Pop Culture
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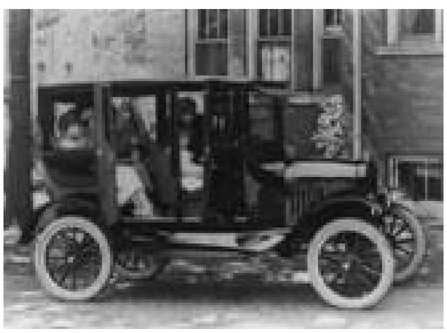
HOMEWORK: Historical Overview of the 1920s & 1930s

Although the 1920s are often remembered an era of unprecedented prosperity, the decade began with the nation gripped in a serious economic recession. After the end of World War I, industrial productivity declined, unemployment rose, and consumer spending dwindled. The sluggish economy rebounded in 1922, due in part to the manufacturing industries that produced automobiles, radios, and other consumer goods. Throughout the rest of the decade, industrial production nearly doubled.

Atwater Kent one of the largest radio manufactures of the time, stands by a radio while others listen in the Hamilton Hotel, Washington, D.C., ca. 1920.

The Dawn of Credit Culture

Purchasing merchandise on credit lost its stigma as millions of Americans bought big-ticket items, such as cars, furniture, pianos, and radios on credit. Modern advertising, a nearly $3 billion-a-year business by 1929, encouraged shoppers to purchase newly invented products or ones that previously seemed unnecessary, including vacuum cleaners, electric razors, canned soup, mouthwash, and deodorant. Rising rates of mass production and consumer sales propelled the American economy into a spectacular period of prosperity.



Not all Americans reaped the benefits of the booming economy. The nation's farmers, textile workers, and coal miners did not generally share in the prosperity of the 1920s. Neither did railroad and streetcar employees, since revenues generated by these forms of transportation declined with the widespread ownership of automobiles. Many small merchants lost business or were driven into bankruptcy by the rise of chain grocery stores, drugstores, and department stores. Nevertheless, the overall standard of living rose for most Americans, as salaries and wages increased in many occupations, and the length of the average workweek shortened.

With more income, more leisure time, and easier access to transportation, Americans looked for new ways to enjoy themselves. From the expansion of the film industry, to the increasing circulation of consumer magazines, to the jazz and dance crazes, Americans, particularly young people, spent more and played more in the 1920s than ever before.

Prohibition

On January 16, 1920, the Eighteenth Amendment to the U.S. Constitution went into effect instituting National Prohibition. The amendment, which had been passed and ratified in 1919, prohibited, "the manufacture, sale, or transportation of intoxicating liquors."

Although beer, wine, and spirits became more difficult to obtain during Prohibition, and many people did drink less, Americans could still usually obtain liquor. Illicit bars called speakeasies sprang up in cities and towns across America, and moonshiners (producers of homemade distilled spirits), rum-runners (alcohol smugglers), and bootleggers (alcohol distributors) quickly found a lucrative market. The cost of liquor skyrocketed—drinks that once cost a nickel before Prohibition could cost 50 cents or more.

Bootleggers frequently adulterated genuine scotch, rye, and gin by diluting them with water and adding coloring, flavoring, and more alcohol. As a result, cocktails became popular during the 1920s, as drinkers used ginger ale, tonic water, or fruit juices to mask the unpleasant taste of low-grade liquor. Cocktail parties also became fashionable during Prohibition, since hosts could serve alcohol in their homes without much fear of being raided by Prohibition agents.

Prohibition laws led to a dramatic rise in the scope and scale of organized crime, motivating powerful gangsters, including George Remus in Cincinnati, Al "Scarface" Capone in Chicago, and Salvatore "Lucky" Luciano in New York, to exploit bootlegging as a new and lucrative business.

Women's Suffrage
In 1920, the Nineteenth Amendment was ratified, guaranteeing women the right to vote. After the passage of the suffrage amendment, the women's movement, whose diverse factions had united behind this common cause, once again splintered into dozens of political camps.

One major divisive issue was the proposed Equal Rights Amendment (ERA), introduced in Congress in 1923, which read, "Men and woman shall have equal rights throughout the United States and every place subject to its jurisdiction." Members of the National Women's Party (NWP) and other feminist groups believed that the ERA logically extended the political rights granted to women by the Nineteenth Amendment. Opponents feared that the amendment would endanger or prohibit legislation specially designed to protect and assist women. Although the ERA was reintroduced in Congress three times in the 1920s, it never made it out of committee.

Technology and Prosperity
The 1920s saw the rapid development of new technologies. By 1928, approximately 17 million homes—out of about 27 million homes—were wired for electricity. Telephone ownership increased from 14.3 million in 1922 to 20.3 million in 1930. Increased technology meant increased household spending as Americans began purchasing, sometimes on credit, "necessities" that had not been available only a few years earlier.

Consumerism drove production and profits. With technology advancing so rapidly and Americans racing to keep up by buying the latest gadgets seemingly as fast as they appeared in catalogues and on store shelves, it seemed that the economy was destined to keep expanding indefinitely.

When Herbert Hoover was elected president of the United States in 1928, the country appeared to have a bright future. Part of this optimism came from the astounding rise in the stock market. Stocks had been trading well above their market value, and investors had been purchasing these inflated stocks "on margin," providing a minimal down payment—sometimes as little as 10%—and then borrowing the rest of the money at high interest rates. The loan, in theory, would be paid back out of the profits from the stock, whose value, people believed, would never stop rising.

Indeed, the market value of all stocks, which stood at about $27 billion in 1925, had climbed to $87 billion by 1929. The stock market seemed like the perfect place to make easy money, and even middle-class Americans began to speculate on Wall Street.

The Crash
But on October 24, 1929—"Black Thursday"—the stock market collapsed. Orders to sell poured into the New York Stock Exchange, and stock prices plummeted. Panicked brokers began calling in their customers' debts, which led to more sell orders. Some stocks, which found no buyers at any price, became worthless. The worst was yet to come.

Five days later, on October 29, so-called "Black Tuesday," a record 16 million shares of stock traded hands. By

November, $30 billion in stock values had vanished. Companies were wiped out, banks were drained, and investors saw their life savings disappear.

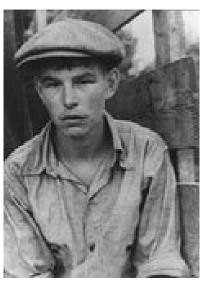
Many factors caused this devastating stock market crash. The economy appeared healthy, but in fact industrial production far outpaced consumer demand and inventory was accumulating in warehouses. Overseas markets for American-made products had dwindled as a result of a severe depression in postwar Europe, and many American businesses were buried in debt.

A discrepancy in income growth was another contributing factor in the crash. Affluent Americans had experienced enormous increases in wealth during the 1910s, while middle-class salaries grew only modestly and working-class Americans saw their paychecks grow at a much slower rate. Though large segments of the population, primarily farmers, textile workers, and coal miners, lacked sufficient income to meet their basic needs, 60% of the nation's wealth lay in the hands of just 2% of the American people.

The stock market crash did not directly cause the Great Depression, but it did accelerate the collapse of an already unstable economy, resulting in the onset of the worst economic crisis in American history. "Black Tuesday" marked the end of the prosperous and flamboyant Jazz Age and the beginning of a new era in American history, the Great Depression.

The Great Depression

The Great Depression defined American life for a generation. National income fell 50%. Economic challenges led to rising divorce and separation rates. Couples postponed marriage or lived with their parents or friends. Fewer children were born, and the size of the typical American family shrank as a more liberal attitude towards birth control developed.



By 1932, 20% of U.S. workers were unemployed. Others were underemployed. The shame of unemployment drove many from their spouses, and child neglect became a problem. For older children, there was a silver lining: they stayed in school longer, continuing their educations instead of hunting for nonexistent jobs.

Construction of new housing dropped 95% between 1928 and 1933. Housing prices declined, wiping out holdings and equity. The middle class was hit particularly hard and had its first experience with poverty, struggling to hold on to their homes. By 1933, half of all home mortgages stood technically in default. Unable to pay rent or maintain mortgages, more and more people lost their homes.

President Franklin D. Roosevelt worked to combat the economic crisis with his New Deal, which included federal assistance programs and public works projects. However, Roosevelt could not seem to cure the nation's economic ills.

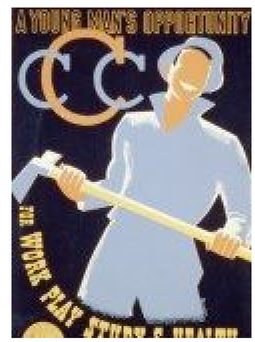
Rural and Urban Hardships

Throughout the Depression, U.S. agriculture had the most difficulty among all industrial sectors. Small family-owned farms faced the greatest threat. Agricultural income dropped 50%, resulting in farms being abandoned or lost to banks. People left their own properties and turned to sharecropping and tenant farming. Adding to farmers' woes, severe droughts led to the Dust Bowl as rural land in the Great Plains dried up and turned into a fine dust.

People in cities faced the crisis in a more visible way. Unable to afford food, many city dwellers waited in a bread lines. Run primarily by charitable organizations, soup kitchens attracted long lines of hungry people. Many individuals and families went to bed hungry each night.

By 1932, 40 million Americans, urban and rural, knew poverty to some degree. Necessity required husbands to allow their spouses to work, suppressing old prejudices about working women. Often, the only jobs available were clerical and domestic ones, occupations traditionally held by women. A shift in employment patterns occurred, with the percentage of men in the workforce declining as the number of women taking jobs increased. But there was a price to pay: social ills like juvenile delinquency were laid at the feet of working mothers.

Race also factored in employment status. The existing inequality between blacks and whites worsened during the Depression. Skilled black workers' wages fell much faster than those of white employees. The National Recovery Administration (NRA) was a government agency established to provide aid to the needy, but its rules contained a grandfather clause that allowed wage discrepancies based on past money earned. Because black workers had earned less than white workers for doing the same work for years, black sharecroppers and tenant farmers in the South received some 70% less in relief payments than white farmers, a situation that often forced them off the land entirely.



Works Progress Administration

In addition to assistance, government programs like the NRA and the Works Progress Administration (WPA) provided jobs for the unemployed on a variety of public projects. Whether it was pouring concrete in a large city or building a highway through mountainous terrain, 20% of the total workforce labored in some capacity in these organizations' programs.

Media and Popular Culture

Throughout the 1930s, popular culture offered an escape from unpleasant realities. Roosevelt mastered the news media more than any president before him, and his Fireside Chats on national radio drew larger audiences than the top-rated network shows. An average of 60–75 million people went to the movies each week, more than 60% of the total population.

Source: Batchelor, Bob. "Introduction to the 1920s (Overview)." AND "The 1930s." *Pop Culture Universe: Icons, Idols, Ideas*. ABC-CLIO, 2018. Accessed 26 Sept. 2018.