

The Cold War: Communism versus Capitalism

- In 1917, Russia became the first communist nation ever
- During WW2, despite being communist, the USSR was our ally against Germany and Hitler
- After WW2, the Russians, British, French and Americans couldn't all agree on how to cooperate or what to do with Germany. It was the start of communists (Russia and allies) versus the capitalists (USA, France, Britain, and allies)
- The **capitalist** countries tend to **favour democracy** - they are not communist. Most 'western' countries are capitalist (western Europe, America, Australia etc)
- **COMMUNISM** = a type of economy where businesses are run by the government (no private ownership). It is also a type of government which in theory, everyone is equal without social class, and the 'people' run the country.
 - Russia had a communist economy and political system
- **CAPITALISM** = a type of economy in a society where businesses are privately owned and run for profit. Capitalist societies have clear social classes and inequality.
 - Capitalist countries mostly have a democratic government like Australia, Britain, USA
 - Modern China is an example of a communist government with a capitalist economy.
- The Cold War was "led" by two superpowers for each side: USA vs USSR
- The Cold War involved **aggravated relations** and hostility without actual war. It involved competitive developments such as the **arms race** (weapons), and **space race** (space/science). By the 1980s, both sides had enough nuclear weapons to destroy the other 50 times over.
- The Cold War featured several 'hot' wars: battles fought between the superpowers and their allies to protect their own interests and save their own political systems. There was fear on both sides of the 'other'. **Korean War, Malayan Emergency, Vietnam War** are all examples of hot wars during the Cold War era
- The Cold War began after WW2 (1945) in the '**post war era**' when USA and USSR couldn't come to a post war agreement for relations.
- It officially **ended in 1991**.
 - The Berlin Wall which separated communist East Germany and Europe from capitalist West Germany and Europe was broken down in 1989.
 - In 1991, The USSR was broken up as communism was replaced with democracy/capitalism. The Russian Federation was independent nation with other 'new' nations emerging from the USSR such as Lithuania, Latvia, Estonia, Kazakhstan etc