

# USA

## 1919-1941

by Ken Webb

Here it is: the factual detail, historiography, revision exercises and advice on how to construct written responses on the USA 1919-1941



# eBook

*"Everything you wanted to know about the USA 1919-1941 but were afraid to ask."*

# USA

## 1919-1941

by Ken Webb M.A. (Oxon), C.Ed

*“Everything you wanted to know about  
‘USA 1919-1941’, but were afraid to ask.”*

[www.kenwebb.com.au](http://www.kenwebb.com.au)

1st Edition

© 2020



## About the author

Ken Webb was educated in the United Kingdom and graduated from the University of Oxford. He taught in several state schools before moving to Pymble Ladies' College where he taught Modern, Ancient and Extension History. He later moved to Ravenswood School for Girls where he also taught the International Baccalaureate course in History. He is a member of the Independent Schools Examination Committee for Modern History. He frequently lectures and runs workshops for Year 12 and teacher groups in Sydney and Regional NSW. In addition to his own work, Ken Webb has contributed to colleagues' work and to newspapers and periodicals. He has also been a consultant on various history video documentaries. Ken Webb is a past NSW winner of the "National Excellence in Teaching" award.

Over the years, Ken Webb has written a wide range of study guides and textbooks for NSW, Victoria and Australia wide, including *"Power and Authority in the Modern World"* (Nelson Cengage Learning), *"Discovering Australian History"* (CUP), *"The Augustan Age 44 BC – AD 14"* (Get Smart Education), *"World War 1: From Sarajevo to Versailles"* (Nelson Cengage Learning), *"Extension History: The Historians"* (HTA of NSW), *"Russia and the Soviet Union 1917-1941"* (Nelson Cengage Learning), *"Spartan Society to the Battle of Leuctra 371 BC"* (Get Smart Education)

**"USA 1919-1941"** is one of twenty titles available in the "Everything you wanted to know about... but were afraid to ask" series *written specifically* for the NSW Modern and Ancient History syllabuses. Other titles in this series include:

- *The Decline and Fall of the Romanov Dynasty*
- *The French Revolution of 1789*
- *World War I*
- *Power and Authority in the Modern World 1919-1946*
- *Russia and the Soviet Union 1917-1941*
- *Conflict in the Pacific 1937-1951*
- *Conflict in Europe 1935-1945*
- *The Cold War 1945-1991*
- *Conflict in Indochina 1954-1979*
- *Civil Rights in the USA 1945-1968*
- *Apartheid in South Africa 1960-1994*
- *The Cultural Revolution to Tiananmen Square 1966-1989*
- *The Fall of the Roman Republic 78 BC–31 BC*
- *The Augustan Age 44 BC–AD 14*
- *The Julio-Claudians AD 14-AD 69*
- *Agrippina the Younger*
- *The Greek World 500-440 BC*
- *Spartan society to the Battle of Leuctra 371 BC*
- *Hatshepsut*

© 2020 Get Smart Education Pty Ltd

Except as permitted under the Copyright Act no part of this publication may be reproduced, transmitted, stored in a retrieval system, or translated into any human or computer language in any form by any means, electronic, mechanical, magnetic, optical, chemical, manual or otherwise, without the expressed written permission of Get Smart Education. The Copyright Act permits a maximum of one chapter or 10% of this book, whichever is the greater to be copied by any educational institution for educational purposes provided that the educational institution or the body that administers it has given remuneration notice to the Copyright Agency Limited (CAL) under the Copyright Act. Details of CAL copyright licences may be obtained by contacting the Copyright Agency Limited directly: Copyright Agency Limited: Level 19, 157 Liverpool Street, Sydney NSW 2000 Tel: (02) 9394-7600 Fax: (02) 9394-7601 Website: [www.copyright.com.au](http://www.copyright.com.au)

First Edition Published 2020 by  
© Get Smart Education Pty Ltd  
PO Box 684 Mona Vale NSW 1660  
Tel: 0425 235 442 Fax: 9012 0988

All Rights Reserved

ISBN 9780648841937

© 2020 Get Smart Education Pty Ltd  
Printed by Razer Graphix

### Disclaimer

Every care has been taken to acknowledge copyright. The publisher apologises for any accidental infringement which has proved untraceable and would be pleased to come to a suitable arrangement with the rightful owner in each case.

# Contents

<b>Section One – Survey: The USA in the aftermath of World War I and politics in the 1920s</b>	<b>5</b>
Chapter One – Consequences of World War I for the USA	5
Chapter Two – Republican economic policies	13
Chapter Three – Long-term causes of the Great Crash of 1929	19
Chapter Four – Reactions to the Great Crash of 1929	27
<b>Section Two – Focus of Study (1) The Great Depression and its impact</b>	<b>31</b>
Chapter Five – Effects of the Depression on different groups in society: workers, women, farmers, Afro-Americans	31
Chapter Six – Attempts to halt the Depression: the Hoover Presidency	43
Chapter Seven – Attempts to halt the Depression: the FDR years	51
Chapter Eight – Assessment of the New Deal	65
<b>ADVICE ON WRITING ESSAYS</b>	<b>71</b>
<i>ESSAYS 1: Responding to HSC questions on The Great Depression and its impact</i>	<b>77</b>
<b>Section Three – Focus of Study (2) US Society 1919-1941</b>	<b>81</b>
Chapter Nine – Growing urbanization and industrialisation	81
Chapter Ten – Mobilisation of the military and war production 1939-1941	89
Chapter Eleven – Consumerism and entertainment	97
Chapter Twelve – Social tensions, immigration, religious fundamentalism, Prohibition, crime, racial conflict, anti-communism and anti-unionism	109
<i>ESSAYS 2: Responding to HSC questions on US Society 1919-1941</i>	<b>129</b>
<b>Section Four – Focus of Study (3) US foreign policy</b>	<b>133</b>
Chapter Thirteen – The nature, aims and strategies of US foreign policy 1919-1941	133
Chapter Fourteen – Impact of domestic pressures on the USA 1919-1941	143
<i>ESSAYS 3: Responding to HSC questions on US foreign policy</i>	<b>151</b>
<b>Section Five – Ken Burns’ “The Roosevelts: An Intimate History”</b>	<b>155</b>
Timeline	157
Glossary	159
Dramatis Personae	161
Answers to revision exercises	163

## Author's note

---

The purpose of this book – as with all titles in the “*Everything you wanted to know about... but were afraid to ask*” series – is to make life easy for students and teachers working their way through the ‘National Studies’ topic: USA 1919-1941. It is not intended to be the final word on *USA 1919-1941*; nothing beats wide-reading and going back to the primary sources!

However, neither teachers nor students always have the time for such luxuries. Teachers have several other classes to worry about, not to mention a growing multitude of administrative and bureaucratic tasks to fulfill! Students have other subjects to study, and may also be burdened with a series of major works. Thus, “*Everything you want to know...*” steps in to make life easy.

## The principal aims of this book are to:

---

- provide the essential factual detail needed to understand the topic;
- provide references to written and visual sources;
- provide an introduction to the essence of historiographical debate;
- provide ideas for approaching the types of questions that might appear when examined on USA 1919-1941.

## Rationale for the structure of this book

---

“*USA 1919-1941*” is one of eight topics in the ‘National Studies’ section of the Modern History syllabus.

The syllabus divides the topic as follows:

- Survey: The USA in the aftermath of World War I and politics in the 1920s
- Focus of study:
  - The Great Depression and its impact
  - US society 1919-1941
  - US foreign policy

These broad headings have been used to structure the book and have been broken down into sections closely based on the layout of the syllabus to make the topic more accessible to students. The “attempts to halt the Depression” topic has been broken into two separate chapters: one dealing with the Hoover Presidency, and one dealing with the FDR years. All other chapters match the bullet from the syllabus. Additional sections have been included on approaching the types of questions that could be set on this topic in the HSC examination.

## Think as historians

---

Key problems historians have in studying *USA 1919-1941* – or indeed any major historical issue – are that we know what happened. Hindsight allows us to look back and isolate those developments which we can now see, from our current perspective, as the key issues. We can isolate the mistakes, criticise the leaders of the time and ask in incredulous tones:

- Why could America’s political and economic leaders not foresee the 1929 Crash?
- How could such a technologically advanced society as the USA be so dominated by conservative and fundamentalist thinking?
- Why did the New Deal and FDR’s policies evoke such opposition?

However, when one is living in the middle of events there is no hindsight.

---

**Section One ■ Survey:**  
**The USA in the aftermath of World War I and politics in the 1920s**

**Chapter One**  
**Consequences of World War I for the USA**

---

### The USA and World War I

When war broke out in Europe in 1914, US President Woodrow Wilson was determined to avoid the United States being dragged into the conflict. Though the US had become increasingly involved on the international stage, his stance was in line with traditional US isolationist foreign policy and was backed by most of the American people. In 1916, Wilson was narrowly re-elected President. His Democratic Party promoted the slogan “He kept us out of the war”.

- However, there had been several German submarine attacks on civilian ocean liners which had resulted in the loss of American lives:
  - these included the Lusitania (May 1915), the Arabic (August 1916) and the Sussex (March 1916).
- In February 1917, Germany re-commenced Unrestricted Submarine Warfare:
  - between 3 February and 1 April, eight US ships were sunk.
- The US learned that Germany was encouraging Mexico to enter the war for which it would receive Texas and the south west, following a German victory. <sup>1</sup>

As a result of all these actions, the US declared war on Germany on 6 April 1917.

US naval forces were able to play an immediate role in operations against Germany, but it took some time before US military forces were of decisive importance. However, by the summer of 1918, US troops were arriving in France in massive numbers, and were soon playing a key role in the allied counter-offensive which eventually led to Germany’s surrender in November.

Wilson arrived in Paris in late 1918 for the peace conference; he was mobbed by enthusiastic crowds, grateful for the United States’ participation in the war. In January 1918, Wilson had announced his “14 Points” which he hoped might become the basis for a just post-war peace settlement. Wilson’s intention at the Paris Peace Conference was to inject idealism into the proceedings, and offer hope for a better world.

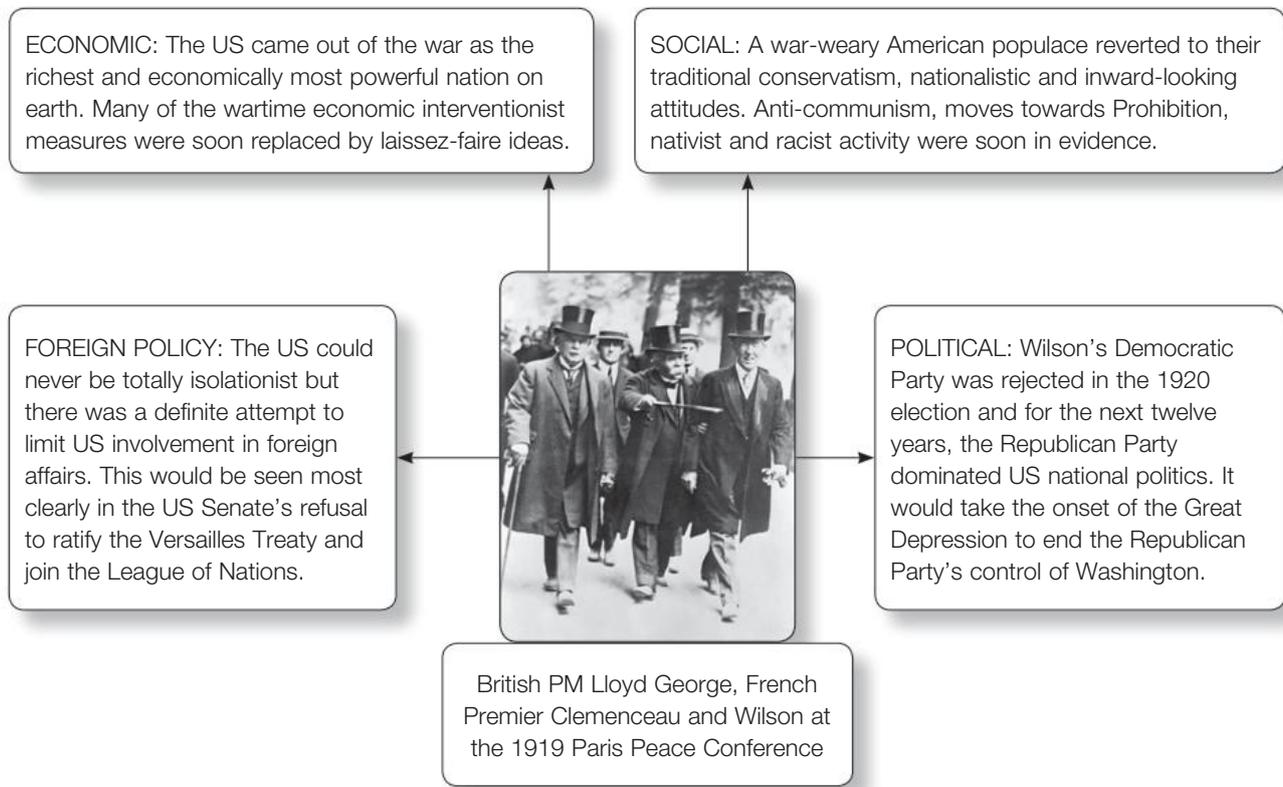
*This chapter will discuss the principal consequences of World War I for the USA. These consequences were not only immediate but also had a longer-term impact on the country. Economic aspects will be covered in extra detail in Chapters Two and Three; social aspects will be examined more fully in Chapter Twelve while the foreign policy perspective will be dealt with fully in Chapters Thirteen and Fourteen.*

---

<sup>1</sup> This information was contained in the Zimmermann telegram sent to the Mexican government by the German Foreign Minister. It had been intercepted by British intelligence.

World War I produced major consequences for the United States. These are outlined in Figure 1.1.

**Figure 1.1 The impact of World War I on the USA**



## The economic consequences of the war

The war saw a massive increase in federal government spending. The cost of the war for the US was about \$32 billion, or 52% of Gross National Product.

- Three million people were added to the military and half a million entered government service.
- Between 1914 and 1918, unemployment fell from approximately 8% to about 1.5%.
- The government also attempted price and production controls through the War Industry Board, the Food Administration and the Fuel Administration.

The United States came out of World War I as the richest and most powerful nation the world had ever seen. In 1914, the US was an international debtor; it ended the war owing money to no other nation:

- it had lent over \$7 billion to the allies;
- after the war, the victorious allied nations, notably Britain and France found themselves heavily in debt to the US and allied war debts would take decades to pay off. <sup>2</sup>

<sup>2</sup> Britain finally paid its WWI debt owed to the US on 9 March 2015 (<https://www.bbc.com/news/business-30306579>)

Though centralised government activity had shown its benefits during the war, the prime aim of US governments, starting with Wilson, was to reduce as much as possible government operation and ownership of those aspects of the economy that it had become involved with during the war.

- Wilson sought to return the railroads to private ownership, while still retaining the positive elements of the wartime unified control. From this desire came the 1920 Esch-Cummins Transportation Act. One of the main results of the act was the creation of railroad combinations.
- The Jones Merchant Marine Act of 1920 gave the US Shipping Board the power to dispose of 1500 ships that it owned by war's end. The proceeds of these sales were to be lent to ship builders.

The government also sought to implement legislation for the benefit of veterans.

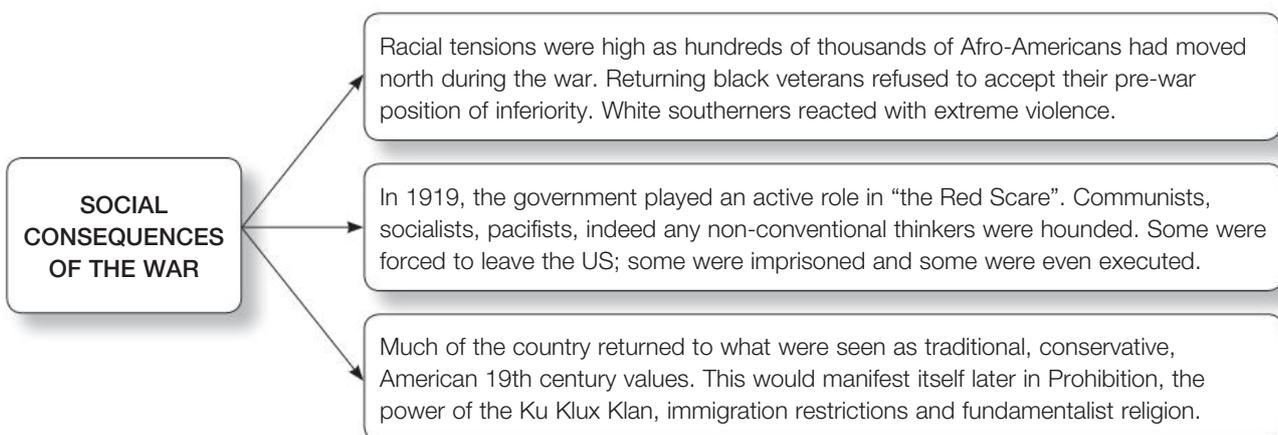
In 1921, a Veterans' Bureau was set up to organise pensions and hospital treatment for troops injured during the war. A generous policy of disability compensation for disabled soldiers and their dependents was introduced. By the mid-1930s, nearly 500 000 veterans from the war were receiving such aid.

However, the granting of adjusted compensation for war service proved more difficult to organise. Soldiers had earned far less than those who had been able to stay home during the war. The Adjusted Compensation Act (1924) was brought in to deal with this issue. It did not work out well for veterans and was to cause major problems in the early 1930s.<sup>3</sup>

By the spring of 1920, the US economy was experiencing a recession. Demand for many goods declined sharply and many manufacturers had built up inventories. This led to a rise in unemployment and some bankruptcies. Farm prices also fell. However, by 1922, overall economic prospects had picked up and this led to the boom that characterised much of US economic activity in the 1920s.

## The social consequences of the war

The war had generated hatreds and there remained a residue of pent-up violence. Figure 1.2 outlines this development. (These issues will be developed in more detail in Chapter Twelve)



<sup>3</sup> See Chapter Five.

## Exercise 1.1

Use the terms in the box below to complete the following passage.

World War I broke out in \_\_\_\_\_ but the US did not enter the war until \_\_\_\_\_. The principal reason for the US entry was German \_\_\_\_\_ activity. War came to an end in \_\_\_\_\_ and President \_\_\_\_\_ travelled to \_\_\_\_\_ to take part in the Peace Conference of \_\_\_\_\_. Following his \_\_\_\_\_ speech of January 1918, Wilson became a symbol of hope and \_\_\_\_\_. The US entered the war as a \_\_\_\_\_ nation but by 1918, the allied nations were deeply \_\_\_\_\_ to the US. The US government had played a \_\_\_\_\_ economic role during the war, but once peace had arrived it sought to \_\_\_\_\_ its involvement in economic life. \_\_\_\_\_ and \_\_\_\_\_ were returned to private ownership. By 1920, the economy was in \_\_\_\_\_ and did not pull out of this until \_\_\_\_\_. After the war, there was a desire to return to perceived \_\_\_\_\_ values. New forms of \_\_\_\_\_ thinking were frowned upon, and Afro-Americans, even those who had fought in the war, faced extreme \_\_\_\_\_ on their return to the US.

SHIPPING – IDEALISM – 1914 – VIOLENCE – REDUCE – TRADITIONAL – 1917  
 – DEBTOR – PARIS – RADICAL – SUBMARINE – 1919 – MAJOR – RECESSION –  
 INDEBTED – 1918 – 14 POINTS – RAILWAYS – WILSON – 1922

## The political consequences of the war

The fundamental political consequence of the war was the return of the Republican Party to political dominance. No Democratic Party candidate would again occupy the White House until March 1933. Republican domination of political life took place against a backdrop of laissez-faire economic thinking (see Chapter Two) and deep conservatism on social issues (see Chapter Twelve).

President Wilson had been President since 1913. However, by the end of 1918, his Democratic Party was losing support:

- in the 1918 Congressional elections, the Republican Party gained control of both the House of Representatives and the Senate;
- Wilson had harboured hopes of standing for a third term as President but ill health precluded this possibility;
- in addition, the country was turning against his idealistic views about the future, in particular his support for the Paris Peace Settlement and the League of Nations.

The election of 1920 provided evidence of how far the country had moved away from the Democratic Party. The Republicans nominated the uninspiring, small-town Ohio politician, Warren Harding, as its candidate for President, with Calvin Coolidge as his running-mate. The Democrats chose Ohio governor James Cox, with Franklin Roosevelt as his running-mate. Harding won a massive victory, gaining 61% of the popular vote. At the time Roosevelt put the result down to *“the materialism and conservatism”* that follow every war. He stated: *“People tire quickly of ideals and we are now repeating history.”*

Harding died in office, in August 1923 and was succeeded by Vice-President Coolidge. Coolidge easily won the 1924 election, and the Republicans kept control of both Houses of Congress. In 1928, Coolidge decided not to stand again, and the Republican Party chose Herbert Hoover as its candidate. The Republicans won another massive victory, this time against the Democrat, Alfred E Smith. They also increased their majorities in both Houses of Congress.

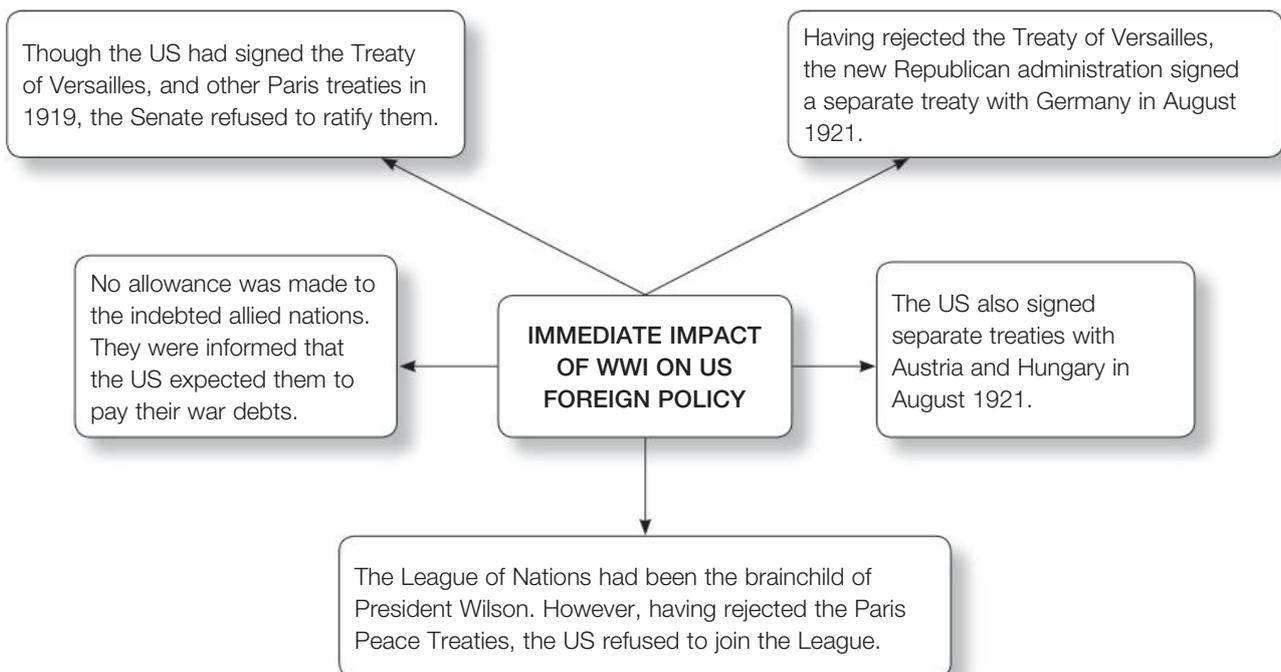
### The foreign policy consequences of the war

After the war, there was a reaction against foreign entanglements within the United States.

- The loss of American lives on the Western Front and the grasping behaviour of allied leaders at the Paris Peace Conference, alienated most sectors of American society.
- There was a desire to return to what was perceived as America’s traditional 19th century isolationist foreign policy.

This will be examined more closely in Chapters Thirteen and Fourteen. Figure 1.3 outlines the immediate impact of the war on US foreign policy.

**Figure 1.3 Immediate impact of WWI on US foreign policy**



## Exercise 1.2

Rearrange the letters to discover the identity of the personality, and then match it to the description on the right.

1	DRAGNHI			Republican President 1929-1933
2	MANZMIRMEN			Losing Democrat presidential candidate 1928
3	LSIWNO			Republican President August 1923- 1929
4	XOC			Republican President 1921-August 1923
5	SEETVOROL			US Democratic President 1913-1921
6	LDYOL EEGORG			Losing Democrat presidential candidate 1920

7	TSMHI			French Premier at 1919 Paris Conference
8	LODGEIOC			German wartime foreign minister
9	VORHOE			British Prime Minister at 1919 Peace Conference
10	MEALECNCUA			Democrat Vice-Presidential candidate 1920 election

## What do the historians have to say about “Consequences of World War I for the USA”?

### 1. David A Shannon

In the aftermath of the US involvement in World War I, the United States turned its back on progressive political thinking and a period of conservatism was inaugurated. The traditional view is that this was the result of the Republican Party’s twelve-year domination of national politics, beginning with the election of Warren Harding in 1920. However, Shannon shows that Woodrow Wilson was the first post-war President. He suggests that it was the last two years of Wilson’s administration that introduced the thoroughgoing conservative economic and social policies which eroded or ended Wilson’s progressive ‘New Freedom’<sup>4</sup> programs.

*“...The New Freedom was a victim of infanticide at the hands of its father and its Democratic godfathers, aided by Republican uncles who had never thought highly of the child...”*<sup>5</sup>

<sup>4</sup> The name given to Wilson’s Progressive legislative program after 1913.

<sup>5</sup> Shannon, D A, *Between the Wars: American 1919-1941*, Houghton Mifflin Company, Boston, 1979, p 21

## 2. S E Morison, H S Commager, W E Leuchtenburg

Morison et alia draw comparison between the impact of the Civil War (1861-1865) and the impact of WWI. The period after each war resulted in a pursuit of conservatism in both politics and social philosophy. Both periods witnessed the strength of laissez-faire economics, a decline in liberal thinking and a revival of ardent nationalism. Each period harked back to what was perceived as a 'better time'. The post-Civil War period looked back nostalgically to ante-bellum (pre-war) days, while the post WWI period sought to preserve the rural values of 19th century America against the intrusion of big city ideas. This thinking was summed up by the three Republican Presidents who ruled after WWI.

*"...President Harding called for a 'return to normalcy', President Coolidge announced that 'the business of America is business,' and President Hoover insisted that the 'American system' was a product of 'rugged individualism'..."*<sup>6</sup>

---

<sup>6</sup> Morison, SE, Commager, HS and Leuchtenburg, WE, *The Growth of the American Republic, Volume Two*, OUP, 1969, p 413

---

# Chapter Two

## Republican economic policies

---

### The Republican Party in power

Between 1921 and 1933, the Republican Party dominated national politics, controlling both the White House and the Congress. Its three Presidents were:

- Warren Harding: 1921-August 1923
- Calvin Coolidge: August 1923-1929
- Herbert Hoover: 1929-1933

In each of the elections of 1920, 1924 and 1928, the Republican Party trounced the Democratic Party.

- 1920: Harding – 404 electoral college votes; James Cox – 127 votes
- 1924: Coolidge – 328 votes; John Davis – 136 votes
- 1928: Hoover – 444 votes; Alfred Smith – 87 votes.



The presidency of Warren Harding has been described by some historians as the worst in American history, at least up to the 21st century.

There were several high-level scandals during his brief time as President (see below).<sup>1</sup> In his defence:

- Harding did make some sound appointments in his administration, eg Charles Evans Hughes as Secretary of State, Andrew Mellon as Treasury Secretary and Herbert Hoover as Secretary of Commerce;
- he successfully pressured US steel to bring in an eight-hour working day;
- his support for the Sheppard-Towner Maternity Aid Act allowed for federal aid to be given to states for maternity and infant health programs.



Calvin Coolidge succeeded Harding as President in August 1923. Coolidge has been disparaged as a “do-nothing” President. Critics called him “silent Cal”, and when news of his death was announced in 1932, the humourist Dorothy Parker asked “how can they tell?” Coolidge exemplified the “laissez-faire” thinking of the 1920s (see below). One of his most famous lines was “the business of America is business”. Coolidge’s ‘hands-off’ approach to government seemed to suit the mood of the times. Had Coolidge chosen to stand for election again in 1928, there is little doubt that he would have won easily.

In one of his last messages to Congress he stated:

*“...In the domestic field there is tranquillity and contentment, harmonious relationships between management and the wage earner, freedom from industrial strife, and the highest record of years of prosperity... The country can regard the present with satisfaction and anticipate the future with optimism...”*<sup>2</sup>

---

<sup>1</sup> Harding died of a heart attack on 2 August 1923, aged 57.

<sup>2</sup> Sixth Annual Message to Congress of President Coolidge, 4 December 1928



Coolidge was followed as President by Herbert Hoover. Hoover shared the laissez-faire thinking of his predecessors though once the depression took hold, he would have to modify his views.<sup>3</sup>

Shortly before the 1928 election, Hoover stated in a speech in Palo Alto, California:

*“We in America today are nearer to the final triumph over poverty than ever before in the history of any land. The poor-house is vanishing from among us”.* Just over a year later, the Wall St Stock Market crashed and the US was headed towards depression.

### “Laissez-faire” thinking

In the 1920 election, Warren Harding called for a ‘return to normalcy’. By this he meant several things:

- the economy should be allowed to run itself;
- the role of government should be extremely limited;
- there should be a return to the traditional ideals of 19th century America when the power of the Executive (President and his administration) was weak, except in times of crisis.

A major element of this ‘return to normalcy’ was a belief in the prevailing economic and philosophical thinking of the time, summed up in the phrase **“laissez-faire”**.

*Laissez-faire was based on the notion that those involved in the operation of the economy – whether they were bankers, industrialists, merchants – should be allowed to carry on their business affairs free of government regulation.*

It was believed by those supporting “laissez-faire” that the rich should be allowed to make money. By doing this, jobs would be created and wealth would ‘trickle down’ to the ordinary worker and farmer. As the American economy boomed in the 1920s,<sup>4</sup> supporters of “laissez-faire” argued that the common-sense and justice of this thinking was self-evident. The quotations of Coolidge and Hoover above epitomised this thinking.

However, the supporters of “laissez-faire” were inconsistent when it came to the role of government in economic matters. They certainly did not want government placing restrictions on their business activities; however, they were more than willing to accept government policies which worked for the benefit of business. Republican governments introduced various economic policies “to assist” business. These policies related to:

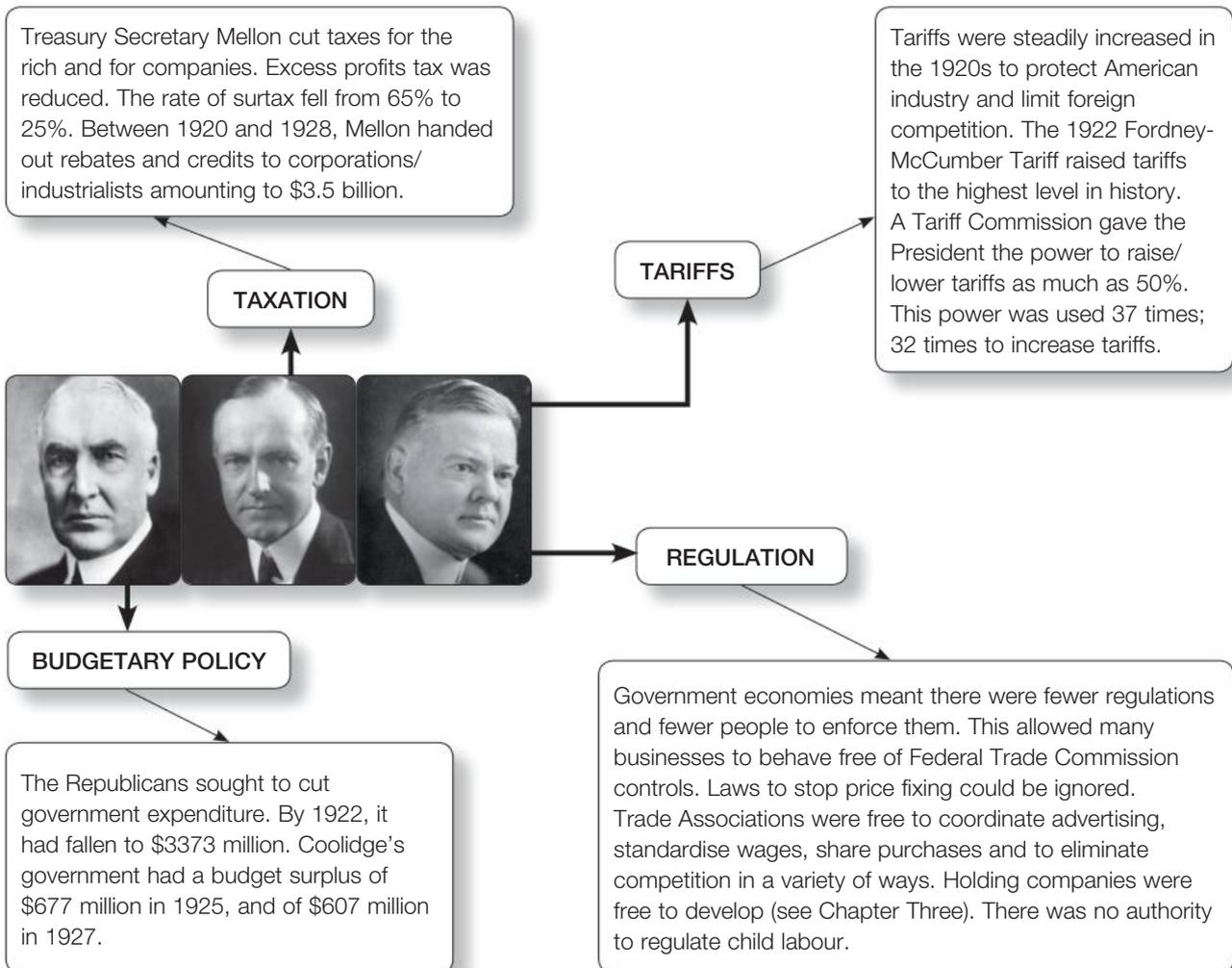
- levels of taxation
- tariff protection
- budgetary policy
- lessening regulation

<sup>3</sup> See Chapter Six.

<sup>4</sup> See Chapter Three.

These Republicans economic policies are outlined in Figure 2.1.

**Figure 2.1 Republican economic policy in the 1920s**



In addition to the policies mentioned in Figure 2.1, the government always took the side of business against the unions:

- on the West Virginia coalfields, the authorities used bloody methods to break miners' strikes;
- troops broke a textile workers' strike in Elizabethtown, Tennessee;
  - girls were working here for 56 hours a week at 18 cents an hour;
- the Supreme Court handed down judgments against intervention in child labour and minimum wage laws, arguing that that such intervention was "unconstitutional".

By the end of the 1920s, business consolidation had developed apace thanks to the Republicans' "laissez-faire" attitudes. By the end of the Republican period:

- twenty banks controlled 27% of all banking deposits;
- one corporation owned all aluminium deposits;
- one corporation owned half of the nation's iron ore;
- eight corporations owned 75% of the nation's anthracite coal.

**THE HARDING SCANDALS:**

The Harding administration (1921-August 1923) was dominated by scandals.

Charles R Forbes: Forbes was the Director of the Veterans' Bureau. He was found guilty of squandering \$200 000 in hospital contracts. He had accepted loans from construction firms seeking government contracts, and he had sold millions of dollars of Bureau supplies at rock bottom prices to his business friends. Forbes was fined \$10 000 and sent to prison for two years.

Harry M Daugherty: Daugherty was the Attorney General. He was dismissed from office for the illegal sale of liquor permits.

The Teapot Dome Scandals: Albert Fall was the Secretary of the Interior. He had managed to have the administration of federal oil reserves at Teapot Dome in Wyoming, and Elk Hills in California, transferred to his department. Fall secretly leased the reserves to oil companies in return for massive bribes. His crimes were discovered by a Senate investigating committee. Fall was fined \$10 000 and went to prison for a year.

Jess Smith and Thomas Miller: Smith was personal secretary to Attorney General Daugherty, and Miller was the custodian of property taken from enemy nationals during the war. In return for generous bribes, they tried to assist a German banking company to recover \$7 billion of confiscated property. Smith committed suicide, while Miller went to prison.

**Exercise 2.1 Indicate whether each of the following statements is true or false.**

1	The Republicans managed to maintain a stranglehold on control of the Congress and the White House in the 1920s.	TRUE/ FALSE
2	Unlike Harding and Hoover, Coolidge was an activist President, keen for the federal government to take an active role in national affairs.	TRUE/ FALSE
3	The fundamental basis of laissez-faire thinking is to encourage direct government intervention into the economic life of the nation.	TRUE/ FALSE
4	Throughout the 1920s, there was very little direct government regulation of business activities.	TRUE/ FALSE
5	The Republicans attempted to keep tariff levels low in order to stimulate international trade.	TRUE/ FALSE
6	Republican tax policy was primarily aimed at providing relief for lower-paid workers.	TRUE/ FALSE
7	Violence employed by the authorities were often used to break workers' strikes in the 1920s.	TRUE/ FALSE
8	The Supreme Court actively sought to influence wage levels and the conduct of child labour.	TRUE/ FALSE

9	By the end of the 1920s, a small number of corporations had been able to gain control of significant sectors of the US economy.	TRUE/ FALSE
10	The Harding administration was plagued by a series of scandals involving high-level officials.	TRUE/ FALSE

**Exercise 2.2 Choose a name from the box below to decide who I am.**

1	Some people unfairly referred to me as President “do-nothing”.	
2	I am best remembered for the Teapot Dome Scandals.	
3	I was won the 1920 election with a big popular vote majority but alas, died in office in 1923.	
4	I was the US Secretary of State appointed by President Harding and served until 1925.	
5	I was the US Treasury Secretary throughout the 1920s..	
6	I took bribes for helping a German bank recover property and ended up in prison.	
7	I was the corrupt Director of the Veterans’ Bureau in the Harding administration.	
8	I was Secretary of Commerce for most of the 1920s.	
9	I was President Harding’s corrupt Attorney General and was dismissed from office.	
10	I was the personal secretary to the Attorney General, Daugherty and with Thomas Miller, was associated with the German bank scandal.	

WARREN HARDING – CHARLES FORBES – HERBERT HOOVER –  
ALBERT FALL – CHARLES EVANS HUGHES – CALVIN COOLIDGE –  
JESS SMITH – THOMAS MILLER – ANDRE MELLON – HARRY M DAUGHERTY

## What do the historians have to say about “Republican economic policies”?

### 1. William Miller

Miller highlights how the business community was not only the main support of the Republican Party, but following the 1924 election, it was also the greatest beneficiary of the Coolidge presidency. Federal farm policies were to keep prices low for agricultural raw materials used in industry. Federal measures also ensured low wages for industrial workers.

*“...Tariffs on foreign manufactured goods... were kept at record levels; corporation taxes and income taxes and surtaxes were repeatedly slashed; public power development was obstructed; labour organisation was impeded by the courts, while industrial consolidation was encouraged...”*<sup>5</sup>

### 2. Foster Rhea Dulles

Dulles shows that the Republican policies regarding the economy – strong backing of laissez-faire while promoting policies to assist business – were echoed in several court judgments that were delivered in the 1920s.

In the case of *Truax v Corrigan* in 1921, the Supreme Court supported the employer’s right to stop his workers striking on the grounds that not to do so:

*“was to deprive him of a legitimate safeguard for his property interests.”*

In the case of *Adkins v Children’s Hospital* in 1923, the court opposed an act establishing minimum wages for women. The majority decision in this case, says Dulles:

*“...stated that such an act violated the constitutional safeguards of liberty of contract... The decision could hardly have been a more eloquent defence of laissez-faire... Conservatism was once again entrenched in the courts, as it was in the executive and legislative branches of government...”*<sup>6</sup>

<sup>5</sup> Miller, W, *A New History of the United States*, Paladin, London, 1968, p 321

<sup>6</sup> Dulles, F R, *The United States Since 1865*, University of Michigan Press, 1959, p 294

---

# Chapter Three

## Long-term causes of the Great Crash of 1929

---

### Introduction

With the benefit of hindsight, it is easy to see the flaws that existed in the American economy in the 1920s. A century later, we can isolate what was wrong, and with some confidence explain the ‘inevitability’ of the Wall St Crash of 1929. Indeed, there were some at the time who expressed their concerns.

However, the majority of the country did not see the dangers.

- The Republican administrations of Harding, Coolidge and Hoover eagerly persisted with policies which were assisting business in accumulating ever-increasing degrees of wealth.
- As Calvin Coolidge said at the time: “The business of America is business.”
- Following the brief recession that followed the end of WWI, the US economy experienced an economic boom, the likes of which the American people had never before witnessed.

Indeed, as late as the end of 1928, the Republican Party presidential candidate, Herbert Hoover, speaking just before the election of that year, stated:

*“...We have... in the 1920s... decreased fear of poverty, fear of unemployment, the fear of old age... Prosperity is no idle expression. It is a job for every worker, it is the safety and safeguard of every business and every home... We are nearer today to the ideal of the abolition of poverty and fear from the lives of men and women than ever before in any land...”*

Hoover’s crushing victory in the 1928 presidential election, and the Republicans’ continuing stranglehold on Congress, would tend to suggest that most Americans agreed with his sentiments.

Yet, within a year, the New York Stock Market on Wall St had crashed and the United States entered the greatest depression in its history. <sup>1</sup>

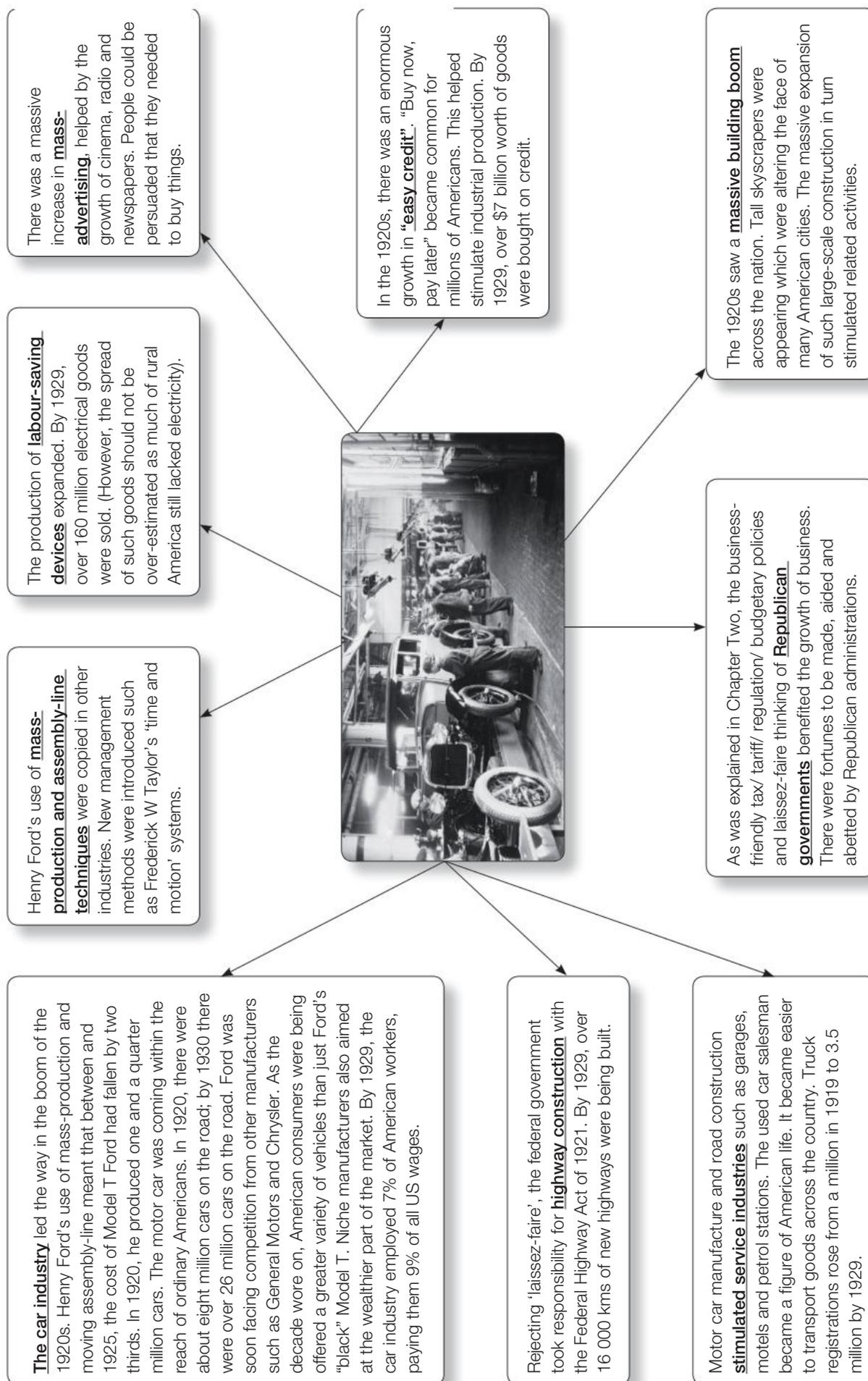
In order to provide some explanation for what happened in the 1920s, culminating in the Wall St Crash, this chapter will examine the following areas:

1. The apparent phenomenal prosperity of the economy throughout the 1920s (see Figure 3.1).
2. The deep-seated underlying problems of the American economy which seemed hidden by the superficial prosperity (see Figure 3.2).
3. The speculation boom throughout the decade.
4. The collapse of the Wall St stock market in October 1929.
5. The coming of the depression.

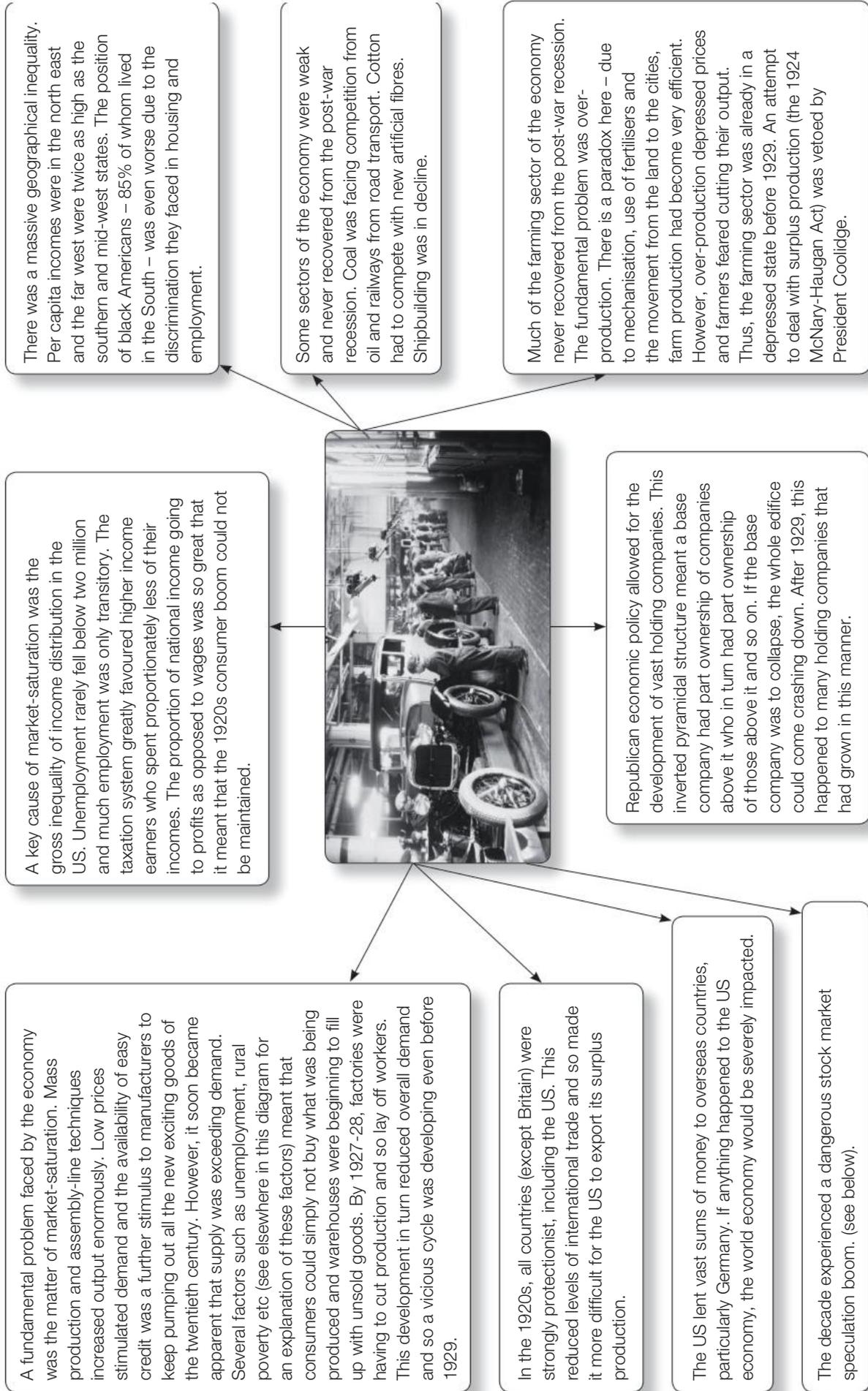
---

<sup>1</sup> This is being written before the full economic impact of the COVID-19 pandemic of 2020 has worked itself out.

Figure 3.1 The apparent phenomenal prosperity of the economy throughout the 1920s



**Figure 3.2 The negative features of the American economy throughout the 1920s**



The effects of the depression on the various groups across the country, and the government's attempts to halt the depression, will be the focus of Section Two.

**Exercise 3.1 Answer the following questions in the spaces provided.**

1	What made possible the rapid increase in manufacturing output in the 1920s?	
2	What was the mainstay of the American economy's boom condition in the 1920s?	
3	Identify three factors which assisted in increasing consumer demand in the 1920s.	
4	In what ways did the car industry stimulate other areas of the economy?	
5	How did the government assist the boom conditions of the 1920s?	
6	In what fundamental way did advances in manufacturing technology cause great harm for the economy?	
7	Identify two forms of gross inequality in the US in the 1920s.	
8	Why was the rural sector of the economy in such difficulty throughout the 1920s?	
9	Why was the holding company structure a threat to the 1920s economy?	
10	How did the international scene have dangers for the US economy in the 1920s?	

### 3. The speculation boom throughout the decade

Speculation is the buying and selling of stocks and shares in order to make a profit. It involves people buying shares, not in order to invest in a company, but simply to wait for the share price to rise, so that the shares can be sold for a profit.

Throughout the 1920s, the Wall St stock market boomed with prices seemingly rising endlessly. This led to a speculation boom. As prices of shares rose, people could sell their shares, make a profit, buy more, and as those rose in price, they could sell them, make a profit, buy more, sell, and so on. The stock market boom thus became self-liquidating. If the stock market was able to keep rising for ever, then investors would just keep making money.

However, stock markets do not keep rising for ever and there were more serious developments occurring around the speculation boom.

- Between 1927 and 1929, share prices rose to totally unrealistic levels, far above what a company might actually be worth: <sup>2</sup>
  - the lure of the possibility of an instant fortune attracted many people into the stock market.
- Many people started buying shares “on the margin”:
  - this meant they would borrow money to buy shares;
  - as the price rose, they would sell, pay back the loan, and make a profit;
  - as share prices kept rising, this would encourage more borrowing.
- Between 1927 and 1929, stockbrokers increased their bank borrowing from \$3.5 billion to \$8.5 billion.
- The danger of buying “on the margin” is of course that if share prices drop, speculators will not be able to pay back their loans.
- Even more serious was that some major firms were investing their profits in the stock market:
  - if prices suddenly fell, these firms would lose investments and bankruptcy could follow (and so workers would be sacked....)

### 4. The collapse of the Wall St stock market in October 1929

On 21 October 1929, stock prices began to drop. On Thursday 24 October a full-scale panic set in as stock prices plummeted. Once it was seen that prices were falling rapidly, more and more people tried to unload their shares in order to minimise their losses. Those who had been buying shares “on the margin” suddenly became afraid as they would not be able to pay back what they owed. A mob mentality set in; the floor of the Wall St stock exchange became a scene of total chaos. Attempts were made to steady the market. However, by Tuesday 29 October confidence had completely disappeared – 16,410,030 shares were sold and the stock price index continued to crash. In a few weeks, about \$30 billion had been lost. This was about equivalent to what the US spent on its involvement in WWI.

<sup>2</sup> In 1928, Radio Corporation of America stock rose from 85 to 420.

The following table gives an idea the impact of the crash on stock prices.

Company	Share price 3 Sept 1929	Share price 13 November 1929	Percentage fall
Woolworth	100.37	52.25	58%
General Motors	72.75	36	51%
Radio	101	28	72%

There had been rises and falls on the stock market throughout the 1920s. Presidents Coolidge and Hoover had been warned about the overvalued nature of Wall St. However, as late as mid-October 1929, experts were confidently stating that the market was sound. Why the crash came, when it came, has been analysed by historians and economists over the decades. In essence, stock markets fall because of “a loss of confidence”. This of course begs the question, ‘why did confidence disappear?’ The stock market was overvalued and supported by little real wealth. It could have crashed at any time.

## 5. The coming of the depression

The Wall St Crash did not cause the depression. In the decades before and after 1929, there have been stock market collapses but a depression did not ensue. As was shown in Figure 3.2, there were many fundamental flaws in the nature of the American economy in the 1920s. Depression was already on its way. In some regions of the US, and some sectors of the economy, depression conditions were already present before October 1929.

- The massive margin lending that had occurred throughout the 1920s now placed enormous pressure on the banks. Banks all over the country were collapsing:
  - within three years, 5000 banks were forced to close;
  - millions lost their savings.
- The credit binge of the 1920s was a case of “chickens coming home to roost”.
  - public and private debt by 1930 was over \$150 billion;
  - this was about a third of the country’s national wealth.
- As bankruptcies escalated and as companies collapsed, the immediate effect was a massive increase in unemployment, which as mentioned earlier, was already at two million:
  - by 1933, the official unemployment figure was 15 million, though it was probably much higher;
  - the figure for underemployment would have been at least as high;
  - with so many out of work, consumer demand collapsed, and this occurred at a time of market-saturation.
- The collapse of the United States economy reverberated around the world:
  - US foreign trade had dropped by two thirds by 1932;
  - countries reliant on US loans saw their economies collapse, in particular Germany.



## What do the historians have to say about “Long-term causes of the Great Crash of 1929”?

### 1. Eric Rauchway

Rauchway makes the point that the massive fall in stock values by November 1929 directly affected only a small number of Americans. However, he argues that watching the fortunes of Wall St had become something of a spectator sport in the 1920s. Many Americans regarded the health of Wall St as an index of their own fates. Fearing that “the ground under their feet was giving way” (Joseph Schumpeter), Americans made the decision to stop buying. Each time an American had signed an instalment-plan contract, they were declaring confidence in the future. Their decisions now not to do this, meant the reverse was true. Americans’ confidence in their economic future had disappeared and the effect of this on the economy would have a rebound effect.

*“...Within a few months of the crash new car registrations had fallen by almost a quarter of their September 1929 number. In 1930 spending on consumer durables fell by 20 per cent. Factories closed and banks failed. Unemployment more than doubled its 1929 level...”*<sup>3</sup>

### 2. John K Galbraith

Galbraith highlights the importance – and danger – of the holding structure system that was such a feature of the 1920s economy. Corporations held stock in other corporations, who in turn held stock in other corporations and so on. In the case of railroads and utilities, the purpose of this “pyramid of holding companies” was to gain control of a large number of companies with a very small investment. Two such notably complex holding companies were Insull and Associated Gas and Electric. The pyramids would last only as long as the earnings of the company at the bottom were secure. If anything happened to the base company, the pyramid would collapse.

*“...Such a collapse would have a bad effect not only on the orderly prosecution of business and investment by the operating companies but also on confidence, investment and spending by the community at large. The likelihood was increased because in any number of cities... the banks were deeply committed to these pyramids or had fallen under their control...”*<sup>4</sup>

3 Rauchway, E, *The Great Depression and the New Deal*, OUP, Oxford, 2008, p 19

4 Galbraith, J K, *The Days of Boom and Bust*, Purnells History of the 20th Century, Volume III, 1969, p 1236

---

# Chapter Four

## Reactions to the Great Crash of 1929

---

*Reactions to the Great Crash of 1929 were immediate, medium-term and longer-term. The medium-term and longer-term reactions will be covered in later chapters. Chapter Five will deal with the reactions of, and impact on, specific groups within American society. Chapter Six will deal with the reactions of the Hoover Presidency. Chapter Seven will deal with how the Roosevelt Presidency reacted to the Crash and the impact of the depression. This chapter will focus on the more 'immediate' reactions to the Crash.*

### Mythology and fact

The immediate reactions to the Great Crash of 1929 have been the stuff of myth-making in later years and feverish journalistic creations at the time. There was indeed a panic on the floor of the Wall St stock exchange.

- At times, the scenes were so wild that police had to be called in.
- Big crowds gathered outside, drawn into the drama that was unfolding.
- There were even stories of coach tour companies diverting tours to witness what was happening.



However, one of the great myths of the Crash that has endured is that it led to a spate of suicides.

Stories spread that brokers were jumping out of skyscraper windows.

In fact, few brokers went bankrupt; it was their clients who more often than not were the main victims of what was happening.

- In his book *The Great Crash 1929*, John K Galbraith says that there were in fact no such 'skyscraper' suicides. <sup>1</sup> Galbraith argues that the suicide rate for October/ November 1929 was the lowest for any month in 1929, and that it had been at its height in the summer.
- In mid-November 1929, the New York Chief Medical Examiner reported 44 suicides in the Manhattan area in the previous four weeks; this was nine fewer than for the same time in 1928. <sup>2</sup>
- However, there were police reports of other forms of suicide at the time, including a St Louis stockbroker, John Betts who had a seat on the board of the New York Stock Exchange. He took poison.

---

<sup>1</sup> Galbraith suggests that people have conflated what happened during the depression years with what happened in October 1929.

<sup>2</sup> Winston Churchill reported witnessing one such suicide from his window in the Savoy Plaza Hotel. However, this was probably the fall of a German chemist, Dr Otto Matthies on the morning of 24 October, hours before the actual crash.

## The destruction of confidence

However, there was one major psychological reaction within the United States to the Crash. For many Americans, the prosperity of the 1920s seemed to be synonymous with the activities on Wall St. Prosperity was forever; Hoover had said as much during the election campaign in October 1928. The economy was 'invulnerable'.

Galbraith makes the point in his examination of events that speculation had become a central element to the culture of the United States in the 1920s:

- this was so even though, as a percentage of the population, few Americans were directly involved in the buying and selling of shares;
- Galbraith suggests that speculation had become as central to the culture of American society as was the Declaration of Independence and the Gettysburg Address.

Thus, when the Stock Market crashed in October 1929, much more than money was lost; much more than damage to the economy had been done. There had occurred a total destruction of confidence. For the American people, confidence in the stock market, confidence in the economy, indeed confidence in the 'American way' had suddenly hit rock bottom.

Psychological though this might have been, the figures certainly justified this change in the thinking of many Americans:

- as mentioned earlier, brokers' loans had reached \$8.5 billion by late 1929.
- this money had been borrowed from the banks and from the big companies. By now, 200 companies were controlling half of American industry;
- thus, with the speculative crash, eventually 5000 banks would crash and half of US business were badly damaged;
  - this would affect ordinary Americans in many tragic ways;<sup>3</sup>
  - and of course it had destroyed confidence.

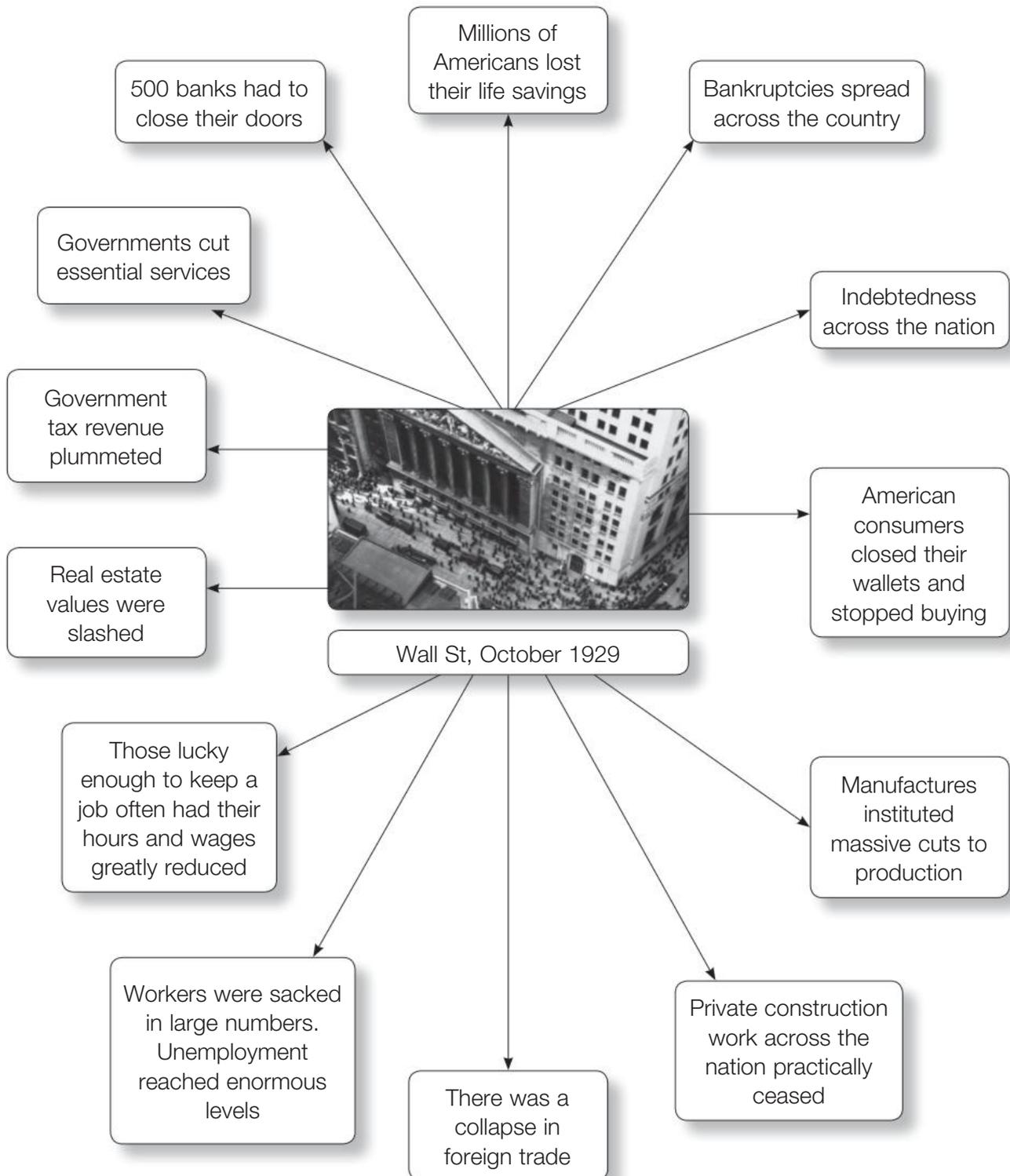
## The reaction of Herbert Hoover to the Crash

The attempts of the Hoover administration (1929-1933) to deal with the depression will be examined in detail in [Chapter Six](#). At this point, let us consider Hoover's "immediate reaction". At first, Hoover did not understand the gravity of what was happening. In this, he was not alone. When he said the events of October 1929 represented only a "technical break" in the operation of the stock market, he was echoing the opinions of the Wall St Journal and most bankers at the time.

Hoover's reaction to the Crash, and to the effects of the depression which quickly followed, epitomised the laissez-faire thinking of the Republican administrations of the 1920s. Hoover believed that the crisis could be dealt with if there was 'intelligent cooperation' from all those involved in the country's economic life. However, as one historian put, Hoover was a "cheerleader" for American economic enterprise; he was not "an umpire", or "a player" or "a coach". Certainly, when it came to the consideration of providing relief for Americans, Hoover did not see that as his role.

<sup>3</sup> See Chapter Five.

Figure 4.1 outlines some of the medium-term and longer-term impacts of the Great Crash of 1929 and how America was to be affected in the coming years.



One writer at the time observed: *"We seem to have stepped Alice-like through an economic looking-glass into a world where everything shrivels. Bond prices, stock prices, commodity prices, employment – they all dwindle."*

**Exercise 4.1** Indicate whether each of the following statements is true or false.

1	At the time, the public reaction to the Wall St Crash seemed rather muted with few people interested in events.	TRUE/ FALSE
2	Such was the enormity of what happened on the stock market in October 1929, that many stock brokers jumped to their deaths from tall buildings.	TRUE/ FALSE
3	Arguably the greatest damage that was done to the economy and the American people was the sudden loss of confidence in the country.	TRUE/ FALSE
4	Though the country was fascinated by the speculation boom of the 1920s, relatively few Americans were actively involved in buying and selling shares.	TRUE/ FALSE
5	Up to \$8.5 billion had been borrowed from banks and large companies to finance the speculation boom.	TRUE/ FALSE
6	Despite what happened in October 1929, only a small number of US banks ended up in financial trouble.	TRUE/ FALSE
7	President Hoover was immediately aware of the gravity of the situation and put in place major government measures to stimulate the economy.	TRUE/ FALSE
8	President Hoover agreed with financial journalists and bankers at the time who said that the Crash was nothing more than a 'technical' break.	TRUE/ FALSE
9	President Hoover was very quick to institute significant public relief measures for those Americans who now found themselves in distress.	TRUE/ FALSE
10	President Hoover shared the laissez-faire thinking of the other Republican presidents of the 1920s.	TRUE/ FALSE

## **Chapter Five**

# **Effects of the Depression on different groups in society**

---

### **Workers**

The obvious effect of the Great Depression was the massive rise in unemployment. The official figures tell only part of the story. By 1931, there were over 11 million people unemployed; by 1933 the figure was 15 million. Even as late as 1938, there were still 8 million unemployed. <sup>1</sup>

- There were major local divergences in the levels of unemployment:
  - at the height of the depression, 80% of workers were without a job in Toledo; in Cleveland it was 50%.
  - the plight for black workers was even worse (see below).
- There was also massive ‘underemployment’.
  - Many men might only be getting one or two days work a week, or might work one week in three.
  - Such people did not feature in the unemployment statistics.
- For each unemployed man, there was often a wife and children who were also having to experience the effects of not having a wage.

Families and the underemployed did not feature in the unemployment statistics.

Massive unemployment inevitably led to **falling wages** for those who could keep a job. It was simply a matter of supply and demand: the more people who needed a job, the lower a wage an employer could offer. If a job was advertised, it was not uncommon for hundreds of people to queue for hours in the hope of getting it. Some employers preferred to take on women or children; they could pay them even less.

Many men were forced “**on the road**” and became “**hoboes**”. They would travel the country trying to find any kind of work. They would attempt to jump on slowing trains which might take them to another town or another state. Railroad companies dealt harshly with hoboes; many were shot and killed for trying to get a free ride. In Atlanta, Georgia, many hoboes were forced into ‘chain gangs’. <sup>2</sup>

As unemployment rocketed, people became unable to pay mortgages or their rent. **Homelessness** became a major issue of the Depression. Some landlords looked kindly on the unfortunate; most took the path of eviction. People were literally thrown on to the street. People might sleep in parks or under bridges. In New York many people resorted to sleeping on the subway. Thousands of evicted unemployed ended up living in shanty towns. Makeshift dwellings of scrap metal and timber, cardboard boxes were put together. There was often no running water and certainly no power. These shanty towns were known as “**Hooverilles**”.

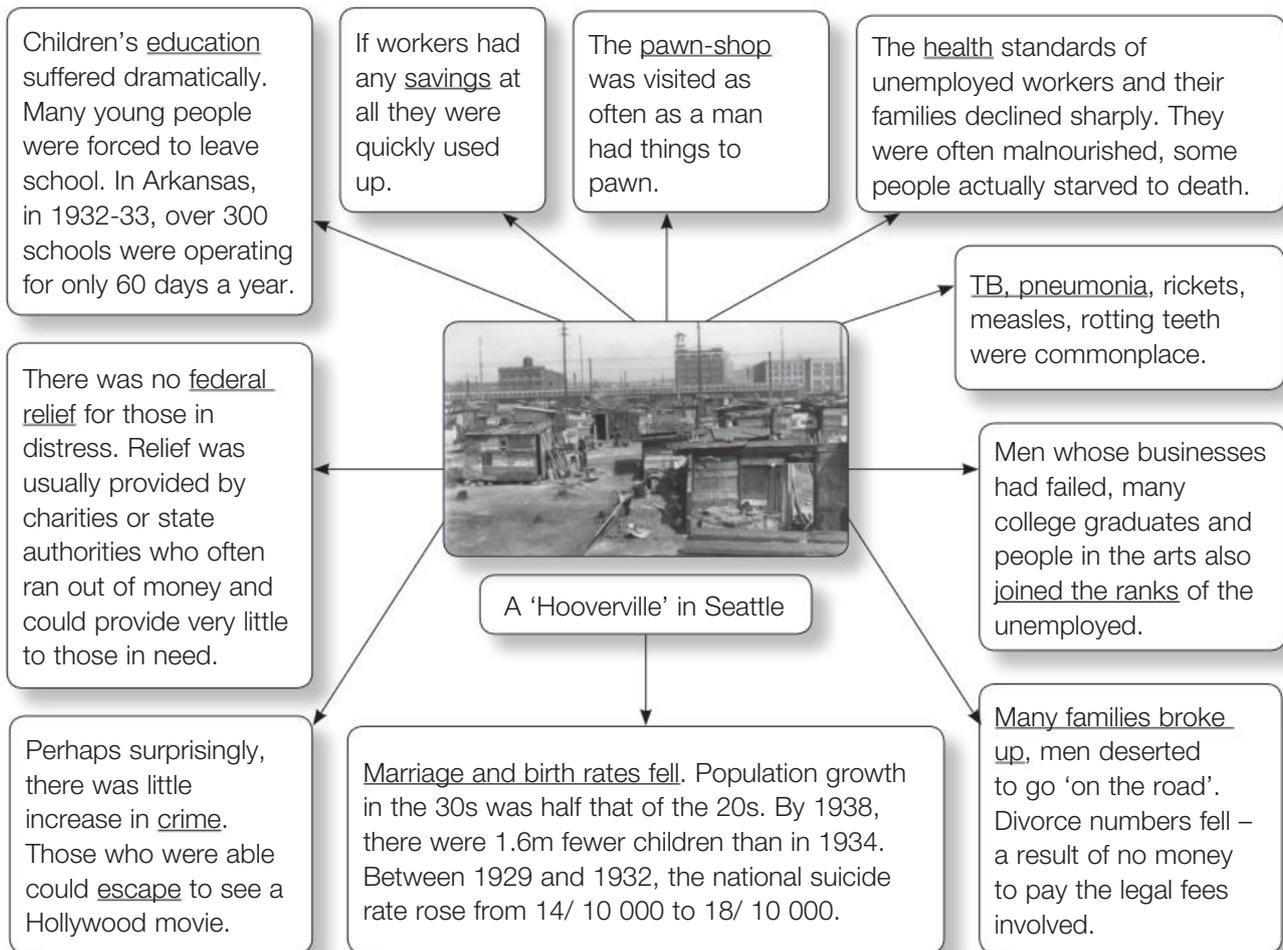
---

<sup>1</sup> It would take the Second World War to finally rid the United States of the Depression.

<sup>2</sup> In Australia, men who were forced to live this sort of existence were said to ‘jump the rattler’.

People would often have to resort to using newspapers for blankets. These were called 'Hoover blankets', such was the way the President would be 'fondly' remembered.

**Figure 5.1 outlines some of the other ways workers were affected by the Depression.**



Possibly the worse impact of the Depression on workers was the **stigma of not having a job**, not being able to provide for one's family. In a country where ideas such as 'self-reliance' and 'rugged-individualism' were part of the national DNA, to be unemployed was shameful, humiliating. Working was what it meant 'to be a man'. There was little provision for relief for the unemployed. However, even where it was provided, many men refused to accept it because of the shame that taking a handout implied. The consequences for a man's family can only be imagined.

The Bonus Army:

By June 1932, up to 15 000 unemployed veterans and their families from all over the country had gathered in Washington to demand payments of their 'Veterans' Bonuses' (see Chapter One). They built a 'Hooverville'. When the Senate defeated a bill to pay the bonuses early,<sup>3</sup> most of the veterans stayed in the capital and were peaceful. The Hoover administration ordered police to move them on; two veterans were shot dead. The administration demanded

<sup>3</sup> The bonuses were due to be paid in 1945. However, the Veterans wanted early payment due to the extremes of the Depression.

firmer action. Chief of Staff General Macarthur brought in troops and tanks to do the job. The veterans were herded out of the city and their 'Hooverville' was burned to the ground.

The Hoover Administration was very nervous about having 15 000 veterans encamped in a Hooverville so close to the seat of government.

- Administration spokesmen argued at the time, that many of the 'Veterans' were in fact not veterans but rather were criminals or worse still Communist agitators.
- As a result, Hoover and his team demanded that the 'Bonus Army' be moved on in order to avoid possible revolutionary action.
- By the summer of 1932, the Hoover Administration had reached a nadir in its popularity, as would be seen in Franklin Roosevelt's electoral victory against Hoover later in the year. Its treatment of the Veterans only added to the disdain felt for Hoover and the administration.

*"...The spectacle of unarmed unemployed men who had been victorious heroes only fourteen years before being driven from the nation's capital at bayonet point was not encouraging..."*<sup>4</sup>

It should be remembered that there was **another side to the depression years** in the United States. Unemployment was very high but most people kept their jobs. The depression was a period of deflation, generally falling prices. Though wages generally fell during the period, "*real wages*" increased for many, ie prices fell more than wages, and so a person's standard of living could actually increase – provided one did not lose one's job. Some areas of the economy suffered terribly, most notably farming (see below) but there were bright spots:

- some of the newer industries continued to expand and pay high wages, eg electronics and aircraft construction;
- there were also notable landmark constructions at this time:
  - New York's Empire State Building was completed in 1931;
- Construction of San Francisco's Golden Gate Bridge began in 1932.



4 Shannon, D A, *Between the Wars: American 1919-1941*, Houghton Mifflin Company, Boston, 1979, p 167

**Exercise 5.1 Match the term on the right with the description provided.**

1	term used to describe a shanty town		HOBOES
2	where a man ended up if he left his family to go off and seek work		EVICTION
3	the US ideal that individuals do not expect the state to look after them		HOOVERVILLE
4	responsible for breaking up the encampment of the Bonus Army		SELF-RELIANCE
5	position of having work for only a day or two a week or fortnight		ROOSEVELT
6	experience of being kicked out of one's home		BONUS ARMY
7	he defeated Hoover in the 1932 election		HOOVER BLANKETS
8	term used to describe men who travelled around seeking work		MACARTHUR
9	term used to describe newspapers used as bedding		ON THE ROAD
10	Veterans who came to Washington seeking their due payments		UNDEREMPLOYMENT

**Women**

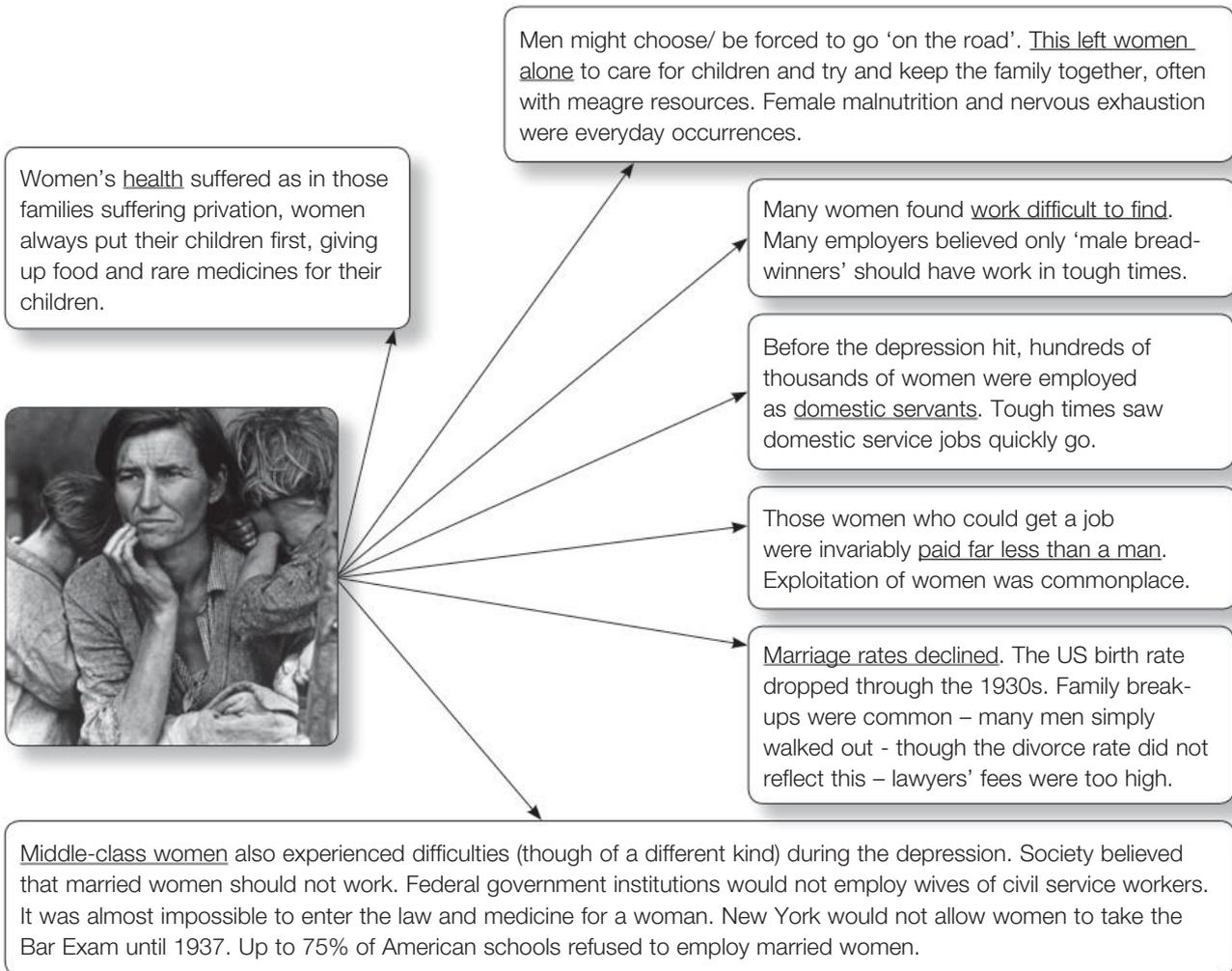
The popular view of women in the 1920s is that of “flappers”, liberated young women enjoying modern fashions, changing social norms such as smoking in public, and dancing the Charleston.

- This is the popular view of *“The Roaring Twenties”*. For a small number of women – upper class and the well-off middle-class - this was often the case.
- However, for the vast majority of American women (and British and Australian women), the 1920s did not ‘roar’.
- For working-class women life remained as tough and as unliberated as it always had been, notwithstanding the introduction of the occasional labour-saving device.

The onset of the depression for American women saw a continuation, and for very many American women, a worsening of their already tough lives. Men might have lost their jobs, and had to suffer the stigma and humiliation of unemployment, but in many ways the experience of women during the Depression was equally tough.

Figure 5.2 outlines some of the impacts of the Depression on American women.

**Figure 5.2 Women and the Great Depression**



Not all historians agree with the notion that women were the first to be removed from employment. The hardest-hit industries in the depression were areas like coal-mining and manufacturing where men predominated.

*"...Women were more insulated from job loss because they were employed in more stable industries like domestic service, teaching and clerical work..."*<sup>5</sup>

Women did make some progress in the area of **political life**.

- President Franklin Roosevelt believed in using women to promote his New Deal programs. For him it was ability that mattered.

<sup>5</sup> Ware, S, *Holding Their Own: American Women in the 1930s*, Twayne, Boston, 1982

- Frances Perkins became the first woman to be given a cabinet post as the Secretary of Labour.
- Mary “Molly” Dawson was Director of the Women’s Division of the Democratic Party.
- Roosevelt appointed Florence Allen as the first female of the US Circuit Court of Appeals.
- The President’s wife, Eleanor Roosevelt, took on an active role in social and women’s affairs.
- In 1934, six women were elected to the House of Representatives (four Democrats and two Republicans).
  - Harrie Carraway of Arkansas was elected to the Senate.

As has been mentioned, many men went ‘on the road’ and travelled the country seeking work. Sometimes, wives accompanied their husbands. ‘Hoovervilles’ were usually occupied by family groups, with women present doing their best to keep the family together. Many members of the Bonus Army that protested in Washington in mid-1932 had brought their families with them.

It was much less common for women to ‘go on the road’. Life ‘on the road’ presented women with a much greater chance of physical exploitation and violence than it did for most men. However, it was not unheard of for women to make this choice, and there were cases of women working together in those tough times.

*“...Accounts of women out of work and without family tell of them establishing communities to protect themselves, sharing meagre resources and small rooms, scheduling shifts for the use of beds and clothes. One politician remarked that the woman worker was ‘the first orphan in the storm’...”*<sup>6</sup>

**Exercise 5.2 Read the following statements. Are they fact or opinion?**

1	Only a minority of American women were able to enjoy the excitement and freedoms of ‘The Roaring Twenties’.	FACT/ OPINION
2	Women deserved to be paid less than men during the depression because men were the ‘breadwinners’ of the family.	FACT/ OPINION
3	Men were quick to go ‘on the road’ because it was an easy and convenient way to escape family responsibilities.	FACT/ OPINION
4	There was a drop in the rate of marriages and in the birth rate in the United States of the 1930s.	FACT/ OPINION
5	Educated middle-class women faced major obstacles in entering the professions during the depression years.	FACT/ OPINION
6	Women were slowly beginning to achieve significant positions in the highest branches of government during the depression.	FACT/ OPINION
7	Women were clearly making a significant mark on the political life of the United States during the depression years.	FACT/ OPINION
8	Women and children always suffered more than men during the depression years.	FACT/ OPINION

<sup>6</sup> Rauchway, E, The Great Depression and the New Deal, OUP, Oxford, 2008, p 45

## Farmers

The farming sector was arguably the worst affected part of the American economy during the Great Depression. Farmers and their families suffered enormously and the reasons of their situation were complex. However, the causes of the distress can perhaps be narrowed down to two principal issues: overproduction and soil erosion. These two issues are outlined in Figure 5.3.

**Figure 5.3 The farmers' situation during the depression**

Overproduction	Soil erosion
<ul style="list-style-type: none"> <li>■ Malnutrition and even starvation were perhaps the cruellest manifestation of the depression years in America.</li> <li>■ The cruel paradox was that there was no shortage of food in the country. <i>There was poverty amongst plenty.</i></li> <li>■ Due to overproduction, prices had fallen continuously for many years. It was more economic to plough a crop back into the soil than harvest it and try and sell it.</li> <li>■ Crops were burned, milk was poured away and livestock were slaughtered.</li> <li>■ Farmers ended up massively in debt. They could not meet their mortgage payments and so banks foreclosed.</li> <li>■ Farmers were kicked off their land and became destitute.</li> </ul>	<ul style="list-style-type: none"> <li>■ There were areas of the country that experienced <i>dust bowl</i> conditions. Such areas included Oklahoma and Arkansas but also parts of Texas, Kansas and New Mexico.</li> <li>■ The land's soils had been thinned as a result of overproduction and excessive grazing. The early 1930s saw periods of searing heat combined with a series of droughts.</li> <li>■ The occurrence of wild winds saw the topsoil simply 'blown away'. When the rains did come, topsoils were washed away. The land had become useless.</li> <li>■ Farmers had no choice but to 'up and leave' to find better land or any form of work. Thousands hit the road in the 1930s. They became known as "<i>Okies</i>" or "<i>Arkies</i>".</li> <li>■ Many headed west to California. They were rarely welcomed with open arms.</li> <li>■ The tribulations of the <i>Okies</i> were graphically captured in John Steinbeck's Pulitzer winning 1939 novel "<i>The Grapes of Wrath</i>." <sup>7</sup></li> </ul>

Much was made of the United States' technological revolution in the 1920s, seen most notably in the development of the car industry and the appearance of skyscrapers across the country. However, modernity did always reach into the rural areas of America. At the start of the 1930s, only about 2% of farmers in the Tennessee Valley had **access to electricity**.

<sup>7</sup> Steinbeck's book was turned into the 1940 Oscar-winning film directed by John Ford.

In 1929, before the Stock Market Crash, the Hoover Administration had attempted to deal with the problem of overproduction and low agricultural prices. <sup>8</sup> **A Federal Farm Board** set up corporations to buy up surpluses of various products to maintain prices. However, once the depression took hold, prices fell disastrously.

- Farmers were now exhorted to produce less in order to keep prices up;
  - however, there was no coercion.
- Individual farmers now faced a dilemma:
  - if they all reduced output, prices could stabilise;
  - however, if a farmer cut production, but his neighbours did not, surpluses would remain, and the farmer who had cut production would not only get a low price, but would also have less to sell;

As a result, farmers did not cut production. Agricultural output in 1932 ended up being greater than in 1929.

In his novel, *The Grapes of Wrath*, John Steinbeck’s opening chapter give a flavour of the impact of the dust storms that swept across America’s dust bowl regions.

*“...They knew it would take a long time for the dust to settle out of the air. In the morning the dust hung like fog, and the sun was as red as ripe new blood. All day the dust sifted down from the sky, and the next day it sifted down. An even blanket covered the earth. It settled on the com, piled up on the tops of the fence posts, piled up on the wires; it settled on roofs, blanketed the weeds and trees...”*

**Exercise 5.3 Answer the following questions in the spaces provided.**

1	What were the two main causes of agricultural distress during the depression years?	
2	Why did farmers so often simply plough their crops back into the ground?	
3	What was the tragic paradox of life in the depression?	
4	What is meant by “foreclosure?”	

<sup>8</sup> See Chapter Six for details on the Hoover Presidency’s attempts to halt the depression.

5	Which states were worst affected by the Dust Bowl conditions?	
6	What was the impact of the winds and the rain in the Dust Bowl?	
7	Where did the “Okies” and the “Arkies” go when they left the Dust Bowl?	
8	What was the extent of electrification in the Tennessee Valley?	
9	What was the purpose of Hoover’s Federal Farm Board?	
10	Why did so many farmers during the depression not reduce their production levels?	

## Afro-Americans

Afro-Americans suffered far more than any other group in America during the depression, and they became used to the reality of “last hired, first fired”:

- even in the prosperous **1920s**, their employment and wage levels were far worse than those of white Americans;
  - often the only jobs open to blacks were the menial jobs which white workers would not take on.
- prejudice and discrimination were the reality for black Americans across the entire country but it was worst **in the South**:
  - in the South, blacks had to accept the injustice of “Jim Crow” laws; <sup>9</sup> the police and legal systems were weighted against them;
  - the authorities were unable or unwilling to stop the Southern practice of lynching;
    - between 1933 and 1935, 63 black Americans were lynched.

When the depression hit, **black unemployment** was much higher than that of whites, hovering between 40 and 50%. In some localities it was even higher. At the height of the depression, it reached 50% in Chicago and Pittsburgh, 60% in Detroit and Philadelphia, and up to 70% in Atlanta.

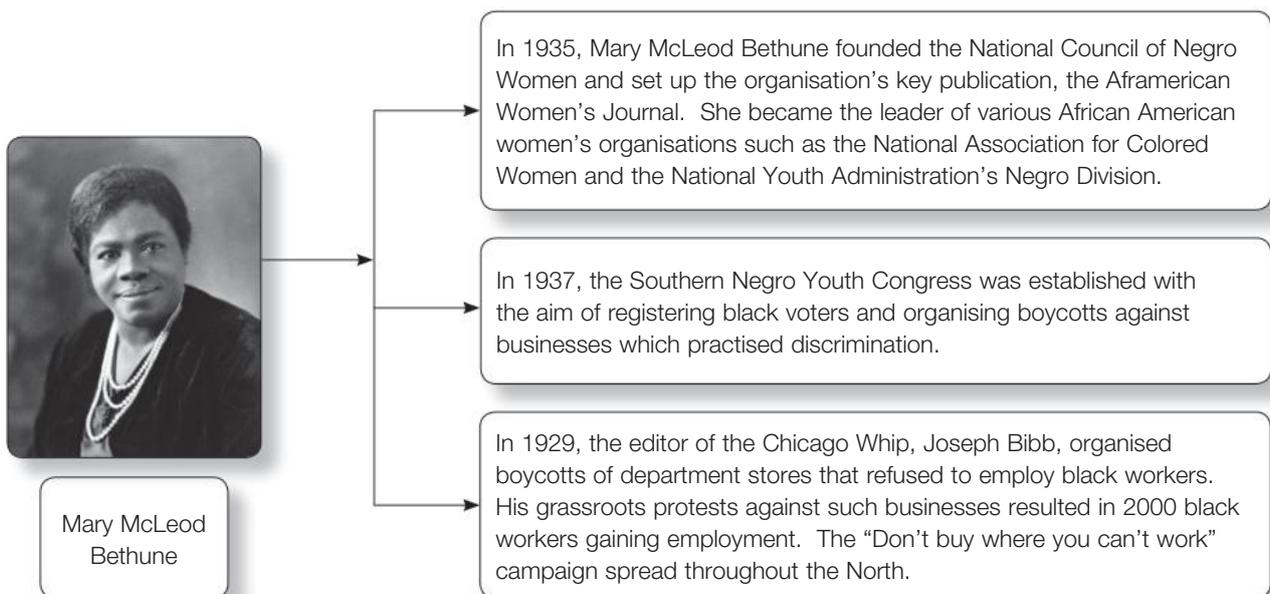
9 Following the Reconstruction period (1865-77), after the Civil War (1861-65), the Southern states passed various laws aimed at keeping the black population “in its place”. These “Jim Crow” laws legalised segregation and discriminatory practices ranging from the use of separate facilities for blacks and whites to housing and education.

Black workers now had to **compete with white workers** for the menial jobs which whites formerly spurned:

- such jobs included garbage men, janitors, porters;
- in Atlanta a group similar to the Ku Klux Klan, <sup>10</sup> called the “Black Shirts”, on occasions paraded through the streets carrying signs saying: “No jobs for ni-----, until every white man has a job”;
- in Mississippi, where blacks traditionally held certain railway jobs, there were cases of unemployed whites murdering black train workers.

Many blacks in the South worked as **sharecroppers**. <sup>11</sup> As the depression deepened, the price of cotton fell from eighteen to six cents a pound. Two thirds of the two million black farmers were now earning nothing or went into serious debt. Many black sharecroppers left the land for the cities seeking work. Hundreds of thousands of black workers headed to Northern cities. Black workers often ended up in Hoovervilles or ‘on the road’, but it was always tougher for them than for white men.

Figure 5.4 outlines some of the political developments of the depression era that affected black Americans as **black activism** increased.



**Black voting habits** changed during the depression years.

- traditionally, the black vote had gone to the Republicans, the party of Abraham Lincoln, the man who ‘freed the slaves’;
- black Americans had gained little from the Republican administrations of the 1920s;
  - in 1932 there was a switch in the black vote to the Democratic Party;
  - it is estimated that in the 1936 election, up to 70% of black voters opted for Franklin Roosevelt.

<sup>10</sup> See Chapter Twelve for more on the Ku Klux Klan.

<sup>11</sup> Sharecropping was a form of farming where the farmer rented land, and paid a percentage of the crop yield to the owner of the land.

- The editor of the Pittsburgh Courier exhorted his black readers in 1932 to vote for Franklin Roosevelt and the Democratic Party. He put it this way:

*“My friends, go turn Lincoln’s picture to the wall. The debt has been paid in full.”*

Though black Americans made gains during Roosevelt’s New Deal,<sup>12</sup> **Roosevelt did not advocate many full-blown anti-discriminatory policies.** He opposed a federal anti-lynching law and he did not try to remove the poll tax which prevented many blacks from being able to vote.<sup>13</sup> Roosevelt’s reasoning for these actions was that he needed Southern votes in the Senate to pass his New Deal legislation. He was being forced to play the political game – giving Southern senators what they wanted in order to gain their votes.

However, black Americans achieved more during Roosevelt’s administrations than at any earlier time. The phrases the ***‘Roosevelt Black Cabinet’*** and ***‘Black Brains Trust’*** appeared.

- Though the President did not appoint any black Americans to cabinet positions, he did appoint many to positions within the administration, far more than previous administrations.
- New Deal officials appointed black policy advisors.
  - One of the most notable of these was Mary McLeod Bethune, a friend of Eleanor Roosevelt, the President’s wife.
- Roosevelt was the first President to choose an African American as a federal judge.

### **The Scottsboro Boys Incident: 1931**

The injustice, discrimination and lack of legal recourse that blacks had to ensure during the depression years, was epitomised during the *Scottsboro Boys Incident of 1931*. Following a scuffle on an Alabaman train, nine black youths, aged between 13 and 19 were arrested. Two white girls, Ruby Bates and Victoria Price, later claimed that they had been raped by the black youths. The nine youths were tried and found guilty. Ruby Gates later recanted and offered to testify for the defence. Medical evidence also showed the youths were innocent. However, the sentences stood. Over the years there were retrials, and even Supreme Court hearings on the case. Despite the obvious injustice of the trial and the innocence of the black youths, the last of them would not leave prison until 1950.

<sup>12</sup> See Chapter Seven.

<sup>13</sup> For other ways that New Deal legislation did not always work for black Americans, see Chapter Seven.

**Exercise 5.4 Use the terms below to complete the following passage.**

Black Americans had long suffered \_\_\_\_\_ and \_\_\_\_\_, especially in the \_\_\_\_\_, seen clearly in the \_\_\_\_\_ laws. The depression brought \_\_\_\_\_ for black workers, far worse than their \_\_\_\_\_ counterparts. White workers now competed for the \_\_\_\_\_ jobs, previously the preserve of black workers. Black \_\_\_\_\_ farmers were forced to leave the land, and many headed \_\_\_\_\_. However, black \_\_\_\_\_ increased, seen in such things as \_\_\_\_\_ against discriminating businesses and voter \_\_\_\_\_ campaigns. President Roosevelt appointed many blacks to advisory positions, which led people to refer to his \_\_\_\_\_. Black voters were now voting for the \_\_\_\_\_ Party in big numbers. However, Roosevelt rejected things like \_\_\_\_\_ legislation as he needed Southern \_\_\_\_\_ votes to ensure his \_\_\_\_\_ legislation would be passed,

SHARECROPPER – NORTH – SENATE – DISCRIMINATION – WHITE –  
BOYCOTTS – ACTIVISM – NEW DEAL – PREJUDICE – UNEMPLOYMENT–  
MENIAL – DEMOCRATIC – SOUTH – ANTI-LYNCHING – JIM CROW –  
REGISTRATION – BLACK CABINET

---

## Chapter Six

# Attempts to halt the Depression: the Hoover Presidency

---

Herbert Hoover's name will forever be associated with the worst of the depression years. Shanty towns were called 'Hoovervilles', and the newspapers the poor used to cover themselves with at night became known as 'Hoover-blankets'. He has been accused of totally lacking any understanding of what was happening, of clinging to Republican 'laissez-faire' ideas and of refusing to intervene to ameliorate the suffering of the American people. His presidency is always compared unfavourably with that of Franklin Roosevelt. There is much truth to these charges but history is always complicated, and as will be shown, Hoover did not always cling tenaciously to "laissez-faire" thinking.

### Background to Herbert Hoover

- Hoover was born into a Quaker family in West Branch, Iowa in 1874.
- By age nine, he had become an orphan;
  - he would be raised by an uncle and aunt in Oregon.
- In 1891 he went to Stanford University;
  - four years later he graduated with a degree in geology.
- Over the next two decades, Hoover became an extremely successful mining engineer. He became a multi-millionaire.



- At the start of WWI, Hoover gained a reputation as a humanitarian:
  - he organised for the repatriation of 120 000 Americans stranded in Europe at the outbreak of war;
  - following Germany's invasion of Belgium, Hoover headed up relief operations for Belgian civilians.
- In 1917, President Wilson appointed Hoover as Head of Food Administration.
- After the war, he gained enormous acclaim as the Head of the American Relief Administration.
- In 1921, he became Secretary of Commerce in the Harding administration, a post he continued in under President Coolidge.
- Hoover was elected President in 1928, defeating his Democratic opponent, Alfred Smith, 444 electoral college votes to 87.

As was mentioned in Chapter Three, Hoover shared the confidence of most Americans in the future of the American economy. As he said during the 1928 election campaign:

*"...We have... in the 1920s... decreased fear of poverty, fear of unemployment, the fear of old age... Prosperity is no idle expression. It is a job for every worker, it is the safety and safeguard of every business and every home... We are nearer today to the ideal of the abolition of poverty and fear from the lives of men and women than ever before in any land..."*

## The thinking of Herbert Hoover

Hoover had an unwavering faith in the American system and the idea of American individualism. He believed that if there was equality of opportunity, and if people could escape the notion of class, anybody in America could 'make it', if they tried. After all, wasn't that exactly what he had achieved?

In 1922, he wrote a book called *American Individualism* which outlined the basis of his philosophical outlook.

- The fundamental basis of Hoover's thinking was that the individual was responsible for their own actions. Individuals should not rely on the state for their needs. Instead they should seize the initiative themselves.
- Government should not get in the way of individuals making their way in life.
- However, Hoover was not an unwavering 'laissez-faire' man:
  - he believed that excess and exploitation should be controlled;
  - he also accepted that government could coordinate the needs of workers and business and could help strike a balance.
- Perhaps due to his Quaker background, Hoover's book struck a strong moral tone, arguing that human nature was good, another reason for allowing individuals to seek their own way in life.

Hoover was a workaholic and took his responsibilities seriously. However, in public he tried to remain optimistic, arguing that the depression was a blip, and that the economy would right itself. The impression grew that he had lost touch with what was really going on.

These beliefs of Hoover help explain the eventual failure of his presidency:

- he clung tenaciously to the notions of self-help and voluntary cooperation when the severity of the Depression demanded far, far more;
- he was completely opposed to direct government relief;
- he believed that the economy would 'correct' itself;
- he was not an unquestioning disciple of 'laissez-faire', and, as is shown below, intervened in the economy, unlike his Treasury Secretary, Andrew Mellon, who argued for a totally hands-off approach.<sup>1</sup>

However, the indictment against Hoover was solid – his policies simply did not go far enough and sometimes had the reverse effect of what was intended.

### Hoover: an active President?

A case can be made that Hoover actively attempted to deal with the impact of the depression, even if he did not fully understand its magnitude. This can be seen in various actions taken during his administration.

- Hoover was not a 'cost-cutter' or a defender of austerity; federal government spending steadily increased during his administration:

<sup>1</sup> Hoover sent Mellon to London as US ambassador.

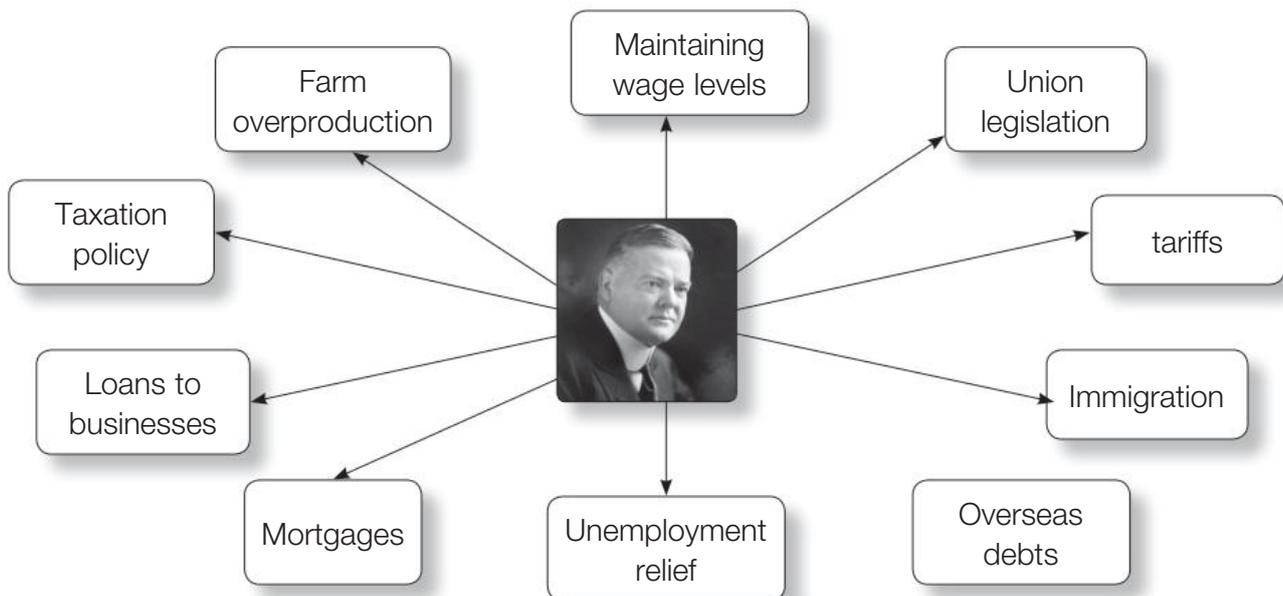
- in 1929 the federal budget was \$3.1 billion;
- by 1932 it had risen to \$4-7 billion.
- Funds were given to state governments to provide work:
  - for example funds allocated for construction of the Hoover Dam.
- Though not keen on federal relief, steps were taken in this direction:
  - in 1930 he set up the President's Emergency Committee for Unemployment to help charity and state agencies organise relief;
  - in 1932 the Emergency Relief Act was passed which provided for \$300 million in unemployment pay.
- Pro-union legislation was also passed during the Hoover presidency (see below).

However, well-meaning though Hoover was, the story of his administration's efforts to deal with the depression was 'mixed' at best, and at worst a 'failure'.

## Hoover and the Depression

Figure 6.1 outlines the areas that Hoover directed his policies towards. Each will be examined in more detail below.

**Figure 6.1 Hoover's depression policy targets**



In April 1929, the **Agricultural Marketing Act** was passed which established the Federal Farm Board. It had funds of \$500 million used for creating farm cooperatives and 'stabilisation corporations'. Its purpose was to buy surplus farm produce, store it and sell on later in an orderly manner. After the Crash, the scope of the Federal Farm Board was extended. The scheme was a failure:

- the stabilisation corporations did not have the power to curtail production;
  - by 1931, the Grain Stabilisation Corporation was paying up to 82 cents a bushel for grain but the world price had fallen to 40 cents a bushel;

- by 1932, the world price was about 35 cents a bushel.
- by buying grain at well above the world price, the corporation was encouraging farmers to produce even more when clearly it should have been doing the opposite;
  - massive farm surpluses continued to mount up.
- Hoover refused to accept laws 'forcing' farmers to cut production because such laws went against his belief in 'voluntary action'.

Hoover's actions on **wages** were unsuccessful. He encouraged firms to maintain wages levels, in the belief that if workers could maintain their wages, they would spend and this would keep the economy buoyant.

- However, this meant in practice that real wages would increase as prices across the economy were falling;
  - to satisfy Hoover and keep the unions quiet, many businessmen agreed to the proposal;
  - it soon became apparent that this could not continue as output prices were falling while the cost of labour remained the same.
- The result was that workers had to be laid off.

This is an example of Hoover not relying on 'laissez-faire'; if he had, he would have accepted that wages would have been pushed down by 'the forces of the market'. Regardless, the result was rapidly rising unemployment.

Hoover also agreed to **pro-labour legislation** in an attempt to keep up wages, which again showed he did not always pursue a laissez-faire approach.

- The 1931 Davis-Bacon Act said that any projects that were funded by the federal government had to pay the 'prevailing wage', ie the accepted union wage. This meant that many non-union workers lost their jobs, such as immigrants and non-whites.
- The March 1932 Norris-LaGuardia Act prohibited judges from using injunctions to stop strikes. It also said that any employer-worker contracts that enforced a union-free workplace could not be enforced in a federal court.

Arguably one of Hoover's greatest mistakes was his promotion of, and then signing into law the June 1930 **Hawley-Smoot tariff**.

- The argument in favour of this law was that as Americans factories and farms were unable to sell their products, foreign goods should be kept out so that Americans would buy American goods:
  - the average level of the tariff was 40%;
  - overseas nations predictably responded by increasing their own tariffs on American goods.

The result was a significant fall in international trade across the world. US farmers now faced even greater difficulty trying to sell their surpluses.

Hoover also intervened in the area of **immigration**. He signed an Executive Order in September 1930 which almost stopped immigration.

- Hoover's argument was that any jobs that were available should go to Americans, not immigrants.
- Between September 1930 and March 1931, immigration levels fell to only about 10% of the allowable quota of visas:
  - immigration quotas had already been slashed through the 1920s.<sup>2</sup>

There was also an international debt crisis which led to the **Hoover moratorium**.

- Germany was supposed to be paying reparations to the victorious allies of World War I. <sup>3</sup> In 1931 it announced it was suspending those payments.<sup>4</sup>
- There was also the threat of Germany and other European powers defaulting on their debts to the US. As a result, Hoover declared that the US would defer all debt payments for 18 months.

Hoover hoped that the 'moratorium' would allow the Europeans to invest this money. However, his action was 'too little, too late'.

Hoover was **opposed to providing direct federal relief**. This was to have dire consequences for the millions suffering during the depression.

- Charities and state and local agencies soon ran out of money for relief.
- Hoover believed that providing relief would create a class of people who would become dependent on handouts and lose their initiative.

The **Federal Home Loan Bank** was passed in July 1932.

- Many people were unable to pay their mortgages. The aim of the July 1932 Act was to make mortgage paying easier.
- Several Federal Home Loan Banks were set up but they offered loans only to the value of 50% of a property.
- It did not work. Another example of Hoover underestimating the seriousness of the problems facing people. The rate of home repossession exploded.

In January 1932, Hoover set up the **Reconstruction Finance Corporation (RFC)**. Its purpose was to lend money to banks, railroads and other major enterprises. Its prime purpose was to restore confidence in these institutions. However, as with many of Hoover's efforts it failed, another case of too little, too late.

- The main problem was that most of the money went to a small number of large borrowers such as the biggest banks and biggest railroads:
  - in support of this policy was the argument that these institutions were the biggest employers.

<sup>2</sup> See Chapter twelve.

<sup>3</sup> Following its defeat in the war, Germany was expected to pay \$40 billion (£6.6 billion).

<sup>4</sup> Reparations effectively ended at the 1932 Lausanne Conference.

- The theory behind the workings of the RFC was that if there was stability at the top of the economy, it would filter through to the smaller businesses.
- About \$11 billion was loaned but it had little impact on the depression, though some businesses might have been saved.

In 1932, Congress supported Hoover's **Revenue Act**. This act led to the largest peacetime increases in taxation in American history.

- Some WWI excise taxes were reintroduced.
- The range of the standard rate of income tax was 1.5% to 5%; it was increased to a 4% to 8% range.
- A heavy surtax was placed on higher earners.
- Corporate income tax also increased.

At a time of major deflation – a key element of the depression – increasing taxation was arguably not the wisest course of action if economic stimulation was the goal.

**Exercise 6.1 Indicate whether each of the following statements is true or false.**

1	Hoover stuck rigidly to his belief in laissez-faire when attempting to deal with the problems of the depression.	TRUE/ FALSE
2	Hoover did not accept that it was crucial for the federal government to provide direct relief to the unemployed.	TRUE/ FALSE
3	Under Hoover, the Federal Farm Board's stabilisation corporations were very successful in limiting agricultural production surpluses.	TRUE/ FALSE
4	Hoover was a firm believer in the idea that maintaining wage levels would ameliorate the depression.	TRUE/ FALSE
5	Under Hoover, tariff levels were raised significantly in order to protect American industry from foreign competition.	TRUE/ FALSE
6	Throughout his presidency, Hoover was insistent that foreign nations should honour their debt repayments.	TRUE/ FALSE
7	The Federal Home Loan Bank was a great success in preventing those with mortgages from losing their homes.	TRUE/ FALSE
8	Loans from the Reconstruction Finance Corporation were given primarily to the largest institutions and businesses.	TRUE/ FALSE
9	Immigration levels during Hoover's presidency were cut in order to preserve jobs for Americans not immigrants.	TRUE/ FALSE
10	An important feature of Hoover's economic policy during the depression was a desire to reduce levels of taxation.	TRUE/ FALSE

**Exercise 6.2 Place the events listed on the right in the correct chronological order.**

1st event		Hoover Moratorium
2nd event		Wall St Crash
3rd event		Hoover appointed Commerce Secretary
4th event		Reconstruction Finance Corporation set up
5th event		Establishment of Federal Farm Board
6th event		Hawley-Smoot tariff
7th event		Hoover appointed Head of American Relief Administration
8th event		Norris-LaGuardia Act
9th event		Hoover elected President
10th event		Hoover's Executive Order on immigration

## What do the historians have to say on “Attempts to halt the Depression: the Hoover Presidency”?

### 1. Robert Dallek

Dallek describes how Hoover had become the butt of jokes and sarcasm, and the target of hatred. One observer said that circumstances had so depressed Hoover that a rose would wilt in his hand. Dallek refers to the historian Arthur Schlesinger Jr who later wrote: *‘The very word ‘Hoover’ became a prefix charged with hate’*. Anger aimed at Hoover increased in the winter of 1931-32 as he called for Congress to support the Reconstruction Finance Corporation. Will Rogers the humourist and social commentator declared that *‘bankers had the honour of being the first group to go on the dole’*.

*“...It was acceptable to help banks and railroads, one senator announced, but nothing was provided for ‘that forlorn American, in every village and city of the United States, who has been without wages since 1929’...”*<sup>5</sup>

### 2. John A Salmond

Salmond has some sympathy for Hoover, whom he says was sometimes accused of scarcely trying to deal with the issues of the depression. Hoover, says Salmond, worked desperately hard, and can even be credited with breaching the walls of local and state responsibilities, on which Roosevelt was soon able to build. However, even Salmond has to conclude:

*“...But, on balance, Hoover’s solutions were half-hearted, and came too late to be of much use. Moreover, as the depression deepened, the American people, more and more, blamed Hoover personally, and businessmen generally, however unjustly, for its onset...”*<sup>6</sup>

### 3. David Little

Little’s review of David Burner’s 1979 biography of Hoover, *Herbert Hoover: A Public Life*, provides a summary of Burner’s explanation for Hoover’s failure. Hoover, argues Burner, did not have a coherent framework within which he could work and realise his reformist desires. Hoover was a social activist and a humanitarian. He was not opposed to government initiative. However:

*“...he was at the same time a strong advocate of voluntary responsibility and individual initiative. He evidenced a deep and growing fear of totalitarian dominion... This fear overwhelmed his natural compassion and blinded him to the inefficiency of his anti-Depression policies...”*<sup>7</sup>

5 Dallek, R, Franklin D Roosevelt: A Political Life, Allen Lane, UK, 2017, p 109

6 Salmond, J A, The New Deal, Cheshire, Melbourne, 1970, p 2

7 Little, D, Carnegie Council, review of: David Burner: Herbert Hoover: A Public Life, Knopf, 1979

---

## Chapter Seven

# Attempts to halt the Depression: the FDR years<sup>1</sup>

---

Franklin Delano Roosevelt (FDR) is considered by many to be the greatest president in American history. Roosevelt became president when the nation was at absolutely rock-bottom; he gave the nation hope when it had none. Thanks to the efforts of Roosevelt and his team, the American system was saved. While other parts of the world responded to the deep crisis of the depression with the creation of dictatorships and foreign aggression, Roosevelt's efforts saved American democracy and its capitalist system. From 1941 he led his country through the Second World War, as the United States fought enemies in both the Pacific and Europe. He died only weeks before his nation was able to savour victory.

However, it should be remembered that popular though Roosevelt was – he won four presidential elections – at the time he was often vilified, was hated by some and was a constant target of the right-wing (Hearst) press. Some in the United States believed that FDR was a potential Hitler, seeking to erode the bases of democracy, or a potential Stalin, attempting to enslave the American people in a socialist system.

It will be the purpose of this chapter to examine how Franklin Roosevelt attempted to halt the depression, while maintaining America's democratic system and overcoming the sustained opposition he often faced.

### Background

- Franklin Delano Roosevelt was born on 30 January, 1882 near Hyde Park, in upstate New York, the only child of James and Sara Delano Roosevelt;
  - Roosevelt's childhood was one of privilege and indulgence.
- At age 14 he went to the elite Groton School and then on to Harvard.
- He attended Columbia School, passing the Bar exam in 1907;
- In 1910, standing for the Democratic Party, Roosevelt was elected to the New York state senate from a strongly Republican area; he was re-elected in 1912.
- In 1913, President Wilson appointed Roosevelt as Assistant Secretary of Navy, a position he held for both of Wilson's terms as president:
  - in 1914 Roosevelt failed in a bid to win a US Senate seat.
- Roosevelt was chosen as James Cox's running-mate in the 1920 presidential election. They lost heavily to the Republicans' Warren Harding.<sup>2</sup>
- In 1921, Roosevelt caught polio. For three years he struggled against the disease. Despite his handicap, Roosevelt battled his way back into top level politics and in 1924, and again in 1928, gave the nomination speech for Al Smith at the Democratic Party's nominating conventions.<sup>3</sup>

---

<sup>1</sup> An assessment of the New Deal, including the views of historians will be given in Chapter Eight.

<sup>2</sup> See Chapter Two.

<sup>3</sup> Smith lost the nomination to John Davis in 1924 but won it in 1928, losing that year's election to Hoover.

- In 1928 Roosevelt was elected Governor of New York; he was re-elected in 1930. As the depression worsened, he gained acclaim for his actions such as setting up the TERA – Temporary Emergency Relief Administration.

## The Election of 1932

The Republican Party unenthusiastically renominated Hoover as its presidential candidate. Hoover's handling of the depression had been roundly condemned and the party knew that it was likely to suffer a major defeat in the election.



Franklin Roosevelt had gained great prestige as Governor of New York. At the Democratic Party convention in Chicago, he was chosen as its candidate for president on the fourth ballot. His running-mate was John Garner of Texas, who had been Speaker of the House of Representatives since December 1931.

Roosevelt won the election in a landslide.

- Roosevelt: 472 electoral college votes, 22.8 million popular votes.
- Hoover: 59 electoral college votes; 15.7 million popular votes.
  - Hoover won in only six states; only two outside of New England.
- The Democratic Party gained 12 seats in the Senate and 97 seats in the House of Representatives.
  - It now controlled both Houses of Congress.

### The 20th Amendment:

As Roosevelt took office in March 1933, the 20th Amendment to the US Constitution came into effect. It was known as the '*Lame Duck Amendment*'. The term '*Lame Duck period*' referred to that time between an election and the installation of a new president. Four months had passed since the 1932 election and Roosevelt's inauguration as President. From now on, following any November election, the Congress was to meet on 3 January and the President inaugurated on 20 January. The amendment also gave the Congress the power to act should both the President and Vice-President die in office.

## Franklin Roosevelt's inauguration, 4 March 1933

Roosevelt had offered the American people a "New Deal". The situation facing him as he took office was catastrophic. Unemployment had reached 15 million. The economy was grinding to a halt. Nearly all America's banks were closed and the nation was in financial meltdown.

In his inauguration speech, Roosevelt did not try to minimise the disaster facing the country. He referred to the "*dark realities of the moment*". He did not try to hide the gravity of the situation which he said impelled him "*to speak the truth, the whole truth, frankly and boldly*". However, he also offered assurances: "*the great nation will endure as it has endured, will revive and will prosper. So, first of all, let me assert my firm belief that the only thing we have to fear is fear itself – nameless, unreasoning unjustified terror which paralyses needed efforts to convert retreat into advance.*"

Roosevelt's long-term aim was to preserve American capitalism and the people's faith in the 'American way of life'. To achieve this, his "New Deal" program had four specific aims:

1. cure the nation's immediate financial crisis
2. provide relief for the immediate distress facing American farmers and workers
3. stimulate recovery in the nation's economy
4. reform the system to ensure another depression could not reoccur

## What was "the New Deal"?

It is difficult to isolate the different periods of Roosevelt's New Deal program.

- During his "first hundred days" as President, Roosevelt sent fifteen proposals to Congress, all of which were enacted. It was a frenetic period.
  - However, the measures enacted during this time were modified, expanded or overruled in subsequent years.
- What is referred to as the "first New Deal" was essentially in place by 1935.
- A "second New Deal" from the beginning of 1935 introduced a comprehensive reform program.
- Implementing the New Deal was not plain sailing for Roosevelt and his administration. There was opposition from the "right" and the "left", and from the Supreme Court.
- Some commentators have even referred to a "third New Deal" between 1937 and 1939. However, after this time, the international situation began to dominate the work of Roosevelt and his team.

## The "hundred days"

The "hundred days" period ran from 4 March to 16 June 1933. As mentioned above, measures introduced during this time were modified in future months and years. On taking office, Roosevelt saw the most important issue demanding action as the *financial crisis* that the country faced. He took immediate action:

- There had been a panic-run on the banks; financial confidence was very low. Roosevelt's first action was to call "a bank holiday". Banks across the entire country were closed. He called Congress into a special session for 9 March.
- An **Emergency Banking Law** was passed within hours:
  - all "sound" banks were allowed to reopen after a few days;
  - a bank 'conservator' was appointed whose job was to assist any banks in trouble;
  - most banks were soon functioning as a result of these measures.
- On 10 March an **Economy Act** was passed which attempted to deal with the federal government's budget situation:
  - federal salaries, pension and veterans' payments were reduced;
  - some taxes were raised;
  - these measures saved about \$500 million.

Having dealt with the immediate financial situation, Roosevelt moved on to *relief measures* for the millions of Americans who were suffering. The President had two key issues before him:

firstly, providing some immediate relief for those who were suffering, and secondly, getting as many people back to work as possible.

In March 1933, Roosevelt established the **Civilian Conservation Corps (CCC)**:

- unemployed men aged 17 to 24 (later 28) were recruited to the CCC to work on environmental and conservation projects;
- the work included reforestation, soil conservation and forestry management;
- it was planned to go for two years but in 1935 Congress extended it for another seven years – over 500 000 men would work as part of the CCC;
- men were paid \$30 a month, \$25 of which had to be sent home to families;
- the CCC's achievements included the laying of 65 000 miles of telephone lines, the planting of 1.3 billion trees, and 100 000 men were taught to read.

In April 1933, Harry Hopkins was put in charge of the **Federal Emergency Relief Administration (FERA)**. It would have mixed success:

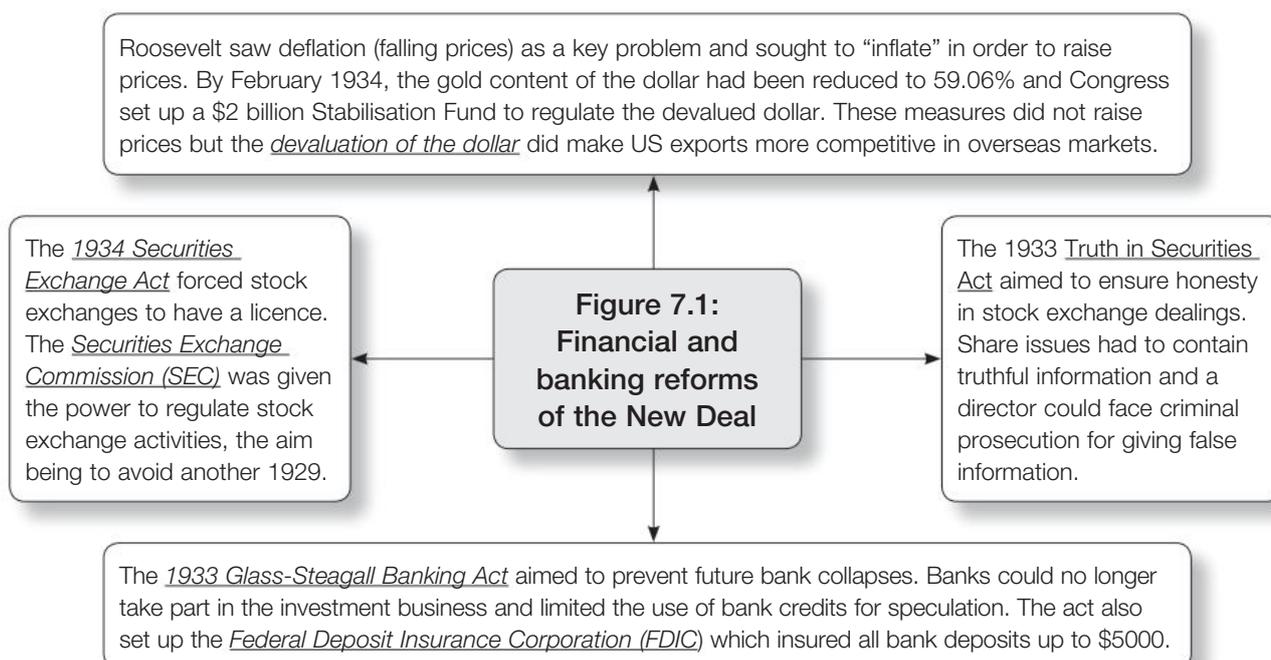
- \$500 million was given to states for relief. Each state was expected to set up a FERA office and organise relief;
- many states refused to cooperate, believing the state had no business handing out relief to people, budgets should be balanced and who argued that if people were poor, it was their own fault;
- FERA did establish a precedent for later direct federal government relief.

In November 1933, the **Civil Works Administration (CWA)** was set up:

- it was allocated \$400 million;
- four million people were given temporary work during the 1933-34 winter.

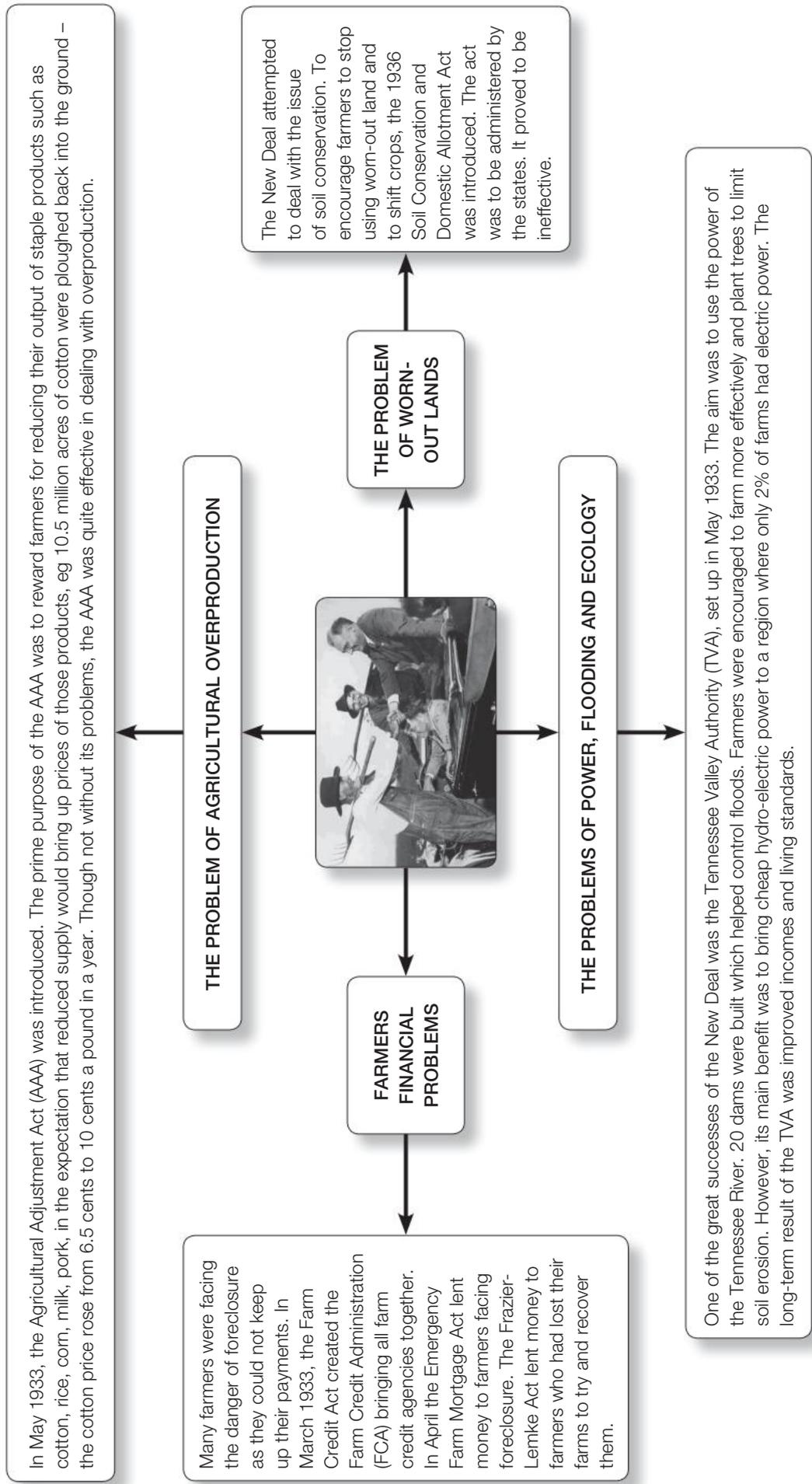
## Financial and banking reforms

Figure 7.1 outlines the steps Roosevelt took to reform US finance and banking.



One of the most difficult issues for which the New Deal had to find a solution was agriculture. The problems facing farmers during the depression were examined in Chapter Five. Figure 7.2, below, examines the ways in which Roosevelt's New Deal program attempted to improve the position of farmers and solve agriculture's underlying problems.

**Figure 7.2: The New Deal and agriculture**



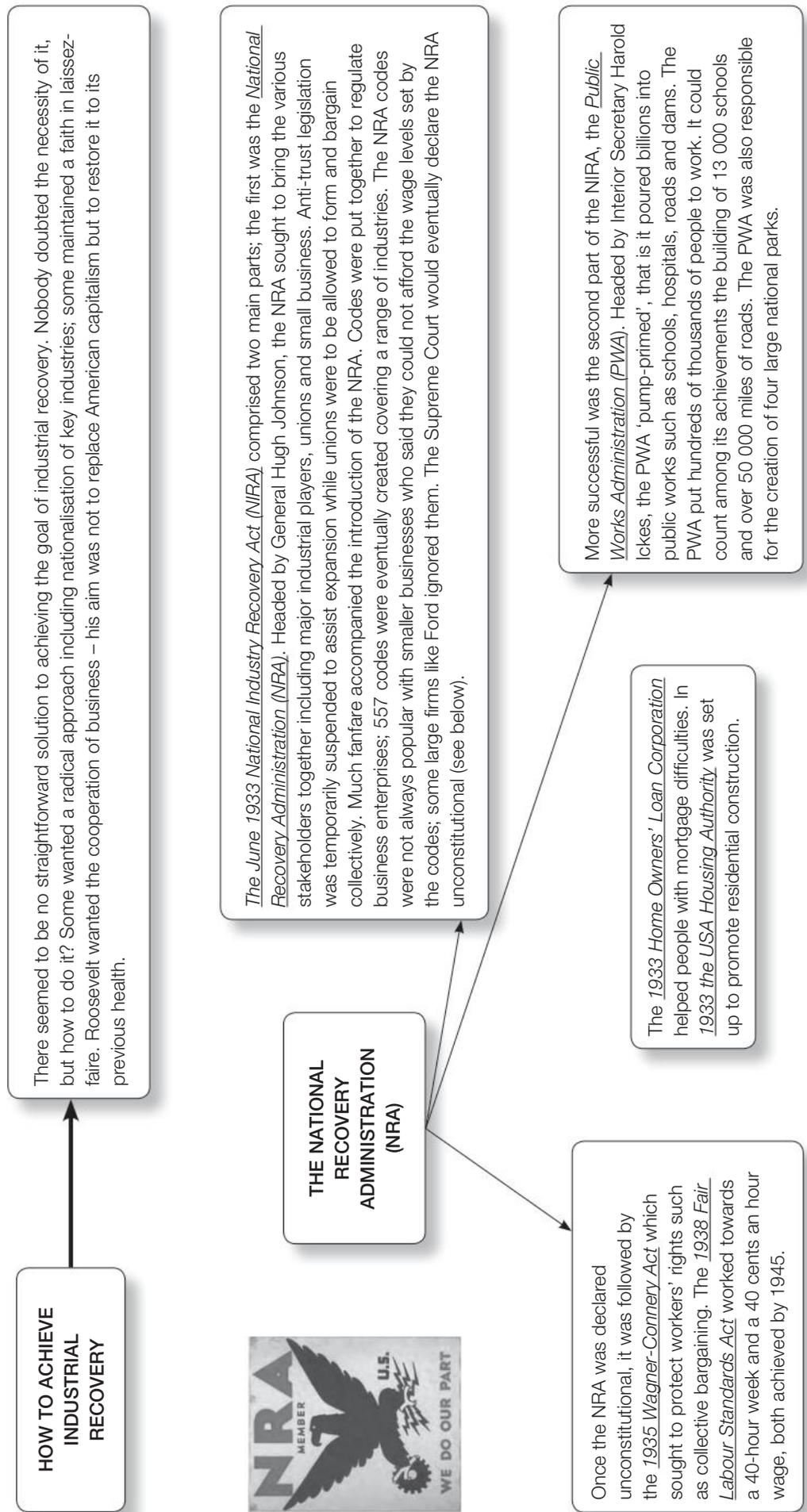
**Exercise 7.1 Match the New Deal program to its planned for objective.**

1	providing assistance to farmers to recover their farms after having been foreclosed	
2	preventing banks from involvement in speculation and avoiding future bank collapses	
3	providing flood relief, and more importantly electric power to areas which previously had none	
4	providing work for young people on environmental and conservation projects	
5	providing relief assistance to unemployed people who were in desperate need	
6	encouraging farmers to cut their output in order to raise prices	
7	ensuring honesty in dealings occurring on stock exchanges	
8	providing short-term work for the unemployed in the 1933-34 winter	
9	bringing immediate stability to the banking system	
10	inflating in order to raise prices and make exports more competitive	

CIVILIAN CONSERVATION CORPS – GLASS-STEAGALL ACT – EMERGENCY BANKING LAW – AGRICULTURAL ADJUSTMENT ACT – CIVIL WORKS ADMINISTRATION – FRAZIER-LEMKE ACT – TRUTH IN SECURITIES ACT – TENNESSEE VALLEY AUTHORITY – DEVALUATION OF THE DOLLAR – FEDERAL EMERGENCY RELIEF ADMINISTRATION

Industrial recovery was a fundamental goal of the New Deal. In this, Roosevelt was only partly successful; America's economy would only truly recover because of the Second World War. Roosevelt sought to get people back to work, increase people's purchasing power and encourage fair competition. New Deal policies relating to industrial recovery are outlined in Figure 7.3

Figure 7.3: The New Deal and industrial recovery





An offshoot of the Civil Works Administration (CWA) was the **Public Works of Art Project (PWAP)**. One element of the New Deal was to support the arts. This can be seen with the efforts of the PWAP which provided support to professional artists. An example of this can be found today in the Coit Tower in San Francisco which contains many New Deal fresco murals and paintings. The work was supervised by muralist Victor Arnautoff. Twenty-six artists worked on the of *Aspects of Life in California, 1934*. Some examples from the Coit Tower are shown in Figure 7.4.

**Figure 7.4 Mural frescoes from the San Francisco Coit Tower**



## Social Security

Old-age pensions and unemployment pay were rare in the US. Only 28 states provided for old age, and only two for unemployment. Faced with this situation, Roosevelt introduced the **1935 Social Security Act**. It contained four key elements:

- pensions were to be provided to those over 65; the system to be financed with contributions from employers and employees;
- unemployment pay was to be provided; it would be financed by the federal government and administered by the states;
- federal aid was to be given to specific disadvantaged groups, in areas such as maternity care, child health, destitute people;
- a Social Security Board was to run the system.

By 1937, the Social Security Act was helping 21 million unemployed, and 36 million aged people. The Supreme Court later upheld the constitutionality of the measure.

## The election of 1936

Roosevelt was, not surprisingly, chosen as the Democratic candidate for President, with John Garner as his running-mate. The Republicans chose Alfred Landon, with Frank Knox as his running-mate. The results were:

### Roosevelt and the Democratic Party:

- 523 electoral college votes, 46 states, 27.7 million popular votes;<sup>4</sup>

<sup>4</sup> Roosevelt percentage of the popular vote was the second highest in US history, exceeded only by Lyndon Johnson in 1964.

Landon and the Republican Party:

- 46 electoral college votes, 2 states (Maine and Vermont), 16.6 million votes.

The ‘Union Party’ headed by William Lempke gained 900 000 votes; the combined Socialist/ Communist vote was 300 000. Neither gained electoral college votes.

**Opposition to the New Deal**

Despite his massive triumph in the 1936 election, Roosevelt and his New Deal program were not without their detractors. Opposition came from both the right and the left. The nature of this opposition is outlined in Figure 7.5. <sup>5</sup>

<b>Figure 7.5 Opposition to the New Deal</b>	
<b>From the “left”</b>	<b>From the “right”</b>
<ul style="list-style-type: none"> <li>■ left-wing opposition attacked the New Deal because they believed that it did not go far enough in helping those people suffering from the depression;</li> <li>■ a key opponent was the governor, and later senator, of Louisiana, Huey Long;<sup>1</sup> Long’s ‘<i>Share our Wealth Society</i>’ called for stronger government action to help the poor and reallocate the nation’s wealth;</li> <li>■ Long was assassinated in 1935;</li> <li>■ another left-wing opponent was Dr Francis Townsend from California; he argued that all people over 60 should receive \$200 a month (as long as they gave up working); his plan was called the ‘<i>Townsend Old Age Revolving Pension Plan</i>’;</li> <li>■ another left-wing opponent was a Detroit radio priest, Reverend Charles Coughlin; with a ‘sonorous’ voice, Coughlin had a radio audience of millions;</li> <li>■ further left were Lemke’s Union Party, socialists and communist groups.</li> </ul>	<ul style="list-style-type: none"> <li>■ right-wing opposition came from big business which objected to federal government interference in the economy and the New Deal’s apparent favouring of labour;</li> <li>■ supporters of laissez-faire adamantly opposed ‘big government’; Roosevelt was suspected of totalitarian ambitions;</li> <li>■ some people on the right saw the New Deal as ‘economic madness due to the growing federal budget deficit’;</li> <li>■ most Republicans opposed the New Deal, though Landon stated in 1936 he would maintain most of its policies;</li> <li>■ there was opposition amongst some Southern whites who objected to the assistance given to black Americans;</li> <li>■ conservative Democrats, like Alfred Smith, joined to form ‘The Liberty League’ against Roosevelt;</li> <li>■ Smith and his supporters saw the New Deal as opposed to American traditions like ‘rugged individualism’;</li> <li>■ they believed that the New Deal violated the Constitution and was an attack on the ‘rights of the states’</li> </ul>

<sup>5</sup> The 1949 Oscar-winning movie, *All the King’s Men*, is based on the career of Huey Long.

## Roosevelt, the New Deal and the Supreme Court

Many of Roosevelt's New Deal measures were declared unconstitutional by the US Supreme Court. The Supreme Court was dominated by conservative judges, many of whom had been appointed by previous conservative, Republican administrations. Six of them were over seventy. Not surprisingly, such a conservative composition of the Supreme Court resulted in it rejecting several key New Deal measures as being too radical.

The arguments presented to show that the New Deal measures were unconstitutional included some of the following:

- violation of the American constitution;
- the federal government was impinging on the "rights of the states";
- the wrongful use of the government taxing power;
- powers belonging to the Congress had been given to the President.

Roosevelt tried to deal with this situation by reorganising the court. At first he tried to pack the court with six new, pro-New Deal judges. Then he tried to force a retirement age of 70 on the judges. The Congress and public opinion turned against him due to these efforts. However, during his reorganisation attempts, the Court began to hand down pro-New Deal decisions. As older judges retired, he was able to replace them with younger, more liberal judges.

The following table outlines some of the Supreme Court decisions that declared New Deal legislation unconstitutional.

Date of the case	New Deal legislation being challenged	Name of the Supreme Court case
1935	The Frazier-Lemke Act	Louisville Joint Stock Co versus Radford
1936	The Agricultural Adjustment Act	USA versus Butler
1935	The National Industrial Recovery Act	Schechter Poultry Corporation versus USA
1936	The Guffey Coal Act	Carter versus Carter Coal Company

## The election of 1940

The Congressional elections of 1938 went against the Democratic Party, with the Republican Party making significant gains. It was assumed that Roosevelt would retire at the end of his second term.

- To many, the New Deal had seemed to have run 'out of steam':
  - the economy suffered a major recession in 1938, with unemployment back up to eight million.
- With a more hostile Congress, opposition to his earlier efforts to reform the Supreme Court, and anger amongst sections of his own party as he tried remove 'conservative' elements, it looked like the Roosevelt presidency was about to come to an end.

- By 1939, Roosevelt had started to realise that deficit financing on the part of government was necessary:
  - however, he faced massive opposition to this idea;
  - there was even a move to amend the constitution to make unbalanced budgets illegal.

However, of greater concern to Roosevelt at this time was the deteriorating international situation. He realised that the US would not be able to stand by forever and do nothing as German, Italian and Japanese aggression developed. However, he faced determined opposition from those who sought to maintain America’s isolationist foreign policy. These are issues which will be examined in detail in Chapters Thirteen and Fourteen.

At the Democratic Party convention in Chicago, Roosevelt easily won the party’s nomination. His running-mate was Agriculture Secretary, Henry A Wallace. The Republicans chose Wendell Willkie, with Charles L McNary as his running-mate. Though closer than in 1936, Roosevelt’s victory was again decisive.

Roosevelt and the Democratic Party:

- 449 electoral college votes, 38 states, 27.3 million popular votes;

Wilkie and the Republican Party:

- 82 electoral college votes, 10 states, 22.3 million popular votes.

Approximately 240 000 votes were cast for other candidates.

Franklin Roosevelt had become the first President in American history to serve for a third term. In 1944, he would win a fourth term, at a time when the Second World War was beginning to near its end. He died in April 1945.

**The 22nd Amendment:**

In 1951, the 22nd Amendment to the American Constitution was ratified. From now on nobody was allowed to be president if they had already won two elections. This two-term limit had become a norm in American politics. Franklin Roosevelt was the first – and only – president to serve more than two terms. The 22nd Amendment also stated that if a person took over from a president who could not complete a term in office, and served for more than two years of that term, that person could only serve one more full term.

**Exercise 7.2 Identify these New Deal ‘alphabet’ agencies**

1	PWAP	
2	AAA	
3	PWA	
4	SEC	
5	FERA	

6	NRA	
7	CCC	
8	CWA	
9	TVA	
10	NIRA	

**Exercise 7.3**

Rearrange the letters to discover the identity of the personality, and then match it to the description on the right.

1	NOPKSHI			Roosevelt's Vice-President 1933-41
2	SNONOHJ			Roosevelt's presidential election opponent in the 1936 election
3	LONGUHIC			Democratic Conservative opponent of Roosevelt
4	SCEKI			Supported a \$200 a month pension for those over 65
5	RARENG			Head of the Public Works Administration
6	ADLONN			Placed in charge of the Federal Emergency Relief Administration

7	GOLN			Influential radio priest opponent of Roosevelt
8	GLESLATA			Appointed head of the NRA in June 1933
9	TMSHI			Louisiana opponent of Roosevelt
10	WETONDNS			Co-author of the 1933 banking legislation

**Exercise 7.4 Answer the following questions in the spaces provided.**

1	Describe the composition of the Supreme Court that faced Roosevelt.	
2	How did Roosevelt try to deal with the Supreme Court that he faced?	
3	What was the essence of Supreme Court opposition to certain New Deal measures?	
4	How was Roosevelt able to eventually change the Supreme Court?	
5	Which New Deal measure was declared unconstitutional in the case of USA versus Butler.	

Figure 7.6 More mural frescoes from San Francisco's Coit Tower



---

# Chapter Eight

## Assessment of the New Deal

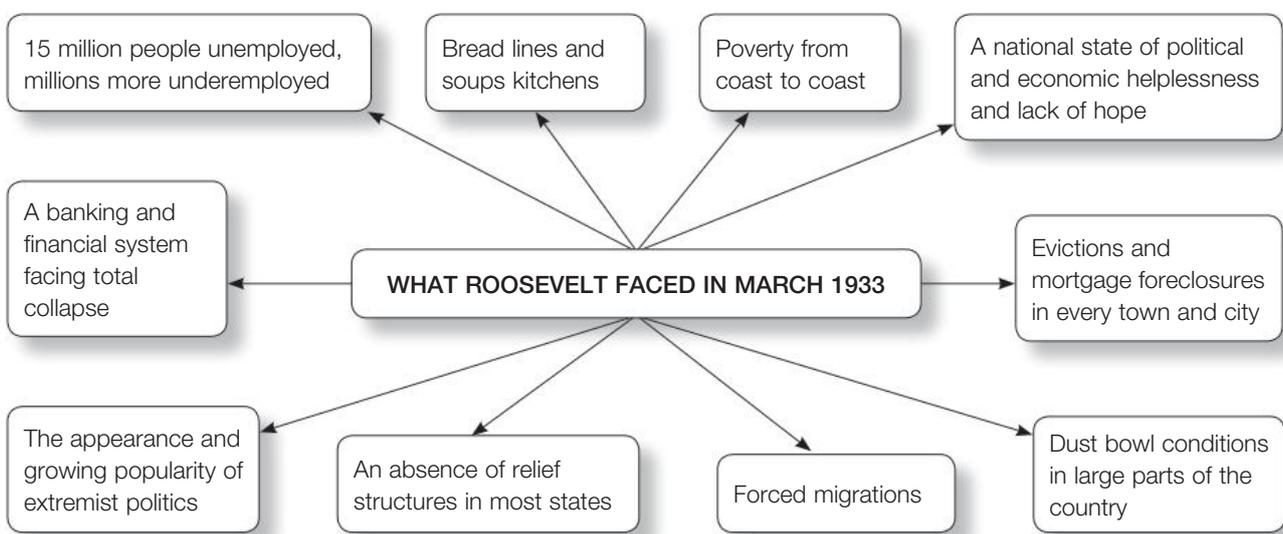
---

### Introduction

Arguments can be presented which show that the New Deal was something of a failure, that it did not achieve what it set out to do. However, equally strong arguments can be presented to highlight the incredible achievement of the New Deal. However, before either side of the case is considered, it is important to remember the catastrophic situation which faced Franklin Roosevelt when he came to office in March 1933.

This is outlined in Figure 8.1.

**Figure 8.1 What Roosevelt faced in 1933**



### The “raw statistics view” of the New Deal

If the New Deal’s purpose was to bring the depression to an end, by examining raw figures it could be argued that it failed. The following numbers support such a view:

- unemployment: 1933 – 15 million; 1939 still 9 million; 1941 – 6 million;
  - it took the expansion brought on by World War II to restore full employment;
- relief: in 1939, one in five Americans still required some sort of relief;
- price index: 1926 = 100; 1933 = 65.9; 1937 = 86.3; 1939 = 77.1;
- average wages: 1929 - \$25.03 a week; 1939 - \$23.86 a week;
- industrial production index: 1929 – 110; 1932 – 58; 1938 – 88; 1939 – 109.

However, there are “lies, damned lies and statistics”.<sup>1</sup> There is another way at using the numbers to give a different picture of the results of the New Deal.

- unemployment: between 1933 and 1939 it had fallen by 50%;
- farm incomes had grown by 50%;
- by 1939, four out of every five Americans no longer required relief;
- prices fell more than wages, thus ‘real’ wages increased, allowing for an increase in purchasing power for most Americans.

## The drawbacks of the New Deal

Critics of the New Deal point to disturbing long-term developments that came about because of Roosevelt’s policies:

- ‘orthodox’ economic thinking of the time praised the value, and importance of the federal government maintaining a ‘balanced budget’;
  - the size of the federal debt increased enormously;
- deficit spending along a ‘Keynesian’ model might have been able to fix the US economy in the 1930s;
  - however, though Roosevelt did venture in this direction in 1935 and 1938, it was not in the strategic, long-term planning way Keynes advocated but more in a short-term, relief-oriented manner.
- as government intervention in many areas increased, this led to a ballooning bureaucracy and inefficiency;
- some states totally ignored New Deal programs, even when the funds were being passed on from the federal government:
  - Ohio and Kentucky refused to comply with FERA instructions and only relented when Harry Hopkins threatened to cut funding;
  - some governors even boasted of cutting relief spending when receiving FERA funds;
  - some states believed relief spending was simply wrong;
- it should also be remembered that many New Deal programs never had a chance to work out as they were declared unconstitutional by the Supreme Court.

## Achievements of the New Deal – the ‘bigger picture’

Even the strongest supporters of the New Deal admitted that it was not without its flaws. However, there were ‘larger positive’ ramifications of the New Deal:

- for the first time, the federal government accepted that it had a duty to look after the well-being of its least fortunate citizens;
  - this idea was accepted by both parties;
  - in the post-WWII era, both Democratic and Republican administrations would in future take a lead in protecting the health, education and housing of its citizens;<sup>2</sup>

1 This quote has been attributed to everyone from the writer Mark Twain to British Prime Minister Disraeli.

2 Such things are relative, of course, and such ‘a lead’ was never as embracing as it was to be in countries such as the United Kingdom, western Europe and Australia

- most black Americans, immigrants and slum-dwellers made few gains under the New Deal, but a start had been made, and New Deal policies would later be built upon by Presidents Truman and Johnson;
- after Roosevelt, the government became the most powerful economic force in the country;
  - the days of unfettered 'laissez-faire' were gone;
  - after Roosevelt, business would work in tandem with government;
- for the first time, a real effort was made in the area of conservation after decades of environmental vandalism:
  - under the New Deal there were massive programs aimed at soil preservation, reforestation, land reclamation, flood relief;
  - the TVA and the Columbia River Project brought untold benefits to large parts of the country;
  - much of rural America was revived as electric power finally arrived;
- Roosevelt was not a revolutionary:
  - when he became President and set about the New Deal, he was not seeking to destroy America's capitalist system with the inevitable growth in state intervention that accompanied his programs;
  - his aim was always to restore and revive American capitalism which was the long-term result of the New Deal;
  - however, capitalism could not be allowed to run rampant as it had in the 1920s;
  - he was no socialist – on several occasions he made it clear that his goal was 'preservation' not 'revolution':

*"...The New Deal is an old deal, as old as the earliest aspirations of humanity for liberty and justice and the good life..."*

*"...It was this administration which saved the system of private profit and free enterprise after it had been dragged to the brink of ruin..."*

- Roosevelt can be credited with saving American democracy at a time when its continued existence was surely in question:
  - it is easy to forget that the 1930s was a time when democratic forms of government seemed helpless in the face of the crisis of the times;
  - Stalin, Hitler and Mussolini, and various other European dictators seemed to be the way of the future;
  - critics of the time could rightly find many flaws in the American system;
  - however, thanks to Roosevelt and the New Deal, the United States did not end up seeking out the path of dictatorship.

**Exercise 8.1 Read the following statements. Are they fact or opinion?**

1	The New Deal was clearly a failure as it failed to return the economy to full employment.	FACT/ OPINION
2	Between 1932 and 1939, United States industrial production almost doubled.	FACT/ OPINION
3	Due to prices falling more than wages, 'real' wages for most Americans increased throughout the 1930s.	FACT/ OPINION
4	Roosevelt was a failure in his economic policies because of his refusal to adopt Keynesian deficit spending.	FACT/ OPINION
5	The Roosevelt administration faced the problem of some states refusing to comply with federal government programs.	FACT/ OPINION
6	The Supreme Court should not have intervened in Roosevelt's New Deal programs due to the severity of the depression.	FACT/ OPINION
7	Since the New Deal, the federal government in the US has taken increased responsibility in several social areas,	FACT/ OPINION
8	The New Deal deserves praise for taking such a principled stand on helping the American environment.	FACT/ OPINION
9	Roosevelt never set out to create a revolution but rather to preserve and reform the American system.	FACT/ OPINION
10	If it was not for the efforts of Franklin Roosevelt, the United States might well have succumbed to dictatorship in the 1930s.	FACT/ OPINION

**What do the historians have to say about an "Assessment of the New Deal"?**

**1. Robert Dallek**

Dallek concedes that no economist would deny the argument that it was not the New Deal which brought an end to the depression, but the industrial mobilisation which occurred because of the Second World War. However, Dallek argues that one must go beyond simple economics to understand the true significance of the New Deal. Having listed the enormous achievement of the New Deal – including Social Security, the TVA, unemployment insurance, the Fair Labor Standards Act, and so on, Dallek makes this point:

*"...Roosevelt's New Deal Reforms... were giant steps in humanising the American industrial system... in the long pull of history, the creation of a welfare state ensuring a minimal standard of living for all Americans endures more meaningfully than any episodic shift in the economy..."*<sup>3</sup>

<sup>3</sup> Dallek, R, Franklin D Roosevelt: A Political Life, Allen Lane, UK, 2017, p 622

## 2. Ted Morgan

Morgan comments on the divisions that existed amongst the New Deal team, for example between budget director Lewis Douglas, who sought a balanced budget, and Harry Hopkins who wanted to spend and spend. Hopkins wanted quick make-work programs, whereas Harold Ickes sought to patiently fund lasting public works projects. In this environment, Morgan makes this point about how Roosevelt had to run his administration.

*“...You could not be an ideologue and govern when within the New Deal itself there were so many conflicting philosophies. The New Deal was more like a series of collisions rather than a smoothly running current...”*<sup>4</sup>

## 3. David Shannon

Shannon notes the wide range of pressures on the Roosevelt administration once it started work on the New Deal. Some groups sought inflationary policies, especially Congressmen from rural areas. Others were seeking massive federal outlays to cope with the poverty in the country and to expand consumer spending. Others urged minimum spending and were arguing for a balanced budget. Some groups were pressuring for an overall economic plan, while others wanted only certain parts of the economy targeted. This leads Shannon to conclude thus about the early New Deal programs:

*“...The early New Deal was no unified, systematic and articulated attack on the depression. It was a shotgun approach... In general, FDR compromised among these several demands, and the resulting first New Deal actions represented a variety of purposes and theories...”*<sup>5</sup>

## 4. Robert Dallek

Dallek argues that the aim of the New Deal was not only to bring back economic prosperity but to bring all of the United States' citizens into 'the mainstream of governance'. During the 1920s, there had been major conflicts between modernists and fundamentalists, between white Anglo-Saxon protestants and immigrant, continued discrimination against the Irish, Italians, and other groups. Dallek suggests that a real achievement of Roosevelt was that:

*“...In the 1930s and 1940s, the millions of immigrants from Ireland and southern and Eastern Europe who arrived in America between 1870 and 1920 no longer felt like residents in an alien land... (Roosevelt appointed many people from these groups to various positions)... who gave their various ethnic and religious groups a new sense of national belonging...”*<sup>6</sup>

4 Morgan, T, FDR: A Biography, Grafton Books, London, 1986, p 411

5 Shannon, D A, Between the Wars: American 1919-1941, Houghton Mifflin Company, Boston, 1979, pp 182-3

6 Dallek, R, Franklin D Roosevelt: A Political Life, Allen Lane, UK, 2017, p 622-3

### 5. Ted Morgan

Morgan also points out the extent to which Roosevelt was appreciated, indeed revered, by so many Americans. Thanks to the New Deal, the government had reached out a 'helping hand to the have-nots'. People were being directly helped in ways that had not happened before in the United States. And to ordinary Americans this was due to one man. Morgan notes that many ordinary people had pictures of FDR hanging in their modest homes. He says this was:

*"...Not because they liked his looks or admired his voice in the fireside chats, although the benevolent physical projection was not to be neglected, but because millions had been directly assisted by his administration..."*<sup>7</sup>

### 6. S E Morison, H S Commager, W E Leuchtenburg

Morison et alia pinpoint three key elements which comprise the long-term, permanent contribution of the New Deal to America's history. Firstly, there is the 'physical rehabilitation of the country'; secondly, the establishment of the idea that the government has a responsibility for the health and well-being of its people; and thirdly, there is the political impact of Roosevelt which led to:

*"...the strengthening of the executive branch of government and the reassertion of presidential leadership... Roosevelt made clear – as had his forceful predecessors from Jackson through Wilson – that the presidential power was pretty much what the president made it..."*<sup>8</sup>

7 Morgan, T, FDR: A Biography, Grafton Books, London, 1986, p 411

8 Morison, SE, Commager, HS and Leuchtenburg, WE, The Growth of the American Republic, Volume Two, OUP, 1969, p 524

---

# Advice on Writing Essays

---

(These comments should be re-read when approaching the sections called ESSAYS 1, ESSAYS 2, and ESSAYS 3.)

## Introduction to essay writing

People who have been marking the HSC for a few years can read an essay and with little hesitation can say “that’s a ‘B’ level answer, 16/ 25, or that’s a ‘mid-A’ range answer, 23/ 25, or this is a ‘D’ answer, 8/ 25. HSC markers do occasionally disagree about answers but once they share their disagreements, the value of the essay becomes clear. It is one of the comforting things about how Modern History is marked at the HSC, that the legendary level of accuracy is almost scientific.

The reason for this is that essay writing is both a literary and a scientific skill. There is no mystery in writing a good essay. Certainly, some people are better writers than others: they might have a wider vocabulary, they might know more, they might have a better turn of phrase, they might understand the issues more clearly. However, everyone can come to terms with the basics and write a reasonable essay.

So, what makes for a successful essay?

1. Answer the question. This sounds almost trite and an insult to the intelligence, but the majority of responses presented in the HSC which score poorly, do so because they do not answer the question. Failing to answer the question can be done in a variety of ways. In summary it can happen because:

a. A student fails to address the issues presented in the question, ie he or she decides to write about something else. For example, in the essay:

*To what extent was US foreign policy between 1919 and 1941 the result of domestic social and political pressures?*

A student decides to argue that:

- US foreign policy between 1919 and 1941 was in no way the result of domestic social and political pressures;
- rather it was the result of international factors such as the desire to hold Japan in check in the Far East and uphold the Open Door policy, pursue good relations in the western hemisphere and the eventual realisation that what happened in Europe mattered to the US.

A nice line of argument, but it is not answering the question. The student could argue the ‘international factors’ line, but first of all he needs to deal with the issue of domestic social and political pressures, even if it is to show that these pressures were not an important factor.

He cannot simply ignore the focus of the question because he wants to write about something else:

- he could argue that yes, domestic social and political pressures played ‘some’ part in determining US foreign policy; however, these pressures pale in significance compared to the international situation that the US faced in the Pacific, the Americas and Europe;
- as a rule of thumb, if you are going to pursue this style of argument, ensure that about 40% to 50% of your essay deals with the subject of the question, in this case ‘social and political domestic pressures’;
- to do otherwise is to risk suggesting to the marker that you have gone into the examination with a pre-prepared answer

b. A student writes about the issues presented in the question, but instead of providing an argument to answer the question, they simply ‘narrate’ or ‘tell a story’. For example, in the essay:

*To what extent was US foreign policy between 1919 and 1941 the result of domestic social and political pressures?*

A student fails to present an argument, instead they simply narrate:

- she might describe some of the social and political issues at play in the US in the 1920s and the 1930s;
- she might narrate the story of US foreign policy from Wilson to Pearl Harbour;

This is all relevant, factual detail but she is merely describing, telling a story and not presenting an argument which is showing the link between domestic social and political pressures and their impact on US foreign policy 1919-41.

c. A student does not really understand the question and has so little factual detail they are unable to sustain even a narrative response.

d. A student does understand the question and attempts an argument but has so little factual detail that the argument cannot be sustained.

‘c’ and ‘d’ can only be fixed with solid work and revision on the part of the student; ‘a’ and ‘b’ can be learned.

2. Provide an argument in your introduction which will form the basis of the essay. The introduction is the most important paragraph of the essay; if it is written properly it should leave the marker in no doubt what is going to come up in the essay. So, what does a good introduction involve?

a. Avoid the dramatic ‘setting the scene’ method. For example, in the essay:

*To what extent was US foreign policy between 1919 and 1941 the result of domestic social and political pressures?*

A student should avoid opening like this:

- In the inter-war period, the United States found itself preoccupied with uncontrollable crime, the revival of the racist violence, fundamentalist religion and the people’s desire to close themselves off from the world. All this against a background of brutal Japanese aggression and atrocities in Asia, and Nazi disregard for international norms and racist pogroms in Europe.

b. Avoid providing lots of factual detail in the introduction. Introduce the broad areas you will discuss, but leave the detail to the body of the essay. For example, in the essay:

*To what extent was US foreign policy between 1919 and 1941 the result of domestic social and political pressures?*

This is not a good introduction:

- During the inter-war period, conservative thinking dominated the domestic scene, as could be seen in passing of the 18th amendment which ushered in prohibition, immigration restrictions such as the 1924 Johnson Act, the revival of the Ku Klux Klan and violence against black Americans, and in the Scopes Trial in Tennessee in 1925 which sought to prosecute a teacher for teaching the theory of evolution....

c. Be careful with length. Three lines is not an introduction, no argument can be properly introduced in such a small space. However, a page and a half is too long. With average sized writing, 6-8 lines should be enough to present the argument of the essay.

d. Instead try to present an argument in your introduction. There is no ‘right’ answer to a Modern History essay question; the right answer is the argument which you have presented, logically developed and backed up with detailed factual evidence. For example, for the essay:

*To what extent was US foreign policy between 1919 and 1941 the result of domestic social and political pressures?*

A student might try to argue:

- Domestic social and political pressures were fundamental to the exercise of US foreign policy in the period 1919-1941. In the 1920s, conservative values dominated the country. This was reflected in the Republicans’ political dominance, and a strong desire to return to America’s traditional, 19th century isolationism and avoid foreign entanglements. In the 1930s, the severity of the depression forced attention to be

focussed on domestic matters. Economics did force the US to play an international role but isolationist pressures were dominant. Even Roosevelt, who believed that the US must play an international role, was restricted by domestic pressures until the bombing of Pearl Harbour.

3. Provide your essay with a structure. Your introduction should show where the essay will lead, eg the above introduction might lead to the following structure:

- highlight the conservative nature of US society in the 1920s – make reference to some evidence that proves this, eg prohibition, immigration restriction, racism, the Scopes Trial
- however, do not get carried away with a lengthy description – show how this was a throw-back to traditional, 19th century American thinking
- make the link between this thinking and 19th century isolationist views
- provide evidence to show how these pressures affected US policy, eg refusal to ratify the Treaty of Versailles, refusal to join the League of Nations, non-involvement in European agreements, inaction over Japan's invasion of Manchuria, though the US was willing to engage in international economic diplomacy, eg the 1924 Dawes Plan for Germany, Hoover's moratorium
- explain the severity of the depression, Hoover's inability to deal with it and Roosevelt's necessary focus on it; however, do not get carried away with wanting to describe the New Deal
- comment on the deteriorating situations in Europe and Asia, but avoid narrative digressions – this strengthened isolationist sentiment and the strong desire of Americans not to be dragged into another war, eg seen in the Neutrality Acts and reaction to the Nye Committee report
- Roosevelt realised that the US could not stand back for the coming war but he had to tread carefully due to domestic pressures, especially with the 1940 election coming up; Pearl Harbour changed everything
- conclusion: Domestic social and political pressures played the major role in determining US foreign policy from 1919 to 1941. Traditional conservative thinking dominated American society and politics in the 1920s which was reflected in a desire to return to isolationism. In the 1930s, the need to focus on the depression, and fears of being dragged into a European or Asian war reinforced isolationist demands. Roosevelt would not be able to really change US thinking until the bombing of Pearl Harbour.

(NB: this is only one of a hundred ways of dealing with this question)

4. Structure paragraphs carefully. There are some simple rules to obey:

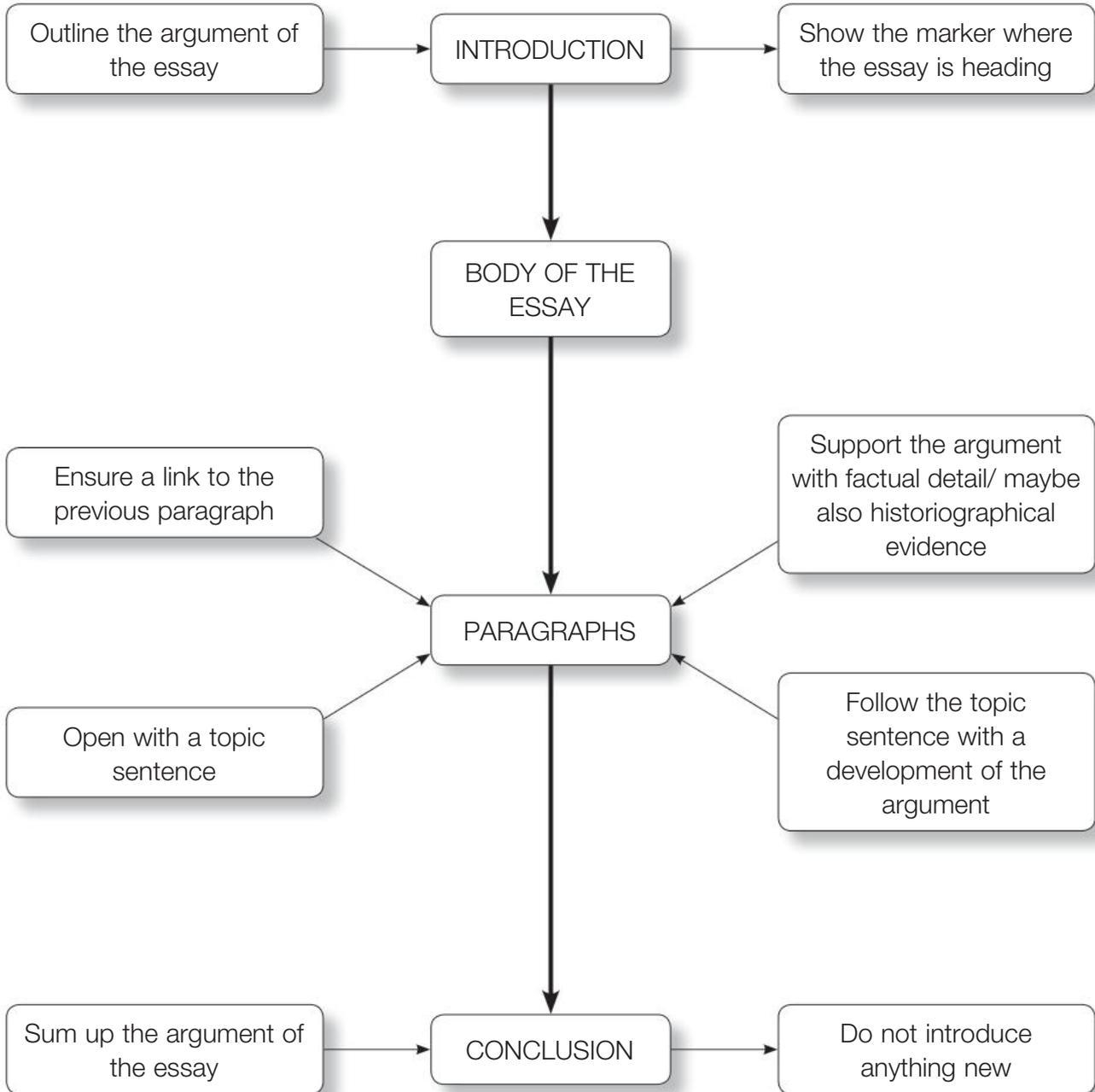
- open with a topic sentence which outlines what the paragraph is going to be about;
- develop the argument presented in the topic sentence;
- support the argument with specific factual detail;
- if appropriate, support the detail with historiographical evidence.
- link your paragraphs – this can be achieved easily with certain stock phrases, eg:
  - “not only was ‘x’ of significance but ‘y’ also had an impact....”
  - “in addition to “a and b”, “c and d” were also to benefit from.....”
  - “in contrast to “e”, “f” reacted quite differently....”

NB: Do not open paragraphs with historiography.

- The aim should be for the student to show the marker what he or she knows.
- Therefore, open with your ideas, back it up with factual detail and then, if appropriate, back up your idea with what a historian has said:
  - argument>detail>(maybe) historians’ ideas;
- do not name drop for the sake of it – markers are not fooled or impressed by having lots of historians dropped into an essay when their books have almost certainly never been looked at;
- Fewer historians mentioned is better than lots.

NB: Do not quote, paraphrase! This shows that you understand what the historian is saying; giving a three-line quotation merely shows you have remembered a three-line quotation, whereas paraphrasing the historian’s view in your own words shows that you have understood what you are writing.

The following diagram sums up some of the main ideas that have been discussed in this section.



---

## Essays 1

# Responding to HSC questions on The Great Depression and its impact

---

The purpose of this section is to provide some ideas for the type of questions which might be asked on the Focus of Study section of the syllabus, The Great Depression and its impact. These outlines are not presented as the ‘be all and end all’ responses to these questions. To provide a sense of reality to this section, what follows is a ‘first draft response’ to each question, ie what were the first ideas that came into the author’s head as he thought about each question?

### Essay No 1

*“Assess the impact of the Great Depression on American workers and farmers.”*

If there is a problem with this question for students, it is the fact that it is perhaps ‘too straightforward’.

- Most students who have been studying the impact of the Great Depression would almost certainly be able to provide a long list of ways in which workers and farmers were affected by the Depression.
- However, there is a danger that such a response will fall into the trap of merely ‘describing’ rather than ‘assessing’.
- A way around this is to identify early the ‘types’ of impact that the depression had rather than simply launching into a long list. This will show the marker that you are attempting to ‘assess’ rather than merely providing a long list.

There is also the issue of structure. Should students be attempting to meld “workers” and “farmers” together in their assessment, or would it be better to deal with each group separately. There is no right or wrong answer to that question. However, in this case, and considering that many of the issues that farmers faced were unique to them, a separate treatment will be suggested.

.....

The Great Depression had a massive impact on American workers. There was the obvious immediate impact of large-scale unemployment. However, this also extended to workers’ families, and this in turn had a wider impact on American society at large in the 1930s. The physical impact of the depression was great but so too was the psychological impact. Finally, it should not be forgotten that for some workers, the depression years were not all about suffering, and for some life even improved.

- refer first to unemployment – provide some figures, mention of underemployment, hoboes on the road;
  - make mention of relief, or the lack of it;
  - make mention of the Bonus Army;
  - show the impact of some New Deal measures on workers;

- families were greatly affected – refer to evictions, Hoovervilles, the impact on children’s education, health standards, break-up of families, women often left to bear the brunt of keeping the family together;
- impact on workers affected society as a whole:
  - refer to marriage, divorces and birth rates;
  - mental stress led to increase in suicide rate
- psychological impact – stigma of unemployment, humiliation;
- not all workers suffered: some industries remained buoyant, eg aircraft construction; wages fell, but real wages rose, and this allowed for a higher standard of living for some

The impact of the depression on farmers was arguably even worse than for workers. The impact on farmers revolved primarily around the twin issues of overproduction and soil erosion:

- farmers were already suffering from conditions in the 1920s
- explain the issue of overproduction, the impact on farm prices, farm incomes, examples: ploughing crops back into the land
  - failure of Hoover’s scheme
  - the issue of foreclosures
  - similar impact to workers, eg health, education
- impact of soil erosion:
  - explain this – which areas were affected, how
  - refer to the Dust Bowl and forced migrations west (Grapes of Wrath)
  - backwardness, lack of electric power;
- comment on New Deal attempt to deal with the impact on farmers;
  - refer to measures such as the AAA, the TVA

## Essay No 2:

### *“Evaluate the attempts of the Hoover Presidency to halt the Depression”*

There are certain dangers with this particular question. Students need to avoid jumping into a narrative, descriptive account of what happened during the Hoover Presidency. The factual information which would appear here would of course be relevant. Another danger is to simply say that Hoover was a failure and did not halt the depression, tempting though this approach might be. The key term is ‘evaluate’. This can allow the student to consider why Hoover handled things the way he did, the restraints he was under, and did he have any successes. Some historians argue he laid the groundwork for Roosevelt’s work (?).

Consider the philosophical approach of Hoover in his attempts to halt the Depression:

- refer to Hoover’s beliefs, his faith in American individualism and the impact this had on his policies;

- people are responsible for their own actions;
- self-help and voluntary cooperation were what mattered, people cannot rely on government handouts;
- a strong case can be presented to argue that Hoover's attempts to halt the Depression were clearly a failure:
  - failure of the Grain Stabilisation Corporation;
  - failed wages policy;
  - tariff policy, eg Hawley-Smoot Tariff and its effects;
  - his moratorium on international dept payments came too late;
  - the Federal Home Loan Bank was a failure;
  - the Reconstruction Finance Corporation helped only the big players;
  - the 1932 Revenue Act with its tax increases arguably merely served to deflate the economy even more;
- Hoover was not a "laissez-faire" at-all-costs person:
  - Hoover did not 'cut expenditure' or bring on austerity;
  - provide figures of budget expenditure;
  - funds were provided for federal projects (though nowhere near New Deal levels);
  - the Hoover Dam is an example;
- though he opposed large-scale federal relief he did show some flexibility in this area:
  - for example, the 1930 President's Emergency Committee;
  - he supported pro-labour legislation;
- a problem one has in evaluating Hoover's attempts to halt the depression is that he is always compared unfavourably with the energy of Roosevelt and the vastness of the New Deal Program:
  - though students might make the point that even Roosevelt did not totally manage to halt the depression
    - refer to the recession of 1938
  - it took the war to end the depression, not the efforts of either Hoover or Roosevelt.

## Possible HSC questions on “The Great Depression and its impact”

(a) Assess the impact of the Great Depression on American women and Afro-Americans.

(For question (a), any of the four groups could be substituted for “women” and “Afro-Americans”, ie the question could ask about “women and farmers”, “Afro-Americans and workers”, “farmers and Afro-Americans”. Students should be prepared to answer on three groups, and allocate the discussion of the three groups in their answer appropriately. It is unlikely (though not inconceivable) that they could be asked to discuss all four groups.)

(b) Assess the impact of the Great Depression on any TWO of the following groups: American women, workers, farmers and Afro-Americans.

(c) How successful was the Hoover Presidency in its efforts to halt the Depression?

(d) “Herbert Hoover deserves the condemnation that has been heaped upon him for his handling of the Depression.” To what extent is this a fair assessment of Hoover’s efforts to halt the Depression?

(e) Why was Hoover so unsuccessful in his efforts to halt the Depression?

(f) How successful were efforts to halt the Depression during the FDR years?

(g) “The significance of the New Deal goes far beyond its attempts to halt the Depression.” To what extent is this a fair evaluation of the New Deal?

(h) Why do assessments of the New Deal vary so greatly?

(i) Evaluate attempts to halt the Depression during the FDR years. In your essay refer to the areas of agriculture and industry.

(For question (i), it would be possible to introduce a range of specific areas, such as “relief”, “social security”, banking and finance”. It is unlikely examiners would be so specific, but it is wise for students to be prepared for such questions.)

(j) To what extent were the criticisms aimed at the New Deal justified?

(Question (j) refers to the “Assessment of the New Deal” bullet point in the syllabus. Variations could include some specific reference to “left” and “right” critiques, the “Supreme Court” or “later historians”, though this is less likely. However, it is always wise for students to be prepared.)

## Section Three ■ Focus of Study (2): US Society 1919-1941

# Chapter Nine

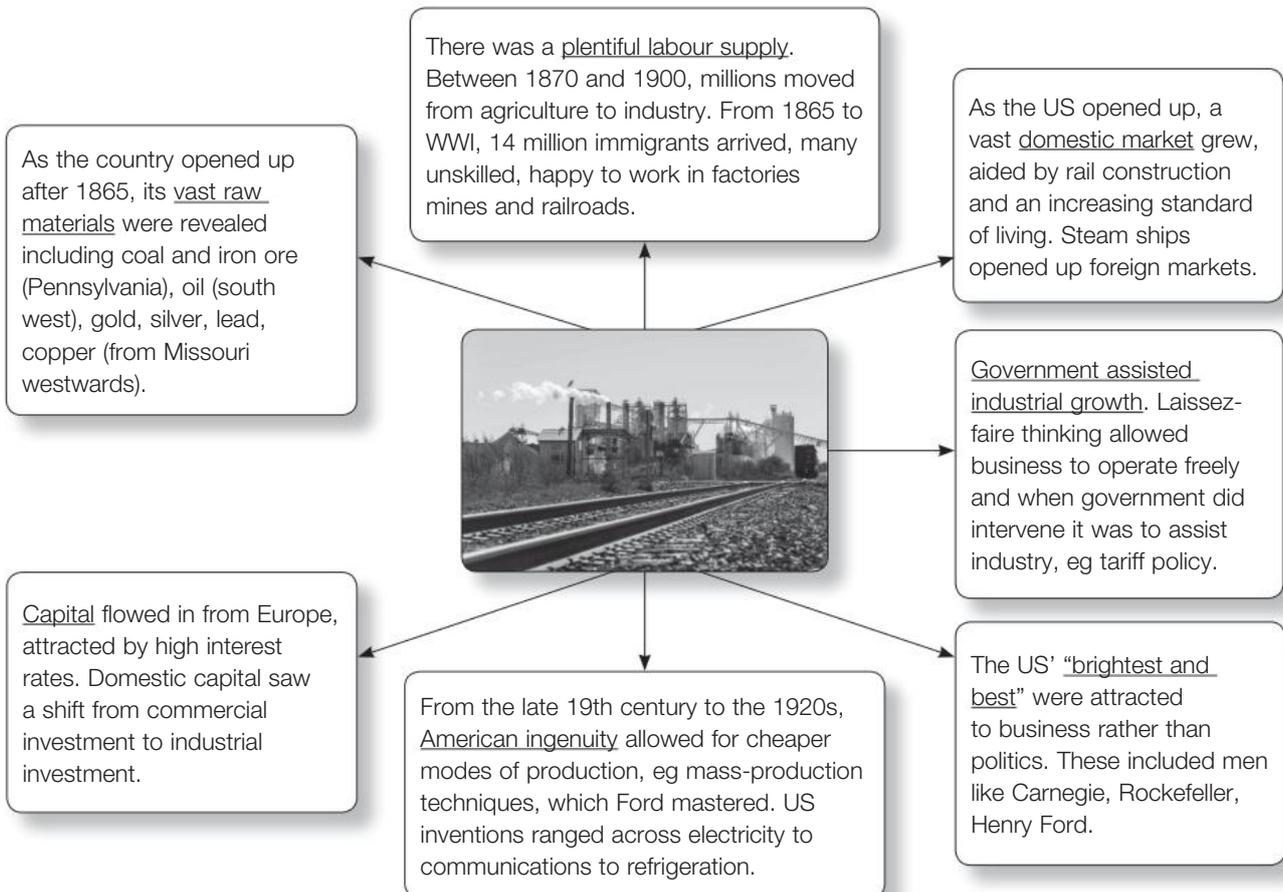
## Growing urbanisation and industrialisation

Arguably the greatest development in American history was the massive process of industrialisation that took place in the decades after the Civil War. Before the Civil War, the United States was essentially a small-town, agricultural society. By the early years of the 20th century, the US had become the world's major industrial power. Accompanying the process of industrialisation was the urbanisation of American society. The impact of growing industrialisation went far beyond the economic structure of the United States. It affected all facets of life from the American philosophical outlook, the nature of politics, to increasing inequality and the stimulus given to US imperialism. The impact of urbanisation had an impact on growing inequality, politics and racial tension, but also saw an expansion of education, culture and the media.

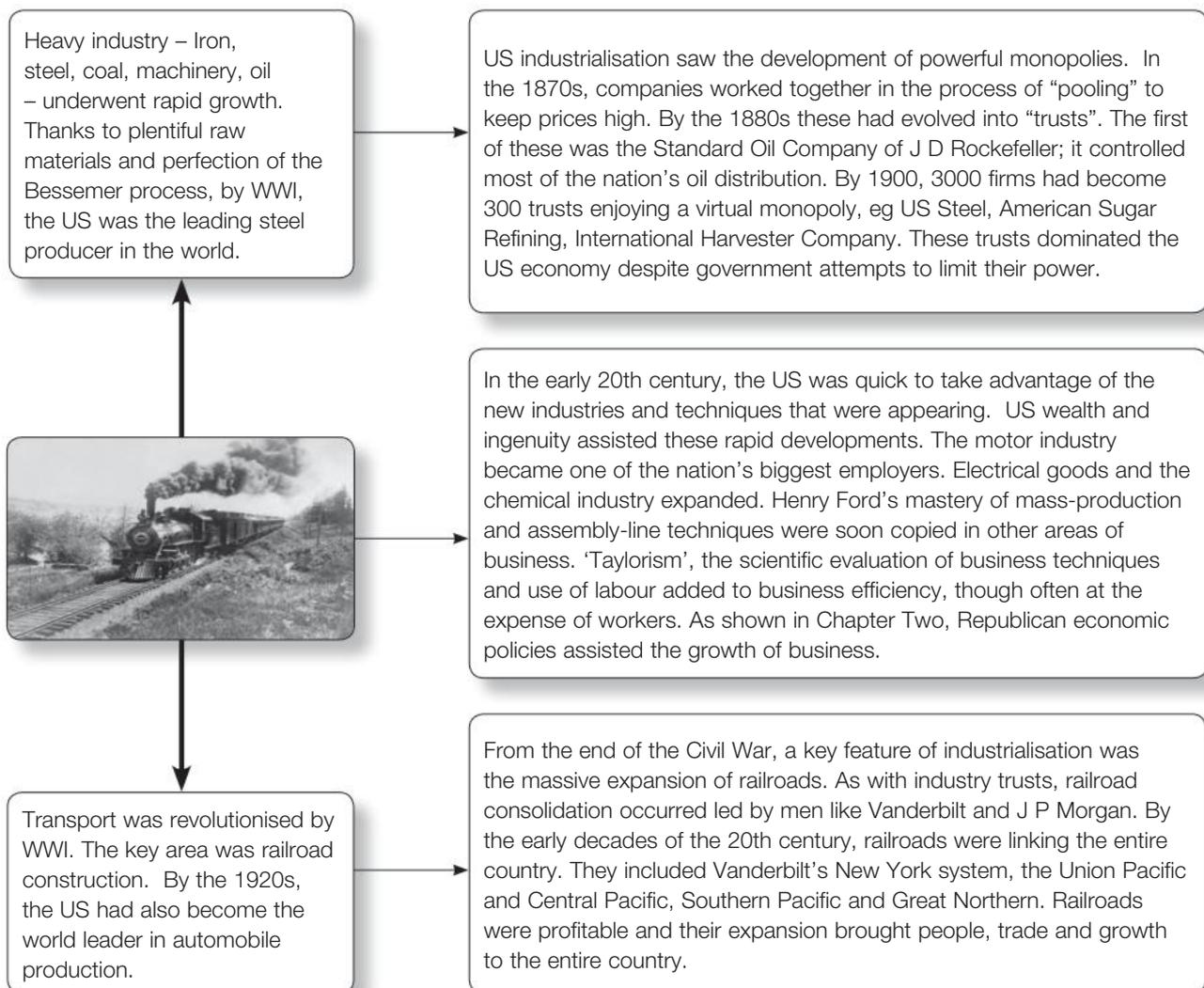
### The "why" and "how" of industrialisation?

Between 1865 and the 1920s, the US was transformed economically. The reasons for this enormous change are outlined in Figure 9.1. The nature of the transformation is outlined in Figure 9.2.

Figure 9.1: Factors that stimulated industrialisation



**Figure 9.2 Features of growing industrialisation**



### The significance of the growth of industrialisation

One of the most important impacts of the growth of industrialisation was the massive urbanisation of the United States. The issues relating to urbanisation will be covered below, though clearly there is overlap between “industrialisation” and “urbanisation”.

Americans have long-cherished their belief in “self-reliance” and the notion of “rugged individualism”. This idea harks back to courageous pioneers who bravely headed into the west to start a new life, with only themselves to rely on. One of the key results of industrialisation was the gradual decline in individualism.

- Due to industrialisation, people were now dependent on many others. As factories grew, and as specialisation took hold, the days of the self-sufficient farmer or craftsman were coming to an end.
- Workers were now just ‘cogs’ in a large industrial machine. As assembly-lines became a common feature, a worker was now often responsible for just one small process and would never have the satisfaction of seeing a final product being realised from his own efforts.

With industrialisation, the relationship between employer and employee changed. A boss did not have the same closeness to his employees as in earlier times.

- Managers were responsible to stockholders and boards of directors. These people were distant from the workers, and invariably lacked the social conscience that might have sought to improve workers' conditions.
- Individual workers could not possibly negotiate with such organisations. As a result, there was a growth in labour unions. The only chance a worker had to achieve better wages and conditions was to "bargain collectively" through his labour union.
- The US has had a long record of often bloody industrial relations as distant employers would strive to 'break' union power.

Industrialisation had an impact on political life.

- In the late 19th century, America experienced what has become known as "the robber baron" period. The big industrialists proved willing to use any method to achieve their wealth and power.
  - In pursuit of these things, they were frequently assisted by politicians who were always willing to accept "kickbacks" for favours that they could give to the rich industrialists.
  - This resulted in politics getting a bad name. The scandals of the Grant administration (1869-77) were echoed in those of the Harding administration (1921-23).
  - An effect of this was that the nation's most able figures tended to seek careers in business rather than politics.
  - There were few giants of politics between Lincoln and Roosevelt.
- The behaviour of the "robber barons" caused a reaction among many Americans. They sought controls on the rich "plutocrats".
  - In rural areas this saw the rise of "populism".
  - "Progressivism" was another result. Ordinary people sought to regain control of the political process and force through laws to control the rich industrialists. This led to laws being passed such as the anti-trust legislation.

Farmers had long been used to being the dominant sector in American society. However, industrialisation changed the balance in American society.

- The real power in the land was now in the hands of industrialists, businessmen and bankers.
- Farmers and their rural communities believed that their interests were being ignored. This was one factor that led to rise of populism in the rural areas.
- In turn this meant that political, economic and demographic dominance in the country was now focussed in the industrial centres such as the north east.

Another result of industrialisation was the belated urge of the United States to pursue imperial expansion.

- As the world's major industrial power, there was a demand for colonial possessions, similar to those owned by the European nations.



## The “why” and “how” of urbanisation

In 1860, the urban population of the US was about 20%; by 1900 it was 40% and by 1930 about 56%. The urban population of the North East grew from 35% (1860) to 76% (1930); in the South it grew from 9% (1860) to 34% (1930). Between 1860 and 1930, New York grew from 800 000 people to 6.9 million; Chicago grew from 112 000 people to 3.3 million.

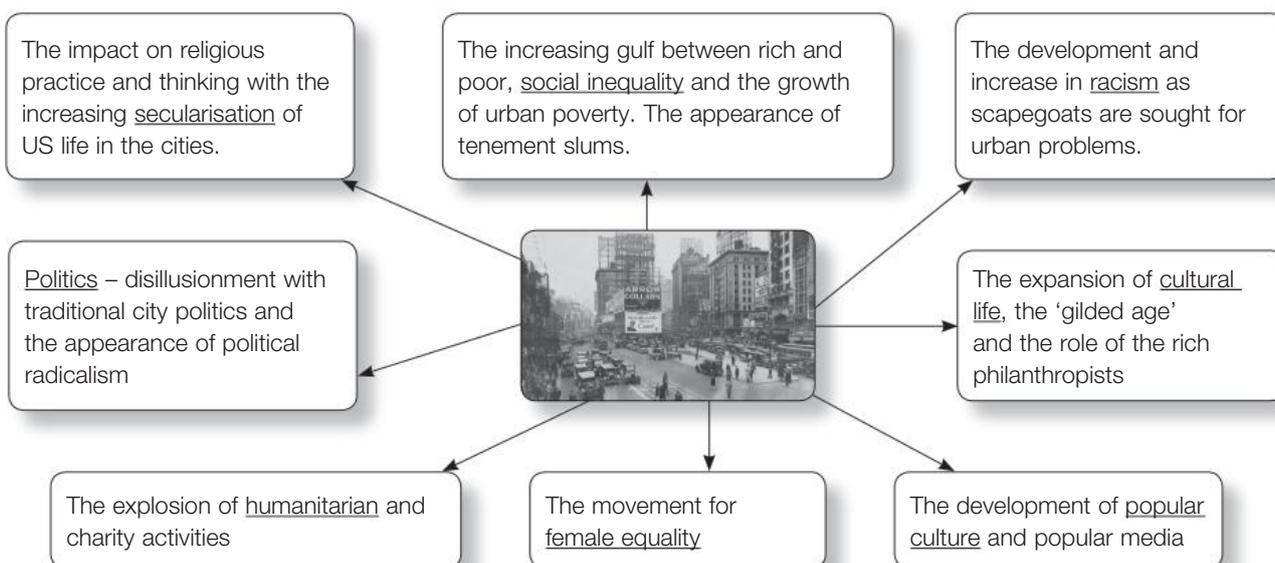
The urbanisation of the US was the inevitable result of the process of massive industrialisation and technological developments.

- The concentration of factories in smaller localities made it possible for factory owners to take advantage of economies of scale:
  - cities often grew close to raw material sources and transport links.
- The expansion of industry required labour and so cities attracted both immigrants and farmers who had been forced off the land.
- Railroad construction allowed for the cheap and rapid supplying of food and raw materials to growing cities.
- As technology developed, it became possible for very large numbers of people to move around in a vast city:
  - cable cars appeared early on (San Francisco 1873), trolley cars (Richmond 1888), subways (Boston 1895);
  - bridge construction drew urban areas together – the Brooklyn Bridge in New York, completed in 1883, was considered a ‘marvel of its age’.
- The development of medical systems, city lighting, the increasing provision of electricity, garbage disposal services and sewerage systems all helped to make city living possible (and for the fortunate quite comfortable).

## The significance of the growth of urbanisation

Figure 9.3 outlines some of the significant impacts of urbanisation.

**Figure 9.3: Some of the significant impacts of urbanisation**



One of the main results of urbanisation was the increasing gulf between rich and poor. Social class divisions were accentuated and real poverty became the reality of life for many of the poor forced to live in the big cities:

- there had always been class divisions in the US, between old Boston families and working-class New Yorkers, Southern aristocrats and “poor white trash”, and at the bottom of the social pyramid had always been black Americans, whether slave or free;
- industrialisation and urbanisation increased these class differences:
  - by the early years of the 20th century, less than 10% of the population owned 70% of the country’s wealth;
  - 90% of the country’s poorest families owned about 14% of the country’s wealth.
- millions of Americans now lived in slum tenements:
  - such locations became centres of crime, violence, disease and for many a sense of hopelessness pervaded.

When times were hard and conditions tough, scapegoats were sought – a feature of society not restricted to the US. Racism became a feature of urban life, though it would be wrong to blame it entirely on urban development:

- black Americans suffered massive discrimination and violence in the South:
  - white Southerners were determined to keep black Americans “in their place”, despite the end of slavery after the Civil War;
  - a series of “Jim Crow” laws were introduced enforcing segregation and confirming the black man’s lower status;
  - many black Americans moved from the South to the Northern industrial cities to improve their lives but they often faced a similar challenge of white racism;
  - white Americans resented the arrival of black Americans in their midst, who were seen as a threat to their jobs, especially in times of an economic downturn;
- immigrants also faced racist opposition in the large cities:
  - the newer immigrants to the US tended to come from southern and eastern Europe, and included Italians, Poles, Russians and Jews;
  - accustomed to poor living conditions in Europe, they proved willing to accept low pay and poor conditions on offer in the factories;
  - immigrants tended to congregate in specific neighbourhoods;
  - this, plus the fact that they were seen as being “different” to Americans, fed into racist antagonism towards them in the cities.

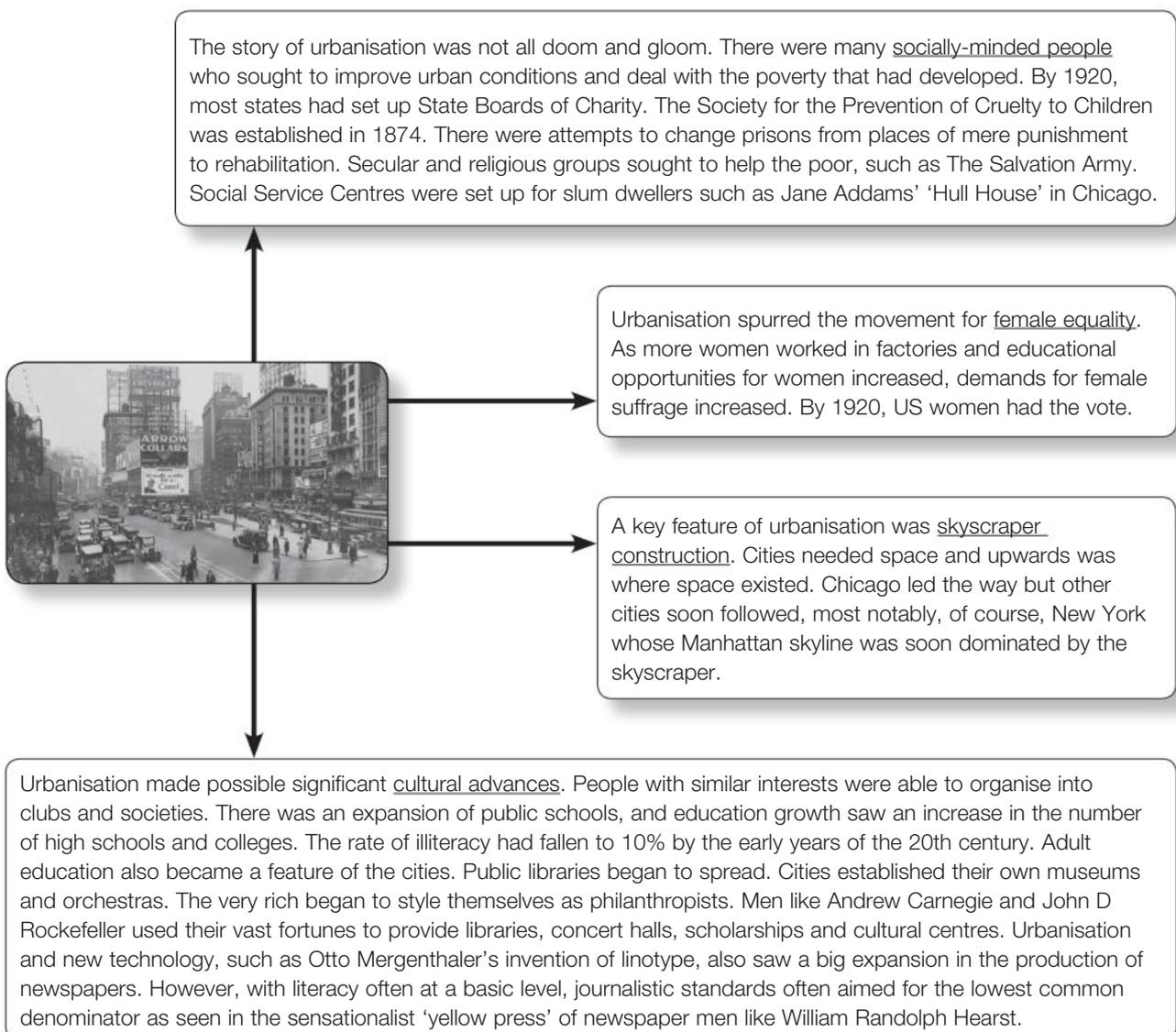
Traditional thinking was also challenged, in particular religion, as urban centres pursued an increasingly secular trend:

- orthodox religious thinking had been under attack through the 19th century, in particular following publication of Charles Darwin’s “On the Origin of Species” which challenged the Bible view of creation;
- church membership fell in the big cities as people working in tough conditions in a speeded-up society sought diversions and lost interest in worship;
- traditional religion remained much stronger in rural areas such as the South.

Politics was affected by urbanisation. The growth of big cities provided great opportunities for unscrupulous politicians to work with rich businessmen to hold on to power and 'line their pockets':

- the phrase Tammany Hall politics is understood to mean politics that is debased, self-serving and driven by profit, and devoid of principle;
  - it referred to the Democratic Party's political machine control of New York City and New York state politics;
  - big city politics across the country behaved similarly.
- political radicalism began to appear in some US cities as they grew though this was usually only seen on the fringes:
  - Eugene V Debs formed a Socialist Party in the 1890s which polled almost a million votes by 1912;
  - radical parties were to have little impact on US political life and Americans tended to stick to the two major parties.

There were some positive impacts of urbanisation. These are outlined in Figure 9.4.



**Exercise 9.2** Indicate whether each of the following statements is true or false.

1	Despite rapid industrialisation and mechanisation within the US, the idea of rugged individualism remained as strong as ever.	TRUE/ FALSE
2	As industrialisation and urbanisation continued apace, the balance in American society began to move against the rural South.	TRUE/ FALSE
3	Though the US became very rich due to industrialisation, it strangely showed no desire to pursue imperial expansion.	TRUE/ FALSE
4	Transport developments within cities were a key part of the process that made urbanisation possible.	TRUE/ FALSE
5	Though industrialisation and urbanisation greatly increased the wealth of America, it also led to a vastly widening gap between rich and poor.	TRUE/ FALSE
6	As cities expanded, racist feelings were sometimes stimulated, often aimed against black Americans and immigrants from eastern and southern Europe.	TRUE/ FALSE
7	As urbanisation developed and spread, there was a similar strengthening of religious observance in US cities.	TRUE/ FALSE
8	Tammany Hall politics is a phrase that refers to the high-minded political behaviour of American political figures.	TRUE/ FALSE
9	As urbanisation increased the profile of American women, demands for female suffrage and equality were boosted.	TRUE/ FALSE
10	The vastly rich businessmen of the time saw no necessity in spreading their wealth into worthwhile social projects.	TRUE/ FALSE

**Exercise 9.3** Who am I?

1	I was the founder of the Standard Oil Company.		WILLIAM R HEARST
2	I was a pioneer of mass production techniques.		J P MORGAN
3	I was a key figure in railroad consolidation.		J D ROCKEFELLER
4	I was a significant philanthropist.		ANDREW CARNEGIE
5	I was a publisher of sensationalist newspapers.		JANE ADDAMS
6	I was a charity worker helping the Chicago poor.		HENRY FORD

# Chapter Ten

## Mobilisation of the military and war production 1939-1941

### Background

Today we think of the United States as the greatest military power in history. Backed by the biggest economy in the world and the full range of technological wizardry, the US military is an awesome creature. To some it seems that the US economy is a war economy. As early as 1961, President Eisenhower had warned in his Farewell Address to be wary of the influence of the “military-industrial” complex. <sup>1</sup>

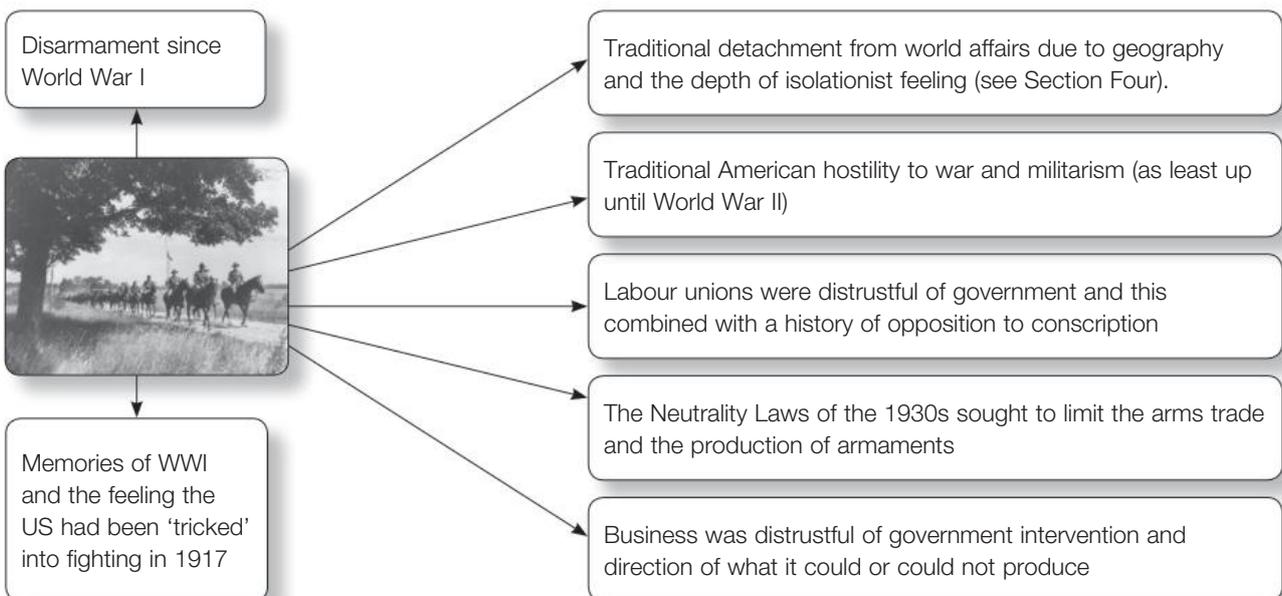
However, in the late 1930s, the United States was anything but a military giant: <sup>2</sup>

- its army ranked in size 18th in the world;
- the air force had only 1700 aircraft, mostly obsolete, including many bi-planes, and only 20 000 men;
- in 1940, military expenditure comprised only 2% of GNP.

*“...The standard infantry rifle until 1941 was the 1903 Springfield. American soldiers were more at home with the horse than the tank...”* <sup>3</sup>

Why was the US military in such a weak state at the end of the 1930s? Figure 10.1 outlines some of the factors that had produced this situation.

**Figure 10.1 Factors behind the US weak position in the late 1930s**



<sup>1</sup> “In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist.” President Eisenhower, 17 January, 1961

<sup>2</sup> See Historian 1.

<sup>3</sup> Overy, R, *The Road to War*, Macmillan, London, 1989, p 273

## Obstacles facing America's readying for war

Roosevelt's deep understanding of international affairs convinced him that the US would sooner or later have to join the fight against the Axis powers. <sup>4</sup> However, Roosevelt faced two enormous hurdles:

- firstly, isolationist sentiment inside the US remained stubbornly resistant and strong, and opinion polls of the time reflected the desire of the American people not to become directly involved in the war;
  - there were suspicions that the President was secretly trying to take the US into the war;
  - this belief meant he had to tread carefully, particularly in the lead up to the 1940 election campaign (see Chapter 14);
  - he realised that he had move carefully in his attempt to prepare the country for possible war;
- secondly, the US was woefully unprepared both militarily and economically to take on the might of Nazi Germany;
  - the limited size of the military has already been mentioned;
  - industry was not geared for war production in the way Germany's was.

A major part of the US mobilisation was encouraging industry to convert from domestic to military production. Some company executives were resistant to doing this for fear that if they converted, but their competitors did not, they could lose their share of the domestic market for their product.

- A leading figure in the United Auto Workers union, Walter Reuther, proposed a plan for car makers to convert to aircraft production. Though the Reuther Plan grabbed public attention, it failed at first to persuade car producers.
- Conversion did not fully occur until 1942 and it was not until 1943 that aircraft production substantially increased.
- Secretary of War Henry Stimson realised that it would be the profit motive that would galvanise US industry into war production. He commented in 1940:

*"If you are going to try to go to war, or to prepare for war, in a capitalist country, you have got to let business make money out of the process or business won't work."*

## Steps along the path to mobilising for war

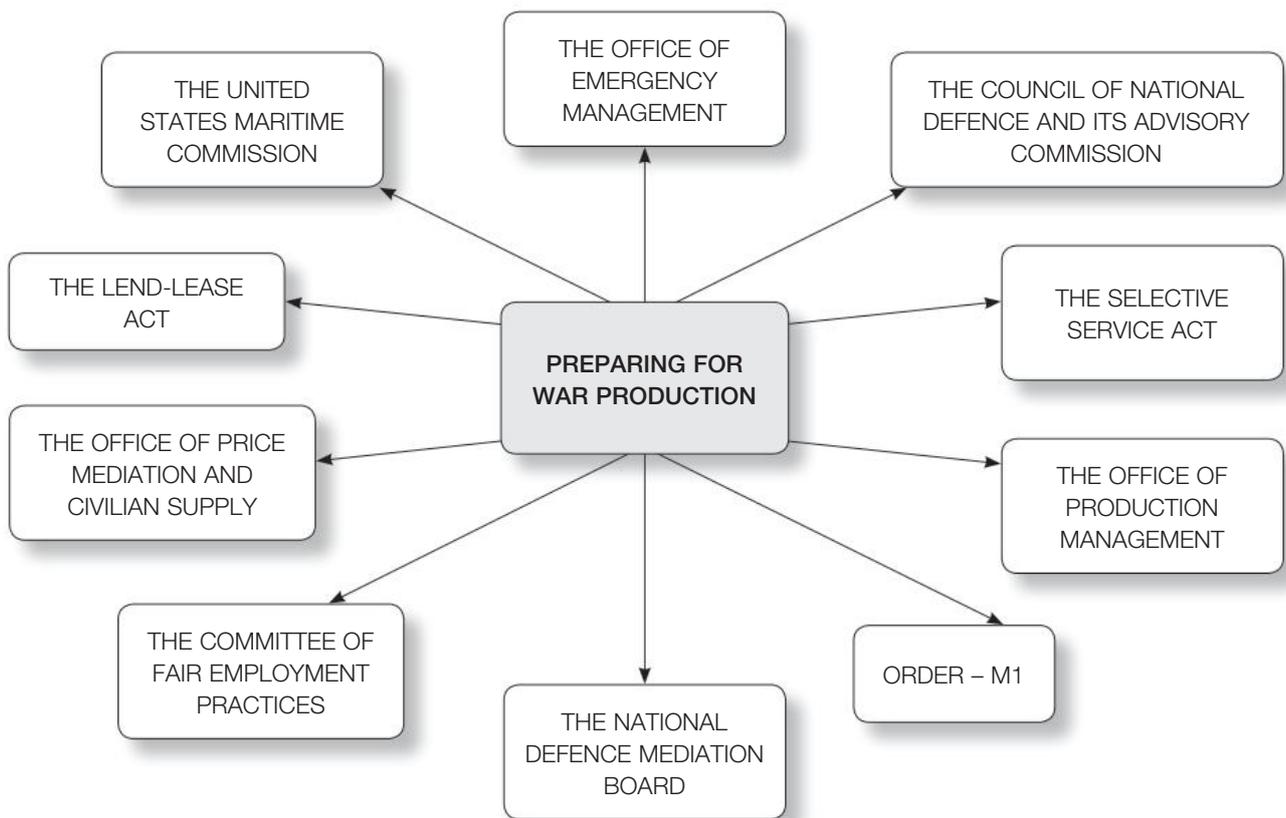
In January 1939, Roosevelt sought \$500 million from Congress for military expenditure. In May 1940, as German troops edged towards Paris, he asked for another \$1 billion. To allay the suspicions of isolationists that he was seeking to drag the US into the war, he argued that US rearmament was "an alternative to war" rather than a "*preparation for war*".

In the period leading to the US entry into the war, the administration enacted a vast array of measures, often introduced by 'executive order', <sup>5</sup> to prepare the country for possible involvement in war. These are outlined in Figure 10.2 and are expanded upon in the following section.

<sup>4</sup> Nazi Germany, Fascist Italy and Imperial Japan.

<sup>5</sup> An Executive Order is an action the President can take without having to gain Congressional approval.

Figure 10.2 Measures for the Mobilisation of the military and war production



- Between 1930 and 1936, only 71 ships had been produced in the country. Naval expansion was to be overseen by the US Maritime Commission (USMC):
  - the USMC was a New Deal agency that had been created in 1936 to revitalise the US shipbuilding industry.
  - from 1936, Shipyards, particularly on the Pacific and Gulf coasts were set up or expanded and merchant shipping began to revive.
  - between 1938 and 1940, commission-sponsored shipyards produced 106 ships, a figure that was equalled in 1941.
  - the USMC was of great strategic importance as before the eventual US entry into the war, many of the ships built carried goods to Britain under the “Lend-Lease” program (see below).
  
- 25 May 1940: Roosevelt set up the Office of Emergency Management, headed by William H McReynolds, inside the Executive Office of the President. This office led to the creation of various war organisations which included:
  - the National Labour Relations Board;
  - Office of Civilian Defence;
  - Office of Defence Transportation;
  - War Food Administration.

- 28 May 1940: The Council of National Defence and its Advisory Commission were re-established.<sup>6</sup>
  - it comprised key cabinet officials such as War, Navy, Interior;
  - the Advisory Commission reported directly to Roosevelt but it was only 'advisory', perhaps reflecting Roosevelt's desire to avoid the creation of excessive bureaucracy;
  - William S Knudson advised on industrial production and he helped create the facilities that led to the conversion of the auto industry into aircraft production;
  - the purchase by Britain and France before 1940, and Britain thereafter assisted in laying the foundation for the aviation industry's growth;
  - in the summer of 1940, Britain had orders for 14 000 planes and 25 000 aero-engines;
    - the planes Britain took from the US at this point were taken into Canada and then on to Britain.
  
- On 16 September 1940, Roosevelt signed into law the Selective Service Act which had passed through both Houses of Congress with a big majority:
  - on 16 October men aged 21-36 had to register for the draft;
  - 900 000 men a year were to receive 12 months army training;
  - they could not be forced to serve beyond the Western Hemisphere;
  - another bill called National Guard units into federal service.
  
- Dissatisfaction grew that the administration was not coordinating the move to war production in an adequate manner. Some Congressional figures, like the Republican Robert Taft, wanted to create a War Resources Board.
  - in response, on 7 January 1941, Roosevelt's set up the Office of Production Management;
  - its Director General was William Knudsen while Sidney Hillman was made Associate Director General to ensure labour could be cajoled to cooperate in the expansion of production;
  - this office's functions involved rationalising war production, ensuring the supply of raw materials, liaising with the military and foreign governments;
  - this office lasted only a year and suffered from its lack of real authority and the fact that its functions were spun off into other entities, which acted as equals, such as the Office of Defence Transportation and the Office of Price Management.

---

<sup>6</sup> This had been created in 1916 before the US entry into WWI. Congress had never repealed the legislation doing this, so Roosevelt could act without Congressional approval.

- On 22 March 1941, Order M-1 was issued from the Office of Production Management:
  - the purpose of this was to force producers of aluminium to give preference to defence orders over civilian orders;
  - the problem of business preferring to produce for domestic purposes was continuing;
  - over the next few months similar controls were placed on a range of other goods such as iron, steel, rubber, nickel and silk.
  
- Roosevelt had to deal with the issue of labour:
  - labour tried to use the urgency of the situation to improve wages and conditions;
  - to deal with employer-worker conflict, Roosevelt set up the National Defence Mediation Board in March 1941;
  - in June 1941 the Committee on Fair Employment Practices was set up to deal with discrimination issues;
  - in August 1941, Roosevelt urged women to join the work force and put pressure on manufacturers to facilitate this.
  
- In April 1941, Roosevelt established the Office of Price Administration and Civilian Supply:
  - its purpose was to keep a lid on inflation and ensure that civilian needs were given attention;
  - however, it was made clear that civilians were not to have priority
  
- A key action towards war mobilisation was the passing of the Lend-Lease Act in March 1941. (This will be discussed in more detail in Section Four.)
  - the US was able to ‘lease’ military equipment to non-aggressor nations – and this meant Britain (and later on the Soviet Union);
  - Roosevelt now referred to the US as ‘the arsenal of democracy’;
  - Lend-Lease gave a massive boost to US war production.
  
- In July 1941, Roosevelt established the Office of the Coordinator of Information. This was a propaganda organisation whose purpose was to overcome a failure to coordinate various government agencies:
  - its key figures were William Donovan and Robert Sherwood;
  - Donovan’s main interest was using propaganda for military purposes while Sherwood was pursued what he called ‘public diplomacy’;
  - In June 1942, the work of the Office was split into the Office of Strategic Services (the forerunner of the CIA) and the Office of War Information (the forerunner of the US Information Service);
  - Sherwood also used radio producer John Houseman to develop radio broadcasts into Axis countries (the forerunner of Voice of America).

**Exercise 10.1 Answer the following questions in the spaces provided.**

1	What was the extent of US military power in the late 1930s?	
2	How did isolationist sentiment affect the move toward the mobilisation of military and war production before 1941?	
3	Why were some manufacturers reluctant to convert their factories to war production?	
4	Why was Roosevelt so easily able to establish the Council of National Defence and its Advisory Commission.	
5	What was the extent of the Selective Services Act of September 1940?	
6	What was the essential purpose of the Office of Production Management?	
7	What was the main effect of Order M-1, issued from the Office of Production Management in March 1941?	
8	Why did Roosevelt feel it necessary to set up the National Defence Mediation Board in March 1941?	
9	Who were to be the main beneficiaries of the Lend-Lease Act?	
10	How successful did the US become in converting its industry to a wartime economy?	

## What do the historians have to say about “Mobilisation of the military and war production 1939-1941”?

### 1. Robert Dallek

Dallek describes US army manoeuvres in Louisiana and upstate New York in the spring and summer of 1940 to highlight the woefully inadequate state of the US military. As Hitler’s armies were sweeping across Europe, had defeated Poland in a month and would defeat France in six weeks, and as Japanese armies would soon be sweeping through South East Asia:

*“...Infantry men, short of rifles, took part in military exercises armed with broomsticks and stovepipes to simulate antitank weapons; milk trucks, rolling into fields with “TANK” written on pieces of cardboard attached to their windshields, stood in for Hitler’s mobile units... Time Magazine reported, ‘the US Army looked like a few nice boys with BB guns’ ...”*<sup>7</sup>

### 2. Richard Overy

Overy explains the difficulties that Roosevelt had trying to prepare the nation for the war he felt certain the US would have to enter. In July 1941, he requested army and navy leaders to prepare a plan for the resources they would need to defeat their enemies. The program became informally known as the ‘Victory Program’. He was given the plan in September 1941 but final estimates could not be worked out until Lend-Lease requests from Britain and the Soviet Union had been approved. The final program was barely in readiness before the Japanese attack on Pearl Harbour. This meant that until Roosevelt had a general picture of the extent of America’s planned rearmament:

*“...the President could do little more than authorise temporary and uncoordinated contracts, many of them to feed the needs of the other warring states for whom he had promised in December 1940 to make the United States the ‘arsenal of democracy’...”*<sup>8</sup>

**Epilogue:** It is of course a matter of historical record the United States did succeed in its transition to a war economy. During the war, it produced two thirds of all allied military equipment. By 1945, it had produced 297 000 aircraft, 86 000 tanks, 193 000 artillery pieces, 2 million army trucks, 8500 naval craft, 87 000 landing craft. The former Ford plant at Willow Run, Detroit, was producing a bomber aircraft once every 63 minutes by 1944.<sup>9</sup>

7 Dallek, R, Franklin D Roosevelt: A Political Life, Allen Lane, UK, 2017, p 375

8 Overy, R, Why the Allies Won, Jonathan Cape, London, 1995, p 191

9 Figures taken from: Overy, R, Why the Allies Won, Jonathan Cape, London, 1995, p 192, 197

---

# Notes

---

---

# Chapter Eleven

## Consumerism and entertainment

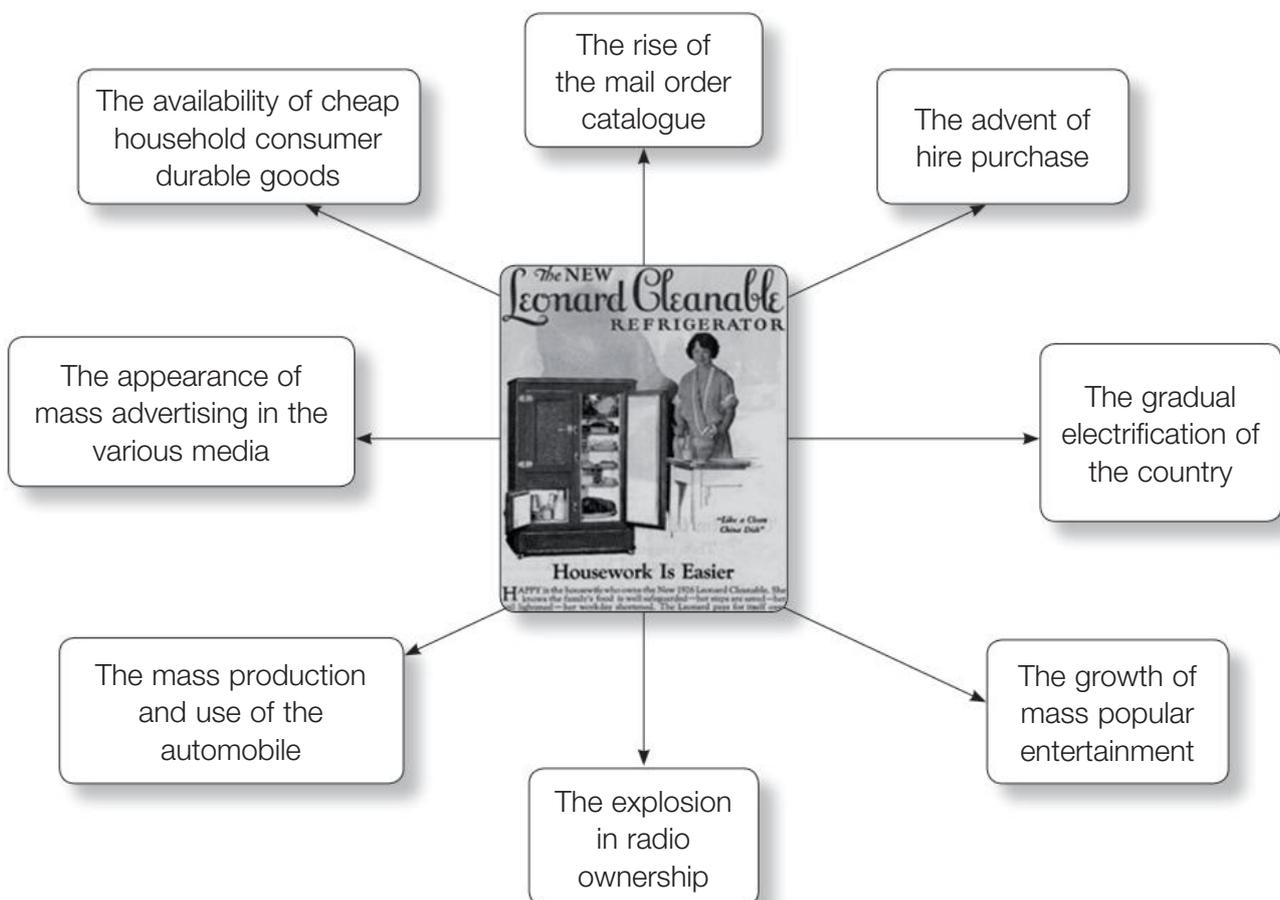
---

### Introduction

In the 21st century, consumerism is so much a part of the western way of life, it is rarely questioned. Turn on the television, listen to the radio, go to the movies, click on one's favourite social media or simply walk down the street and advertising is everywhere. Economic growth is centred on an ever-increasing demand for consumer products. Credit cards enable people to have what they cannot pay for until later. And the pressure is always to get the latest and the best – queues outside Apple stores for the newest iphone is testament to this.

A century ago, such things were in their infancy – minus credit cards and iphones. Consumerism had appeared in the late 19th century, especially as mass-circulation newspapers took off. In the America of the 1920s and 1930s it exploded. The growth of consumerism seemed to typify the apparent prosperity of the time though it was not spread evenly across the country. Farming communities benefited far less than did urban areas; the Southern states benefited far less than did states in the north east and the far west. Figure 11.1 outlines some of the key features of mass consumerism in the 1920s and 1930s and what made it possible.

**Figure 11.1 Features of US consumerism**



## The development of consumerism

In 1912, about 2.4 million **electrical good items** were sold in the United States; by 1929, the figure had grown to 160 million. This is an extraordinary rate of growth:

- the type of goods which were now becoming so widely available to the American public are familiar to us today and included everything from an electric toaster to a vacuum cleaner to an iron to a refrigerator;
- two factors made this development possible:
  - (1) mass production – using assembly-line techniques, pioneered by men such as Henry Ford, electrical goods could now be produced in such great number and for so little, that they came within the reach of many ordinary Americans;
  - (2) electrification – gradually more of the country was being hooked up to the electric grid which made possible the use of such items;
- however, this expansion of consumer goods use should not be exaggerated, and the term a “domestic consumer revolution” should be used carefully:
  - (1) large parts of the country, such as the rural South, were not electrified and so would be unable to use such goods;
  - (2) not all goods spread quickly – by 1928 there were only about 20 000 refrigerators in the whole of the US, most people still had to make use of ice-chests.

The introduction of **hire purchase (HP)** meant that ordinary working-class Americans were able to enjoy the benefits of consumerism even if they did not have the money. Credit was readily available and people were encouraged to “buy now, pay later”. HP is of course an earlier version of credit cards.

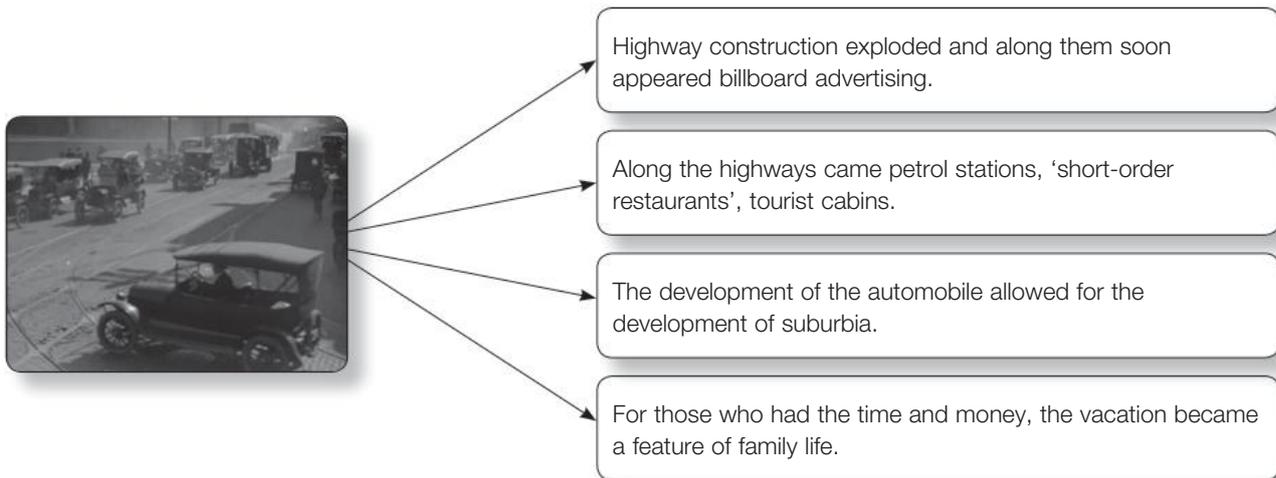
- on the eve of the Wall St Crash, about \$7 billion worth of goods were sold on credit, including half of all household consumer durables;
- of course, the danger of HP was that if people took on too many debts, and their situation changed, such as losing one’s job, then there would be problems, goods could be repossessed;
- in the 1920s, the widespread use of HP seemed to be all part of the economic boom of the time, and banks/ loan companies were more than willing to grant credit.

In the 21st century, we are familiar with purchasing goods on the internet using Amazon, eBay or gumtree. The 1920s equivalent was the introduction of the **mail order catalogue**. Even if consumers could not get to the department store, it was possible to order items from the catalogue and have them delivered to the door. A 1920s version of online shopping.

The most significant part of the consumer boom of the 1920s was the **motor car**.<sup>1</sup> It has been estimated that there were about a fifth as many cars in the US by 1930 as there were people. Only Canada exceeded this rate at the time. Henry Ford’s Model T Ford – that came in colours ranging from black to black – had come within reach of many Americans. Companies such as Chevrolet and Germany’s Mercedes-Benz provided vehicles for the more affluent part of the market. The massive expansion of car ownership had various flow-on effects. These are outlined in Figure 11.2.

<sup>1</sup> See Chapter Three.

Figure 11.2 Flow-on effects of motor-car ownership



The most popular product bought during the 1920s was **the radio**. In November 1920, there were 5000 radios across the United States; by 1922 there were three million. Radio's first live broadcast was delivered by Pittsburgh's Radio KDKA's coverage of the 1920 presidential election. Women were particularly keen to tune in as this was the first time they had been allowed to vote for their President.

- In 1921, the US had five radio stations; by 1930 there were 618; by 1940 there were close to 900 radio stations, some of them broadcasting coast to coast. Most of the stations were controlled by two companies:
  - National Broadcasting Company (NBC);
  - Columbia Broadcasting System (CBS).
- Potential audience size was almost unlimited. It was estimated that over 50 million Americans tuned in to hear the September 1927 heavyweight championship boxing match between Jack Dempsey and Gene Tunney.
- Soon advertising became prominent on the radio. Companies would 'sponsor' certain shows that allowed them to spruik their products:
  - some of the sponsoring companies were soap powder manufacturers, and so 'the soap opera' was born;
  - radio stations polled listeners to discover their preferred programs and it soon became apparent that light music and comedy were the favourites;
  - this angered some people who believed that radio should be used to educate people not simply amuse them.

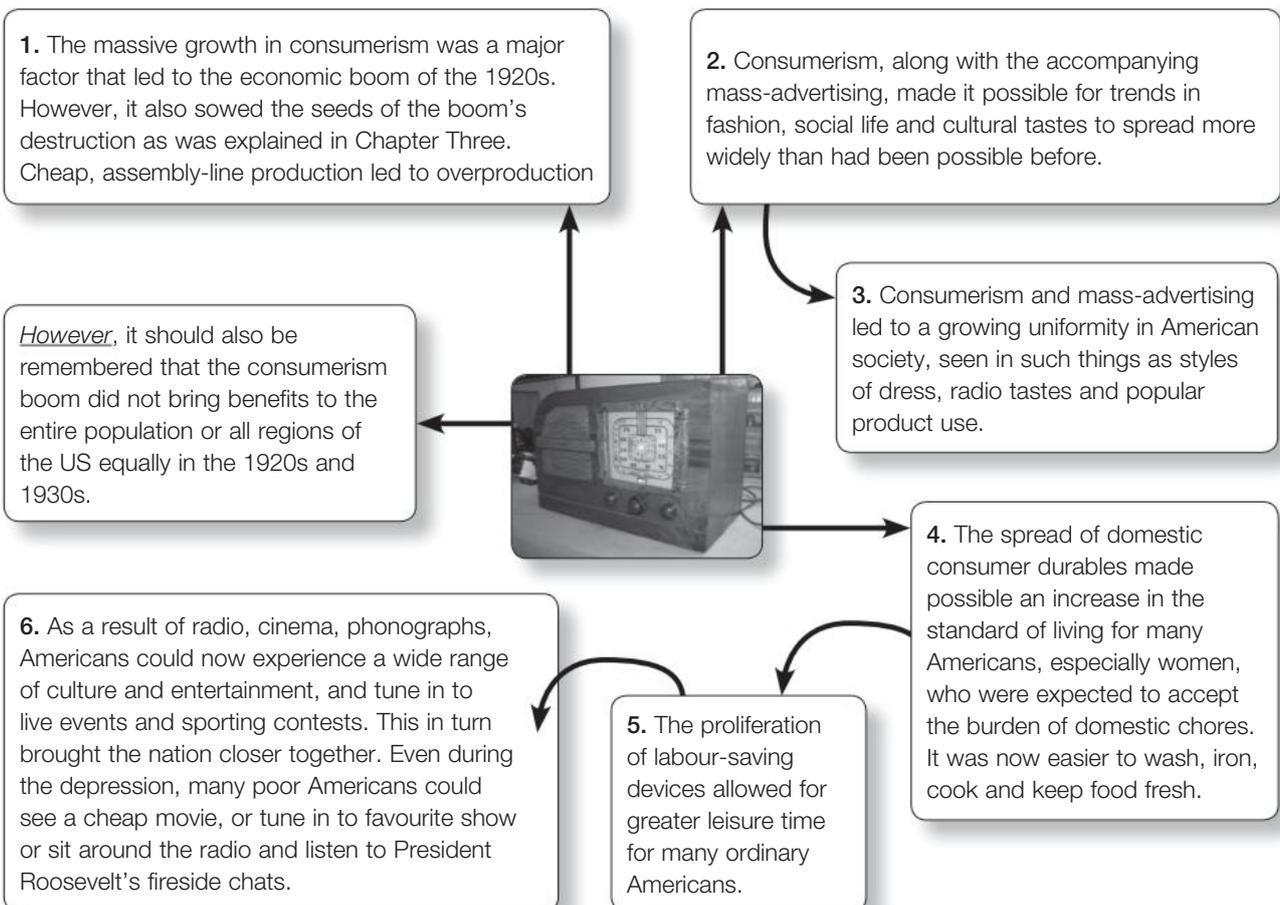
A major feature of the expansion of consumerism was mass advertising.

- It was almost impossible for Americans to escape the advertising of the time:
  - as outlined above, it became a major feature of radio broadcasting;
  - highways were covered with advertising billboards;
  - as cinema expanded (see below), so too did advertising;
  - newspaper advertising had been present for some time but it too exploded both in its scope and style.

- Many products on sale differed little in quality or the features that they could boast. As a result, advertisers worked hard to convince consumers that they needed their products more than a competitor's. Advertisers sought to educate consumers that they needed products that they might not have realised they needed. Sexist stereotypes were the stock in trade:
  - are you a skinny runt and want a muscular body to attract women? – buy our body-building course;
  - are you an overweight lady and want a slim body to attract men? – buy our quick-action dieting package;
  - ladies want to make those household chores easier? – then buy our brand-new vacuum cleaners.
- Celebrities were co-opted to promote products and no claim was too outrageous to try and entice buyers:
  - Babe Ruth (baseball star) drinks our cola drink;
  - eight out of ten doctors recommend Lucky Strike cigarettes.
- Mass advertising became a multi-million-dollar industry. New York's Madison Ave became a mecca of skilled (and often unscrupulous) advertising.



**Figure 11.3 The impact of consumerism on American society**



**Exercise 11.1** Indicate whether each of the following statements is true or false.

1	The spread of mass-consumerism in the 1920s and 1930s was evenly spread across all areas of the United States.	TRUE/ FALSE
2	Despite the spread of mass-production techniques in American industry, most electrical goods remained very expensive and out of reach for most Americans.	TRUE/ FALSE
3	There were large areas of the United States in the 1920s that lacked electrical power and so could not benefit from the 'consumer goods revolution'.	TRUE/ FALSE
4	Hire purchase was introduced to assist people to save up the money they needed to purchase the new products that were appearing in the 1920s.	TRUE/ FALSE
5	Hire purchase assisted the consumer boom but it contained dangers for consumers who faced repossession if they could not maintain their payments.	TRUE/ FALSE
6	Mail order catalogues showing the products that the major stores sold enabled people in remote areas to engage in the consumerism of the time.	TRUE/ FALSE
7	Car ownership in the United States exploded and made the US one of the two highest car-owning nations in the world.	TRUE/ FALSE
8	The radio failed to grab the imagination of most Americans in the inter-war period as most people preferred to watch television.	TRUE/ FALSE
9	Advertisers quickly learned to play on recognisable stereotypes to convince people that what they had to sell could quite simply not be done without.	TRUE/ FALSE
10	Consumer advertising always retained ethical standards and did not mislead consumers with false claims.	TRUE/ FALSE

**Entertainment**

The revolution in technology which brought electricity to many more parts of the country, which allowed even the poor to own a cheap radio set and the growth of the 'Hollywood' movie industry meant that more and more Americans were able to experience a wider and wider range of entertainments in the inter-war period. Even during the depression years, radio and cheap cinema tickets were available to the majority of the American population.

The 1920s has often been referred to as “*The Roaring Twenties*”, or “*The Jazz Age*” or the age of the “*Flappers*”.<sup>2</sup> Images quickly come to mind of film stars, expensive cars and night clubs where illegal drinks could be consumed.<sup>3</sup>

However, it should be remembered that the 1920s did not ‘roar’ for everyone. The standard description of ‘wild, exciting times’ did not happen for everyone; it helped to have money:

- not many people were able to go to Jay Gatsby’s<sup>4</sup> flamboyant parties;
- for the majority of American women, life involved the drudgery little different to their parents, despite the appearance of some domestic appliances;
- for rural men and women, especially in the South, the 1920s most certainly did not roar.

However, it cannot be denied that the inter-war period witnessed a revolution in both the nature and the extent of entertainment in the United States.

As was mentioned in the discussion of consumerism, **radio** was one form of entertainment which seemed to be everywhere and which most people could afford. With almost 900 radio stations broadcasting and 52 million radio sets receiving by 1940, radio was truly everywhere.

- At first private companies were able to control the wave lengths:
  - soon the big three were controlling the airwaves – the National Broadcasting Company (NBC), the Columbia Broadcasting System (CBS) and the American Broadcasting Corporation (ABC).
  - in 1927, Congress legislated to control the spread of radio when it established the Federal Radio Commission.
- The radio was able to challenge newspapers for news coverage and so it is not surprising that newspaper owners soon sought to gain control of radio stations (and in the future TV stations):
  - one drawback of this was that one company was able to control all the news in a particular city or region.
- As with cinema (see below), producers of radio programs faced the dilemma of ‘what should the purpose of radio be – to lift up the cultural level of the population or play down to the tastes of the masses and give them what they wanted?’:
  - it quickly became apparent that the latter would win out;
  - like any enterprise, radio was a business and profit was the goal;
  - music, comedy and news became the choice of the masses;
  - as mentioned earlier, companies entered radio by sponsoring different programs and so ‘the soap opera’ was born;
  - however, in the 1930s, the national broadcasters did set aside Saturday and Sunday afternoons for symphony concerts and operas – these were considered poor commercial times.

2 The term “flapper” denoted a young woman of the 1920s who was embracing the growing freedoms for women. A ‘flapper’ wore shorter dresses, smoked, danced the ‘Charleston’, went to ‘speakeasies’.

3 Prohibition will be covered in Chapter Twelve.

4 Jay Gatsby was the eponymous figure in F Scott Fitzgerald’s novel, *The Great Gatsby*, who gave extravagant parties at his Long Island home.

- The predominant music style of the time was **jazz**. It began in the South in cities like New Orleans and on the Mississippi riverboats. White Southerners spurned it at first, calling it “ni---- whorehouse music”. However, it soon spread both nationally and internationally:
  - it moved north to cities like Chicago, as did many black Americans of the time;
  - New York’s ‘Cotton Club’ became a centre of Jazz;
  - some of the big names of Jazz appeared at this time such as Louis Armstrong and Duke Ellington;
  - outrageous dance crazes often accompanied the music, such as the Charleston and the Black Bottom;
  - in the 1930s/ 1940s, big swing band leaders, such as Glen Miller and Benny Goodman, adapted jazz for white audiences.
- The most significant development in entertainment of the inter-war period in America was the development of **cinema**. It really did seem that by the 1930s, all Americans were attending the cinema:
  - cinema tickets were cheap, and so even poor people could visit the cinema;
  - above all, the cinema provided escapism from the harshness of everyday life - for less than forty cents, one could see two feature films and a news magazine
- The glamour and popularity of Hollywood exploded during the silent era of the 1920s and popular magazines and mass circulation newspapers devoted masses of copy to stars of the silver screen:
  - in the 1920s, the stars became household names: there were heroes such as Douglas Fairbanks, romantic figures like Rudolf Valentino, beauties like Mary Pickford, comic geniuses like Charlie Chaplin;
  - spectacular epics were created by directors such as D W Griffiths (*Birth of a Nation*) and Cecil B De Mille (*The Ten Commandments*);
- In 1927, the first talking movie was released – *The Jazz Singer* starring Al Jolson. For some of the silent stars, the ‘talkies’ spelt the end of their careers but Hollywood grew even more in the 1930s as the ‘star system’ developed and new technology was introduced:
  - stars included action figures like Errol Flynn, romantic leads like Clark Gable, comic actors like Laurel and Hardy, screen goddesses like Greta Garbo and dance geniuses like Fred Astaire and Ginger Rogers;
  - Walt Disney turned animation into an art form, *Snow White and the Seven Dwarfs* was the first full-length cartoon feature in 1937.
- As with radio, there was a debate about where cinema should go: should it seek to raise the people’s cultural level or should it appeal to mass tastes?
  - Shannon quotes an unnamed Hollywood figure who tended to sum up the thinking of the time: “*The picture industry is no different from the underwear business, for example. It is completely governed by the law of supply and demand.*”<sup>5</sup>
  - however, it should not be forgotten that Hollywood did introduce the masses to the great classics of literature – most working people would not read Victor Hugo, Tolstoy or Emily

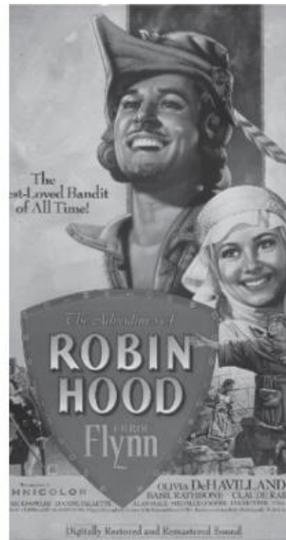
5 Shannon, D A, *Between the Wars: American 1919-1941*, Houghton Mifflin Company, Boston, 1979, p 125

Bronte but they might go to the movies see Charles Laughton in “The Hunchback of Notre Dame” or Greta Garbo in “Anna Karenina”.

Figure 11.4 outlines some of the benefits and drawbacks of the spread of cinema.

## THE POSITIVE SIDE

- The movie industry was a major element of the US economy, its 14th largest industry in 1937.
- Movies created millions of jobs from stars to cameramen to writers to small town usherettes.
- It provided cheap, easily available entertainment for everyone.
- Movies were often able to present ‘good’ modes of behaviour and show the costs of wrong behaviour.
- The movies opened people’s minds to other nations and other times.
- Movies brought ordinary people in touch with great literature.



Errol Flynn, star of the 1938 film ‘Robin Hood’

## THE NEGATIVE SIDE

- The movies could present racist or sexist stereotypes which it would be difficult to shake off for generations to come, such as the influence of cinema. The plains Indian was presented as a savage in countless westerns. Asian characters were often presented as deceitful.
- Black Americans were often shown as the ‘simple black slave’ or were always relegated to the role of people who served white people.
- There were strict rules of censorship in the inter-war period. This had the effect of presenting a uniform view of American life despite the differences which existed across the country.

Another form of entertainment which boomed was **sport**. Sport became big business where profits could be made. Professional baseball, gridiron games, boxing and wrestling drew massive crowds.

- Baseball players such as Babe Ruth, ‘the bambino’, became national celebrities and their careers were followed eagerly:
  - Ruth’s career spanned over twenty years, playing for the Boston Red Sox and the New York Yankees.
- The boxer, Jack Dempsey, was a national hero. College football attracted millions of spectators.

The greatest impact on the inter-war period was the **motor car**. As the price of automobiles fell, car ownership grew enormously. The impact of the car was referred to earlier. However, in addition to these effects, widespread car ownership (and the expansion of urban transportation) had another important impact: the growth of suburbia<sup>6</sup> and this impacted on entertainment:

- small towns were not able to sustain a wide array of cultural entertainments;
- the spread of suburbia not only increased a city’s population but it also contributed to the growth of a city’s metropolitan centre;

<sup>6</sup> See also Chapter Nine.

- this plus the large population made possible the establishment of city cultural centres, symphony orchestras, museums, art galleries and opera companies for which small towns could not provide a market.

**Exercise 11.2**

Match the description on the left with the personality listed in the box below.

1	I was a cinematic animator who began the production of feature-length cartoon films.	
2	I was a heavy weight boxing champion and became something of an American hero.	
3	I was a major beautiful film actress of the silent film era.	
4	I was an action star of the 1930s and starred in films such as 'The Adventures of Robin Hood'.	
5	I was a fictional character created by F Scott Fitzgerald, known for giving extravagant parties in the 1920s.	
6	I was a major baseball star of the 1920s and 1930s, and played for the Boston Red Sox and the New York Yankees.	
7	I was a major Hollywood director, renowned for my epics like 'The Ten Commandments'.	
8	I was a major jazz musician who began my long career in the 1920s.	
9	I was a major Hollywood actress of the 1930s, and starred in the film adaptation of Tolstoy's 'Anna Karenina'.	
10	I was a major Hollywood actor of the 1930s and starred in the film adaptation of Victor Hugo's 'The Hunchback of Notre Dame'.	

GRETA GARBO – WALT DISNEY – JACK DEMPSEY – ERROL FLYNN –  
JAY GATSBY – LOUIS ARMSTRONG – CECIL B DE MILLE –  
CHARLES LAUGHTON – MARY PICKFORD – BABE RUTH

## Anti-consumerism

This chapter highlighted the nature of the consumer society as it took off in the United States in the 1920s. Consumerism had many supporters and it clearly provided some major benefits for American society:

- labour-saving devices to alleviate the tedium of household chores;
- a widened scope of entertainments and leisure activities;
- car ownership allowed for more convenience and freedom;
- consumerism was indicative of the increased standard of living that many Americans were at last experiencing.

In 1928, Herbert Hoover seemed to sum up the benefits of consumerism as seen in one of his campaign slogans during the election:

*“...a chicken in every pot, and a car in every backyard...”*

However, the rampant consumerism of the time also had its critics. Consumerism came to be attacked from various perspectives.

1. There were those who attacked it from a moral, religious perspective.
  - a. Their argument was that America’s growing obsession with consumerism was lessening people’s interest in religion.
  - b. Such people saw consumerism as godless.
  - c. They attacked it because consumerism epitomised selfishness, greed and self-indulgence.
  - d. They wanted a greater emphasis on Christian values of compassion, care for others, rather than a focus on a getting the latest and the best that money could buy.
2. Though consumerism was obviously a major factor in the boom of the 1920s, it also had its opponents from an economic perspective.
  - a. The more far-sighted could see that the prosperity of the time, and the consumer boom that drove that prosperity, bore the seeds of its own destruction.
  - b. As was explained in Chapter Three, overproduction was to be a key factor in the looming crash.
  - c. As was explained in Chapter Eleven, much of the consumer boom relied on hire purchase.
  - d. Too many people had allowed themselves to get into serious debt. This would become all too apparent once the depression took hold.
3. At a deeper level, anti-consumerism was another element in the conservative desire to return to the traditional, purer values of that perceived superior, rural America of an earlier time.
  - a. Consumerism, with its factories, mass-production, mass-advertising and credit living, were all seen as elements of decadent city life, with its crime, its drunkenness and its alien immigrants.
  - b. The desire was to return to a time when life was simpler, uncorrupted by urban indulgence of which consumerism was a key element.

## What do the historians have to say about “Consumerism and entertainment”?

### 1. S E Morison, H S Commager, W E Leuchtenburg

One effect that Morison et alia comment on is the way that, thanks to radio, the wider world slowly began to make its way into the lives of ordinary Americans. In the 1930s, families were able to sit next to a radio set and listen to President Roosevelt give a ‘fireside chat’. They were able to hear Hitler harangue his supporters at a Nuremberg Rally. During the war years, they would be able to hear Edward Morrow describe the London blitz.

*“...The radio brought world affairs into the living room and by making it possible for every American to hear (among other things) ... the sombre eloquence of Churchill, did a great deal to break down provincialism...”*<sup>7</sup>

### 2. Keith Roberts

Roberts makes the point that he says is ‘very obvious and yet cannot be stated too often’ that what Hollywood offered in the inter-war period was escapism. In some ways this was obvious as seen in the popularity of such genres as the western, the musical and the thriller. Films did not ignore the experiences of real people but cinema sought to ‘annex’ the ‘fantasy life of the audience’ for the duration of the film. Films might raise a serious problem only to solve it”

*“...according to the rules of a more or less iron clad, and often rather sentimentally applied moral code. Crime does not pay, the hero marries the girl, democracy will always triumph, the code is simple, conventional and optimistic, and usually at variance with the experience of the audience...”*<sup>8</sup>

### 3. F Scott Fitzgerald

In his writings, Fitzgerald successfully alludes to the age of ‘the flapper’ and the ‘roaring twenties’. In his short story ‘Bernice Bobs Her Hair’, he presents the character Marjorie Harvey as the typical flapper, who when talking to ‘Bernice’, tells her to go home if she is not having a good time. Bernice replies with: “Don’t you think common kindness-”. Marjorie caustically replies: “Oh, please don’t quote ‘Little Women’! That’s out of style”. Fitzgerald also presents another view of the 1920s when he writes in his short story ‘My Lost City’:

*“...But the restlessness of New York in 1927 approached hysteria. The parties were bigger... the pace was faster, the shows were broader, the buildings were higher, the morals were looser, and the liquor was cheaper...”*<sup>9</sup>

7 Morison, SE, Commager, HS and Leuchtenburg, WE, The Growth of the American Republic, Volume Two, OUP, 1969, p 449

8 Robert, K, Hollywood and the Star System, Purnells History of the 20th Century, Volume III, 1969, p 1241

9 Fitzgerald, F Scott, My Lost City, The Stories of F Scott Fitzgerald, Vol 2: The Crack-Up with Other Pieces and Stories, Penguin, 1986.



---

# Chapter Twelve

## Social tensions: immigration, religious fundamentalism, Prohibition, crime, racial conflict, anti-communism, anti-unionism

---

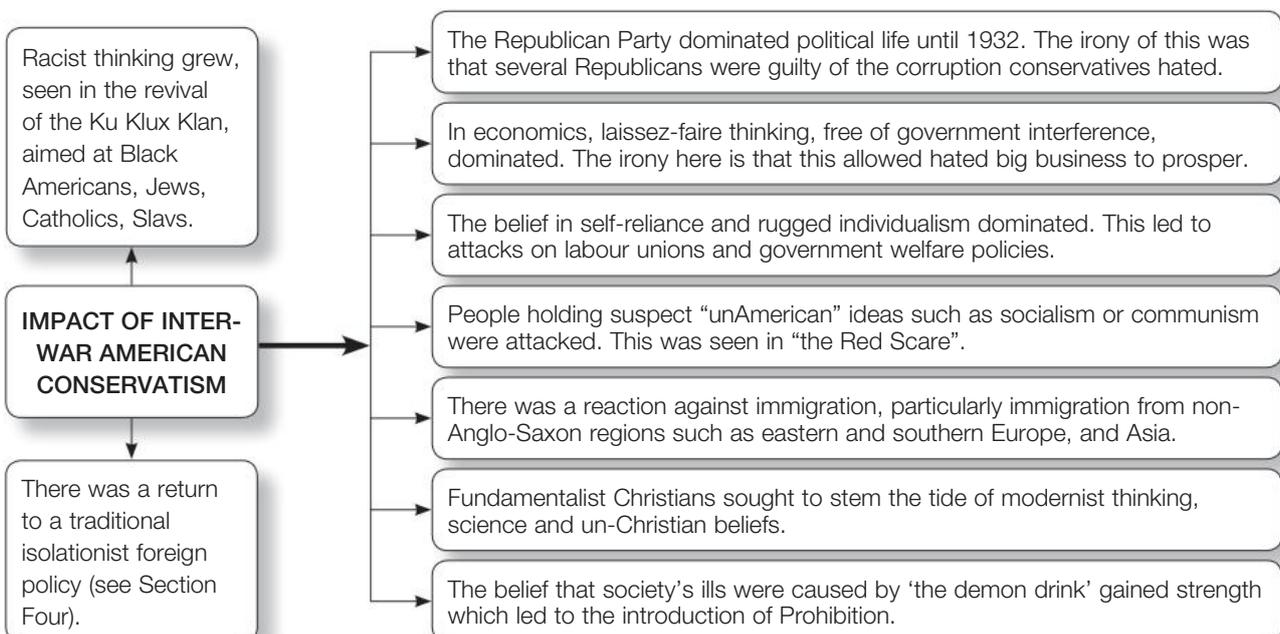
### Introduction

The America of the 1920s and 1930s was a period of enormous social tensions. It was a period that was characterised by deep strains of conservatism, (America First) nationalism and intolerance, bordering on extreme bigotry. The signs were there from the start. Warren Harding was elected President under the slogan of 'back to normalcy', and the country rejected Woodrow's Wilson's internationalism, seen in the US refusal to ratify the Paris Peace Settlement and join the League of Nations.

The country became intolerant of people and ideas that did not conform to America's traditional "*white, Anglo-Saxon, Protestant (WASP)*" tradition. During the Republican ascendancy of the 1920s, the nation seemed indifferent to society's problems. The conservative tide of intolerance rested on the belief that in the 19th century, America had been a purer, cleaner, superior society. Several values epitomised this thinking:

- rural and small-town life, with its spirit of rugged individualism, was superior to the decadence and corruption of the big, industrial cities;
- 19th century America was free of city evils such as non-Anglo-Saxon immigrants, alcohol and "*negro*" influences;
- it was free of "*unAmerican*" ideas such as socialism and communism;
- it was a god-fearing nation, untainted by irreligious secular ideas;
- seeking to fulfill its "*manifest destiny*" to occupy the American continent, it remained determinedly isolationist.

Conservatism was reflected in various ways, sometimes often with a paradoxical outcome. These are outlined in Figure 12.1.



## Immigration

The United States had long been a country of immigrants. The words on the Statue of Liberty in New York harbour states:

*“Give me your tired, your poor, Your huddled masses yearning to breathe free, The wretched refuse of your teeming shore”.*

However, anti-immigration measures had already been put in place before World War I in relation to Asian immigration:

- at the turn of the century, there was resentment against an influx of Japanese immigrants into California;
  - in 1906, San Francisco would not allow Japanese children into regular schools.
- in 1907, President Theodore Roosevelt had gained a *Gentleman’s Agreement* from the Emperor of Japan to stop coolie labourers moving to California;
- in 1913, California passed the *Webb Act* which banned Japanese from owning land in the state;
- to overcome the 1913 Webb Act, some immigrants transferred land-titles to Japanese American-born children;<sup>1</sup>
  - this practice was banned with the Asiatic Land Law of 1920.

After World War I, it was not only Asian immigrants who were not welcome. There were several factors that caused this sentiment:

- most of the recent immigrants were seen as alien, coming from eastern and southern Europe;
  - white Americans feared that they were being swamped;
- these “alien immigrants” were unwelcome because they were mostly non-Protestant:
  - they tended to be Catholic, Orthodox or Jewish;
- some Americans believed such people were “inferior”;
  - racist publications, such as Madison Grant’s *“The Passing of the Great Race”*, were best-sellers;
- they were seen as bringing alien, unAmerican ideas such as socialism, communism and anarchism;
- hard-working immigrants who succeeded threatened the privileged position of white people.

Once World War I was over, Europe was a devastated continent. Millions had died, millions had lost their homes and livelihoods. As the map of post-war Europe was drawn-up, millions of people found themselves on the move as stateless refugees. For such people, there was only one place to go – America. Fearing a flood of alien immigration, the Republican governments of the 1920s quickly introduced a series of immigration laws to prevent this happening.

---

<sup>1</sup> The 14th Amendment to the Constitution stated that children born in the US automatically became citizens.

## The 1921 Emergency Immigration Law

In 1921, the government introduced a quota system to limit immigration:

- the immigration intake of any national group was limited to 3% of the number of that group's nationals that were present in the United States in 1910.
- the purpose of this measure was to favour immigrants coming from north-western Europe and Great Britain.
  - in 1910, immigration numbers were still dominated by white Protestants coming from Britain and north west Europe as immigrants coming from eastern and southern Europe were still arriving.

In 1924, even greater restrictions were placed on the immigration intake with the passing of the Johnson-Reed Act:

- the immigration quota allowed for each national group was now reduced to 2% of nationals in the United States in 1890;
  - this was deliberately aimed at discriminating against the newer immigration;
- all Asian immigration was banned;
  - the obvious racist element of this measure became an underlying factor that harmed US-Japanese relations as time went on;
- it allowed unrestricted immigration of native-born Canadians;
- the law did not apply to Mexicans as Californian farmers were keen to continue using Mexican labour at harvest time.

Once the depression took a firm hold of the country, immigration numbers fell to a trickle. In the 1930s, the Roosevelt administration was reluctant to open the doors to Jewish refugees escaping Nazi persecution in Germany.

## Religious Fundamentalism

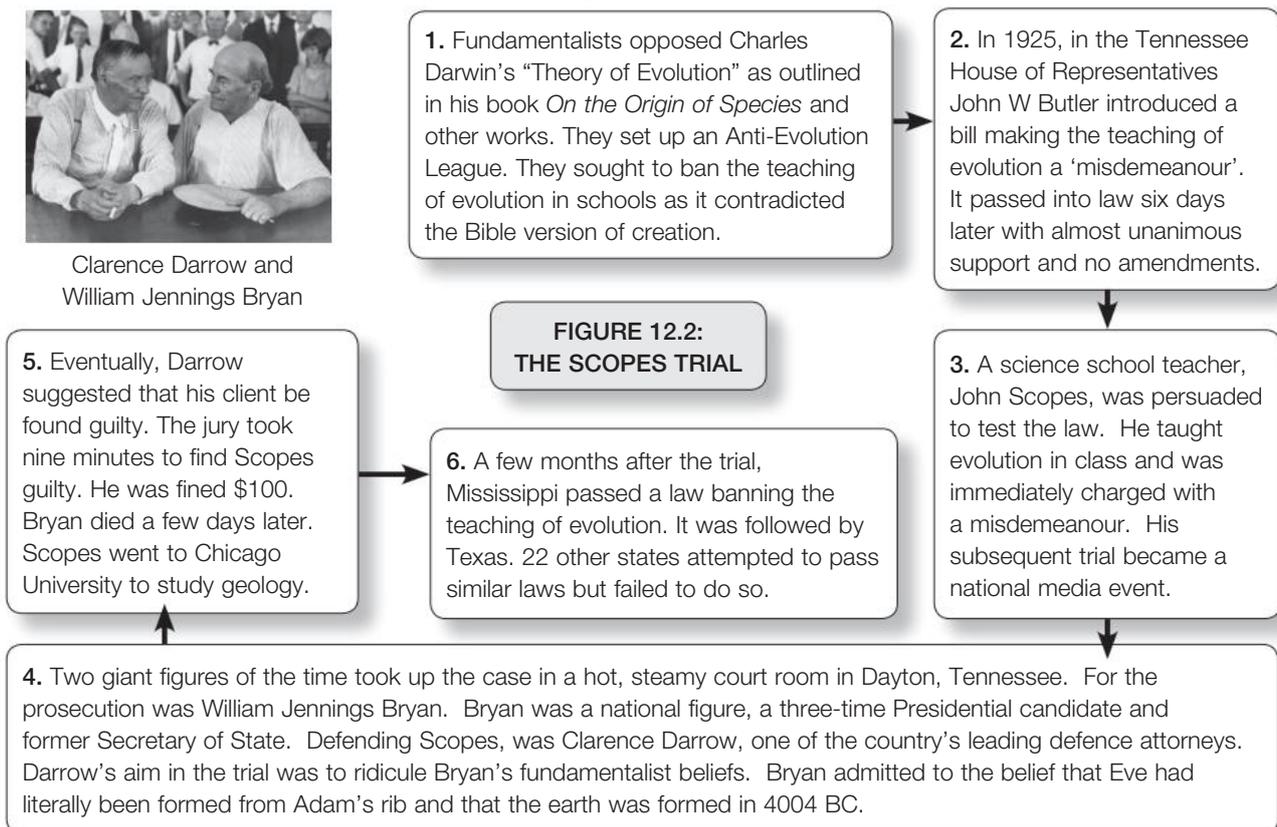
Throughout the 1920s and the 1930s, large numbers of people were being drawn to religious fundamentalism. More and more people were attending extreme Protestant churches, and parts of the country witnessed a growth in evangelicalism and revivalism. Many people came to accept the idea of a literal truth in the words of the Bible and believed that they should live their lives based on the Bible's teachings.

These developments were particularly strong in the South and the South West of the country. Preachers like 'Billy Sunday' delivered sermons warning of hell and damnation for those who did not follow the 'true word of the Lord'. Such preachers often spoke to vast crowds.

To some extent, this rise in religious fundamentalism was part and parcel of the conservatism of the post-World War I period and the desire to return to what was perceived as purer, 19th century America values. However, religious fundamentalism gained supporters for more specific reasons.

- As was mentioned at the start of this chapter, rural/ small town people viewed the large cities as centres of vice and immorality. A key factor in the rise of fundamentalism was concern about immoral city living:
  - cities like Chicago and New York became associated with godless behaviour, excessive alcohol consumption (despite Prohibition);
  - Chicago in particular was associated with high levels of violent crime;
  - there was a distrust of jazz and cinema;
  - women who wore short skirts, drank, smoked, who danced the Charleston, and who went to “speakeasies”,<sup>2</sup> were looked on as shameless and immoral;
- During the tough times of the depression, fundamentalist religion provided an escape from life’s daily struggles and hope for a better future.
- On a deeper level, fundamentalism represented a reaction against ‘modernism’ and all that entailed, from technology to new styles of thinking.

The 1920s saw fundamentalism challenge the teaching of science in American schools. The most celebrated case of this was the **1925 Scopes Trial** (also known as ‘The Scopes Monkey Trial’).<sup>3</sup> The story of the trial is outlined in Figure 12.2.



**Footnote:** *The controversy over the teaching of the Theory of Evolution continues in the United States into the 21st Century. In 2005, the case of Kitzmiller v Dover Area School District, brought up the constitutionality of teaching “intelligent design” alongside evolution in science classes in Pennsylvania schools. The court ruled against “Intelligent Design” as a legitimate topic for a science class.*

<sup>2</sup> A speakeasy was a night club where there would be music and illegal alcohol was available. (see below in the Prohibition section).

<sup>3</sup> Several films have been made about ‘The Scopes Trial’. Arguably the best is the 1960 version, “Inherit the Wind”, starring Spencer Tracey and Frederic March.

**Exercise 12.1 Use the terms in the box below to complete this paragraph.**

After World War I, the US was characterised by deep \_\_\_\_\_. The country wanted to return to \_\_\_\_\_ values that were valued in the \_\_\_\_\_ century. There was opposition to continued \_\_\_\_\_ because the new arrivals were not \_\_\_\_\_, \_\_\_\_\_-\_\_\_\_\_ and \_\_\_\_\_. In the years before 1914, laws were passed to limit immigration from \_\_\_\_\_, especially in the state of \_\_\_\_\_. In 1921, an Emergency Immigration Law cut the annual intake of any \_\_\_\_\_ group to \_\_\_\_\_ per cent of those present in \_\_\_\_\_. The 1924 \_\_\_\_\_-Reed Act cut the annual intake to \_\_\_\_\_ per cent of those present in \_\_\_\_\_. In 1924, all immigration from \_\_\_\_\_ was ended. The post-war period was also marked with the rise of \_\_\_\_\_ fundamentalism. People in \_\_\_\_\_ areas were opposed to the \_\_\_\_\_ and \_\_\_\_\_ they saw in the big cities. Many fundamentalists held to a \_\_\_\_\_ understanding of the Bible. Fundamentalism came to national prominence in 1925 during the \_\_\_\_\_ Trial in \_\_\_\_\_. A school teacher was charged with teaching \_\_\_\_\_ in his science class. Defending him was \_\_\_\_\_, prosecuting him was \_\_\_\_\_.

RELIGIOUS – EVOLUTION – NINETEENTH – BRYAN – CONSERVATISM – LITERAL – PROTESTANT – TWO – TRADITIONAL – 1890 – SCOPES – 1910 – IMMIGRATION – ASIA – DECADENCE – RURAL – CALIFORNIA – DARROW – IMMORALITY – THREE – WHITE – TENNESSEE – JAPAN – NATIONAL – JOHNSON – ANGLO-SAXON

**Exercise 12.2 Use the terms below to produce a paragraph about The Scopes Trial.**

---

---

---

---

---

---

---

---

---

---

WILLIAM JENNINGS BRYAN – CLARENCE DARROW – JOHN SCOPES – CHARLES DARWIN – JOHN BUTLER – TENNESSEE – MISDEMEANOUR – SCIENCE – SCHOOLS – GUILTY – EVOLUTION

## Prohibition

Between January 1920 and December 1933, the United States experienced the social experiment of *Prohibition*. Prohibition was yet another manifestation of the desire to return to what were seen as purer, cleaner, traditional rural values of nineteenth century America.

On 16 January 1919, the 18th Amendment to the American Constitution was ratified. It stated:

*...the manufacture, sale or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the USA and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited...*

An intoxicating liquor was defined in the Volstead Act of 1919 as any drink that contained 0.5% of alcohol or more. And so the US went “dry” as drinking, making, selling or transporting alcoholic drinks was now “prohibited”.

Campaigns against the ‘demon drink’ had had a long history in the United States:

1790s: There were campaigns against ‘demon rum’

1851: Maine was a ‘dry’ state

1900: there were five dry states

1913 the Webb-Kenyon Act forbade a liquor trade from wet to dry states

1914: two-thirds of states were dry

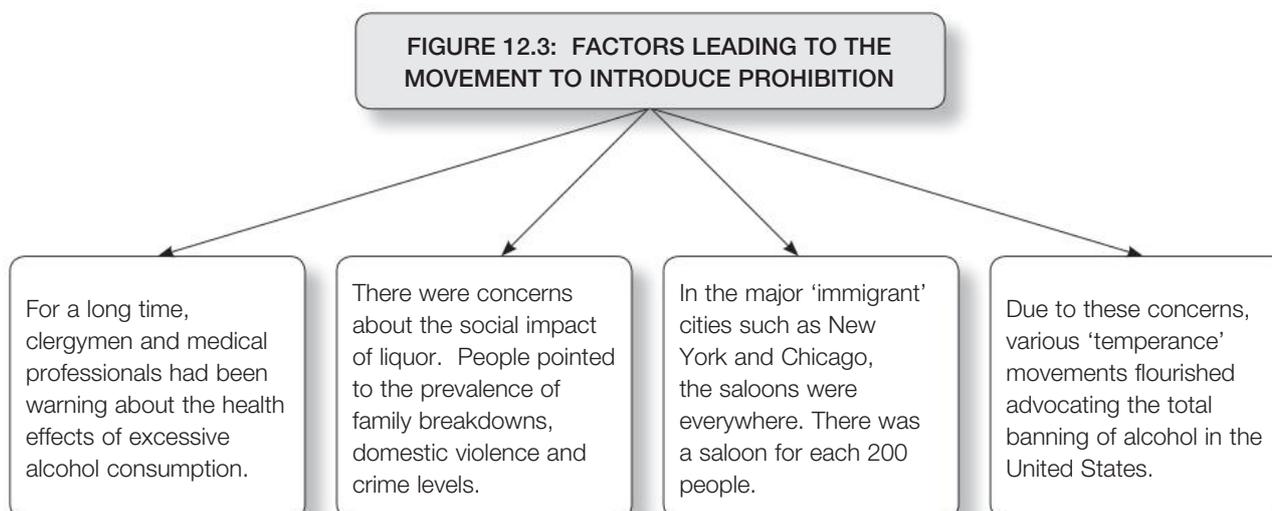
many people lived in area with ‘local option dry laws’

1917: it was illegal to sell liquor to US soldiers

## Why prohibition?

There had been calls for the banning of alcohol for many years, as indicated above. The long-term reasons for this are outlined in Figure 12.3. Various movements were formed calling for Prohibition. The movement was given a major boost during World War I.

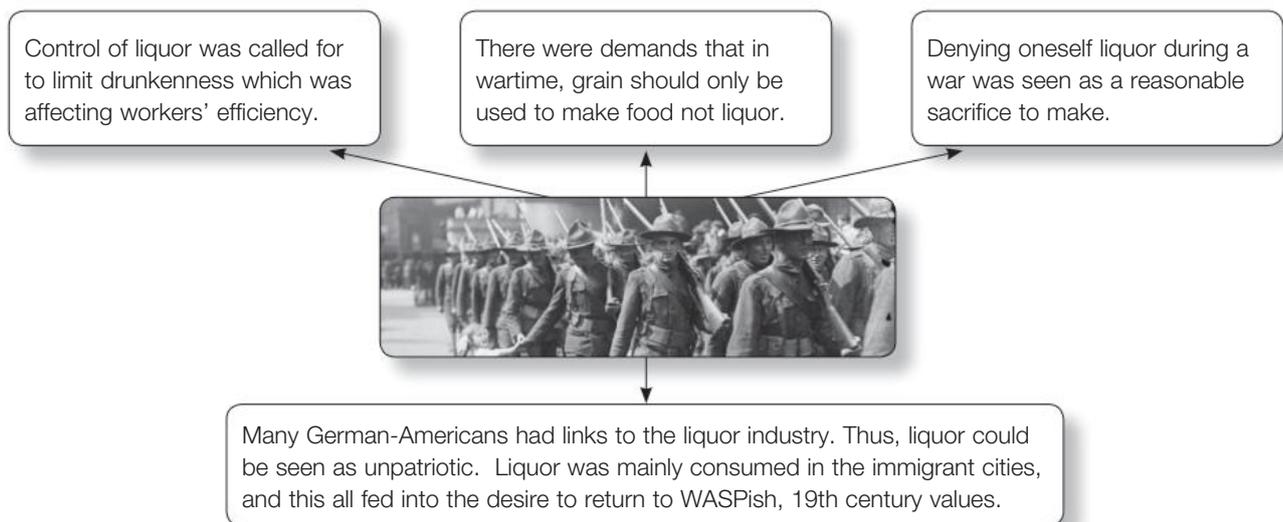
**FIGURE 12.3: FACTORS LEADING TO THE MOVEMENT TO INTRODUCE PROHIBITION**



Various organisations mobilised in the late 19th century lobbying for Prohibition.

- The Women’s Christian Temperance Union (WCTU):
  - this was formed in 1874 under the leadership of Frances E Willard;
  - the Union lobbied Congressmen, held rallies and were known to occupy saloons and give Bible readings;
  - on occasions it could be violent as seen in Cary Nation’s hatchet attacks on saloons.
- The Prohibition Party:
  - The Prohibition Party contested elections from 1876.
  - From 1892, it became a single-issue party – Prohibition.
- The Anti-Saloon League was formed in 1895 by Dr Wayne B Wheeler:
  - it held meetings, published pamphlets, took out advertisements;
  - one tactic was to pin down individual Congressmen and demand to know where they stood on the issue of Prohibition.

Figure 12.4 outlines how the impact of World War I stimulated the call for Prohibition.



The motives behind Prohibition might have been worthy. However, the whole “*great and noble experiment*”, as Herbert Hoover described it, proved to be a total failure. This failure can be seen in three main ways:

1. people did not stop drinking;
2. it led to bribery and corruption amongst police and politicians;
3. it led to an explosion of violent, gangland crime (see next section).

Prohibition was fairly successful in rural areas and small towns. However, across the country, the consumption of alcohol in the United States exploded.

- Drinking did not stop in the US. Rather, as one commentator put it, ‘it just became more fun’. In 1918, New York had 15 000 saloons; in 1926, there were estimated to be over 30 000 illegal speakeasies: <sup>4</sup>

<sup>4</sup> A speakeasy was a place where one could always get a drink. Some were small and seedy; some were opulent and very expensive.

- being seen in an “upmarket speakeasy” was the in-thing to do;
- social climbers, film stars and politicians sought opportunities to rub shoulders with the gangsters of the time who ran such places.
- Government estimates suggested that by 1929, over 700 million gallons of home-brew were being produced:
  - illegal stills producing ‘moonshine liquor’ were also producing vast amounts of liquor, some of it of dubious quality.
- If Americans could not make their own “bootleg liquor”, it could be imported from Mexico, Canada and the Caribbean:
  - boats called “rum-runners” brought in bootleg liquor;
  - Canada was a three-minute speed boat trip from Detroit.
- Rates of drunkenness soared:
  - drinking offence arrests in Philadelphia tripled between 1920-25;
  - in 1925, arrests for drunkenness in Chicago exceeded that for the whole of England and Wales – where drinking was legal.

Prohibition led to a growth industry in police and political corruption.

- A 130 gallon still was found on the Texas property of Senator Morris Sheppard:
  - Sheppard had proposed the 18th Amendment.
- Gangsters turned the illegal production and importation of liquor into a multi-million-dollar business;
  - it proved easy for them to buy off police, mayors and state politicians.

Prohibition finally came to an end in 1933. It had been a total disaster despite its allegedly noble intentions. The public had become revolted by the level of crime associated with it. It had failed for the simple reason that Americans liked to drink.

- In May 1929, President Hoover established the National Commission on Law Observance and Enforcement, known as the ‘Wickersham Commission’ after its Chairman, former Attorney-General George Wickersham.
- The Commission reported in early 1931. It made two key points:
  - Prohibition could not be enforced;
  - it favoured the continuation of Prohibition.
- During the 1932 presidential election campaign, Franklin Roosevelt promised to bring Prohibition to an end if elected:
  - the 21st Amendment, proposed by Congress on 20 February 1933, stated:  
*....The eighteenth article of amendment to the Constitution of the United States is hereby repealed....*
  - it was ratified on 5 December 1933;
  - At the time President Franklin Roosevelt said: *“I think this would be a good time for a beer.”*

## Crime

Prohibition did not create organised crime in the United States, and its end in 1933 certainly did not see it come to an end. However, the gangs quickly realised that there were major profits to be made from producing and supplying illegal liquor across the country. Bootlegging became a million-dollar business. Such were the profits to be made, violence between the various gangs reached uncontrollable levels as each tried to control the liquor business in their areas.

Criminals realised that it was easy to “buy off” police,<sup>5</sup> local government officials, judges, and juries often proved reluctant to convict “bootleggers”. The gangs soon learned how to gain political control of areas in which they were operating.

- In the early 1920s, the key Chicago gangland figure was Big Jim Colosimo. He was gunned down by his bodyguard, Johnny Torio, who soon controlled all of Chicago’s northside.
  - Chicago’s mayor, ‘Big Bill’ Thompson was in the pay of Johnny Torio.
- Torio’s main rival was Gympie O’ Banion, who controlled Chicago’s southside.
  - Torio brought in a New Yorker, Alphonse Capone to help him. Capone’s men murdered O’Banion.



Once Torio retired, Capone controlled all of Chicago.

- At one stage, Capone was earning \$100 million per annum from various illegal operations which included not only bootlegging but also gambling and prostitution.
  - Capone and other gangsters became folk heroes to some, and it became a mark of social status to be on first name terms with someone like Capone.
- Yet the violence was real. Between 1927-31, there were 220 gangland murders; on 14 February 1929, Capone’s people murdered seven members of the Bugs Moran gang in the St Valentine’s Day massacre. No one was ever charged over these crimes.<sup>6</sup>

Crime did not end with the end of Prohibition. There was a number of high-profile crime figures in the 1930s who gained the public’s imagination. Their downfall was often the result of the efforts J Edgar Hoover’s FBI<sup>7</sup> agents.

1933 – The FBI tracked down and killed the gangster George ‘Machine Gun’ Kelly

1934 – ‘Public Enemy No 1’, John Dillinger was killed by Bureau agents; in the same year the FBI tracked down and killed ‘Pretty Boy’ Floyd

1936 – Bruno Hauptman, the alleged kidnapper and killer of the baby of Charles Lindbergh, was arrested, tried and sentenced to death.

In the late 1930s, Hoover’s FBI caught a series of high-profile criminals including Alvis Karpis, Harry Brunette and Louis Buchalter. Through clever publicity, and manoeuvring to have himself at the scene of various arrests, Hoover succeeded in creating a heroic status in the public’s eye for himself and the FBI’s ‘G-Men’.

<sup>5</sup> Police corruption was rife but it should be remembered that there were honest police too. Notable amongst such people were federal agents such as Izzy Einstein and Moe Smith.

<sup>6</sup> In 1931 Al Capone would eventually be sentenced to eleven years in prison for tax evasion. He was released in 1939 for good behaviour. He was suffering from syphilis. Capone died in 1947, aged 48.

<sup>7</sup> Federal Bureau of Investigation

**Exercise 12.3** Indicate whether each of the following statements is true or false.

1	Prohibition was introduced into the US as a result of an amendment to the American Constitution.	TRUE/ FALSE
2	Prohibition came as something as a shock to the Americans as there was no history limiting the availability of alcohol in the United States	TRUE/ FALSE
3	Prohibition proved to be successful as there was a major fall in alcohol consumption and drunkenness in the 1920s.	TRUE/ FALSE
4	Throughout the Prohibition period, there was often a close relationship between criminals, police and politicians.	TRUE/ FALSE
5	Prohibition came to an end because President Roosevelt had made it part of his election campaign and he passed a law ending it following his victory in 1932.	TRUE/ FALSE
6	Major criminal figures in the 1920s became the kind of people that it became fashionable to be around and on friendly terms with.	TRUE/ FALSE
7	Al Capone and his gang were the victims of a rival gang in the St Valentine's Day massacre.	TRUE/ FALSE
8	John Dillinger was a major criminal figure in the 1930s who was eventually caught by the FBI.	TRUE/ FALSE
9	Al Capone was arrested by FBI agents and sent to prison for his bootlegging activities and gang violence.	TRUE/ FALSE
10	Despite the need for secrecy in their activities, Hoover tried to maintain positive, almost heroic publicity for himself.	TRUE/ FALSE

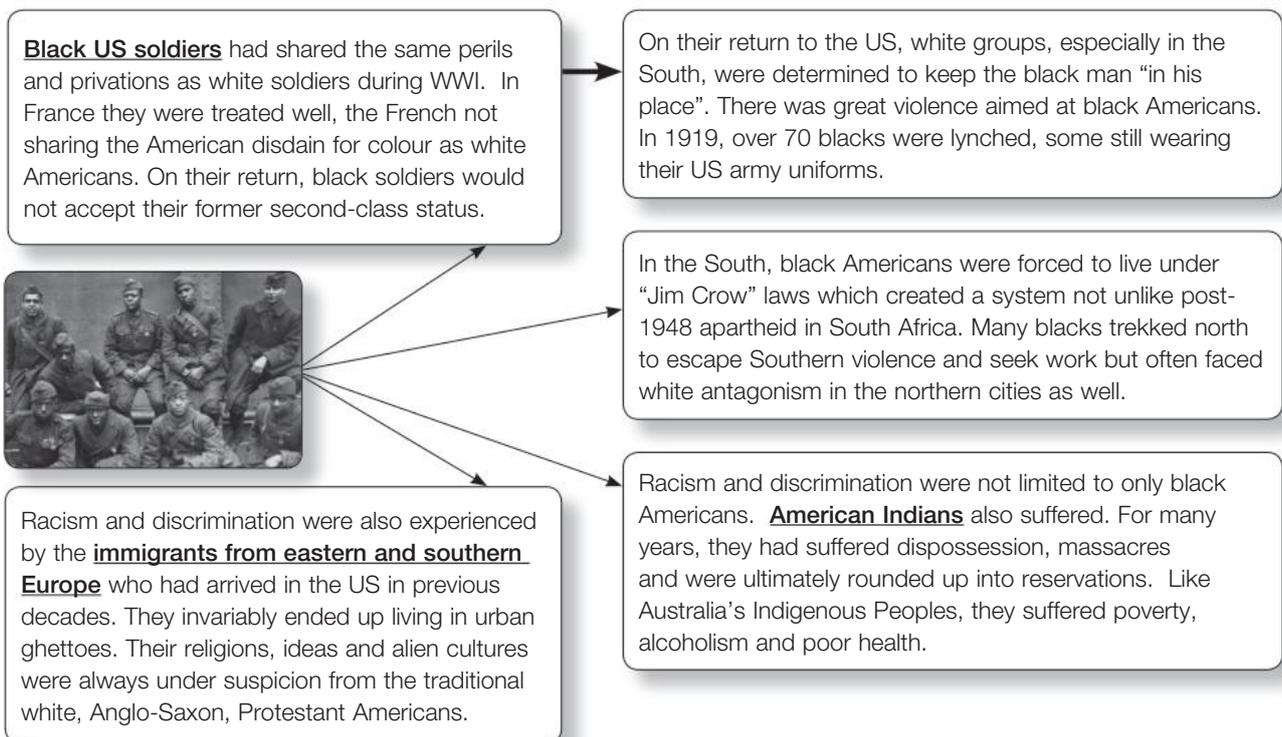
**Exercise 12.4** Who am I?

1	I was once referred to as Public Enemy No 1.	AL CAPONE
2	I was one of the honest police agents during Prohibition.	WAYNE WHEELER
3	I was a major campaigner for the Prohibition of alcohol.	JOHN DILLINGER
4	I was a major crime figure who controlled Chicago in the 1920s.	J EDGAR HOOVER
5	I was in charge of the FBI and sought publicity for its exploits.	FRANCES WILLARD
6	I was a sometimes violent, pro-Prohibition campaigner.	MOE SMITH
7	I established the Anti-Saloon League.	BIG BILL THOMPSON
8	I was a corrupt Mayor of Chicago.	CARY NATION

## Racial Conflict

Race has always been a sensitive issue in American history. Racial tension and racial conflict between blacks and whites are always just below the surface, and from time to time break out into widespread violence. Such open violent conflict broke out in Detroit in 1943 leading to dozens of deaths, in the Watts area of Los Angeles in 1965, following Martin Luther King Jr's assassination in 1968, in Los Angeles in 1992 and following the murder of George Floyd in Minneapolis in 2020. Racial conflict was pervasive in the United States after World War I, affecting not only black Americans but also American Indians and recent immigrant arrivals. The post-WWI situation is outlined in Figure 12.5.

**Figure 12.5 Racial conflict in post-World War I United States**



***The Tulsa Race Massacre*** (referred to as *The Greenwood Massacre* or *the Black Wall Street Massacre*): On 31 May/ 1 June 1921, white mobs attacked black homes and businesses in the Greenwood District of Tulsa, Oklahoma. This area was apparently the most prosperous black area in the US. A black shoeshiner, Dick Rowland, was accused of assaulting a 17 year old white girl, Sarah Page. He was arrested and rumours spread that he was to be lynched. Armed black residents went to the courthouse; 12 people were killed, 10 whites, 2 blacks. Soon mob violence broke out as white rioters attacked the black neighbourhood, at ground level and from the air in private aircraft from which firebombs were dropped. When it was all over, 36 people were dead (26 black, 10 white), though a 2001 Commission said the figure could have been as high as 300. 800 people ended up in hospital, 6000 blacks were interned and 10 000 black residents were left homeless. For 75 years there was virtual silence about these events. A Commission was set up in 1996 to study the massacre; it reported in 2001. Official memorials were eventually established to remember the massacre victims. The Tulsa Race Massacre became part of the Oklahoma school curriculum in 2010.

**The Ku Klux Klan:** *The Ku Klux Klan was formed shortly after the American Civil War in the mid-1860s. It was originally a friendly club for ex-Confederate soldiers but soon grew into a large-scale organisation of violence aimed at the local black population. Its fundamental aims were to keep the freed black slaves 'in their place' and negate the gains that victory in the Civil War had brought the Northerners. The Klan carried out thousands of violent acts, and the situation became so bad that the Grant Administration passed the Ku Klux Klan Act in 1871 which aimed to control the organisation and end the violence. By 1900, Klan influence has declined and the organisation seemed to have died out.*

## The re-founding of the Ku Klux Klan

In 1915, the Klan was re-established by a former Georgia History school teacher, William Simmons. It underwent a spectacular growth and by the mid-1920s it claimed to have over five million members. In 1923, Hiram Wesley Evans took over the leadership.<sup>8</sup> However, the new Klan was different to the old Klan.

- Its hatred and persecution of black Americans were still there, and black Americans continued to suffer violence, arson attacks and lynchings across the South and South West throughout the 1920s and 1930s.
- However, the new Klan's list of targets had widened. Also in its sights now were Catholics, Jews and immigrants from eastern and southern Europe.
- The resurgence in popularity for the Klan had several causes:
  - in one sense, it was the result of the nationalist and jingoist feelings that the government had promoted during the war against Germany; the defeat of Germany had left a vacuum – the Klan was able to present black Americans and immigrants as the 'new enemy';
  - however, on a deeper level, the revival of the Klan was part of that return to traditional, conservative values that permeated the United States after the war, seen also in the revival of fundamentalism, anti-immigration feeling and the desire for Prohibition;
  - WASPish values were promoted by the Klan in contrast to the immoral city living of Catholics, Jews and immigrants from eastern and southern Europe;
  - most Klan supporters were rural, small town whites of limited education, though the leaders were invariably well-educated, influential men using the Klan for their own purposes;
  - support for the Klan had its local reasons but it was generally anti-immigrant, prohibitionist and disapproving of sexual immorality;
  - "...fundamentalists constituted the backbone of the Ku Klux Klan..."<sup>9</sup>

## The activities of the Ku Klux Klan

The activities of the Klan were widespread across the South and South West. It revelled in its use of violence. However, Klan influence went beyond intimidation; many of its members were able to wield enormous influence in the police, local government, the judiciary and the media. It also exercised political influence.

<sup>8</sup> For some details on the thoughts of Evans, see the historians section at the end of this chapter.

<sup>9</sup> Shannon, D A, *Between the Wars: American 1919-1941*, Houghton Mifflin Company, Boston, 1979, p 89

- The Klan was rightly feared and its violence took a variety of forms:
  - a burning cross in one's garden was advice 'to leave town quickly';
  - beatings, floggings and branding were common;
  - women accused of 'immoral' behaviour could be 'tarred and feathered';
  - the lynching of blacks was common, though this pre-dated the revival of the Klan.
- In Indiana, the Klan virtually controlled the legal process for a period:
  - the 'Grand Dragon' of Indiana, David Curtis Stephenson, once boasted: I am the law in Indiana – few would disagree as he had the governor and members of the state legislature in his pocket.
- For a few years, the Klan was also politically powerful:
  - it had virtual control of Colorado as it ensured the election of its governor and dominated one house of its legislature;
  - it organised the election of the police chief of Denver;
  - Hugo Black, the governor of Alabama, was a member of the Klan, as was a Texas senator and possibly members of the Senate from other Southern states.

### The decline of the Klan



D C Stephenson

Indiana Klan leader, D C Stephenson, was a womaniser and heavy drinker. On one occasion he tried to force a young teenager, Madge Oberholzer, to have sex with him. She tried to resist him.

Stephenson's response to her resistance was to assault her and abuse, so much that the young girl attempted suicide by taking bichloride-of-mercury tablets. She died from her ordeal but not before she was able to reveal the full details of what Stephenson had done to her. Stephenson was arrested, tried and in November 1925 he was sentenced to life imprisonment for second-degree murder.

- Indiana Governor Ed Jackson refused to come to Stephenson's aid.
- As a result, Stephenson went public, revealing full details of Klan violence and corruption.
- The shock of these details was such that the Klan gradually lost its influence; millions left the organisation, and people found the courage to stand up to it.

Racism and discrimination did not disappear with the decline of the Klan. Black Americans and immigrants continued to suffer in the United States.

- Once the depression took hold, it was taken for granted that blacks were the 'last hired, and first fired'.
- The legal system still worked against black Americans – the case of the Scottsboro Boys Incident was referred to in Chapter Five.

For all the great work that President Franklin Roosevelt achieved in attempting to deal with the depression, New Deal programs often ignored black Americans or actually discriminated against them. This was despite Roosevelt's personal feelings and the urging of his activist wife, Eleanor.

- Roosevelt was beholden to conservative Democrats in the Senate who stood against legislation in favour of black Americans.
- Roosevelt knew that if he alienated these Southern senators, he would not receive their votes in the Senate which he knew were crucial if some of his New Deal legislation was to pass.

**Exercise 12.5 Answer the following questions in the spaces provided.**

1	What happened in Tulsa Oklahoma on 31 May/ 1 June 1921?	
2	How were black WWI veterans returning from WWI treated in the South?	
3	Where, when and why was the Ku Klux Klan first established?	
4	What values did the Ku Klux Klan claim to support following its re-establishment?	
5	Why was the Klan so feared?	
6	In what ways was the Klan able to wield power and influence in the 1920s?	
7	Who was D C Stephenson? What was his impact on the fortunes of the Klan?	
8	How were black Americans affected during the depression?	
9	What was Roosevelt's position on seeking to improve the position of black Americans?	
10	Why was Roosevelt unsuccessful in achieving what he wanted for black Americans?	

## Anti-communism and anti-unionism

From the end of World War I through to the 1930s, there was a sustained attack on labour unions, and more generally on the “left”. Supporters of unions, people with socialist or communist ideas, or worse still, members of Socialist and Communist Parties, were viewed as suspect. In post-WWI America, such views were considered as unAmerican; they were the sorts of things that city immigrants from eastern and southern Europe followed. Thus, anti-unionism and the general attack on the left, can be seen as another element in the conservative desire to return the US to traditional, WASPish ideas and behaviour of that mythical, purer 19th century America.

In November 1917, the Bolshevik Party had seized power in Russia. Within twelve months, Germany was facing the possibility of its own Bolshevik revolution and a Bolshevik-style regime briefly held power in Hungary. Western governments around the world were seriously viewing the threat of the spread of Bolshevik/ Communist ideas into their own societies. The US felt threatened by such events; this resulted in **“The Red Scare” of 1919-20** and subsequent events.

- The Attorney-General, Palmer, deported thousands of suspected Socialists; hundreds of homes were raided.<sup>10</sup> This was all because such people held what were seen as unorthodox, unChristian, unAmerican views:
  - the threat from the left was minimal as it was estimated that there were at most only 150 000 communists in the US, 0.1% of the population.
- In 24 states, laws were passed making it a crime to belong to a Socialist or a Communist Party:
  - the Supreme Court upheld such laws, as seen in the case of Abrams versus the USA (1919).
- Anti-communist feelings continued into the 1930s. Victims of the Dust Bowl<sup>11</sup> who ventured west, and who had the temerity to seek better conditions, were frequently accused of being communist agitators.

### **The Sacco-Vanzetti Case 1920-27:**

*An example of the attitude of the time to those ‘on the left’ can be found in the Sacco-Vanzetti Case. Nicola Sacco and Bartolomeo Vanzetti were accused of murdering a paymaster from South Braintree in Massachusetts. They were tried, found guilty and sentenced to death. This happened despite the fact that the evidence against them was flimsy and at best contradictory. The widespread view of many at the time was they had been arrested and found guilty because of their views: they were both philosophical anarchists and atheists – most unAmerican. For seven years, there were campaigns both inside and outside of the US to give the men a retrial. These efforts failed. Sacco and Vanzetti were sent to the electric chair on 23 August 1927.*

After the war, employers tried to remove gains that workers had made during the war. The union response was a major increase in strike action. In 1919, there were strikes involving over four million workers. Possibly the most famous strike was the Boston Police Strike. It was believed that trade union organisers were tainted with left-wing thinking. After WWI, employers, supported by the government, worked hard to weaken labour unions and discourage their workers from joining unions.

<sup>10</sup> These events were referred to as the Palmer Raids.

<sup>11</sup> See Chapter Five.

- Employers tried to enforce the idea of the “open shop”, which was referred to as the “American plan”:
  - calling it this, it was hoped, would encourage ordinary workers to view labour unions as unAmerican;
  - not being a member of a labour union, of course, fitted in with those traditional American values of “self-reliance” and “rugged individualism”.
- In an ‘open shop’, workers did not have to join a union:
  - any improvement in wages or conditions that unions might gain, would automatically flow on to the non-union members;
  - employers sought this because it would show workers that there was no need to be in the union;
  - the fewer people in a union, the weaker was the position of workers in any future conflict with the employer;
  - in a ‘closed shop’, everybody had to belong to the union.
- Some companies would not supply other companies unless those companies operated on an “open shop” system.
- Another method to try and weaken unions was the use of the “yellow dog contract”. This was an agreement between a worker and an employer in which the worker agreed not to join a labour union.

Labour unions faced difficulties in the inter-war period, most obviously the impact of the depression. When millions are out of work, employers can very much dictate working conditions and wages. However, the unions also suffered from their own incompetence and internal divisions.

New Deal legislation assisted labour unions. As the economy picked up in the 1930s, so too did union influence. A significant development in this process was the reorganisation of the American Federation of Labour (AF of L).

- Unskilled workers had long been excluded from the AF of L:
  - they found a spokesman in John L Lewis, the AF of L president.
  - Lewis wanted unions to be “industry-based” not “craft-based”:
  - ie all members of the steel industry would be in one union, rather than welders having a union, fitters having a union, drivers having a union and so on.
- The AF of L refused to support Lewis so he left to form the Committee of Industrial Organisation (CIO) and organised the auto and steel industries:
  - his first success came when he forced the General Motors Corporation to recognise the United Automobile Workers, a CIO union, in November 1936;
  - in March 1937, the United States Steel Corporation was forced to recognise the CIO as the corporation’s workers’ representative;
  - following a series of violent strikes, Lewis’ unions continued to gain recognition in other areas.

- By late 1937, the CIO had 3.7 million members. It formally broke from the AF of L, and it became the Congress of Industrial Organisation.

Employers continued to attempt to break union power. It was not unusual for police and the national guard to be brought into labour disputes; deaths of strikers were a common occurrence. However, by 1939, union membership had reached nine million, up from three million in 1933.

**Exercise 12.6 Place the events on the right in the correct chronological order.**

1st event		ST VALENTINE'S DAY MASSACRE
2nd event		JOHNSON-REED ACT
3rd event		THE PALMER RAIDS
4th event		ELECTION OF ROOSEVELT
5th event		RATIFICATION OF THE 20TH AMENDMENT
6th event		FBI KILLED JOHN DILLINGER
7th event		RE-FOUNDING OF THE KU KLUX KLAN
8th event		EXECUTION OF SACCO AND VANZETTI
9th event		SCOPES TRIAL
10th event		BOLSHEVIK REVOLUTION
11th event		RATIFICATION OF THE 21ST AMENDMENT
12th event		TULSA RACE MASSACRE
13th event		CIO BECOMES CONGRESS OF INDUSTRIAL ORGANISATION
14th event		AL CAPONE SENT TO PRISON
15th event		SENTENCING OF D C STEPHENSON

**Exercise 12.7 Find the inter-war personalities, moments, issues and groups.**

There are 20 here relating to Chapter 12.

N	I	W	R	A	D	W	A	S	P
B	D	S	E	N	O	P	A	C	E
N	A	L	K	D	A	R	R	O	W
O	I	C	S	A	M	O	V	P	I
I	Y	J	A	T	X	V	O	E	R
T	W	Q	C	F	T	U	L	S	A
A	M	U	C	U	B	I	S	O	L
R	E	V	O	O	H	G	T	B	Y
G	E	N	P	A	L	M	E	R	N
I	A	E	K	L	E	R	A	Y	C
M	T	F	D	P	W	A	D	A	H
M	B	E	C	R	I	M	E	N	S
I	C	V	O	L	S	T	E	A	D

## What do the historians have to say about “Social tensions: immigration, religious fundamentalism, Prohibition, crime, racial conflict, anti-consumerism, anti-unionism”?

### 1. Hiram Wesley Evans

Evans promoted his Klan views in various publications, including *The Forum Magazine*, published in the mid-1920s. In his writings, he attempted to justify the Klan's beliefs and to convince Americans of the necessity of ensuring racial purity and the maintenance of WASPish attitudes.

*“...There are three great racial instincts that must be used to build a great America: loyalty to the white race, to the traditions of America and to the spirit of Protestantism... The Klan wants every state to bring in laws making sex between a black and a white person a crime. Protestants must be supreme. Rome shall not rule America. The Roman Catholic Church is un-American and usually anti-American...”*

### 2. William Robinson

William Robinson was a Democratic politician from Maine. He represented the majority of Americans who opposed the ideas and activities of the Klan. This is part of what he said in September 1925, also from *The Forum Magazine*.

*“...Americanism... cannot discriminate because of colour, birthplace or creed; nor can it tolerate caste, class or religious distinctions in politics, social life or legal standing... The Klan, on its own statement, does just these things, and makes a virtue of doing them... Equally un-American is its practice of attempting secret and threatening influence on the government...”*

### 3. Foster Rhea Dulles

Dulles makes the point that Prohibition not only made criminals out of millions of Americans – who enjoyed a drink – but it opened up vast opportunities for the gangs that they had not had before. Capone and other gangsters had control of bootlegging early on and the paucity of federal expenditure on trying to combat the liquor trade, made the gangs' job so much easier. Dulles argues that the country experienced a reign of lawlessness that grew ever more alarming.

*“...The profits of bootlegging soon led the gangsters to expand their sphere of operations. They moved to new rackets and began to levy tribute upon gambling, race tracks, dance halls and houses of prostitution. They combined forces in some instances with labour racketeering to compel legitimate business enterprises to buy protection...”*<sup>12</sup>

<sup>12</sup> Dulles, F R, *The United States Since 1865*, University of Michigan Press, 1959, p 307



---

## Essays 2

# Responding to HSC questions on US Society 1919-1941

---

The purpose of this section is to provide some ideas for the type of questions which might be asked on the Focus of Study section of the syllabus, US Society 1919-1941. These outlines are not presented as the ‘be all and end all’ responses to these questions. To provide a sense of reality to this section, what follows is a ‘first draft response’ to each question, ie what were the first ideas that came into the author’s head as he thought about each question?

### Essay No 1

*“To what extent were tensions in US society evident between 1919 and 1941? In your answer refer to the issues of racial conflict and religious fundamentalism.”*

“To what extent” questions usually offer three main possible types of response: yes, agree with the premise of the question; no, disagree with the premise of the question and write about something else – avoid!), or agree but then argue there were also other factors.

This question is slightly different. It really offers only two possible responses: yes, tensions were evident in the areas of racial conflict and religious fundamentalism, or no they were not. It would be very difficult (and very brave) to argue the latter. Thus, the premise of the question will be accepted.

This question seems fairly straightforward but it does contain some pitfalls of which students need to be aware.

- Note the time frame. Much of the material will relate to the 1920s but do not make the mistake of not taking things up to 1941 if you can.
- There is the issue of structure. Should the two aspects in the question – racial conflict and religious fundamentalism - be dealt with discretely, or together? For the purpose of this explanation, the former approach will be followed.
- Avoid the temptation to dive into a mass of narrative/ descriptive detail. This will certainly be needed but ensure that analysis provides the foundation of the answer.

In your introduction, try to explain the broad issue of social tensions that existed in the 1919-41 period. At the root of these tensions was the conflict between modernity and traditional thinking. This was reflected in the desire of many to return to what was perceived as purer 19th century ideals. This essential tension was deeply reflected in both the issues of racial conflict and religious fundamentalism

Outline the main analytical basis of your argument at the start:

- across the country there was a reaction against the recent involvement in the war, against the changing composition of the US population due to immigration and against the influence of immoral city living;

- this was reflected in the desire to return to traditional 19th ideals:
  - refers to WASPish ideas;
  - comment how this affected several areas of life, eg Prohibition and anti-consumerism (but do not discuss these);
- this issue of the conservative revival affected race conflict and religious fundamentalism.

The composition of the American population was being threatened (so conservative thinkers argued) by immigration and by black assertiveness:

- comment on the opposition to recent immigration – why did this exist?
  - immigrants were bringing in what were seen as non-American political, cultural, religious ideas – explain this;
  - hence the Immigration Restriction Acts – give details.
- Violence against black Americans escalated:
  - explain why: – assertiveness of returning black veterans, the imagined threats that Southerners felt to their dominance, desire to keep ‘blacks in their place’;
  - while white Northerners felt threatened by the movement of black Southerners to the cities;
  - refer to the continuation of Jim Crow laws, lynchings across the South and South West;
  - refer to the Tulsa Race Massacre;
  - the main evidence of this tension was the revival of the Ku Klux Klan;
  - provide some details of why, how and the impact of the Klan;
  - things did not improve in the 1930s – refer to the impact of the depression, the Scottsboro Boys Incident, Roosevelt’s reluctance to stand up for black Americans in New Deal programs legislation.

Social tension was strongly reflected in the rise of religious fundamentalism:

- explain what this was – refer to revivalism, literal readings of the Bible;
  - place this in the context of that conservative desire to return to that perceived superior 19th century, rural/ small town, white, Anglo-Saxon, Protestant way of life;
  - this was strongest in the South and South West and represented deep-seated antagonism to the perceived immoral/ decadent, immigrant cities;
- religious fundamentalism was a key factor behind the push for Prohibition, Immigration restrictions, the revival of the Klan etc;
- bring in opposition to evolution – discuss the Scopes Trial but do not get too carried away with all the detail.

## Essay No 2:

*“Assess the impact of urbanisation and industrialisation on US society.”*

The key term in this question is ‘assess’. The question is not simply asking for a lengthy description of the processes of urbanisation and industrialisation – though of course details regarding these things will be required in the answer. An assessment will hopefully provide some nuance in your answer. Was urbanisation and industrialisation simply all about economics? What were the social and cultural ramifications? Were these developments only of a negative nature or were there positive elements?

In the introduction get straight down the assessment part of the answer – do not be tempted to explain “why” these processes occurred or to describe them. Industrialisation and urbanisation affected the workplace, political behaviour and even the country’s philosophical outlook. They increased inequality and were a spur to social and racial tensions. However, urbanisation also had a positive impact as seen in the development of cultural life, philanthropy and female rights.

Industrialisation made the US the richest and most powerful nation in the world, though its military power was potential rather than real. It helped increase the overall standard of living. However:

- it changed workplace relations as businesses became so large – refer to growing labour disputes, rise of major unions;
- politics became intertwined with big business – refer to corruption, the robber barons, politics getting a bad name, Tammany Hall;
- philosophically, industrialisation was an attack on rugged individualism as the day of the individual pioneer was over.

Urbanisation caused inequality and raised social tensions:

- the power of the big names in business – Rockefeller, J P Morgan etc, led to a growing gulf between rich and poor – explain this: refer to housing, health, education etc;
- newly-arrived immigrants flooded into the cities seeking work – refer to the development of racial ghettos;
- the concentration of recent immigrants in the cities with their “alien” ideas and customs was a key factor in the revival of WASPish conservatism – explain what this means.

However, urbanisation also had positive impacts:

- refer to the development of cultural life – the high arts, libraries etc;
- the expansion of a mass media, spread of education;
- rich businessmen poured millions into philanthropic works;
- new movements grew, eg the push for female suffrage.

Possible HSC questions on “US Society 1919-1941”

- (a) To what extent did industrialisation and urbanisation have a positive impact on American society?

(An alternative to question (a), of course, is to change the word ‘positive’ to ‘negative’.)

- (b) Evaluate the success of the United States’ mobilisation of its military and war production in the period 1939-1941.

- (c) To what extent was the United States able to prepare itself for war in the period 1939 to 1941?

- (d) To what extent did the growth of consumerism and entertainment have a negative impact on the nature of American society between 1919 and 1941?

(An alternative to question, of course, is to change the word ‘negative’ to ‘positive’.)

- (e) Account for the rise of social tensions in US society in the period 1919 to 1941.

- (f) How significant were social tensions in US society in the period 1919 to 1941? In your answer refer to racial conflict and anti-unionism.

(Question (f) could be worded in many ways by simply changing “racial conflict” and “anti-unionism”, to any combination of the topics listed under social tensions in the syllabus.)

- (g) Assess the level of social tensions present in US society between 1919 and 1941. In your answer, refer to three of the following: immigration, religious fundamentalism, Prohibition, crime, racial conflict, anti-consumerism and anti-unionism.)

(It is possible that a variation of question (g) could be for a question to focus on only one aspect – though this is unlikely, and would be rather unfair, but equally not impossible.)

---

## Section Four ■ Focus of Study (3): US foreign policy

### Chapter Thirteen

# The nature, aims and strategies of US foreign policy 1919-1941

---

*Chapters 13 and 14 deal with US foreign policy. Chapter 14 will focus on the domestic pressures which affected foreign policy while Chapter 13 will attempt to deal with the overall course of foreign policy. This division has been made to fit in with the structure of the HSC syllabus. However, it is inevitable that elements of Chapter 14 will enter the discussion in Chapter 13 and vice-versa. Hence, some duplication of information is inevitable.*

## Introduction

From the time of President George Washington (1789-1797), the traditional basis of US foreign policy had been isolationism. Isolationism did not mean that the US sought to cut off all ties with other countries. In essence, isolationism meant the desire of the United States to avoid entanglements in the affairs of Europe:

- formal alliances were to be spurned;
- the US should avoid being dragged into European wars.

The policy of isolationism was refined as time went on, and would also lead to attempts by the US to limit European interference in “the western hemisphere”. Between 1919 and 1941, the US would endeavour to adhere to its traditional policy of isolationism. However, there were areas in which the United States was willing to play ‘an international role’ in the inter-war period:

- economic arrangements;
- disarmament;
- attempts at maintaining peace (but avoiding commitments to achieve this);
- the affairs of Latin America;
- the affairs of East Asia and the Pacific.

However, despite such involvement, the fundamental basis of US foreign policy in the inter-war period remained isolationist. It was not until Nazi Germany’s attacks on US shipping in 1941 and the Japanese bombing of Pearl Harbour in December 1941 that President Roosevelt was able to overturn the policy of isolationism.<sup>1</sup>

To understand the strength of isolationist feeling in the US after 1919, it is necessary to consider both the 19th century context and the impact of its involvement in World War I.

---

<sup>1</sup> It is worth noting that even during World War II, Roosevelt was to face isolationist opposition to some of his war policies. In 1944-45, there was still significant opposition to the US taking on a post-war world role, such was the depth of isolationist feeling.

Internal domestic pressures in the 1920s and the 1930s added further stimulus to isolationist feelings, though this aspect of the discussion will be dealt with more fully in Chapter 14.

## The nineteenth century context of isolationism

On 17 September 1796, President George Washington delivered his 'Farewell Address' and the notion of isolationism was born. His words would shine like a beacon through the 19th century to succeeding American leaders to keep the US out of European affairs.

*"...The great rule of conduct for us in regard to foreign nations is, in extending our commercial relations to have with them as little political connection as possible... Europe has a set of primary interests which to us have none or a very remote relation..."*

President Jefferson (1801-09) later reinforced Washington's position. In 1823, President Monroe (1817-25) took isolationism a step further by implying European non-involvement in the Americas, by announcing 'The Monroe Doctrine'.

*"...the American continents... are henceforth not to be considered as subjects for future colonisation by any European powers..."*

Isolationism was a logical policy for the US in the 19th century. It had a continent into which to expand and develop, spreading its railroads, establishing new states, and 'removing Indian tribes' that stood in its way.<sup>2</sup> Americans saw the occupation of the continent as the nation's "manifest destiny". Having reached the west coast, the Pacific region beckoned.

## The impact of World War I and its aftermath

America's entry into World War I thus went against its traditional foreign policy practice. Several factors had combined to bring about the US entry into the war:

- Wilson's idealistic thoughts of a 'world safe for democracy';
- German submarine activity against US shipping in the Atlantic;
- The Zimmermann Telegram (see Chapter 1).

However, the US became disillusioned by its participation in the war. This was partly due to the terrible nature of trench warfare; the US had lost over 115 000 men. However, it was also because of the behaviour of the victorious allies (notably France and Britain) after the war as they greedily eyed Germany's colonies, Turkey's empire and reparations. President Wilson attended the post-WWI Paris Peace Conference in person, and he was the key influence behind the creation of the League of Nations that he believed could be the means of preventing future wars. However, the US never ratified the Paris Peace Treaties and neither did it ever join the League of Nations. Several factors combined to explain this:

- US liberals believed the Treaty of Versailles with Germany was too harsh;
- some ethnic groups in the US – German, Italian and Irish – were angered at the treatment their native lands had received;

<sup>2</sup> Not to mention a bloody Civil War, 1861-65.

- there were many Americans who believed that the US had been ‘conned’ into fighting somebody else’s war.

However, the two most important factors leading to the non-ratification of the 1919 Versailles Treaty and refusal to join the League of Nations were:

1. Political: The Republican Party had gained control of the Congress in 1918 and increased its numbers in 1920, and from 1921 it also controlled the White House.
2. Conservatism: The revival of WASPish attitudes after WWI (see Chapter 13) called for a return to a traditional, 19th century policy of isolationism with which the Republicans were more than happy to comply.

*(These two issues are explained in detail in Chapter 14).*

As a result of these factors, US foreign policy took an immediately isolationist path:

- the Paris Peace Treaties were not ratified – the US would sign separate (less severe) treaties with its former enemies;
- the US never joined the League of Nations;
- the Anglo-American guarantee which had been offered to France in the event of a future attack from Germany came to nothing.
- the US did not join the Permanent Court of International Justice established in the Hague (Netherlands) under League auspices.<sup>3</sup>

### Isolationism and the economic perspective

America’s isolationist desire to avoid entangling alliances also had an echo in the international economic sphere. As the world’s richest power, the US did play an international economic role. However, its behaviour regularly reflected its fundamental isolationist, nationalist, America-first stance.

- The US’ World War I allies owed the US about \$10 billion in debts incurred financing the war:
  - both Britain and France had been devastated by the impact of the war, both in terms of lives lost and destruction;
  - the US demanded that the loans be paid.<sup>4</sup>
- Immigration restrictions (see Chapter 12) that were imposed in the 1920s were further evidence of the US turning inward.
- Republican economic policies in the 1920s (see Chapter 2) were solidly protectionist. From 1922 (the Fordney-McCumber tariff) to 1930 (the Smoot- Hawley tariff), the US sought to protect its own manufacturers against possible foreign competition.

However, when it came to the issue of Germany and the reparations (compensation) it was forced to pay after the Treaty of Versailles, the US was willing to intervene.

<sup>3</sup> The Court of International Justice had been planned by the US jurist, Elihu Root.

<sup>4</sup> Britain would not make its final WWI debt payment until the early 21st century.

- Germany got itself into serious financial trouble in 1923 when the country experienced ‘hyper-inflation’. Unable to meet its reparations obligations, the US stepped in with the Dawes Plan:<sup>5</sup>
  - a two-year payment moratorium was introduced;
  - the US gave Germany a loan of \$800 million;
  - future payments were scaled down.
  - in a very short time, Germany entered a period of prosperity.
- In 1929, the US stepped in again with the Young Plan. The American businessman/diplomat, Owen Young, arranged for reparation payments to be further ‘rationalised’.
- In 1931, President Hoover called for a moratorium on all international debt payments in the face of Great Depression. <sup>6</sup>

Though isolationist, the US had invested billions of dollars outside of America - \$3 billion in South America; \$4 billion in Canada. Standard Oil was heavily involved in the Middle East and the Dutch East Indies. Ford and Woolworths became the ‘McDonalds’ of the inter-war era with business outlets all over the world.

**Exercise 13.1 Complete the following passage using the terms below.**

America’s traditional foreign policy was \_\_\_\_\_, first elaborated by \_\_\_\_\_ in his \_\_\_\_\_ Address in 1796. In 1823 it was strengthened with the \_\_\_\_\_ Doctrine which warned off European nations becoming involved in the \_\_\_\_\_. America’s 19th century preoccupation was expanding into the North American \_\_\_\_\_, fulfilling its \_\_\_\_\_ Destiny. The US involved in WWI was the result of \_\_\_\_\_ attacks on US shipping and news of the \_\_\_\_\_ Telegram. However, the US became \_\_\_\_\_ with their involvement in the war. Wilson’s loss of control of \_\_\_\_\_ and his refusal to include \_\_\_\_\_ in the US Paris delegation resulted in the US Senate refusing to ratify the Treaty of \_\_\_\_\_. The US did not join the \_\_\_\_\_. In the economic realm, the US was firmly \_\_\_\_\_ but it was willing to assist Germany when that country had \_\_\_\_\_ problems. This was seen with the \_\_\_\_\_ Plan of 1924 and the \_\_\_\_\_ Plan of 1929, and President \_\_\_\_\_’s moratorium of international debt payments in 1931.

MANIFEST – DAWES – FAREWELL – VERSAILLES – DISILLUSIONED – AMERICAS –  
MONROE – CONTINENT – ISOLATIONISM – CONGRESS – GERMAN –  
WASHINGTON – YOUNG – ZIMMERMANN – PROTECTIONIST – HOOVER –  
LEAGUE – REPARATIONS – REPUBLICANS

<sup>5</sup> Named after the US banker, Chares G Dawes, later US Vice-President 1925-29.

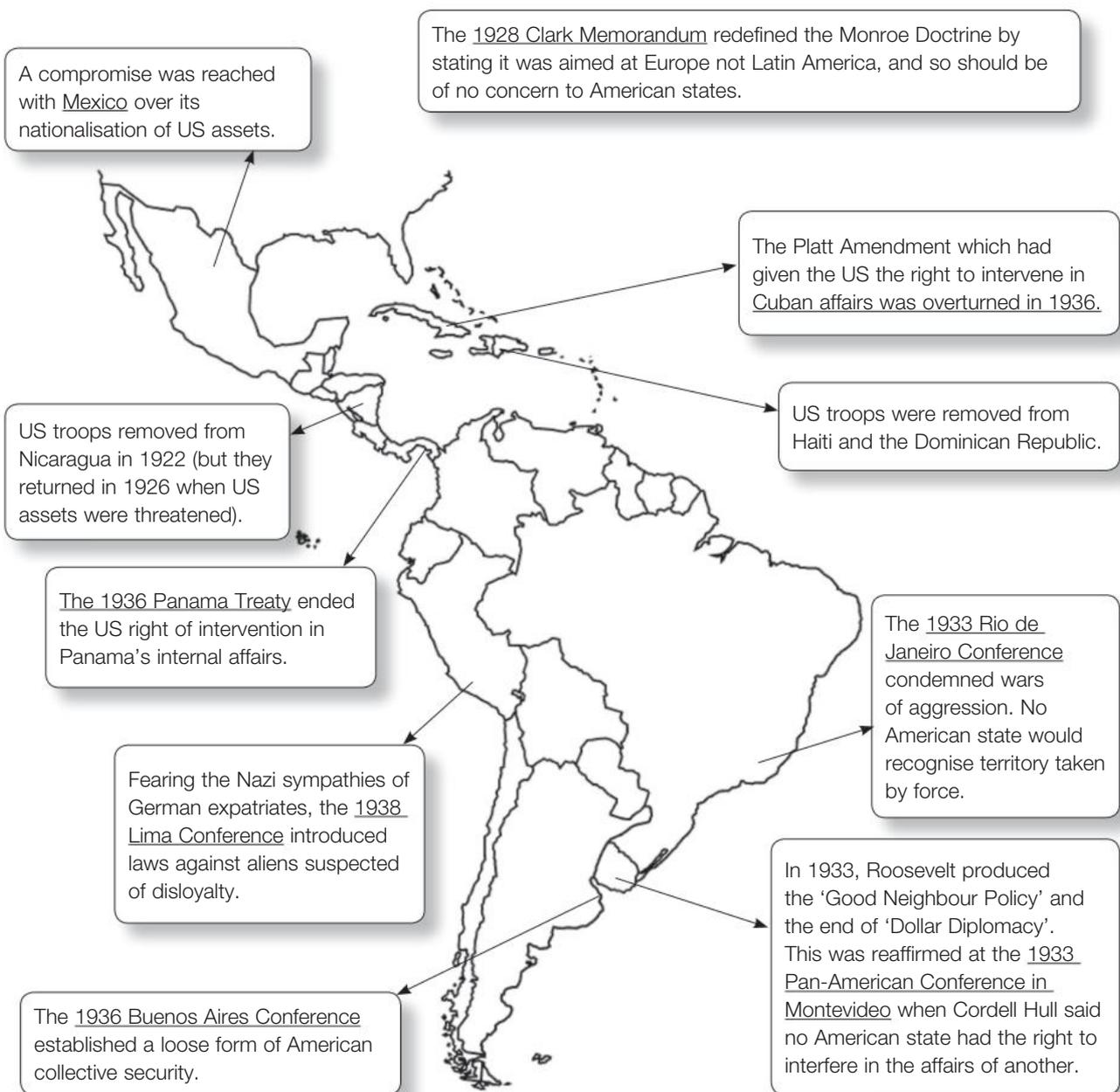
<sup>6</sup> See Chapter Six.

## Latin America

During the 1920s and the 1930s, the US was willing to continue its involvement in Latin America. In many ways, inter-war interest in Latin America reflected the “speak softly but carry a big stick” ideas of former President Theodore Roosevelt (1900-09). It was not necessary to jump into Latin America with force to achieve US foreign policy objectives; rather, use diplomacy, secret if necessary, but always let it be known that military power existed if it was needed. The US’ ‘good-neighbour’ policy towards Latin America was tempered by its economic domination of the region. For example, by the 1930s, the US owned a third of the wealth of Cuba.

*“...American investments... increased to a point where their direct influence on the local governments rendered the old cry ‘Send the Marines’ unnecessary...”* <sup>7</sup>

**Figure 13.1 outlines US foreign policy actions in regards to Latin America.**



7 Morison, S E, and Commager, H S, The Growth of the American Republic Vol II, OUP, New York, 1969, pp 434-5

## The United States world role

The Republican administrations from 1921-1933 deliberately pursued isolationism, and Franklin Roosevelt did so with much greater reluctance (see Chapter 14), but the US could not avoid playing a world role in certain areas. Its activities in Latin America and assisting Germany have already been mentioned. It also played a role in other international areas. These included:

- participation in League of Nations activities;
- attempts at ensuring peace;
- US-Soviet relations;
- disarmament in the Asia-Pacific region;

Though the US never joined the League of Nations, this does not mean that the US totally ignored it:

- in 1922 Secretary of State Charles Hughes began sending 'unofficial observers' to League gatherings; in 1924 these were upgraded to official delegates;
- by 1932, the US had accepted thirteen international agreements organised by the League;
- the US joined the International Labour Organisation in 1934;
- US troops were still present in the Rhineland region of Germany until 1923.<sup>8</sup>

In 1928, the US signed the Kellogg-Briand Pact or the Pact of Paris.

- French foreign minister, Briand, had sought a Franco-American non-aggression pact;
- Secretary of State Kellogg did not want a specifically bi-lateral agreement and so he expanded it into an international pact against war;
- 62 nations eventually signed the pact;
- it was a noble, high-sounding agreement but as events in the near future would show it was a meaningless gesture.

The United States was a fervent opponent of socialism and communism which was reflected in its domestic policies (see Chapter 12). It remained one of the last countries in the world to establish formal diplomatic relations with the Soviet Union in 1933, though trade ties had developed earlier, and the US had been a major aid donor to the Soviet Union in the early 1920s, following the latter's civil war.

The United States had long been involved in the East Asia-Pacific region. It had been US Commodore Perry who opened up Japan in the 1850s. In the 1890s, Secretary of State Hay had promoted the "open door" policy on China, enabling all nations to deal with China without restrictions. Following the Spanish-American War of 1898, the US took possession of the Philippines and Guam.

The US was becoming concerned at the rise of Japanese power in the region:

- Japan had gained defeated Germany's colonies in the North Pacific and its concessions in China;

<sup>8</sup> After WWI, allied occupation troops were stationed in Germany. They finally left in 1930.

- China was experiencing internal chaos, Russia was greatly weakened after its revolution and civil war, and Britain was weaker after WWI.

Thus, Japan's "relative" strength was even greater. To deal with this situation, the US called a major conference in Washington in 1921-22 to discuss arms limitations and other issues relevant to the region. From the 'Washington Conference' came three main agreements. The results of the conference are outlined in Figure 13.2.

**Figure 13.2 Results of the 1921-22 Washington Conference**

**THE WASHINGTON CONFERENCE OF 1921-22 RESULTED IN THREE MAIN AGREEMENTS**

<b>THE FOUR POWER TREATY</b>	<b>THE FIVE POWER TREATY</b>	<b>THE NINE POWER TREATY</b>
<ul style="list-style-type: none"> <li>■ signed between Britain, Japan, the US, France</li> <li>■ mutual rights to island possessions were to be respected and talks would follow if problems arose</li> <li>■ the treaty challenged US isolationism</li> <li>■ it brought an end to the Anglo-Japanese alliance (which stretched back to 1902)</li> </ul>	<ul style="list-style-type: none"> <li>■ signed between Britain, Japan, the US, France and Italy</li> <li>■ capital ships were to be limited to a ratio of 5:5:3:1.75:1.75 for the US, Britain, Japan, Italy and France respectively</li> <li>■ no battleships were to be built for ten years</li> <li>■ the status quo of the powers' bases in the area were to be maintained</li> <li>■ attempts to widen the treaty in 1927 (Geneva) and 1930 (London) failed</li> </ul>	<ul style="list-style-type: none"> <li>■ signed between Britain, Japan, the US, France, Italy, China, Netherlands, Belgium and Portugal</li> <li>■ each power agreed to respect the independence and territorial integrity of China</li> <li>■ each power agreed not to take advantage of crises that might arise in China</li> <li>■ Japan later agreed to return Kiaochow territory to China</li> </ul>

*At the time, The Washington Conference was seen as a great success. Japan had agreed to drop some of its wartime gains and the Japanese threat to China seemed to have been removed. However, how long would Japan be prepared to shelve its 'forward policy'? The onset of the depression and the behaviour of the Japanese army in Manchuria would change everything (see below).*

## The 1930s

Isolationist sentiment in the United States grew stronger throughout the 1930s. **(The domestic pressures on the practice of US foreign policy in the 1930s will be considered in Chapter 14.)** Many in the US feared the possibility of being dragged into another war as Nazi Germany and Fascist Italy were flexing their muscles in Europe from Spain to Czechoslovakia.

The US was equally unwilling to get involved in any Asian conflict.

- In 1931, Japanese forces attacked and occupied the nominally Chinese province of Manchuria:
  - US Secretary of State, Henry Stimson, announced that the United States would not recognise any conquests that had been achieved in violation of the Kellogg-Briand Pact;
  - this became known as “The Stimson Doctrine”;
  - however, beyond this, the US was unwilling to take any further action.
- Following its attack on China in 1937, Japanese forces accidentally bombed an American ship, the USS Panay on the Yangzi River just outside of Nanjing:
  - profuse Japanese apologies and an indemnity were enough to defuse the situation;
  - sentiment inside the US demanded no more.

Neville Chamberlain, (later Prime Minister 1937-40), was well aware of the US attitude and the strength of isolationism when he wrote in 1934:

*“...We ought to know by this time that USA will give us no undertaking to resist by force any action by Japan short of an attack on Hawaii or Honolulu...”*<sup>9</sup>

## The Neutrality Acts

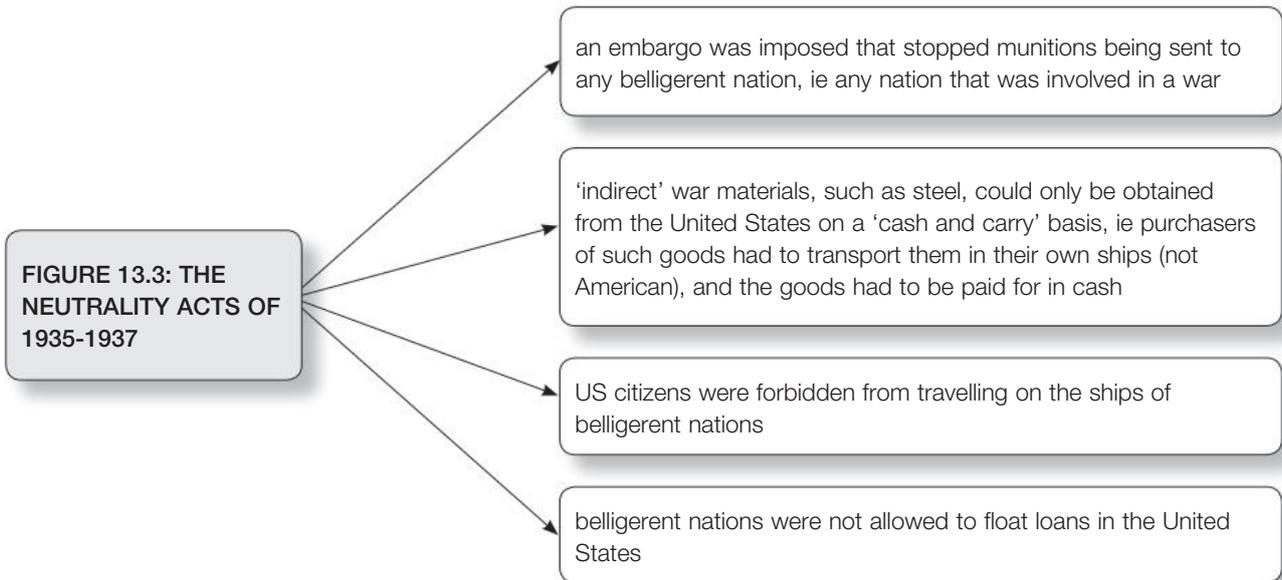
President Franklin Roosevelt did not share the isolationist sentiments of his countrymen. He realised that ‘peace was indivisible’ and that in the long term, the US could not isolate itself from aggression in Europe and Asia.<sup>10</sup> However, his sentiments were not shared by the American people, most of the American media, and most importantly the American Congress. **(These issues will be further examined in Chapter 14.)**

In order to ensure that the US could not be dragged into war (as many in Congress believed it had been in 1917), the Congress passed a series of Neutrality Acts between 1935-37. The main elements of these acts are outlined in Figure 13.3.

Even as late as 1940 and 1941, Roosevelt was facing strong opposition from confirmed isolationists. It took the overwhelming Nazi successes in Europe and German attacks on US shipping in the North Atlantic to gradually change public opinion. The Japanese bombing of Pearl Harbour in December 1941 finally put an end to isolationism. **(Moves towards the end of isolation will be examined in Chapter 14).**

<sup>9</sup> Neville Chamberlain, quoted in: Bouverie, T, *Appeasing: Chamberlain, Churchill and the Road to War*, Vintage, London, 2019, p 130

<sup>10</sup> In 1937, Roosevelt delivered a speech in Chicago which became known as “The Quarantine Speech”, outlining his arguments. He faced massive opposition for the sentiments expressed in the speech. This will be further examined in Chapter 14.



**Exercise 13.2** Place the events on the right in the correct chronological order.

1st event		STIMSON DOCTRINE
2nd event		US ENTRY INTO WWI
3rd event		BOMBING OF PEARL HARBOUR
4th event		KELLOGG-BRIAND PACT
5th event		GOOD NEIGHBOUR POLICY ANNOUNCED
6th event		US REJECTS LEAGUE MEMBERSHIP
7th event		THE MONROE DOCTRINE
8th event		US-SOVIET RELATIONS ESTABLISHED
9th event		THE WASHINGTON CONFERENCE
10th event		SPANISH-AMERICAN WAR
11th event		SIGNING OF THE VERSAILLES TREATY
12th event		NEUTRALITY LAWS

## What do the historians have to say about “The nature, aims and strategies of US foreign policy 1919-1941”?

### 1. John Callaghan, Brendon O'Connor, Mark Phythian

Callaghan et alia suggest that the post-1919 return to isolationism is ‘somewhat misleading’. They point to such things as America’s involvement in naval treaties, US dominance of the western hemisphere and assistance given to Germany over its reparations troubles. However, the idealism of Wilsonian internationalism had been well and truly rejected. Opponents of US overseas involvement believed such action would cost US money, US lives and threaten US institutions. These opponents:

*“...could also argue that a largely self-sufficient America, protecting itself with tariffs and immigration controls and bounded by the world’s greatest oceans, had no need of foreign alliances and extravagant overseas commitments...”*<sup>11</sup>

### 2. David Shannon

Shannon comments on the ambiguous position that Roosevelt found himself in as Japan continued its military aggression against China in the late 1930s, following its invasion of that country in 1937.

(These issues will be fully examined in Chapter 14 but it is worth commenting here on how public opinion had a major effect on US foreign policy.)

- US sentiments obviously favoured China.
- Roosevelt did not want to invoke the Third Neutrality Act by calling the China-Japan conflict a ‘war’ because that would mean preventing assistance going to both nations; such action would favour Japan:
  - thus, for two years, for the US the Sino-Japanese War ‘did not exist’.
- As a result, the US government could make loans to China and try to persuade American exporters not to send munitions to Japan:
  - yet, American firms, however, continued to sell oil, copper and scrap to Japan.
- When challenged by reporters, Roosevelt made the point that even if he invoked the Neutrality Act, he could not stop sales of oil and other strategic goods to Japan, because the Neutrality Act forbade only the sale of munitions to belligerents.
- He also had to accept that the economy was not in good shape and a full embargo would have made it worse.

*“...The ambiguity of the situation reflected the ambiguity of popular opinion: opposition to fascism and militarily aggressive nations but reluctance to become involved in situations that might lead to war for the United States...”*<sup>12</sup>

<sup>11</sup> Callaghan, J, O'Connor, B and Phythian, M, *Ideologies of American Foreign Policy*, Routledge, Abingdon, 2019, p 25

<sup>12</sup> Shannon, D A, *Between the Wars: American 1919-1941*, Houghton Mifflin Company, Boston, 1979, p 259

---

# Chapter Fourteen

## Impact of domestic pressures on the USA 1919-1941

---

*Chapters 13 and 14 deal with US foreign policy. Chapter 14 will focus on the domestic pressures which affected foreign policy while Chapter 13 will attempt to deal with the overall course of foreign policy. This division has been made to fit in with the structure of the HSC syllabus. However, it is inevitable that elements of Chapter 14 will enter the discussion in Chapter 13 and vice-versa. Hence, some duplication of information is inevitable.*

In Chapter 13, it was shown that the traditional foreign policy stance of the United States had been isolationist – a deep desire to avoid European entanglements and not to be drawn into European wars. Despite US involvement in international economic affairs, disarmament, Latin America and the Pacific region, it determinedly attempted to adhere to an isolationist stance, seen most clearly in the Neutrality legislation of the 1930s. This chapter will focus on the domestic pressures that had a major impact on US foreign policy between 1919 and 1941.

### Rejection of the Treaty of Versailles and the League of Nations

The view quickly arose inside the US that the country had been misled into becoming involved in WWI (see Chapter 13). Following the war, the United States never ratified the Treaty of Versailles and it refused to join the League of Nations. This was despite the fact that President Wilson had played such a major role in the creation of each.

One of the key reasons for America's rejection of Versailles and the League, and its renewed pursuit of isolationism was the ***domestic political situation inside the US***.

- In the American political system, a President can negotiate a treaty but it only becomes law if it is ratified by the Senate with a two-thirds majority:
  - President Wilson was from the Democratic Party;
  - he had only narrowly gained re-election in 1916, and in 1918 the Republican Party gained control of the Congress, and in particular control of the Senate.
- When Wilson went to the Paris Peace Conference, he refused to have any Republicans as part of the US delegation:
  - this angered Congressional Republicans, in particular the Chairman of the Senate Foreign Relations Committee, Henry Cabot Lodge;
  - opposition to the Treaty and the League was led by a group of Republicans known as the “irreconcilables”;
  - these included Hiram Johnson, William E Borah and Robert LaFollette.
- When the vote for League membership came up in the Senate on 19 November 1919, it was defeated. It again failed to get a two-thirds majority in March 1920.<sup>1</sup>

---

<sup>1</sup> The Senate vote was actually 49-35 in favour of membership.

- In November 1920, the Republican, Warren Harding, was elected President and the Republicans increased their majorities in both houses of Congress.<sup>2</sup>
- This Republican ascendancy had a major impact on US foreign policy:
  - the Paris Peace Treaties were not ratified – the US would sign separate (less severe) treaties with its former enemies;
  - the US never joined the League of Nations;
  - the Anglo-American guarantee which had been offered to France in the event of a future attack from Germany came to nothing.
  - the US did not join the Permanent Court of International Justice established in the Hague (Netherlands) under League auspices.<sup>3</sup>
    - 1936: the Senate voted 52-36 to adhere to the Court; this was not a two-thirds majority; US membership was again rejected.

As was explained in Chapter 12, post-WWI America witnessed a strong move to return to ***conservative, nationalist (America First), xenophobic, nativist thinking***. There was a strong desire to take the United States back to its traditional ways – rural, white, Anglo-Saxon, Protestant values. This conservatism had a major impact on US domestic policy in the 1920s and 1930s as seen in such things as:

- immigration policy;
- religious fundamentalism;
- the revival of the Ku Klux Klan;
- Prohibition;
- attacks on ‘the left’.

In foreign policy terms, this conservatism demanded a return to traditional, 19th century US foreign policy which was isolationist. Never again should the United States be dragged into fighting somebody else’s war. <sup>4</sup>

Domestic pressures on foreign policy continued into the 1930s, and it can be argued that they were intensified. The desire inside the country from most of the Congress to ordinary Americans was for the country to continue along its isolationist path and, at all costs, avoid being dragged into a European or Asian war. President Roosevelt was one of the few lone voices who disagreed with the “isolationism at all costs” line. (His arguments and actions will be examined below.)

During the 1930s, the prime concern of Americans was the economic and social disaster of the Great Depression. As was shown in Chapter Five, many groups across the US – farmers, workers, black Americans – were devastated by the impact of the depression. ***The administration’s first primary focus had to be internal:***

- unemployment was over 15 million and millions were underemployed;

<sup>2</sup> The Republicans would dominate the White House and Congress until 1932 (see Chapter 2).

<sup>3</sup> The Court of International Justice had been planned by the US jurist, Elihu Root.

<sup>4</sup> Article 10 of the League of Nations Covenant, “the collective security” article, was feared. In essence it stated that if a League member was attacked, other members would rally in that member’s defence.

- Roosevelt's prime concern had to be how to deal with the thousands of farm foreclosures, bank collapses, bankruptcies etc;
- the national mood in 1933 was one of despair;
- the very viability of the American system seemed in danger.

By the mid-1930s, most Americans believed that **they should never have entered World War I**. Opinion polls in 1937 showed up to 70% of people thinking this way:

- the strength of this feeling was a major domestic factor behind the desire to continue an isolationist foreign policy;
  - it was backed up by the allies' failure to maintain their WWI war debts;
- this sentiment was reinforced with the publication of the report of "The Nye Committee" in 1936:
  - under the chairmanship of North Dakota senator, Gerald P Nye, the committee had been set up to investigate aspects of the US involvement in WWI;
  - Nye's committee proved that bankers and munitions makers had made vast profits out of the war;
  - this led many people to believe that the country had been dragged into the war by these "merchants of death".

Throughout the 1930s, the actions of **Nazi Germany, Fascist Italy and Imperial Japan** further consolidated isolationist feeling in the US:

- Nazi leader Adolf Hitler made no secret of his desire for German expansion;
  - in 1936 he reoccupied the Rhineland, annexed Austria in March 1938;
  - in September 1938, war was only narrowly averted over his demand to be given the Sudetenland region of Czechoslovakia;<sup>5</sup>
- Italian Fascist leader Mussolini also sought expansion:
  - in 1935 Italy invaded Abyssinia (Ethiopia);
  - in 1939 Italy annexed Albania.
- Imperial Japan also sought to establish an empire:
  - in 1931 it had invaded and occupied Manchuria;
  - in 1937 it began a full-scale war against China.

As international aggression continued, the American people feared that they would again see their country dragged into wars which they believed had nothing to do with them. When Roosevelt warned of the dangers of ignoring the aggressors, he was roundly attacked in the Congress and in the media.

The depth of domestic pressure on US foreign policy can be seen most clearly in the **campaigning for the 1940 election**. By this time, Europe had been at war for fourteen months; Japan was expanding deeper into South East Asia. As war raged in Europe and Asia, public opinion was divided. Groups led by people such as the aviator Charles Lindbergh,

<sup>5</sup> A conference in Munich in September 1938 'gave' Hitler the Sudetenland region.

promoted “*the America First*” campaign aimed at keeping the US out of the war. Others followed newspaper man, W A White, who backed the “*Committee to defend America by aiding the allies*”.

- Both Roosevelt and the Republican candidate, Wendell Willkie, effectively lied to the American people.
- Both Willkie and Roosevelt assured the American people that they would not take the United States in war.
- However, once the election was over, both men spoke and acted opposite to their pre-election stance. Roosevelt made no secret of his support for Britain in the war against Germany; Willkie also promoted the drift towards war which he had earlier condemned.

Figure 14.1 outlines some of the things they said just before the 1940 election.

**Figure 14.1 Roosevelt and Willkie before the 1940 election**

President Franklin Roosevelt	Republican candidate Wendell Willkie
	
<p><i>“...While I am talking to you mothers and fathers, I give you one more assurance.. Your boys are not going to be sent into any foreign wars...”</i></p> <p><i>“...Your President says this nation is not going to war...”</i></p>	<p><i>“...If you elect me President, I will never send an American boy to fight in a European war...”</i></p> <p><i>“...The Republican party is firmly opposed to involving this nation in foreign wars...”</i></p>
<p>Why are both men being “economical with the truth”? Because if they had said anything different, neither man would have had a chance of being elected.</p>	

### The end of US isolation

Roosevelt did not support the Neutrality Acts of 1935-37. He understood that the United States could not isolate itself from what was going on in the rest of the world. He saw peace as ‘indivisible’. Technology had changed. As was seen in Chapter Ten, the US military position was weak in the late 1930s. Fears of a Nazi presence in Latin America were not unrealistic, fears taken seriously at the 1938 Lima Conference. Thus, for Roosevelt, isolationism was simply untenable.

On 5 October 1937, Roosevelt gave a speech in Chicago which became known as the “**Quarantine Speech**”. At this time Japan was attacking China, Spain was in the throes of civil war and Germany was ready to expand in Europe.

- He referred to “*vast numbers of women and children.. being ruthlessly murdered with bombs from the air.*”
- “*...let no one imagine that America will escape, that America may expect mercy, that this Western Hemisphere will not be attacked and that it will continue tranquilly and peacefully to carry on the ethics and the arts of civilization... there is no escape through mere isolation or neutrality...*”
- Roosevelt received little support for his views. He stepped back.

While being careful not to move too far ahead of public opinion, Roosevelt slowly steered the country away from its isolationist stance.

In January 1938, Roosevelt took a tentative step from isolationism with his proposal for harmonising international relations. It involved the linking of a disarmament agreement and a system for the equal distribution of the world’s raw materials. The plan was rejected by British Prime Minister, Neville Chamberlain, and it came to nothing. However, this attempt by Roosevelt to stem the spiralling violence was:

*“...the only course which, due to the strongly isolationist state of American public opinion, was open to him...”*<sup>6</sup>

Actions were taken with regard to Germany:

- in 1939 he managed to secure a new Neutrality Law that enabled the US to supply the allies (Britain and France) in the future;
- as was shown in Chapter Ten, he managed to gain increases in military spending;
- in 1940, he leased British bases in return for sending Britain US destroyers;
- March 1941: The Lend-Lease Act was passed allowing vast supplies to be sent to Britain.
  - Roosevelt called the US ‘the arsenal of democracy’;
- August: Roosevelt met British Prime Minister Churchill;
  - they proclaimed the Atlantic Charter which outlined future idealistic allied war aims;
- following German attacks on US shipping during 1941, all Neutrality Laws were repealed;
  - Roosevelt ordered the navy to ‘shoot on sight’.

Actions were taken with regard to Japan:

- as Japan continued its aggression in Asia throughout 1940, the US increased its economic pressure on Japan
  - in July 1940, a US embargo on the export of aviation fuel was imposed;
  - in September a US embargo on the export of scrap iron and steel to Japan was imposed.
- in July 1941s Japanese assets inside the US were frozen and US oil exports to Japan were embargoed.

The final decision to end isolationism completely was actually taken for Roosevelt. On 7 December 1941, Japanese forces attacked the US naval base at Pearl Harbour in Hawaii. On 8 December, the US declared war on Japan. On 11 December, Germany declared war on the US.<sup>7</sup>

<sup>6</sup> Bouverie, T, *Appeasing: Chamberlain, Churchill and the Road to War*, Vintage, London, 2019, p 152

<sup>7</sup> For a detailed examination of the American road to war, see: Webb, K, *Conflict in the Pacific 1937-1941*, Get Smart Education, Mona Vale NSW, 2020

**Exercise 14.1** Indicate whether each of the following statements is true or false.

1	Once a US President has signed an international treaty, it immediately enters into law.	TRUE/ FALSE
2	Wilson failed to ensure US membership of the League of Nations because the Republicans controlled the Senate.	TRUE/ FALSE
3	Despite isolationism, the US became an active member of the Permanent Court of International Justice.	TRUE/ FALSE
4	Isolationism was the foreign policy aspect of the revival of WASPish sentiments in the US after WWI.	TRUE/ FALSE
5	Roosevelt had little choice in the early to mid-1930s but to focus on the US domestic situation.	TRUE/ FALSE
6	The report of the Nye Committee came out solidly in support of US participation in WWI.	TRUE/ FALSE
7	In the 1940 election, Roosevelt and Willkie clashed on their views about keeping the US out of the war.	TRUE/ FALSE
8	In his 1937 Quarantine Speech, Roosevelt attempted to argue why the US could not stay out of world affairs.	TRUE/ FALSE
9	Throughout 1941, Roosevelt was reluctant to align the US too closely to the war effort of Britain.	TRUE/ FALSE
10	The Japanese bombing of Pearl Harbour finally brought US isolationism to an end.	TRUE/ FALSE

**Exercise 14.2**

Match the term or personality on the right, with the description on the left.

1	British PM; rejected Roosevelt's proposal, January 1938	WENDELL WILLKIE
2	Leader of the "Committee to defend America by aiding the allies"	CHARLES LINDBERGH
3	His committee said 'the merchants of death' led the US entry into WWI	ELIHU ROOT
4	A member of the Republican "irreconcilables" in 1919	GERALD NYE
5	The American who planned the Court of International Justice	HENRY CABOT LODGE
6	The Republican Party candidate for the 1940 election	WOODROW WILSON
7	1919 Republican Chairman, Senate Foreign Relations Committee	HIRAM JOHNSON
8	He delivered the "Quarantine Speech" in 1937	FRANKLIN ROOSEVELT
9	Leader of "The America First" campaign	W A WHITE
10	US President at the Paris Peace Settlement	NEVILLE CHAMBERLAIN

## What do the historians have to say about “Impact of domestic pressures on the USA 1919-1941”?

### 1. Robert Dallek

Roosevelt opposed the thrust of the Neutrality Laws. However, Dallek says that his response to Congress’ pressure to enact the laws, which would ensure the US would not take part in any future overseas conflict, was illustrative of his sensitivity to domestic attitudes about foreign policy.

*“...Anti-war demonstrations in the first half of 1935 in Washington and on university campuses across the country underscored public cynicism about World War I and opposition to any military engagement...”*<sup>8</sup>

### 2. Ted Morgan

Morgan argues that from 1939, Roosevelt’s strategy was to keep America out of war if he could, but to fully prepare for it if the worst came to pass. During this time, he describes Roosevelt as being indefinite, uncertain, probing. Morgan uses an angling analogy to describe Roosevelt’s behaviour at this time.

*“...To follow his twisting thoughts is like trying to follow a trout in a stream, which disappears under a rock, resurfaces, sends up bubbles, appears in a flash of colour, and then glides out of sight...”*<sup>9</sup>

### 3. John Callaghan, Brendon O’ Connor, Mark Phythian

Callaghan et alia comment on the situation that faced Roosevelt’s first term as President. Roosevelt was an internationalist, something in the vein of Woodrow Wilson. He had been Wilson’s Assistant Secretary of Navy during WWI. When Roosevelt ran as James Cox’s running-mate in the 1920 election, it was on a ‘broadly Wilsonian ticket’. However, the isolationist sentiment that stymied the Democrats’ chances in 1920, and which dominated the 1920s, was still present in the first half of the 1930s, with the country preoccupied with the crisis of the Great Depression.

*“...Even after Hitler’s accession to power in Germany in 1933, anti-interventionism continued to dominate public opinion and both Democratic and Republican parties. This remained the domestic context at the end of Franklin Roosevelt’s first term as president...”*<sup>10</sup>

<sup>8</sup> Dallek, R, Franklin D Roosevelt: A Political Life, Allen Lane, UK, 2017, p 228

<sup>9</sup> Morgan, T, FDR: A Biography, Grafton Books, London, 1986, p 502

<sup>10</sup> Callaghan, J, O’Connor, B and Phythian, M, Ideologies of American Foreign Policy, Routledge, Abingdon, 2019, p 25



---

## Essays 3

# Responding to HSC questions on US Foreign Policy

---

The purpose of this section is to provide some ideas for the type of questions which might be asked on the Focus of Study section of the syllabus, *US Foreign Policy*. These outlines are not presented as the 'be all and end all' responses to these questions. To provide a sense of reality to this section, what follows is a 'first draft response' to each question, ie what were the first ideas that came into the author's head as he thought about each question?

(NB: In the "Advice on Writing Essays" section earlier in the book, an approach to the question: "To what extent was US foreign policy between 1919 and 1941 the result of domestic social and political pressures?" was provided. Thus, what follows is "Essay No 2" on *US Foreign Policy*.

### Essay No 2

*"Account for the aims and strategies of US foreign policy in the period 1919 to 1941."*

This seems to be a fairly straightforward question but it does contain some pitfalls of which students need to be aware;

- Note the time frame – the question requires discussion of both the 1920s and the 1930s, and would expect reference to be made to crucial events from the Paris Peace Conference (1919) to the Japanese attack on Pearl Harbour (1941).
- Avoid the temptation to narrate or describe every single action of US foreign policy without providing an overall analysis.
- There is also an issue of structure:
  - the period divides neatly between the Republican ascendancy to 1933, and the Roosevelt years.
  - should the response be divided into these two sections, or would it be better to identify themes which range across the whole period?
  - there is no right or wrong approach; what follows is the former approach.

Though it cannot be denied that the US did play something of a world role between 1919 and 1941, the fundamental aim of US foreign policy in the period 1919 to 1941 was to return to its traditional isolationist practice of the nineteenth century. The strategies it employed were directed to this end. Though the conditions of the 1920s were different to the 1930s, the fundamental goal remained the same. This isolationist aim was only abandoned when Pearl Harbour provided no other choice.

To commence this argument, you need to explain what the traditional isolationist foreign policy of the nineteenth century involved. Refer to such things as:

- avoiding alliances and involvement in European wars – refer to Washington’s Farewell Address;
  - however, Washington had been happy for the US to engage in economic relations with European powers;
- this was extended with the Monroe Doctrine of 1823;
  - hence ongoing US interest and involvement in Latin America;
  - provide some examples ranging from the US withdrawal of troops from Latin America in the 1920s to Roosevelt’s ‘Good Neighbour’ policy in the 1930s;
- the US had a continent to occupy and so fulfilment of its ‘Manifest Destiny’ took priority over foreign affairs;
  - thus, involvement in WWI was very much out of character.

Discuss the context of the 1920s and how WASPish attitudes prevailed:

- briefly explain what these attitudes were – make brief mention to the domestic context of intolerance, xenophobia, American First feeling;
  - the foreign policy extension of these views was isolationism;
  - bring in evidence to support this idea: refer to Paris 1919, the League of Nations, the International Court etc;
- conservative domestic policies had a foreign policy dimension;
  - refer to Immigration restrictions, protectionist trade policies;
- isolationist thinking, economic protectionism and immigration restrictions were key elements of Republican Party thinking in the 1920s;
  - explain the nature of the Republican ascendancy to 1932 and how this affected foreign policy.

However, this did not mean that the US had cut itself off completely from the outside world. It would play a world role if it was deemed in its national interest:

- make reference to disarmament and the Washington Conference;
- assistance given to Germany in its reparations problems;
- the US was a major overseas investor.

The situation was no different in the 1930s, and arguably it can be argued that the desire to return to traditional isolationist policies was even stronger:

- the disaster of the Great Depression took precedence over everything;
  - Roosevelt’s prime objective had to be to revive/ save the US economy;
- the desire of the American people to avoid being dragged into another war was even stronger;
  - refer to the impact of the Nye Committee;

- fears coming from German, Italian and Japanese aggression;
- the opposition Roosevelt experienced over his 1937 Quarantine Speech;
- such thinking could be seen in the Neutrality Laws of 1935-37.

By the end of the 1930s the aims and strategies of US foreign policy began to change as events in the wider world drew in on US thinking:

- comment on Roosevelt's personal feelings;
- German actions in the North Atlantic in 1940-1941 forced the US to become involved against Germany;
  - though there were divisions inside the US, seen with the "America First Committee" of Lindbergh, sentiments within the country were generally pro-Britain as the war progressed;
- Japanese actions in Asia were a major concern;
  - refer to the US pro-China thinking;
  - pressure was gradually increased against Japan – refer to sanctions;
- Pearl Harbour took the decision out of America's hands and it was forced to abandon traditional isolationism.

### **Possible HSC questions on "US foreign policy 1919-1941"**

- (a) To what extent did domestic economic factors determine the course of US foreign policy between 1919 and 1941?
- (b) To what extent did the nature, aims and strategies of US foreign policy change in the period 1919 to 1941?
- (c) How important was the desire to return to traditional nineteenth century values at home in determining the exercise of US foreign policy between 1919 and 1941?
- (d) Evaluate the impact that Franklin Roosevelt was able to have on the exercise of US foreign policy in the years before 1941.
- (e) Assess the impact of the American experience in World War I on the foreign policy of the United States between 1919 and 1941.
- (f) "Despite its desire to return to a traditional, 19th century isolationist stance, the US could not avoid playing a worldwide role in the period 1919-1941."

To what extent is this an accurate reflection of US foreign policy in the period 1919-1941?



---

## Section Five

# Ken Burns' *"The Roosevelts: An Intimate History"*

---

### Introduction

Ken Burns is an American filmmaker. He has produced a series of first-class documentary series on various aspects of American History including: *The Civil War (1990)* and *The Vietnam War (2017)*. He is renowned for his ability to meld archival footage, photographs and expert commentary into his documentary films.

In 2014, he produced *"The Roosevelts: An Intimate History"*. This series chronicles the lives of Theodore Roosevelt (US President 1900-1909), Franklin Roosevelt and his wife Eleanor Roosevelt. Burns manages to interweave their individual stories into a single narrative. *"It is an intimate human story about love, betrayal, family loyalty, personal courage and the conquest of fear."*<sup>1</sup> Episode Five of the series is called: **1933-1939 "The Rising Road"**.

Episode Five of "The Roosevelts" is an excellent resource for students The Great Depression and the New Deal. It traces the key moments of this period, using archival film and photographs from the time, with a clear commentary. Aspects that are covered include:

- The Presidential Inauguration of 1933
- The Fireside Chats
- The First Hundred Days
- The role of Eleanor Roosevelt
- Roosevelt's team and closest associates
- The New Deal Program
- Roosevelt and the Supreme Court
- The election of 1936
- The Roosevelt Recession 1938
- Roosevelt and isolationism
- The royal visit of 1939

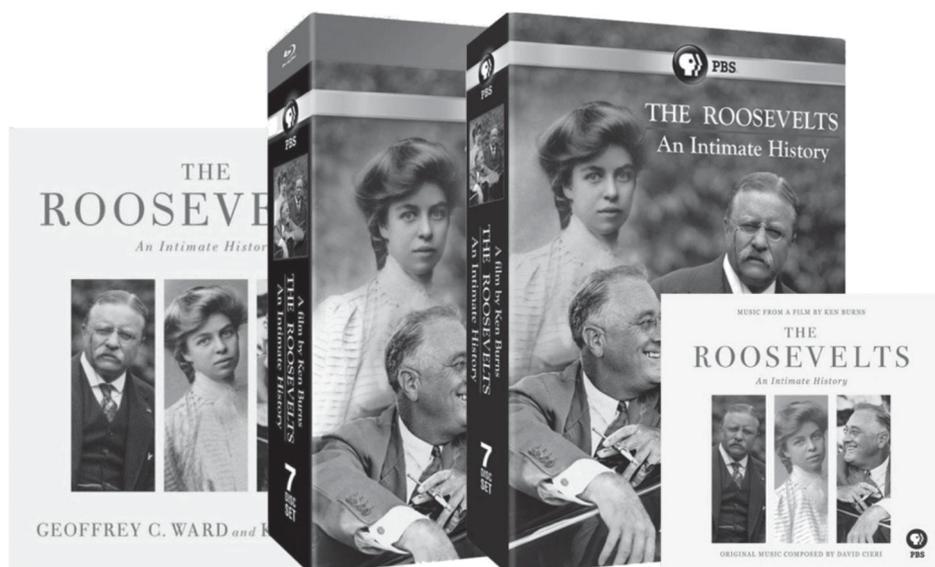
Students and teachers are encouraged to get hold of the whole series. It is available from most online stores and until early 2020 was being streamed on Netflix. Alternatively, an excellent way to make use of the series is to go to the website: [www.pbs.org/kenburns/the-roosevelts](http://www.pbs.org/kenburns/the-roosevelts) . This is an easy-to-navigate site. The menu on the home page offers an episode by episode guide, and if you click on to the "photo gallery" tab, there is a useful collection of photos.

---

<sup>1</sup> [www.pbs.org/kenburns/the-roosevelts](http://www.pbs.org/kenburns/the-roosevelts)

Best of all is the "classroom" tab.<sup>2</sup> However, of greatest use to for students (and teachers) is the section which contains short video clips relating to the New Deal such as "New Deal 1: The First One Hundred Days" and "The Second New Deal: programs for the people."

Clicking on the individual sections also takes you to the transcript of some of the narration and the interviews. The actor Peter Coyote provides the narration.



*"Hyde Park on the Hudson"* is a 2012 British film starring Bill Murray as Franklin Roosevelt and Laura Linney as his cousin "Margaret 'Daisy' Suckley. The story is set in Roosevelt's rural retreat in upstate New York. It is set at the time of the visit of King George VI of England, played by Samuel West, and Queen Elizabeth played by Olivia Colman.<sup>3</sup> The story in the film is a fictionalised dramatization based on the private journals and diaries of Suckley, discovered after her death. It deals with Roosevelt's private relationships and the significance of the visit of the English King and Queen. This is probably not a film to show at school – time restraints alone would forbid it – but for anyone who has the time, and is interested in gaining an additional perspective on Franklin Roosevelt, it is worth a look. A way to fill a cold, wet winter's Sunday afternoon perhaps. Bill Murray as Franklin Roosevelt is excellent.

<sup>2</sup> There is a link to the entire series (over 13 hours) but this is normally not available in Australia.

<sup>3</sup> For those who are interested in such things, Olivia Colman seems to have a thing for playing English monarchs. As well as playing Queen Elizabeth in *Hyde Park on the Hudson*, she has played Queen Elizabeth II in the Netflix series "The Crown". Olivia Colman won an Oscar for her portrayal of Queen Anne (1702-1714) in the film *The Favourite*.

---

# Timeline

---

- 1917-1918 – US involvement in World War I
- 1919 – The Paris Peace Conference  
The 18th Amendment brings in Prohibition  
The Volstead Act
- 1919-1920 – The Red Scare
- 1920 – The Senate rejects US membership of the League of Nations  
Election of Harding: ‘the return to normalcy’  
First live radio broadcast  
Women allowed to vote in their first Presidential election
- 1921 – Emergency Immigration Law  
Tulsa Race Massacre
- 1921-22 – The Washington Conference
- 1923 – Hiram Wesley Evans becomes leader of the Ku Klux Klan  
Death of Harding; Coolidge becomes President
- 1924 – Johnson-Reed Immigration Act  
The Dawes Plan
- 1925 – The Scopes Trial  
Trial and sentencing of D C Stephenson
- 1927 – The Jazz Singer is the first talking picture  
Execution of Sacco and Vanzetti
- 1928 – The Kellogg-Briand Pact
- 1929 – St Valentine’s Day massacre  
Hoover becomes President  
The Wall Street Crash
- 1931 – Al Capone sentenced to eleven years in prison  
The Hoover Moratorium  
The Scottsboro Boys Trial  
Japanese invasion of Manchuria/ The Stimson Doctrine
- 1932 – Election of Franklin Roosevelt

- 1933 – Unemployment reaches 15 million  
Roosevelt’s inauguration: ‘the only left to fear is fear itself’  
Beginning of the New Deal programs  
Roosevelt’s 100 Days  
Emergency Banking Law/ Civilian Conservation Corps/ Civil Works Administration/ Agricultural Adjustment Act/ Tennessee Valley Authority set up  
Ratification of the 21st Amendment ends Prohibition
- 1934 – Death of Public Enemy No 1 John Dillinger
- 1935 – Assassination of Huey Long
- 1935-37 – The Neutrality Laws  
Social Security Act
- 1936 – Re-election of Roosevelt
- 1937 – Creation of the Congress of Industrial Organisation  
Japanese invasion of China  
Roosevelt’s Quarantine Speech
- 1939 – Outbreak of World War II in Europe
- 1940 – Selective Service Act  
Council of National Defence and Advisory Commission set up  
Roosevelt elected for a third term
- 1941 – The Lend-Lease Act  
The Atlantic Charter  
Japanese bombing of Pearl Harbour  
US declares war on Japan  
Germany declares war on the US

---

# Glossary

---

AF of L	American Federation of Labour
Bonus Army	veterans seeking their wartime bonuses in Washington in 1932
bootlegging	illegal production and sale of liquor during Prohibition
CIO	Committee of Industrial Organisation, later the Congress of Industrial Organisation
closed shop	union preference for compulsory union membership in the workplace
dust bowl	areas of Oklahoma and Arkansas which suffered massive soil erosion where soils blew away
flapper	term indicating a liberated 1920s woman who embraced new styles of dress and lifestyle
hire purchase	inter-war way of buying a product and paying it off in instalments
hoboes	unemployed men travelling the country seeking work during the depression
holding companies	industrial structure which sees a base company holding up an inverted pyramid of companies
Hoover blankets	terms used to describe newspapers used for bedding by unemployed people during the depression
Hooverville	disparaging name for shanty towns built during the depression
isolationism	traditional American foreign policy that sought to minimise US involvement in international affairs
Jim Crow laws	discriminatory laws against Black Americans in the American South
Ku Klux Klan	extreme racist organisation, refounded in 1915, that attacked blacks, Jews, Catholics, immigrants
laissez-faire	economic thinking that believes in minimum government involvement in economic matters
lame duck amendment	constitutional amendment bringing forward a president's inauguration
Lend-Lease Act	1941 act allowing war supplies to be sent to Britain
Lusitania	ocean liner sunk by German submarines in 1915 which resulted in the loss of many US lives
manifest destiny	US belief of its god-given mission to occupy the American continent
market saturation	the situation in which there is excess supply of a product in a market
military-industrial complex	President Eisenhower's term for the powerful influence of the military on industry
New Deal	Franklin Roosevelt's domestic program in the 1930s
Nye Committee	1936 Committee that argued the US entered WWI for the benefit of war profiteers
on the margin	borrowing money in order to speculate

open shop	US employers desire for employees to be non-union members
plutocrat	a person powerful because of his wealth
Prohibition	the banning of the consumption, production and transportation
protectionism	the placing of tariffs on imports to protect domestic industries
Quarantine Speech	Franklin Roosevelt's foreign policy speech, Chicago October 1937
recession	a down turn in economic activity that results in high unemployment and business failures
Red Scare	fear and paranoia dating from 1919 that played up the danger of communists and socialist in the US
Roaring Twenties	term suggesting that the 1920s was an exciting innovative era
robber baron	derogatory term used to describe unscrupulous businessmen in late 19th century America
rum-runners	boats used to import illegal liquor during Prohibition
Sacco-Vanzetti Case	controversial trial of the 1920s that led to what were considered unjust executions due to the views of those charged
sharecropping	farming whereby a percentage of the crop produced is handed over as rent to the owner
soap opera	term used to describe a radio program sponsored by a company, initially soap powder companies
speculation	the buying and selling of shares for profit
suffrage	the right to vote
Tammany Hall	New York location always associated with corrupt politics
tariff	a tax on imports
Teapot Dome	oil reserve in Wyoming, subject of a 1920s corruption scandal
The Grapes of Wrath	John Steinbeck's book about the experience of the Dust Bowl victims of places like Oklahoma
trusts	combinations of firms created to control prices and markets
unconstitutional	something which is not allowed under the terms of the United States Constitution
Wall Street	home of the New York stock market
WASP	white Anglo-Saxon Protestant
Wickersham Commission	commision to investigate the practice of Prohibition
yellow dog contract	agreement whereby an employees agrees not to join a union
Zimmermann Telegram	German foreign minister's offer to Mexico to join Germany in the war for territorial gains from the US after a German victory

---

# Dramatis Personae

---

Addams, Jane	renowned social activist in Chicago
Armstrong, Louis	jazz pioneer from the 1920s onwards
Bates, Ruby	one of the girls at the centre of the Scottsboro Incident
Bryan, William Jennings	prosecutor in the Scopes Trial 1925
Capone, Al	leading bootlegger and Chicago gangster of the Prohibition era
Carnegie, Andrew	founder of US Steel, philanthropist
Chamberlain, Neville	British Prime Minister 1937-40
Churchill, Winston	British Prime Minister 1940-45
Clemenceau, Georges	French Premier November 1917-January 1920
Coolidge, Calvin	US President August 1923-1929
Coughlin, Reverend Charles	radical radio priest, opponent of Roosevelt
Cox, James	Democratic Party Presidential Candidate in 1920 election
Darrow, Clarence	defended John Scopes in the Scopes Trial 1925
Darwin, Charles	author of "On the Origin of Species"
Davis, John	Democratic Party Presidential Candidate in 1924 election
Dawes, Charles G	author of the 1924 Dawes Plan, US Vice-President 1925-29
Debs, Eugene V	founder of the Socialist Party
Dempsey, Jack	heavyweight boxing champion 1920s
Dillinger John	at one time the FBI's Enemy No 1
Evans, Hiram Wesley	took over leadership of the Ku Klux Klan 1923
Fall, Albert	Secretary of the Interior, imprisoned over the Teapot Dome Scandal
Fitzgerald, F Scott	author of The Great Gatsby
Forbes, Charles R	Director of Veterans' Bureau, imprisoned for corruption
Ford, Henry	US motor car manufacturer, father of the Model T
Galbraith, J K	economist who has written extensively in the Crash of 1929
Garner, John	US Vice-President 1933-1941
Gatsby, Jay	character in F Scott Fitzgerald's book The Great Gatsby
Harding, Warren	US President 1921-August 1923
Hoover, Herbert	US President 1929-1933
Hoover, J Edgar	director of the FBI
Hopkins, Harry	head of the Federal Emergency Relief Administration
Hughes, Charles Evans	Secretary of State 1921-1925
Hull, Cordell	US Secretary of State 1933-44
Ickes, Harold	head of the Public Works Administration
Johnson, General Hugh	head of the National Recovery Administration
Kellogg, Frank	US Secretary of State 1925-29

Knudsen, W	Director General of Office of Production Management 1941
Landon, Alfred	Republican presidential candidate in the 1936 election
Lewis, John L	union leader, head of the CIO
Lincoln, Abraham	US President 1861-1865
Lindbergh, Charles	aviator, led the “America First” campaign before WWII
Lloyd George, David	British Prime Minister 1916-1922
Lodge, Henry Cabot	Chairman of Senate Foreign Relations Committee 1919
Long, Huey	radical Louisian governor/ senator
Macarthur, General Douglas	US Chief of Staff, broke up the Bonus Army in 1932
McLeod Bethune, Mary	black activist of the 1930s, friend of Eleanor Roosevelt
Mellon, Andrew	Treasury Secretary 1921-1932
Morgan, J P	railroad businessman
Nye, Gerald P	Chairman of the 1936 Nye Committee
Palmer, A Mitchell	Attorney-General 1919-1921
Perkins, Frances	Secretary of Labour under President Roosevelt
Reynolds, W H	head of the Office of Emergency Management 1940
Rockefeller, J D	founder of Standard Oil Company, philanthropist
Roosevelt, Eleanor	wife of President Roosevelt, active in social and women’s affairs
Roosevelt, Franklin D	US President 1933-April 1945; Vice-Presidential Candidate in 1920 election
Ruth, Babe	legendary US baseball player
Sacco, Nicola	victim of the Sacco-Vanzetti case, executed 1927
Scopes, John	charged with teaching evolution theory, subject of the Scopes Trial 1925
Scottsboro Boys	group of black youths, the victims of a gross miscarriage of justice in 1931
Simmons, William	reestablished the Ku Klux Klan in 1915
Smith, Alfred E	Democratic Party Presidential Candidate in 1928 election
Steinbeck, John	author of The Grapes of Wrath
Stephenson, D C	Grand Dragon of the Ku Klux Klan, imprisoned for 2nd degree murder
Stimson, Henry	US Secretary of State 1929-33
Sunday Billy	evangelical preacher
Townsend, Dr Francis	author of the Townsend Old Age Revolving Pension Plan
Vanzetti, Bartolomeo	victim of the Sacco-Vanzetti case, executed 1927
White, W A before WWII	newspaper editor, led the “Committee to defend America by aiding the allies”
Wickersham, George	led the Wickersham Commission on Prohibition
Willkie, Wendell	Republican presidential candidate in the 1940 election
Wilson, Woodrow	US President 1913-1919

---

# Answers to revision exercises

---

## Exercise 1.1

1914 – 1917 – submarine – 1918 – Wilson – Paris – 1919 – 14 Points – idealism – debtor – indebted – major – reduce – railways – shipping – recession – 1922 – traditional – radical – violence

## Exercise 1.2

1 – Harding/ Republican President 1921-August 1923; 2 – Zimmermann/ German wartime foreign minister; 3 – Wilson/ US Democratic President 1913-1921; 4 – Cox/ losing Democratic Presidential candidate 1920; 5 – Hoover/ Republican President 1929-1933; 6 – Clemenceau/ French Premier November 1917-January 1920; 7 – Smith/ losing Democratic Presidential candidate 1928; 8 – Coolidge/ Republican President August 1923-1929; 9 – Roosevelt/ Democrat Vice-Presidential candidate 1920 election; 10 Lloyd George/ British Prime Minister 1916-1922

## Exercise 2.1

1 – true; 2 – false; 3 – false; 4 – true; 5 – false; 6 – false; 7 – true; 8 – false; 9 – true; 10 – true

## Exercise 2.2

1 – Calvin Coolidge; 2 – Albert Fall; 3 – Warren Harding; 4 – Charles Evans Hughes; 5 – Andrew Mellon; 6 – Thomas Miller; 7 – Charles Forbes; 8 – Herbert Hoover; 9 – Harry M Daugherty; 10 – Jess Smith

## Exercise 3.1

1 – mass production/ assembly-line techniques; 2 – the car industry; 3 – low prices, advertising, easy credit; 4 – highway construction, service industries; 5 – pro-business policies such as little regulation, lower surtax, high tariffs; 6 – it led to market saturation which in turn led to cuts in production and employment; 7 – between businessmen and workers, between geographical regions; 8 – over production, failure of farmers to cut output, government refusal to deal with the issue; 9 – if a base company collapsed it could bring all the companies above connected to it; 10 – protectionism reduced trade levels, excessive overseas lending

## Exercise 3.2

During the 1920s, the New York stock market witnessed a continuing rise in stock prices. This led to a speculation boom as people attempted to gamble on prices ever rising. The willingness of people to speculate encouraged people to buy shares 'on the margin'. On 24 October 1929, a full-scale panic hit the Wall St stock market and stock prices plummeted. In a few weeks, \$30 billion had been lost. The panic on Wall St put major pressure on banks. By 1932, 5000 banks had been forced to close. Bankruptcies increased and factories ceased production. The immediate result was a massive increase in unemployment. Events in America had a flow-on effect across the world. International trade collapsed and the US called in loans it had lent to other countries during prosperous times.

**Exercise 4.1**

1 – false; 2 – false; 3 – true; 4 – true; 5 – true; 6 – false; 7 – false; 8 – true; 9 – false; 10 – true

**Exercise 5.1**

1 – Hooverville; 2 – on the road; 3 – self-reliance; 4 – Macarthur; 5 – underemployment; 6 – eviction; 7 – Roosevelt; 8 – hoboes; 9 – Hoover blankets; 10 – Bonus Army

**Exercise 5.2**

1 – fact; 2 – opinion; 3 – opinion; 4 – fact; 5 – fact; 6 – fact; 7 – opinion; 8 – opinion

**Exercise 5.3**

1 – overproduction and soil erosion; 2 – it was not economic to harvest the crop and try and sell it; 3 – people were starving or malnourished but there was plenty of food; 4 – if farmers could not pay their mortgage the banks took their farms from them; 5 – Oklahoma, Arkansas, Kansas, Texas, New Mexico; 6 – the wind blew the top soil away, the rain washed it away; 7 – California; 8 – 2%; 9 – Federal Farm Board tried to buy up surpluses to keep prices high; 10 – fear that other farmers would not do likewise and they would miss out on possible sales

**Exercise 5.4**

Prejudice – discrimination – South – Jim Crow – unemployment – white – menial – sharecropper – North – activism – boycotts – registration – Black Cabinet – Democratic – anti-lynching – Senate – New Deal

**Exercise 6.1**

1 – false; 2 – true; 3 – false; 4 – true; 5 – true; 6 – false; 7 – false; 8 – true; 9 – true; 10 – false.

**Exercise 6.2**

1st – Hoover appointed Head of American Relief Administration; 2nd – Hoover appointed Commerce Secretary; 3rd – Hoover elected President; 4th – Establishment of Federal Farm Board; 5th – Wall St Crash; 6th – Hawley-Smoot tariff; 7th – Hoover's Executive Order on immigration; 8th – Hoover Moratorium; 9th – Reconstruction Finance Corporation set up; 10th – Norris-LaGuardia Act

**Exercise 7.1**

1 – Frazier-Lemke Act; 2 – Glass-Steagall Act; 3 – Tennessee Valley Authority; 4 – Civilian Conservation Corps; 5 – Federal Emergency Relief Administration; 6 – Agricultural Adjustment Act; 7 – Truth in Securities Act; 8 – Civil Works Administration; 9 – Emergency Banking Law; 10 – devaluation of the dollar

**Exercise 7.2**

1 – Public Works of Art Project; 2 – Agricultural Adjustment Act; 3 – Public Works Administration; 4 – securities Exchange Commission; 5 – Federal Emergency Relief Administration; 6 – Civilian Conservation Corps; 7 – National Recovery Administration; 8 – Civil Works Administration; 9 – Tennessee Valley Authority; 10 – National Industrial Recovery Act

**Exercise 7.3**

1 – Hopkins/ placed in charge of the Federal Emergency Relief Administration; 2 – Johnson/ Appointed head of the NRA in June 1933; 3 – Coughlin/ influential radio priest opponent of Roosevelt; 4 – Ickes/ Head of Public Works Administration; 5 – Garner/ Roosevelt’s Vice-President 1933-41; 6 – Landon/ Roosevelt’s presidential election opponent in the 1936 election; 7 – Long/ Louisiana opponent of Roosevelt; 8 – Steagall/ co-author of the 1933 banking legislation; 9 – Smith/ Democratic conservative opponent of Roosevelt; 10 – Townsend/ supported a \$200 a month pension for those over 65

**Exercise 7.4**

1 – conservative, Republican-appointed, elderly; 2 – he tried to pack it with new appointees; 3 – the measures were deemed unconstitutional; 4 – as old judges died or retired, he appointed younger, liberal judges; 5 – Agricultural Adjustment Act

**Exercise 8.1**

1 – opinion; 2 – fact; 3 – fact; 4 – opinion; 5 – fact; 6 – opinion; 7 – fact; 8 – opinion; 9 – fact; 10 – opinion

**Exercise 9.1**

Reasons for the expansion of industry included the prevalence of vast raw materials, European capital and a large labour supply. In addition, government laissez-faire policies were kind to business. These factors assisted the growth of heavy industry, in particular steel, and by WWI the country railroads had spread across the entire country. By the 1920s, many firms had adopted mass-production techniques pioneered by Henry Ford. Industrialisation had a major impact on the development of the nation. The era of the rugged individualist seemed to have disappeared. The balance in American society had changed with the power and influence of farming and rural areas forced to give way to the rich, highly-populated industrial centres. This led to a reaction against what was happening seen in the development of rural populism and critiques of progressives who railed against the corrupt ‘wealth and power’ at all costs attitudes of many businessmen and politicians.

**Exercise 9.2**

1 – false; 2 – true; 3 – false; 4 – true; 5 – true; 6 – true; 7 – false; 8 – false; 9 – true; 10 – false

**Exercise 9.3**

1 – J D Rockefeller; 2 – Henry Ford; 3 – J P Morgan; 4 – Andrew Carnegie; 5 – William R Hearst; 6 – Jane Addams

**Exercise 10.1**

1 – weak, ill-equipped army, obsolete aircraft, low military numbers; 2 – it made it difficult for Roosevelt to overtly pursue expanded war production for fear he would be accused of preparing to the US into war; 3 – fear of losing a share of the domestic market if their rivals did not also convert; 4 – a 1916 regulation was still in effect; 5 – men aged 21-36 to register, 900 000 called each year, for a year’s training; 6 – rationalising war production; 7 – to ensure defence had key raw material supplies; 8 – to ensure good employer-worker relations; 9 – Britain, Soviet Union; 10 – enormously, massive production achieved

**Exercise 11.1**

1 – false; 2 – false; 3 – true; 4 – false; 5 – true; 6 – true; 7 – true; 8 – false; 9 – true; 10 – false

**Exercise 11.2**

1 – Walt Disney; 2 – Jack Dempsey; 3 – Mary Pickford; 4 – Errol Flynn; 5 – Jay Gatsby; 6 – Babe Ruth; 7 – Cecil B De Mille; 8 – Louis Armstrong; 9 – Greta Garbo; 10 – Charles Laughton

**Exercise 12.1**

conservatism – traditional – nineteenth – immigration – white – Anglo-Saxon – Protestant – Japan – California – national – three – 1910 – Johnson – two – 1890 – Asia – religious – rural – decadence – immorality – literal – Scopes – Tennessee – evolution – Darrow – Bryan

**Exercise 12.2**

(individual paragraph answers – ask you teacher to check it)

**Exercise 12.3**

1 – true; 2 – false; 3 – false; 4 – true; 5 – false; 6 – true; 7 – false; 8 – true; 9 – false; 10 – true

**Exercise 12.4**

1 – John Dillinger; 2 – Moe Smith; 3 – Frances Willard; 4 – Al Capone; 5 – J Edgar Hoover; 6 – Cary Nation; 7 – Wayne Wheeler; 8 – Big Bill Thompson

**Exercise 12.5**

1 – white mobs attacked the black neighbourhood of Greenwood, thousands of black residents left homeless, estimates of deaths range from 36-300; 2 – poorly, attacked, Southerners sought to keep them 'in their place'; 3 – the old Confederacy, 1860s, keep freed slaves down; 4 – conservative, nationalist, religious views they associated with a purer 19th century America; 5 – it was capable of extreme violence; 6 – in some areas it controlled the police, local and state governments; 7 – Grand Dragon of Indiana; his violent behaviour and later exposure of Klan activities turned millions away from the Klan; 8 – last hired, first fired; 9 – he was keen on it; 10 – he needed the votes of conservative Southern Democrats who opposed pro-black measures

**Exercise 12.6**

1st – Re-founding of the Ku Klux Klan; 2nd – The Bolshevik Revolution; 3rd – Ratification of the 18th Amendment; 4th – The Palmer Raids; 5th – Tulsa Race Massacre; 6th – Johnson-Reed Act; 7th – Scopes Trial; 8th – sentencing of D C Stephenson; 9th – execution of Sacco and Vanzetti; 10th – St Valentine's Day Massacre; 11th – Al Capone sent to prison; 12th – election of Roosevelt; 13th – ratification of the 21st Amendment; 14th – FBI killed John Dillinger; 15th – CIO becomes Congress of Industrial Organisation

**Exercise 12.7**

There are 20 here relating to Chapter 12.

N	I	W	R	A	D	W	A	S	P
B	D	S	E	N	O	P	A	C	E
N	A	L	K	D	A	R	R	O	W
O	I	C	S	A	M	O	V	P	I
I	Y	J	A	T	X	V	O	E	R
T	W	Q	C	F	T	U	L	S	A
A	M	U	C	U	B	I	S	O	L
R	E	V	O	O	H	G	T	B	Y
G	E	N	P	A	L	M	E	R	N
I	A	E	K	L	E	R	A	Y	C
M	T	F	D	P	W	A	D	A	H
M	B	E	C	R	I	M	E	N	S
I	C	V	O	L	S	T	E	A	D

**Exercise 13.1**

isolationism – Washington – Farewell – Monroe – Americas – continent – Manifest – German – Zimmermann – disillusioned – Congress – Republicans – Versailles – League – protectionist – reparations – Dawes – Young – Hoover

**Exercise 13.2**

1st – The Monroe Doctrine; 2nd – Spanish-American War; 3rd – US Entry into WWI; 4th – Signing of the Versailles Treaty; 5th – US rejects League membership; 6th – The Washington Conference; 7th – Kellogg-Briand Pact; 8th – Stimson Doctrine; 9th – Good Neighbour Policy announced; 10th – US-Soviet relations established; 11th – Neutrality Laws; 12th – bombing of Pearl Harbour

**Exercise 14.1**

1 – false; 2 – true; 3 – false; 4 – true; 5 – true; 6 – false; 7 – false; 8 – true; 9 – false; 10 – true

**Exercise 14.2**

1 – Neville Chamberlain; 2 – W A White; 3 – Gerald Nye; 4 – Hiram Johnson; 5 – Elihu Root; 6 – Wendell Willkie; 7 – Henry Cabot Lodge; 8 – Franklin Roosevelt; 9 – Charles Lindbergh; 10 – Woodrow Wilson

---

# Notes

---



ISBN 978-0-6488419-3-7



9 780648 841937 >