

Designed for
Edexcel IGCSE



Historical investigation

USA 1918 - 1941



IGCSE Edexcel

Historical Investigation

Paper 2

1. The Roaring Twenties

Impact of the First World War . Economic boom & protectionism: Ford; mass production; hire purchase, advertising, consumerism and the popularity of the stock market. Problems in farming, including over-production and mechanisation. The decline of older industries. The leisure industry, cinema, jazz, dancing, sport, radio, advertising and motoring. The changing position of women, including the flappers.

2. Increased social tensions in the 1920s

Attitudes and policies towards immigration. The Palmer Raids and the 'Red Scare'. The Sacco and Vanzetti Case. Attitudes towards black Americans. The Ku Klux Klan. Morals and values and the 'Monkey Trial'. Prohibition and the gangsters.

3. The USA in Depression, 1929-33

The causes and consequences of the Wall Street Crash (1929-30). Hoover's reaction to the Great Depression: intervention and volunteerism. The impact of the Depression on banking, agriculture, industry and on people's lives: Hoovervilles and the Bonus Marchers, unemployment and homelessness.

4. Roosevelt and the New Deal, 1933-41

Roosevelt's aims. The Hundred Days, the Alphabet Agencies, including the TVA and policies to deal with agriculture industry and unemployment. The second New Deal, including the Works Progress Administration, welfare for the poor, the old and farmers. The impact of Social Security Act, the National Labor Relations Act ("Wagner Act") and the Banking Act of 1935. Rural electrification . The achievements and shortcomings of the New Deal.

5. The Opposition to the New Deal

The opposition of the Supreme Court, Republicans, business interests, the Liberty League; radical criticism such as Huey Long's Share Our Wealth programme and Father Coughlin's Social Justice campaign

The USA, 1918 - 1941

. Background .



American Dream

People emigrated to the USA for a variety of reasons:

- . flee from religious persecution
- . for political freedom
- . escape from poverty
- . become rich & famous

Every immigrant believed that USA was the 'land of opportunity', where if you worked hard you could become rich.



U.S. political system

The laws on how the USA is governed were put together in 1787. They are known as the **constitution**.

There are three parts:

- Legislative** = make laws
- Judiciary** = enforce laws
- Administrative** = carry out laws

Federal government

Congress decides laws for the country & the President carry out those laws through his departments e.g. defence, economy, education etc. He may also suggest laws.

State government

Makes laws for the state, each state has a governor in charge. Laws vary from state to state e.g. gun laws & the death penalty. All laws must agree with the constitution.

Democracy

Americans vote for the people who make, carry out and enforce their laws, at the state and the federal level.
e.g. the President, congressmen, governors, some judges, sheriffs etc



Administration



The President

Head of the Federal Govt. elected every 4 years in November, takes office in January.
Can veto laws passed in Congress, unless they have 2/3 majority.
Chooses the heads of govt. departments.
The President & departments suggest laws to the Congress

Constitution

Changes can be made to the constitution, these are called amendments.



Supreme Court

Highest court in the US. Decides whether federal or state laws are unconstitutional.

Judiciary



Legislative



Congress: Senators & Congressmen pass laws - legislation

Senate

Two **senators** per state, elected every 6 years.
They give advice & Senators approve the President's appointments. They can also decide if a President has acted against the law.

House of Representatives

Congressmen elected every 2 years representing a certain area in a state. They introduce ideas for laws & change laws.

Democrats



Republicans



Political Parties



Presidents

Harding 1921 - 23
Coolidge 1924 -29
Hoover 1929 -33

Presidents

F.D. Roosevelt 1929 - 45

Beliefs CONSERVATIVE

- . Less government
- . Do not interfere in people's lives
- . Let people help themselves
- . Keep taxes as low as possible
- . Business best left to look after itself
- . More power to the states

Beliefs LIBERAL

- . Work together
- . Equally opportunity
- . Government to help less fortunate
- . Higher taxes for rich to help poor
- . Minimum wage
- . Social security

The USA, 1918 - 1941

. The Roaring Twenties 1920s .



Background

Policy of isolationism

Since its foundation the USA has had a history of isolationism.

Example: President George Washington declared the USA as neutral during the British/French Wars in the 1790s.

Monroe Doctrine

President Monroe in 1823 stated that *"In the wars of the European powers, in matters relating to themselves, we have never taken part, nor does it agree with our policy, so to do. It is only when our rights are invaded, or seriously menaced that we make preparations for our defence."*

Intervention

When US interests were affected the USA was willing to get involved:

Spanish - American War 1898
 US - Philippine War 1899 - 1902
 Panama Canal 1903

World War One

President Woodrow Wilson got re-elected in 1916, during WWI, on the slogan:
 "He kept us out of the war".

After many events, the US Congress voted for the USA to join the war in 1917, on the side of Britain and France.

★ President Wilson

of the USA entered WWI already thinking about the world after the war. He came up with **'Fourteen Points'** which he wanted the Treaty of Versailles to be based, upon.

Wilson's efforts to promote peace earned him the 'Nobel Peace Prize' in 1919.

The French leader Clemenceau response was, "The good lord only had ten"



Wilson's 'Fourteen Points'



★ The German surrender

was largely based on Wilson's 'Fourteen Points'.

★ 'Big Three'

led the way, at the Paris Peace Conference

USA - Wilson: wanted his Fourteen Points

GB - Lloyd-George: wanted some revenge, but a Treaty that was not too harsh

France - Clemenceau: wanted revenge and a weakened Germany

★ Clemenceau dominated the Treaty negotiations

He wanted revenge on Germany - as most of the fighting had taken place on French land, and he did not want Germany to be strong - economically or militarily. Germany was blamed for war and punished: reparations, loss of land & a weak army, navy and airforce.



Treaty of Versailles 1919



★ USA treaty negotiations

by Democrats, which upset many Republicans. In USA congress, politicians were split over the Treaty which was never fully supported.

★ Germany expected the 'Fourteen Points'

to be in the Treaty but it only had: a League, Poland's borders & a promise for other countries to disarm

One of the few of Wilson's Fourteen Points that actually happened was:

"A general association of nations must be formed under specific covenants for the purpose of affording mutual guarantees of political independence and territorial integrity to great and small states alike."



League of Nations 1920



★ President Wilson v Republican Leader Lodge

Lodge wanted changes to League & Wilson refused to compromise. Republicans had a majority and refused to support the League.

Many wanted a return to isolationism, to be away from European problems.

★ Weakened League

Without USA the League was weakened, plus no Germany or Russia.

Without the USA sanctions were often meaningless, as countries could trade with the USA



The USA, 1918 - 1941

. The Roaring Twenties 1920s .

ROARING TWENTIES



The Roaring Twenties

Standard of living

Average incomes in the USA increased by 27%.

The hours worked went down from 48 to 44 hours per week.

Most people had electricity by the end of the 1920s, & bought goods like refrigerators, washing machines & vacuum cleaners.

Motor car

In the 1920s over 15 million cars were made.

Over 4 million people were employed by the motor industry. Lots of industry depended on the motor industry e.g. rubber & glass, plus the oil industry. Roads were built & people starting visiting places - tourism increased.

Radio

In the 1920s over 10 million radios were sold. Over 50 million people were regularly listening to the radio, with hundreds of stations across the country, listening to news, sports events, drama & music inc. jazz.

Hollywood

Cinemas appeared in every town & city in the USA.

A weekly visit was normal. Movies were silent until 1927.

Stars included: Charlie Chaplin, Greta Garbo and Rudolph Valentino.

Films began to be made in Hollywood, Los Angeles.

Women

The role of some women changed in the 1920s. Women became more independent, had jobs, went to parties (known as 'flappers') etc. Though changes were in towns & cities. Little changed in the countryside.

ROARING TWENTIES

The 1920s was known as the Roaring Twenties, when the economy was booming for many people. People for the first time had electrical goods, cars, radios etc.

Cars changed the way people lived: suburbs on the edge of towns & cities grew, people went on day trips & holidays.

★ Mass Production

Factories set up assembly lines to produce goods more quickly & cheaper.

Each worker did only one or two jobs. Henry Ford used assembly lines to make cheap cars (Model T).

★ Finance

Companies were able to borrow money to modernise their factories & mass produce.

★ Hire Purchase

People borrowed money to buy goods & paid it back weekly.

★ Stock Market

People invested in the stock market. They bought shares in companies. If the company made a profit some of this money is given back to the shareholders as dividends. The shareholders can also sell their shares. If the company makes a profit the share price increases. It became a way of 'getting rich quick'.

★ Government Policy: Tariffs

The US govt. passed the *Fordney-McCumber Act* 1922 which increased tariffs (taxes) on goods imported (brought in).

This made things made in the USA cheaper so people bought US goods.

★ Taxes

The US govt. reduced taxes so companies invested the money. People paid less tax so bought more goods.

★ Advertising

Companies starting advertising their goods, on the radio, in magazines & newspapers, encouraging people to buy more things.

★ New inventions

Electricity changed how Americans lived. Mass production made electrical goods cheap. New inventions came all the time and people wanted to buy the latest products.

★ Confidence

The 'Roaring Twenties' created an atmosphere where everybody thought they could make money & afford all the goods they wanted e.g. electrical goods, cars etc - often on hire purchase.



Reasons for Economic Growth



Inter-dependent reasons
 see how each reason is linked to the others, they are interdependent.
 One succeed, all succeed, One failure, all failure?

The USA, 1918 - 1941

. The Roaring Twenties 1920s .

CONSUMERISM

Consumerism is the expenditure (buying) of consumer goods. American consumerism in the 1920's led to the buying of goods like: radios, refrigerators, washing machines, cars, clothes etc.

Linked to the growing economy, in particular: growth in wages in the towns & cities plus the confidence people had that the economy would continue to grow

Consumer goods:

- . refrigerators
- . washing machines
- . radios
- . electric irons
- . electric razors
- . phonographs
- . electric cookers
- . vacuum cleaners
- . cars

Personal grooming

- . cosmetics
- . hair dye
- . mouthwash
- . deodorants
- . tissues
- . perfumes

Fashion industry

- . both men and women
- . Flappers led the way for women
- . influenced by movie stars

★ Mass Production

Factories set up assembly lines to produce consumer goods more quickly & cheaper.

★ Keeping up with the neighbours

People increasingly wanted what everyone else had, e.g. new car on the drive, latest fashion etc.

★ Fashion

Wearing the latest fashion became part of life more many people in the towns and cities.
Fashion was followed via the movies and in magazines.
Clothes and hair styles changed e.g. the flappers

★ Hire Purchase

Rather than waiting until they had saved up enough money to buy things, people borrowed money to buy goods & paid it back weekly.

★ Electricity

Most people in towns and cities now had electricity and therefore people wanted electric consumer goods

★ New inventions

Electricity changed how Americans lived.
Mass production made electrical goods cheap.
Radio & then the film industry grew.

★ Advertising

Companies starting advertising their goods, on the radio, in magazines & newspapers, encouraging people to buy more things. Sports and movie stars starting advertising products..

★ Confidence

The 'Roaring Twenties' created an atmosphere where everybody thought they could make money & afford all the goods they wanted e.g. electrical goods, cars etc - often on hire purchase.



The USA, 1918 - 1941

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CULTURE & LEISURE



Stars of the 1920s

The 1920s in the USA was the birth of the celebrity. Movie & sports stars became household across the country.

Movie stars:

- . Charlie Chaplin
- . Greta Garbo
- . Gary Grant
- . Rudolph Valentino.
- . Buster Keaton

Sports stars:

- . Joe Lewis (boxer)
- . Jack Dempsey (boxer)
- . Johnny Weissmuller (swimmer)
- . Helen Mills (tennis)
- . Bobby Jones (golfer)
- . Babe Ruth (baseball)
- . Harlem Globe Trotters (basketball team)

Sports & movie stars starting advertising goods.



More leisure time

With assembly lines & mass production people worked less hours per week (48 to 44) this gave them more opportunities to take part in leisure activities

★ Music

Music, in particular Jazz became very popular; helped by radio. Jazz came from the south, from African Americans e.g. Louis Armstrong. Some called it the 'devil's music'. With the new music came new dances e.g. the Charleston, Foxtrot. Musical shows became very popular too.

★ Movies

Cinemas were built in every town & city across the USA. People went each week to see their favourite movie stars. The movie industry moved from New York to Los Angeles & Hollywood was born. Movies were 'silent' until 1927, when the Jazz Singer was released. Big movie companies included: MGM, Paramount, Fox.



★ Car travel

In the 1920s over 15 million cars were made. Roads were built & people starting visiting places - tourism increased across the USA. Motels appeared alongside major highways as people went further for their vacations. People with cars moved to the suburbs.

★ Newspapers & magazines

Huge increase in the number of daily and weekly newspapers & magazines.

★ Radio

Radio became very popular; with nearly 60% of homes have one by 1930.

People listen to: popular music, classical music, sporting events, lectures, fictional stories, newscasts, weather reports, market updates, political commentary, religious stories/events, and operas.

Radio advertising quickly grew as a way of reaching millions of people across the country. By 1930 there were over 500 stations in the

★ Sports

The 1920s saw the organising of many sports in the USA, in college & at the national level.

American football, boxing, baseball & tennis became professional sports.

New stadiums for these sports were built in the cities.

World boxing match attracted 104,000 people.

World Series baseball was on the radio for the first time in 1921.

College sport became increasingly popular.

Discrimination in sports was common, against blacks & new immigrants.

Blacks & whites could not be on the same team in many sports including football, baseball & basketball.

The 'Harlem Renaissance' encouraged many blacks to get involved in sports. Harlem Rens professional basketball team beat the Boston Celtics (white) 1925 world championship.

★ Fashion

Art Deco came into fashion. With bold colours & sharp lines.

Women, had their hair cut shorter; & were more daring in their dress. Cosmetics were worn for the first time by ladies.



The USA, 1918 - 1941

. Increased in social tensions in the 1920s .

RED SCARE



. Key events .

Sacco & Vanzetti Trial 1921

Found guilty of armed robbery & murder in 1921. There were witnesses who said they were not even there when the crime happened. The judge did not like the fact they were anarchists (against government). Appeals were dismissed. There were protests from all around the world. They were executed in 1927, despite in 1925 another man confessing to the robbery & murder.



Vanzetti & Sacco

Palmer Raids 1919-1921

Attorney General Mitchell Palmer set up a division headed by J Edgar Hoover to look into 'Reds' in government:

- . 200,000 + investigated
- . Thousands deported or jailed
- . Most were innocent, many arrested for looking like a radical

By mid 1920 the 'Red Scare' was largely over - as lawyers protested about civil rights.

Companies - at first for the 'Red Scare' realised they were losing workers



Red Scare

After WWI there was a fear that communists (Reds) would take over America, like the Bolshevik revolution in Russia.

★ **Causes**

- . **Anti foreigner** feelings started in WWI when Germans were discriminated against.
- . **Bolshevik Revolution** in Russia in 1917 when Communists had taken over Russia, people were scared it could happen in the USA
- . Socialist groups (Socialist Party & International Workers of the Word) had been anti WWI and were said to be unpatriotic.
- . **Newspapers** adding to hysteria with with true and not so true stories
- . **Bombings**: in 1919: April - 36 bombs were planned to be sent to politicians June - 8 bombs in 8 cities was set off by Italian anarchists
- . Many **trade unionists** were communists/socialists, who led protests and strikes e.g.. Trade unions had gone on strike in 1919 to get better pay and conditions for the workers
- . **Unemployment** went up after WWI, when war production was stopped. This led to a series of strikes across the country. Soldiers returning from WWI expected a decent job upon their return.



Red Scare



★ **Consequences**

- . Anyone thought to be communist/ socialist had a difficult time
- . Many communists/socialists were immigrants from Europe & labelled as 'Reds'
- . Department of Justice started to investigate foreigners
- . **Palmer Raids** (1919-1921) arrested communists and anarchists
- . Sacco & Vanzetti (communists) were found guilty of murder, though they were likely innocent
- . Businessmen attacked trade unions as many leaders were communists & they said that strikes were the start of a revolution
- . Red Scare was largely over by mid 1920s

★ **Boston Police Strike 1919**

Policemen went on strike and again 'Reds' were blamed. Police chief threatened to sack them so they returned to work.



Strikes



★ **Steelworkers Strike**

365,000 strikers at steel mills in Pittsburgh. Eventually after 4 months the workers went back to work.

★ **Seattle Strike 1919**

After WWI many people lost their jobs as govt work for the war stopped.

21 January:
35,000 shipyard workers on strike
6 February:
general strike in Seattle with 60,000 workers on strike

"Reds" were blamed (though no evidence that Reds were involved) & the mayor got the police and troops on the streets.

Striking workers went back to work



The USA, 1918 - 1941

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WEAKNESSES IN THE ECONOMY

USA in the world

Isolationism

Fordney-McCumber Act 1922, taxed (tariffs) on imported goods, making them more expensive. The USA also did not want to be a part of the **League of Nations**, even though President Wilson supported the idea. These are examples of the USA being **isolationist**. The USA did not want to be a part of the problems in Europe. The USA also limited the number of **immigrants**, through the Immigration Act 1924. The USA was a country of immigrants, but had a quota based on people already in the USA.

USA in the world

The USA was isolationist but still got involved when it was in its interest to do so:

Dawes Plan 1924

USA lent \$200 million to Germany

Kellogg-Briand Pact 1928

USA and other major countries agreed not to go to war with each other

Young Plan 1929

Gave Germany longer to pay its debts (reparations) from World War One

Geneva Peace Conference World Economic Conference

USA attended conferences



The Roaring Twenties was a boom for many, but not for all. The growth in the economy was limited to some people and some industries. But large parts of the USA - outside of the major cities, were not benefitting from the boom. Newspapers, magazines etc. ignored many of the problems.

★ Business & workers

33% of the wealth was owned by 5%
 Business owners kept wages as low as possible & often bullied their workers.
 It became known as the 'American Plan'.

Low wages meant that the buying power of most people was limited. Hire purchase was the only way to buy things & this could not last forever.

★ Traditional Industries

Many industries did not do well in the 1920s
 Demand for coal decreased as people used oil & coal miners lost their jobs.
 Textile industry suffered as new materials were used.



Weaknesses in the US economy



★ Over production

Demand for goods fell in the late 1920s therefore:
 . prices of goods fell
 . profits decreased
 . workers lost their jobs

★ Farming

During World War I, the USA produced more food to help feed Europe
 25% of the population were farmers, 50% lived in farming communities

In the 1920s farmers produced too much food:

- . less demand for food from Europe as they produced their own food after the war
- . more tractors etc. meant less food needed for horses
- . machines & fertilizers help farmers produce more food

As a result:

- . prices of food went down e.g. wheat from 233 cents/bushels (1920) to 33 cents (1932)
- . farmers not pay back loans to the banks - borrowed money for land & machinery
- . farmers couldn't sell their food abroad because of the tariffs

★ Hire Purchase

People who borrowed money to buy goods, could not keep buying goods. They had to pay their loans back. So demand for goods fell.

★ Government Policy Tariffs

Other countries now had tariffs against the USA. This meant it was difficult for farmers & others to sell their goods in Europe & the rest of the world.

★ Stock Market

There were few rules & many people did not know what they were doing. People invested in companies that did not exist & lost a lot of money.

The USA, 1918 - 1941

. Increased social tensions in the 1920s .

IMMIGRATION



Immigration in the USA

USA: a nation of immigrants

The USA was founded by immigrants from Europe. Most of the early immigrants were from Northern Europe.

The first were 400,000 people from Britain.

Many 'escaped' from religious persecution under various kings & queens.

Many were 'indentured servants': they worked for an employer as payment for the journey to America.

Early immigrants wanted:

- . religious freedom
- . a republic (no King)
- . economic opportunity

Most the early settlers were:

White Anglo-Saxon Protestants (Northern European)

Cheaper travel by steam ships after 1880s led to more immigrants from central & southern Europe:

Italy, Greece, Poland, Hungary etc many of whom were Catholic & Jews

By 1900, some WASPs questioned if USA was becoming a 'dumping ground' for Europe's poor and unwanted (undesirables).

- . After WWI there was a fear that communists (Reds) would take over America - Red Scare - like the revolution in Russia.
- . Immigrants arrived from 'new' countries, some of whom had different languages, customs etc
- . There were changes in society as the USA modernised, a clash between the traditional and the new ideas

★ Immigration

- . Before WWI most immigrants from Western Europe
- . After WWI immigrants were from Eastern & Southern Europe
- . Reasons -Push: escape persecution, low wages; poverty & famines
- . Pull: freedom; cheap land; economic opportunity - live the American Dream



★ Limiting immigration

Emergency Immigration Act 1921

- . limited number of immigrants to 3% of those in the country in 1910.
- . favoured immigrants from Western Europe

Immigration Act 1924

- . limited immigration to 2% (from 3%)
- . designed to stop Eastern & Southern Europeans

★ Reasons for anti immigrant feelings

- . New immigrants were seen as different because they:
 - . spoke different languages (Eastern European languages)
 - . had different religions (Catholics, Jews, Orthodox)
 - . had different political views (socialist, communist, anarchist)
 - . associated with violence, political unrest etc

★ Consequences

- . Western Europeans preferred
 - . Italian immigration down from 200,000 pa to 4,000 pa
 - . Ban on immigration from Asia-Pacific countries
- . More southern Europeans left the USA in 1924 than arrived!

★ John Scopes Trial 1925

Was a biology teacher in Tennessee, who taught about evolution, which was banned. In the 'Monkey Trial' which followed Scopes was fined \$100, but most Americans thought the Christian Fundamentalists who wanted the law, were being ridiculous.

It was the headline story in newspapers across the USA for days.



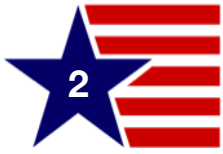
Biology text books avoided the word 'evolution' for many years afterwards. Trial showed the growing differences between traditional Christians and the new belief in science. A battle between the old and the new.



The USA, 1918 - 1941

Increased social tensions in the 1920s .

POSITION OF BLACK AMERICANS



Background

Blacks arrived in the USA as part of the slave trade.
Large plantations (in the south) needed cheap labour.

The US Civil War was fought partly about slavery.
The northern states wanted to abolish slavery, the southern states thought it was none of their business.

With the North winning slavery was abolished in 1865, but racism and discrimination continued in the south.

Many blacks headed to the North cities looking for work.
Others stayed in the south and continued farming, but standards of living were poor.

Discrimination in the south created huge inequality for blacks.
Few blacks voted, schools and public services for blacks were inferior.
Blacks were often separated from whites: on buses, in restaurants, etc.
These were known as the 'Jim Crow' Laws.

Key people:

William Du Bois

First black to get a doctorate from Harvard University. Founder member of the **NAACP** National Association for the Advancement of Coloured People.
Campaigner for non discrimination & equality for all races.

Marcus Garvey

Founded **UNIA** Universal Negro Improvement Association. He said blacks should not be part of white society, they ought to do business only with other blacks.
Black Americans would return to Africa, via his shipping line, the 'Black Star'. Garvey was arrested for fraud and deported in 1923.



★ Laws

Passed after 1874.
Idea was that blacks and whites would be 'separate but equal'.
Separate meant poor quality schools etc for blacks.

This is known as racial **segregation**



Jim Crow Laws



Discrimination



★ Law enforcement

Laws in many states were ignored by police and the courts.

Police often did nothing when blacks were victims and sometimes it was the police that committed the crime against blacks.

In the south white juries would rarely find a white person guilty if the victim was black, but would nearly always find a black person guilty if the victim was white.

★ Formation

First KKK formed after civil war in 1865.
Second KKK:
'Birth of a Nation' 1915 film restarted KKK who were against: immigrants, Catholics & Jews

Membership grew quickly in the 1920s, attracted by the KKK being in favour of prohibition and promoting the Protestant religion.
Support in rural areas and towns and cities.
5 million members in 1924



Ku Klan Klan



★ Plessy v Ferguson 1896

The decision by the Supreme Court made 'separate but equal' lawful.

'Separate but equal' was usually not equal.
In the south blacks sat at the back of the bus and had to stand if a white person wanted to sit their place.

★ Right to vote

Everyone had the right to vote BUT
You had to register to vote and it was made difficult e.g. tests
Violence was often used to stop people from registering

★ Actions

Promoted a more traditional lifestyle, 'pure Americanism'
WASPS White Anglo-Saxon Protestants.

Against communism and trade unionists in the USA

Many KKK members were politicians, police judges etc

Symbol was the burning cross

Scared, intimidated and committed violence against immigrants and blacks inc. lynchings.

The USA, 1918 - 1941

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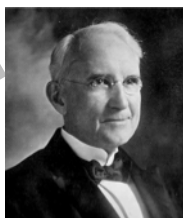
. People to know .

Frances Willard
President of WCTU, in 1879. Campaigned against alcohol for damaging home life & violence against women



Carrie Nation
Famous for her speeches & smashing up bars with her hatchet. She also ran a newspaper.

Rev. Howard Russell
Founder of the Anti-Saloon League. Organised from a local level, promoting the best leaders to lead the campaign. Raise over \$5 million to fight for prohibition.



PROHIBITION

Prohibition

In 1919 the USA passed the Eighteenth Amendment to the US constitution:

"a ban on the manufacture, sale or transportation of intoxicating liquors"

The Volstead Act.

★ World War I

Anti-German feelings during the war transferred to alcohol because many brewers making beer were German companies.
Money should be spent on other things during the war & not spend on alcohol.
It became unpatriotic to be drinking German beer. It was called 'Kaiser brew'.

★ Many states

had already restricted or banned the sale of alcohol. Kansas was the first in 1881.

This was largely for religious reasons - they believed that alcohol was evil, a demon that caused many problems in society.

★ Politicians

Politicians came under great pressure to support Prohibition. Even though they drank alcohol themselves they voted for prohibition.

★ Health

Campaigners included the health benefits of not drinking alcohol. Businessmen complained about 'unproductive workers' due to the effects of drinking.

★ Women's Christian Temperance Union 1873

pressured politicians & held demonstrations across the country with arguments:
. men liked spending all their wages on drink
. saloons had gambling & prostitution
. men being violent towards their wives & children after drinking

★ Anti-Saloon League 1893

Wayne Wheeler led the pressure campaign against alcohol. They supported 'dry' politicians, pressure the towns to cancel licenses to saloons where there was 'bad' behaviour etc.
Members included top businessmen inc. Henry Ford



Reasons for Prohibition



★ City v Countryside

Prohibition became a city v countryside battle. The farmers and country people seeing the cities as bad places where alcohol was the main problem.

They wanted a return to a 'simple' traditional way of life

Anti-Saloon League joined with the KKK to promote an alcohol free life.

The USA, 1918 - 1941

. Increased social tensions in the 1920s .



. Failure .

Prohibition was a failure in all ways. Alcohol drinking did not stop, in fact in some areas it increased. Any benefits - some people did stop drinking - were not as great as the negatives: corruption, violence, lost tax, a justice system that could not keep up, 1000 a year died from alcohol poisoning.

Volstead Act was repealed in 1933. There were a number of groups who campaigned to repeal prohibition including women's group

. People to know .

Al Capone

The most famous of all the gangsters. Became leader of Chicago gang in 1925.



He controlled all the sales of alcohol in the city after he had his rival Moran & six others killed.

The 'St. Valentines Massacre' in 1929, shocked the USA. No one knows how many people Al Capone had killed, some say over 200. Reporters followed him around like a movie star. It is thought he made £60 million a year. Police could not convict him of any murders as nobody would say anything against him, fearing for their lives.

Al Capone finally went to jail for carrying an illegal gun & then for 11 years for not paying his taxes. After jail he lived a quiet life in Florida, dying aged just 48, in 1947.

★ **Volstead Act**

Laws that work are laws that most people believe in or laws which have tough punishments if you break them - so its not worth breaking the law. For many prohibition was neither of these things. It was described as a 'noble' experiment - but not all experiments work

★ **Not breaking the law**

In 1844 when a town banned alcohol a bar owner, charged entrance for for seeing a stripped pig and then gave a 'free' drink! As soon as the Volstead Act was passed people looked at ways, legal and not so legal to continue drinking.



Consequences



★ **Lost tax**

States lost huge amounts of money. New York state lost 75% of its income. Federal govt. lost \$1.1 billion from alcohol tax.

★ **Bootleggers**

Demand for alcohol remained & so people imported alcohol (bootleg) illegally & many people brewed their own alcohol (moonshine) to sell.

★ **Gangsters**

The illegal trade in alcohol was controlled by gangsters like Al Capone who made millions from it. To control their trade they used violence, making the streets of many cities unsafe. It is estimated that \$2,000,000,000 was made by the gangsters every year!

★ **Law enforcement** A prohibition commissioner - John F. Kramer had the job of enforcing the law, along with 3,000 special agents. They had a difficult job: many millions of people regularly broke the law by drinking; stopping the bootleggers was impossible - the USA is a huge country - plus there was lots of money to be made; gangsters bribed policemen, agents, police chiefs, judges & politicians to ignore what was happening; gangsters would be violent if they did not get their way, with hundreds of agents killed.

★ **Alcohol drinkers**

For many people including many new immigrants they were against prohibition from the start. People continued to drink, New York had double the number of bars after prohibition. Home brewing equipment was for sale in hardware stores.

★ **Alcohol as medicine**

Pharmacists were allowed to sell alcohol as medicine. More people became 'ill' and the number of pharmacies tripled in some areas

★ **Alcohol for religion**

Some religions used wine and so more people went to church and synagogues. Numbers of 'Rabbis' increased they were allowed to buy alcohol

★ **Lost business**

Many businesses closed including breweries, saloons & restaurants. Thousands of people lost their jobs.

★ **Speakeasies**

illegal bars where everywhere across the country, especially in the big cities like New York & Chicago. Millions of people regularly went to the speakeasies each night.

The USA, 1918 - 1941

The USA in Depression, 1929-33



The Wall Street Crash

Timeline:

Summer 1929

. profits in companies fall

5 September

. share prices fall

6 September

. people buy on the margin & prices increase

21 October

. share prices fall sharply

24 October 'Black Thursday'

. panic hits as 13 million shares are sold, wiping \$9 billion off the value. Banks buy shares to stop the panic.

29 October 'Black Tuesday'

. more panic as 16 million shares are sold

mid November

. shares are down 40% in one month

Share prices 1929: (cents)

Company	Sept	Nov
US Steel	279	150
Standard Oil	83	48
General Motors	182	36
Brooklyn Gas	248	99
Westinghouse	289	102

Consequences:

Between 1929 - 1933

Value of goods: - 50%

GNP: - 50%

Farm wages: - 50%

Unemployed: from 1.5 to 12.8m

Bankrupt: 50,000 + companies



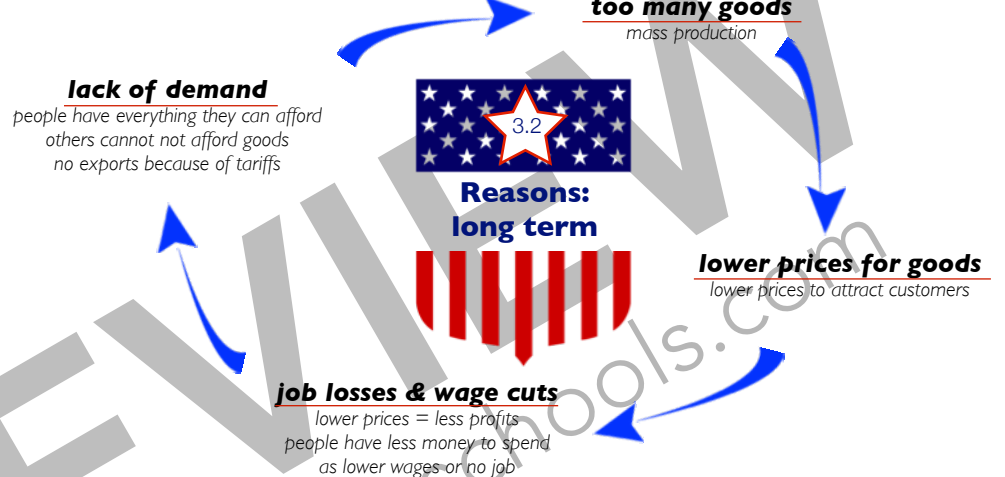
WALL STREET CRASH

1920s economy had major weaknesses:

. traditional industries . farming . black Americans . low wages . buying on hire purchase . tariffs .

Long term causes:

over production and lack of demand



Shares in companies were over-valued as people ignored the slowing demand for goods & lower profits. People thought that share prices would keep rising.

★ Shares

. share prices rose 5x between 1924 - 1929, encouraging people to buy shares

. buying on the margin - people borrowed money to buy shares

★ Over confidence

. People thought share prices would always rise
 . Many people did not understand how the stock market & shares worked

★ Speculation

. People bought in new companies without checking, some companies were 'fake' & people lost everything

★ Panic

. Once people (professional investors) started selling everyone else followed

people lost their money in the crash

could not pay their bank loans

lack of demand

people have no job

job losses & wage cuts

no work = no money
 spending stopped

banks closed (660)

called in their loans
 farms closed with no loans
 people lost their savings

less demand for goods

companies close

The USA, 1918 - 1941

The USA in Depression, 1929-31

DEPRESSION



President Hoover

As a Republican he believed in **laissez-faire**.

This means that government should not get involved in business. They believed that people should help themselves & not ask for help from the government.

Did Hoover do enough?

Hoover did more than any President had ever done before.

Most people believed in laissez-faire, & some criticised Hoover for spending government money.

The government spending money was something that communist countries did not the USA.

The Bonus Army

First World War Veterans

The low point for President Hoover was when WWI veterans marched to Washington asking for their war bonus to be paid in 1932 rather than wait until 1945.

They set up camp but Hoover had them moved out by calling in the army & burnt their camp to the ground.

This was a very unpopular action.

Iowa Farmers

Farmers joined together to stop farmers being evicted from their farms.



The Depression

From 1929 to 1941 the USA suffered an economic downturn - **the depression**

At the time many people thought that the Wall Street Crash had caused the depression & that it would not last long. However, the Wall Street Crash did not caused the depression, it was the trigger; several other reasons were to blame.

Weaknesses in the 1920s economy: tariffs; traditional industries; farming; over production/less demand & unequal distribution of wealth.

Wall Street Crash: created less demand & made a very bad situation worse

Social

- **Unemployment:** people lost homes etc. got food from charities
- **Suicides:** 20,000+ committed suicide in the years 1930-1933
- **Hoovervilles:** people lived in shanty towns built out of rubbish
- **Farmers:** thousands of farmers lost their farms as they could not pay their bank loans
- **Hoboes:** thousands of unemployed men, travelled the country looking for jobs



Effects of the Depression



Economic

- **Unemployment** went from 1.5 million to 12.8 million in 1933 (average 25%)
- **Wealth** of the country (Gross National Product) fell by 50%
- **Banks** closed in their thousands inc. Bank of US in New York (30% of New Yorkers lost)
- **Companies** went bankrupt (100,000 by 1933)
- **Farmers** income fell by 50%.
Examples: 1919 prices compared to 1932: Cotton 353 cents to 0.65 cents - Wheat \$2.16 to \$0.38 - Corn \$1.51 to \$0.310

1929: Agricultural

Marketing Act to help farmers join together to sell their goods

1930: tax cuts by \$160 million

to try to get people to spend

1931: \$400+ million for big projects like the Hoover Dam to create jobs



Government help



1931: Reconstruction

Finance Construction set up to help businesses and banks with loans plus help for the unemployed with shelter; clothing & food

1932: Emergency Relief & Reconstruction Act

gave \$1.5 billion in loans to states to help them build projects to create jobs.

Herbert Hoover

Republican (16 million votes)

- Business to create jobs not govt.
- USA would recover in time

But:

- Seen by many as dull & not caring
- Blamed for Wall St. Crash & Depression
- Seen as not doing enough to help people



Government help



Franklin D. Roosevelt

Democrat (23 million votes)

- Had polio as a child, so seen as a fighter
- Helped people as Governor of New York
- Excellent public speaker
- Gave people hope for the future
- Promised a New Deal

The USA, 1918 - 1941

. Roosevelt and the New Deal, 1933-41 .

NEW DEAL

How the New Deal was supposed to work - 'priming the pump'



government borrows money
 borrows money to set up 'agencies'



alphabet agencies
 creates jobs for the unemployed

workers buy goods
 workers spend wages on buying goods

businesses make more goods
 business need more workers to make goods

business takes over from govt
 business need more workers to make goods



AIM: . Relief . Recovery . Reform .

★ First New Deal 1933 - Alphabet Agencies

Alphabet Agencies	Aim	Action	Success / Failure
C Civilian Conservation Corps CCC	Give work to young people on conservation projects	Camps for 18-25s run by army & forestry service for 6 months. Got food, shelter & money	SUCCESS Over 12 million trees planted, built forest roads, reservoirs & canals
H Home Owners Loan Corporation HOLC	Help home owners who could not pay their mortgages	Extended loan periods to allow people more time to pay them off	SUCCESS Over 1 million people benefitted FAILURE More people needed help
A Agricultural Adjustment Administration AAA	To help farmers make money	Encouraged farmers to produce less to increase the price (left land unplanted & killed animals)	SUCCESS Prices rose FAILURE Workers lost their jobs. Farmers paid for doing nothing.
N National Recovery Administration NRA	Encourage business to pay higher wages & charge fair prices	Rules for minimum wage & work conditions. All those who followed rules had a 'Blue Eagle' symbol.	SUCCESS 2.5 m businesses followed the rules FAILURE Most business not join
F Federal Emergency Relief Admin FERA	Money given to the states to help unemployed & homeless people	Government gave 1 dollar for every 3 dollars the states spent to help the poor	SUCCESS Gave the poor help FAILURE Not create jobs
T Tennessee Valley Authority TVA	To help the Tennessee Valley area which was very poor	Built 21 dams across 6 states	SUCCESS Helped farmers water their land. Cheap electricity from hydro power.

Relief . Recovery . Reform
Roosevelt tried to restore confidence by:

Emergency Banking Act: help strong banks & close weak banks
Securities & Exchange Commission: control share dealing to stop speculation
Abolition of Prohibition: end ban on alcohol, stop gangsters & collect tax on alcohol

Fireside chats

Roosevelt gave radio broadcasts to inform the people about what he was doing.
 This gave people confidence.

The First New Deal was passed between March & June 1933, known as the first

Hundred Days. It was part of Roosevelt's promise of action to deal with the problems.

The USA, 1918 - 1941

. Roosevelt and the New Deal, 1933-41 .

SECOND NEW DEAL

Despite the successes of the initial New Deal programmes the USA could not end the Depression. In addition, Roosevelt felt the USA needed a Social Security Act to match the insurance payments - for unemployment, sickness and disability - that people in some other countries had had for over 30 years

★ AIM: Relief Recovery Reform . Second New Deal 1934

Alphabet Agencies	Aim	Action	Success / Failure
★ National Labour Relations Act NLR	Replaced the NRA. Increase trade union membership.	Forced companies to accept trade unions.	SUCCESS Union membership from 3.3m to 9m FAILURE Businesses not like
★ Social Security Act SSA	Pensions for people aged 65+	From 1940 pensions start. Money from tax from employers & workers. Plus payment for unemployed, sickness pay & help for the disabled.	SUCCESS Benefits still in use today. FAILURE Business said added extra costs to employ people.
★ Soil Conservation Act SCA	To help tenant farmers & look after the soil.	Payments to tenant farmers not just landowners. Better education about looking after the soil.	SUCCESS Planted trees & grasses to protect the soil
★ National Housing Acts NHA	To help low income families. Help with mortgage payments.	Provided money to states improve housing. Cleared poor housing & built new accommodation.	SUCCESS Improved quality of housing. FAILURE Govt. not be involved in housing
★ Fair Labour Standards Act FLS	Improve working conditions	Max 44 hour per week, minimum wage, extra pay for overtime.	SUCCESS 700,000 workers benefitted.

★ Was the New Deal saved by the Second World War?

In 1939 when WWII started the USA sold billions of dollars worth of goods to UK/France
 USA also started to prepare for war: re-arming & increasing its army
 1941 USA joined the war & factories starting producing for the war - unemployment fell



Roosevelt's New Deal Success or Failure?

Successes

Confidence: confidence was restored in capitalism & the govt

Unemployment: decreased from 12.8 m to 7.7 m in 1937, but then increased to 10.4 m in 1938.

The poor: millions of Americans received help (food, shelter, clothing etc).

Benefits: govt. social security gave unemployed benefits, sickness benefits & pensions

Farming: farmers were helped, prices did rise

Tennessee Valley: very successful project across several states

Public buildings: many public buildings were built e.g. schools, hospitals, roads etc.

Failures

Unemployment: New Deal not solved the problem of unemployment.

Farming: many farmers lost everything, incomes were still low

Govt spending: higher taxes were paying for the New Deal. 20% of workers were WPA jobs.

Blacks: life for many black Americans did not improve (most were on farms).

The USA, 1918 - 1941

. Opposition to the New Deal .



OPPOSITION TO THE NEW DEAL

There was opposition to the New Deal from:

1920s

Laissez-faire

Belief was government should not be involved in business - minimum government.
Therefore when there was a problem it would sort itself out.

President almost a part time job.= in the 1920s.

Many felt the economy should be left to sort itself out.

President Hoover was criticised for the policies he introduced after 1929.

Within 3 years Roosevelt had government involved in almost every aspect of people's lives through the New Deal.

For many the New Deal was not working as the country was still in Depression.

For others the New Deal did not go far enough, if the problems were to be solved.

★ Supreme Court Judges

- . said several agencies were unconstitutional therefore illegal
- . Roosevelt threatened to replace the judges
- . Supreme Court judge decide New Deal was legal
- = made Roosevelt unpopular



Opposition to the New Deal



★ U.S. States

- . said New Deal over ran their own laws
- . said states had to do as it was told

★ Businessmen

- . said New Deal interfered with business
- . New Deal created too many rules
- . encouraged workers to join trade unions

★ Republicans

- . said New Deal was a waste of money
- . no enough real jobs were being made
- . not Government's job to create jobs

★ Liberals

- . said New Deal did not do enough for the poor
- . Huey Long - Senator for Louisiana, started a "Share our Wealth" campaign, which was to take from the rich to give to the poor, complaining that the bankers got more help than the poor
- . Dr. Frances Townsend campaigned for all pensioners to receive \$200 per month
- . Father Charles Coughlin (Nat. Union for Social Justice) wanted more help for the poor



Assassinated
10 Sept, 1935
aged 42



Huey Long

'Share our Wealth'

- . Limit personal fortunes at \$50 million each (about \$600 million today)
- . Limit annual income to \$1 million dollars each (about \$12 million today)
- . Limit inheritances to \$5 million dollars each (about \$60 million today)
- . Guarantee every family an annual income of \$2,000 (or one-third the national average)
- . Free college education and vocational training
- . Old-age pensions for all persons over 60
- . Veterans benefits and healthcare
- . A 30 hour work week + 4 weeks holiday
- . A four week vacation for every worker

'Share our Wealth' clubs had 7.5 million members

Long had his own newspaper to spread the message, whilst other newspapers said he was a 'communist', fascist dictator' and 'hick'.

Father Coughlin

'Social Justice campaign'

After Huey Long died Father Coughlin he urged his supporters to join him in his Social Justice Campaign. He was 'for all people' and against big business and government and was a famous anti communist.

He became a radio host and was well known across the USA. He spoke against the KKK, who threatened to punish him.

At the beginning of the New Deal he supported F. D. Roosevelt, but after 2 years he said FDR was too capitalist.

Father Coughlin become more involved in trade unions and supported greater worker rights.

Some said he was against so many things that he was anti-American.

USA

. Prohibition .

