

## United States of America 1919-1941

<u>PRESIDENT</u>	<u>PARTY</u>
Woodrow Wilson pres 1913-21	Democrat
Warren Harding pres 1921-23	Republican
Calvin Coolidge pres 1923-29	Republican
Herbert Hoover pres 1929-33	Republican
FDR pres 1933-45	Democrat

### 1. Politics in the 1920s

#### Republicans

- Republican party dominated national politics during the 1920s
- 1920- *Warren Harding* > 16 million to 9 million votes > admin plagued by scandal veterans bureau *Chief Forbes* was imprisoned for squandering \$200 million, *Teapot Dome Scandal* > secretary of the interior fall > involved in corrupt leasing of oil reserves
- 1924- *Calvin Coolidge, Silent Cal* or Pres. Do nothing- ultra *laissez fair* > sought to keep govt out of things 'the business of America is business'
- 1928- *Herbert Hoover*

#### 1. A. Republican Economic policy

- Republicans conservative business policies > help big business in the areas of tax, tariffs or assistance in building monopolies
- *Treasury secretary Mellon* reduced taxes for rich and big businesses
- *Fordney-McCumber Tariffs (1922)* > tariffs highest in history
- Always sided with business rather than unions

#### 1. B. Long term causes of the Great Depression (GD)

##### Business prosperity 1920s

- Unparallel prosperity
- Car industry set tone > mass production, assembly line > prices down, car ownership universal > car sales helped related industries e.g. road construction, paint manufacturing and scrap metals > boomed
- Mass production > refrigerators, stoves, irons > advertising made many think they needed such products
- People took advantage of credit facilities
- Per capita income rose by a quarter b/t 1921 and 1929
- Building boom

##### Speculation boom

- Prosperity allowed people to invest savings in stock market > stock prices continually rose
- Buy more stocks with credit > people confident stock prices could only go up
- As more people entered the market, the boom become self liquidating

### Rural Problems

- Farming remained depressed after recession 1920-21
- Prices of primary products fell continuously, 75% b/t 1920 and 1932 > farm incomes dropped dramatically \$15 billion to \$5 billion

### Negative aspects of US economy 1920s

- Pres. Hoover (1929) "*I have no fears for the future of our country. It is bright with hope*" > typified lack of economic understanding
- Mass production > market became saturated led to sacking and cuts in production
- Saturation made worst by the lack of purchasing power- unemployment never got below 2 million, wealth in the hands of a few, south much poorer than west coast
- Many industries never recovered from 1920-21 recessions > shipbuilding, farming, textiles
- US exports and world trade declining > due to high tariffs, war dept repayments and German reparations.

### 1. C. The Great Crash 1929

- Jan 1929, more than \$1 billion of new securities were floated on the stock market > appetite for stocks unLTD
- Stockbrokers increased bank borrowing \$3.5 billion to \$8.5 billion
- Fortunes made > stocks rose > more money borrowed to buy shares
- Oct 1929 stocks fell 40% in an mth.
- Many (incl Hoover) thought stock just having downturn and would spring back up > this did not happen
- People who borrowed to buy shares > not able to repay huge bank loans > this in turn put pressure on banks
- Millions of people lost savings
- Bankruptcies escalated within 3 yrs more than 5000 banks closed
- 1932 unemployment 15 million
- Feeling on utter helplessness
- Depression worldwide > world reliance on US loans and trade

### 2. The Great Depression (GD) & the impact

#### 2. A. On groups of people

##### Workers

- Immediate effect of GD > unemployment
- Despite success of New Deal 1938 still 8 million unemployed

- Unemployment > downward pressure on wages > employers could pick and chose workers > always someone out there to work for anything
- Many men travelled to look for work
- Family breaks ups increased
- Savings disappeared > families on street > could not pay rent or mortgage > shanty towns "Hooverilles"
- Health levels deteriorated
- Psychological effect > Americans brought up on rugged individualism & self reliance > unemployment massive humiliation
- Hoover didn't believe in govt. relief > unemployed relied on charities
- Increase in crime and violence

### Women

- Superficial changes- shorter hair & dresses, smoking in public, make up
- Before 1920s women campaigned for suffrage and prohibition > these goals achieved > women activism dulled
- Women worked to support families whilst men on road searching for work > women also looked after family
- No great advancements in the professions for better educated women > stuck to traditional nursing and teaching
- New deal tried to lessen discrimination against women e.g. NRA and the *Fair Labour Standards Act*
- Female health deteriorated > stress, malnutrition > gave food to families

### Farmers

- No shortage of food > overproduction > more economical to destroy crops rather than harvest them
- Milk poured away, stock slaughtered
- Over production & inability to market produce > farmers into debt > farmers destitute
- Rural areas e.g. New Mexico & Texas > Over production, excessive grazing, extreme heat, drought > Dustbowl conditions i.e. top soil blown away

### Afro Americans

- Suffered the most during GD
- Blacks last to be hired, first to be fired
- Desperate whites took traditional black jobs e.g. menial jobs > worsened black unemployment which was much higher than white unemployment
- *Roosevelt* out of fear of losing white southern votes took no federal action against lynching of blacks

### The wealthy

- Business magnates e.g. Rockefellers and Vanderbilt's > upper class > profits deteriorated as domestic and foreign markets collapsed, but their lifestyles barely changed

- Bankers > upper/middle class viewed dimly by Americans as more banks closed and also scandals
- Inequality of wealth was most visible in this period > Rockefeller fortune \$2 billion during GD. FDR's Wealth Tax Act (1935) aimed at only wealthiest. Tax of 79% of annual income over \$5 million.

## 2. B. Attempts to halt the depression

### Hoover

- Hoover didn't understand gravity of situation > another stock market swing
- *Andrew Mellon* (treasurer) also believed just another stock market swing
- Initial response > negative > would not implement dole payments, unemployment be looked after by charities
- 1932 > *Reconstruction Finance Corp.* > lend money to banks, railroads and other enterprises > stability filter down through society > little impact
- Public works programs > absorb some unemployment e.g.

*Hoover Dam*

### FDR (democrat) yrs

- 'New Deal for the American people'
- First new deal 1933-4, second new deal 1935-41
- First new deal experimental
- First new deal FDR surrounded himself with intellectuals the 'brains trust' > aims RECOVERY, RELIEF & REFORM. Realign voter sentiment > white worker class southern > ensure New Deal continued
- Communication effective > FDR's 'fireside chats' every Sunday night on radio
- Unemployment relief, restoration of agriculture, regulation of business, repeal of 18<sup>th</sup> amendment (*prohibition*)
- Aims of New Deal- fix financial crisis, provide relief > workers & farmers, promote recovery > economy, reform > prevent another depression
- Immediate actions- called congress > declared bank holiday, *Emergency Banking Law* > open all sound banks, *Bank Conservator* > aid banks in trouble, 1<sup>st</sup> 100 days 15 proposals passed by FDR
- Relief measures- *Civilian Conservation Corps* employed 1.6 million > environmental conservation work, *Federal Emergency Relief Admin* gave \$3 billion for unemployment to states b\ t 1933-35, *Civil Works Admin* > temporary work for 4 million people, *Federal Arts Project* > employed writers and actors
- Finance & banking- dollar devalued > helped American competitiveness abroad

- Agriculture- *Federal Farm Loan Act*- refinanced agricultural mortgages, Agricultural adjustment act- paid subsidies farmers who cut production
- Industry- *National Recovery admin. (NRA)* set up 1933>code for fair trading e.g. child labour & minimum wage
- *Social security Act 1935*- old age pension, unemployment pay, federal aid to maternity care and destitution
- *Federal conservation reserve program*- 28 million acres of farming land- trees planted

## 2. C. Assessment of the New Deal

- Roosevelt- greatest victory in US presidential history
- Opposition to New Deal- 'the right', some in business who disliked govt interference, republicans and conservative democrats
- Conservatives- went against American traditions>too much govt interference>breaking of idea of individualism, violated constitution?
- FDR helping labour to organise & southern whites disliked help given to blacks
- Main source of opp. *Supreme Court* (9 judges)> 6 judges appointed by conservative republican pres, 6 over 70 yrs>stopped many important measures 'unconstitutional'> FDR tried to add 6 judges and make retirement age 70>congress and many public turned against FDR>FDR's plan failed
- Effectiveness- 1932>15 million unemployed, 1939>8 million still unemployed. Bread lines, Cities- extreme poverty, slums. Rural- evictions, dustbowls & forced migration. Black employment higher than whites
- Harmful side effects- federal debt increased, increased govt intervention>lrg expansion of bureaucracy & administrative inefficiency
- Positives- US pulled thru depression due to admin and FDR, could face Japan and Germany in WW2, faced environmental vandalism in big way>soil preserved, tree planted, American capitalism & democracy survived>many countries turn to path of dictatorship

## 3. US Society 1919-41

### 3. A. Implications of the growing urbanisation and industrialisation

- Industrialisation>Decline in the idea of 'rugged individualism'>workers simple cogs in a machine>day of craftsmen and self sufficient farmers over
- Industrial expansion during WW1 with the making of weapons, uniforms etc
- Tariffs (Fordney Mccumber and Hawley Smoot) increased sales on US made goods
- Many cheap and readily available resources such as coal and oil

- Declining faith in Laissez Faire, people begun demanding govt look after its people and their living conditions
- Change in economic balance-rural agriculture >>urban industry. Industry>improved workers conditions, est. of unions
- Industrialisation- Many corrupt politicians>opportunity for 'kickbacks'>politicians fell to temptation
- Industrialisation of US>imperial expansion?
- Main result of industrialisation>urbanisation- 1860>15% of Americans live in cities, 1890>30% of people in cities
- Rapid advancements in technology e.g. transport- subway, lighting and efficient sewage system>urbanisation bearable for most people
- Larger gap b/t rich and poor. Always been gap b/t aristocracy of south and 'white trash'. But now 10% of pop owned over 70% of wealth
- Organised charities run orphanages, women's rights movement est., more cultural activities e.g. libraries, schools, museums. Rich donated money to cultural facilities>e.g. Rockefellers i.e. Rockefeller Centre, NY

### 3. B. Growth and influence of consumerism

- Prosperity typified 1920s and was wide spread except for farmers and some southern states.
- Lack of direction after WW1 led to many people consuming
- Mass production>assembly line techniques>cheap consumable items in reach of all Americans in reach e.g. irons, fridges. *Model T Fords* could be brought for \$300>explosion in car sales
- Mail orders>all people could buy anywhere, rural or cities
- Credit cards 'buy now, pay later'
- Mass advertising>made people think they needed goods>prospered due to the mass circulation of magazines and newspapers such as the "Readers Digest"
- Radio- way of communication and interaction with the outside world for many, Public radio
- Consumerism>stimulated economic growth, enabled trends and fashions, improvement in standard of living>greater leisure time, wider forms of entertainment culture
- ENTERTAINMENT- roaring twenties or Jazz age. Music produced *Louis Armstrong, the Charleston* (dance). Jazz 1<sup>st</sup> in sth 'black whorehouse music', 1930s adapted for white audiences by 'swing' bands. Duke Ellington 'King' of Jazz. Jazz also referred to as Harlem renaissance. Popular Culture heroes e.g. *Babe Ruth* (baseball)
- Hollywood-raise in film industry & film stars e.g. *Charlie Chaplin*. 1927 silent films became 'talkies' had sound! Sold 100 million movie tickets each week. Despair of GD>need for escapism films satisfied this, imagine dancing with *Fred*

*Astaire or Ginger Rogers*. Pre-TV newsreels (at movies) form of news for public. Economic boost > created millions of jobs, going to movies now Americas favourite form of leisure. Movies Propaganda > films depicted Soviet Union in positive light whilst US and USSR allies. Formed stereotypes e.g. black people -bad, simple, slaves

### 3. C. Social Tension

#### Immigration restrictions

- WW1 forced the US to look at its relations with other countries, result-isolationism. E.g. rejection of League of Nations, changes in immigration policies, trade policies.
- "Return to normalcy", "America first"- Warren Harding
- B/t 1901-10, 9 million immigrants entered the US. b/t 1921-30 only 4 million due to- WW1, increased nationalism, new immigrants take jobs cause they would work for cheaper, Communism Vs Democracy (*Bolshevik Revolution*), religious & racial prejudice > wanted to keep US White, Anglo Saxon, Protestant (WASP).
- Isolationism and intolerance manifested its self thru immigration restrictions e.g. *1917 Immigration Law*- intro literacy test > read short passage in English. *Immigration Restriction Act 1921*- quota system LTD to 3% of a country's national residents in the US in 1910, *Johnson-Reed Act 1924*- lowered quota to 2% & totally banned oriental immigration, 1930s restricted immigration of Mexicans, *Immigration Act 1929*-LTD immigration to 150,000 per yr
- *Sacco & Vanzetti Case*- fear of communism saw the execution of two Italian immigrants who were thought to be communist. Evidence was contradictory in the case

#### Religious Fundamentalism

- Religious fundamentalism > literal word of the bible > more than half of Americans were Protestant. There was a growth of revivalism and evangelicalism > reflected conservative mood of period. Darwin's theory of evolution split Protestants into 2 groups- those who believed Darwin and those who didn't. Many believed Darwin went against Bible > est. of Anti-Evolution League.
- Un Christian activity carried \$100 fine e.g. teaching of evolution in schools carried prosecution (the 'Monkey Trail')

#### Prohibition (1920-33)

- 1820s- average American drinking 27L of pure alcohol/yr
- Abraham Lincoln "like the Egyptian angel of death, commissioned to slay"
- Came into force 16<sup>th</sup> Jan 1920 > 18<sup>th</sup> amendment > not allowed to make, sell, import or export intoxicating liquors. *Volstead Act 1919* > banned drink containing 0.5% alcohol or more
- Origins of Prohibition > health effects, violence, lobbying of groups e.g. *Women's Christian Temperance Union* (activities

such as rallies, bible readings in saloons), *Anti Saloon League* > supported some candidates in office

- Impact of prohibition > majority of pop disobeyed law, police & politicians succumb to bribery and corruption, illegal bars 'speakeasies', home brewing 1929 700 million gallons of home brew made, imported liquor- Canada, Mexico. Drunkenness levels rose. No. of federal convicts increased 561%
- Prohibition removed much needed tax revenues during the start of the GD
- Many drinkers resorted to drugs e.g. marijuana & cocaine
- Homicide went from 5.6 per 100000 (pre-prohibition) to 10 per 100000.
- J Edgar Hoover served under all pres from Coolidge to Nixon director of FBI > headed the war against gangsters & crime and insisted that his officers abstain from alcohol and women > keep from corruption.
- End of prohibition > if elected FDR would repeal 18<sup>th</sup> amendment, 1933 18<sup>th</sup> amendment repealed by 21<sup>st</sup> amendment

### Crime

- Corruption rampant criminal gangs gained political control of areas e.g. *Al Capone* gained control of area of Chicago
- Illegal gambling prostitution and liquor million \$ industry

### Racial Conflict

- WW1 thousands of blacks came back from Europe, where they had not been treated as second class citizens by the French and fought alongside American whites, and would no longer take ill treatment in their homeland, the US
- Whites esp. in Sth wanted to keep blacks in place > many blacks moved to Nth to escape southern racism & also to find work
- Sth *Jim Crow laws*- segregation, lynching
- American Indians > cheated of land moved to reserves > many become alcoholics & lived in poverty
- Immigrants > treated with suspicion, communism?
- *Ku Klux Klan* (xenophobic group) - 1920s 5 million members > many poorly educated, lower class southerners. Traditionally all Americans views held by KKK values of white, Anglo Saxon Protestants (WASP). Not only against blacks but Jews, Catholics & immigrants.
- KKK activities- beating of blacks, divorced woman & Catholics common. Placing burning cross outside 'enemy' homes. Some Klansman influential > police, judges e.g. Indiana Klan ruled legal process
- KKK collapse- *Grand Dragon* of Indiana sexual abuse leading to death of teenage girl > members left

### Anti Communism & anti unionism

- 'red scare' > communism > un Christian, un American & foreign
- *Attorney General Palmer* deported many suspected radicals and raided homes of 'socialists' > thousands of communist 'aliens' deported > *Palmer Raids*
- *Sacco- Vanzetti* murder case resulted in the execution of two Italian immigrants. Though evidence contradictory their atheistic & anarchist views sealed their fate.
- Unions seen as communist sympathisers.
- Rise of the *CIO (Congress of Industrial Organisations)* > increase in violence against unions
- 1933 union membership > 3 million, 1939 > 9 million

#### 4. US foreign Policy

##### 4. A. Nature, aims and strategies of US foreign policy 1919-41

- Japan & Germany taking over neighbouring countries- US stuck firmly to *isolationist policy*
- Origins- avoid entanglement with affairs in Europe, fulfil 'manifest destiny' expand across continent to the Pacific
- WW1 & after- involvement in WW1 went against traditional isolationist policy. Got involved in WW1 cause of German submarine action and allied propaganda. Conservative & bigotry common in US in 1920s, also great distrust of Great Britain and France after their scramble to grab Germany's colonies, Turkey's Empire and reparations.
- Isolationist actions- didn't sign *Versailles treaty* or join *League of Nations* or *Court of International Justice*. Pres. Wilson (a democrat) helped est. League but could not join it because the Republican Senate would not agree to join. Americans also feared being dragged into another war article 10 of the League Covenant made entry into a war to possible for many.
- *Tariffs* > another isolationist indicator- *Fordney McCumber Act 1920s*- shielding of foreign competition & the monopolising of American industries. *Hawley-Smoot tariff Act 1930s*- tariffs on 20000 imported goods > many economist believed this act helped initiate the GD.
- Isolationist policy did not extend to Latin America though > *Good Neighbour Policy*- Pres Herbert Hoover est. in 1928 > construction relationship b/t US and Latin America > doctrine saw US increase investments in Latin America from \$1.3 billion (1924) to \$3.5 billion (1929)
- US were becoming increasingly worried about Japan's naval power & the threat it held in the Pacific this saw the development of the *Washington Treaty*. Treaty resulted in reduction of Japanese naval ship production & the ending of the *Anglo-Japanese Alliance*.
- Economic intervention in Germany & their reparation repayment (mid 1920s) *Dawes plan*

- *Young Plan* rationalised reparations again > Germany European economic powerhouse before WW1 their economic stability would be very beneficial for US > trade
- *Kellogg- Briand Pact*- international pact against war
- 1930s isolationist policy strengthened- preoccupation with depression, 70% of Americans believed never should have gone to WW1, *Neutrality Acts 1935-71*. Placed embargos on US arms, 2. indirect war materials not be carried on US ships & be paid for in cash > Prevent US involvement in wars
- London Economics conference- fiasco. Attempt by Cordell Hull to reach currency stabilisation and also tariff agreements. FDR pulled Hull out at key point of conference, reminding him of the new deal. Embarrassment,
- End of isolationism- FDR against neutrality Acts- lasting peace reached by cooperating with European democracies > received little support
- FDR did build up US navy & also to soften neutrality acts which made arms shipments to Britain and France possible.
- 1941 FDR brought US further towards war thru *Lend Lease Acts*- allowed US to lend military equipment to Britain and France
- German Submarines action & Pearl Harbour draw America into the war- 7 Dec 1941 > Japanese attack on Pearl Harbour, 8 Dec United States of America declared war on Japan, 11 Dec Germany declared war on America

#### 4. B. Impact of domestic pressures on US foreign Policy

- Domestically America wanted return to 'normalcy' & tradition this can be seen thru- prohibition, racism- KKK, 'Red Scare', restrictions on immigration, republican economic foreign policy e.g. tariffs, US insistence on payment of debts and reparations > reflected an indifference about the fate of Europe and also the preoccupation with their own wellbeing