

## OUTLINE

### Chapter 20 From Business Culture to Great Depression: The Twenties, 1920-1932

This chapter examines the decade of the 1920s with particular emphasis on how Progressive-era reforms gave way to economic development and an expanding consumer culture. The chapter also examines how this brief period of economic exuberance was replaced by the global depression of the 1930s.

#### INTRODUCTION

#### I. THE BUSINESS OF AMERICA

#### II. BUSINESS AND GOVERNMENT

#### III. THE BIRTH OF CIVIL LIBERTIES

#### IV. THE CULTURE WARS

#### V. THE GREAT DEPRESSION

## INTRODUCTION

### **STORY:**

In August of 1927, two Italian immigrants to America were executed for committing a murder during a robbery. Although there was little evidence against the men they were convicted largely because of their background and their radical political beliefs. The case of Sacco and Vanzetti illustrated to many people at the time, how American society had grown biased against immigrants and intolerant of diverse ideas. To others, Sacco and Vanzetti proved that immigrants threatened to undermine American values. The case—and the reaction to it—illustrate that the 1920s were a time of great social tension and disagreements set against a rapidly expanding consumer culture.



### **THEMES:**

1. The 1920s were a time of economic prosperity but also of structural flaws in the economic system that ultimately caused the system to fail dramatically in 1929-1930.
2. At the heart of the booming economy of the 1920s was the growth of consumer products, such as the automobile.
3. The government did not repeal the major changes brought by the Progressive reformers, but it did not use the new institutions to heavily regulate or restraint business.

# I. THE BUSINESS OF AMERICA

**FOCUS QUESTION:** What were the main features of the new society of the 1920s?

## A. The business of America was business

## B. The automobile was the backbone of economic growth

1. It stimulated the expansion of steel, rubber and oil production, road construction, and other sectors of the economy

## C. A New Society

1. Consumer goods of all kinds proliferated, marketed by salesmen and advertisers who promoted them as ways of satisfying Americans' psychological desires and everyday needs
2. Americans spent more and more of their income on leisure activities like vacations, movies, and sporting events
3. Americans considered their "standard of living" a "sacred acquisition"

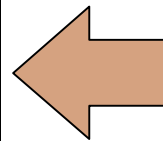
## D. The Limits of Prosperity

1. The fruits of increased production were very unequally distributed
2. Farmers did not share in the prosperity of the decade



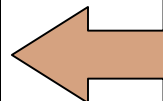
### STUDY HINT

You should know the key elements of economic growth in the 1920s



### STUDY HINT

You should know the limits of the economic boom of the 1920s.



a. California received many displaced farmers

### **E. The Image of Business**

1. Businessmen like Henry Ford and engineers like Herbert Hoover were cultural heroes

2. Numerous firms established public relations departments

### **F. The Decline of Labor**

1. Business appropriated the rhetoric of Americanism and “industrial freedom” as weapons against labor unions

a. Welfare capitalism

2. Propaganda campaigns linked unionism and socialism as examples of the sinister influence of foreigners on American life

3. During the 1920s, labor lost over 2 million members

### **G. The ERA**

1. The achievement of suffrage in 1920 eliminated the bond of unity among various activists

2. Alice Paul’s National Women’s Party proposed the ERA

### **H. Women’s Freedom**

1. Female liberation resurfaced as a lifestyle, the stuff of advertising and mass

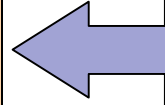


entertainment

a. the flapper

2. Sex became a marketing tool

3. New freedom for women only lasted while she was single



**ID & S**  
**flapper**



## II. BUSINESS AND GOVERNMENT

**FOCUS QUESTION:** In what ways did government policy become pro-business in the 1920s?

### A. The Retreat from Progressivism

1. *Public Opinion* and *The Phantom Public* repudiated the Progressive hope of applying “intelligence” to social problems in a mass democracy
  - a. “manufacture of consent”
2. In 1929, the sociologists Robert and Helen Lynd published *Middletown*
3. Voter turnout declined dramatically

### B. The Republican Era

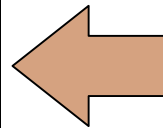
1. Government policies reflected the pro-business ethos of the 1920s
  - a. lower taxes
  - b. higher tariffs
  - c. anti-unionism
2. The Supreme Court remained strongly conservative
  - a. Repudiated *Muller v. Oregon*

### C. The Harding Scandals

1. The Harding administration quickly became one of the most corrupt in American history

#### STUDY HINT

You should know why Progressivism declined in the 1920s.



2. Harding surrounded himself with cronies who used their offices for private gain

a. Teapot Dome scandal

#### **D. The Election of 1924**

1. Coolidge exemplified Yankee honesty

2. Robert La Follette ran on a Progressive platform in 1924

#### **E. Economic Diplomacy**

1. Foreign affairs also reflected the close working relationship between business and government

a. Washington Naval Arms Conference

2. Much foreign policy was conducted through private economic relationships rather than governmental action

a. Bankers loaned Germany large sums of money

3. The government continued to dispatch soldiers when a change in government in the Caribbean threatened American economic interests

a. Somoza in Nicaragua

## III. THE BIRTH OF CIVIL LIBERTIES

**FOCUS QUESTION:** Why did the protection of civil liberties gain importance in the 1920s?

### A. The “Free Mob”

1. Wartime repression continued into the 1920s
2. In 1922, the film industry adopted the Hays Code
3. Even as Europeans turned in increasing numbers to American popular culture and consumer goods, some came to view the country as a repressive cultural wasteland

### B. A Clear and Present Danger

1. The ACLU was established in 1920
2. In its initial decisions the Supreme Court dealt the concept of civil liberties a series of devastating blows
  - a. Oliver Wendell Holmes

### C. The Court and Civil Liberties

1. Holmes and Louis Brandeis began to speak up for freedom of speech
2. The new regard for free speech went beyond political expression
3. Anita Whitney was pardoned by the governor of California on the grounds that

#### STUDY HINT

You should be able to describe the argument for free speech that emerged in the 1920s.



freedom of speech was the “indispensable birthright of every free American”

## IV. THE CULTURE WARS

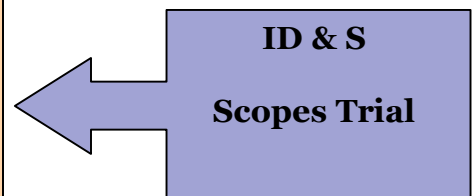
**FOCUS QUESTION:** What were the main expressions of fundamentalism and pluralism in the 1920s?

### A. The Fundamentalist Revolt

1. Many evangelical Protestants felt threatened by the decline of traditional values and the increased visibility of Catholicism and Judaism because of immigration
2. Convinced that the literal truth of the Bible formed the basis of Christian belief, fundamentalists launched a campaign to rid Protestant denominations of modernism
  - a. Billy Sunday
3. Much of the press portrayed fundamentalism as a movement of backwoods bigots
4. Fundamentalists supported prohibition, while others viewed it as a violation of individual freedom

### B. The Scopes Trial

1. John Scopes was arrested for teaching evolution in school
2. The Scopes trial reflected the enduring tension between two American definitions of freedom
3. The renowned labor lawyer Clarence



## Darrow defended Scopes

- a. Darrow examined William J. Bryan as an “expert” on the Bible
4. Fundamentalists retreated for many years from battles over public education, preferring to build their own schools and colleges

### **C. The Second Klan**

1. Few features of urban life seemed more alien to rural and small-town native-born Protestants than their immigrant populations and cultures
2. The Klan had been reborn in Atlanta in 1915 after the lynching of Leo Frank, a Jewish factory manager accused of killing a teenage girl
3. By the mid-1920s it spread to the North and West

### **D. Closing the Golden Door**

1. Some new laws redrew the boundary of citizenship to include groups previously outside it
2. Efforts to restrict immigration made gains when large employers dropped their traditional opposition
3. In 1924 Congress permanently limited immigration for Europeans and banned it for Asians
4. To satisfy the demands of large farmers in California who relied heavily on seasonal

Mexican labor, the 1924 law established no limits on immigration from the Western Hemisphere

### **E. Race and the Law**

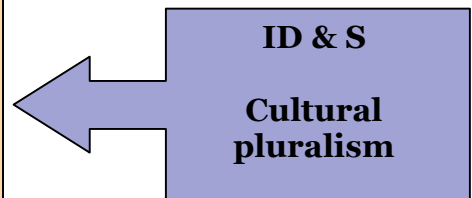
1. James J. Davis commented that immigration policy must now rest on a biological definition of the ideal population
2. The 1924 immigration law also reflected the Progressive desire to improve the “quality” of democratic citizenship and to employ scientific methods to set public policy

### **F. Pluralism and Liberty**

1. “Cultural pluralism” described a society that gloried in ethnic diversity rather than attempting to suppress it
  - a. Horace Kallen
  - b. Franz Boas and Ruth Benedict
2. The most potent defense of a pluralist vision of American society came from the new immigrants themselves
3. Immigrant groups asserted the validity of cultural diversity and identified toleration of difference as the essence of American freedom
4. In landmark decisions, the Supreme Court struck down laws that tried to enforce Americanization

### **G. The Emergence of Harlem**

1. The 1920s also witnessed an upsurge of



self-consciousness among black Americans, especially in the North's urban ghettos

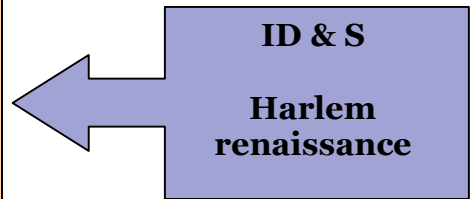
2. New York's Harlem gained an international reputation as the "capital" of black America

3. The Twenties became famous for "slumming"

### **H. The Harlem Renaissance**

1. The term "New Negro" in art meant the rejection of established stereotypes and a search for black values to put in their place

a. Claude McKay



## V. THE GREAT DEPRESSION

**FOCUS QUESTION: What brought about the Great Depression?**

### A. The Election of 1928

1. Hoover seemed to exemplify what was widely called the “new era” of American capitalism
2. Hoover’s opponent in 1928 was Alfred E. Smith of New York
3. Smith’s Catholicism became the focus of the race

### B. The Coming of the Depression

1. On October 21, 1929, Hoover gave a speech that was a tribute to progress, and especially to businessmen and scientists
2. The stock market crash did not, by itself, cause the Depression
3. The global financial system was ill-equipped to deal with the crash
4. In 1932, the economy hit rock bottom

### C. Americans and the Depression

1. The Depression transformed American life
2. The image of big business, carefully cultivated during the 1920s, collapsed as congressional investigations revealed massive

#### STUDY HINT

You should be able to describe how the Depression began.

irregularities among bankers and stockbrokers

3. Twenty thousand unemployed World War I veterans descended on Washington in the spring of 1932 to demand early payment of a bonus due in 1945

4. Only the minuscule Communist Party seemed able to give a political focus to the anger and despair

#### **D. Hoover's Response**

1. Businessmen strongly opposed federal aid to the unemployed

2. Hoover remained committed to "associational action"

3. Some administration remedies made the economic situation worse

4. In 1932 Hoover created the Reconstruction Finance Corporation

#### **E. Freedom in the Modern World**

1. In 1927 freedom was defined as celebrating the unimpeded reign of economic enterprise yet tolerating the surveillance of private life and individual conscience

2. By 1932, the seeds had already been planted for a new conception of freedom

