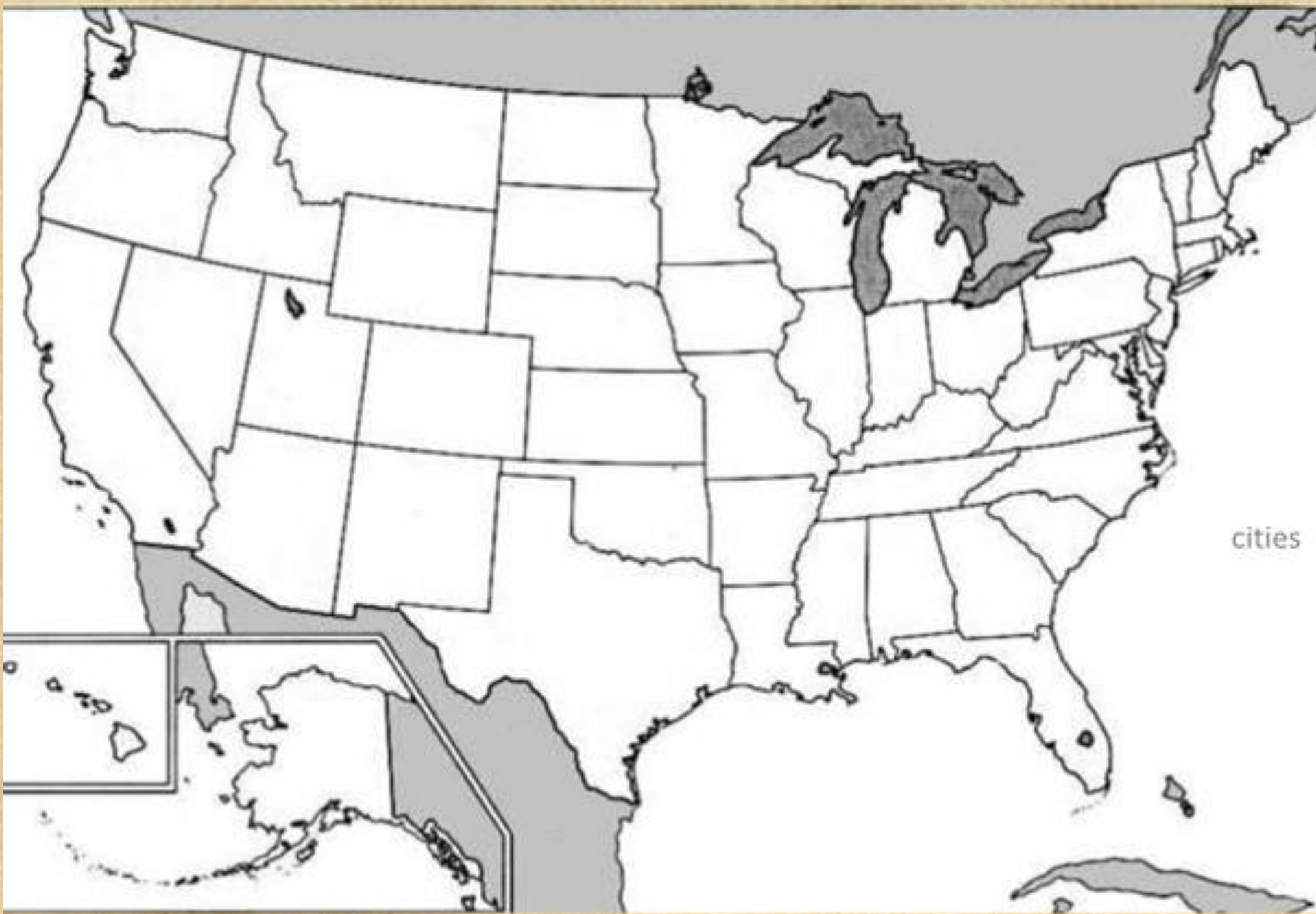


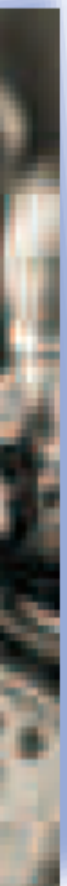
Normalcy & Good Times

1921-1929

Chapter 21





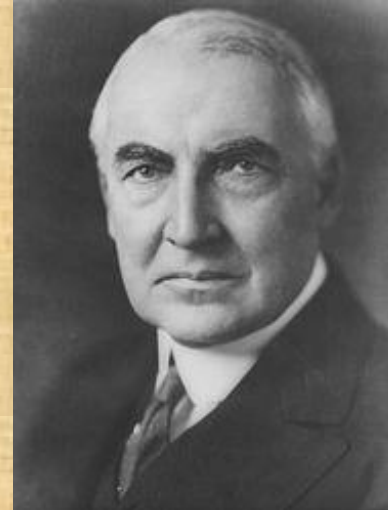


In August 1923, Vice President Calvin Coolidge was taking a short vacation at his family's homestead in Plymouth Notch, Vermont. The straitlaced Coolidge went to bed at 9:00 as usual on August 2, but at 2:30 A.M., his father woke him. "I noticed that his voice trembled," Coolidge said later. "I knew that something of the gravest nature had occurred." After learning that President Warren G. Harding was dead, Coolidge dressed hurriedly and went downstairs. Shortly afterward, in a small, sparsely furnished room lit by a flickering kerosene lamp, the elder Coolidge, a farmer and justice of the peace, got out the family Bible and administered the presidential oath of office to his son.

Later, while painting a portrait of the new president, artist Charles Hopkinson asked, "Mr. Coolidge, what was the first thought that came into your mind when you were told that Mr. Harding was dead and the presidency was yours?" Coolidge replied, "I thought I could swing it."

Republican Presidential Politics

- Warren G. Harding
 - For Party and Country
 - Normalcy
 - Ohio Gang
 - Harding's friends



Warren Harding & Florence King Harding

***Its not my enemies that I worry about
but my friends. They are the ones that
keep me walking the floors at night.***

---Warren G. Harding

1. Why is Harding not worried about his enemies?
2. Why is Harding worried about his friends?

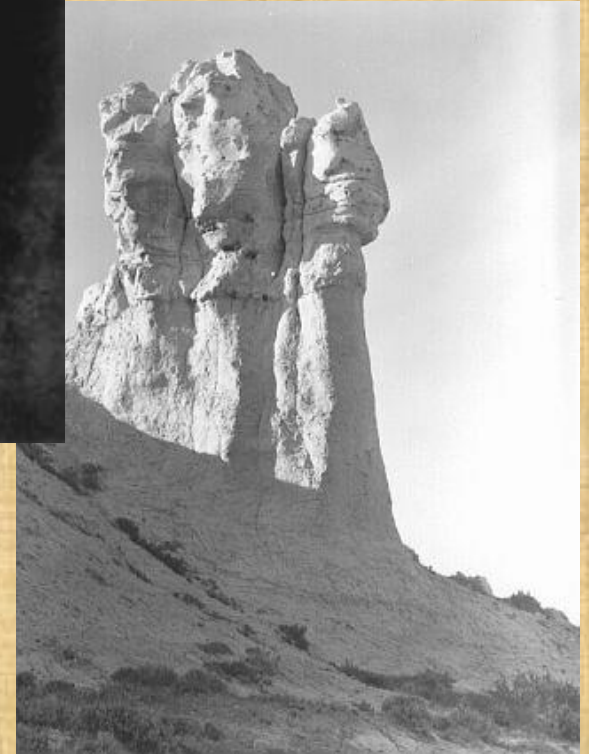


Carrie F.
Phillips

Teapot Dome Scandal

- Corruption
- Teapot Dome
 - Navy Oil in Wyoming
 - Fall sells lease to the oil
- Harding Mysteriously Dies just before scandal goes public
- Fall goes to prison

Albert Fall



• Calvin Coolidge

- Silent Cal
- *“Keep Cool with Coolidge”*
- *“Business of America is Business”*
- *“The Man who builds a factory builds at temple, the man who works there worships there”*
- *“Weaned on a Pickle”*
- Laissez-faire
- Progressivism decline
 - Robert La Follette



The American people are profoundly concerned with producing, buying, selling, investing and prospering in the world. In all experience, the accumulation of wealth means the multiplication of schools, the increase of knowledge, the dissemination of intelligence, the encouragement of science, the broadening of outlook, the expansion of liberties, the widening of culture. We make no concealment of the fact that we want wealth, but there are many other things that we want very much more. We want peace and honor, and that charity which is so strong an element of all civilization.

---Calvin Coolidge, 1925

1. How does the Roaring Twenties reflect Coolidge's words?

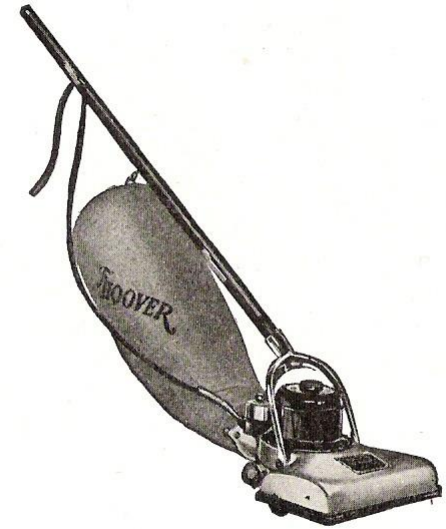
At around 2:00 A.M. on June 4, 1896, Henry Ford and his friend Jim Bishop readied Ford's "horseless carriage" for a test. The shop doors were too small for the contraption to pass through, so Ford immediately seized a sledgehammer and began knocking out an opening in the brick. Ford later recalled the scene that followed:

“Mr. Bishop had his bicycle ready to ride ahead and warn drivers of horse-drawn vehicles—if indeed any were to be met with at such an hour. . . . I set the choke and spun the flywheel. As the motor roared and sputtered to life, I climbed aboard and started off. . . .”

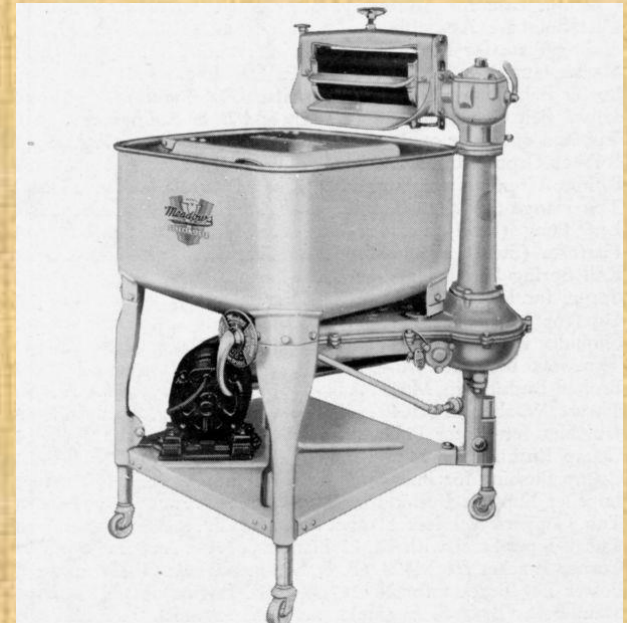
There were many such trips in the following days. Bishop would bicycle ahead, stopping at saloons and stores to warn people that they should come out and hold their horses. Many of the onlookers responded by calling out, “Crazy Henry!” As he climbed out of the car, Ford invariably responded, “Yes, crazy. Crazy like a fox.”

Growing Economy

- New Industries
 - Mass Production
 - Individual upward mobility
 - Middle class, more money!
 - Dominates World Economy



SUCTION SWEEPER WITH MOTOR DRIVEN BRUSH.



Henry Ford's Wonder

Assembly lines

- Ford

- Standardization=lower costs
- Model T
- Tin Lizzie

- Chevy

- General motors

- Chrysler



The Ford Miracle

In 1914, Henry Ford made a big announcement that shocked the country. That morning, Ford would begin paying his employees \$5.00 a day, over twice the average wage for automakers in 1914. Ford arrived at the new wage scale during a meeting with his managers. He wrote on the board the Ford wage standards: minimum pay of \$2.34 for a nine-hour day. He tossed down the chalk and said: “Figure out how much more we can give our men.”

The Ford executives worked all day, cautiously adding 25¢ an hour, and then another 25¢. Every so often Ford walked back in, said: “Not enough,” and walked out. Finally, they had doubled the basic pay—up to \$4.80 a day. One man snapped, “Why don’t you make it \$5 a day and bust the company right?” “Fine,” said Henry Ford. “We’ll do that.”

Why Henry Ford raised wages when every other manufacturer was trying to reduce wages to the lowest acceptable figure? Ford believed he was buying higher quality work from all his employees. “If the floor sweeper’s heart is in his job he can save us five dollars a day by picking up small tools instead of sweeping them out...The owner, the employees, and the buying public are all one and the same, and unless an industry can so manage itself as to keep wages high and prices low it destroys itself, for otherwise it limits the number of its customers. One’s own employees ought to be one’s own best customers...We increased the buying power of our own people, and they increased the buying power of other people, and so on and on. It is this thought of enlarging buying power by paying high wages and selling at low prices that is behind the prosperity of this country.

- Consumer Goods

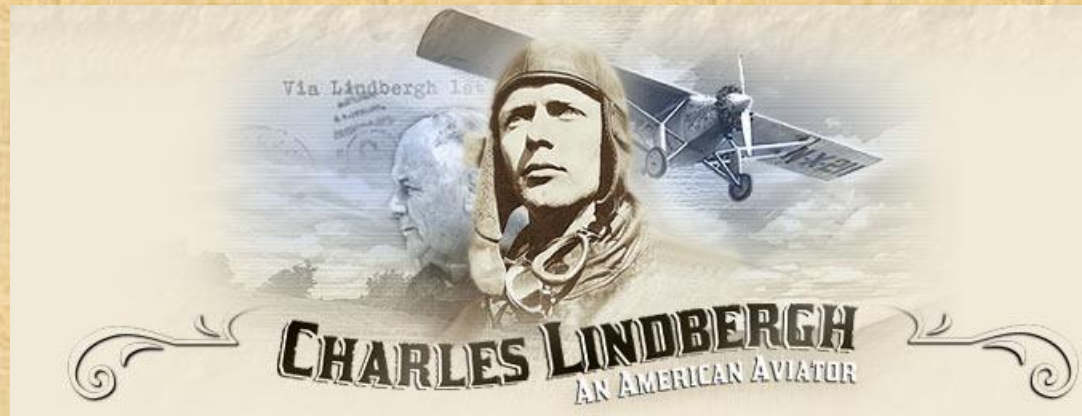
- Electric appliances
- Household cleaning

- Airplanes

- Fad & Novelty
- Airmail
- Charles Lindbergh

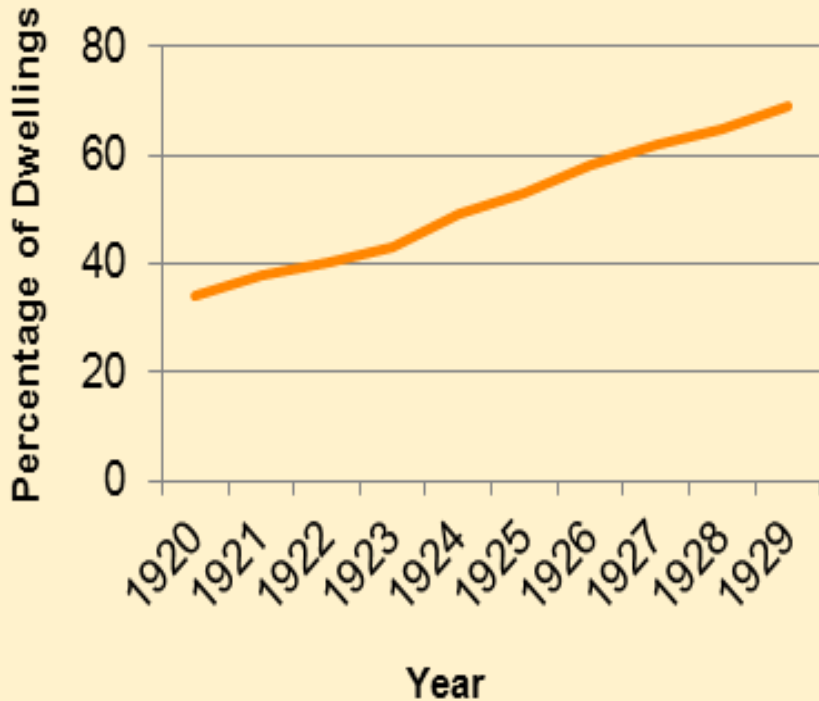
- Radio

- KDKA Pittsburgh
- NBC & CBS
- Harding's election

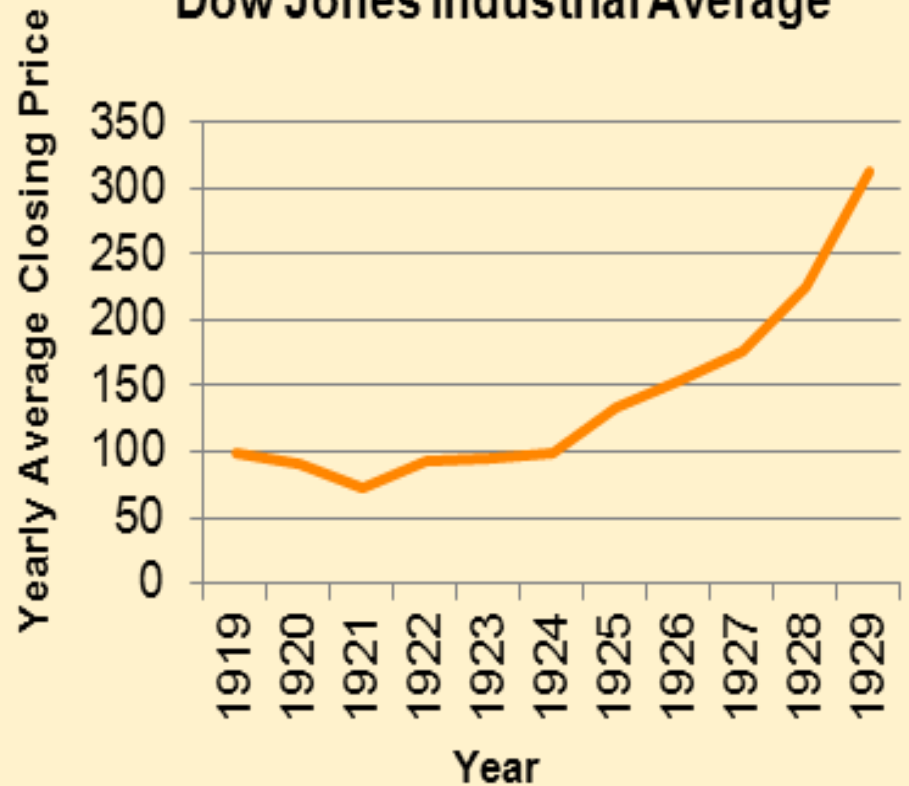


Interpreting graphs: Relationship between Electricity and national Economy

Percentage of Dwellings with Electricity



Yearly Average Dow Jones Industrial Average



1. What percentage of dwellings has power in 1927?
2. What year did the stock market increase the most?
3. Why did the stock market decline in 1920?

Review-1920s Economy

1. By the 1920s, the _____ had become an accepted part of American life and important mode of travel.
2. _____ was one of the most conservative presidents the United States has seen.
3. President _____ was relatively incompetent for his office.
4. _____ lowered the costs of his automobile so that the average person could afford it.
5. The _____ scandal led to oil reserves being exploited by private interests in Wyoming.
6. The _____ was Harding's advisors.
7. _____ was the progressive party's candidate for president in 1924.

After Election Day 1920, President-elect Harding began searching for qualified Americans for his cabinet. One of the most important posts would be secretary of the treasury. The nation faced a large national debt, and many worried that the country would not easily pull out of its postwar recession.

Harding was considering Andrew W. Mellon, a successful banker and industrialist, but he worried about Mellon's ties to industry and his relative anonymity. Harding's campaign manager, Harry Daugherty, reassured the president with a ringing endorsement of Mellon:

“A man who can quietly make the millions this modest-looking man has gathered in is little short of a magician. If there is one thing he knows it's money. He will make for you the greatest Secretary of the Treasury since Alexander Hamilton. . . .”

Consumer Society

- Credit
- Installment plan
- Advertising
- Welfare Capitalism

To keep Americans working we must keep them wanting; wanting more than the bare necessities; wanting the luxuries and frills that make life so much more worthwhile, and the installment selling makes it easier to keep Americans wanting.

---Automobile dealer, 1925

1. How could a manufacturer make people want something?

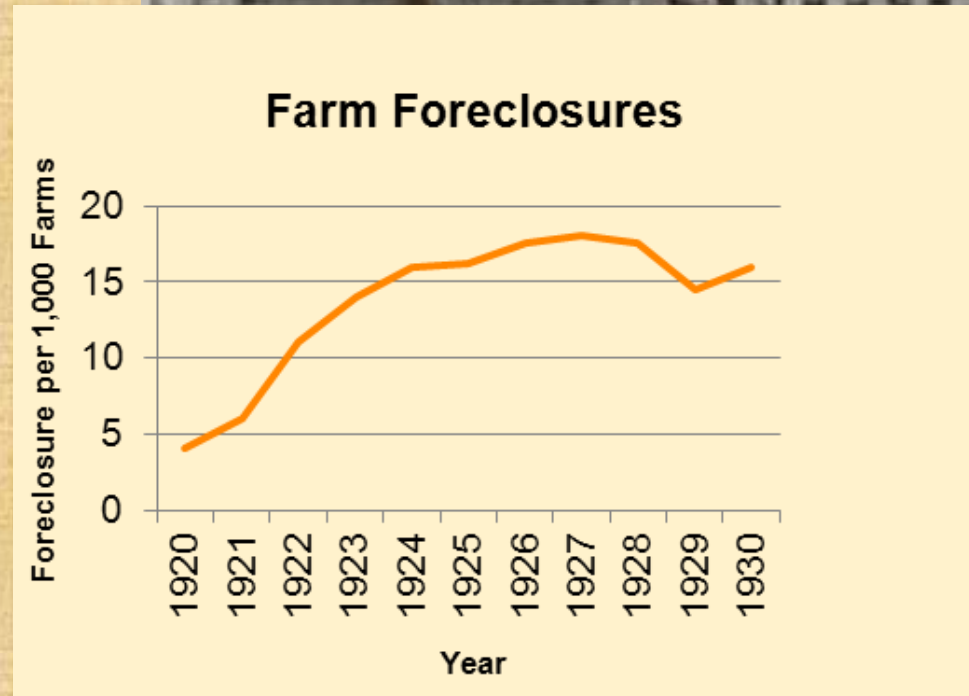


TastyKake!



Farmer's problems

- Supply and Demand
- World War I
- Tariffs
 - Fordney-McCumber
- McNary-Haugen Bill
 - Gov. buys surplus, sells overseas
 - vetoed
- Fear of Depression



Policies of Prosperity

- Low taxes
- Lassies-Faire
 - Government hands off policy
- Unions decline
 - Company unions grow

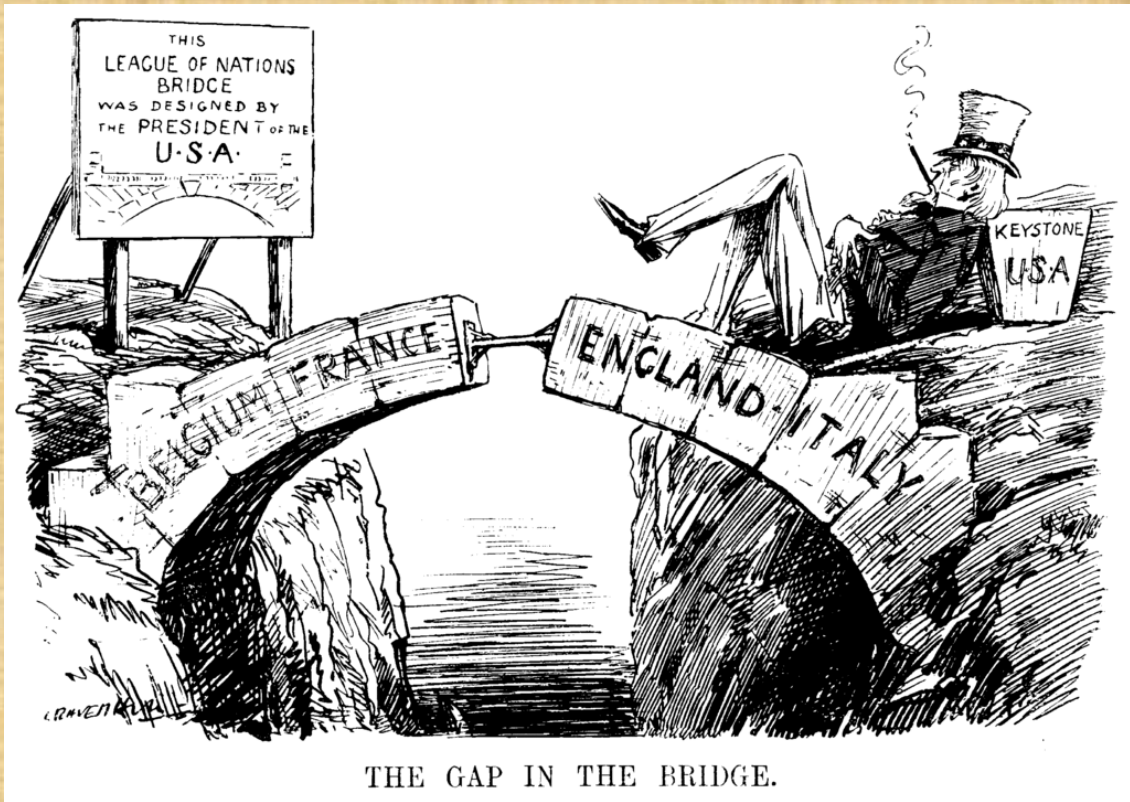


During the war we necessarily turned to the government to solve every difficult economic problem...However justified in time of war, if continued in peacetime it would destroy...our progress and freedom...The acceptance of these ideas would have meant the destruction of self-government through centralization of government. It would have meant the undermining of the individual initiative and enterprise through which our people have grown to unparalleled greatness.

1. When should people rely upon guidance from the government?
2. What would happen if people relied on the government too much?
3. What governmental policy does this author advocate?

The World of the 1920s

- American Isolation
- European economic crisis
- Fordney-McCumber Tariff
 - Increased tariffs
 - Reaction to European tariffs
- Dawes Plan
 - US lends Germany money to pay allies reparations
 - Allies to repay war loans
- Washington Conference
 - Naval treaty
 - Moratorium
- Kellogg-Briand Pact
 - Out law war



What Treaty? What Moratorium? Japanese Yamato



Japanese battleship Yamato

The Roaring Twenties

- Republican Politics
- Growing Economy
- General Prosperity

The
President's
gone fishing!!



Review-1920s Politics

1. After World War I, most Americans wanted to avoid future wars by becoming _____.
2. An unintended result of the _____ was a reaction in foreign markets against American agricultural products.
3. _____ were payments Germany was required to make as punishment for starting the war.
4. A _____ is a pause in doing something, such as constructing new warships as was required by the Washington Naval Treaty.
5. Unions declined during the 1920s in part because many corporations instituted _____ capitalism and company unions.