

The Taiwan Crisis Shortly after the war ended, a new crisis erupted in Asia. Although the Chinese Communists had taken power in mainland China, the Chinese Nationalists still controlled Taiwan and several small islands along China's coast.

In the fall of 1954, China threatened to seize two of the islands from the Nationalists. Eisenhower saw Taiwan as part of the "anticommunist barrier" in Asia. When China began shelling the islands and announced that Taiwan would soon be liberated, Eisenhower asked Congress to authorize the use of force to defend Taiwan.

Eisenhower then warned the Chinese that any attempt to invade Taiwan would be resisted by American naval forces stationed nearby. He and Dulles hinted that they would use nuclear weapons to stop an invasion. Soon afterward, China backed down.

The Suez Crisis The year after Eisenhower went to the brink of war with China, a serious crisis erupted in the Middle East. Eisenhower's goal in the Middle

East was to prevent Arab nations from aligning with the Soviet Union. To build support among Arabs, Dulles offered to help Egypt finance the construction of a dam on the Nile River. The Egyptians eagerly accepted the American offer.

The deal ran into trouble in Congress, however, because Egypt had bought weapons from Communist Czechoslovakia. Dulles was forced to withdraw the offer. A week later, Egyptian troops seized control of the Suez Canal from the Anglo-French company that had controlled it. The Egyptians intended to use the canal's profits to pay for the dam.

The British and French responded quickly to the Suez Crisis. In October 1956, British and French troops invaded Egypt. Eisenhower was furious with Britain and France. He declared they had made a "complete mess and botch of things." The situation became even more tense when the Soviet Union threatened rocket attacks on Britain and France and offered to send troops to help Egypt. Eisenhower immediately put American nuclear forces on alert, noting, "If those

NATIONAL GEOGRAPHIC

NATO and the Warsaw Pact, 1955



- "Iron Curtain"
- Communist nations not in Warsaw Pact
- Warsaw Pact countries
- Non-Communist nations not in NATO
- NATO countries
- ★ Capital

Geography Skills

By the mid-1950s, two powerful military alliances, NATO and the Warsaw Pact, were facing each other in Europe.

Applying Geography Skills How many European nations had Communist governments in 1955?

fellows start something, we may have to hit them—and if necessary, with everything in the bucket.”

Under strong American pressure, the British and French called off their invasion. The Soviet Union had won a major diplomatic victory, however, by supporting Egypt. Soon afterward, other Arab nations began accepting Soviet aid as well.

Reading Check **Identifying** What was brinkmanship?

Fighting Communism Covertly

President Eisenhower relied on brinkmanship on several occasions, but he knew it could not work in all situations. It could prevent war, but it could not, for example, prevent Communists from staging revolutions within countries. To prevent Communist uprisings in other countries, Eisenhower decided to use **covert**, or hidden, operations conducted by the Central Intelligence Agency (CIA).

Containment in Developing Nations Many of the CIA's operations took place in **developing nations**—nations with primarily agricultural economies. Many of these countries blamed European imperialism and American capitalism for their problems. Their leaders looked to the Soviet Union as a model of how to industrialize their countries. They often threatened to nationalize, or put under government control, foreign businesses operating in their countries.

American officials feared that these leaders might align their nations with the Soviet Union or even stage a Communist revolution. One way to stop developing nations from moving into the Communist camp was to provide them with financial aid, as Eisenhower had tried to do in Egypt. In some cases, however, where the threat of communism seemed stronger, the CIA staged covert operations to overthrow anti-American leaders and replace them with pro-American leaders.

Iran and Guatemala Two examples of covert operations that achieved American objectives took place in Iran and Guatemala. By 1953 Iranian prime minister Mohammed Mossadegh had already nationalized the Anglo-Iranian Oil Company. He seemed ready to make an oil deal with the Soviet Union. In 1953 Mossadegh moved against the pro-American Shah of Iran, who was temporarily forced into exile. Dulles quickly sent agents to organize street riots and arrange a coup that ousted Mossadegh, and the Shah returned to power.



Picturing History

Distinguished Brothers John Foster Dulles (right) became secretary of state under Eisenhower; his brother Allen Dulles (center) was director of the CIA in the 1950s. With what policy is John Foster Dulles associated?

The following year, the CIA acted to protect American-owned property in Guatemala. In 1951 Jacobo Arbenz Guzmán won election as president of Guatemala with Communist support. His land reform program took over large estates, including those of the American-owned United Fruit Company. In May 1954, Communist Czechoslovakia delivered arms to Guatemala. The CIA responded by arming the Guatemalan opposition and training them at secret camps in Nicaragua and Honduras. Shortly after these CIA-trained forces invaded Guatemala, Arbenz Guzmán left office.

Uprising in Hungary Covert operations did not always work as Eisenhower hoped. In 1953 Stalin died, and a power struggle began in the Soviet Union. By 1956 Nikita Khrushchev had emerged as the leader of the Soviet Union. That year, Khrushchev delivered a secret speech to Soviet leaders. He attacked Stalin's policies and insisted there were

many ways to build a Communist society. Although the speech was secret, the CIA obtained a copy. With Eisenhower's permission, the CIA arranged for it to be broadcast to Eastern Europe.

Many Eastern Europeans had long been frustrated with Communist rule. Hearing Khrushchev's speech further discredited communism. In June 1956, riots erupted in Eastern Europe. By late October, a full-scale uprising had begun in Hungary. Although Khrushchev was willing to tolerate greater freedom in Eastern Europe, he had never meant to imply that the Soviets would tolerate an end to communism in Eastern Europe. Soon after the uprising began, Soviet tanks rolled into Budapest, the capital of Hungary, and crushed the rebellion.

Reading Check Explaining Why did Eisenhower use covert operations?

Continuing Tensions

The uprising in Hungary forced Khrushchev to reassert Soviet power and the superiority of communism. Previously, he had supported "peaceful coexistence" with capitalism. Now he accused the "capitalist countries" of starting a "feverish arms race." In 1957, after the launch of Sputnik, Khrushchev boasted, "We will bury capitalism. . . . Your grandchildren will live under communism."

In late 1958 Khrushchev demanded that the United States, Great Britain, and France withdraw their troops from West Berlin. Secretary of State Dulles rejected Khrushchev's demands. If the Soviets threatened

Berlin, Dulles announced, NATO would respond, "it need be by military force." Brinkmanship worked again, and Khrushchev backed down.

To try to improve relations, Eisenhower invited Khrushchev to visit the United States in late 1959. The visit went well, and the two leaders agreed to hold a summit in Paris in 1960. A **summit** is a formal face-to-face meeting of leaders from different countries to discuss important issues.

Shortly before the summit was to begin, the Soviet Union shot down the American U-2 spy plane piloted by **Francis Gary Powers**. At first, Eisenhower claimed that the aircraft was a weather plane that had strayed off course. Then Khrushchev dramatically produced the pilot. Eisenhower refused to apologize, saying the flights had protected American security. In response, Khrushchev broke up the summit.

In this climate of heightened tension, President Eisenhower prepared to leave office. In January 1961, he delivered a farewell address to the nation. In the address, he pointed out that a new relationship had developed between the military establishment and the defense industry. He warned Americans to be on guard against the immense influence of this **military-industrial complex** in a democracy. Although he had avoided war and kept communism contained, Eisenhower admitted to some frustration: "I confess I lay down my official responsibility in this field with a definite sense of disappointment. . . . I wish I could say that a lasting peace is in sight."

Reading Check Evaluating Why did Eisenhower warn Americans about the military-industrial complex?

SECTION 4 ASSESSMENT

Checking for Understanding

- Define:** massive retaliation, brinkmanship, covert, developing nation, military-industrial complex.
- Identify:** *Sputnik*, Central Intelligence Agency.
- Reviewing Facts** What was the significance of the Soviet Union's launching of *Sputnik* in 1957?

Reviewing Themes

- Science and Technology** How did technology shape Eisenhower's military policy?

Critical Thinking

- Interpreting** Do you think Eisenhower's foreign policy was successful? Why or why not?
- Organizing** Use a graphic organizer similar to the one below to list Eisenhower's strategies for containing Communism.



Analyzing Visuals

- Analyzing Maps** Study the map on page 800. How many nations belonged to NATO? How many nations belonged to the Warsaw Pact? Which nations did not belong to either NATO or the Warsaw Pact?

Writing About History

- Persuasive Writing** Imagine you are a member of Eisenhower's cabinet. Defend or attack brinkmanship as a foreign policy tactic. Be sure to provide specific reasons for your point of view.