

## Towns and cities

By the 1920s more than 50% of people lived in towns and cities. Cities such as Chicago and New York grew rapidly. This represented the new confidence and prosperity in the young Americans. This led to a rise in the right to prosperity and rather than saving money it was better to spend it.

Everyone owned a radio and by 1929 NBC radio was making \$150 million per year.

Cinema and the celebrity culture grew, Hollywood boomed and actors like Charlie Chaplin became household names.

Jazz music swept the nation leading to modern dances such as the Charleston becoming popular with men and women along with drinking smoking and partying.

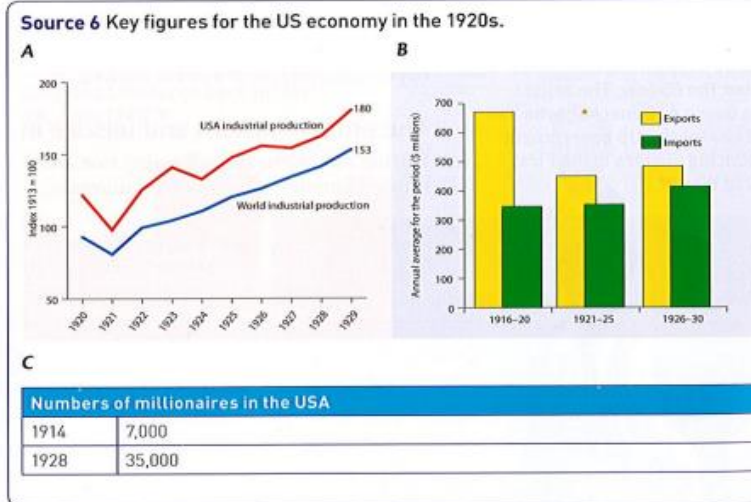
All of these things were challenges to the pre war attitudes that women should be quiet and respectable. The flapper was the symbol of this.

Car ownership increased and people travelled further afield in pursuit of adventures.



## The USA in the 1920s: The Economic Boom

Economy was booming. This funded many building projects and allowed most people to feel confident in spending their money. The USA also became a world super power as they were so successful in exporting their goods. This money was raised through investors on the stock market based on Wall Street in New York. Business supported the stock market paying back dividends and the stock market supported business paying out shares.



### Government policy (These are **Republican** policies)

President Warren Harding promised to return to Normalcy and a stable prosperous economy. His key policies were:

Laissez Faire – limited government interference.

Protective Tariffs – made it expensive to import foreign goods.

Low Taxes – People should keep their money as they earned it.

Powerful trusts – captains of industry who knew how best to run a business.

### Mass production requires mass consumption

There was no point producing lots of goods if no one was buying, so we see the rise of mail order (buy from catalogues), Credit (buy now, pay later), chain stores (lots of branches of the same store in different cities).

### Not everyone benefited from the 1920s.

#### Farmers – suffered because of:

Declining exports

New competitors

Over production

Falling prices

#### Traditional Industries suffered because:

Electricity replaced coal

Machinery and cheap labour from the south

#### Unemployed and poor people

Not many companies were using workers, they used machines so fewer jobs were created.

### Resources

The USA had massive resources of oil, steel and other precious metals. These resources and the people in charge of companies that were in charge of developing them were largely responsible for the growth of industries such as aviation and car making and major building projects such as a massive growth in both the rail and road networks.