

CHAPTER
30
SECTION 2

Note Taking Study Guide

THE INDUSTRIALIZED DEMOCRACIES

Focus Question: How did the United States, Western Europe, and Japan achieve economic prosperity and strengthen democracy during the Cold War years?

As you read this section in your textbook, use the chart below to categorize economic and political changes in the industrialized democracies.

Economic and Political Changes in the Industrialized Democracies	Japan	<div></div>
	Western Europe	<div></div>
	United States	<div></div>

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Section Summary

THE INDUSTRIALIZED DEMOCRACIES

During the postwar period, U.S. businesses expanded into the global marketplace. Other nations needed goods and services to rebuild. This led to a period of economic success that changed life in the United States. During the 1950s and 1960s, **recessions** were brief and mild. As Americans prospered, they left the cities to live in the suburbs. This trend is called **suburbanization**. Also, job opportunities in the Sunbelt attracted many people to that region. By the 1970s, however, a political crisis in the Middle East made Americans aware of their dependence on imported oil. The price of oil and gas rose substantially, which meant that people had less money to buy other products. The decades of prosperity ended in 1974 with a serious recession.

During the period of prosperity, African Americans and other minorities faced **segregation** in housing and education. They suffered from **discrimination** in jobs and voting. **Dr. Martin Luther King, Jr.**, emerged as the main civil rights leader in the 1960s. The U.S. Congress passed some civil rights legislation. Other minority groups were inspired by the movement's successes. For example, the women's rights movement helped to end much gender-based discrimination.

Western Europe rebuilt after World War II. The Marshall Plan helped restore European economies by providing U.S. aid. After the war, Germany was divided between the communist East and the democratic West, but reunited at the end of the Cold War in 1990. Under **Konrad Adenauer**, West Germany's chancellor from 1949 to 1963, Germany built modern cities and re-established trade. European governments also developed programs that increased government responsibility for the needs of people. These **welfare states** required high taxes to pay for their programs. During the 1980s, some leaders, such as Britain's Margaret Thatcher, reduced the role of the government in the economy. Western Europe also moved closer to economic unity with the **European Community**, an organization dedicated to establishing free trade among its members.

Japan also prospered after World War II. Its **gross domestic product (GDP)** soared. Like Germany, Japan built factories. The government protected industries by raising tariffs on imported goods. This helped create a trade surplus for Japan.

Review Questions

1. What caused a U.S. recession in 1974?

2. Explain how Germany rebuilt its economy after World War II.

READING CHECK

What is suburbanization?

VOCABULARY STRATEGY

What does the word *prospered* mean in the underlined sentence? The word *decline* is an antonym of *prosper*. It means to "sink," "descend," or "deteriorate." Use these meanings of *decline* to figure out the meaning of *prospered*.

READING SKILL

Categorize In what ways were minorities denied equality and opportunity?
