

Triumph of the Liberal State

Following World War II the United States enjoyed a prolonged period of economic growth and prosperity that lasted almost a quarter of century. From 1940 to 1970 the Gross National Product of the United States rose from 200 billion dollars to about a trillion dollars, reflecting an average annual rate of increase of 3.5%. Several factors helped produce this happy outcome.

American businesses continued to improve their efficiency and ability to produce large quantities of goods. An important part of this was the ongoing perfection of automation and machinery. Factories increasingly featured industrial "robots" that could perform basic functions more quickly and cheaper than human hands, while agriculture benefited from large-scale adoption of sophisticated agricultural machines. Mass production was also extended into other economic sectors. Real estate developers, for instance, were able to take advantage of industrial techniques to mass produce housing. In these large housing tracts a few standardized designs were used to simplify the construction process, with some components being pre-manufactured. Using techniques similar to what was seen on factory assembly lines, teams of specialized workers using power tools would go from house to house, completing their assigned portion of the total design. Levittown, New York was an early example of this new "tract housing", but the methods quickly spread throughout the country, producing large quantities of affordable housing. In 1940 around 43% of all American families owned their own homes, but by 1960 this had grown to 62%. The growth of "fast food" restaurants represented another application of industrial techniques. The McDonald brothers established a successful restaurant in San Bernadino, California, utilizing assembly line techniques to produce food quickly and cheaply.

Expansion of industrial, mass-production techniques helped provide cheaper consumer goods, but the other side of the equation was that consumers had more money to spend. During World War Two many consumer goods, such as automobiles and houses, had not really been available as the economy was focused on military production. With employment high and wages good, workers were forced to save money and differ their spending. Following the war this leads to an explosion of consumer spending that helped cushion the transition to a civilian economy. Even after the war direct and indirect military spending continued to influence the economy. Before World War Two the U.S. had maintained a relatively small military establishment, but this changes in the aftermath of the war. The U.S. had become a global power and this required significant military commitments around the world, particularly as the Cold War conflict grew. More Americans were employed by the military and the continuing need for military goods such as aircraft ensured that arms industries grew, providing further employment. Because technology was increasingly important in military conflict the government also invested heavily in basic scientific research and encouraged the development of institutions of higher education. This expansion of scientific knowledge and education ultimately helped transform the civilian economy as well. Another way the government invested in education was through the Serviceman's Readjustment Act of 1944, also known as the G.I. Bill. After World War One the government had made little effort to help veterans transition back to civilian life or prepare the civilian economy for the shock of re-integrating millions of working age men. Under the G.I. Bill veterans were

given generous education benefits to pay for college education as well as access to low-cost loans to help them buy homes or start businesses. Rather than immediately entering the workforce many veterans returned to school, helping ease the potential employment crisis caused by demobilization. This policy also ensured an explosive growth in the number and size of institutions of higher education in the United States and the number of college grads. National defense was also used as a rational to expand the country's highway system. The Federal Aid Highway Act of 1956 was justified in part to facilitate transportation of troops within the United States and make it easier to evacuate major cities in the event of a nuclear war. It would become the largest public works project in American history, creating the modern interstate freeway system. This in turn would help re-shape the American economy as interstate trucking became increasingly feasible, and access to suburban areas easier and easier.

Not all government influence on the economy was military related. Non-military public sector employment continued to rise in the post-war era as Americans came to expect more services from government. The social welfare policies begun in the 1930s under the New Deal also affected economic development. With the social security pension system fully implemented, the elderly now had more discretionary income to spend. Federal and state wage laws helped ensure that workers' wages were high and they could consume the goods being produced by American industry. This was also a byproduct of growing union strength. During the New Deal and World War II the union movement had witnessed a huge increase in its membership and influence. The passage of the Taft-Hartley Act in 1947 was a serious setback to organized labor. It prohibited some types of strikes and a variety of other union tactics, allowed states to pass "right to work laws" which prohibited union shops, and gave the executive branch power to intervene in strikes and issue injunctions. Nonetheless, the union movement continued to grow and by 1954 28% of all non-farm workers belonged to unions. Corporations tended to accept these unions and their demands for higher wages because in the booming economy it seemed cheaper to do this than to shut down because of a strike. These high wages put more money into the pockets of ordinary consumers, ensuring that they had money to spend on new houses, automobiles, and other goods.

The United States benefited as well from the unusual global economic climate of the post-war era. The war had devastated all the industrial nations of the world, except for the U.S. With little competition from overseas rivals, American industry enjoyed unparalleled access to both foreign and domestic markets.

The nature and structure of corporations also continued to evolve. Government policy during World War Two had indirectly encouraged consolidation of industry through suspension of anti-trust laws and the awarding of contracts to big companies. This trend continued after the war. Increased use of sophisticated machinery gave large corporations a significant advantage over smaller companies. The same process was at work in the agricultural sector. Farming increasingly became the province of agribusiness corporations rather than family farms. Even as production increased, the farming population decreased. In 1945 farmers constituted about 25% of the population, but by 1970 only 5% of the population lived on farms.

While the post-war era generally saw increasing prosperity, there were still problem areas in American society. The basic American creed since the founding of the republic has been the idea that "all men are created equal." Originally the application of this ideal was quite limited. By the 1940s and 1950s this vision had gradually expanded to include new groups of people, but there were still significant limitations. Racial and ethnic minorities still struggled to gain equal access to economic opportunity and political power, as did women. Rural and urban poverty had been significantly reduced with the number of people living below the poverty line dropping from about 28% in 1948 to 21% in 1957, but this still meant that one out of every five Americans lived in poverty.

This was particularly a growing problem in urban cores. Residential suburbanization expanded rapidly in this period, subsidized by government road projects, low interest housing loans, and tax breaks for homeowners. This was facilitated as well by new techniques of construction which allowed the mass production of cheap housing tracts. The massive migration of people out of urban areas into suburban areas had a decidedly negative effect upon the urban core since the people who were leaving were typically those with money -- the upper and middle-class and the better off blue-collar workers. The result was a declining tax base for cities, which in turn made it increasingly difficult for them to provide basic services such as education, sanitation, or police and fire protection. To make matters worse, many businesses also began to abandon the urban core and move to the suburbs, taking with them more tax revenues and even more importantly, jobs. These made it difficult for urban residents to find work, since more employment was increasingly dispersed. To access economic opportunities required transportation, but poorer folks couldn't afford to buy automobiles and the public transportation systems of most cities were entirely inadequate. Government focus had been on building roads to accommodate Americans with cars, not on mass transportation for the working poor.

In the post-war era there were a number of government initiatives to try and address persistent problems of poverty and unequal opportunity in the United States. Immediately following World War Two President Truman proposed an ambitious program which he called the Fair Deal. It called for higher minimum wages and expanded unemployment compensation, a guarantee of full employment for all Americans who were willing to work, public housing assistance, a national healthcare system, federal aid to education, and civil rights legislation. Ultimately, however, little of this program was passed, in part because a coalition of Republicans and conservative Southern Democrats in Congress were wary of this dramatic expansion of the social welfare state and in part because of Truman's focus on foreign policy. The president who followed him, Dwight D. Eisenhower, supported continuation and moderate expansion of existing "New Deal" programs such as Social Security. Indeed, one of his first actions as president was to propose a reorganization of the executive branch which included a new cabinet level division: the Department of Health, Education, and Welfare. Nonetheless, Eisenhower's policies were generally fiscally conservative. He sought to cut taxes and reduce federal regulation of the economy. His main priority was trying to reduce the growing annual deficit; a task made impossible by military costs associated with the Cold War. Ultimately, under both Eisenhower and Truman, quite a lot of "social welfare" spending came through defense related programs such as the G.I. Bill.

When John F. Kennedy came to office in 1961 he proposed a program very similar to Truman's Fair Deal. His New Frontier platform included civil rights legislation, national healthcare, and aid to education. He

also recognized the growing problems associated with the declining urban core, calling for urban renewal projects and the creation of a new cabinet-level Department of Housing and Urban Development. Like Truman, Kennedy had little success in moving this agenda forward. Liberal Democrats did not have the strength in Congress to pass this legislation, particularly because of the opposition of conservative Southern Democrats. Kennedy, like Truman, was also bogged down in foreign policy crises that made it difficult for him to focus on domestic reform.

Under Lyndon Johnson, however, the scope and power of the federal government expanded tremendously. Johnson had become President because of Kennedy's assassination in 1963. He had first entered politics in the 1930s as a Congressman from Texas, and then moved to the Senate in 1949, becoming the Senate Majority Leader in 1954. He thus brought to the Presidency a shrewd understanding of how to make the political system work and get legislation passed. In the wake of the assassination Johnson used the outpouring of public sympathy to pressure Congress to pass many of Kennedy's proposals. "In this critical moment," he told them, "it is our duty, yours and mine, to do away with uncertainty and delay and doubt and to show that we are capable of decisive action; that from the brutal loss of our leader we will derive not weakness but strength, that we can and will act now..." Congress responded with the Civil Rights Act of 1964, which outlawed many forms of discrimination against racial minorities and women, and the Economic Opportunity Act, which was part of Johnson's "War on Poverty". Under this later measure were created a variety of job training and education programs, loans to small businesses to spur hiring, and the creation of Volunteers in Service to America organization. Johnson also persuaded Congress to pass a tax cut to spur even greater economic expansion and job growth.

The national election of 1964 returned Johnson to the White House and gave Democrats comfortable margins in both houses of Congress, ensuring that he could move forward with his program which he called "The Great Society". A blizzard of social reform legislation followed. A partial national healthcare system was created with Medicare for the elderly and a state/national program of Medicaid provided assistance for the poor. The Elementary and Secondary Education Act provided the first direct federal aid to K-12 system while increased support for college scholarships and loans helped ensure greater access to higher education. Two new cabinet level departments were created: the Department of Housing and Urban Development which began an ambitious public housing program and the Department of Transportation which oversaw increased federal funding for both highway construction and mass transportation projects. The federal government also expanded its regulatory control over environmental issues with the Water Quality Act and the Air Quality Act. The Immigration and Nationality Act of 1965 set overall caps on immigration (300,000 per year from the Eastern Hemisphere and 150,000 from the Western Hemisphere) but eliminated the old quotas which had been designed to keep certain immigrant groups out. Finally, the Voting Rights Act of 1965 continued the progress begun by the Civil Rights Act of the previous year, seeking to ensure that all Americans had equal access to the vote.

The Great Society program had mixed results. In the decade that followed poverty dropped sharply. In 1962 21% of the population living below the poverty level, but this fell to around 11% by 1973. At the same time, the significant expansion in federal spending began to create larger deficits, particularly

since there had been no offsetting tax increases to pay for the cost of these programs. Indeed, one of the earliest measures of Johnson's administration had been to push for tax cuts to stimulate economic growth and job creation. For a while it seemed to be working and the economy boomed, fueled by tax cuts and massive federal spending on the war in Vietnam and social programs. By the later part of the 1960s, however, it was becoming increasingly evident that this growth rate could not be sustained.

The Great Society program marked an important step forward towards true civil rights for African-Americans. It was made possible by significant changes in the culture, economics, and politics of the United States. A key factor was the migration of many African-Americans out of the South. In Northern cities they found greater economic opportunities, greater expectations of change, and perhaps even more significantly, a greater political voice. Free of the restrictions imposed upon voting in the South, African-Americans became an increasingly important political constituency for the Democrats, helping to nudge the party towards greater activism on racial issues. The fact that the Democratic party largely dominated national government in the post-war era ensured that liberal voices in government and the courts would play important roles in supporting civil rights. The cultural climate of the country as a whole had changed as well. African-Americans were increasingly visible in popular culture because of their contributions in areas such as music and sports. Jackie Robinson's recruitment by the Brooklyn Dodgers to play in previously segregated major league baseball illustrates how cultural barriers were falling. More and more white Americans witnessed African-Americans as popular, positive, even iconic figures -- not vague negative stereotypes . The rise of television contributed to these changing perceptions, not only because it brought figures like black entertainers and sports heroes into their homes, but because it opened a window onto conditions in the South. It's significant that the sometimes bloody civil rights confrontations of the 1950s were now being broadcast so the entire country could see firsthand the evils of segregation and racism. World War Two and the Cold War had likewise begun to change how people saw this issue. In World War Two the United States had cast itself as the paramount defender of democracy and individual rights, and it would continue to emphasize this identity in the long struggle with communist totalitarianism. The constant attempt to portray the United States as morally superior to foreign rivals, however, placed an uncomfortable spotlight upon the internal contradictions of American society. This was painfully apparent when the Soviet Union and China gleefully pointed to racism and segregation in the U.S. in their own arguments for why non-aligned Third World countries should support communism.

The first significant attempt to pass civil rights legislation occurred under President Truman. He had challenged Congress in 1948 to pass a sweeping package of civil rights reforms, including ending segregation on public transportation and protection of voting rights. Inspired in part by a desire to rally African-American voters for his re-election campaign, Truman proposed a sweeping ten-point program of civil rights legislation and supported a strong civil rights agenda for the 1948 Democratic National platform. Many Southern Democrats were horrified by this, leading some of them to bolt to a third-party candidate: Senator Strom Thurmond, who would run as the "Dixiecrat" candidate against Truman. Despite this defection, Truman won the election and while Congress proved reluctant to pass any substantial civil rights legislation, he was able to use his executive authority to begin the process of desegregating the military and the federal government.

The civil rights movement began to gain steam in the 1950s. Since its inception in 1909 the NAACP had pursued court cases to challenge the institution of segregation, but it had had limited success until the landmark 1954 case of *Brown v. Board of Education*. Linda Brown was an ordinary girl who lived a few blocks from an elementary school which many of her friends attended. However, since she was African-American, she was not allowed to sit in the same classroom as her white friends: she had to take a bus to another school, much farther away. This was not unusual in the United States at this time. Twenty-one of the forty-eight states allowed racial segregation in education. In 1951 Linda Brown's father and twelve other parents filed a class action suit against the Topeka, Kansas, Board of Education. Ultimately it reached the United States Supreme Court. The case was presented by the NAACP's best attorney, Thurgood Marshall. Marshall argued that the 1896 decision in *Plessy v. Ferguson* that had established the legal validity of "separate but equal" was wrong. Racial separation, he suggested, simply perpetuated stereotypes of African-American inferiority, inherently creating conditions of inequality. After considerable debate, the court unanimously agreed:

Does segregation of children in public schools solely on the basis of race...deprive the children of the minority group of equal education opportunities? We believe that it does. To separate those children from others of similar age and qualifications solely because of their race generates a feeling of inferiority as to their status in the community...We conclude that in the field of public education the doctrine of "separate but equal" has no place. Separate educational facilities are inherently unequal...Any language in *Plessy v. Ferguson* contrary to these findings is rejected.

The decision represented a decisive blow against legal segregation, but it did not end the system immediately. The court had only ruled on segregation in education, not in other areas such as transportation, and it had not clearly outlined what would happen next. It was not until the following year that the Court ordered school boards throughout the country to desegregate their districts with "all deliberate speed."

The process of actually ending segregation in education proved to be quite tumultuous. Many districts attempted to block or evade enforcement of the court order. A particularly volatile confrontation developed at Central High School in Little Rock, Arkansas. Nine African-American students had enrolled for the fall term, but the governor of Arkansas, Orval Faubus, declared that desegregation of the schools would lead to civil unrest. He posted National Guardsmen at the doors of the school to turn away the incoming African-American students. After a federal court ordered the troops to be withdrawn the students again attempted to enroll, but this time they were halted by an angry white mob. President Eisenhower finally decided to end the confrontation by deploying federal troops to protect the African-American students and ensure their right to attend the school. Governor Faubus responded by asking the state legislature to pass a law allowing him to close public schools that were being integrated and replace them with private institutions. Under this law Little Rock's high schools were closed the following year, but re-opened after another federal court order. A similar confrontation occurred in 1962 at the University of Mississippi when an African-American student, James Meredith, attempted to enroll. Angry mobs attacked the federal marshals and soldiers Kennedy had ordered to protect

Meredith. As the incidents in Arkansas and Mississippi illustrate, education integration proved to be a long battle which in some cases was not fully accomplished until the 1970s.

Public transportation was another key target of desegregationist efforts. One of the most famous confrontations occurred in Montgomery, Alabama. Montgomery required not only that African-American riders sit in the back of the bus, but that if any white rider was standing a black passenger had to give up their seat. On December 1st, 1955, Rosa Parks, a seamstress and secretary of the local branch of the NAACP, refused the driver's orders to give up her seat. She was arrested and found guilty of disorderly conduct. The African-American community responded with what became known as the Montgomery Bus Boycott. The protestors refused to ride any public buses, getting to their destinations instead through carpooling, taxis, or walking. This strategy caused serious economic problems for the bus system and put Montgomery into the national spotlight. It also elevated the Reverend Martin Luther King to prominence as a key leader in the boycott movement. Despite violence and the arrest of many participants on trumped up charges, the protests continued for over a year. The confrontation finally ended when the Supreme Court affirmed a lower court ruling that Alabama's segregation of public transportation was illegal, extending the basic doctrine established in *Brown v. Board of Education* that separate was inherently unequal. The battle over transportation did not end there.

Despite decisions by the Interstate Commerce Commission and the Supreme Court that segregation on interstate buses and in the bus waiting rooms was illegal, many Southern states continued to enforce their Jim Crow codes. In 1961 black and white "Freedom Riders", mostly sponsored by the Congress of Racial Equality, began to challenge these violations hoping to bring national attention to ongoing Southern resistance to desegregation. The first group of riders attempted to travel from Washington D.C. to New Orleans, publically flaunting the segregation laws of various states along the way. In Alabama an angry mob firebombed one bus and dragged the protestors off another and severely beat them with baseball bats and iron pipes. These attacks were aided by the local police. Subsequent attempts to travel through Alabama met similar violent responses, bringing the ugly situation in the South to national attention. The response of the Kennedy administration was to cut a secret deal with the key Southern states, Alabama and Mississippi: the local police would stop the violence and the federal government would ignore the court decisions and allow them to arrest the riders for violating segregation ordinances. Hundreds of Freedom Riders poured into Mississippi, flooding the local jails. Stirred by national and international outrage, the Kennedy administration finally ordered the Interstate Commerce Commission to begin enforcing the desegregation decisions.

Similar confrontations took place in 1960 over the desegregation of restaurants and lunch counters. Protestors staged "sit-ins" at segregated facilities, deliberately violating Jim Crow laws and refusing to leave until they were served. Sit-ins were staged in Kansas in 1958, leading to the successful desegregation of many facilities. In 1960 an even larger effort took place in North Carolina, sparking similar protests elsewhere in the South. They were mostly staged by young African-American college students, many of whom became involved in a new civil rights organization: the Student Nonviolent Coordinating Committee (SNCC).

The underlying tactics of all these civil rights protests was to use nonviolent noncompliance with segregation ordinances to focus national attention on the problem and force the government to act. They were particular effective because of the advent of television. National audiences began to see with their own eyes the evils associated with segregation as peaceful protestors were attacked by angry mobs and local Southern police. Tremendous courage was required to make this work. Protestors were jailed, beaten, and murdered; homes and churches were bombed. However, the tactics worked. Pressure from these demonstrations contributed to a growing national determination to eliminate segregation, as evidenced by the passage of the Civil Rights Act of 1964 and the Voting Rights Act of 1965.

By 1965 much had been achieved, but much still remained to be accomplished. The era of legal segregation was coming to an end as a result of protests, court orders, and new civil rights legislation. Yet, while formal segregation was on its deathbed, informal segregation and discrimination continued throughout the country. African-Americans continued to struggle with dire poverty in both the North and South. Trying to undo the legacy of hundreds of years of racism would not occur overnight.