

# The Economy of the 1920s

**Boom to Bust**

# Post WWI Economy



After WWI, there was a brief economic recession (a temporary slowdown in spending, decline in growth)

- Europe was rebuilding
- Markets and factories were changing over from wartime production to peacetime
- Unemployment rates briefly went up as soldiers returned home to their jobs and displaced wartime workers
- No government aid given (remember the belief in laissez-faire was strong at this time!)

However, by the early 1920s, the economy and the nation had recovered.

# 1920s Optimism

Americans in the 1920s were feeling optimistic about life.

This was due to:

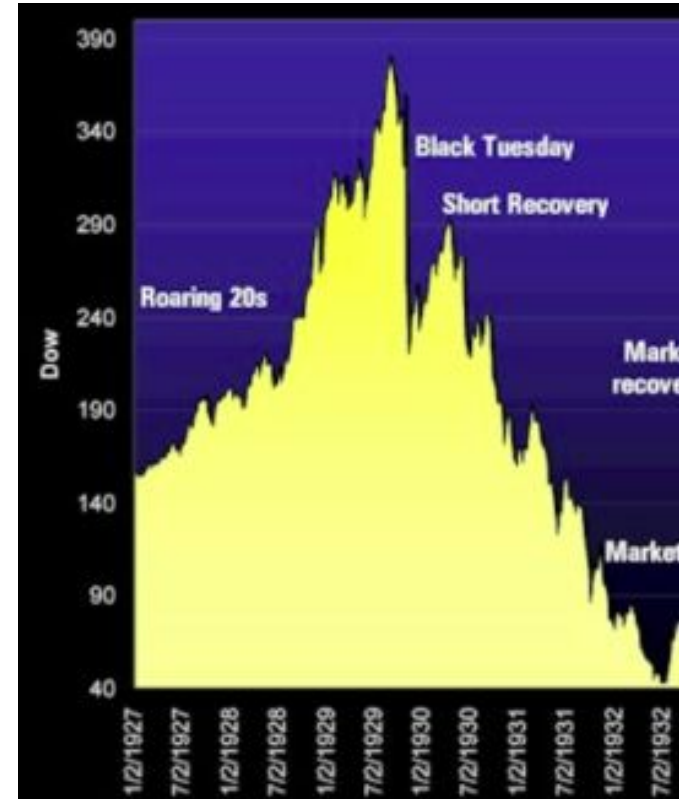
- the return of peacetime
- rising health & longer life expectancy of Americans
- economic growth
- new inventions



# Economic Growth in the 1920s

The happy mood of the 1920s was encouraged by the economy.

- National income (the amount that people earned) grew over 20% between 1919-1929
- The market value of stocks (the total value of stocks sold) soared from \$27 billion in 1925 to \$87 billion by October 1929
- Real wages (what you can actually afford to buy with your money) also increased more than 40%. People therefore were able to get more for their money than they could just 10 years before.



# Wealth Disparity - keep this in mind for later...

In spite of the economic optimism, the nation's wealth was not distributed evenly:

- There was a big divide between urban/corporate vs. rural/agricultural.
- In 1929, 71% of the population had incomes less than \$2500 per year. (To put that in perspective, that's the equivalent of earning \$36,000 in 2017 dollars. The federal poverty line today is set at \$28,000 for a family of 5.)
- The top 1% of Americans had as much wealth as the next 42% of the families. (This was in part due to the consolidation of big businesses and decline of small business that happened in the Industrial Era.)



# Rise in Consumerism

- By the 1920s, much of America's wealth was generated through the manufacturing & sale of consumer goods.
- CONSUMERISM:
  - the belief that buying products is good for the economy
  - the obsession in society with buying/owning consumer goods
- In the early years of the decade, America became a consumer-driven society.  
Why?
  - With the economic boom came higher wages and a desire to spend them.
  - People wanted a taste of the “good life” after the hardships of the previous decade (WWI).
  - Inventions like the car, vacuum, radio, washing machine, electric sewing machine, etc. became “must haves.”

# Creation of a Consumer Society



- Thanks to rising incomes & credit, more people could afford products like washing machines, radios, cars, etc..
  - By 1929, **1/4** of all families had vacuum cleaners and **1/5** had toasters.
- New scientific developments made life easier.
  - In 1919, 1/6 of all Americans lived in homes with electricity. By 1929, however, 2/3 of all Americans live in homes with electricity.
- Millions of new industries were created to build things, which by extension opened up new job opportunities and led to an even greater increase in wages.
- The **assembly line** also helped speed up the process of making consumer goods.

# Growth of Credit

- In the 1920s, there was also an increase in buying thanks to the existence of credit or installment buying.
- This allowed millions of Americans to buy products without having to pay in cash, in full. Consumption/buying therefore was no longer isolated to the rich in the '20s.
  - **UPSIDE:** more people could buy fun things (Yay, cars!)
  - **DOWNSIDE:** a big increase in personal debt





# Mass Culture

- In the Industrial Age, the lives of the working class differed drastically from the lives of the wealthy. Those who lived in the country had an entirely different existence than those who lived in the city.



# Mass Culture (cont.)



- By the 1920s, these lines had blurred.
  - More people were moving from the country to the city.
  - Inventions like the radio and car were helping to break down geographical barriers.
  - Wealth was no longer a prerequisite to buy products.
- All Americans began to participate in and be exposed to the same culture.
- America developed a **mass culture**, or a shared group culture.
  - The radio, automobile and rising income enabled all Americans in the 1920s to access the same products, listen to the same sporting events, buy the same products, etc..

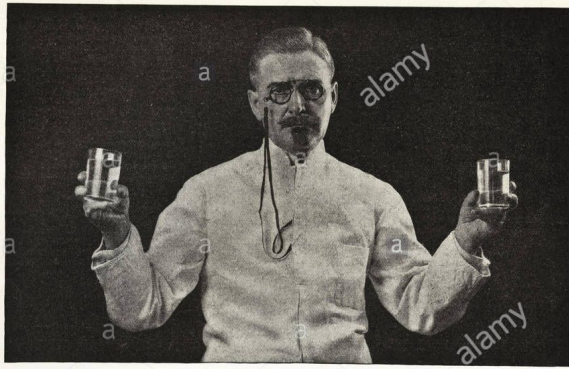
# Advertising to the Rescue!



America's mass culture was also spread by advertising.

## WHY?

- Well, once you have new buyers, with endless lines of credit and a desire to have fun new toys, you get a need to sell them things and advertising helps with that!
- With hundreds of new products being invented daily, companies needed to market & explain them to consumers.



## What Do You Know About Water?

Do you give any thought to the *water* you drink? Do you drink only the *purest* water obtainable?

"Wait," you say, "the public water in my home is pure. It must be pure—see how clear it looks—how good it tastes!"

That's just the trouble—much public water looks and tastes pure, hence most people think it *is* pure. Physicians and other scientific men know that bad water may often be colorless, clear, of brilliant lustre, free from smell or taste, and yet full of germs!

Drinking water that comes from lakes or rivers not only contains considerable mineral salts, but also the soluble elements of animal and vegetable matter. Filtration or other treatment cannot possibly free it from all of these impurities. Such water, therefore, fails to function properly in flushing poisonous wastes from the human system.



Write for free booklet, "The Story of Paradise Spring," and names of dealers who handle Paradise Water in your city.

PARADISE SPRING COMPANY, BRUNSWICK, MAINE

# PARADISE WATER

1920s  
Advertising

VS



21st Century  
Advertising

# **1920s Advertisement Worksheet**

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# 1920s Advertising

remember:  
this macaroni can be used  
every day, like potatoes

Here is a delicious macaroni that blends with even more flavors than do potatoes. Mushrooms, oysters, lamb, bacon, sausages—Beech-Nut Macaroni could justly be called "the macaroni of a hundred flavors".

It's a real everyday food. Delicious in flavor, it makes everything else delicious. Tender as can be, yet it will not become pasty, for Beech-Nut Macaroni is made only from genuine semolina of the hardest durum wheat.

New "Beech-Nut Book" ready, with recipes for quickly-cooked meals. Glad to send you one.



**Beech-Nut**  
Macaroni and Spaghetti



BEECH-NUT PACKING COMPANY, Canajoharie, N. Y.



2435 official delegates to the big political conventions will meet in Chicago this July, but millions of "davenport delegates" will go to convention, too—on radio and television. Get set now for the whole exciting campaign with a new RCA Victor receiver.

The 17-inch Colby, Super Set quality at a new low price. Compact table model has deep maroon cabinet. Model 17T156, \$229.95.

Be a "davenport delegate" to the conventions...with

## RCA VICTOR

New TELEVISION  
Super Sets with "Picture Power"

On the first ballot you'll cast your vote for television's all-time winner! Yes, every year since television was introduced more families have demanded and bought RCA Victor than any other make!

Top performance—now! City or country, you get the clearest, strongest pictures possible. Here's why:

- A reserve of power—"PICTURE POWER"—goes into action automatically when it's needed.
- Television's first double-tuned tuner and a completely shielded chassis screen out interference. Peace at yours!

With a built-in future! Easily adapted for UHF without sacrificing reception from existing stations.

"Golden Throat" tone system! 3-way tone control and phono-jack for attaching record changer.

Authentic styling! Generous, well-proportioned cabinets in all the latest "decorator" finishes.

No "extras" to pay! Price includes Federal Tax and full-year picture tube warranty. And, there's no extra charge for the favorite—mahogany finish.

New RADIO  
with the "Golden Throat"



Pick a sure winner—the RCA Victor Blaine, a powerful table radio with the rich, full tone of the famous "Golden Throat" tone system. Smart, compact plastic cabinet in seven colors. Model 1X21, in maroon, \$29.95. (Also available in antique ivory, laurel green, coffee tan, slate blue, wine red or colonial white, \$24.95.)



Nationwide Factory Service! RCA's own Service Company with its own factory-trained employees offers the most dependable installation and service in the television industry, and only RCA Victor owners can buy it.

"Face for" perfect weather with an RCA Room Air Conditioner. Picture shows an optional dual picture method in change without service and the RCA Picture Perfect Guard, the best picture guard on the market today.

Follow your favorite candidates on the 21-inch Meredith Family-size television at a price to fit the family budget. Has contemporary styling, a built-in antenna like all wood cabinet Super Sets, Model 21T165, \$399.95.

**RCA VICTOR**



WORLD LEADER IN RADIO... FIRST IN RECORDED MUSIC... FIRST IN TELEVISION

# Fat Men!

This new self-massaging belt not only makes you look thinner INSTANTLY—but quickly takes off rolls of excess fat.

DIET is weakening—drugs are dangerous—strenuous reducing exercises are liable to strain your heart. The only safe method of reducing is massage. This method sets up a vigorous circulation that seems to melt away the surplus fat. The Well Reducing Belt made of special reducing rubber, produces exactly the same results as a skilled masseur, only quicker and cheaper. Every move you make causes the Well Belt to gently massage your abdomen. Results are rapid because this belt works for you every second.

**Fat Replaced by Normal Tissue**  
From 4 to 6 inches of flabby fat usually vanish in just a few weeks. Only solid, normal tissue remains. The Well Reducing Belt is endorsed by physicians because it not only takes off fat, but helps correct stomach disorders, constipation, backache, shortness of breath and puts sagging internal organs back into place.

### Special 10-Day Trial Offer

Send no money. Write for detailed description and testimonials from delighted users. Write at once, Special 10-day trial offer. The Well Co., 1010 Hill Street, New Haven, Connecticut.

#### The Well Company

1010 Hill Street, New Haven, Conn.  
Gentlemen: Please send me complete description of the Well Scientific Reducing Belt, and also your Special 10-Day Trial Offer.

Name.....  
Address.....  
City..... State.....

# WASH AWAY FAT AND YEARS OF AGE

## With La-Mar Reducing Soap



The new discovery. Results quick and amazing—nothing internal to take. Reduce any part of body desired without affecting other parts. No dieting or exercising. Be as slim as you wish. Acts like magic in reducing double chin, abdomen, ungainly wrists, arms and shoulders, large busts, or any superfluous fat on body. Sold direct to you by mail, post paid, on a money-back guarantee. Price 2/- a cake or three cakes for 4/-; one to three cakes usually accomplish the purpose. Send

postal or money order to-day. Surprising results. **LA-MAR LABORATORIES, Ltd., 48, Rupert Street (110L), London, W.1.**

# CURVES OF YOUTH

will be yours if you will

*"Pull the Cords"*



Gives the  
Flesh the  
Resiliency  
and  
Freshness  
of  
Youth

PROF.  
MACK'S

## Chin Reducer and Beautifier

Prevents  
Double  
Chins

Effaces  
Double  
Chins

Reduces  
Enlarged  
Glands

The only mechanism producing a concentrated, continuous massage of the chin and neck, dispelling flabbiness of the neck and throat, restoring a rounded contour to thin, scrawny necks and faces, bringing a natural, healthy color to the cheeks, effacing lines and wrinkles. Price only \$10. What better investment could be made? Sent postpaid immediately.

### Free Booklet

—giving valuable information on how to treat double chin and enhance facial beauty will be sent on request. Write at once to

## Prof. Eugene Mack

507 Fifth Ave. Suite 1004 New York

"I light a Lucky and go  
light on the sweets

That's how I keep in good  
shape and always feel peppy."

*Al Johnson*  
Al Johnson,  
Famous comedian  
and star of song

**S**OMETHING sensible.  
S "Better to light a Lucky  
whenever you crave fattening  
sweets." It brings to men the  
health and vigor that come  
with avoiding overweight. To  
women it offers a slender, fash-  
ionable figure. And all it means  
is a few puffs of a Lucky Strike  
when you crave fattening sweets.

20,679 physicians have stated  
that Lucky Strike is less irritat-  
ing to the throat than other  
cigarettes. Very likely this is  
due to toasting which removes  
impurities. This same process,  
toasting, improves and develops  
the flavor of the world's finest  
tobaccoes. This means that there  
is a flavor in Luckies which is  
a delightful alternative for the  
things that make you fat. That's  
why "It's Toasted" is your  
assurance that there's real  
health in Luckies—they're good  
for you!

Keep fit—reach for a Lucky  
instead of a sweet. That's what  
many men have been doing for  
years. They know the evidence  
of prominent athletes whose  
favorite cigarette is Lucky Strike  
and who say Luckies do not  
harm the wind nor impair the  
physical condition.

A reasonable proportion of  
sugar in the diet is recommend-  
ed, but the authorities are over-  
whelming that too many fat-  
tening sweets are harmful and  
that too many such are eaten  
by the American people. So, for  
moderation's sake we say:—

"REACH FOR A Lucky  
INSTEAD OF A SWEET."



"It's toasted"

No Throat Irritation—No Cough.

For a better start in life  
start COLA earlier!

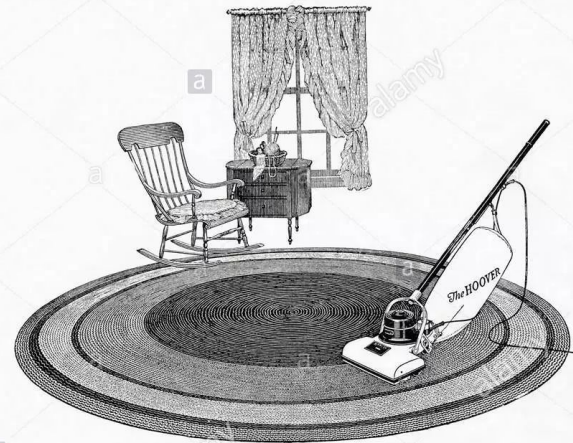


How soon is too soon?

Not soon enough. Laboratory tests over the last few years  
have proven that babies who start drinking soda during that  
early formative period have a much higher chance of gaining  
acceptance and "fitting in" during those awkward pre-teen  
and teen years. So, do yourself a favor. Do your child a favor.  
Start them on a strict regimen of sodas and other sugary  
carbonated beverages right now, for a lifetime of guaranteed  
happiness.

The Soda Pop Board of America  
1515 W. Hart Ave. - Chicago, ILL.

- Promotes Active Lifestyle!
- Boosts Personality!
- Gives body essential sugars!



"Servant to the Home"

For all the ages man has monopolised  
Science. Always the male has bent inven-  
tion to his purposes, to make easier his  
work; and woman, the worker in the  
home, has toiled with implements that have  
changed not from the days of Pharaoh—  
labour-wasting, inefficient.

So, to the woman it serves, the Hoover  
is far more than a labour-saving device.  
To her it means recognition of her needs.  
Invention, so long a servant to man's  
activities, has at last produced a "Servant  
to the Home."

And the Hoover replaces the most in-  
adequate of all her tools, the dust-stirring,  
ineffectual broom. It simplifies her most  
difficult household task, the thorough  
cleaning of carpets. In one easy, rapid

operation, the Hoover *beats* out all the  
perm-harboring dirt and destructive, em-  
bedded grit from her carpets, sweeps them  
electrically, and cleans by air suction.

And because it cleans dustlessly, the Hoover  
has realised for her the joy and pride of  
an ever clean home.

Today the Hoover comes to you in a new,  
improved model. Lighter, made even more  
durable, this new Hoover will more than  
ever justify its description of "Servant to  
the Home."

Only £3. 19s. down and 31s. a month for  
a short time pays for the Hoover while you  
use it. There is also a larger model for  
hotels, clubs, offices and large residences.  
Write for illustrated booklet and names of  
nearest Hoover dealers.

Hoover, Limited, 288, Regent Street, London, W. 1,  
and at Birmingham, Manchester, Leeds and Glasgow

The HOOVER  
It BEATS.... as it Sweeps as it Cleans



# YOU CAN AFFORD IT

THE AUTO-MAID is a Cleaner that has been tested, proved and accepted as a necessity by every Modern Housewife. It is very light on current, and the most delicate fabrics can be effectively freed from dust without injury. Owing to our economies in selling, we are able to offer these new De Luxe Models at a price to suit your pockets.

NEW DE LUXE MODEL  
CASH PRICE

## £7-7-0 Complete

or Deferred Terms can be arranged. On receipt of £1:1:0 we will forward Machine to your address, when your payments will be seven monthly instalments of £1:1:0 each, making £8:8:0 in all.

# AUTO MAID

**ELECTRIC  
VACUUM  
CLEANER**

A FULL TWELVE MONTHS' WRITTEN GUARANTEE IS GIVEN WITH EVERY CLEANER.

Should any machine require attention after this period, SPARE PARTS ARE KEPT IN STOCK.



Write Now:

**MOORE & CO.,**  
51 ST. PAUL'S STREET, LEEDS, YORKS  
Also 53 CLYDE PLACE, GLASGOW

C00Y1X Alamy Images



## CONCEIVED IN PARIS ... Acclaimed by Smart America

**Top 1000**  
This hat comes with a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Now, Kinky Crown**  
\$2.95  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**A Hat That Serves a Double Purpose**  
\$2.25  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Felt-Covered Embroidered**  
\$2.98  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Valvet and Felt**  
\$3.49  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Paris Combline**  
\$3.49  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Bright Metal Line**  
\$2.39  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Paris to remember**  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Paris to remember**  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Even, Such Delicate and Dainty**  
\$2.98  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Monthly Tailored Felt**  
\$2.59  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Large models have such a mass flapping effect when placed directly over a crowned crown and the crown is absent from a French model with a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.**

**Garish Adds Sophistication**  
\$2.95  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Other-Pare Lines Have Dignity**  
\$3.49  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Paris to remember**  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.

**Paris to remember**  
This hat has a wide brim and a high crown, and is an ideal gift for the woman who has a taste for the latest in fashion.



for Economical Transportation



©30 HANPEN

### Easy to Drive

Easy to start—easy to steer—light pedal action—easy to shift gears—easy to ride in—easy to stop.

- Touring—\$525
- Roadster—\$525
- Coupe—\$715
- Coach—\$735
- Sedan—\$825
- Commercial Chassis—\$425
- Express—\$550
- Traffic Coach—\$550

CHEVROLET MOTOR COMPANY, DETROIT, MICHIGAN  
DIVISION OF GENERAL MOTORS CORPORATION

QUALITY AT LOW COST

Heart America

# A Girl's Greatest Asset



"Mum" is the word!  
Something men never speak about  
that every girl should know

Popularity is what others think of us. No matter how satisfied we may be with our preparations for the dance, theatre, card party, *the real test comes when we go among others.*

A girl can be popular without being beautiful; popular without being the most charming or the best dressed. *But no girl can be popular if she is careless about daintiness.*

Daintiness is a girl's greatest asset. No man will ever tell her if she is careless about it. Even girl friends hesitate to tell each other.

You may say, "Yes, but everyone perspires." That is true. You cannot help perspiring, *but you can prevent the odor.*

"Mum" is the word! "Mum" takes all odor out of perspiration. This dainty snow-white cream, applied to the underarm and elsewhere in the morning—then all day and evening you are free from the embarrassment of body odors.

Every woman needs "Mum." Frequent bathing is not enough. Powders and perfumes cannot prevent perspiration's odor. You need this simple precaution—"Mum"—to prevent body odors.

"Mum" is safe—its general use with the sanitary pack is evidence enough of its perfect harmlessness.

Get "Mum" today. 25c and 50c—the 50c jar contains about 3 times as much.

**Special Offer:** To get you to use our "Amoray" Talc—*with the fragrance that lasts all day*—we will send both "Mum," 25c, and "Amoray" Talc—"Powder Perfume," 25c—50c worth for 40c. Use THE COUPON.

Mum Mfg. Co., 1200 Chestnut St., Philadelphia, Pa. Feb. 1924  
Patented in U.S. and other countries. © "Mum" and © "Amoray" are  
© Special Offer, 100 "Mum" and 100 "Amoray" Talc, are permitted.

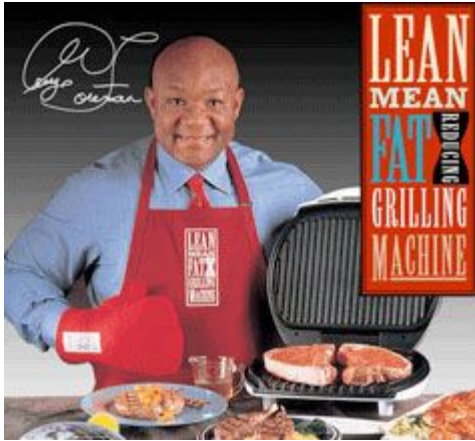
Name \_\_\_\_\_  
Address \_\_\_\_\_  
Dealer's Name \_\_\_\_\_  
Dealer's Address \_\_\_\_\_



This is the new full size of "Mum"—it contains almost 3 times as much as the 25c jar.

Look familiar?

AS SEEN ON  
**TV**



# 1920s Advertising

What generalizations can we make about 1920s advertising? (social/cultural values, desire for a product, demand, messages about beauty, wealth, etc.)