23. The 1920s

1. Postwar Problems
   1. **The Red Scare**
      1. anti-German hysteria became anti-Communist hysteria
      2. communism not just a theory, but an important regime after the Russian Revolution
      3. **Communist International**- created by Soviet government to export revolution around the world
      4. **American Communist Party** was partially responsible for series of bombings on businessmen, some successful
      5. created a strong antiradicalism movement-- the Red Scare
      6. newspapers blamed all instability and protest on revolutionaries
      7. spontaneous violence against radicals and communities removed “subversive” books from library shelves
      8. **Palmer raids**
         1. created office under **Hoover** to gather information about radicals
         2. originally intended to uncover weapons and explosives (lel Iraq War)
         3. mass arrests of over 6,000 anarchists, Socialists and labor agitators based on limited government
         4. most were foreign born and 500 of them deported
         5. Palmer warned of huge riots on May Day 1920, but never happened
         6. lost credibility and increased concerns about civil liberties so the hysteria receded
      9. **Sacco and Vanzetti**
         1. professed anarchists accused of murder
         2. faced bigoted judge and sentenced to death
         3. despite public support, did not receive another trial and died in the electric chair
   2. African Americans
      1. black soldiers expected social and economic reward for their service
      2. but actually had no impact on white attitudes, so fueled the civil rights movement
      3. race riots
         1. Great Migration increased racial tensions
         2. whites didn’t like the competition
         3. East St. Louis and Chicago had big riots
         4. lynching in South of returning black soldiers
         5. change: NAACP advocated fighting back when attacked
2. Republican Control
   1. solidly Republican while farmers and unions struggled
   2. Democratic Party Problems
      1. divided by tensions between its interest groups of prohibitionists, Klansmen, and fundamentalists + Catholics, urban workers and immigrants
      2. convention deadlocked for a while until they settled on Davis who lost to Coolidge
      3. next time, they lost to Hoover
   3. Business Doctrine
      1. old-guard Republicans wanted limited government regulation to stabilize business
      2. believed that the nation would benefit if business and pursuit of profit was the focus of the economy
   4. The Presidency of Warren Harding
      1. **Harding** was elected, although he was unclear about every issue
      2. he just advocated for a “return to normalcy” and he won on it
      3. showed that the age of Progressivism was over
      4. recognized he wasn’t very able, so he appointed many able men to his cabinet  
         “I am a man of limited talents from a small town. I don’t seem to grasp that I am President.”
      5. **Charles Evans Hughes**- secretary of state
      6. **Herbert Hoover**- secretary of commerce
         1. championed business associationalism- the creation of national organizations of business in particular industries to increase efficiency in production and marketing
      7. **Andrew Mellon**- secretary of the treasury
      8. pardoned Eugene Debs for violating the Espionage Act in wartime
      9. laws:
         1. reduced the income tax
         2. increased tariff rates under the **Fordney-McCumber Tariff Act of 1922**
         3. created the **Bureau of the Budget** which put all government expenditures in a single budget for Congress to vote on
      10. **Teapot Dome**- Secretary of the Interior **Albert B. Fall** and Attorney General **Harry M. Daughtery** accepted bribes for granting oil leases and for not prosecuting certain criminal suspects
   5. The Presidency of **Calvin Coolidge**
      1. won popularity for breaking up the Boston police strike
      2. for the Election of 1924, Coolidge was nominated and won again despite competition from Democrat **John W. Davis** and Progressive **Robert La Follette**
      3. believed in limited government with a tight budget; vetoed bonuses for WWI veterans and the **McNary-Haugen Bill** (1928) which would have helped farmers cope with falling crop prices
      4. retired half of the nation’s WWI debt
      5. chose not to run again  
         “I do not choose to run for president in 1928.”
   6. Hoover, Smith and the Election of 1928
      1. Democratic Smith was Roman Catholic and opposed prohibition, so immigrants supported him while others were openly prejudiced against him
      2. Hoover won in a landslide, (ironically) suggesting that poverty would be ended
3. Mixed Economic Development
   1. Timeline:
      1. 1921- brief postwar recession
      2. 1922-1928- prosperity
      3. 1929- economic disaster
   2. Prosperity
      1. unemployment below 4 percent
      2. indoor plumbing and central heating became commonplace
      3. however, great income disparity-- 40 percent of families in rural and urban areas had incomes in the poverty range
   3. Causes of Business Prosperity
      1. not all men returning from war could find jobs immediately
      2. factory orders and agricultural demands decreased
      3. postwar boom continued for a short while because:
         1. government deficit spending continued
         2. temporary demands for booming market for scarce consumer goods
         3. European industry debilitated after WWI so US only industrial power
      4. increased consolidation (scientific management) and better divisional organization allowed for corporate expansion
         1. **Ford** perfected system for manufacturing automobiles by means of an assembly line
      5. **trade association**- organization to encourage coordination in production and marketing techniques; worked well with mass-production industries but not in decentralized industries
      6. increased replacement of coal with oil and electricity
      7. governments at all levels offered corporate tax cuts and did nothing to enforce the Progressive antitrust laws
      8. much inflation that popped at the end of 1920
         1. many people lost their jobs
         2. inflation made the money gained during the war meaningless
         3. employers rescinded benefits given to workers during the war (like union recognition)
      9. great unhappiness caused unprecedented number of strikes
   4. Farm Problems
      1. best years were 1916-1918 due to:
         1. wartime demand in Europe
         2. US wartime policy of guaranteeing minimum price for wheat and corn
      2. farmers who had borrowed heavily to expand during the war were left with crippling debt
      3. new technologies like chemical fertilizers and gasoline tractors increased productivity
      4. but productivity only increased surpluses and thus debt
      5. wanted **parity**- complex formula for adequate price for farm goods that would ensure that farmers would earn back at least their production costs no matter what
      6. introduced **McNary-Haugen Bill**, but was vetoed twice by Coolidge
   5. Labor Problems
      1. most people still didn’t like unions, even after the Progressive Era
      2. September 1919 steelworker strike demanded 8-hour day and recognition of union, but public opinion so bad that they lost
      3. Seattle shipyard worker strikers wanted higher pay; troops sent but no violence
      4. Boston police went on strike to protest the firing of police officers who wanted to unionize; National Guard broke the strike  
         “There is no right to strike against the public safety by anybody, anywhere, any time.”- Calvin Coolidge
      5. US Steel Corporation striked and put down after considerable violence
      6. union membership declined due to **open shop** (keeping jobs open to nonunion workers)
      7. **welfare capitalism**- voluntarily offering their employees improved benefits and higher wages to remove the need for independent unions
         1. did not affect most workers
         2. most workers’ wages only raised 2%
      8. **company unions**- unions organized by the company themselves-- not independent and did not bring up issues important to workers
      9. some unemployed b/c of industrial technology
      10. American Federation of Labor restricted itself to the craft union, in which workers were organized based on crafts, which gave no recourse to the unskilled, industrial workers
      11. union efforts at strikes failed; **United Mine Workers Union** was not protected when violently ousted from the coal fields
      12. unions also excluded women and minorities  
          exception: **Brotherhood of Sleeping Car Porters** represented black workers and won increased wages, shorter working hours and other benefits
4. A New Culture
   1. 1920 census reported that more than half of the American population lived in urban areas
   2. The Jazz Age
      1. jazz was a symbol of “new” and “modern” culture
      2. high school and college youth liked it
   3. Consumerism
      1. people can buy things for pleasure, not just need
      2. electricity enabled Americans to buy consumer appliances
      3. advertisers no longer merely conveyed information, but manipulated status and popularity desires to create demand for products
      4. successful due to mass media like newspapers and radios
      5. values of promotion and salesmanship promoted through books like ***The Man Nobody Knows***, which portrayed Jesus as a religious salesman
      6. allowing customers to buy on credit increased sales
      7. chain stores offered greater variety of products at lower prices than neighborhood stores
      8. automobiles became more affordable
   4. Impact of the automobile
      1. in fifteen years, number of cars increased from a million to 26.5 million automobiles
      2. automobile industry replaced railroad industry as key promoter of economic growth
      3. stimulated other industries (steel, rubber, glass and tool)
      4. now affected everything Americans did while creating new problems
      5. allowed greater mobility
      6. transformed the idea of vacation
      7. allowed the youth to move far away and develop youth culture
   5. Transportation
      1. radial engine and pressurized cabins helped cause increase in commercial air travel
      2. trains became faster and more efficient due to diesel-electric engine
   6. Research
      1. early computers developed in 20s and 30s-- analog computer by Vannevar Bush
      2. genetic research began with Gregor Mendel and was extended with Thomas Hunt Morgan and CalTech
   7. Popular heroes
      1. before, politicians were popular heroes
      2. now, sports and movie celebrities were celebrated
      3. examples:
         1. **Charles Lindbergh**, who flew nonstop from Long Island to Paris
         2. Thomas Edison and Thomas Ford
      4. reflected desire for the “self-made man” but also realization that they could not be self-made men themselves due to increased dependence on bureaucracy
   8. Women
      1. Labor
         1. 19th Amendment did not change politics b/c women did not vote as a bloc-- merely adopted the party preferences of the men in their families
         2. traditional separation of labor between men and women continued into the 1920s
         3. participation of women in the workforce was the same as it was before the war; limited to certain jobs (fashion, education, social work) and received lower wages than men
      2. Family Role
         1. behaviorist psychologists challenged the essentialist belief that women were best suited for children rearing-- encouraged mothers to rely on experts and professionals so children became less important
         2. contraceptives still illegal, but **Margaret Sanger** advocated for greater birth control
            1. women should be able to enjoy sex without having babies
            2. argued that large families caused poverty
            3. more successful in convincing middle class women than working class women
      3. social role
         1. revolted against sexual taboos because of Freud-- movies, novels, automobiles and dances encouraged SEX
         2. **flapper** look distinguished younger generation of women with bob cuts, smoking, driving cars, “short” dresses and jobs after college/high school
         3. also still actually dependent on men for money
         4. but when they got married, they were expected to just settle down as wives and mothers
      4. rights
         1. divorce laws were liberalized; 1/8 marriages in divorce --> 1/6 marriages in divorce by 1930
            1. state lawmakers forced to listen to feminists
            2. change needed to allow women to escape abusive and incompatible husbands
         2. **Alice Paul’s National Woman’s Party** still wanted the **Equal Rights Amendment**
         3. **Sheppard Towner Maternity** and **Infancy Act** were federal welfare legislation that provided funds for supporting the health of women and infants
            1. however, Alice Paul criticized it for classifying all women as mothers
            2. Margaret Sanger said it would discourage birth control options
            3. American Medical Association said it would introduce untrained outsiders into the healthcare field
            4. 1929, the program was terminated
         4. **Cable Act**- granted women the rights of US citizenship independent of their husbands’ status
   9. Education
      1. increased to over 25 percent of school-age young adults
      2. beginning to offer instruction in modern technical skills like engineering, management and economics
      3. created youth culture and idea of adolescence
      4. allowed people to define themselves in terms of their peer group as opposed to their families
      5. arose from greater necessity for longer training
   10. “The Lost Generation”- Gertrude Stein
       1. disillusioned by the war
       2. after the high minded idealism of WWI, US had just gone to materialism and consumerism-- the war was a fraud and the dead had died in vain
       3. writers: **Fitzgerald, Hemingway, Sinclair Lewis, Erza Pound, TS Eliot, and O’Neill**
       4. debunkers like **Mencken** lashed out at all aspects of American society
   11. art
       1. functionalism (form follows function) was expounded upon by **Frank Lloyd Wright**
       2. **Edward Hopper** and **Georgia O’Keefe**
   12. Harlem Renaissance
       1. prolific artistic achievement aimed at expressing their rich racial heritage  
          “I am a Negro-- and beautiful.”-- Langston Hughes
       2. also wanted to prove to the white folk that they were worthy of respect
       3. poets and musicians
          1. **Countee Cullen, Langston Hughes, James Weldon Johnson,** and **Claude McKay** wrote about many emotions
          2. **Duke Ellington**, **Louis Armstrong, Bessie Smith** and **Paul Robeson** became famous jazz artists and actors
          3. however, only performed in front of integrated audiences in Harlem-- performed in segregated audiences in the rest of the nation
   13. **Marcus Garvey**’s **black nationalism** encouraged blacks to develop an awareness of their African heritage and to reject assimilation into white society
       1. created the **United Negro Improvement Association (UNIA)** which supported black owned businesses
       2. eventually started to advocate for blacks to return to Africa to create their own society
       3. but Garvey was indicted of business fraud, so he was sent back to Jamaica
5. Cultures in Conflict
   1. Religion
      1. modernists
         1. abandoned traditional tenets of evangelical Christianity (literal interpretation of the Bible, belief in the Trinity and attribution of human traits to the deity
         2. **Harry Emerson Fosdick**’s ***Abundant Religion*** argued that Christianity was not unexamined faith but fully developed personality
         3. believed in theory of evolution without abandoning religious faith
         4. religion became secondary; for example Sabbath became day of activities and entertainments rather than day of rest and reflection
      2. fundamentalism
         1. believed that the Bible should be interpreted literally
         2. believed in **creationism**, as stated in the Book of Genesis
         3. blamed liberal views of modernists for decline in morals
         4. revivalists like **Billy Sunday** and **Aimee Semple McPherson** condemned drinking, gambling, dancing, communism and jazz music on the radio
      3. Scopes Trial
         1. Tennessee made teaching the theory of evolution illegal
         2. **American Civil Liberties Union** persuaded **John Scopes** to teach the theory of evolution to his high school class
         3. was arrested and brought to trial in 1925
         4. Scopes defended by **Clarence Darrow**, while the prosecution was **William Jennings Bryan**
         5. Darrow showed that not all religious dogma was subject to only one interpretation
         6. Scopes convicted, but overturned on technicality
         7. humiliating for fundamentalists, but did not change their religious convictions
         8. religion vs. public schools still controversial and unresolved
   2. Prohibition
      1. Congress passed the 18th amendment to conserve grain and maintain sober workforce
      2. but people still drank at **speakeasies**, where bootleg liquor was sold
      3. city police bribed to ignore the problem
      4. gangsters like **Al Capone** in Chicago used violent control of the bootlegging trade to generate finances to expand prostitution, gambling and narcotics
      5. supporters (“drys”) were hypocritical, but pointed to declines in alcoholism and alcohol-related deaths
      6. opponents (“wets”) added economic arguments and cited increased criminal activity to pass the 21st amendment
   3. Nativism
      1. after WWI, immigration increased again
      2. new arrivals were Catholics and Jews from eastern and southern Europe
      3. people still afraid of competition, contact with Europe, and radicals
      4. 1921 quota act limited immigration to 3 percent of the number of foreign-born persons from a given nation based on 1910 census
      5. **National Origins Act of 1924**
         1. set quota of 2 percent for Europeans based on 1890 Census
         2. banned *all* Asian immigration (targeted Japanese since the Chinese had been illegal since 1882)
         3. Japanese too successful, so they were restricted
      6. immigration favored northwestern Europeans
      7. 1929- restriction put limit of 150,000 immigrants a year
      8. Canadians and Latin Americans exempt from restrictions because the West needed low-paid, unskilled and unorganized workers
   4. Ku Klux Klan
      1. promoted by ***The Birth of a Nation***- dat racist movie!!
      2. supported by lower middle class white Protestants in small cities and towns
      3. sometimes presented themselves as patriotic and community leaders with women and children auxiliaries
      4. but most of the time, they were violent and defenders of fundamentalist morality
      5. against violations of traditional morality-- violent against not only blacks, but also Catholics, Jews, foreigners, suspected Communists and sometimes even Protestants!
      6. tactics
         1. dressed in white hoods to disguise identity
         2. whipped, tarred and feathered and noosed their victims
         3. became crucial for political success in local and state politics
      7. decline
         1. initially were tolerated since they seemed to uphold high standards of Christian morality, driving out bootleggers, gamblers and adulterers
         2. but discovered corruption, fraud and murder conviction-- **David Stephenson** raped someone then watched her die

Chapter 24: The Great Depression and the New Deal, 1929-1939

1. Causes and Effects of the Depression, 1929-1933
   1. Wall Street Crash
      1. stock prices were symbol and source of wealth during 1920s
      2. stock prices just kept going up, until it collapsed in October 1929
      3. Black Thursday and Black Tuesday
         1. lots of people just started selling and stock prices plunged
         2. bankers bought lots of stocks on Friday, which worked for that day
         3. but then on Monday they started selling again
         4. Black Tuesday, investors ordered them to sell but no one was buying
         5. stock prices hit bottom at 41
   2. Causes of the Crash
      1. Uneven distribution of income
         1. wages increased little in comparison to increases in productivity
         2. top 5% of Americans received over 33% of income
         3. less demand, more supply --> layoffs, which decreased consumer spending power further
      2. stock market speculation
         1. people of all classes were simply speculating that the price of a stock would go up and they could sell it for a quick profit
         2. **buying on margin**- allowing people to borrow most of the cost of the stock, made them dependent on the increase of the stock so they could repay the loan
      3. excessive use of credit- people kept buying in “installments,” encouraged by the advertising industry
      4. overproduction of consumer goods- lots of goods that workers with stagnant wages could not continue to purchase
      5. lack of diversification in industry-- based primarily on construction and automobiles; when they fell, the newer industries were not developed enough to compensate
      6. weak farm economy- farmers suffered from overproduction, high debt and low prices
      7. bad credit structure
         1. farmers defaulted on loans, causing banks to fail
         2. big banks invested recklessly
      8. government policies protected industry with high tariffs
      9. international trade bad b/c of tariffs, financial problems in Europe and emerging European industries
      10. global economic problems
          1. more interdependent due to international banking, manufacturing and trade
          2. Europe never recovered from WWI, but US failed to recognize Europe’s problems
          3. demanded loans paid back, but also imposed high tariffs preventing the sale of European goods in America
      11. Federal Reserve system raised interest rates to protect its own solvency
   3. Effects
      1. GDP dropped from $104 billion to $56 billion in four years
      2. income declined by over 50 percent
      3. 20% of banks closed, 10 million savings accounts wiped out
      4. 25% of the workforce, not including farmers, was unemployed
         1. b/c of American dream, individuals felt ashamed and responsible for their unemployment
      5. poverty, malnutrition, and homelessness increased
      6. relief systems
         1. broke under the increased pressure
         2. states reluctant to increase strain on budgets
         3. believed that welfare system would undermine moral fiber of clients
      7. hit farmers and blacks hard
      8. international effect
         1. European banks collapsed and stopped paying back the US
         2. colonies suffered b/c had no demand for exports
         3. created political turmoil, which contributed to the rise of the Nazi party and the Japanese militaristic regime
         4. invested in public works and govt funded relief for the unemployed
         5. Keynesian economics (based on idea that economy runs on demand, not production) impacted the world
2. Hoover’s Policy
   1. believed falsely that the nation could just “tough it out”
   2. urged business not to cut wages, unions not to strike, and private charities to increase their efforts for the needy and jobless
   3. voluntary cooperation collapsed by mid 1931
   4. reluctant to ask for legislative assistance, even when he finally did, he relied on the state and local governments
   5. Responding to a Worldwide Depression
      1. **Hawley-Smoot Tariff (1930)**
         1. very high tariffs b/c business leaders thought it would protect their markets from foreign competition
         2. but Europe retaliated with their own tariffs
         3. impact: less trade overall
      2. **Debt moratorium**
         1. stopped following the Dawes Plan
         2. moratorium- suspension on the payment of international debts
         3. many loan defaults and people withdrew their money
   6. Domestic Programs: Too Little, Too Late
      1. supported public works, but when budget got tight, proposed tax increase
      2. **Agricultural Marketing Act (1929)** help farmers maintain prices by making loans to national marketing cooperatives and establishing corporations to buy surpluses
      3. **Federal Farm Board** authorized to help farmers stabilize prices by temporarily holding surplus grain and cotton but too small to continue doing it
      4. **Reconstruction Finance Corporation (RFC)**
         1. propped up faltering railroads, banks, life insurance companies and other financial institutions
         2. benefits would “trickle down” to smaller businesses but Democrats believed that it would only help the rich
         3. failed because it only lent money to large banks and corporations
         4. only supported public works that would pay themselves back
         5. didn’t even spend all of its money available
   7. Despair and Protest
      1. people started to take direct action to battle the depression
      2. called shanty towns Hoovervilles-- blamed Hoover for the Depression
      3. Unrest on the farms
         1. banded together to prevent banks from foreclosing on their farms and evicting them from their homes
         2. **Farmers’ Holiday Association** attempted to reverse the drop in prices by stopping the entire crop of grain harvested in 1932 from reaching the market-- equivalent to striking
      4. **“Bonus Army”**
         1. WWI veterans wanted their bonuses
         2. tanks and tear gas used to drive the veterans from Washington
   8. The Election of 1932
      1. Republicans renominated Hoover, who said that Democrats would only result in worse economic problems
      2. Democrats nominated FDR, who pledged a “new deal,” the end of Prohibition, aid for the unemployed and cuts in government spending  
         “I pledge you, I pledge myself, to a new deal for the American people.”
      3. voters only cared about the depression and wanted a change from Hoover-- Roosevelt won by a landslide
      4. Hoover was a **“lame-duck”** president for the months between Roosevelt’s election and his inauguration
      5. Roosevelt did not accept offer to work with him b/c he didn't’ want to be associated with his ideas
      6. Hoover wanted Roosevelt to commit to economic orthodoxy, but Roosevelt refused
      7. **20th Amendment (“lame-duck” amendment)-** shortened the period between presidential election and inauguration, setting the new date of office on Jan 20
3. Franklin D. Roosevelt’s New Deal
   1. expanded the size of the federal government and the powers of the presidency
   2. was president for 12 years and two months
   3. FDR: The Man
      1. admired cousin Theodore Roosevelt
      2. had polio, but campaigned in a wheelchair anyways
      3. well respected by press, so they never took pictures of him getting in or out
      4. projected optimism
      5. governor of New York and instituted welfare and relief programs to help the poor
      6. Eleanor Roosevelt
         1. TR’s niece
         2. active first lady
         3. influenced TR to support minorities and the less fortunate
   4. New Deal Philosophy
      1. vague promises during campaign, but committed to action
      2. The three R’s
         1. “I pledge you, I pledge myself, to a new deal for the American people.”
         2. *relief* for unemployed, *recovery* for business and economy as a whole, and *reform* of economic institutions
      3. **Brain Trust** and other advisers
         1. **Louis Howe**- chief political advisers
         2. university professors-- **Rexford Tugwell, Raymond Moley** and **Adolph A. Berle Jr**
         3. appointed many blacks, Catholics, Jews and women to high administrative positions
   5. The First Hundred Days
      1. called Congress in for 100 day long special session
      2. Congress passed more major legislation than any single Congress in history
      3. **bank holiday**
         1. people were withdrawing money because banks were failing-- vicious cycle
         2. declared bank holiday, then said on the radio that they’d be reopened after allowing enough time for the government to reorganize them  
            “I can assure you that it is safer to keep your money in a reopened bank than under the mattress.”
      4. repeal of Prohibition
         1. repealed Prohibition with 21st Amendment
         2. **Beer-Wine Revenue Act**- raised tax money through the sale of beer and wine
      5. in **Fireside chats** said to the people that the banks which reopened were safe so people deposited money back in
      6. Financial recovery programs
         1. **Economy Act** supposed to balance the federal budget by cutting the salaries of government employees and reducing pensions to veterans by as much as 15%
         2. **Emergency Banking Relief Act**- authorized government to examine finances of banks closed during the bank holiday and reopen those judged to be sound
         3. **Glass-Steagall Act**- gave government authority to curb irresponsible bank speculation
         4. **Federal Deposit Insurance Corporation (FDIC)** guaranteed individual bank deposits up to $5,000
         5. **Home Owners Loan Corporation (HOLC)** refinanced small homes to prevent foreclosures
         6. **Farm Credit Administration** provided low-interest farm loans and mortgages to prevent foreclosures on the property of indebted farmers
         7. **Frazier Lemke Farm Bankruptcy Act of 1933** allowed some farmers to regain their land even after foreclosure on mortgages
      7. Programs for relief for the unemployed
         1. **Federal Emergency Relief Administration (FERA)**, directed by **Harry Hopkins**, gave federal money grants to states and local governments operating soup kitchens and other forms of relief
            1. like Hoover however, didn’t feel comfortable with people “living on the dole”; preferred to give them jobs
         2. **Public Works Administration (PWA)**- directed by Secretary of the Interior **Harold Ickes**
            1. allotted money to state and local governments for building roads, bridges, dams and other public works
            2. created thousands of jobs
         3. **Civilian Conservation Corps (CCC)** employed young men on projects on federal lands and paid their families small monthly sums
         4. **Tennessee Valley Authority (TVA)** experiment in regional development and public planning
            1. hired thousands of people in one of the nation’s poorest regions, the Tennessee Valley to build dams, operate electric power plants, control flooding and erosion, and manufacture fertilizer
            2. people eager to work b/c of GD but also b/c of private company corruption
            3. improved water transportation, eliminated flooding, and provided cheap electricity
      8. Industrial recovery program
         1. wanted to combine immediate relief and long-term reform
         2. **National Recovery Administration (NRA)**- directed by **Hugh Johnson**
            1. attempt to guarantee reasonable profits for business and fair wages and hours for labor
            2. relaxed antitrust laws
            3. **blanket code**- minimum wage, maximum workweek, abolition of child labor, levels of production, and prices of finished goods for industries
            4. recognized workers rights to organize and bargain collectively
            5. codes and worker rights poorly written and enforced
            6. large producers manipulated the codes in their favor, so prices sometimes increased
            7. industrial production decreased, although prices increased
            8. limited success until declared unconstitutional by **Schechter v. US** because Schechter’s farm was not interstate commerce
         3. **Agricultural Adjustment Administration** (AAA) encouraged farmers to reduce production by offering to pay government subsidies
            1. favored larger farmers over smaller ones
            2. payments given to landowners, not landworkers, so landowners evicted tenants to leave land fallow to get money
            3. SC decided that the govt had no constitutional authority to require production limitation
            4. in turn, **Soil Conservation** and **Domestic Allotment Act** passed to allow govt to pay money to unused land for “conservation reasons”
         4. **Resettlement Administration** and **Farm Security Administration** provided loans to help farmers cultivating submarginal soil to relocate to better lands; were partially successful
   6. Other Programs of the First New Deal
      1. **Civil Works Administration (CWA)** hired laborers for temporary construction projects sponsored by the federal government
      2. **Truth in Securities Act of 1933**- required corporations issuing new securities to provide full and accurate information about them to the public; meant to protect investors
      3. **Securities and Exchange Commission (SEC)** regulated the stock market and placed strict limits on the kind of speculative practices that had led to the crash
      4. **Federal Housing Administration (FHA)** boosted the construction industry and homeowners by insuring bank loans for building new houses and repairing old ones
      5. took the US off the gold standard to create government-managed currency
4. Opponents of the New Deal
   1. Liberal critics said did too much for business and too little for the unemployed and working poor
   2. Conservative critics
      1. gave federal govt too much power
      2. programs bordered on socialism/communism
      3. business leaders didn’t like:
         1. increased regulations
         2. pro-union stance
         3. deficit financing- financing govt programs using borrowed money
      4. **Alfred E. Smith** and **John W. Davis** created the **American Liberty League** which was anti-New Deal, claiming to prevent the subversion of the US economic and political system
   3. demagogues
      1. used radio to reach mass audience
      2. **Father Charles E. Coughlin**
         1. Catholic priest founded the **National Union for Social Justice**
         2. wanted inflated currency, greenbacks and nationalization of all banks
         3. became increasingly anti-Semitic and Fascist so lost popularity
      3. **Dr. Francis E. Townsend**
         1. proposed 2 percent federal sales tax used to create special fund to give $200 to retired people per month
         2. money received = economic stimulus
         3. became the Social Security system
      4. **Huey P. Long** (**“Kingfish”)**
         1. wanted **“Share Our Wealth”** program
         2. promised minimum annual income of $5,000 for every family
         3. paid for by taxing wealthy
         4. popularity ended when he was assassinated
   4. The Supreme Court and **Court Packing**
      1. decisions killed the NRA and AAA
      2. reelection prompted Roosevelt to fight against the court’s obstacles
      3. bill proposed that the president be authorized to appoint to SC an additional justice for each current justice older than a certain age
      4. would have allowed Roosevelt to add six more justices
      5. many people outraged at tampering of system of checks and balances; thought he wanted to be a dictator
      6. Aftermath
         1. but SC was already approving the constitutionality of the Wagner Act and Social Security acts
         2. many justices were also retiring, so Roosevelt *was* able to appoint more justices
5. The Second New Deal
   1. first two years were about recovery mostly
   2. next batch of legislation was about relief and reform
   3. in response to both the criticism and continuing economic crisis
   4. Relief Programs
      1. **Works Progress Administration (WPA)** (headed by Harry Hopkins)
         1. bigger than the CWA
         2. employed millions of men in building or renovating public buildings and constructing public works
         3. paid them double the relief rate but less than the going wage for regular workers
         4. **National Youth Administration**- provided part-time jobs to help young people stay in school until they could get a private job
         5. **Federal Writers/Music/Arts/Theater** **Project**- gave relief to many people
         6. **Emergency Housing Division of the Public Works Administration** began federal sponsorship of public housing
      2. **Resettlement Administration**- directed by Brain Trust member **Rexford Tugwell**
         1. provided loans to sharecroppers, tenants and small farmers
         2. established federal camps as housing for migrant workers
   5. Reforms
      1. **Holding Company Act of 1935** broke up great utility holding companies
      2. **National Labor Relations (Wagner) Act (1935)**
         1. replaced the **National Industrial Recovery Act** after the SC shot it down
         2. guaranteed workers’ right to join a union and union’s right to bargain collectively
         3. **National Labor Relations Board (NLRB)** empowered by **Wagner Act** to enforce the law
      3. **Rural Electrification Administration** provided loans for electrical cooperatives to supply power in rural areas
      4. revenue act of 1935 increased tax on incomes of wealthy few, large gifts from parent to child and on profits from stock/property sales
   6. **The Social Security Act**
      1. created federal insurance program based on automatic collection of taxes from employees and employers
      2. permanently poor elderly received $15 a month in federal assistance
      3. trust fund used to make monthly payments to retired persons over the age of 65
      4. insurance policy
      5. benefits also given as unemployment compensation, blind/disabled people, and dependent children and mothers
   7. The Election of 1936
      1. economy was improved but weak and unstable
      2. workers and small farmers like Roosevelt, business did not (Wagner Act)
      3. Republican **Alf Landon** criticized the Democrats for spending so much money, but in general accepted the legislation
      4. Roosevelt won
      5. Democratic party now supported by white ethnic groups in cities, midwestern farmers, labor unions, and blacks who left the Republican Party
6. Rise of Unions
   1. union membership skyrocketed due to **National Industrial Recovery Act of 1933** and the **Wagner Act of 1935**
   2. Formation of the **CIO**
      1. American Federation of Labor was stuck to idea of skilled white male workers and organized according to craft
      2. some unions wanted industrial unionism- all workers in particular industry, regardless of function, unionize
      3. **John L. Lewis** created Committee of Industrial Organizations, made of all workers regardless of sex, race and skill, and broke away from AFL
      4. focused on previously unorganized, unskilled workers in the automobile, steel, and southern textile industries
   3. strikes
      1. automobiles
         1. at Michigan General Motors plant, workers insisted on right to join union in **sit-down strike**
         2. no government agreed to strikebreaking
         3. company finally created the **United Auto Workers** union
         4. but at Ford plant, union organizers were driven away
      2. steel
         1. US Steel Corporation voluntarily recognized one of the CIO unions
         2. union demonstration ended in deaths, but “Little Steel” still didn’t like
         3. but all the smaller steel companies ended up agreeing with the CIO
   4. **Fair Labor Standards Act (1938)**
      1. minimum wage set
      2. maximum workweek set and time for overtime
      3. child-labor restrictions on those under 16
      4. reversed unconstitutionality ruling about child labor in **US v. Darby Lumber Co**
7. Last Phase of the New Deal
   1. last part b/c New Deal lost momentum in the late 1930s for economic and political reasons
   2. Recession, 1937-1938
      1. economy was pulling out: banks stable, business going up, unemployment declining
      2. but then started to slide back into recession
      3. causes- Social Security tax reduced consumer spending as Roosevelt decreased spending for relief and public works to balance the budget and reduce the national debt
      4. Keynesian economics
         1. Keynes says that deficit spending acceptable b/c govt needs to spend above tax revenues to initiate economic growth
         2. applying Keynesian economics, spending went up as did production
      5. **Temporary National Economic Committee** to examine concentration of economic power and reform antitrust laws
      6. **Fair Labor Standards Act** set national minimum wage, forty-hour workweek and prohibited child labor
   3. Weakened New Deal
      1. economy improved, but no boom, so problems still remained
      2. after court-packing fight, people didn’t automatically respect Roosevelt anymore
      3. Congress majority became less Democratic, so more New Deal legislation was blocked
      4. became more concerned with Nazi Germany too
   4. broker state
      1. wanted to create genuinely harmonious, ordered economic world
      2. instead created broker state in which interest groups were strengthened to allow them to compete more effectively in the national marketplace
      3. before: corporate
      4. after: business, labor, farmers and consumers
      5. only interest groups with economic and political clout had impact
   5. Roosevelt established president as leader of the govt and federal govt as most important
8. Life During the Depression
   1. “depression mentality”- attitude of insecurity and economic concern that lingered despite times of prosperity
   2. West
      1. most eager for assistance, but political leaders sometimes reluctant
      2. refused to match federal funding, got cut from program, so people rioted and went back on program
      3. New Deal highly influential in West b/c of dependence on farming and location of public works projects
      4. made the economic development after WWII easier at the price of greater government involvement
   3. South
      1. accepted prevailing racial norms
      2. much racial tension
      3. relief agencies paid different races different amounts
      4. electrification disproportionately benefitted the South, since they had been so underdeveloped before
   4. women
      1. increased pressure on mothers to clothe and feed children despite less money
      2. accused of taking jobs from men
      3. some women still worked despite public condemnation b/c they needed money
      4. opportunities decreased and increased; men began moving into traditionally feminine jobs like social work and teaching, but men were still reluctant to enter service jobs, which were unlikely to leave
      5. New Deal programs still allowed women to receive lower pay than men
      6. home businesses like laundry, baked goods and boarders
      7. divorce rate decreased due to expense, but families broke up informally
      8. Roosevelt appointed women to his administration, but they themselves believed in a “special place” rather than gender equality
   5. Dust Bowl Farmers
      1. sever drought created **dust bowl**
      2. poor farming practices coupled with high winds blew away topsoil
      3. still produced more than people could afford to buy
      4. migrated westward to find nonexistent jobs (called “Okies”)
   6. African Americans
      1. excluded from jobs and relief programs on basis of racial inferiority
      2. bad economic period increased racial tensions
      3. **Scottsboro Case**
         1. nine black teenagers accused of raping two white women
         2. convicted by jury despite little evidence
         3. International Labor Defense and NAACP helped with new series of trials to gain freedom for them
         4. got out, not b/c of juries’ acquittal, but b/c of parole, dropped charges and escape
      4. Roosevelt did not support civil rights leaders b/c he was afraid of losing Democratic votes
      5. WPA and CCC provided jobs, albeit segregated
      6. **Eleanor Roosevelt** gave **Marian Anderson** special concert after having been refused a hall
      7. Roosevelt appointed many blacks to middle-level positions
         1. **Mary McLeod Bethune** established the **Federal Council on Negro Affairs** to increase black involvement in the New Deal
      8. **Fair Employment Practices Committee**
         1. committee to help minorities get jobs in defense industries
         2. only created b/c **A. Philip Randolph** head of **Railroad Porters Union** threatened march on Washington to demand equal job opportunities for blacks
      9. NAACP told blacks not to work as strikebreakers but as true laborers
   7. Native Americans
      1. **John Collier** appointed commissioner of **Bureau of Indian Affairs**
      2. influenced by anthropologist idea of cultural relativism
      3. **Indian Reorganization (Wheeler-Howard) Act (1934)**
         1. **Dawes Act of 1887** which had encouraged Native Americans to be independent farmers was repealed in 1934
         2. returned land to control of tribes and supported preservation of Native American cultures
         3. but natives still only owned land that whites didn’t want
   8. Mexican Americans
      1. white migrant workers went to Midwest to look for jobs
      2. competition and discrimination forced some to return to Mexico
      3. excluded from benefits programs, schools and hospitals
   9. Asian Americans
      1. although educated, still excluded from jobs b/c of race
      2. **Japanese American Democratic Clubs** worked for laws protecting racial and ethnic minorities from discrimination
      3. wanted to assimilate to overcome obstacles
9. Culture during the Depression
   1. Depression Values
      1. sociologists **Robert Lynd** and **Helen Merrell Lynd** published study of Muncie, Indiana in ***Middletown in Transition*** which noted that it remained individualistic
      2. “success depends on you!” ethic persisted
      3. individuals blamed themselves for their unemployment-- too ashamed to leave houses
      4. Dale Carnegie’s ***How to Win Friends and Influence People*** posited that personal initiative was the route to success; conformity and people pleasing will lead to success
   2. Artists and Intellectuals
      1. federal **Farm Security Administration** employed photographers (Roy Stryker, Walker Evans, Arthur Rothstein, Ben Stahn, Margaret Bourke-White, Dorothea Lange) who took pictures of rural poverty
      2. authors exposed social injustices
         1. **Erskine Caldwell’s *Tobacco Road*** exposed rural South poverty
         2. **Richard Wright**’s ***Native Son*** exposed urban ghetto poverty
         3. **John Steinbeck**’s novels exposed migrant worker life
         4. **Dos Passo**’s trilogy **USA** attacked capitalism
         5. **Clifford Odets’ *Waiting for Lefty*** supported political radicalism
      3. Works Projects Administration supported **Pare Lorentz** in his documentaries about the exploitation of the people
   3. Radio
      1. became a new, popular medium; by the end of 1920s, every family had one
      2. community experience-- people listened together
      3. content was mostly entertainment-- comedies, soap operas and public performances
      4. first access for Americans to public events like the Hindenburg crash and Orson Welles’ “War of the Worlds”
   4. movies
      1. movie industry became big business
      2. **Hays Code** prevented sensational or controversial messages
      3. some movies had muted, subtle messages like ***Our Daily Bread***, ***The Grapes of Wrath*,** ***Mr. Deeds Goes to Town, Mr. Smith Goes to Washington, Meet John Doe, Little Caesar, The Public Enemy***
      4. Grapes of Wrath showed the horrors of rural poverty, but also championed their spirit
      5. Walt Disney championed animation and children’s entertainment
      6. theatre frequenting remained popular entertainment activity b/c cheap
      7. not as susceptible to censorship due to less centralization
   5. Popular Literature and Journalism
      1. most writing (like Life magazine) was escapist and entertainment only
      2. there were a few books about the disillusionment
   6. The Popular Front and the Left
      1. **American Communist Party** criticized American capitalism, but softened and formed alliance with Franklin Roosevelt and supported New Deal
      2. Popular Front gave intellectuals an escape and something to believe in
      3. supported unions and racial equality (Scottsboro trials)
      4. subordinate to the Soviet Union, so when Stalin told them to harshly criticize American liberalism, many did
      5. **Socialist Party of America** (led by **Norman Thomas**) blamed the Great Depression on the capitalist economy
      6. **Southern Tenant Farmers Union** wanted to create race-inclusive coalition of sharecroppers, tenant farmers and others to demand economic reform
      7. neither of the above were successful
      8. open hostility to communists, imprisoned them and prevented them from organizing workers