American Life in the “Roaring Twenties”

1919–1929

America’s present need is not heroics but healing; not nostrums but normalcy; not revolution but restoration; . . . not surgery but serenity.

WARREN G. HARDING, 1920

Bloodied by the war and disillusioned by the peace, Americans turned inward in the 1920s. Shunning diplomatic commitments to foreign countries, they also denounced “radical” foreign ideas, condemned “un-American” lifestyles, and clanged shut the immigration gates against foreign peoples. They partly sealed off the domestic economy from the rest of the world and plunged headlong into a dizzying decade of homegrown prosperity.

The boom of the golden twenties showered genuine benefits on Americans, as incomes and living standards rose for many. But there seemed to be something incredible about it all, even as people sang,

My sister she works in the laundry,
My father sells bootlegger gin,
My mother she takes in the washing,
My God! how the money rolls in!

New technologies, new consumer products, and new forms of leisure and entertainment made the twenties roar. Yet just beneath the surface lurked widespread anxieties about the future and fears that America was losing sight of its traditional ways.

Seeing Red

Hysterical fears of red Russia continued to color American thinking for several years after the Bolshevik revolution of 1917, which spawned a tiny Communist party in America. Tensions were heightened by an epidemic of strikes that convulsed the Republic at war’s end, many of them the result of high prices and frustrated union-organizing drives. Upstanding Americans jumped to the conclusion that labor troubles were fomented by bomb-and-
whisker Bolsheviks. A general strike in Seattle in 1919, though modest in its demands and orderly in its methods, prompted a call from the mayor for federal troops to head off “the anarchy of Russia.” Fire-and-brimstone evangelist Billy Sunday struck a responsive chord when he described a Bolshevik as “a guy with a face like a porcupine and a breath that would scare a pole cat. . . . If I had my way, I’d fill the jails so full of them that their feet would stick out the window.”

The big “red scare” of 1919–1920 resulted in a nationwide crusade against left-wingers whose Americanism was suspect. Attorney General A. Mitchell Palmer, who “saw red” too easily, earned the title of the “Fighting Quaker” by his excess of zeal in rounding up suspects. They ultimately totaled about six thousand. This drive to root out radicals was redoubled in June 1919, when a bomb shattered both the nerves and the Washington home of Palmer. The “Fighting Quaker” was thereupon dubbed the “Quaking Fighter.”

Other events highlighted the red scare. Late in December 1919, a shipload of 249 alleged alien radicals was deported on the Buford (“Soviet Ark”) to the “workers’ paradise” of Russia. One zealot cried, “My motto for the Reds is S.O.S.—ship or shoot.” Hysteria was temporarily revived in September 1920, when a still-unexplained bomb blast on Wall Street killed thirty-eight people and wounded several hundred others.

Various states joined the pack in the outcry against radicals. In 1919–1920 a number of legislatures, reflecting the anxiety of “solid” citizens, passed criminal syndicalism laws. These antired statutes, some of which were born of the war, made unlawful the mere advocacy of violence to secure social change. Critics protested that mere words were not criminal deeds, that there was a great gulf between throwing fits and throwing bombs, and that “free screech” was for the nasty as well as the nice. Violence was done to traditional American concepts of free speech as IWW members and other radicals were vigorously prosecuted. The hysteria went so far that in 1920 five members of the New York legislature, all lawfully elected, were denied their seats simply because they were Socialists.

The red scare was a godsend to conservative businessmen, who used it to break the backs of the fledgling unions. Labor’s call for the “closed,” or all-union, shop was denounced as “Sovietism in disguise.” Employers, in turn, hailed their own antiunion campaign for the “open” shop as “the American plan.”

Antiredism and antiforeignism were reflected in a notorious case regarded by liberals as a “judicial lynching.” Nicola Sacco, a shoe-factory worker, and Bartolomeo Vanzetti, a fish peddler, were convicted in 1921 of the murder of a Massachusetts paymaster and his guard. The jury and judge were prejudiced

An author-soldier (Guy Empey) applauded the “deportation delirium” when he wrote, “I believe we should place them [the reds] all on a ship of stone, with sails of lead, and that their first stopping place should be hell.”
in some degree against the defendants because they were Italians, atheists, anarchists, and draft dodgers. Liberals and radicals the world over rallied to the defense of the two aliens doomed to die. The case dragged on for six years until 1927, when the condemned men were electrocuted. Communists and other radicals were thus presented with two martyrs in the “class struggle,” while many American liberals hung their heads. The evidence against the accused, though damaging, betrayed serious weaknesses. If the trial had been held in an atmosphere less charged with antiredism, the outcome might well have been only a prison term.

**Hooded Hoodlums of the KKK**

A new Ku Klux Klan, spawned by the postwar reaction, mushroomed fearsomely in the early 1920s. Despite the familiar sheets and hoods, it more closely resembled the antiforeign “nativist” movements of the 1850s than the antiblack nightriders of the 1860s. It was antiforeign, anti-Catholic, antiblack, anti-Jewish, antipacifist, anti-Communist, anti-internationalist, antievolutionist, antibootlegger, antigambling, antiadultery, and anti–birth control. It was also pro-Anglo-Saxon, pro-“native” American, and pro-Protestant. In short, the besheeted Klan betokened an extremist, ultraconservative uprising against many of the forces of diversity and modernity that were transforming American culture.

As reconstituted, the Klan spread with astonishing rapidity, especially in the Midwest and the “Bible Belt” South. At its peak in the mid-1920s, it claimed about 5 million dues-paying members and wielded potent political influence. It capitalized on the typically American love of on-the-edge adventure and in-group camaraderie, to say nothing of the adolescent ardor for secret ritual. “Knights of the Invisible Empire” included among their officials Imperial Wizards, Grand Goblins, King Kleagles, and other horrendous “kreatures.” The most impressive displays were “konclaves” and huge flag-waving parades. The chief warning was the blazing cross. The principal weapon was the bloodied lash, supplemented by tar and feathers. Rallying songs were “The Fiery Cross on High,” “One Hundred Percent American,” and “The Ku Klux Klan and the Pope” (against kissing the Pope’s toe). One brutal slogan was “Kill the Kikes, Koons, and Katholics.”

This reign of hooded horror, so repulsive to the best American ideals, collapsed rather suddenly in the late 1920s. Decent people at last recoiled from the orgy of ribboned flesh and terrorism, while scandalous embezzling by Klan officials launched a congressional investigation. The bubble was punctured when the movement was exposed as a vicious racket based on a $10 initiation fee, $4 of which was kicked back to local organizers as an incentive to recruit. The KKK was an alarming manifestation of the intolerance and prejudice plaguing people anxious about the dizzying pace of social change in the 1920s. America needed no such cowardly apostles, whose white sheets concealed dark purposes.

**Stemming the Foreign Flood**

Isolationist America of the 1920s, ingrown and provincial, had little use for the immigrants who began to flood into the country again as peace settled soothingly on the war-torn world. Some 800,000 stepped ashore in 1920–1921, about two-
thirds of them from southern and eastern Europe. The “one-hundred-percent Americans,” recoiling at the sight of this resumed “New Immigration,” once again cried that the famed poem at the base of the Statue of Liberty was all too literally true: they claimed that a sickly Europe was indeed vomiting on America “the wretched refuse of its teeming shore.”

Congress temporarily plugged the breach with the Emergency Quota Act of 1921. Newcomers from Europe were restricted in any given year to a definite quota, which was set at 3 percent of the people of their nationality who had been living in the United States in 1910. This national-origins system was relatively favorable to the immigrants from southern and eastern Europe, for by 1910 immense numbers of them had already arrived.

This stopgap legislation of 1921 was replaced by the Immigration Act of 1924. Quotas for foreigners were cut from 3 percent to 2 percent. The national-origins base was shifted from the census of 1910 to that of 1890, when comparatively few southern Europeans had arrived.* Great Britain and Northern Ireland, for example, could send 65,721 a year as against 5,802 for Italy. Southern Europeans bitterly denounced the device as unfair and discriminatory—a triumph for the “nativist” belief that blue-eyed and fair-haired northern Europeans were of better blood. The purpose was clearly to freeze America’s existing racial composition, which was largely northern European. A flagrantly discriminatory section of the Immigration Act of 1924 slammed the door absolutely against Japanese immigrants. Mass “Hate America” rallies erupted in Japan, and one Japanese superpatriot expressed his outrage by committing suicide near the American embassy in Tokyo. Exempt from the quota system were Canadians and Latin Americans, whose proximity made them easy to attract for jobs when times were good and just as easy to send back home when they were not.

The quota system effected a pivotal departure in American policy. It claimed that the nation was filling up and that a “No Vacancy” sign was needed. Immigration henceforth dwindled to a mere trickle. By 1931, probably for the first time in American experience, more foreigners left than arrived. Quotas thus caused America to sacrifice something of its tradition of freedom and opportunity, as well as its future ethnic diversity.

The Immigration Act of 1924 marked the end of an era—a period of virtually unrestricted immigration that in the preceding century had brought some 35 million newcomers to the United States, mostly from Europe. The immigrant tide was now cut off, but it left on American shores by the 1920s a

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*Five years later the Act of 1929, using 1920 as the quota base, virtually cut immigration in half by limiting the total to 152,574 a year. In 1965 Congress abolished the national-origins quota system.
patchwork of ethnic communities separated from each other and from the larger society by language, religion, and customs. Many of the most recent arrivals, including the Italians, Jews, and Poles, lived in isolated enclaves with their own houses of worship, newspapers, and theaters (see Makers of America: The Poles, pp. 734–735). Efforts to organize labor unions repeatedly foundered on the rocks of ethnic differences. Immigrant workers on the same shop floor might share a common interest in wages and working conditions, but they often had no common language with which to forge common cause; indeed cynical employers often played upon ethnic rivalries to keep their workers divided and powerless. Ethnic variety thus undermined class and political solidarity. It was an old American story, but one that some reformers hoped would not go on forever.

The Prohibition “Experiment”

One of the last peculiar spasms of the progressive reform movement was prohibition, loudly supported by crusading churches and by many women. The arid new order was authorized in 1919 by the Eighteenth Amendment (see the Appendix), as implemented by the Volstead Act passed by Congress later that year. Together these laws made the world “safe for hypocrisy.”

The legal abolition of alcohol was especially popular in the South and West. Southern whites were eager to keep stimulants out of the hands of blacks, lest they burst out of “their place.” In the West prohibition represented an attack on all the vices associated with the ubiquitous western saloon: public drunkenness, prostitution, corruption, and crime. But despite the overwhelming ratification of the “dry” amendment, strong opposition persisted in the larger eastern cities. For many “wet” foreign-born people, Old World styles of sociability were built around drinking in beer gardens and cor-

Automaker Henry Ford (1863–1947), an ardent prohibitionist, posted this notice in his Detroit factory in 1922:

“From now on it will cost a man his job . . . to have the odor of beer, wine or liquor on his breath, or to have any of these intoxicants on his person or in his home. The Eighteenth Amendment is a part of the fundamental laws of this country. It was meant to be enforced. Politics has interfered with the enforcement of this law, but so far as our organization is concerned, it is going to be enforced to the letter.”
ner taverns. Yet most Americans now assumed that prohibition had come to stay. Everywhere carousers indulged in last wild flings, as the nation prepared to enter upon a permanent “alcoholiday.”

But prohibitionists were naive in the extreme. They overlooked the tenacious American tradition of strong drink and of weak control by the central government, especially over private lives. They forgot that the federal authorities had never satisfactorily enforced a law where the majority of the people—or a strong minority—were hostile to it. They ignored the fact that one cannot make a crime overnight out of something that millions of people have never regarded as a crime. Lawmakers could not legislate away a thirst.

Peculiar conditions hampered the enforcement of prohibition. Profound disillusionment over the aftermath of the war raised serious questions as to the wisdom of further self-denial. Slaking thirst became a cherished personal liberty, and many ardent wets believed that the way to bring about repeal was to violate the law on a large enough scale. Hypocritical, hip-flasked legislators spoke or voted dry while privately drinking wet. ("Let us strike a blow for liberty" was an ironic toast.) Frustrated soldiers, returning from France, complained that prohibition had been “put over” on them while they were “over there.” Grimy workers bemoaned the loss of their cheap beer, while pointing out that the idle rich could buy all the illicit alcohol they wanted. Flaming youth of the jazz age thought it “smart” to swill bootleg liquor—“liquid tonsillectomies.” Millions of older citizens likewise found forbidden fruit fascinating, as they engaged in “bar hunts.”

Prohibition might have started off on a better foot if there had been a larger army of enforcement officials. But the state and federal agencies were understaffed, and their snoopers, susceptible to bribery, were underpaid. The public was increasingly distressed as scores of people, including innocent bystanders, were killed by quick-triggered dry agents.

Prohibition simply did not prohibit. The old-time “men only” corner saloons were replaced by thousands of “speakeasies,” each with its tiny grilled window through which the thirsty spoke softly before the barred door was opened. Hard liquor, especially the cocktail, was drunk in staggering volume by both men and women. Largely because of
The Poles

The Poles were among the largest immigrant groups to respond to industrializing America's call for badly needed labor after the Civil War. Between 1870 and World War I, some 2 million Polish-speaking peasants boarded steamships bound for the United States. By the 1920s, when antiforeign feeling led to restrictive legislation that choked the immigrant stream to a trickle, Polish immigrants and their American-born children began to develop new identities as Polish-Americans.

The first Poles to arrive in the New World had landed in Jamestown in 1608 and helped to develop that colony's timber industry. Over the ensuing two and a half centuries, scattered religious dissenters and revolutionary nationalists also made their way from Poland to America. During the Revolution about one hundred Poles, including two officers recruited by Benjamin Franklin, served in the Continental Army.

But the Polish hopefuls who poured into the United States in the late nineteenth century came primarily to stave off starvation and to earn money to buy land. Known in their homeland as za chlebem (“for bread”) emigrants, they belonged to the mass of central and eastern European peasants who had been forced off their farms by growing competition from the large-scale, mechanized agriculture of western Europe and the United States. An exceptionally high birthrate among the Catholic Poles compounded this economic pressure, creating an army of the land-poor and landless, who left their homes seasonally or permanently in search of work. In 1891 farmworkers and unskilled laborers in the United States earned about $1 a day, more than eight times as much as agricultural workers in the Polish province of Galicia. Such a magnet was irresistible.

These Polish-speaking newcomers emigrated not from a unified nation, but from a weakened country that had been partitioned in the eighteenth century by three great European powers: Prussia (later Germany), Austria-Hungary, and Russia. The Prussian Poles, driven from their homeland in part by the anti-Catholic policies that the German imperial government pursued in the 1870s, arrived in America first. Fleeing religious persecution as well as economic turmoil, many of these early immigrants came to the United States intending to stay. By contrast, most of those who came later from Austrian and Russian Poland simply hoped to earn enough American dollars to return home and buy land.

Some of the Polish peasants learned of America from propaganda spread throughout Europe by agents for U.S. railroad and steamship lines. But many more were lured by glowing letters from friends and relatives already living in the United States. The first wave of Polish immigrants had established a thriving network of self-help and fraternal associations organized around Polish Catholic parishes. Often Polish-American entrepreneurs helped their European compatriots make travel arrangements or find jobs in the United States. One of the most successful of these, the energetic Chicago grocer Anton Schermann, is credited with “bringing over” 100,000 Poles and causing the Windy City to earn the nickname the “American Warsaw.”

Most of the Poles arriving in the United States in the late nineteenth century headed for booming industrial cities such as Buffalo, Pittsburgh, Detroit, Milwaukee, and Chicago. In 1907 four-fifths of the men toiled as unskilled laborers in coal mines, meatpacking factories, textile and steel mills, oil refineries, and garment-making shops. Although
married women usually stayed home and contributed to the family's earnings by taking in laundry and boarders, children and single girls often joined their fathers and brothers on the job.

By putting the whole family to work, America's Polish immigrants saved tidy sums. By 1901 about one-third of all Poles in the United States owned real estate, and they sent so much money to relatives in Austria and Russia that American and European authorities fretted about the consequences: in 1907 a nativist U.S. immigration commission groused that the huge outflow of funds to eastern Europe was weakening the U.S. economy.

When an independent Poland was created after World War I, few Poles chose to return to their Old World homeland. Instead, like other immigrant groups in the 1920s, they redoubled their efforts to integrate into American society. Polish institutions like churches and fraternal organizations, which had served to perpetuate a distinctive Polish culture in the New World, now facilitated the transformation of Poles into Polish-Americans. When Poland was absorbed into the communist bloc after World War II, Polish-Americans clung still more tightly to their American identity, pushing for landmarks like Chicago's Pulaski Road to memorialize their culture in the New World.
the difficulties of transporting and concealing bottles, beverages of high alcoholic content were popu-
lar. Foreign rumrunners, often from the West Indies,
had their inning, and countless cases of liquor
leaked down from Canada. The zeal of American
prohibition agents on occasion strained diplomatic
relations with Uncle Sam’s northern neighbor.

“Home brew” and “bathtub gin” became popu-
lar, as law-evading adults engaged in “alky cooking”
with toy stills. The worst of the homemade “rotgut”
produced blindness, even death. The affable boot-
legger worked in silent partnership with the friendly
undertaker.

Yet the “noble experiment” was not entirely a
failure. Bank savings increased, and absenteeism in
industry decreased, presumably because of the
newly sober ways of formerly soused barflies. On
the whole, probably less alcohol was consumed
than in the days before prohibition, though strong
drink continued to be available. As the legendary
tippler remarked, prohibition was “a darn sight bet-
ter than no liquor at all.”

The Golden Age of Gangsterism

Prohibition spawned shocking crimes. The lush
profits of illegal alcohol led to bribery of the police,
many of whom were induced to see and smell no
evil. Violent wars broke out in the big cities between
rival gangs—often rooted in immigrant neighbor-
hoods—who sought to corner the rich market in
booze. Rival triggermen used their sawed-off shot-
guns and chattering “typewriters” (machine guns)
to “erase” bootlegging competitors who were trying
to “muscle in” on their “racket.” In the gang wars of
the 1920s in Chicago, about five hundred mobsters
were murdered. Arrests were few and convictions
were even fewer, as the button-lipped gangsters
covered for one another with the underworld’s code
of silence.

Chicago was by far the most spectacular exam-
ple of lawlessness. In 1925 “Scarface” Al Capone, a
gasping and murderous booze distributor, began
six years of gang warfare that netted him millions
of blood-spattered dollars. He zoomed through the
streets in an armor-plated car with bulletproof win-
dows. A Brooklyn newspaper quipped,

And the pistols’ red glare,
Bombs bursting in air
Give proof through the night
That Chicago’s still there.

Capone, though branded “Public Enemy Number
One,” could not be convicted of the cold-blooded
massacre, on St. Valentine’s Day in 1929, of seven
disarmed members of a rival gang. But after serving
most of an eleven-year sentence in a federal peni-
tentiary for income-tax evasion, he was released as
a syphilitic wreck.

Gangsters rapidly moved into other profitable
and illicit activities: prostitution, gambling, and
narcotics. Honest merchants were forced to pay
“protection money” to the organized thugs; other-
wise their windows would be smashed, their trucks
overturned, or their employees or themselves
beaten up. Racketeers even invaded the ranks of
local labor unions as organizers and promoters. Organized crime had come to be one of the nation's most gigantic businesses. By 1930 the annual "take" of the underworld was estimated to be from $12 billion to $18 billion—several times the income of the Washington government.

Criminal callousness sank to new depths in 1932 with the kidnapping for ransom, and eventual murder, of the infant son of aviator-hero Charles A. Lindbergh. The entire nation was inexpressibly shocked and saddened, causing Congress in 1932 to pass the so-called Lindbergh Law, making interstate abduction in certain circumstances a death-penalty offense.

**Monkey Business in Tennessee**

Education in the 1920s continued to make giant bootstrides. More and more states were requiring young people to remain in school until age sixteen or eighteen, or until graduation from high school. The proportion of seventeen-year-olds who finished high school almost doubled in the 1920s, to more than one in four.

The most revolutionary contribution to educational theory during these yeasty years was made by mild-mannered Professor John Dewey, who served on the faculty of Columbia University from 1904 to 1930. By common consent one of America's few front-rank philosophers, he set forth the principles of "learning by doing" that formed the foundation of so-called progressive education, with its greater "permissiveness." He believed that the workbench was as essential as the blackboard, and that "education for life" should be a primary goal of the teacher.

Science also scored wondrous advances in these years. A massive public-health program, launched by the Rockefeller Foundation in the South in 1909, had virtually wiped out the ancient affliction of hookworm by the 1920s. Better nutrition and health care helped to increase the life expectancy of a newborn infant from fifty years in 1901 to fifty-nine years in 1929.

Yet both science and progressive education in the 1920s were subjected to unfriendly fire from the Fundamentalists. These old-time religionists charged that the teaching of Darwinian evolution was destroying faith in God and the Bible, while contributing to the moral breakdown of youth in the jazz age. Numerous attempts were made to secure laws prohibiting the teaching of evolution, "the bestial hypothesis," in the public schools, and three southern states adopted such shackling measures. The trio of states included Tennessee, in the heart of

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Hiram Wesley Evans (1881–1966), imperial wizard of the Ku Klux Klan, in 1926 poignantly described the cultural grievances that fueled the Klan and lay behind much of the Fundamentalist revolt against "Modernism":

"Nordic Americans for the last generation have found themselves increasingly uncomfortable and finally deeply distressed. . . . One by one all our traditional moral standards went by the boards, or were so disregarded that they ceased to be binding. The sacredness of our Sabbath, of our homes, of chastity, and finally even of our right to teach our own children in our own schools fundamental facts and truths were torn away from us. Those who maintained the old standards did so only in the face of constant ridicule. . . . We found our great cities and the control of much of our industry and commerce taken over by strangers. . . . We are a movement of the plain people, very weak in the matter of culture, intellectual support, and trained leadership. . . . This is undoubtedly a weakness. It lays us open to the charge of being 'hicks' and 'rubes' and 'drivers of second-hand Fords.'"

The bombastic Fundamentalist evangelist W.A. (Billy) Sunday (1862–1935) declared in 1925,

"If a minister believes and teaches evolution, he is a stinking skunk, a hypocrite, and a liar."
the so-called Bible Belt South, where the spirit of evangelical religion was still robust.

The stage was set for the memorable “Monkey Trial” at the hamlet of Dayton, eastern Tennessee, in 1925. A likable high-school biology teacher, John T. Scopes, was indicted for teaching evolution. Batteries of newspaper reporters, armed with notebooks and cameras, descended upon the quiet town to witness the spectacle. Scopes was defended by nationally known attorneys, while former presidential candidate William Jennings Bryan, an ardent Presbyterian Fundamentalist, joined the prosecution. Taking the stand as an expert on the Bible, Bryan was made to appear foolish by the famed criminal lawyer Clarence Darrow. Five days after the trial was over, Bryan died of a stroke, no doubt brought on by the wilting heat and witness-stand strain.

This historic clash between theology and biology proved inconclusive. Scopes, the forgotten man of the drama, was found guilty and fined $100. But the supreme court of Tennessee, while upholding the law, set aside the fine on a technicality.* The Fundamentalists at best won only a hollow victory, for the absurdities of the trial cast ridicule on their cause. Yet even though increasing numbers of Christians were coming to reconcile the revelations of religion with the findings of modern science, Fundamentalism, with its emphasis on literal reading of the Bible, remained a vibrant force in American spiritual life. It was especially strong in the Baptist Church and in the rapidly growing Churches of Christ, organized in 1906.

The Mass-Consumption Economy

Prosperity—real, sustained, and widely shared—put much of the “roar” into the twenties. The economy kicked off its war harness in 1919, faltered a few steps in the recession of 1920-1921, and then sprinted forward for nearly seven years. Both the recent war and Treasury Secretary Andrew Mellon’s tax policies favored the rapid expansion of capital investment. Ingenious machines, powered by relatively cheap energy from newly tapped oil fields, dramatically increased the productivity of the laborer. Assembly-line production reached such perfection in Henry Ford’s famed Rouge River plant near Detroit that a finished automobile emerged every ten seconds.

Great new industries suddenly sprouted forth. Supplying electrical power for the humming new machines became a giant business in the 1920s. Above all, the automobile, once the horseless chariot of the rich, now became the carriage of the common citizen. By 1930 Americans owned almost 30 million cars.

The nation’s deepening “love affair” with the automobile headlined a momentous shift in the character of the economy. American manufacturers seemed to have mastered the problems of production; their worries now focused on consumption. Could they find the mass markets for the goods they had contrived to spew forth in such profusion?

Responding to this need, a new arm of American commerce came into being: advertising. By persuasion and ploy, seduction and sexual suggestion, advertisers sought to make Americans chronically

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*The Tennessee law was not formally repealed until 1967.
discontented with their paltry possessions and want more, more, more. A founder of this new “profession” was Bruce Barton, prominent New York partner in a Madison Avenue firm. In 1925 Barton published a best-seller, The Man Nobody Knows, setting forth the provocative thesis that Jesus Christ was the greatest adman of all time. “Every advertising man ought to study the parables of Jesus,” Barton preached. “They are marvelously condensed, as all good advertising should be.” Barton even had a good word to say for Christ’s executive ability: “He picked up twelve men from the bottom ranks of business and forged them into an organization that conquered the world.”

Sports became big business in the consumer economy of the 1920s. Ballyhooed by the “image makers,” home-run heroes like George H. (“Babe”) Ruth were far better known than most statesmen. The fans bought tickets in such numbers that Babe’s hometown park, Yankee Stadium, became known as “the house that Ruth built.” In 1921 the slugging heavyweight champion, Jack Dempsey, knocked out the dapper French light heavyweight, Georges Carpentier. The Jersey City crowd in attendance had paid more than a million dollars—the first in a series of million-dollar “gates” in the golden 1920s.

Buying on credit was another innovative feature of the postwar economy. “Possess today and pay tomorrow” was the message directed at buyers. Once-frugal descendants of Puritans went ever deeper into debt to own all kinds of newfangled marvels—refrigerators, vacuum cleaners, and especially cars and radios—now. Prosperity thus accumulated an overhanging cloud of debt, and the economy became increasingly vulnerable to disruptions of the credit structure.

### Putting America on Rubber Tires

A new industrial revolution slipped into high gear in America in the 1920s. Thrusting out steel tentacles, it changed the daily life of the people in unprecedented ways. Machinery was the new messiah—and the automobile was its principal prophet.

Of all the inventions of the era, the automobile cut the deepest mark. It heralded an amazing new industrial system based on assembly-line methods and mass-production techniques.

Americans adapted rather than invented the gasoline engine; Europeans can claim the original honor. By the 1890s a few daring American inventors and promoters, including Henry Ford and Ransom E. Olds (Oldsmobile), were developing the infant automotive industry. By 1910 sixty-nine car companies rolled out a total annual production of 181,000 units. The early contraptions were neither speedy nor reliable. Many a stalled motorist, profanely cranking a balky automobile, had to endure the jeer “Get a horse” from the occupants of a passing dobbin-drawn carriage.

An enormous industry sprang into being, as Detroit became the motorcar capital of America. The mechanized colossus owed much to the stopwatch efficiency techniques of Frederick W. Taylor, a prominent inventor, engineer, and tennis player, who sought to eliminate wasted motion. His epitaph reads “Father of Scientific Management.”

Best known of the new crop of industrial wizards was Henry Ford, who more than any other individual...
put America on rubber tires. His high and hideous Model T (“Tin Lizzie”) was cheap, rugged, and reasonably reliable, though rough and clattering. The parts of Ford’s “flivver” were highly standardized, but the behavior of this rattling good car was so eccentric that it became the butt of numberless jokes.

Lean and silent Henry Ford, who was said to have wheels in his head, erected an immense personal empire on the cornerstone of his mechanical genius, though his associates provided much of the organizational talent. Ill educated, this multimillionaire mechanic was socially and culturally narrow; “History is bunk,” he once testified. But he dedicated himself with one-track devotion to the gospel of standardization. After two early failures, he grasped and applied fully the techniques of assembly-line production—“Fordism.” He is supposed to have remarked that the purchaser could have his automobile any color he desired—just as long as it was black. So economical were his methods that in the mid-1920s he was selling the Ford roadster for $260—well within the purse of a thrifty worker.

The flood of Fords was phenomenal. In 1914 the “Automobile Wizard” turned out his 500,000th Model T. By 1930 his total had risen to 20 million, or, on a bumper-to-bumper basis, more than enough to encircle the globe. A national newspaper and magazine poll conducted in 1923 revealed Ford to be the people’s choice for the presidential nomination in 1924.

By 1929, when the great bull market collapsed, 26 million motor vehicles were registered in the United States. This figure, averaging 1 for every 4.9 Americans, represented far more automobiles than existed in all the rest of the world.

**The Advent of the Gasoline Age**

The impact of the self-propelled carriage on various aspects of American life was tremendous. A gigantic new industry emerged, dependent on steel but dis-
placing steel from its kingpin role. Employing directly or indirectly about 6 million people by 1930, it was a major wellspring of the nation's prosperity. Thousands of new jobs, moreover, were created by supporting industries. The lengthening list would include rubber, glass, and fabrics, to say nothing of highway construction and thousands of service stations and garages. America's standard of living, responding to this infectious vitality, rose to an enviable level.

New industries boomed lustily; older ones grew sickly. The petroleum business experienced an explosive development. Hundreds of oil derricks shot up in California, Texas, and Oklahoma, as these states expanded wondrously and the wilderness frontier became an industrial frontier. The once-feared railroad octopus, on the other hand, was hard hit by the competition of passenger cars, buses, and trucks. An age-old story was repeated: one industry's gains were another industry's pains.

Other effects were widely felt. Speedy marketing of perishable foodstuffs, such as fresh fruits, was accelerated. A new prosperity enriched outlying farms, as city dwellers were provided with produce at attractive prices. Countless new roads ribboned out to meet the demand of the American motorist for smoother and faster highways, often paid for by taxes on gasoline. The era of mud ended as the nation made haste to construct the finest network of hard-surfaced roadways in the world. Lured by sophisticated advertising, and encouraged by tempting installment-plan buying, countless Americans with shallow purses acquired the habit of riding as they paid.

Zooming motorcars were agents of social change. At first a luxury, they rapidly became a necessity. Essentially devices for needed transportation, they soon developed into a badge of freedom and equality—a necessary prop for self-respect. To some, ostentation seemed more important than
transportation. Leisure hours could now be spent more pleasurably, as tens of thousands of cooped-up souls responded to the call of the open road on joyriding vacations. Women were further freed from clinging-vine dependence on men. Isolation among the sections was broken down, and the less attractive states lost population at an alarming rate. By the late 1920s, Americans owned more automobiles than bathtubs. “I can't go to town in a bathtub,” one homemaker explained.

Other social by-products of the automobile were visible. Autobuses made possible the consolidation of schools and to some extent of churches. The sprawling suburbs spread out still farther from the urban core, as America became a nation of commuters.

The demon machine, on the other hand, exacted a terrible toll by catering to the American mania for speed. Citizens were becoming statistics. Not counting the hundreds of thousands of injured and crippled, the one millionth American had died in a motor vehicle accident by 1951—more than all those killed on all the battlefields of all the nation's wars to that date. "The public be rammed" seemed to be the motto of the new age.

Virtuous home life partially broke down as joyriders of all ages forsook the parlor for the highway. The morals of flaming youth sagged correspondingly—at least in the judgment of their elders. What might young people get up to in the privacy of a closed-top Model T? An Indiana juvenile court judge voiced parents' worst fears when he condemned the automobile as "a house of prostitution on wheels." Even the celebrated crime waves of the 1920s and 1930s were aided and abetted by the motorcar, for gangsters could now make quick getaways.

Yet no sane American would plead for a return of the old horse and buggy, complete with fly-breeding manure. The automobile contributed notably to improved air and environmental quality, despite its later notoriety as a polluter. Life might be cut short on the highways, and smog might poison the air, but the automobile brought more convenience, pleasure, and excitement into more people's lives than almost any other single invention.

Humans Develop Wings

Gasoline engines also provided the power that enabled humans to fulfill the age-old dream of sprouting wings. After near-successful experiments by others with heavier-than-air craft, the Wright brothers, Orville and Wilbur, performed "the miracle at Kitty Hawk," North Carolina. On a historic day—December 17, 1903—Orville Wright took aloft a feebly engined plane that stayed airborne for 12 seconds and 120 feet. Thus the air age was launched by two obscure bicycle repairmen.

As aviation gradually got off the ground, the world slowly shrunk. The public was made increas-
ingly air-minded by unsung heroes—often martyrs—who appeared as stunt fliers at fairs and other public gatherings. Airplanes—“flying coffins”—were used with marked success for various purposes during the Great War of 1914–1918. Shortly thereafter private companies began to operate passenger lines with airmail contracts, which were in effect a subsidy from Washington. The first transcontinental airmail route was established from New York to San Francisco in 1920.

In 1927 modest and skillful Charles A. Lindbergh, the so-called Flyin’ Fool, electrified the world by the first solo west-to-east conquest of the Atlantic. Seeking a prize of $25,000, the lanky stunt flier courageously piloted his single-engine plane, the Spirit of St. Louis, from New York to Paris in a grueling thirty-three hours and thirty-nine minutes. Lindbergh’s exploit swept Americans off their feet. Fed up with the cynicism and debunking of the jazz age, they found in this wholesome and handsome youth a genuine hero. They clasped the soaring “Lone Eagle” to their hearts much more warmly than the bashful young man desired. “Lucky Lindy” received an uproarious welcome in the “hero canyon” of lower Broadway, as eighteen hundred tons of ticker tape and other improvised confetti showered upon him. Lindbergh’s achievement—it was more than a “stunt”—did much to dramatize and popularize flying, while giving a strong boost to the infant aviation industry.

The impact of the airship was tremendous. It provided the restless American spirit with yet another dimension. At the same time, it gave birth to a giant new industry. Unfortunately, the accident rate in the pioneer stages of aviation was high, though hardly more so than on the early railroads. But by the 1930s and 1940s, travel by air on regularly scheduled airlines was significantly safer than on many overcrowded highways.

Humanity’s new wings also increased the tempo of an already breathless civilization. The floundering railroad received another setback through the loss of passengers and mail. A lethal new weapon was given to the gods of war, and with the coming of city-busting aerial bombs, people could well debate whether the conquest of the air was a blessing or a curse. The Atlantic Ocean was shriveling to about the size of the Aegean Sea in the days of Socrates, while isolation behind ocean moats was becoming a bygone dream.

The Radio Revolution

The speed of the airplane was far eclipsed by the speed of radio waves. Guglielmo Marconi, an Italian, invented wireless telegraphy in the 1890s, and his brainchild was used for long-range communication during World War I.
Next came the voice-carrying radio, a triumph of many minds. A red-letter day was posted in November 1920, when the Pittsburgh radio station KDKA broadcast the news of the Harding landslide. Later miracles were achieved in transatlantic wireless phonographs, radiotelephones, and television. The earliest radio programs reached only local audiences. But by the late 1920s, technological improvements made long-distance broadcasting possible, and national commercial networks drowned out much local programming. Meanwhile, advertising “commercials” made radio another vehicle for American free enterprise, as contrasted with the government-owned systems of Europe.

While other marvels of the era—like the automobile—were luring Americans away from home, the radio was drawing them back. For much of the decade, family and neighbors gathered around a household’s sole radio as they once had around the toasty hearth. Radio knitted the nation together. Various regions heard voices with standardized accents, and countless millions “tuned in” to perennial comedy favorites like “Amos ’n’ Andy.” Programs sponsored by manufacturers and distributors of brand-name products, like the “A&P Gypsies” and the “Eveready Hour,” helped to make radio-touted labels household words and purchases.

Educationally and culturally, the radio made a significant contribution. Sports were further stimulated. Politicians had to adjust their speaking techniques to the new medium, and millions rather than thousands of voters heard their promises and pleas. A host of listeners swallowed the gospel of their favorite newscaster or were even ringside participants in world-shaking events. Finally, the music of famous artists and symphony orchestras was beamed into countless homes.

Hollywood’s Filmland Fantasies

The flickering movie was the fruit of numerous geniuses, including Thomas A. Edison. As early as the 1890s, this novel contraption, though still in crude form, had attained some popularity in the naughty peep-show penny arcades. The real birth of the movie came in 1903, when the first story sequence reached the screen. This breathless melodrama, The Great Train Robbery, was featured in the five-cent theaters, popularly called “nickelodeons.” Spectacular among the first full-length classics was D. W. Griffith’s The Birth of a Nation (1915), which glorified the Ku Klux Klan of Reconstruction days and defamed both blacks and Northern carpetbaggers. White southerners would fire guns at the screen during the attempted “rape” scene.

A fascinating industry was thus launched. Hollywood, in southern California, quickly became the movie capital of the world, for it enjoyed a maximum of sunshine and other advantages. Early producers featured nudity and heavy-lidded female vampires (“vamps”), and an outraged public forced the screen magnates to set up their own rigorous...
The motion picture really arrived during the World War of 1914–1918, when it was used as an engine of anti-German propaganda. Specially prepared “hang the kaiser” films aided powerfully in selling war bonds and in boosting morale.

A new era began in 1927 with the success of the first “talkie”—The Jazz Singer, starring the white performer Al Jolson in blackface. The age of the “silents” was ushered out as theaters everywhere were “wired for sound.” At about the same time, reasonably satisfactory color films were being produced.

Movies eclipsed all other new forms of amusement in the phenomenal growth of their popularity. Movie “stars” of the first pulchritude commanded much larger salaries than the president of the United States, in some cases as much as $100,000 for a single picture. Many actors and actresses were far more widely known than the nation’s political leaders.

Critics bemoaned the vulgarization of popular tastes wrought by the new technologies of radio and motion pictures. But the effects of the new mass media were not all negative. The parochialism of insular ethnic communities eroded as the immigrants’ children, especially, forsook the neighborhood vaudeville theater for the downtown movie palace or turned away from Grandma’s Yiddish storytelling to tune in “Amos ‘n’ Andy.” Much of the rich diversity of the immigrants’ Old Country cultures was lost, but the standardization of tastes and of language hastened entry into the American mainstream—and set the stage for the emergence of a working-class political coalition that, for a time, would overcome the divisive ethnic differences of the past.

**The Dynamic Decade**

Far-reaching changes in lifestyles and values paralleled the dramatic upsurge of the economy. The census of 1920 revealed that for the first time most Americans no longer lived in the countryside but in urban areas. Women continued to find opportunities for employment in the cities, though they tended to cluster in a few low-paying jobs (such as retail clerking and office typing) that became classified as “women’s work.” An organized birth-control movement, led by fiery feminist Margaret Sanger, openly championed the use of contraceptives. Alice Paul’s National Woman’s party began in 1923 to campaign for an Equal Rights Amendment to the Constitution. (The campaign was still stalled short of success seven decades later.) To some defenders of traditional ways, it seemed that the world had suddenly gone mad.

Even the churches were affected. The Fundamentalist champions of the old-time religion lost ground to the Modernists, who liked to think that God was a “good guy” and the universe a pretty chummy place.

Some churches tried to fight the Devil with worldly weapons. Competing with joyriding automobiles and golf links, they turned to quality entertainment of their own, including wholesome moving pictures for young people. One uptown house of the Lord in New York advertised on a billboard, “Come to Church: Christian Worship Increases Your Efficiency.”

Even before the war, one observer thought the chimes had “struck sex o’clock in America,” and the 1920s witnessed what many old-timers regarded as a veritable erotic eruption. Advertisers exploited sexual allure to sell everything from soap to car tires. Once-modest maidens now proclaimed their new freedom as “flappers” in bobbed tresses and dresses. Young women appeared with hemlines elevated, stockings rolled, breasts taped flat, cheeks rouged,
and lips a “crimson gash” that held a dangling cigarette. Thus did the “flapper” symbolize a yearned-for and devil-may-care independence (some said wild abandon) in some American women. Still more adventuresome females shocked their elders when they sported the new one-piece bathing suits.

Justification for this new sexual frankness could be found in the recently translated writings of Dr. Sigmund Freud. This Viennese physician appeared to argue that sexual repression was responsible for a variety of nervous and emotional ills. Thus not pleasure alone, but health, demanded sexual gratification and liberation.

Many taboos flew out the window as sex-conscious Americans let themselves go. As unknowing Freudians, teenagers pioneered the sexual frontiers. Glued together in rhythmic embrace, they danced to jazz music squeaking from phonographs. In an earlier day a kiss had been the equivalent of a proposal of marriage. But in the new era, exploratory young folk sat in darkened movie houses or took to the highways and byways in automobiles. There the youthful “neckers” and “petters” poached upon the forbidden territory of each other’s bodies.

If the flapper was the goddess of the “era of wonderful nonsense,” jazz was its sacred music. With its virtuoso wanderings and tricky syncopation, jazz moved up from New Orleans along with the migrating blacks during World War I. Tunes like W. C. Handy’s “St. Louis Blues” became instant classics, as the wailing saxophone became the trumpet of the new era. Blacks such as Handy, “Jelly Roll” Morton, and Joseph (“Joe”) King Oliver gave
The Jazz Singer, 1927  The Jazz Singer was the first feature-length “talkie,” a motion picture in which the characters actually speak, and its arrival spelled the end for “silent” films, where the audience read subtitles with live or recorded music as background. Although moviegoers flocked to The Jazz Singer to hear recorded sound, when they got there they found a movie concerned with themes of great interest to the urban, first- or second-generation immigrant audiences who were Hollywood’s major patrons. The Jazz Singer told the story of a poor, assimilating Jewish immigrant torn between following his father’s wish that he train as an Orthodox cantor and his own ambition to make a success for himself as a jazz singer, performing in the popular blackface style. The movie’s star, Al Jolson, was himself an immigrant Jew who had made his name as a blackface performer. White actors had gradually taken over the southern black minstrel show during the nineteenth century. By the early twentieth century, Jewish entertainers had entirely monopolized these roles. Jolson, like other Jewish blackface performers, used his ability to impersonate a black person to force his acceptance into mainstream white American society. This use of blackface seems ironic since black Americans in the 1920s were struggling with their own real-life battles against Jim Crow-era segregation, a blatant form of exclusion from American society. Besides the novelty of being a “talkie,” what may have made The Jazz Singer a box office hit in 1927? How might different types of viewers in the audience have responded to the story? What does the popularity of blackface reveal about racial attitudes at the time?
birth to jazz, but the entertainment industry soon spawned all-white bands—notably Paul White-man’s. Caucasian impresarios cornered the profits, though not the creative soul, of America’s most native music.

A new racial pride also blossomed in the northern black communities that burgeoned during and after the war. Harlem in New York City, counting some 100,000 African-American residents in the 1920s, was one of the largest black communities in the world. Harlem sustained a vibrant, creative culture that nourished poets like Langston Hughes, whose first volume of verses, The Weary Blues, appeared in 1926. Harlem in the 1920s also spawned a charismatic political leader, Marcus Garvey. The Jamaican-born Garvey founded the United Negro Improvement Association (UNIA) to promote the resettlement of American blacks in their own “African homeland.” Within the United States, the UNIA sponsored stores and other businesses, like the Black Star Line Steamship Company, to keep blacks’ dollars in black pockets. Most of Garvey’s enterprises failed financially, and Garvey himself was convicted in 1927 for alleged mail fraud and deported by a nervous U.S. government. But the race pride that Garvey inspired among the 4 million blacks who counted themselves UNIA followers at the movement’s height helped these newcomers to northern cities gain self-confidence and self-reliance. And his example proved important to the later founding of the Nation of Islam (Black Muslim) movement.
Likewise in literature, an older era seemed to have ground to a halt with the recent war. By the dawn of the 1920s, most of the custodians of an aging genteel culture had died—Henry James in 1916, Henry Adams in 1918, and William Dean Howells (the “Dean of American literature”) in 1920. A few novelists who had been popular in the previous decades continued to thrive, notably the well-to-do, cosmopolitan New Yorker Edith Wharton and the Virginia-born Willa Cather, esteemed for her stark but sympathetic portrayals of pioneering on the prairies.

But in the decade after the war, a new generation of writers burst upon the scene. Many of them hailed from ethnic and regional backgrounds different from that of the Protestant New Englanders who traditionally had dominated American cultural life.

The newcomers exhibited the energy of youth, the ambition of excluded outsiders, and in many cases the smoldering resentment of ideals betrayed. They bestowed on American literature a new vitality, imaginativeness, and artistic quality.

A patron saint of many young authors was H. L. Mencken, the “Bad Boy of Baltimore.” Little escaped his acidic wit. In the pages of his green-covered monthly American Mercury, he wielded a slashing rapier as much as a pen. He assailed marriage, patriotism, democracy, prohibition, Rotarians, and the middle-class American “booboisie.” The South he contemptuously dismissed as “the Sahara of the Bozart” (a bastardization of beaux arts, French for the “fine arts”), and he scathingly attacked do-gooders as “Puritans.” Puritanism, he jibed, was “the haunting fear that someone, somewhere, might be happy.”

The war had jolted many young writers out of their complacency about traditional values and literary standards. With their pens they probed for new codes of morals and understanding, as well as fresh forms of expression. F. Scott Fitzgerald, a handsome Minnesota-born Princetonian then only twenty-four years old, became an overnight celebrity when he published This Side of Paradise in 1920. The book became a kind of Bible for the young. It was eagerly devoured by aspiring flappers and their ardent wooers, many of whom affected an air of bewildered abandon toward life. Catching the
spirit of the hour (often about 4 A.M.), Fitzgerald found “all gods dead, all wars fought, all faiths in man shaken.” He followed this melancholy success with The Great Gatsby (1925), a brilliant evocation of the glamour and cruelty of an achievement-oriented society. Theodore Dreiser’s masterpiece of 1925 explored much the same theme: An American Tragedy dealt with the murder of a pregnant working girl by her socially ambitious young lover.

Ernest Hemingway, who had seen action on the Italian front in 1917, was among the writers most affected by the war. He responded to pernicious propaganda and the overblown appeal to patriotism by devising his own lean, word-sparing but word-perfect style. In In This Our Life (1926), he told of disillusioned, spiritually numb American expatriates in Europe. In A Farewell to Arms (1929), he crafted one of the finest novels in any language about the war experience. A troubled soul, he finally blew out his brains with a shotgun blast in 1961.

Other writers turned to a caustic probing of American small-town life. Sherwood Anderson dissected various fictional personalities in Winesburg, Ohio (1919), finding them all in some way warped by their cramped psychological surroundings. Sinclair Lewis, a hotheaded, heavy-drinking journalist from Sauk Centre, Minnesota, sprang into prominence in 1920 with Main Street, the story of one woman’s unsuccessful war against provincialism. In Babbitt (1922) he affectionately pilloried George F. Babbitt, a prosperous, vulgar, middle-class real estate broker who slavishly conforms to the respectable materialism of his group. The word Babbittry was quickly coined to describe his all-too-familiar lifestyle.

William Faulkner, a dark-eyed, pensive Mississippian, penned a bitter war novel, Soldier’s Pay, in 1926. He then turned his attention to a fictional chronicle of an imaginary, history-rich Deep South county. In powerful books like The Sound and the Fury (1929) and As I Lay Dying (1930), Faulkner peeled back layers of time and consciousness from the constricted souls of his ingrown southern characters.

Nowhere was innovation in the 1920s more obvious than in poetry. Ezra Pound, a brilliantly erratic Idahoan who deserted America for Europe, rejected what he called “an old bitch civilization, gone in the teeth” and proclaimed his doctrine: “Make It New.” Pound strongly influenced the Missouri-born and Harvard-educated T. S. Eliot, who took up residence in England. In “The Waste Land” (1922), Eliot produced one of the most impenetrable but influential poems of the century. Robert Frost, a San Francisco-born poet, wrote hauntingly about his adopted New England. The most daringly innovative of all was e.e. cummings, who relied on unorthodox diction and peculiar typesetting to produce startling poetical effects.

On the stage, Eugene O’Neill, a New York dramatist and Princeton dropout of globe-trotting background, laid bare Freudian notions of sex in plays like Strange Interlude (1928). A prodigious playwright, he authored more than a dozen productions in the 1920s and won the Nobel Prize in 1936. O’Neill arose from New York’s Greenwich Village, which before and after the war was a seething cauldron of writers, painters, musicians, actors, and other would-be artists. After the war a black cultural renaissance also took root uptown in Harlem, led by such gifted writers as Claude McKay, Langston Hughes, and Zora Neale Hurston, and by jazz artists like Louis Armstrong and Eubie Blake. In an outpouring of creative expression called the Harlem Renaissance, they proudly exulted in their black culture and argued for a “New Negro” who was a full citizen and a social equal to whites.

Architecture also married itself to the new materialism and functionalism. Long-range city planning was being intelligently projected, and

architects like Frank Lloyd Wright were advancing the theory that buildings should grow from their sites and not slavishly imitate Greek and Roman importations. The machine age outdid itself in New York City when it thrust upward the cloud-brushing Empire State Building, 102 stories high. Dedicated in 1931, the “Empty State Building” towered partially vacant during the depressed 1930s.

**Wall Street’s Big Bull Market**

Signals abounded that the economic joyride might end in a crash; even in the best years of the 1920s, several hundred banks failed annually. This something-for-nothing craze was well illustrated by real estate speculation, especially the fantastic Florida boom that culminated in 1925. Numerous underwater lots were sold to eager purchasers for preposterous sums. The whole wildcat scheme collapsed when the peninsula was devastated by a West Indian hurricane, which belied advertisements of a “soothing tropical wind.”

The stock exchange provided even greater sensations. Speculation ran wild, and an orgy of boom-or-bust trading pushed the market up to dizzy peaks. “Never sell America short” and “Be a bull on America” were favorite catchwords, as Wall Street bulls gored one another and fleeced greedy lambs. The stock market became a veritable gambling den.

As the 1920s lurched forward, everybody seemed to be buying stocks “on margin”—that is, with a small down payment. Barbers, stenographers, and elevator operators cashed in on “hot tips” picked up while on duty. One valet was reported to have parlayed his wages into a quarter of a million dollars. “The cash register crashed the social register,” as rags-to-riches Americans reverently worshiped at the altar of the ticker-tape machine. So powerful was the intoxicant of quick profits that few heeded the voices raised in certain quarters to warn that this kind of tinsel prosperity could not last forever.

Little was done by Washington to curb money-mad speculators. In the wartime days of Wilson, the national debt had rocketed from the 1914 figure of $1,188,235,400 to the 1921 peak of $23,976,250,608. Conservative principles of money management pointed to a diversion of surplus funds to reduce this financial burden.

A businesslike move toward economic sanity was made in 1921, when a Republican Congress created the Bureau of the Budget. The bureau’s director was to assist the president in preparing careful estimates of receipts and expenditures for submission to Congress as the annual budget. This new reform, long overdue, was designed in part to prevent haphazardly extravagant appropriations.

The burdensome taxes inherited from the war were especially distasteful to Secretary of the Treasury Mellon, as well as to his fellow millionaires. Their theory was that such high levies forced the rich to invest in tax-exempt securities rather than in the factories that provided prosperous payrolls. The Mellonites also argued, with considerable persuasiveness, that high taxes not only discouraged business but, in so doing, also brought a smaller net return to the Treasury than moderate taxes.

Seeking to succor the “poor” rich people, Mellon helped engineer a series of tax reductions from 1921 to 1926. Congress followed his lead by repealing the excess-profits tax, abolishing the gift tax, and
reducing excise taxes, the surtax, the income tax, and estate taxes. In 1921 a wealthy person with an income of $1 million had paid $663,000 in income taxes; in 1926 the same person paid about $200,000. Secretary Mellon’s spare-the-rich policies thus shifted much of the tax burden from the wealthy to the middle-income groups.

Mellon, lionized by conservatives as the “greatest secretary of the Treasury since Hamilton,” remains a controversial figure. True, he reduced the national debt by $10 billion—from about $26 billion to $16 billion. But foes of the emaciated multimillionaire charged that he should have bitten an even larger chunk out of the debt, especially while the country was pulsating with prosperity. He was also accused of indirectly encouraging the bull market. If he had absorbed more of the national income in taxes, there would have been less money left for frenzied speculation. His refusal to do so typified the single-mindedly probusiness regime that dominated the political scene throughout the postwar decade.

### Chronology

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<th>Year</th>
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| 1903 | Wright brothers fly the first airplane  
First story-sequence motion picture |
| 1919 | Eighteenth Amendment (prohibition) ratified  
Volstead Act  
Seattle general strike  
Anderson publishes Winesburg, Ohio |
| 1919-1920 | “Red scare” |
| 1920 | Radio broadcasting begins  
Fitzgerald publishes This Side of Paradise  
Lewis publishes Main Street |
| 1921 | Sacco-Vanzetti trial  
Emergency Quota Act of 1921  
Bureau of the Budget created |
| 1922 | Lewis publishes Babbitt  
Eliot publishes “The Waste Land” |
| 1923 | Equal Rights Amendment (ERA) proposed |
| 1924 | Immigration Act of 1924 |
| 1925 | Scopes trial  
Florida real estate boom  
Fitzgerald publishes The Great Gatsby  
Dreiser publishes An American Tragedy |
| 1926 | Hughes publishes The Weary Blues  
Hemingway publishes The Sun Also Rises |
| 1927 | Lindbergh flies the Atlantic solo  
First talking motion pictures  
Sacco and Vanzetti executed |
| 1929 | Faulkner publishes The Sound and the Fury  
Hemingway publishes A Farewell to Arms |

For further reading, see page A22 of the Appendix. For web resources, go to [http://college.hmco.com](http://college.hmco.com).