

USA – 1920s

Background

Following the defeat of Woodrow Wilson in 1920, America returned to its policy of isolationism.

The republican presidents reduced the role of government in American lives, and promoted a laissez-faire approach to economic growth.

The economy boomed.

America replaced Great Britain as the center of global capitalism.

Wartime production never ended. American factories simply switched gears, and starting producing consumer goods.

Modern consumerism was born.

While not specifically mentioned in your reading, buying on credit changed everything!

Instalment payments, whereby a buyer could have his product and pay for it later, became the order of the day.

The standard of living soared, and many finally realized the promise of the American dream.

Buying on credit even worked its way into the stock market, and the result was a dangerous surge in speculation on the New York Exchange.

This was the Roaring Twenties . . . it all ended on October 29, 1929.

Assignment

1) Why were Woodrow Wilson and the Democratic Party defeated in the election of 1920?

2) What was the impact of this election on American foreign policy?

3) What new element was added to the policy of isolationism in the 1920s?

4) Complete the following chart on the presidents following Woodrow Wilson.

	<i>Term</i>	<i>Characteristics</i>	<i>Actions</i>
<i>Warren Harding</i>			
<i>Calvin Coolidge</i>			
<i>Herbert Hoover</i>			

5) Read the following statement by the leader of the Ku Klux Klan, Hiram W. Evans.

The greatest achievement so far has been to formulate, focus, and gain recognition for an idea – the idea of preserving and developing America first and chiefly for the benefit of the children of the pioneers who made America, and only and definitely along the lines of the purpose and spirit of those pioneers. The Klan cannot claim to have created this idea – it has long been a vague stirring in the souls of the plain people. But the Klan can fairly claim to have given it purpose, method, direction, and a vehicle.

When the Klan first appeared, the nation was in the confusion of sudden awakening from the lovely dream of the melting pot, disorganized and helpless before the invasion of aliens and alien ideas. After ten years of the Klan it is in arms for defense. This is our great achievement. The second is more selfish; we have won the leadership in the movement for Americanism. Except for a few lonesome voices, almost drowned by the clamor of the alien and the alien minded "Liberal," the Klan alone faces the invader.

The Klan, therefore, has now come to speak for the great mass of Americans of the old pioneer stock. We believe that it does fairly and faithfully represent them, and our proof lies in their support. To understand the Klan, then, it is necessary to understand the character and present mind of the mass of old-stock Americans. The mass, it must be remembered, as distinguished from the intellectually mongrelized "Liberals."

These are, in the first place, a blend of various peoples of the so-called Nordic race, the race which, with all its faults, has given the world almost the whole of modern civilization. The Klan does not try to represent any people but these.

There is no need to recount the virtues of the American pioneers; but it is too often forgotten that in the pioneer period a selective process of intense rigor went on. From the first, only hardy, adventurous, and strong men and women dared the pioneer dangers; from among these, all but the best died swiftly, so that the new Nordic blend which became the American race was bred up to a point probably the highest in history. This remarkable race character, along with the new-won continent and the new-created nation, made the inheritance of the old-stock Americans the richest ever given to a generation of men.

- a) Summarize the main argument and supporting justifications of Hiram W. Evans.

- b) Why do you think that 5 million Americans joined the KKK, and several members were elected to positions of political power?

- c) Define . . . prohibition.

- d) What was the impact of prohibition?

- 6) What were the main characteristics of the Mass Production Revolution?

- 7) Define and explain the significance of "buying on the margin."

8) Define and explain the significance of Black Tuesday.

9) What factors warned of an upcoming economic decline before Black Tuesday?
