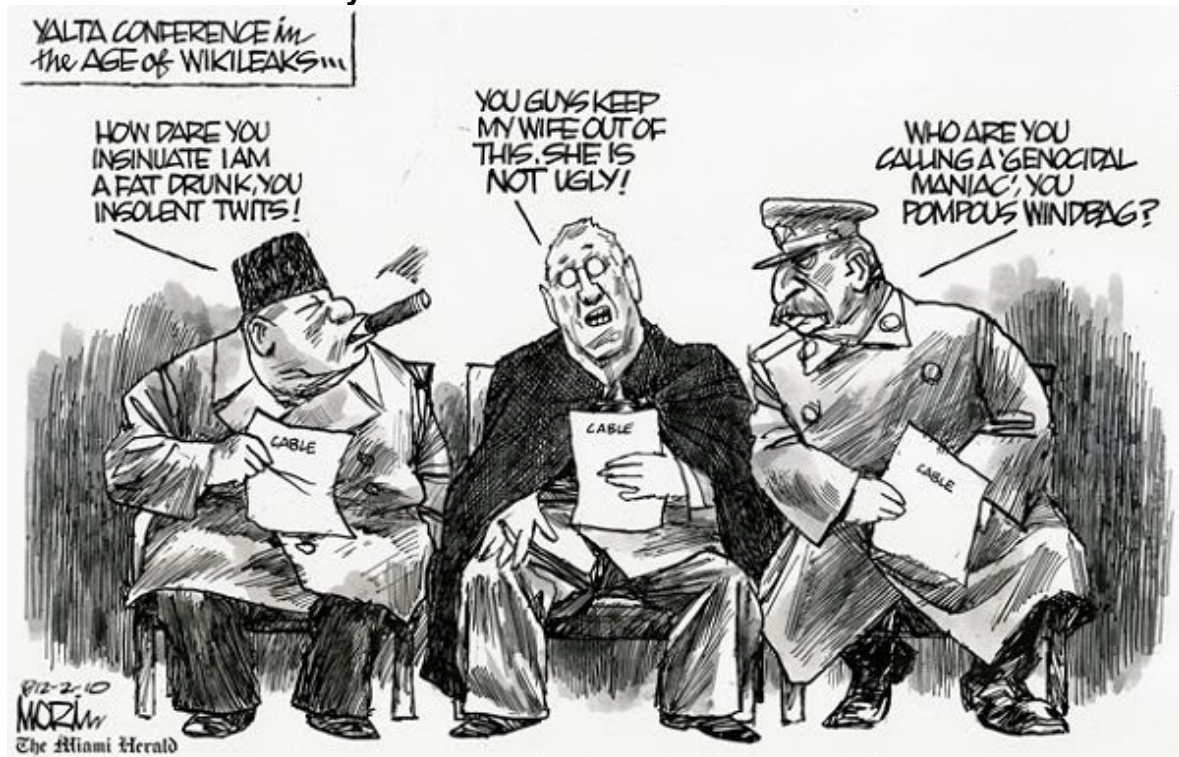
¹⁹ *Ibid.*, p. 27.



- Much of these animosities that contributed to the mistrust and misconceptions in the post-war period also stemmed from the ideological differences between the United States and the Soviet Union. There were superficial similarities. Both countries had been born in revolution, and embraced ideologies with global aspirations. However, their differences could not have been greater. Their political regimes were based on strongly contrasting political values. The United States prided itself on individual freedom and the limitation of government powers based on a written constitution, listing the rights of all citizens. American democracy was based on universal suffrage, with elections for the president and both houses of government. In addition, the capacity of the government to control everyday life, whether through the dissemination of ideas, the organisation of the economy, or the conduct of politics. Americans could plausibly claim in 1945 to live in the freest society on earth. In contrast, the Soviet Union was based on Marxist-Leninist principles, leading to 'the dictatorship of the proletariat'. Power was concentrated in the hands of a small group of leading Bolsheviks, headed by Lenin until the mid-1920s, which gave way to a Stalinist dictatorship with strict repression of human rights. Under Stalin, a largely agrarian nation with few traditions of liberty was forced to become a heavily industrialised nation with no liberty at all. As a consequence, the Soviet Union was, at the end of WWII, the most authoritarian society anywhere on the face of the earth.²⁰

Key Wartime Conferences		
28 November – 1 December 1943	Tehran, Iran	Roosevelt, Churchill and Stalin
4 – 11 February 1945	Yalta, Crimea (the Ukraine)	Roosevelt, Churchill and Stalin
17 July – 2 August 1945	Potsdam, Germany	Truman, Churchill/Attlee, Stalin

²⁰ Gaddis, The Cold War, pp. 8-9.



Examine the cartoon; what can you gather from it regarding the relationship between the great powers in 1945?

2.3 Strategic considerations of the United States and the Soviet Union

- The various strategic considerations of the United States and the Soviet Union led to divergent post-war aims and these differences were quick to manifest in the various conferences and post-war settlements. The United States had made no commitment to reverse its long-standing tradition of remaining aloof from European affairs. Roosevelt had even assured Stalin at Tehran that American troops would return home within two years after the end of the war. There was also no assurance that the wartime boom would continue or that democracy would again take root beyond the few countries which it still existed. The stark fact that the Americans and British could not have defeated Hitler without the help of the Soviet Union meant the war was a victory over Fascism only – not over authoritarianism and its prospects for the future.



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Considerations and Aims of the Soviet Union

- Soviet leaders, however, tended to understand security in terms of space.²¹ This reasoning was conditioned by Russia's historical experiences, given the frequency with which the country had been invaded over the preceding 150 years. The Second World War experience was particularly dramatic for the Russians: the Soviet Union suffered unprecedented devastation as a result of the Nazi onslaught, and over 20 million Soviet citizens died during the war; tens of thousands of Soviet cities, towns, and villages were levelled; and 30,100 Soviet factories were destroyed.²² The Soviet Union had significant assets despite the immense losses it had suffered. As it was part of Europe, its military would not be withdrawing from Europe. Its command economy had shown itself capable of sustaining full employment when the capitalist democracies had failed in the pre-war years to do so. Communism also commanded widespread respect in Europe as Communists had largely led the anti-German resistance. The disproportionate burden the Red Army bore in defeating Germany gave the Soviet Union a moral claim, perhaps even preponderant influence in shaping the post-war settlement.²³
- The post-war goals for Stalin had been described as security for himself, his regime, his country and his ideology, in precisely that order. He sought to make sure that no internal challenges could ever again endanger his personal rule, and that no external threats would ever again place the Soviet Union at risk. Stalin believed that wartime expenditures should largely determine who got what after the war and that the Soviet Union would get a lot. It would regain territories lost to Germany during the war as well as retain territories acquired as a result of the Nazi-Soviet pact: parts of Finland, Poland and Romania, and the Baltic states. Having faced two invasions, the Soviet Union would also require that states beyond these expanded borders remain within Moscow's sphere of influence. It would also seek territorial concessions of Iran and Turkey, as well as naval bases in the Mediterranean. Finally, to secure Soviet security, Germany would be subjected to military occupation, property expropriation, reparation payments, and ideological transformation. In order to secure these objectives, the Soviet Union needed peace, economic assistance,

²¹ John Lewis Gaddis, *Russia, the Soviet Union and the United States: An Interpretive History*, p. 176.

²² Walter LaFeber, "Cold War." in Eric Foner and John A. Garraty, eds., *A Reader's Companion to American History*.

²³ Gaddis, *The Cold War*, p. 10.



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and diplomatic acquiescence of its former allies. Stalin's goal therefore was not to restore a balance of power in Europe, but rather to dominate the continent as thoroughly as Hitler had sought to do. This vision however was also flawed vision, for it failed to take into account the evolving post-war objectives of the United States.²⁴

Considerations and Aims of the United States

- While the Americans sought security, they were much less certain of what they would have to do to obtain it. This had to do with the dilemma the war posed for them: the United States could not continue to serve as a model for the world while remaining apart from the rest of the world. Its leaders tended to understand security in situational terms, assuming that, if American-style governments and markets were established as widely as possible, countries could resolve their differences peacefully, through international organisations.²⁵ The key to the American vision of security was a post-war world shaped according to the principles laid out in the 1941 Atlantic Charter—in other words, a liberal international system based on free trade and open markets. This vision would require a rebuilt capitalist Europe, with a healthy Germany at its center, to serve once more as a hub in global affairs.
- Roosevelt had four wartime priorities. The first was to sustain allies to achieve victory. The second was to secure cooperation in shaping the post-war settlement, for without it, there would be little prospect for lasting peace. The third had to do with the nature of the settlement which Roosevelt expected his allies to endorse one that would remove the probable causes of future wars. That meant a new collective security organisation with the power to deter and if necessary punish aggression, as well as a revived global economic system equipped to prevent a new global depression. Lastly, the settlement had to be accepted by the American public.²⁶
- The pursuit of these objectives would also require American economic and political leadership of the post-war world. Europe would require assistance from the United States if it was to rebuild its domestic production and finance its international trade; a position

²⁴ Ibid., p. 11.

²⁵ Gaddis, *Russia, the Soviet Union and the United States*, p. 156.

²⁶ Gaddis, *The Cold War*, pp. 15-17.



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reinforced by the fact that United States was the only world power not economically devastated by WWII. By the end of the war, it was producing around fifty per cent of the world's industrial goods.²⁷

2.4 Rise of the United States and the Soviet Union as superpowers
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- The basic components of superpower stature may be measured along four axes of power: military, economic, political, and cultural and that country has the capacity to project dominating power and influence anywhere in the world, and sometimes, in more than one region of the globe at a time, and so may plausibly attain the status of global hegemony.²⁸
- The impact of WWII on major countries of the world was considerable. The widespread destruction of the pre-war great powers aside, politically, the decline of the European empires led to a power vacuum that set the stage for the rivalry between the 'victors' of WWII. This is because although the European nations were restored, they were no longer capable of controlling global politics. In fact, they became reliant on the United States as a military and economic backer and their foreign policies were also heavily influenced by American interests.
- The global economic strength of the United States after the war reflected its longstanding prominence in maritime commerce and especially the maturation of its enormous industrial capacity over several decades after take-off following the Civil War. While all of the other industrial powers saw their economies devastated by the war, the American economy was revitalised by it. Wartime spending had caused its gross domestic product to double in less than four years. In the early post-war years, American trade constituted 40 per cent of the total world trade volume. Reflecting American economic hegemony, the American dollar became the standard to which, under the 1944 Bretton Woods system, most other countries pegged their currencies. By the time the war ended, the United States controlled half the world's manufacturing capacity, most of its food surpluses and a large portion of its financial reserves. It possessed extensive energy supplies and controlled access to vast oil reserves in Latin America and the Middle East. American economic strength was used to consolidate political support among other countries

²⁷ Walter LaFeber, "Cold War." in Eric Foner and John A. Garraty, eds., A Reader's Companion to American History.

²⁸ Lyman Miller, China an Emerging Superpower?



important to American globalism through the 1947 Marshall Plan in Europe and the 1949 “Point Four” programme elsewhere.²⁹

- American military dominance came late. On the eve of WWII, the United States Army numbered 270,000; at the war's end, the United States had more than twelve million troops under arms. Although the United States demobilised all but 1.4 million of these troops in the first two years after the end of the war, the onset of the Cold War decisively reversed this course. With the institution of a centralised foreign affairs and security apparatus of a scale and complexity unprecedented in American history under the 1947 National Security Act and the military mobilisation authorized by the watershed 1950 directive NSC 68, Washington acquired the panoply of instruments to pursue a far more internationalist and interventionist approach to international affairs. Building a system of alliances, the United States established a global chain of bases and military access relationships that allowed Washington to project military force anywhere in the world. During the war, the American economy supplied not only American forces but also helped supply those of Britain and the Soviet Union. In the post-war period, defence industries remained an abiding presence in the budgets of successive Democratic and Republican administrations alike and in the American economy overall. In the early post-war years, the United States was the world's only nuclear power.
- WWII had a devastating impact on the Soviet Union. Its estimated death toll was between 20 and 27 million. Six of its fifteen republics had been occupied by Germany and suffered extensive destruction of its crops, factories, mines and transportation networks and at the end of the war, the Soviet economy was only a quarter the size of the American economy. However, the defeat of Germany and Japan improved the Soviets' position in the post-war era. These two countries were powers that historically checked Russian power in Central Europe and northeast Asia. With their fall, the Soviet Union was free to extend its influence into these regions. Similarly, the decline of British power opened opportunities for the Soviets in the Middle East. By 1945, the Soviet Union had expanded their territorial control and influence far beyond previous limits. In addition, the Red Army emerged as a formidable fighting force – the series of wars it underwent resulted in the mobilisation of

²⁹ Ibid.. The “Point Four” programme was a technical assistance programme for developing countries, outlined in President Truman's foreign policy objectives in his inauguration address in January 1949.



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its vast resources for maximum effect: building more weapons and placing more citizens under arms than ever. The Soviet Union's wartime alliance with the United States and their eventual victory also ensured its position in the United Nations (UN), as well as a permanent seat at the UN Security Council which gave it the right to veto any of its. Hence, despite its losses, the Soviet Union emerged from WWII a superpower given its influence internationally and its military might.

- The Soviet Union acquired standing as a superpower only after the mid-1950s. It broke the American nuclear monopoly with the detonation of its first atomic bomb in 1949 and first hydrogen bomb in 1953. With the success of its missile programs, signified by its launch of the Sputnik satellite in 1957 and the flight of first cosmonaut Yuri Gagarin in 1961, and with its development of long-range bombers and nuclear submarines, the Soviet Union emerged as a power of global strategic reach. By the 1960s, it achieved strategic parity with the United States.

- Partly as a consequence of geopolitical deadlock in Europe, where after 1955 two powerful military alliance systems faced off, Moscow, under Nikita Khrushchev, began a more activist foreign policy than Stalin's to assert influence in Third World areas beyond the immediate Soviet periphery. Moscow worked to recruit clients and potential allies in a global contest with the United States in newly independent states in Asia, the Middle East, Africa, and Latin America. The rise of Soviet power abroad seemed to be confirmed at home with impressive economic growth rates throughout the 1950s and, to a lesser degree, in the 1960s.³⁰

³⁰ Ibid..



3. Growing Post-War Mistrust and Misconceptions



Information about the political cartoon:

On 27 October 1945, Truman made a speech about US foreign policy, which outlined twelve key points. These included a promise that the United States did not want any territory, and did not intend to go to war with any country, small or large. However, he also announced that the United States would be seeking defensive military bases, and that he did not intend to share the secrets of the atomic bomb with anybody. The speech alarmed the British, who saw it as increasing the tension between the United States and the Soviet Union, and also as an affront to the close diplomatic relationship between Britain and the United States. This cartoon by the British cartoonist David Low appeared in the *Evening Standard* on 30 October 1945.³¹

- The concept of “security dilemmas” involves situations in which one state acts to make itself safer, but in doing so diminishes the security of one or more states, which in turn respond through measures which diminish the security of the first state. The result is an ever-deepening whirlpool of distrust with self-reinforcing suspicions. After the war, there was a growing sense of insecurity at the highest levels, generated by the efforts made by the wartime allies to ensure their post-war security. With the defeat of the Axis Powers, there was less incentive for these former allies to keep their anxieties under control. Each crisis that arose fed the next one, with the result that a divided Europe became a reality.

³¹ http://www.johndclare.net/cold_war5.htm



- The likelihood of future conflict only heightened on 12 April 1945, when President Franklin D. Roosevelt unexpectedly died of a brain haemorrhage. Vice President Harry S. Truman—a former Missouri senator with only a high-school education, who had served just 82 days as vice president and had not been part of FDR's inner circle—suddenly became the President of the United States. Despite his failing health, Roosevelt had kept Truman pitifully ill-informed. Truman, who may not have ever known just how much Roosevelt had actually conceded to Stalin at Yalta, viewed the Soviets' later interventions in Eastern Europe as a simple violation of the Yalta agreements, as proof that Stalin was a liar who could never be trusted. Truman quickly staked out a hard-line position, resolving to counter Stalin's apparently insatiable drive for power by blocking any further expansion of the Soviet sphere of influence, anywhere in the world.

Post-war Economic Reconstruction

- One growing source of tensions arose over the issue of economic reconstruction. During the Bretton Woods Conference, Harry D. White, one of senior Treasury Department officials worked hard to persuade the Soviet Union to join the International Monetary Fund, in the belief that economic cooperation between the Soviet Union and the United States would be the key to post-war peace and prosperity. The Soviet delegation at Bretton Woods signed the Articles ad referendum³² but Stalin eventually refused to ratify the agreement because he feared (not without justification) that Fund policies would be largely controlled by the West.³³
- Throughout the war, the Soviet Union made three requests for a low interest, long term loan from the United States. The first was made in February 1944 for \$1 billion, the second in January 1945 for \$6 billion and the last in August 1945 for another \$1 billion. This last request was said to have been lost in the transfer of files from the now-defunct State Department's Foreign Economic Administration, and failed to receive a reply. In the meantime, Lend-Lease to the Soviet Union had been temporarily suspended in May immediately following the German surrender, and was now terminated finally in September.³⁴

³² For referral: for approval by another or others

³³ James M. Boughton, *The IMF and the Force of History: Ten Ideas and Ten Events that have shaped the Institution*, p. 8.

³⁴ Mark Harrison, *The Soviet Economy and Relations with the United States and Britain 1941-1945*, p. 11.



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Iran, Turkey and the Mediterranean – and Containment

- After obtaining the territorial concessions in Eastern Europe and Northeast Asia, Stalin sought to remove the vulnerabilities in the south. Three developments followed: Stalin delayed the withdrawal of Soviet troops from northern Iran, where they had been stationed since 1942 as part of an arrangement to keep the country's oil supply out of German hands. Stalin also demanded territorial concessions from Turkey as well as bases which would have given the Soviet Union control of the Turkish Straits (Dardanelles and Bosphorus). He further requested a role in the administration of former Italian colonies in North Africa with a view to secure additional naval bases in the eastern Mediterranean.
- Truman and Attlee rejected Soviet demands for boundary adjustments at Turkey's expense as well as for the naval bases. They surprised Stalin by taking the Soviet occupation of northern Iran to the United Nations Security Council in early 1946, in the first significant use of the new world organisation to deal with an international crisis. Stalin ordered a withdrawal a few months later, which by that point the American Sixth Fleet was deployed in the eastern Mediterranean.³⁵ These crises foreshadowed the pattern of crisis behaviour to come: the Soviet Union wished to seize every opportunity to test Western resolve, but would stop short of direct military engagement when the other side refused to back down. For the United States, the Middle East was now becoming a region of prime strategic importance owing to its oil reserves. The American presence in the Iranian oil industry had grown during the war, and the Truman administration was determined to maintain that growth. Even though the Iranian crisis did not develop into full-scale conflict, it helped further the rift between East and West.³⁶

³⁵ Gaddis, *The Cold War*, p. 28.

³⁶ Isaacs and Downing, *Cold War*, pp. 35-36.



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Turkey	Iran
August 1946 The Soviet Union delivered a note, demanding a change in Turkey's control over the Straits through a new international conference.	September – December 1945 Pro-Soviet groups established separatist republics, the People's Republic of Azerbaijan and the Republic of Mahabad.
October 1946 The United States and Britain reaffirmed their support for Turkey. The Soviet Union withdrew its request for a new international conference on the Straits.	January 1946 The United Nations Security Council passed Resolution 2, requiring Iran and the Soviet Union to resolve the conflict over Soviet troops in Iranian territory.
	March 1946 The Soviet Union promised to withdraw its troops but they remained.
	April – May 1946 The United Nations Security Council passed Resolutions 3 and 5.
	December 1946 Government forces reoccupied territories held by the separatist republics. ³⁷

The Bolshoi Theatre Speech

- In what has been described as the beginning of the Cold War, Stalin addressed a national radio audience in his first major public speech on the eve of elections to the Supreme Soviet on 9 February 1946. Stalin said that another war was inevitable because of the "capitalist development of the world economy", and that the Soviet Union would need to concentrate on national defence in advance of a war with the Western nations. While this speech merely repeated familiar prophecies, the speech generated great alarm in Washington. Time magazine described it as 'the most warlike pronouncement uttered by any top-rank statesman since V-J Day.' Paul Nitze, a policy advisor in the State Department, pronounced the speech akin to a 'delayed declaration of war against the United States.' The State Department now cabled the US embassy in Moscow for a background study of Stalin's foreign policy.³⁸

³⁷ George Lenczowski, American Presidents and the Middle East, pp. 7-13.

³⁸ Isaacs and Downing, Cold War, p. 31.



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The Long Telegram

- The new firmness in Washington, epitomised by Truman's remarks to Secretary of State James F. Byrnes that "he was tired of babying the Soviets", coincided with a search for explanations on Soviet behaviour. These were responded to by George F. Kennan, then a junior Foreign Service officer at the American embassy in Moscow. His 8 000-word cable dispatched on 22 February 1946 (The Long Telegram) became the basis for American strategy towards the Soviet Union throughout the Cold War. It offered a historical analysis of the motives of Soviet foreign policy. Kennan argued that the traditional weakness and limited authority of Russian rulers required the invention of an external enemy to unite the Russian people behind them. The enemy was the West – historically Russian rulers had feared contact with and invasion from that quarter. Their response was to fix Russian borders as far west as possible. Kennan's analysis went a stage further – Marxism-Leninism had taken root in the Soviet Union precisely because it taught that communist states could not co-exist peacefully with capitalist ones. It therefore justified the continuation of the state of conflict between the Soviet Union and its western neighbours and the foreign policy of extending Russian power to its western limit. Kennan suggested that not only had Russia always been an inherently aggressive state but Marxism-Leninism was now the ideological basis of Soviet aggression. A communist Soviet Union was inevitably expansionist and hostile to the West.
- Moscow's intransigence, Kennan insisted, resulted not from what the West had done, rather it reflected the internal necessities of the Stalinist regime, and nothing that the West could do within the foreseeable future would alter that fact. Soviet leaders had to treat the outside world as hostile as this provided the only excuse "for the dictatorship without which they did not know how to rule, for cruelties they did not dare not to inflict, for sacrifices they felt bound to demand." To expect concessions to be reciprocated would be naïve. There would be no change in the Soviet Union's strategy until it encountered a sufficiently long string of failures to convince some future leader that his nation's behaviour was not advancing its interests. War would not be necessary to produce this result. What was needed, as Kennan put it in a published version of his argument in 1947,



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was a “long-term, patient but firm and vigilant containment of Russian expansive tendencies.”³⁹

- The Truman administration embraced Kennan’s thinking. Secretary of State Byrnes described it as a ‘splendid analysis’ and hundreds of copies were circulated within the administration. Kennan’s ideas appealed to Truman for a number of reasons. While he sought to maintain Roosevelt’s policy of cooperation with the Soviets, instinctively he had always been more anti-Soviet than his predecessor. Kennan’s vision of a hostile Soviet Union resonated with his anti-Soviet instincts. Even before the arrival of the “Long Telegram”, Truman had become exasperated by the failure to settle key post-war issues with the Russians and was searching for a clear policy to the Soviet Union. Kennan’s uncomplicated analysis of Soviet motives fitted with Truman’s tendency to view complicated issues in simple terms. Truman has been described “as a simple man, with laconic and simple answers to complex problems.” Eleven days after becoming President, Truman in his first meeting with Molotov, dressed him down in “mule-driver’s language.”, and when Molotov protested, Truman retorted, “Carry out your agreements and you won’t get talked to like that.” Such rudeness could only be explained by the provincialism of a man who saw things as either black and white.⁴⁰
- In response, Stalin ordered the Soviet ambassador in Washington, Nikolai Novikov to prepare a “telegram” of his own, which was dispatched to Moscow in September 1946. It claimed that “the foreign policy of the United States reflects the imperialistic tendencies of the American monopolistic capitalism, [and] is characterised by a striving for world supremacy. The United States was increasing its military spending, establishing bases beyond its borders, and had reached an agreement with Great Britain to divide the world into spheres of influence.” It however pointed out that “Anglo-American cooperation

³⁹Gaddis, *The Cold War*, p. 29. The “X Article”, formally titled *The Sources of Soviet Conduct*, was published in *Foreign Affairs* magazine in July 1947. In July 1946, Truman enlisted the services of Clark Clifford, one of his senior advisors to prepare a report which would provide details on Soviet disregard for post-war agreements. With the assistance of George Elsey, the report titled “American Relations with the Soviet Union” was submitted in September 1946 to Truman. The Clifford-Elsey report contained the first mention of “restraining and confining” Soviet influence. Truman later demanded all copies of the report to be handed over. Henry Wallace, the Secretary of Commerce, who had been the sole dissenting voice in the administration and taken a more conciliatory stance on the Soviet position, was asked to resign.

⁴⁰ Sidney Lens, *The Forging of the American Empire: From the Revolution to Vietnam: A History of American Imperialism*, p. 334.



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cannot be lasting ... it is possible that the Near East will become a center of Anglo-American contradictions that will explode agreements reached between them.”⁴¹

The Iron Curtain Speech

- On 5 March 1946, Winston Churchill delivered a speech at Westminster College in Fulton, Missouri, entitled “The Sinews of Peace”. He began by praising the United States, which now “stood at the pinnacle of world power.” It soon became clear that Churchill proposed a “special relationship” between the United States and Britain in the post-war world. Warning of Soviet expansionist tendencies, Churchill declared that “from Stettin in the Baltic to Trieste in the Adriatic, an iron curtain has descended across the continent”, and warned of communist fifth columns operating in western and southern Europe. Drawing parallels with the disastrous appeasement of Hitler before WWII, Churchill advised that in dealing with the Soviets there was “nothing which they admire so much as strength, and there is nothing for which they have less respect than for military weakness.” While Truman and other officials warmly received the speech, Stalin denounced it as “warmongering” in an interview with foreign correspondents.⁴² It confirmed Stalin’s suspicions of the West’s hostility towards the Soviet Union. Pravda called Churchill a racist and even compared him to Hitler. The speech has often been described as one of the opening volleys of the Cold War. The old wartime alliance was now splitting at the seams.⁴³

The Baruch Plan

- On 14 June 1946, before a session of the United Nations Atomic Energy Commission (UNAEC), U.S. representative Bernard Baruch, presented a proposal for the creation of an international Atomic Development Authority. The presentation of the Baruch Plan marked the culmination of an effort to establish international oversight of the use of atomic energy in the hopes of avoiding unchecked proliferation of nuclear power in the post-World War II period.

⁴¹ This assessment reflected Stalin’s thinking and was ghost-authored by the Soviet foreign minister Vyacheslav Mikhailovich Molotov (1939-1949, 1953-1956).

⁴² Stalin, Interview to “Pravda” Correspondent Concerning Mr. Winston Churchill’s Speech at Fulton, March, 1946.

⁴³ Isaacs and Downing, Cold War, p. 34.



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- The immediate origins of this effort can be traced to the Conference of Foreign Ministers held in Moscow in December 1945. There representatives from the United States, Britain, and the Soviet Union created a United Nations commission to advise on the destruction of all existing atomic weapons and to work toward using atomic energy for peaceful purposes. The resulting body, the UNAEC, was created on 24 January 1946, with six permanent members (the United States, Britain, France, the Soviet Union, China, and Canada) and six rotating members.
- That same month, Secretary of State Byrnes created a special advisory committee, whose members included Under-Secretary of State Dean Acheson and the Chairman of the Tennessee Valley Authority David Lilienthal, to compose a report to be presented to the UNAEC. The so-called Acheson-Lilienthal report, written in large part by the committee's chief scientific consult, Robert Oppenheimer, called for the creation of the Atomic Development Authority to oversee the mining and use of fissile materials, the operation of all nuclear facilities that could produce weaponry, and the right to dispense licenses to those countries wishing to pursue peaceful nuclear research.
- The plan relied on Soviet-American cooperation, since its authors recognised that the Soviet Union was unlikely to cede its veto power in the United Nations Security Council over any matter. Moreover, it made no mention of when the United States should destroy its nuclear arsenal, though it did acknowledge that doing so was a necessity. Truman appointed Bernard Baruch as the American delegate to the UNAEC for he considered Baruch to be a capable negotiator who would vigorously defend the interests of the United States. Given the cooling relationship between the Soviet Union and the United States, President Truman did not want to accept any international agreement that might force the United States to abolish its nuclear weapons programme without assurances that the Soviet Union would be unable to produce its own atomic bomb.
- Baruch presented a slightly different plan to the UNEAC. Under his plan, the Atomic Development Authority would oversee the development and use of atomic energy, manage any nuclear installation with the ability to produce nuclear weapons, and inspect any nuclear facility conducting research for peaceful purposes. The plan also prohibited the illegal possession of an atomic bomb, the seizure of facilities administered by the Atomic Development Authority, and punished violators who interfered with inspections.



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The Atomic Development Authority would answer only to the Security Council, which was charged with punishing those nations that violated the terms of the plan by imposing sanctions. Most importantly, the Baruch Plan would have stripped all members of the United Nations Security Council of their veto power concerning the issue of United Nations sanctions against nations that engaged in prohibited activities. Once the plan was fully implemented, the United States was to begin the process of destroying its nuclear arsenal.

- The Soviets strongly opposed any plan that allowed the United States to retain its nuclear monopoly, not to mention international inspections of Soviet domestic nuclear facilities. The Soviets also rejected the idea of surrendering their Security Council veto over any issue as they argued that the council was already stacked in favour the United States. By September, Baruch confessed to Truman that he feared there was no possibility of reaching an agreement before the end of the year, at which point there would be a rotation of the non-permanent members of the UNAEC. Nevertheless, Baruch worried that delaying a vote until after the rotation of the members would destroy any chance of passing a resolution to create an Atomic Development Authority. As such, Baruch pushed for a formal vote before the end of the year in the hopes that, even if it did not pass, it would demonstrate the unreasonableness of the Soviet Union's objections to a proposal that would spare the world a nuclear arms race. The vote was held on 30 December, with 10 of the UNAEC's 12 members in favour, while the other two members (the Soviet Union and Poland) abstained. The vote required unanimity to pass. As such, the Polish and Soviet abstentions thwarted the adoption of the Baruch Plan.⁴⁴

The Truman Doctrine⁴⁵

- By early 1947, the Truman administration began to adopt a new perspective in the context of growing concerns over the state of European recovery. Members of the State Department had long distrusted the Soviets, as did Truman. His Secretary of State James F. Byrnes however advocated a more accommodating policy. He was forced to resign in

⁴⁴ Office of the Historian, The Acheson-Lilienthal & Baruch Plans, 1946. In August 1946, the Atomic Energy Act (McMahon Act) was signed into law. It determined how the United States would control and manage the nuclear technology it had jointly developed with its World War II allies, the United Kingdom and Canada. Most significantly, the Act ruled that nuclear weapon development and nuclear power management would be under civilian, rather than military control, and established the United States Atomic Energy Commission for this purpose. The Soviet Union detonated its first atomic bomb on 29 August 1949.

⁴⁵ Harry S. Truman, Address before a joint session of Congress, March 12, 1947.



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January 1947 and was replaced by former Chief of Staff General George C. Marshall. He not only had Truman's confidence, but also shared the president's hard-line view of the Soviets.⁴⁶

- Greece was by now caught in a civil war, with the Greek communists (the KKE) challenging the government which had been formed after elections had been held in March 1946. In addition, the winter of 1946-1947 was the worst in living memory. Britain's winter was especially severe. With the British economy heading for disaster, the Labour government decided it could no longer cope with its responsibilities abroad. In late February, Britain decided to end economic aid to Greece and Turkey and in the case of Greece, Britain would simply withdraw its troops. This would leave both countries vulnerable to Communism.⁴⁷ In the backdrop of growing Communist pressures in the region, Truman made the plea to a Republican-controlled Congress for extending aid to Greece and Turkey. Truman laid the groundwork for his request by having key congressional leaders meet with himself, Secretary of State George C. Marshall, and Undersecretary of State Dean G. Acheson. Acheson laid out the "domino theory" in the starkest terms, comparing a communist state to a rotten apple that could spread its infection to an entire barrel.⁴⁸
- On 12 March 1947, Truman announced a programme of military and economic assistance totalling \$400 million to Greece and Turkey, occasioned by the announcement by the British government that it could no longer bear the costs of supporting those countries. Truman insisted that it must be the policy of the United States to "support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures." This pledge became known as the Truman Doctrine. Portraying the issue as a mighty clash between "totalitarian regimes" and "free peoples," the speech marks the adoption of containment as official American policy.
- Marshall at this point was in Moscow for another foreign ministers conference. Towards the end of nearly six weeks of meetings, Marshall asked to meet privately with Stalin.

⁴⁶ Roger Gene Miller, *To Save A City: The Berlin Airlift 1948-1949*, p. 15.

⁴⁷ Isaacs and Downing, *Cold War*, p. 43.

⁴⁸ James T. Patterson, *Grand Expectations: The United States, 1945-1974*, pp. 127-128. Acheson was appointed Undersecretary of the State Department in August 1945. He became the Secretary of the State Department in January 1949.



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Marshall left Moscow convinced that Stalin was merely stalling for time, waiting for the stricken European economies to collapse and for Communism to flourish in the fertile ground of poverty and widespread sense of economic injustice. Stopping over in Germany and meeting with General Lucius D. Clay, the military governor of the American sector of occupied Germany and witnessing first-hand the shortage of food and other supplies, Marshall was convinced of the necessity of action.⁴⁹

Marshall Plan

- Upon his return to Washington at the end of April 1947, Marshall put his policy-planning staff to work on coming up with ideas for an economic recovery programme. George Kennan, now director of the policy-planning staff, took a long-term view of Europe's problem as the need to contain Soviet expansionism. He called for programmes to be organised in both Western Europe and the United States, which when integrated would lead to European self-sufficiency in four to five years. He was hopeful that some form of union among the European economies would also result from American-led recovery. Another crucial figure in developing the Marshall Plan was Will Clayton, the under-secretary of state for economic affairs, who took the position that the principal need was to save Europe from starvation and chaos rather than from the Russians.
- On 5 June 1947, US Secretary of State George C. Marshall announced a comprehensive programme, the European Recovery Program, which committed the United States to the reconstruction of Europe. At that point, the Marshall Plan as it soon came to be known did not make a distinction between those parts under Soviet control and those which were not – but the thinking behind it certainly did. Several premises shaped the Marshall Plan: that the gravest threat to Western interests in Europe was not the prospect of Soviet military intervention, but rather the risk that hunger, poverty, and despair might cause Europeans to vote their own communists into office, who would then obediently serve Moscow's wishes; that American economic assistance would produce immediate psychological benefits and later material ones that would reverse this trend; that the Soviet Union would not itself accept such aid or allow its satellites to, thereby straining its

⁴⁹ Isaacs and Downing, *Cold War*, pp. 48-49.



relationship with them; and that the United States could then seize the geopolitical and the moral initiative in the emerging Cold War.⁵⁰

- A critical issue now came into play. Marshall's invitation had been framed in broad enough terms to include all European countries. This apparently left open to question whether the East European nations, already under Stalin's influence, would apply for aid. Even more central was the question of whether the Soviet Union would seek economic assistance from the United States. Marshall's invitation provoked debate in the Kremlin and Molotov believed that if the Marshall Plan was an extension of the Lend-Lease aid, then the Soviet Union should participate. Stalin however saw the issue not only in economic but in political terms, and his suspicious nature detected an American plot to control the Soviet economy. Furthermore, turning to the capitalists for help was in Stalin's view, the ultimate sign of failure for Communism.⁵¹
- Stalin's response to the announcement of the Marshall Plan was to send a large delegation to Paris to discuss Soviet participation. He directed that the countries in the Eastern Bloc should not reject conditions imposed on them. Stalin only changed his position when he learned that credit would only be extended under conditions of economic cooperation and aid would be extended to Germany in total, a prospect he saw as prejudicial to Soviet ability to exercise influence in western Germany. The Soviet Union also sought complete control and freedom of action over any Marshall Plan funds Germany might receive and knowledge of the precise amount of aid given to each nation. When it became clear that the French and British representatives did not share his objections, the Foreign Minister Molotov stormed out of the meeting on July 2. While Stalin allowed the East Europeans to stay, he then forbade them – most dramatically the Czechs, whose leaders were flown to Moscow to get the word – from receiving such assistance. In doing so, Stalin was concerned over the apparent eagerness of Czechoslovakia to accept the aid, as well as an indication of a similar Polish attitude, which may undermine Soviet control over its satellite states.⁵²

⁵⁰ Gaddis, *The Cold War*, p. 32.

⁵¹ Isaacs and Downing, *Cold War*, pp. 52-53.

⁵² Gerhard Wettig, *Stalin and the Cold War in Europe*, pp. 138-139. Gaddis, *Cold War*, p. 32. Jan Masaryk, the foreign minister of Czechoslovakia, was summoned to Moscow and berated by Stalin for considering Czechoslovakia's possible involvement with and joining of the Marshall Plan.



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- The Conference on European Economic Cooperation (CEEC) opened in Paris on 12 July 1947 with sixteen European nations in attendance. As national policy differences led to a paralysis in decision-making, George Kennan accused the delegates of not having the 'clarity of vision' needed to frame a new 'design' for Europe as a whole. In September, American officials made it clear that the CEEC risked losing Marshall Plan aid unless it addressed issues specified by Washington, including long-term cooperation and the lifting of trade barriers. Putting their differences aside, the delegates approved a programme on 22 September. This included plans to raise agricultural production to pre-war levels; raise industrial production to levels slightly higher than pre-war; achieve financial stability; establish an organisation to promote economic cooperation; and finally, to expand payments to overcome dollar deficits.⁵³
- This represented a fundamental change in American policy towards Europe, driven by deepening concerns over the consolidation of Communist power in Eastern Europe, the failure to reach a settlement on Germany's future, and the worsening state of economic conditions in Western Europe threatening political stability, especially in France and Italy.⁵⁴ On 17 December 1947, Truman won approval for interim aid to France, Italy and Austria and then submitted the full Marshall Aid legislation to Congress. Truman initially asked for the entire \$17 billion in aid requested by the CEEC, a sum that was reduced by Marshall to \$6.8 billion in January 1948 to cover the first fifteen-month period. The Republican majority in Congress balked at such an expenditure and the debate dragged on. In February, the request was again reduced to \$5.3 billion to cover the twelve months of fiscal 1949.⁵⁵
- News of the Communist takeover of Czechoslovakia strengthened Truman's hand. On 17 March, Truman addressed a joint session of Congress and asked for approval of the Marshall Plan and for the enactment of universal military training and selective service. On 3 April 1948, Congress passed the Economic Cooperation Act, approving \$5.3 billion in Marshall Plan aid. This approved funding that would eventually rise to over \$12 billion

⁵³ Isaacs and Downing, *Cold War*, pp. 57-58.

⁵⁴ Miller, *The Berlin Airlift 1948-1949*, p. 17. In December 1947, the first meeting of National Security Council instructed the CIA to do what it could, covertly, to prevent Communists from coming to power in Italy for elections due to be held on 18 April 1948. Through a range of covert activities and support from anti-Communist forces in Italy, most notably the Papacy, the Christian Democrats won a landslide victory.

⁵⁵ Isaacs and Downing, *Cold War*, p. 61.



for the rebuilding of Western Europe.⁵⁶ The United States was also increasingly convinced that the economic and rehabilitation of Germany was key to the recovery of the European economy.⁵⁷ The Morgenthau Plan⁵⁸ was now replaced by a new focus to partly lift restrictions on German heavy industrial production and steel production. Paul G. Hoffman was now appointed the head of the Economic Cooperation Administration (ECA), the organisation that would administer and distribute the aid. Two weeks later, sixteen European countries signed the agreement that created the Organisation for European Economic Cooperation (OEEC), the body required by the United States to formalise requests for aid, recommend each country's share, and help in its distribution.⁵⁹

- 20 per cent of Marshall Plan aid to Europe was in the form of loans, the rest was in grants to minimise Europe's future financial obligations. Rather than in dollars, aid was usually supplied as commodities, grain or industrial machinery, so Washington had more control over its end use. Some of the aid came in the form of 'counterpart funds' which were to compensate for the dollar shortage in Europe. Each European government set up a fund that the ECA would match in dollars. Economists have long debated the real value of the Marshall Plan to European economies. While the United States allocated 1.3 per cent of its GDP to the plan, much of it went back to the American economy. Europeans were encouraged to buy American goods with their dollars and this is what many of them did. American industry was looking for new markets to sustain the growth it had enjoyed during the war years, and it prospered greatly from the Marshall Plan.⁶⁰

The National Security Act

- The National Security Act, which took effect in September 1947, mandated a major reorganisation of Washington's foreign policy and military establishments. The majority of its provisions came into effect in September when James Forrestal was appointed the first Secretary of Defense. The act created many of the institutions that Presidents found useful when formulating and implementing foreign policy, including the National Security

⁵⁶ Office of the Historian, Marshall Plan, 1948.

⁵⁷ Michael R. Beschloss, *The Conquerors: Roosevelt, Truman and the Destruction of Hitler's Germany, 1941-1945*, p. 277.

⁵⁸ The Morgenthau Plan included measures to eliminate Germany's ability to wage war by eliminating its armament industry, and the removal or destruction of other key industries basic to military strength. This included the removal or destruction of all industrial plants and equipment in the Ruhr.

⁵⁹ Isaacs and Downing, *Cold War*, pp. 63-64.

⁶⁰ *Ibid.*, pp. 68-69.



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Council (NSC). The Council itself included the President, Vice President, Secretary of State, Secretary of Defense, and other members (such as the Director of the Central Intelligence Agency), who met at the White House to discuss both long-term problems and more immediate national security crises. The act also established the Central Intelligence Agency (CIA), which grew out of World War II era Office of Strategic Services and small post-war intelligence organisations. The CIA served as the primary civilian intelligence-gathering organisation in the government. The 1947 law also caused far-reaching changes in the military establishment. The War Department and Navy Department merged into a single Department of Defense under the Secretary of Defense, who also directed the newly created Department of the Air Force. However, each of the three branches maintained their own service secretaries. In 1949, the act was amended to give the Secretary of Defense more power over the individual services and their secretaries.⁶¹

Sovietisation

- Stalin now tightened his grip over Eastern Europe, a process that began even before the war ended. Stalin had sought to create a buffer zone along the Soviet Union's western border to ensure its security. As the Red Army liberated countries from Nazi rule, pro-Soviet regimes were established. Communists however were still in the minority in many East European states. In November 1945, Communists only secured 17 per cent of the vote. Polish communists did not dare risk an election until January 1947. Only in Czechoslovakia did the Communists secure as much as 38 per cent of the vote. Stalin's tactics in Eastern Europe, as well as in the zones of influence and occupation risked confrontation with the West but this was a risk he seemed willing to take. The United States attempted to soften the Soviets' hard line at a foreign ministers conference in Moscow in December 1945. Secretary of State Byrnes insisted that the Soviets broaden the base of the Bulgarian and Romanian governments by introducing non-Communist members. When Molotov gave way, Byrnes agreed to recognize the new pro-Soviet governments. Truman warned Byrnes about Soviet expansionism and later claimed this as 'the point of departure of our policy'. Within six months after the end of the war, Washington had begun to see Moscow as a potential enemy.⁶²

⁶¹ Office of the Historian, The National Security Act of 1947. The Department of Defense is housed in the Pentagon.

⁶² Isaacs and Downing, pp. 30-31.



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- In September 1947, he announced the formation of Cominform, a latter-day version of Comintern, whose task had been to enforce orthodoxy in the international communist movement.⁶³ At the first meeting of Cominform, Andrei Zhdanov, Stalin's spokesman in the new organisation, also proposed that the world was divided into two irreconcilably hostile camps: the "imperialistic", headed by the United States; and "democratic", headed by the Soviet Union and that this view would serve as the doctrinal basis for Soviet foreign policy under Stalin. Zhdanov also denounced the Truman Doctrine as aggressive and accused the Marshall Plan of trying to revive German industry under the control of American financiers. Moscow also produced the Molotov Plan which was the basis for the formation of COMECON (Council for Mutual Economic Assistance).⁶⁴
- Stalin's intention of strengthening control over the satellite states became clear in February 1948 when he endorsed the Communist seizure of power in Czechoslovakia, the only Eastern European state that remained under a democratic government. It could be argued that prospects of any independence within Stalin's sphere of influence ended with the death of Jan Masaryk, the Czech Foreign Minister in March 1948.⁶⁵ The sovietisation of Eastern Europe is often described as a consequence of 'salami tactics', or of gradual elimination, used by the Soviet Union to divide non-communist democratic regimes. Specifically, the Soviet Union would use local communists to infiltrate local coalition governments and then oust the non-communists from power. Metaphorically it represented the cutting of salami until eventually only the communists remained. Yugoslavia did not fall within that sphere. Its leader Josip Bronz Tito came to power on his own. Efforts to subject him to Cominform orthodoxy led Tito to openly break with Moscow in June 1948 and he began to receive economic assistance from the United States.⁶⁶

⁶³ Gaddis, *The Cold War*, p. 32.

⁶⁴ Zhdanov called for stricter government control of art and promoting an extreme anti-Western bias. Originally applied to literature, it soon spread to other arts and gradually affected all spheres of intellectual activity in the Soviet Union, including philosophy, biology, medicine, and other sciences. Miller, *The Berlin Airlift 1948-1949*, p. 18.

⁶⁵ Gaddis, *Cold War*, p. 33.

⁶⁶ *Ibid.*.



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Country	Events	Leader
Albania	Democratic Front dominated by the Albanian Communist Party won elections in December. Monarchy abolished in January 1946.	Enver Hoxha
Bulgaria	Monarchy was abolished in September 1946. Communists won constituent assembly elections in October, paving the way for them to assume complete control by 1948.	Georgi Dimitrov
Romania	In the 1945 elections, a Communist-led coalition was elected to power. The Communists gradually took over and in December 1947 they abolished the monarchy.	Gheorghe Gheorghiu-Dej
Poland	The Communists won the 1947 election and consolidated their control by 1948.	Boleslaw Bierut
Hungary	The non-communists won the 1945 elections. However, the Communists took control of the secret police (the AVO), and executed and arrested his opponents. By the summer of 1948, they had complete control over the country.	Matyas Rakosi
Czechoslovakia	A coalition government was set up and led by Edvard Benes. However, the Communists had control over the radio, the army and the police. In February 1948, Communist workers went on strike and paved the way for a Communist takeover.	Klement Gottwald



Examine the cartoon above; What does it suggest about the view of the public regarding developments in Eastern Europe after World War II?

The Question of Germany and the Berlin Blockade



Post-war division of GERMANY



Post-war division of BERLIN



- At Yalta, the Soviets had pressed for heavy post-war reparations from Germany, half of which would go to the Soviet Union. While Roosevelt had acceded to such demands, Truman and his Secretary of State, James F. Byrnes, were determined to mitigate the treatment of Germany by allowing the occupying nations to exact reparations only from their own zone of occupation. Truman and Byrnes encouraged this position because they wanted to avoid a repetition of the situation created by the Treaty of Versailles, which had exacted high reparations payments from Germany following World War One. Many experts agreed that the harsh reparations imposed by the Versailles Treaty had handicapped the German economy and fuelled the rise of the Nazis.⁶⁷ The occupying powers agreed to treat the four zones of occupation as a single economic area, i.e. goods were supposed to move freely between the four zones. Hence, the occupation of Germany was a real test of ability of the United States and Soviet Union to cooperate in the day-to-day administration of a defeated country.
- After the end of the war in Europe in May 1945, Stalin moved quickly to consolidate Soviet position in eastern Germany. On 9 June, Moscow created the Soviet Military Administration in eastern Germany. The following day, it authorised the formation of an anti-Fascist party and trade unions in the Soviet-occupied zone. On 11 June, German communists, with Soviet backing, formed the German Communist Party (KPD). Through the active support of the Soviet Military Administration, the KPD pushed for the creation of an anti-Fascist front uniting all other parties. Forced fusion of the German Socialist Party with the KPD created the Communist-dominated Party of German Socialist Unity in April 1946 which gave the Communists a solid political base in the eastern zone and a potent foothold in the western ones. By now, Communist leaders, who dominated the SED, called for the establishment of an “anti-Fascist, democratic regime, a parliamentary democratic republic” while the Soviet Military Administration suppressed all other political activities.⁶⁸
- A more immediate Soviet goal was to make Germany pay for the horrors its army had inflicted on the Soviet Union. Stalin demanded ten billion dollars in direct reparations and

⁶⁷ Office of the Historian, Potsdam Conference.

⁶⁸ Miller, The Berlin Airlift, 1948-1949, p. 11.



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sought access to the coalfields in the Ruhr. He also wanted to acquire German scientific and technological assets; and to eliminate the prosperity, power and position of the German ruling classes which had supported the war. The agreement at Potsdam authorised each nation to seize reparations from its own zone, and the British and Americans allowed Stalin one-sixth of surplus production in their zones. The Soviets also systematically stripped those portions of Germany under their control, leading to the loss of 3500 plants and factories, over a million pieces of equipment and two million industrial jobs. More demands came in late 1946 when thousands of German technicians, managers, and skilled personnel were forcibly transferred to the Soviet Union. Women in astounding numbers were raped by the conquerors over a prolonged period of time. Other Soviet activities were also of grave concern to American leaders and heightened post-war tensions. The newly formed Central Intelligence Agency's Berlin Operations Base, began tracking Soviet efforts to use German resources to build an atomic bomb. Beyond the Soviet Union's more immediate objectives, Stalin's long-range goal was a pro-Soviet, communist-dominated government.

- The results of the Potsdam Conference were extremely promising. Stalin pointed out since the Allies for operating Germany as a single economic unit, this would facilitate Soviet penetration of the other zones. Furthermore, the policies of demilitarisation, de-Nazification and democratisation could strengthen elements that would tend to favour the Soviet Union. However, as Soviet occupation policy remained one of retribution, it proved detrimental to the Soviet Military Administration which sought to secure German support. Stalin's policy also had another unintended but important effect. The destruction of the war, combined with Soviet pillage left eastern Germany in ruins. The Soviets had shown little interest in reconstruction of its occupation zone. Since they were inter-dependent, economic conditions in eastern Germany and Eastern Europe delayed economic recovery and political stability of Western Europe, which jeopardised the major post-war goals of the United States.⁶⁹
- In April 1946, the Council of Foreign Ministers convened in Paris for preliminary discussions for a peace settlement. Secretary of State Byrnes came under more pressure to get tough and in these meetings, he was accompanied by Senate Foreign Relations

⁶⁹ Ibid., pp. 12-13.



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Committee chairman, Senator Arthur Vandenberg of Michigan, a Republican, who remarked that he was convinced that “Communism was on the march on a worldwide scale, which only America can stop.” The Soviets wanted the agreements negotiated at Yalta and Potsdam to be the basis of any settlement but one sticking point followed another: the question of peace treaties with Austria and Italy; reparations from Italy; the position of Trieste, and the demilitarisation of Germany. During these negotiations, Molotov became known in the Western press as ‘Mr No’. This suited Western interests for public opinion to perceive the Soviets in negative terms; and helped the United States claim the moral high ground in the debate that followed.⁷⁰

- The winter of 1945-1946 was unusually harsh in Western Europe, exacerbating economic conditions and raising the spectre of political and social instability, which many leaders feared, would be exploited by the Soviet Union. Growing discontent at Soviet occupation expressed itself in local elections in the fall of 1946 where there was a massive anti-communist protest vote, especially in the Soviet zone of Berlin. Lucius D. Clay, then deputy governor of occupied Germany, moved to address the situation. In July 1946, during a Council of Foreign Ministers meeting in Paris, Clay suggested a merger of the American and British occupation zones to Secretary of State Byrnes. In September 1946, Byrnes delivered the “Restatement of Policy on Germany” Speech which marked the formal transition of the American occupation policy under the Morgenthau Plan towards economic reconstruction. Final arrangements for the creation of a “Bizon” were concluded at the council meeting in December.⁷¹ This speech marked the final breakup of the old wartime alliance. American policy in Europe would now be driven by the need to build up Germany, to provide an effective buffer against what was believed to be the threat of Soviet expansionism. The Soviet Union persisted in creating its own buffer zone against Germany.⁷²
- With the appointment of George C. Marshall as Secretary of State in January 1947, American policy in Germany underwent an almost immediate change. Economic unity was necessary not only to make Germany self-sustaining, but also to contribute to the recovery of Europe. To this end, Marshall met with his colleagues on the Council of

⁷⁰ Isaacs and Downing, Cold War, p. 37.

⁷¹ Ibid., p. 15.

⁷² Isaacs and Downing, Cold War, pp. 38-39.



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Foreign Ministers in Moscow from March to April 1947. In the meantime in March, Clay succeeded Eisenhower as the military governor of occupied Germany. Negotiations proved fruitless as Molotov pressed for the continuation of reparations, which Marshall refused unless the Soviets agreed to an economically self-sufficient Germany and a record of the industrial plants, goods and infrastructure already removed by the Soviets. The participants returned from the conference with increased suspicions of the others' motives. Marshall's meeting with Stalin proved fruitless with the latter showing little interest in an immediate solution to Germany's economic plight. As the continental economy plunged into turmoil, cooperation with the Soviets in Germany gave way to economic cooperation in Europe.⁷³

- The Soviets became alarmed at developments after the announcement of the Marshall Plan. At the Council of Foreign Ministers in London between 25 November and 15 December 1947, Stalin's directives to the Soviet delegation stressed the need for a peace treaty with Germany associated with the establishment of a "united democratic Germany." Negotiations broke down over sharp differences over reparations to the Soviet Union, Soviet demands for a say in the Ruhr, and Molotov's abuses towards other representatives. The meeting drove home the differences between the West and the Soviets over Germany. As a result, the United States announced the end of reparations to the Soviet Union from the western zones, and France began to move closer to the United States and Britain. Seeing this as the last straw in Soviet intransigence, Marshall adjourned the meeting and the council did not meet till May 1949.⁷⁴
- In January 1948, the British cabinet discussed the situation in Germany and Foreign Secretary Ernest Bevin presented a paper that argued for slow movement towards a West German state and action on currency reform to undercut the rampant black market. Bevin thought of Britain as an intermediary between the French, who were still fearful of German recovery, and the Americans, who were increasingly frustrated by what they saw as French obstructionism. By now, questions on national security for the United States were beginning to focus almost exclusively on the Soviet Union.⁷⁵

⁷³ Miller, *The Berlin Airlift, 1948-1949*, p. 16.

⁷⁴ *Ibid.*, p. 17.

⁷⁵ Isaacs and Downing, *Cold War*, p. 74.



- By February 1948, Marshall wrote about the Soviets reshaping their occupation zone into a totalitarian state similar to their satellites in Eastern Europe. Furthermore, the fall of Czechoslovakia under communist rule also swept the last vestiges of opposition in Congress to the Marshall Plan and accelerated Western response to consolidate their occupation zones and establish a West German state.⁷⁶ Representatives from these three countries and the Benelux (Belgium, the Netherlands and Luxembourg) met in London between February and March 1948 and concluded the economic merger of the three western occupation zones and agreed to the establishment of a federal system of government for that area.⁷⁷ This meant the introduction of a single currency which would be outside Soviet control. In response, Stalin ordered a progressively tightening blockade around Berlin.⁷⁸
- In the meantime, spies within the Foreign Office in London passed reports to Soviet intelligence about the secret discussions during the London conference. On 12 March 1948, Foreign Minister Molotov was advised that the 'Western powers are transforming Germany into their strongpoint' and incorporating it into a 'military-political bloc' aimed at the Soviet Union. Molotov denounced the Allies of violating the agreements of Potsdam and announced that the decisions made at the conference invalid.⁷⁹
- In a meeting with Marshal Sokolovsky, head of the Soviet Military Administration, and its political advisor to General V. Semionov in March 1948, Stalin appeared to have communicated his decision to step up the harassment of the Western allies and a blockade of Berlin. At the Allied Control Council meeting on 20 March, Sokolovsky demanded to be informed about the activities of the recently concluded London Conference. When the western representatives hedged and refused to respond, Sokolovsky walked out and the Council never met again. Soviet interference with traffic between the western zones and the Soviet zone in Berlin steadily increased. On 1 April, Soviet authorities announced that no cargo could leave Berlin without permission, which placed them in control of all trade with Berlin and this was later extended to passenger trains as well. Clay responded by directing the United States Air Force in Europe (USAFE)

⁷⁶ Miller, *The Berlin Airlift, 1948-1949*, p. 19.

⁷⁷ *Ibid.*, p. 18.

⁷⁸ *Ibid.*, p. 19.

⁷⁹ Isaacs and Downing, *Cold War*, p. 75.



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to deliver supplies to the garrisons in Berlin by air and developed an emergency airlift system later termed "Little Lift".⁸⁰

- As the situation became increasingly tense, the confrontation between the Soviets and the West spilled over into Berlin's internal politics. The city council was the focus of a power struggle between the East German Communists and the Social Democrats. Ernst Reuter was the leader of the anti-Communist coalition in Berlin and his election as the mayor of the city was vetoed by the Soviets. By now, Communists and socialists had formed a new Socialist Unity party led by Walter Ulbricht, the leader supported by Stalin in East Germany.⁸¹
- The events of April 1948 led Stalin to conclude that pressure on Berlin would force the Western powers to abandon plans to create a separate Germany, detach the German people from the Western governments who were unable to protect them, and the Soviet Union to negotiate from a position of strength. Should the Western allies refuse to bow to the pressure, the Soviets would force them out of Berlin. Developments did not turn out the way Stalin hoped. After meeting with the French in April, Clay prepared a memorandum calling for the election of a German assembly by September 1948. This assembly would draft the constitution that would include a federal structure for the government and guarantee individual rights and freedoms. Once the constitution was approved by three out of the four occupying powers and ratified by the German states, a new government would be elected in thirty days, with day-to-day control over Germany except foreign policy. A common banking system and most significantly, currency reform would take place immediately in the three western occupation zones. These provisions were embodied in a communique issued on 6 June 1948.⁸²
- The occupying powers had introduced a single currency after the war but the Soviets debased its value by printing as much as they pleased. By late 1947, the Soviets were convinced that the Western powers were intending to introduce a single currency in their occupation zones and began planning for the introduction of new banknotes in the Soviet zone. On 18 May 1948, Moscow directed its military administration in Germany to put

⁸⁰ Miller, *The Berlin Airlift, 1948-1949*, pp. 20-21.

⁸¹ Isaacs and Downing, *Cold War*, p. 78.

⁸² Miller, *The Berlin Airlift, 1948-1949*, p. 25.



currency reform into effect in its zone and to limit the circulation of money in the Greater Berlin area to Soviet occupation currency if the Western powers instituted unilateral currency reform in their zones. On 18 June, the Western commanders informed Sokolovsky that the new currency, called “west” marks (Deutschmark) would be introduced in the western zones from 20 June, but they would not be legal tender in Berlin.⁸³

- The Soviets responded to these developments by condemning the Western powers for splitting Germany and stepped up the harassment of communications with Berlin. Talks among financial experts from the four powers on 22 June collapsed. On the same day, Sokolovsky announced the introduction of new “east” marks (Ostmark) in the eastern zone, including all of Berlin in two days’ time. The Western powers responded by extending the use of the Deutschmarks to their sectors in Berlin, with a special Deutschmark overprinted with a letter B. The Soviets now launched a propaganda campaign notable for its viciousness as Sokolovsky announced that the Deutschmarks would be not permitted to circulate in Berlin, which lies in the Soviet zone. On 23 June at a meeting of the Berlin city assembly, Reuter tried to persuade the assembly to approve the circulation of both the Deutschmarks and Ostmarks. In the end, the assembly voted to accept the Deutschmarks in the Western sectors and the Ostmarks in the Soviet sector.⁸⁴
- Sokolovsky asked Molotov for instructions and the latter advised against surrounding Berlin with tanks since this would provoke the West into doing the same. They decided on an immediate blockade around Berlin. On 24 June, the Soviets severed land and water communications between the Western zones and Berlin and the next day, they added that the Soviet Union would not supply food to the Western sectors in Berlin.⁸⁵ In London and Washington, there was firm agreement that the West would hold on to Berlin. Truman was determined that the Western powers would stay in Berlin while Bevin announced that the abandonment of Berlin would mean the loss of Western Europe.⁸⁶ The West now introduced a counter-blockade, stopping all rail traffic into East Germany from the British and American zones. Over the next few months, this would have a debilitating effect on

⁸³ Ibid., p. 31.

⁸⁴ Isaacs and Downing, Cold War, p. 80.

⁸⁵ Miller, The Berlin Airlift, 1948-1949, p. 32.

⁸⁶ Isaacs and Downing, Cold War, p. 81.



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East Germany as the drying up of coal and steel shipments hindered industrial development in the Soviet zone.⁸⁷

- While the introduction of a new currency triggered the blockade, it was clear that this was not the problem. What offended Moscow was the new currency as a concrete measure of separation of western Germany.⁸⁸ Stalin's reasons for ordering the blockade, even now are unclear. He may have hoped to force the West out of their respective sectors of the occupied city, taking advantage of their dependence on the supply lines through the Soviet occupation zone. He may also have sought to slow down their efforts to consolidate their own zones, which seemed likely to produce a new West German state within which Moscow would have no influence. The western allies improvised an airlift for the beleaguered city, winning the emphatic gratitude of the Berliners, the respect of most Germans and a global public relations triumph that made Stalin look both brutal and incompetent.
- On the same day the Soviets began the blockade, General Clay put the US Air Force's fleet of C-47s and any other aircraft that could be used on standby. On 26 June, the first American transport planes flew into Berlin. Initially, about 80 C-47s flew two daily round trips into RAF Gatow and Tempelhof, the airbases in the British and American zones respectively. Soon, the Americans began adding fifty C-54 Skymasters, which could bring in 9 tonnes, three times the payload of the C-47s. In July, General Clay returned to Washington for talks with Truman. He still favoured a military convoy to break the blockade but Truman rejected this and instead guaranteed Clay more C-54s. During July 1948, attempts were made through diplomatic channels to settle the crisis. On 2 August, the British, American and French ambassadors met Stalin who made it clear that from the Soviet point of view, the currency question was crucial, as was the London agreement to create a united West Germany. He argued that if there were two German states, then Berlin was no longer the capital of Germany, and hence Western presence in the city was no longer relevant. Stalin reiterated that Moscow was not seeking conflict with the West and would lift the blockade as soon as the B-mark was withdrawn from West Berlin and

⁸⁷ Ibid., p. 81.

⁸⁸ Miller, *The Berlin Airlift, 1948-1949*, p. 32.



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four-power rule over Germany was reinstated. It was now clear that the Soviet objective had but one principal purpose: to prevent the creation of a West German state.⁸⁹

- In the meantime, the airlift was proving more successful than expected. A new airport at Tegel was built to reduce congestion at the other two airfields. With capacity for more flights, the Americans added another sixty C-54s to their fleet. On 6 September, another meeting of the city assembly at East Berlin was broken up by Communist activists and the western representatives now agreed to meet in the safety of West Berlin. On 9 September, Ernst Reuter gathered a huge gathering of 300 000 Berliners and in front of the vast crowd, called upon the Western governments not to abandon Berlin. By December 1948, the goal of 4500 tonnes flown in each day was reached. The West achieved a major propaganda victory through the airlift; it was a reminder to the Soviet Union, and the whole world of Western technological superiority. Conversely, the blockade showed the Soviets in a poor light.⁹⁰
- By the spring of 1949, the weather improved considerably which allowed food supplies to be built up and fuel stocks maintained at a good level. The airlift now increased to 8000 tonnes per day. In one twenty-four period on Easter Sunday in April 1949, a record number of 1398 flights came into Berlin, carrying a total of 13 000 tonnes of supplies. As the counter-blockade of East Germany took its toll, Moscow tried to end the whole debacle by hinting that it would end the blockade with minimal conditions. The counter-blockade would have to be lifted and the Council of Foreign Ministers reconvened. General Clay also returned to Washington and relinquished his post as military governor.⁹¹
- In reality, the measures Stalin took in response to the Marshall Plan wound up increasing, not decreasing the Soviet Union's security problems. The Czech coup persuaded Congress which had not yet approved Truman's programme for economic recovery to do so quickly. The events in Prague and the Berlin Blockade, convinced the European recipients of American economic assistance that they needed military protection as well: that led to the creation of a North American Treaty Organisation (NATO), which now committed the United States for the first time ever to the peacetime defence of Western

⁸⁹ Isaacs and Downing, Cold War, p 85.

⁹⁰ Ibid., p. 90.

⁹¹ Ibid., p. 91.



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Europe. By the time the Berlin Blockade ended in May 1949, the North Atlantic Treaty had been signed in Washington⁹² and the Federal Republic of Germany had been proclaimed in Bonn – results which Stalin had not wanted.⁹³



Examine the source above; what information is missing that is important in helping you understand the source?
Why does that matter?

⁹² The North Atlantic Treaty was signed on 4 April 1949. Lord Ismay, the first Secretary-General of NATO, described the organisation's goal to "keep the Russians out, the Americans in, and the Germans down." The constitution of the Federal Republic of Germany was promulgated in May and its first government came into being in September 1949.

⁹³ Gaddis, *The Cold War*, p. 34.



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Reflection

What are the 3 things you have learnt from this lesson?

What are the 2 things you have found interesting/new?

What is the 1 question you would like to ask your lecturer?

Suggested Readings:

- Atlantic Charter. 1941.
- Iron Curtain Speech, 1946.
- Long Telegram, 1946.
- Truman Doctrine, 1947.

Additional Readings (Google Drive):

- David Williamson, Access to History: The Cold War
- Spencer Tucker Ed., The Encyclopedia of the Cold War: A Political, Social and Military History
- Oliver Edwards, Access to History: The USA and the Cold War 1945-63
- Richard Trahair and Robert Miller, Encyclopedia of Cold War Espionage, Spies, and Secret Operations
- Susan Carruthers, Cold War Captives: Imprisonment, Escape, and Brainwashing
- Vivienne Sanders, Access to History: The Cold War and the Americas 1945-1981
- Vivienne Sanders, Access to History: The USA and Vietnam 1945-75
- The Cambridge History of the Cold War, Vol. 1~3