

## History Revision Notes – America In The 1920s and 1930s

Wilson (D) □ Harding (R) □ Coolidge (R) □ Hoover (R) □ Roosevelt (D)

- Roaring 20s (boom)*
  - Jazz age, cinema, crazes, flappers etc.
  - Mass production in America (e.g. the Model-T Ford)
  - Multiplier effect creates more jobs as demand increases
  - Famous movie stars such as Charlie Chaplin are seen as heroes
  - People can make money quickly and easily on the stock market
- Problems*
  - There are racist groups (e.g. the Ku Klux Klan), along with immigration controls
  - There is a fear in communism (i.e. the Big Red Scare), resulting in Palmer Raids
  - Prohibition results in illegal speakeasies and bootlegging
  - Gangs such as Al Capone's become rich through bootlegging and rackets
  - Johnny Scopes and the 'monkey trial' show religious problems
- Causes of the Depression*
  - Poverty in the midst of plenty – only the rich can buy consumer goods
  - Farming problems lead to overproduction – prices fall, and so do profits
  - Trade problems – foreign goods have tariffs, so they can't sell abroad
  - Speculation on the stock market, so money is lost when it collapses
- The Wall Street Crash*
  - Confidence is lost, so people begin to sell their shares
  - Stockbrokers and banks demand their money back, so loans are taken out
  - As share prices fall, six of the richest bankers buy shares to lift prices
  - This doesn't work, as rumours spread and people continue to sell
- Depression*
  - There is a high rate of unemployment and suicide, and companies go bankrupt
  - Hoover believes in rugged individualism, so he doesn't help
  - Finally, he cuts taxes and sets up the Emergency Relief and Reconstruction Act
  - People blame Hoover though – e.g. Hoovervilles and Hoover stew
  - The Bonus Army (1<sup>st</sup> World War veterans) demand their payments early
  - Franklin Delano Roosevelt promises a 'New Deal' and wins the election
  - Roosevelt asks for broad executive power (Trading with the Enemy Act)
- The New Deal*
  - Emergency Banking Act – gives people confidence in the banks (Fireside Chats)
  - Economy Act – cuts government pay and budgets
  - Beer Act – makes alcohol legal again (get money from taxes)
  - CCC – construction work for young men in the countryside
  - FERA – gives money to the unemployed and the homeless
  - AAA – pays farmers to produce less
  - TVA – dams are built in the Tennessee Valley
  - HOLC – lends home-owners money, so they won't be evicted
  - NRA – makes sure that companies give fair wages and charge fair prices
  - CWA – provides short term jobs for skilled and unskilled workers
  - PWA – provides long term jobs for skilled workers
  - WPA – provides long term jobs for unskilled workers
- Opposition*
  - Some jobs created by the CWA and PWA are accused of being 'boondoggles'
  - The supreme court bans the AAA and parts of the NRA
  - Senator Huey Long thinks that Roosevelt isn't doing enough to help
  - Other people accuse Roosevelt of being a dictator
  - The rich don't like the heavy taxing
- 2<sup>nd</sup> World War*
  - 'Cash and Carry' and 'Lend-Lease' schemes are set up
  - These create jobs and trade for America
  - After Pearl Harbour, America joins the war, creating jobs in the army
  - The Second World War finally ends the depression