

America 1920-45 [Revision Cascade]

Why did the USA prosper in the 1920s?	First World War	European countries were buying American goods to supply the war, whilst the war meant that European firms were unable to compete
	Government policies	Laissez faire and protectionism helped firms to make a profit
	Improvements in production	Mass-production techniques such as the assembly line and time-and-motion studies increased productivity
	Consumer spending	Large amounts of money in Americans' pockets increased demand – especially for cars and domestic 'gadgets'
	Buying stocks and shares	This created a supply of money for investment in American firms
Why did industrial production increase?	Mass production on assembly lines	Mass production on assembly lines (by 1927, Ford was making a new Model T every ten seconds) allowed 'economies of scale' – a Model T fell from \$850 in 1911 to \$295 in 1920
	'Time and motion' studies	'Time and motion' studies improved efficiency and reduced waste
	New inventions	New inventions – rayon cloth, Bakelite (an early form of plastic) – created 'new' industries
	Spin-off effects	Especially the boom in the car industry led to expansion in steel, glass, rubber, petrol, road-building and house-building
	Buying stocks and shares	This created a supply of money for investment in American firms
How did the automobile industry stimulate the US economy?	Spin-off industries	Raw materials – automobile-building stimulated the steel, glass and rubber industries
	Oil industry	The need for petrol stimulated the oil industry
	Road-building	The need for roads stimulated the construction industry
	Suburbia	Rich people could move out of town to 'the suburbs' – this stimulated house-building
	Detroit prospered	Detroit – the world centre of the motor industry – prospered and grew rapidly; 5 million vehicles were produced there in 1929
How did the automobile industry affect US society?	Economic prosperity	Automobile-building stimulated the steel, glass and rubber, petrol and building industries
	Personal mobility	More than 15 million Model-Ts had been built by 1927; this represented a huge increase in personal mobility
	Status	An expensive car was a status symbol
	Suburbia	Rich people could move out of town to 'the suburbs' – this stimulated house-building
	Moonshine and bootleggers	Bootleggers used cars and lorries during the prohibition to transport moonshine

Increased consumer spending: causes	High wages	Average wages increased by 27% in the 1920s, which increased spending
	Adverts	Adverts (including radio broadcasts after 1921) encouraged spending
	Hire purchase	Hire purchase (the 'never-never') with weekly instalments ('easy payments')
	Mail order	Mail order increased the market for consumer goods
	Travelling salesmen	Perhaps ½ million commercial travellers going door to door selling everything from bibles to heroin
The stock market boom: facts	Based upon industrial confidence	People speculated because they believed that prosperity would go on rising forever
	Bull market	Share prices rose 500%, 1924–1929
	Speculation	People were speculating (buying low to sell high) – there were 600,000 speculators by 1929
	Buying 'on the margin'	People were allowed to borrow 90% of the cost of the shares; speculators borrowed \$9 billion in 1929, hoping to pay back the loans from the rising prices
	Corruption	e.g. insider trading, and selling shares for firms which did not exist
Republican government policies: facts	Laissez-faire	In the 1920s, Republican presidents (Harding, 1920–1923 and Coolidge, 1923–1928) believed that government should let business do as it wanted ('Rugged individualism')
	Protectionism	The Fordney-McCumber Act (1922) kept out imports by raising tariffs
	Trusts and Cartels	The govt allowed trusts (huge corporations), and cartels (alliances of companies) which fixed prices
	Low income tax	The government reduced income tax (which favoured the rich) and instead increased tariffs (which hurt the poor)
	Weak trade unions	The courts allowed American businessmen to forbid workers to join trade unions ('yellow dog' contracts) and to break strikes by force
The boom in the 1920s: facts	Economic growth of 40%	The US economy grew by 40%
	Automobiles	The number of automobiles on US roads rose from 8 to 23 million
	Millionaires	The number of millionaires rose from 7000 to 35,000
	Domestic gadgets	A craze for 'gadgets' (fridges, washing machines, vacuum cleaners, telephones)
	Hoover promised 'triumph over poverty'	In 1928, Herbert Hoover proclaimed 'triumph over poverty' and promised Americans 'a chicken in every pot and a car in every backyard'
Industries which boomed in the 1920s	Automobiles	Automobiles (5 million Model Ts were sold in 1929)
	Electrical goods	Electrical goods (the number of radios rose from 60,000 to 10 million in the 1920s)
	Construction	Construction (e.g. the architect Frank Lloyd Wright)
	The film industry	The film industry – Hollywood (first 'talkies', 1927); 100 million Americans went every week
	Entertainment and sport	Entertainment (social life boomed – e.g. jazz, speakeasies, flappers etc.) and sport (baseball – Babe Ruth earned \$80,000 a year)

Why was the USA isolationist?	Monroe Doctrine, 1823	The 'Monroe Doctrine' (1823) was the American policy to stay out of European affairs
	First World War	After the horrors of the First World War, America in the 1920s became again isolationist – Americans such as Senator Borah did not want to get dragged into European affairs
	Racism	White Anglo-Saxon Protestants (WASPS) hated immigrants – especially the Japanese and Chinese, and poor Catholics and Jews from Eastern Europe
	The Red Scare	Americas feared Communism, and feared that immigrants from Russia and eastern Europe might be 'infected'
	Protectionism	Americans wanted to protect American industry from outside competition
Isolationism: effects	Foreign policy	The USA kept out of world politics – this weakened American influence in the world
	League of Nations	US isolationism weakened the League of Nations and helped the rise of Hitler
	President Harding, 1920	Warren Harding was elected to put 'America first' and 'return to normalcy'
	Tariffs	The government imposed tariffs to protect American industry
	Immigration quotas	The Republican government imposed quotas to prevent immigration
How far was 1920s America a divided society?	Rich versus poor	5% of the people owned a third of the wealth; 40% of the population lived in poverty
	New industries versus old industries	Agriculture, textiles and coal declined; electrical good, automobiles and oil boomed
	Black American versus KKK	Many black Americans suffered discrimination and had low-paying, menial jobs; Ku Klux Klan membership grew from 5000 in 1920 to 5 million in 1925
	Immigrants versus WASPS	White Anglo-Saxon Protestants hated the immigrants from eastern Europe and Asia and imposed immigration quotas
	Flappers versus traditional	Many older people disagreed with the flappers and jazz; the Anti-Flirt Association opposed the new dances, the Hays code regulated sexual morality in films
Why did some groups not prosper?	Agriculture was in recession	Machinery had led to overproduction, which lowered prices and profits, and cotton was plagued by the boll weevil
	Old industries	The 'old industries' (coal, wool and cotton) were in decline (cf. oil and rayon)
	Unemployment	Unemployment ran at 2 million people throughout the 1920s
	Black Americans	1 million black farm workers lost their jobs in the 1920s, many black Americans suffered discrimination and had low-paying, menial jobs
	Native Americans	Native Americans lived in poverty and repression on reservations

Who did not prosper?	Lowest 60% were below the poverty line	In 1929, 60% of Americans lived below the poverty line (earning \$5 a day)
	Farm workers wages	Farm workers wages were only a third of industrial workers' wages
	Black Americans	Many black Americans lived in poverty; New York's black Harlem district was overcrowded and segregated
	The unemployed	There were few, inadequate, welfare benefits
	Top 5% were super-rich	A third of the wealth was owned by the top 5% of the people; 40% of the population lived in poverty
Why were some Americans racist?	Left-over attitudes from slavery	In the south, black people were lynched, and 'Jim Crow' laws segregated black and white
	Isolationism	After the horrors of the First World War, America in the 1920s became again isolationist – Americans wanted to 'keep to themselves' and 'shut out the world'
	WASPs	White Anglo-Saxon Protestants (WASPs) hated the Japanese and Chinese, and poor Catholics and Jews from eastern Europe
	KKK	The Ku Klux Klan attacked Jews, Catholics, drunks, gamblers and black people; membership grew from 5000 in 1920 to 5 million in 1925
	Trade Unionists	Trade unionists worried that immigrants would be cheap labour and take their jobs
Immigration: facts	Immigration Law, 1917	The 1917 Immigration Law insisted that immigrants must be able to read English, and banned all immigration from China and Japan
	Palmer Raids, 1920	After anarchist bombs (1919) caused a 'Red Scare', Palmer, the US Attorney-General, ordered the arrest and deportation without trial of some 10,000 suspected Communists
	Emergency Quota Act, 1921	The 1921 Emergency Quota Act set a maximum of 357,000 immigrants a year
	Reed-Johnson Act, 1924	The 1924 Reed-Johnson Act set a maximum of 154,000 immigrants a year
	Sacco and Vanzetti, 1927	Two Italian anarchists, Sacco and Vanzetti, were executed for a murder they did not commit; the jury refused to believe 107 Italian witnesses who swore they were not there
Discrimination against black people: facts	Race riots	There were race riots – e.g. in Chicago in 1919
	Lynchings	In the south, black people were lynched; one campaign claimed 3436 lynchings occurred 1889–1922
	Jim Crow	In the south, 'Jim Crow' laws segregated black and white; black people did not have the vote
	KKK	The Ku Klux Klan attacked black people; membership grew from 5000 in 1920 to 5 million in 1925
	Trade unions and jobs	Many trade unions had a whites only policy; in many industries black people were 'last in, first out'; many black Americans had low-paying, menial jobs

Prohibition: causes	First World War	During the war, the government tried to reduce alcohol consumption to improve workers' productivity and prevent absenteeism from work
	Temperance movement	Organisations such as the Anti-Saloon League and the Women's Christian Temperance Union campaigned for its prohibition for 50 years
	Religion	Many campaigners were religious and saw drink as a sin
	Women	Female campaigners like Carrie Nation blamed alcohol for domestic violence and family poverty
	Doctors	It was known that alcohol caused cirrhosis and mental illness; the American Medical Association supported prohibition in 1919
Prohibition: facts	#18th Amendment, Jan 1919	Prohibited the 'manufacture, sale, or transportation of intoxicating liquors'
	Volsstead Act, Oct 1919	Defined an intoxicating liquor as anything over 5% proof
	The Untouchables	Federal agents such as Eliot Ness (the 'Untouchables') were employed to stop the trade
	Moonshine, bootleggers and speakeasies	Illegal moonshine was smuggled by bootleggers and sold in 250,000 speakeasies
	Anti-prohibition movements	Organisations such as the Movement for Repeal of National Prohibition were set up to try to get prohibition repealed
Prohibition: the impact on society	The alcohol industry	Saloons died out, and breweries went bankrupt – the beer-making town of St Louis went into recession
	Taxation	Prohibition caused government problems because a seventh of all taxes came from taxes on alcohol
	Disrespect for the law	During prohibition, it became fashionable for young people to go to a speakeasy for jazz, dancing, flappers and liquor
	Al Capone	Gangsters such as Capone (and his 700 hit-men) bribed judges and police, ran protection rackets and murdered rivals (e.g. St Valentine's Day Massacre, 1929)
	#21st Amendment, 1933	In 1933, FDR admitted prohibition had failed and repealed prohibition
The Roaring Twenties: causes	Growing surplus wealth	Growing surplus wealth and a shorter working week let the entertainment industry grow
	Urban culture	The new culture was based on towns (nightclubs, electricity and traffic)
	Widened horizons	Horizons widened – films, records ('78s'), the automobile, plane flights and radio (there were 508 radio stations by 1922)
	Disrespect for the law	During prohibition, it became fashionable for young people to go to a speakeasy for jazz, dancing, flappers and liquor
	Jazz	High-tempo black music, played in nightclubs, and new jazz dances such as the Charleston and the Black Bottom became fashionable

Young people: facts	Films	'Talkies' began with The Jazz Singer (1927), people worshipped movie stars like Charlie Chaplin; in 1930, 100 million Americans went every week
	Sport	Millions enjoyed sports such as baseball ('Babe' Ruth earned \$80,000 a year), boxing (Jack Dempsey) and golf (Bobby Jones)
	Nightclubs	Millions enjoyed liquor, jazz and dancing
	Flappers	Flappers ('brainless, cigarette-smoking morsels of undisciplined sex') smoked, drove and went out unchaperoned. Some were openly lesbian and/or wore men's clothes
	Radio	The number of radios rose from 60,000 to 10 million in the 1920s; it widened people's horizons and introduced them to jazz music
The film industry: consequences	100million cinema-goers	They were cheap (10 cents) – in 1930, 100 million Americans went every week
	Talkies	'Talkies' began with Al Jolson, The Jazz Singer (1927)
	Movie stars	People worshipped movie stars and copied their looks and behaviour
	Charlie Chaplin and social issues	Charlie Chaplin films such as Easy Street explored social issues (e.g. poverty, work)
	Clara Bow and sexual freedom	Films such as Clara Bow's Rarin' To Go included sexually lax characters
Women: facts	Flappers	Flappers ('brainless, cigarette-smoking morsels of undisciplined sex') smoked, drove and went out unchaperoned. Some were openly lesbian/wore men's clothes
	Fashions	Fashions: no corsets (flat chested), short daring dresses, bobbed hair, make-up
	Work	Work: the number of working women rose to 10 million by 1929
	Suffragettes	Women were given the vote in 1920
	Most women were not flappers	However most women still looked after their families without the household gadgets; most working women were in low-paid jobs
Weakness in the US economy: causes	European competition	European industry had recovered after the First World War (helped by US loans) and was competing with US firms
	Overproduction	Overproduction in agriculture and the old industries lowered prices and profits
	Wall Street was overheating	Insufficient controls on bankers and credit had allowed banks and brokers to lend \$9 billion to stock-market speculators; they were vulnerable to a stock market crash
	Tariff wars	Other countries had responded to US tariffs by raising their customs duties – this made it more difficult for American firms to export
	Unequal distribution of wealth	The top 5% owned a third of the wealth, so money was being saved not spent, so demand was reduced and industry faltered

Tariffs: causes	Isolationism	After the horrors of the First World War, America in the 1920s became again isolationist – Americans wanted to ‘keep to themselves’ and ‘shut out the world’
	European recovery	After 1919, European industry and agriculture recovered and began to challenge America industry
	High American wages	American wages were high, and US businessmen feared cheap imports
	Overproduction in agriculture	Overproduction was causing a depression in US agriculture, and American farmers wanted to keep out cheap foreign food
	Income Tax	In 1913, President Wilson introduced the 16th amendment, bringing in Income Tax; this was hated by the Republicans and high tariffs allowed them to reduce it
Tariff policy	Emergency Tariff Act, 1921	President Harding passed an Emergency Tariff Act increasing tariffs
	Fordney-McCumber Act, 1922	Set the highest tariffs in history (up to 400%)
	‘Scientific tariff’	The ‘scientific tariff’ was the first principle of the Fordney-McCumber Act – the lower the wages in the country of origin, the higher the tariff
	‘American selling price’	The ‘American selling price’ was the second principle of the Fordney-McCumber Act – the higher the cost in America, the higher the tariff
	Tariff Commission	A Tariff Commission continuously monitored imports and suggested changes in tariffs
Tariffs: effects	Income tax reductions	Tariffs allowed the government to reduce income tax on the rich; this led to an accumulation of saving, and helped cause the Depression of the 1930s
	High prices	Tariffs kept prices high (and harmed poor people)
	American firms became inefficient	Tariffs allowed American firms to become inefficient
	World trade was damaged	Tariffs encouraged other countries to retaliate, and thus blocked world trade, which helped to cause the 1930s world depression
	Foreign loan repayments	Tariffs harmed the ability of foreign countries such as Britain and Germany to repay their loans to America
Wall Street Crash: causes	Wall Street was overheating	Share prices had risen 500% 1924–29, and there was speculation and corruption – e.g. insider trading, and selling shares for firms which did not exist
	Speculators	There were only 600,000 speculators, but their rash buying had pushed prices too high
	Buying on the margin	Buying ‘on the margin’ meant that, when prices fell, shareholders would be unable to pay back the loans and would go bankrupt
	Roger Babson	Respected economist Roger Babson predicted a crash, thus helping to cause it
	Panic-selling	When prices began to fall, there was a loss of confidence, leading to panic selling, as shareholders tried to get out before they lost everything

Wall Street Crash: events	Bear scare, Mar 1929	Prices fell steeply, but banker Charles Mitchell of the National City Bank lent speculators \$25 million to keep on speculating
	Black Thursday, 24 Oct 1929	Black Thursday: 13 million shares were sold in a panic, and prices crashed; Mitchell and the banks bought \$250 million of shares, and prices stopped falling
	Black Monday, 28 Oct 1929	Prices began to fall again, and 9 million shares were sold at falling prices
	Black Tuesday, 29 Oct 1929	Crash: 16 million shares sold, \$10 billion lost – US steel fell from \$261 to \$150; prices fell so fast that the tickertape machines could not keep up
	Prices stopped falling, Nov 1929	Prices continued to fall until the middle of November
Wall Street Crash: consequences	Triggered a Depression	Long-term weaknesses meant that the US economy was not robust enough to weather the Crash; the Crash triggered, but did not cause, the Depression
	Banks and brokers	Banks and brokers had lent \$9 billion to the shareholders; now they went bankrupt too, causing a financial crisis
	American businesses	The banks stopped lending money to American firms, which went bankrupt
	European recession	The banks demanded back their loans to European firms; this caused depression in Europe, which stopped buying American goods (so American firms went bankrupt)
	Fall in demand	People ruined by the Crash, or sacked in the aftermath, stopped spending, which led to falling demand and more firms went bankrupt ('the cycle of depression')
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The Depression: causes	The Wall Street Crash	By damaging banking; the Crash triggered the Depression; weaknesses in the American economy meant it was ill-equipped to cope
	Smoot-Hawley Tariff, 1930	The government raised tariffs (Smoot-Hawley Tariff, 1930); this provoked retaliatory rises by 60 other countries, which reduced American exports
	Federal Reserve	The Federal Reserve raised interest rates, which pushed more businesses into bankruptcy
	Dust Bowl	The Dust Bowl (erosion of over-farmed soils in the Midwest) ruined many farmers
	Maldistribution of wealth	5% owned a third of the wealth (they saved not spent); 40% lived in poverty – the falling demand ruined sales, profits and the economy

Economic effects of the Depression	Production and wages fell	Production fell by 40%, wages by 60%
	10,000 banks went bankrupt	10,000 banks went bankrupt as a result of the financial crisis after the Crash; there was a panic of 3 March 1933 – \$110 gold paid out to foreign banks
	20,000 businesses went bankrupt	Many firms went bankrupt (20,000 in 1932)
	13 million unemployed	The number of unemployed rose to 13 million (quarter of the working population); up to three-quarters of black workers were unemployed in some southern towns
	Old industries	Old industries were badly hit – in one steel town, 80% of workers were unemployed
Social effects of the Depression	Business and industry collapsed	Production and wages fell, thousands of banks and firms went bankrupt, 13 million were unemployed, especially in the ‘old industries’
	Social consequences	e.g. soup kitchens, bread lines, hoovervilles, hobos, the Bonus Army, the Iowa farm strike, suicides
	Modern industries expanded	The ‘new industries’ (electrical goods, chemicals) continued to grow rapidly
	Falling prices increased prosperity	Prices fell by 50%, so people in a job were better off during the Depression
	Continued development	The Empire State Building was opened in 1931, and the 1930s saw ‘nylons’, the first TV channels, the expansion of air travel, movie-going and the first beer cans
Unemployment: effects	Soup kitchens and bread lines	There was no welfare system for the unemployed – so there was poverty: men with placards begging for a job, soup kitchens (one run by Al Capone) and ‘bread lines’
	Hoovervilles and hobos	People lost their homes; ‘Hoovervilles’, hobos and migrant workers (Of Mice and Men); midwestern farmers moved to California (The Grapes of Wrath)
	Bonus Army	The ‘Bonus Army’ (20,000 ex-soldiers) demanded their pensions early, and set up a Hooverville in Washington to campaign for it
	Iowa Farm Strike	There were riots and violence (e.g. the ‘farm strike’ in Iowa 1932–1933, when out-of-work farmers and labourers attacked food trucks and burned bridges)
	23,000 suicides	There were 23,000 suicides in 1932
Hoover’s government and the Depression: facts	Mexican Repatriation Programme, 1929	A scheme to reduce unemployment by sending 50,000 Mexican immigrants back to Mexico (this continued until 1937)
	Smoot-Hawley Tariff, 1930	The government raised tariffs (Smoot-Hawley Tariff, 1930); this provoked retaliatory rises by 60 other countries, which reduced American exports
	Committee for Unemployment Relief, 1931	Hoover’s Committee for Unemployment Relief advised charities how to help the unemployed, and the government provided \$300 million unemployment pay
	Public Works Schemes, 1929–1932	The government \$4000 million for public works schemes (e.g. the Hoover Dam)
	Reconstruction Finance Company, 1932	The RFC gave \$2billion in loans to business and state government

Hoover's unpopularity: causes	Revenue Act, 1932	To pay for his anti-recession programme, Hoover raised income tax on the highest incomes from 25% to 63%
	Blamed for the Depression	'In Hoover we trusted, now we are busted' and mocked his promise of 'a chicken in every pot'; people knew his policies were not ending the Depression
	Bonus Army	Hoover sent the army to attack the Bonus Army and burn the Hooverville; this was seen as a wicked attack on war heroes
	1932 election campaign	Cinemas did not show his picture because people booed, and his campaign train was pelted with eggs and rotten fruit; he made only 9 radio speeches
	Assassination attempts	The Secret Service stopped many attempts to assassinate the president, including a suicide bomber
The election of Roosevelt: causes	Polio	Roosevelt had polio, so he had suffered, and was admired as a 'fighter against adversity'
	New York State Governor	As Governor of New York State he had tried many ideas to combat the Depression
	He blamed the rich	FDR blamed the bankers and the rich, which appealed to poor people
	He offered a New Deal	FDR promised 'a New Deal for the American people', including public works programmes, welfare, support for industry and agriculture and banking reform
	Landslide election victory	FDR got 23 million votes (42 states); Hoover got 16 million votes (six states)
How Roosevelt dealt with the Depression	Public confidence	His polio, inaugural speech, and the fact that he blamed the rich and liked a beer made him popular with people, who saw him as 'one of us'
	Hundred Days	An intensive period of government reforms and intervention, March–June 1933
	Banking reforms	The bank holiday, the Glass-Steagall act and the Securities and Exchange Commission stabilised and restored confidence in the banks and Stock Exchange
	Alphabet agencies	Helped industry and agriculture, and set up a system of public works and poor relief for the poor and unemployed
	Second New Deal	The Second New Deal (Wagner, Social Security, National Housing and Fair Labour Acts) set up a state system of social security
How Roosevelt restored confidence	New Deal, 1933–1935	FDR promised 'a New Deal for the American people', including public works programmes, welfare, support for industry and agriculture and banking reform
	Inauguration speech, 4 Mar 1933	In his inauguration speech, he said: 'The only thing we have to fear is fear itself'
	Fireside chats,	His fatherly 'fireside chats' on the radio explained his policies, built up support and criticised his opponents
	He blamed the rich	FDR blamed the bankers and the rich, which appealed to poor people, who saw him as 'one of us'
	Beer Act, 1933	The 1933 Beer Act abolished Prohibition – this made him popular, especially his comment: 'I think this would be a good time for a beer.'

How Roosevelt solved the banking crisis	Bank holiday, 4 Mar 1933	Roosevelt closed all banks for four days, while their books were audited by the government; only those strong enough to operate safely were allowed to reopen
	Fireside Chat, 12 Mar 1933	Roosevelt gave his first fireside chat, assuring people that they could trust the banks with their savings; this re-established confidence in the banks
	Hoarding gold forbidden, Apr 1933	Executive Order 6102 forced people with gold to sell it to the Federal Reserve in exchange for dollars; this stopped them hoarding and made them use currency
	Glass-Steagall Act, Jun 1933	The Glass-Steagall Act set rules for lending money safely for banks to obey
	Securities and Exchange Commission, 1934	The Securities and Exchange Commission reformed and ended corruption on the stock exchange
The New Deal: farmers, industry and depressed areas	AAA	The Agricultural Adjustment Administration paid farmers to reduce production, which increased prices – farmers were 50% better off by 1936
	NRA	The National Recovery Administration encouraged employers to pay fair wages and charge fair prices; companies were awarded the Blue Eagle symbol
	TVA	The Tennessee Valley Authority built 21 dams and modernised the Tennessee Valley (forests to stop soil erosion, power stations, water sports)
	CWA	Civil Works Administration (Works Progress Administration after 1935) provided small work schemes for 2 million unemployed as writers, actors, photographers
	PWA	The Public Works Administration employed people on large-scale schemes such as San Francisco's Golden Gate Bridge, dams, airports and highways
The New Deal: poor and unemployed	CCC	The Civilian Conservation Corps gave environmental work to 2.5 m young unemployed volunteers
	FERA	The Federal Emergency Relief Administration helped the homeless and unemployed
	HOLC	The (Home Owners Loan Corporation) helped a million people refinance their mortgages
	Letters to the President	Thousands of people wrote to Roosevelt (and his wife) asking for help; every letter was answered
	Second New Deal, 1935–1938	The Second New Deal (Wagner, Social Security, National Housing and Fair Labour Acts) set up a state system of social security
The New Deal: criticism and opposition	Republicans called it boondoggling	Republicans argued it damaged industry and was 'boondoggling' (jobs for no purpose); in 1938, they won the Senate, and Roosevelt got no more laws passed.
	Employers and rich people	Many employers hated the NRA regulations; rich people accused Roosevelt of betraying his class
	Supreme Court, 1937	The Supreme Court said the AAA and NRA infringed states' powers; there was a crisis in 1937 when FDR tried to 'pack' the Supreme Court
	Father Charles Coughlin	Father Coughlin formed a Fascist-like organisation called the National Union for Social Justice, attacked the Jews and called for greater government controls
	Huey Long and Francis Townsend	Some people said the New Deal did not go far enough; Long ran a 'share the wealth' campaign, Townsend wanted early retirement and generous pensions

The Second New Deal: facts	Soil Conservation Act, Apr 1935	The Soil Conservation Act (replaced the AAA) continued subsidising farmers
	Wagner Act, Jul 1935	The Wagner Act (replaced the NRA) set up the National Labour Relations Board (NLRB) to stop employers victimising workers and protected workers' right to join a trade union
	Social Security Act, Aug 1935	The Social Security Act set up federal systems of old-age pensions and unemployment insurance and gave help to people with physical disabilities
	National Housing Act, 1937	The National Housing Act provided loans to buy houses and reduced excessive rents
	Fair Labour Standards Act, 1938	The Fair Labour Standards Act regulated hours and conditions of work and fixed a minimum wage
Successes of the New Deal	Industrial output rose, unemployment fell	Gross Domestic Product rose from \$56bn to \$127bn, 1933-1941, whilst unemployment fell from 25% to 10%; the TVA and PWA improved the country's infrastructure
	Banking stability	The bank holiday, the Glass-Steagall act and the Securities and Exchange Commission stabilised and restored confidence in the banks and Stock Exchange
	Working people	The NRA improved working conditions, the NLRB helped them join a union and the Fair Labour Act gave them a minimum wage
	Poor people	The Social Security Act provided a benefit system of pensions, unemployment insurance and disability payments which helped millions of poor Americans
	Indian Reorganisation Act, 1934	The New Deal helped Native Americans – the Indian Reorganisation Act provided funding for them to improve the reservations, and keep their customs and languages
Limitations of the New Deal	The Depression did not end	When Roosevelt tried to reduce spending in 1937, industrial output fell and unemployment rose again; by 1939, 9 million people were still out of work
	Some measures harmed recovery	e.g. NRA regulations damaged firms' profitability, Roosevelt cut public sector pay by 15%, the Federal Reserve increased interest rates
	Black Americans and women	Black Americans and women continued to suffer discrimination in the workplace. Roosevelt did not give either group a Civil Rights Act
	Industrial conflict	The NRA did not end industrial troubles – in 1937, there were 4700 strikes, and ten strikers were shot dead by police in Chicago (the 'Memorial Day Massacre')
	Many Americans opposed the New Deal	The Supreme Court declared the AAA and the NRA unconstitutional; the Republicans, employers, Long, Townshend and Coughlin opposed it

The US economy in World War Two: facts	Arsenal of democracy	America did not enter the war in 1939, but was able to sell weapons to Britain; this stimulated US industry
	Lend-Lease Act, Mar 1941	When the British were no longer able to pay, Roosevelt passed the Lend-Lease Act, by which America supplied weapons to Britain, to be paid for after the war
	Office of War Mobilisation, 1943	The OWM was set up to organise the whole US economy for the war effort
	\$304 billion war spending, Dec 1941	After Pearl Harbor, the US entered World War II; the government spent \$304 billion on the war, stimulating demand and technological innovation
	General Max	After prices increased 11% in 1941, General Maximum Price Regulation ('General Max') tried to keep inflation and wages increases down
The Second World War: effect on the US	Rapid economic growth	The US economy grew 52%, 1939–44
	Rising standard of living	Under 'General Max', prices only increased 15%, but wages increased 65% – so the standard of living improved for most Americans
	Employment	The percentage of the labour force in employment rose from 85% to 98%, 1941–45
	Technological innovation	Especially the atomic bomb, in aviation and aerospace, and in mechanical and civil engineering
	Trades Unions	New employees joined trade unions, which grew powerful