

## The Reckless Years: 1919-1929

"We hold the distinction of being the only nation in the history of the world that ever went to the poor-house in an automobile," quipped Will Rogers in the aftermath of the stock market crash of 1929. The decade preceding this collapse of the American economy is a fascinating one, and full of paradox. It was a period when Americans were anticipating only a "rosy" future and rejoicing in a present that seemed full of endless prosperity. During these reckless years of the 1920's, America underwent profound fundamental changes - both socially and economically.

This was an era when the introduction of new products and new industrial techniques radically altered the lives of nearly every citizen. The automobile changed the entire pattern of American social behavior. It gave the average American greater mobility and new freedom. American morals and manners adjusted to the new possession of speed and power.

The culture and customs of the city reached the most remote agricultural areas. People of one section of the country came in closer contact with people of other sections. Local differences became less marked, and resulted in the further intensification of America's homogeneity.

Hollywood offered America its first dose of mass entertainment during this golden age of the silent film. Rudolph Valentino, Gloria Swanson, John Gilbert, and Charlie Chaplin presented the nation with a gaudy illusion of itself. And the public loved it. Attendance at the "picture palaces" soared from 40 million in 1922 to 115 million in 1930.

KDKA, the nation's first commercial radio station, began broadcasting on November 20, 1920. News commentators, play-by-play sports reporting, canned music, jazz, symphony, grand opera, vaudeville - all eventually found their way to the most remote American in the privacy of his home. As the population listened, first with curiosity and then with interest and appreciation, its cultural horizons were raised and broadened in scope.

The "Roaring Twenties" began with a war - weary United States; its people anxious to forget the recent international entanglements and the idealism of President Woodrow Wilson and his concept of the League of Nations.

America had her own problems in 1919. There was the post-war depression marked by unemployment and falling prices, and a "Red Scare" which thrived on the fear that the Russian Revolution of 1917 might spread to the N. American Continent.

America wanted a "return to normalcy" and in 1920 elected a Republican president, Warren G. Harding, who promised "normalcy . . . restoration . . . serenity." But the serenity of Harding's Administration was shattered when the Teapot Dome oil scandals were exposed. They clearly indicated that, although President Harding appointed many capable men to his cabinet, he had also picked many cronies who were not opposed to accepting bribes. Harding's sudden death in 1923 saved him from the humiliation he would have suffered when the scandals were publicized.

Meanwhile, the face of the nation was changing as the industrial revolution gained new momentum. Electricity revolutionized the American home and factory. Henry Ford's assembly-line production of automobiles put America on the move. From 7 million cars in 1919, the figure climbed to 23 million cars in 1929. One hundred thousand miles of highway were built as federal, state, and local governments struggled to meet the growing demand for paved roads. America had become a nation on wheels.

This was also the era of "the noble experiment" - prohibition. The attempt to regulate America's consumption of alcohol brought with it bootlegging, speakeasies, rum-running, and the notorious Al Capone. But on the positive side, the speakeasy encouraged the development of America's most definitive art form- Jazz.

The decade was dotted with wild and zany fads - marathon dancing, flagpole-sitting, and airplane stunt flying. Then in 1927, the most daring event of all; Charles A. Lindbergh's non-stop flight from New York to Paris, France in the *Spirit of St. Louis*.

What were the causes that led to the eventual collapse of the American economy?!

The discontent of workers became evident early in the decade, as a series of violent strikes swept the country in 1919. And labors fear of the competition at cheap imported labor helped lead to the enactment of the National Origins Quota Act of 1924 which greatly limited the flow of immigrants.

But beyond this, there was a distrust of all things foreign - and strong prejudices gripped the national conscience. Intolerance played a significant part in determining the outcome of the notorious Sacco - Venzetti trial. Prejudice became epidemic; the membership of the Ku Klux Klan rose to 5 million and the secret society of the invisible empire openly paraded in the nation's capital.

The twenties was a period of social and economic confusion and misunderstanding. Factory workers were producing the new goods and new products of a growing prosperity, but were not sharing in this prosperity because of low wages. The government consistently supported management in its many

disputes with labor, thus stifling the development of unions and collective bargaining.

On the farms, the introduction of new techniques and new machinery, combined with diminishing wartime markets, led to the production of surpluses. And surpluses couldn't be sold. Farm prices dropped and more surpluses accumulated. The farmer as well as the laborer was in the throes of depression early in the decade, and remained at the bottom of the economic ladder.

Employers, on the other hand, were accumulating vast profits built on frugal payroll policies and the efficiency of mass production. It was these profits, this excess income, combined with a speculative fever, that led many people into the stock market. "Money Madness" became the wildest fad of all, and as prosperity boomed on, the value of stocks became more and more inflated and unrealistic.

President Calvin Coolidge assured the nation that "the business of America is business." Succeeding Harding in 1923, in the first wave of the boom, Coolidge was really speaking to the growing middle class and particularly to the wealthy businessman.

Herbert Hoover was swept into office in 1928, the sixth straight year of prosperity, and told the voters that the poorhouse was vanishing from the American scene. But poverty and the poorhouse were to remain.

During the summer of 1929, residential construction and industrial production declined and unemployment spread. The stock market, barometer of the nation's prosperity, did not level off. Stock prices continued to rise as wild speculation turned the stock market into a gambling house. Prices continued to soar until September 1929, when a decline set in. Then, on October 23, 1929, a drastic slide of selling orders flooded the exchange, and the next day, "Black Thursday," the bottom fell out of the market. Prosperity gave way to panic and the grim specter of depression cast its shadow across the entire land. The reckless years were over!