

H-Diplo ARTICLE REVIEW 1068

28 October 2021

Joe Majerus. "Creation by Destruction: America and the End of the Pacific War in Light of Economic Reconversion and Post-war Reconstruction." *Diplomacy & Statecraft* 32:1 (March 2021): 60-85. DOI: <https://doi.org/10.1080/09592296.2021.1883860>.

<https://hdiplo.org/to/AR1068>

Editors: Thomas Maddux and Diane Labrosse | Production Editor: George Fujii

REVIEW BY MARC GALLICCHIO, VILLANOVA UNIVERSITY

Joe Majerus lucidly and persuasively argues that in assessing the challenges confronting the United States at the end of the Pacific War, scholars have overlooked the degree to which economic issues, specifically reconversion at home and the reconstruction of Europe, created "tremendous added pressures" on the Truman administration to end the war quickly (61).¹ The author does not contend that the United States used the atomic bombs for economic reasons; he argues that Truman's main reason for using the bomb was to save American lives and achieve victory on American terms. Majerus does, however, note that concerns about reconversion and conditions in Europe "acted as a further motivation for swiftly concluding the Pacific struggle" (61). Put another way, the need to end the war quickly acted as a deterrent against consideration of alternative strategies that would have prolonged the war. By ending the war sooner than American planners expected, the atomic bombs enabled the Truman administration to redirect resources to the economic problems at home and overseas that it could not address while the country remained at war.²

Majerus explains that American officials believed that a successful transition to a peacetime domestic economy was essential to the fulfillment of the administration's grand strategy for peace and security in the postwar world. As he asserts, "without progress at home, America could hardly answer the daunting and cost-intensive challenges awaiting it abroad..." (62). Therefore, security abroad depended on a healthy economy at home, which depended on a smooth reconversion. But

¹ Majerus notes that relief for Europe and concerns about the U.S economy have been overlooked by historians of widely varying viewpoints on the end of the war. As examples, he cites Robert Newman, *Truman and the Hiroshima Cult* (East Lansing: Michigan State University Press, 1995); Thomas Allen and Norman Polmar, *Code-Name Downfall: The Secret Plan to Invade Japan and Why Truman Dropped the Bomb* (New York: Simon & Schuster, 1995); Robert Maddox, *Weapons for Victory: The Hiroshima Decision* (Columbia: University of Missouri Press, 1995); Dennis Giangreco, "Casualty Projections for the Invasions of Japan, 1945–1946: Planning and Policy Implications," *Journal of Military History* 61:3 (1997): 521–582; and Wilson Miscamble, *The Most Controversial Decision. Truman, the Atomic Bombs, and the Defeat of Japan* (Cambridge: Cambridge University Press, 2011); Leon Sigal, *Fighting to a Finish: The Politics of War Termination in the United States and Japan* (Ithaca: Cornell University Press, 1988); Gar Alperovitz, *The Decision to Use the Atomic Bomb and the Architecture of an American Myth* (New York: Alfred A. Knopf, 1995); Kai Bird and Lawrence Lifschultz, "The Legend of Hiroshima," in *Hiroshima's Shadow: Writings on the Denial of History and the Smithsonian Controversy*, ed. Kai Bird and Lawrence Lifschultz (Stony Creek: Pamphleteer's Press, 1998), xxxi–lxxvii; and Tsuyoshi Hasegawa, *Racing the Enemy: Stalin, Truman, and the Surrender of Japan* (Cambridge: Belknap Press of Harvard University Press, 2005).

² In this respect, to borrow a term from historian Barton Bernstein, the economic benefits of ending the war quickly were another "bonus" produced by using the atomic bombs. For a succinct discussion of the reasons for using atomic weapons to end the war see Barton Bernstein, "Why We Dropped the Bomb," *History News Network*, Roundup: Talking About History, <https://historynewsnetwork.org/article/13531>.

reconversion, the foundation on which American postwar strategy rested, remained unattainable as long as the war against Japan continued.

Majerus skillfully mines government reports to depict the immensity of the economic challenges that had emerged by the summer of 1945. He cites frequent presidential statements to demonstrate that President Franklin D. Roosevelt and his successor, Harry S. Truman, were well aware of these problems. Unprecedented budget deficits continued as long as the war did, leaving little for public programs at home and reconstruction aid abroad. The high level of military outlays also impeded reconversion by obstructing the allocation of labor and materials for the domestic market.

Page | 2

As noted, Majerus makes good use of published government reports and presidential addresses to show that officials at the highest levels of government were cognizant of the need to hasten reconversion. He also shows that Truman was regularly informed of the dire situation in Europe by numerous officials, including Ambassador to Moscow Averell Harriman, Assistant Secretary of State Dean Acheson, Army Chief of Staff George C. Marshall, Secretary of War Henry Stimson, Assistant Secretary of War John J. McCloy, and the special counsel to the President, Judge Samuel Rosenman.

Those sources are silent, however, on the political battle raging over what critics deemed as the unconscionably lagging pace of reconversion. The political feuding over reconversion imperiled the Truman administration's ability to achieve its war aims and implement its postwar strategy. In other words, the domestic pressures on the administration were even greater than Majerus suggests. Adding domestic politics to the equation would strengthen Majerus's main thesis that American officials recognized that the longer the war continued the more difficult it would be to achieve the postwar objectives they deemed essential to lasting peace.

The internal records of the Office of War Mobilization and Reconversion (OWMR) and the papers of Undersecretary of War Robert Patterson, as well as daily press reports, attest to the fracturing of unity at home. Business associations, labor leaders, officials in OWMR, legislators in both parties, and press commentators vigorously rejected the War Department's position that reconversion had to wait until the end of the war. By the summer of 1945, the army had become the target of sharp criticism for allegedly hoarding supplies and maintaining more men in uniform than were needed to achieve victory against Japan. Congressional leaders gave full vent to their frustrations. During a meeting of the Senate War Investigating Committee (which had formerly been chaired by Senator Truman), irate senators denounced Patterson's refusal to release skilled workers needed in the railroad and mining industries. The army's manpower policies, railed Senator Edwin Johnson (D-CO), were "blind, stupid, and criminal."³

Concern about the domestic economy fed a growing public debate over strategic alternatives to ending the war. Alarmed at the slow pace of reconversion, Fred Vinson, the head of OWMR and a Truman confidant, cabled the president at the Potsdam summit conference in mid-July to warn him of looming economic disaster unless the army reduced its demand for men and materials in the buildup for the invasion of Japan. Vinson conceded that the U.S. could not accept anything less than Japan's unconditional surrender, but he implied that this goal might be accomplished by a strategy of blockade and bombardment of Japan's main islands.⁴ The army rejected that strategy as a recipe for protracted war that would result in a negotiated settlement. Nevertheless, support for it was growing on the home front and in the navy, as was support for a 'clarification' of the doctrine of unconditional surrender that would allow the Japanese to maintain the monarchy.⁵

³ Waldo Heinrichs and Marc Gallicchio, *Implacable Foes: War in the Pacific, 1944-1945* (New York: Oxford University Press, 2107), 532-533.

⁴ Heinrichs and Gallicchio, *Implacable Foes*, 545-548.

⁵ Heinrichs and Gallicchio, *Implacable Foes*, 430-431, 449; Charles F. Brower, *Defeating Japan: The Joint Chiefs of Staff and Strategy in the Pacific War, 1943-1945* (New York: Palgrave MacMillan), 127-147.

By compelling Japan's surrender, the atomic bombs cut short that debate and completed the first essential step in the sequence leading to the rescue of Europe from threat of widespread starvation. Japan was defeated, decisively, and sooner than expected. The implementation of grand strategy, however, foundered on the next step. Truman soon discovered that the end of the war with Japan did not remove all the restraints on the use of American resources overseas.

Majerus shows convincingly that the top officials in the Truman administration agreed on the importance of rebuilding Europe after the war. He likens their thinking to a return to the Europe-first strategy of Roosevelt and British Prime Minister Winston Churchill and labels it a "grand strategic view" (80). Majerus acknowledges that once Japan was defeated "there still existed the problem of procedure and method – finding ways and means to implement these principles in the most practical manner" (80). I think that caveat does not go far enough in describing the challenges that remained once Japan was defeated. Conditions on the home front during the summer of 1945 and in the months after Japan's surrender belied the existence of a coherently developed policy in which surrender was followed by reconversion at home and rehabilitation abroad. It may be more accurate to describe this postwar vision as a collection of imperfectly coordinated objectives that omitted the influence of domestic politics from their calculations.

Page | 3

For example, take the case of relief for Europe, a key objective in the grand strategy the author describes. As Majerus shows, Army Chief of Staff General George C. Marshall expected that the shipping needed for emergency aid to Europe would become available once Japan surrendered. The situation was, however, more complicated than that. Japan's defeat did free up shipping, but millions of GIs stationed around the globe, their loved ones at home, and their congressional representatives, expected most of the available transports to be used to bring the boys back home. Nor was the availability of shipping the only obstacle impeding the movement of aid to Europe. Food aid would have to be shipped eastward across an already taxed rail network that lacked sufficient freight cars. Most importantly, supplies for Europe also depended on the willingness of Americans to continue wartime rationing and controls on prices and wages.

It is not clear that Marshall comprehended the domestic dimensions of the problem or that he perceived how turbulent the transition to a peacetime economy would be. At the Potsdam summit conference in mid-July, the general briefed Truman on the ability of the U.S. economy to cope with the domestic consequences of a sudden Japanese surrender. Marshall gave the president an optimistic forecast for reconversion that took little notice of the myriad problems that already existed. The briefing paper he used in his meeting acknowledged that government, industry, and labor would need to cooperate to lessen the disruption caused by the cancellation of war contracts. It also conceded that it would take "tremendous effort" by the government to explain "what is going to happen and why each particular policy or action is necessary." The army, according to Marshall would be able to inform GIs about the demobilization process.⁶

Marshall's expectation for cooperation between labor and industry ignored the record of strikes during the war and anticipated a level of accord undreamed of by businessmen and labor leaders. The prediction that adjustments in the process of demobilization could be made that would give soldiers and the public no cause for complaint also fell wide of the mark, as events after the war would demonstrate. Finally, the expectation that "the government" would be able provide clear authoritative explanations for its policies ignored the abundant evidence that widespread disagreement existed among the heads of civilian mobilization agencies, the military, Congress, and the private sector on how to move to a peacetime economy.

To begin with, Truman's advisors remained divided over whether inflation or unemployment posed the biggest danger to postwar prosperity. Conservatives in Congress sought to remove economic controls and cut taxes; liberals urged continued controls, especially on prices, and a gradual easing of limits on wages. Truman steered between both positions, which only managed to anger everyone. By mid-autumn, Truman appeared to be losing control. A growing number of high-profile strikes, rising prices, commodity shortages, and public quarrels between administration officials monopolized the president's

⁶ Heinrichs and Gallicchio, *Implacable Foes*, 554-558.

attention leaving him little time to direct foreign policy. “Sherman was wrong,” Truman told reporters in December, “I’m telling you I find peace is hell....”⁷

Aid to Europe ran into opposition from legislators, farmers, and consumers. In mid-July 1945, Truman heeded the advice of economic conservatives in his administration and announced that Lend Lease aid would not be used for relief or reconstruction in Europe. The United Nations Relief and Rehabilitation Agency (UNRRA) also faced stiff opposition at home. Congressional Republicans suspected that aid agencies like the UNRRA would be used to promote New Deal-style relief programs abroad. The aid program also had to compete with the home market, the army, and countries that could pay market price. UNRRA aid did not begin to reach Europe in large quantities until three months following Japan’s surrender. Even then, Congress continued “sniffing suspiciously at UNRRA” before voting \$500,000,000 in aid to keep the agency going.⁸

By January, as Majerus notes, shipping was not a problem in the delivery of food aid to Europe. Nevertheless, the U.S. continued to fall behind in shipments. Farmers preferred to use grain to fatten their livestock rather than to sell it on the market while price controls remained in force. Immediately following Japan’s surrender, Truman moved cautiously, too cautiously, according to some critics, to address the problem. Wary of being accused of prolonging wartime agencies to solve postwar problems and sensitive to consumers’ desire to throw off wartime constraints, the president declined to stockpile food or adopt other measures that would infringe on “the consumption of the American eater.”⁹

In March 1946, Herbert Lehman, the head of UNRRA, warned that the next winter in Europe would be worse than the one that was just ending. Lehman called for a reimposition of rationing and publicly disputed the forecasts made by Truman’s secretary of agriculture and former President Herbert Hoover, who had been appointed as special advisor on international relief. In May, Dean Acheson, now undersecretary of state, also called for a return to rationing to ensure that desperately needed foodstuffs got to Europe and Asia. Truman declined to take that unpopular step. In May, he capitulated to farmers and lifted controls on the price of wheat. The crisis was averted, momentarily, but at the expense of feeding a postwar inflation that would plague his administration for years to come.¹⁰

The political turmoil that simmered during the summer of 1945 and boiled over following Japan’s surrender prompts us to consider the limits of a grand strategy that neglected to take the views of American voters into account. In November 1946, Republicans turned resentment over the ragged pace of reconversion into electoral victories that gave them control of both houses of Congress. The National Security Act of 1947 gave Truman greater ability to coordinate foreign policy but opposition from Republicans in Congress and public reluctance to adopt a more activist foreign policy acted as a drag on the administration’s efforts to rebuild war-torn Europe. Ultimately, the key element in the postwar grand strategy, the

⁷ Robert J. Donovan, *Conflict and Crisis, The Presidency of Harry S. Truman, 1945-1948* (New York: W.W. Norton, 1977), 125.

⁸ “Relief: The Faces of UNRRA” *Time*, 31 December 1945, <http://www.time.com/time/magazine/article/0,9171,886718,00.html>; Robert J. Donovan, *Conflict and Crisis, The Presidency of Harry S. Truman, 1945-1948* (New York: W.W. Norton, 1977), 107-126.

⁹ During the war, polls showed that Americans were willing to continue rationing to aid Europe. Politicians, however, mistrusted polls that showed Americans willing to make greater sacrifices for the war effort. Walter T. Ridder and Gustaf Nordin, “Europe’s Needs Known In U.S. Year Ago, Writer Says,” *Washington Evening Star*, 17 March 1946, A-11; William L. O’Neill, *A Democracy at War: America’s Fight at Home and Abroad in World War II* (New York: Free Press, 1993), 14-15, 132-133, 142.

¹⁰ Walter T. Ridder and Gustaf Nordin, “Europe’s Needs Known In U.S. Year Ago, Writer Says,” *Washington Evening Star*, 17 March 1946, A-11; Bess Furman, “Worse 1947 Famine Facing Europeans, Lehman Forecasts,” *New York Times*, 23 March 1946, 1; Charles E. Egan, “Federal Seizure of Needed Grain Urged by Acheson,” *New York Times*, 27 April 1946, 1; Bess Furman, “Acheson Assails Three-Fifths Lag in May Food Relief,” *New York Times*, 8 May 1946, 1; Donovan, *Conflict and Crisis*, 124-125, 202-203.

enactment of the Marshall Plan, needed Soviet leader Joseph Stalin's assistance in the form of the Czech Coup in March 1948 to overcome the opposition of a reluctant Congress.¹¹

"Creation by Destruction," is a provocative essay that should stimulate further research and discussion. One of the interesting counterfactual questions the author raises, for example, is whether the United States have been able to contribute to Europe's economic rehabilitation in 1947 if the war against Japan had continued, as expected, into late 1946. Joe Majerus's insightful article reminds us that although Japan's defeat was assured, American leaders were far from certain that victory would produce the lasting peace they sought out of the war.

Marc Gallicchio is Professor of History and Chair of the Department of History at Villanova University. He is the author of *The African American Encounter with Japan and China: Black Internationalism in Asia, 1895-1945* (Chapel Hill: University of North Carolina Press, 2000) which was awarded the Robert H. Ferrell Prize by Society for Historians of American Foreign Relations. He is coauthor with Waldo Heinrichs of *Implacable Foes: War in the Pacific, 1944-1945* (New York: Oxford University Press, 2017), which won the Bancroft Prize in History. His most recent book is *Unconditional: Japan's Surrender in World War II* (New York: Oxford University Press, 2020). He is currently working on a history of the Japanese-American descendants of Benjamin Franklin from the Meiji Era to the late twentieth century.

¹¹ Warren I. Cohen, *The Cambridge History of American Foreign Relations, IV: America in the Age of Soviet Power, 1945-1991* (New York: Cambridge University Press, 1993), 43-44.