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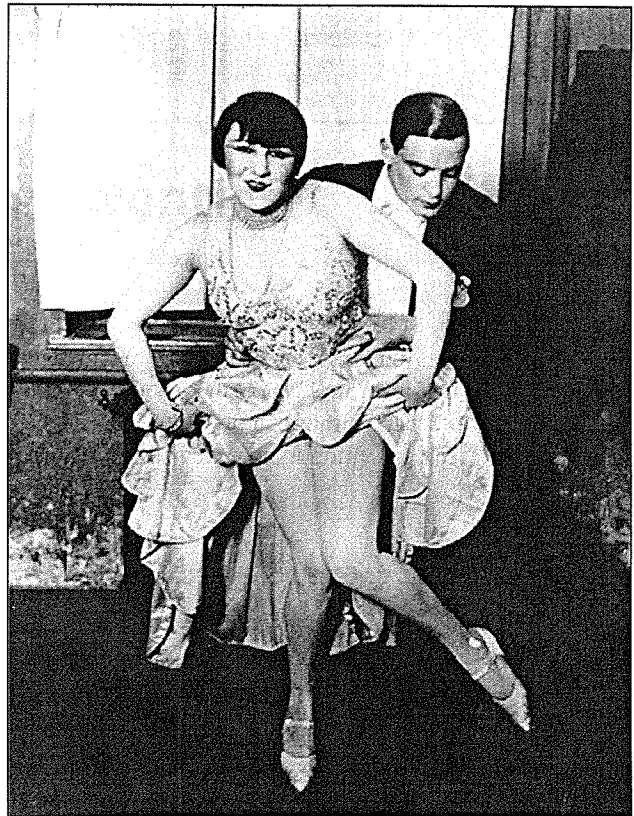
The Roaring Twenties

By Mike Kubic
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Mike Kubic is a former correspondent for Newsweek magazine. In this article, Kubic explores the ups and downs of the 1920s, an exciting time following the United States' success in World War I. Unfortunately, the good times couldn't last; in the early 1930s the United States experienced an economic crisis that starkly contrasted the fast lifestyles citizens experienced during the 1920s. As you read, identify the possible factors that contributed to the United States' economic crisis of the 1930s.

- [1] "It was the best of times, it was the worst of times," wrote Charles Dickens in his classic *The Tale of Two Cities*. The same could be said about "the Roaring Twenties," the post-World War I decade when Americans experienced some of their best years, as well as some of their worst. It was a period when they reveled in the high jinks¹ of what the period's historian Nathan Miller called an "era of wonderful nonsense," but when they also suffered the crushing consequences of what economists called "unfettered² capitalism."³

The decade's popular moniker⁴ was, in many ways, appropriate. Relieved of the tensions and shortages during World War I, proud of the way American "doughboys"⁵ helped achieve the Allies' victory, and pleased with the honors European statesmen heaped on President Woodrow Wilson for founding the League of Nations,⁶ Americans celebrated their country's new prestige, strength, and prosperity.



"Flapper girl!" by Kristie Bateman is licensed under CC BY 2.0

1. "High jinks" refers to playful or rowdy activity.
2. **Unfettered** (*adjective*): unrestrained or completely free
3. Capitalism is a way of organizing an economy so that the things that are used to make and transport products (such as land, oil, factories, ships, etc.) are owned by individual people and companies rather than by the government.
4. **Moniker** (*noun*): a name or nickname
5. A "doughboy" refers to a United States foot soldier, especially during World War I.
6. The League of Nations was an international organization founded after World War I, intended to promote international cooperation and peace.

A Period of Rebellion

Women were delighted by the ratification⁷ of the 19th Amendment, which gave them, at long last, the right to vote. Feeling emancipated and in rising demand on the labor market, young, urban and fashionable flappers⁸ joined men in boycotting the Prohibition.⁹ The most unpopular and disregarded law of the era, it was so disliked that an estimated 80% of U.S. Senators, Congressmen and high government officials – including the three U.S. presidents of the era – imbibed¹⁰ the banned alcohol.

Some tried to avoid violating the law. One of these lawful drinkers was Secretary of Commerce Herbert Hoover, who had his daily two martinis after work in the Belgian embassy. Since it formally was not in a U.S. territory, Hoover was committing no wrong. But most ordinary Americans moved their happy hours to the hundreds of underground and out-of-sight speakeasies¹¹ that Al Capone¹² and other bootleggers¹³ supplied with abundant liquor.

- [5] Above-ground, jazz was the king and American foxtrot, Viennese waltz, and Argentine tango dominated the dance floors; Greta Garbo, Clark Gable and other Hollywood celebrities drew millions in the new movie houses that showed “talkies” (movies with sound); sports stars’ pictures filled the newspapers; and fans packed the huge baseball stadiums sprouting on the outskirts of big cities.

A Time of Success and Progress

The cross-Atlantic flight of Charles “Lucky Lindy” Lindbergh¹⁴ in 1927 made him an instant global hero, but even lesser daredevils earned brief fame. A Texan won a \$500 bet by pushing, in 22 days, a peanut with his nose up the 14,400 feet-high Pikes Peak. A Louisville housewife won a \$200 prize for listening to a radio station for 106 hours without falling asleep (She had to be hospitalized for a combination of delirium and exhaustion).

In no mood to worry whether the good times would last, Americans were happily spending money they had had to save because of wartime shortages, and there was a plethora of new marvelous products to buy. Automobiles, an expensive prestige symbol before the start of WWI, became mass-produced, cheaper and a necessity for taking the new roads to America’s thriving cities. By 1927, Ford discontinued the Model T after selling 15 million of them.

7. **Ratification** (*noun*): the act of officially approving something
8. “Flappers” were women during this time who were fashionable, intent on enjoying life, and unconcerned with society’s conventional standards for them.
9. Prohibition (1920-1933) was a nationwide ban on the production, importation, transportation, and sale of alcoholic beverages in the United States.
10. **Imbibe** (*verb*): to drink (particularly an alcoholic beverage)
11. A “speakeasy” is an illegal saloon or nightclub that sells alcohol.
12. Alphonse Gabriel “Al” Capone (1899-1947) was an American gangster who distributed illegal alcohol during the Prohibition in Chicago, Illinois.
13. A “bootlegger” is a person who manufactures, sells, or transports liquor illegally. Bootlegging were very popular in the United States during the era of Prohibition.
14. Charles Lindbergh made the first solo flight across the Atlantic, flying approximately thirty-three hours from New York to Paris.

Industries switched from coal power to electricity, the production of which almost quadrupled; telephone lines began spanning the continent; and modern waterworks, sewer systems, bridges and other new infrastructure were improving the quality of life even in out-of-the-way communities and regions.

Harding and Coolidge: 'Slumbering' Presidents

Americans were thrilled to see innovations and progress – but the boom contained its own seeds of a bust. One lurking danger was the great debts of thousands of communities from coast to coast who over-invested in public projects which they expected to pay off in the future. They did not. The other hidden cause of decay was the do-nothing, almost laissez-faire¹⁵ attitude of the federal government.

- [10] It was the misfortune of the post-WWI generation that during one of its greatest periods of progress, America was led by two of the least dynamic and innovative presidents in the U.S. history. The first one was Warren Gamaliel Harding. A former vice president and senator, he was elected in 1921 in a landslide – on a program tellingly titled “return to normalcy” – after a campaign during which he sat on the porch of his home in Marion, Ohio, and received delegations¹⁶ of voters.

Harding was judged by one of his biographers as: “A prime example of incompetence, sloth, and feeble good nature in the White House.” H.L. Mencken, a celebrated (and scathing) columnist during the “Roaring Twenties” wrote that: “No other such a complete and dreadful nitwit¹⁷ [as Harding] is to be found in the pages of American history.” Harding proposed reducing the national debt, protecting farm interests, and cutting back on immigration. He died in 1923 following revelations of serious corruption in his administration and personal moral failures.

Vermont-born Calvin Coolidge, who succeeded Harding, was a classical New Englander. “He was honest, thrifty, punctual, taciturn,¹⁸ conscientious, frugal,¹⁹ cautious, conservative and moral,” according to Miller. “Americans wanted nothing done [while he] was president,” Miller added, “and he ‘done it.’” Like Harding, Coolidge proposed to roll back taxes of the wealthy one percent of Americans who controlled 40 percent of the country’s wealth, and “assiduously²⁰ followed the maxim²¹ that the government that governs the least, governs best.”

With the private enterprise running at top speed while the country’s two top leaders slumbered, a devastating accident was only a matter of time – and ironically, that time came on the watch of their successor, the era’s most progressive chief executive.

15. A phrase referring to a policy or attitude of letting things take their own course, without interfering

16. Delegations are groups of people who are chosen to vote or act for someone else.

17. a stupid person

18. **Taciturn** (*adjective*): reserved or uncommunicative in speech

19. **Frugal** (*adjective*): careful about spending money

20. **Assiduous** (*adjective*): showing great care, attention, and effort

21. A “maxim” is a brief expression of a general truth.

Hoover: Bringing Change to America

Herbert Hoover was elected the country's 31st president in 1929. He was a successful mining engineer from Iowa before lending his services to the government. As President Coolidge's secretary of commerce, Hoover recognized already in 1925 that the economy was overheating as Americans began "buying on margin"²² and speculating²³ on the soaring stock market. He urged Coolidge to tighten the credit and take other steps to cool the market, but the president and his treasury secretary blocked any attempt at government intrusion into private business. Despite this setback, Hoover went on to handily win the presidential race the following year.

- [15] Eager to show that the easy-going, aimless ways of his predecessors were over, Hoover broke their unwritten rule of taking or making no phone calls in the Oval Room. He had a telephone installed on his desk, and appointed five secretaries, four more than the previous presidents. He then unleashed what Miller, in his book *New World Coming*, described as "the long-dormant engine of progressive reform."

"[Hoover called] Congress," Miller wrote, "into special session to deal with [neglected issues]; ordered the publication of the names of all those who received large tax refunds, ...publicly divulged the names of political backers of judicial appointees, allowed the press to quote him directly, ...permitted picketing of the White House... , entertained a black congressman's wife in the White House, [and] increased funding for all-black Howard University... In June (1929), just three months in the White House, he announced a budget cut of \$110 million and proposed a tax cut of one fifth on higher incomes, one third on middle incomes, and two third on lower incomes."

According to Miller, Hoover also ordered the White House stables to be closed and the presidential yacht to be retired; announced a new "good neighbor" policy for Latin America, and ordered the withdrawal of the U.S. Marines from the Caribbean and Central America.

As a result of the new president's whirlwind of activity, *New York Herald Tribune* stated that "There has been an almost unprecedented²⁴ display of conviction on the part of the investing public that with Hoover at the throttle, the signal is full speed ahead."

It was a development that Hoover had tried to prevent as soon as he moved into the White House by urging bankers to restrict credit. But the bull market²⁵ had started rising already in March, 1928, before Hoover's election, and without sufficient regulations, his requests fell on deaf ears. John Kenneth Galbraith, America's most prominent economist, called the "speculative orgy"²⁶ a "mass escape into make-believe," but the president placed the blame elsewhere. "The only trouble with capitalism is capitalists," he complained. "They're too damn greedy."

22. This phrase refers to citizens purchasing items out of their price range by borrowing heavily from banks.

23. **Speculating** (*verb*): invest in stocks, property, or other ventures in the hope of gain but with the risk of loss

24. **Unprecedented** (*adjective*): never done or known before

25. A "bull market" refers to a market in which share prices are rising, encouraging buying.

26. excessive indulgence in a specified activity

The Start of the Great Depression and the End of the Roaring Twenties

The long-gathering storm broke only eight months into Hoover's presidency. On October 14, 1929 – the so-called “Black Thursday” – the stock market prices opened sharply lower. It subsequently recovered and Hoover's Vice President Charles Curtis announced that “Prosperity is just around the corner.” It wasn't. What came instead was a major blow to the economy: the backlash of a tariff act²⁷ enacted by Congress to keep out foreign goods. It did that, but it also triggered European retaliation against American exports.

- [20] In September 1931, 305 banks closed doors; within two years, the number reached more than 2,000. Unemployment statistics soared, stock market prices plummeted and on the outskirts of cities, there began appearing “Hooverilles” – shanties²⁸ for people without jobs, hope, or food, except for soups ladled out by of the American Salvation Army.

Hoover tried to stymie²⁹ the fall by increasing public works spending to \$434 million – an enormous sum for the period – but it was far from enough to turn the economy around. A staunch³⁰ believer in the market's ability to correct itself, Hoover, in the judgment of one government's economic adviser, “could not grasp or would not face the grim realities that called for deviations from principles and practices that he deemed essential to American greatness and freedom.”

The era was buried by the polls. In the 1930 congressional elections, Democrats made substantial gains, and two years later, Hoover lost his bid for reelection by more than seven million votes.

On March 4, 1933, he silently attended the inauguration of President-elect Franklin Delano Roosevelt.³¹ “The 1920s were over,” wrote Miller. “America stood on the brink of a new world.”

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27. A tariff is a tax to be paid on specific imports or exports.
28. Small, crudely built shacks
29. **Stymie** (*verb*): to prevent or hinder the progress of
30. **Staunch** (*adjective*): loyal and committed in attitude
31. Franklin Delano Roosevelt (1882-1945), or FDR, served as the 32nd President of the United States from 1933 until his death in 1945. Due to extreme political and economic crises, as well as active wartime, FDR won an unheard of four U.S. presidential elections. He led the United States during the Great Depression and WWII.

Text-Dependent Questions

Directions: For the following questions, choose the best answer or respond in complete sentences.

1. PART A: Which of the following statements best describes a central idea of the text?
 - A. Capitalism is to blame for the Great Depression and the end of the Roaring Twenties because this economic system only benefits wealthy people.
 - B. Americans were more consumed with entertainment and reckless behavior in the 1920s, allowing the government to make bad decisions.
 - C. Americans were indulging in excess and deregulation during the 1920s, unaware this would contribute to an economic crisis.
 - D. Hoover's progressive policies were not enough to undo much of the damage that was done during the Harding and Coolidge administrations.

2. PART B: Which detail from the text best supports the answer to Part A?
 - A. "It was a period when they reveled in the high jinks of what the period's historian Nathan Miller called an 'era of wonderful nonsense'" (Paragraph 1)
 - B. "In no mood to worry whether the good times will last, Americans were happily spending money they had had to save because of wartime shortages" (Paragraph 7)
 - C. "'The only trouble with capitalism is capitalists,' he complained. 'They're too damn greedy.'" (Paragraph 18)
 - D. "Hoover tried to stymie the fall by increasing public works spending to \$434 million – an enormous sum for the period" (Paragraph 21)

3. What connection does the author draw between government leaders and the Great Depression?
 - A. Despite his many efforts, Hoover was unable to undo the effects of Harding's and Coolidge's deregulation of financial practices.
 - B. Capitalists ignored Harding's and Coolidge's recommendations for regulating the economy so they stopped intervening.
 - C. Hoover was not aware of the debt and greed of capitalists and did not know how to successfully prevent an economic crisis.
 - D. Even though Hoover predicted that debt would cause difficulties for America's economy, he did not believe it would end America's prosperity.

4. According to the text, how do the Roaring Twenties develop over time? Cite evidence from the text to support your answer.

5. How does paragraph 14 contribute to the development of ideas in the text?
