

The main aspects of the economic boom in the 1920's essay sample



**ASSIGN
BUSTER**

During the 1920's the United States of America enjoyed a boom period in it's economy, which heavily altered the lifestyles of Americans and the society that they lived in. There were several main aspects of the boom, including the development of the car industry, Hollywood and the movies, the birth of the Jazz Age, the establishment of new freedoms for women and the surge in the manufacture of consumer goods. This essay explores in detail the main aspects of the economic boom, and makes links between them; also demonstrating how economic factors lead to changes in society, and vice versa.

During the twenties factors such as the mass-produced motorcar not only not only altered the ways of daily life but also resulted in an unprecedented growth in business that established the US as predominant in the world. In 1921 the gross national product was \$74 billion, which by 1929 had risen to \$104. 4 billion. The three presidents of the 1920's, Harding (1921-23), Coolidge (1923-29) and Hoover (1929-33), were all Republican who supported business and the stock market. They introduced lower taxes allowing business owners to infest profits in their businesses, but also giving them more money to put back into the economy, e. . to spend on consumer goods.

This also led to increased demand for the cars now rolling off the production line, showing how these two factors are linked; they influenced each other.

The government also raised taxes on foreign goods so they could not compete with American business (known as ' protectionism'). The USA also reaped the benefits of it's position during World War One. America's economy had not suffered from the First World War; instead it had been

<https://assignbuster.com/the-main-aspects-of-the-economic-boom-in-the-1920s-essay-sample/>

strengthened by war production for allies. This is linked to the large amount of money US banks had available during the 1920's to lend or to invest in new industries.

Most of this money came from war profits and interest on loans. Another factor helping to 'kick-start' the boom in the US economy was the countries vast amounts of natural resources. Also, power was developed with electricity rapidly taking over from steam power. This could support a vast economy and made the US self-sufficient, one of the reasons the economy was not harmed when other countries retaliated to the American government raising taxes on foreign imports. Economic development and inventions earlier in the 19th century also helped to bring the US to takeoff point.

In the twenties, there was a substantial growth in production, jobs, profits, wages and therefore a general good standard of living and an emphasis on having fun – "The Age of Excess". These elements worked in a cycle of cause and effect or supply and demand. The growth in production created many more jobs, and because more people had more money they were able to buy the goods being newly produced. More goods needed to be produced so more jobs and more profits were created. This led to the start of mass production and consumerism in the twenties.

For the very first time items such as cars and refrigerators were available and could be afforded by the middle classes, and other industries like advertising became very profitable. People could afford their leisure time and the leisure industries also boomed. Mass production started with the

high demand for products, such as Ford cars, that people could now afford. Before 1901, only the very wealthy could meet the expense of a car. It was unthinkable that a farmer or shop girl might own a car. However, this was just what happened during the next twenty years.

Between 1909 and 1928, a staggering fifty million Ford Model Ts were built, and cars came within the reach of common people for the first time ever. All this was only made possible by the revolutions in the car industry brought about by Henry Ford, a motor engineer. Henry Ford founded the Ford Motor Company in 1903 and began producing the Model T in 1909, which was a runaway success. In the past, each car was hand-built, with the chassis standing in one place, whilst labourers fetched various parts, and skilled mechanics used them to build the car.

During the 20's however, demand was much greater and more cars had to be made in less time. With the assembly line factories made a lot more cars in one day than ever before. The US had cheap labour in the form of immigrants who came to settle. Because of language problems and lack of skills with recently arrived immigrants, the assembly line was readily developed along with the division of labour. This gave the US an advantage over other countries. The assembly line led to previously unemployed people being hired to work in factories.

In turn, they were paid a much higher wage and could afford to spend more, on items like Ford cars! This is an example of how economic factors led to changes in society: people could be paid higher wages meaning that almost every American owned a car (three in four families), and vice versa: people

buying cars strengthened the industry giving it more money (in turn causing higher wages! - a cycle of cause and effect). The whole of the motor industry benefited from the boom as car sales, and so cars on the roads rose. This created jobs not only building cars, but also building roads, building roadside diners and in advertising.

The boom changed much of American society. More people could go out and enjoy themselves because of the increase in leisure time and affluent society. In fact, the time period was named "The Age of Excess" because of this. Jazz music had a massive effect on the youth of America, as they became far more outgoing. More people started smoking and going out spending money, and women started to wear shorter skirts and other more 'outrageous' fashions. Older generations hated the new music and apparent disrespect of younger people. A new kind of women was formed, called a 'flapper'.

Flappers, the fashionable young women of the 1920's, shocked older people by everything they did. For example, young women shocked onlookers by bathing semi-nude in one-piece swimsuits on Chicago beach. But the flappers were a sign of the times. Hollywood promoted these women and their fashions and the actresses in movies became icons for other young women. After the hardship of WWI young Americans wanted to have fun, so new, exciting forms of music and dance became all the rage. Jazz music was the most popular in the 1920's - often called 'The Jazz Age'.

The new cars that could now be afforded during the twenties allowed people to travel to see jazz, making it more accessible and ultimately compelling

people spend more going to listen to shows, showing how these two aspects are linked. Jazz music and culture was also influenced by another aspect, Hollywood and the movies. People got to hear jazz music when it was played in films, and the first ever 'talkie' told the story of a Jazz Singer. Between 1920 and 1950 the film industry boomed. Movie stars helped lead to its rise. In 1930 one hundred million Americans per week were 'going to the movies' to watch films.

In Hollywood, a suburb of Los Angeles, film studios turned out hundreds of films each year to feed the appetites of movie goers, who fuelled the economy by paying to see them. So how did the changes movies made to the economy change society? Movie stars were popular partly because they provided people with cheap entertainment, but movies also educated people. Americans were interested in learning what cutlery to use, what hairstyles to wear and how to mix cocktails. Movies gave people social etiquette and higher aspirations in life.

Society therefore changed the economy because people wanting to copy the stars paid to see more films, making the industry richer (and of course in turn fuelling the cutlery, hair and fashion industries!). Many of the people paying money to copy the fashions and lifestyles of people in the movies were women. For example, the number of women who smoked greatly increased, showing that they imitated the female film characters who would smoke publicly just as the men did. In fact, during the 1920's much changed in the way women lived – they gained new freedoms. Before WWI, women led restricted lives.

Young ladies were meant to behave modestly, e. g. they were accompanied by a chaperone when dating young men, and it was socially unacceptable for a woman to smoke in public. After the war and in the 1920's much changed – at least for middle and upper class women. Many taboos disappeared: women began to smoke publicly, it became acceptable for women to drive, and women began taking part in strenuous sport. In 1920, after decades of campaigning, women finally won the vote. Before 1920, women could only vote in four US states. Traditionally, women were employed in 'female' areas such as domestic service and dressmaking.

During WWI, many women joined the workforce to replace the men joining the fighting. After the war, they were forced back into 'women's' jobs, but despite this, there was a steady increase in the numbers of working women during the 1920s. Numbers of employed women increased by 25% over the decade, to 10.6m in 1929. Women's new working lives and new freedoms are linked to the growth of the car industry during the twenties. The money they themselves earned from jobs could be used to buy their own cars, strengthening the demand and therefore the industry. In turn, women owning cars contributed to their freedom and independence.

The freer women were to find and travel to work, the more cars were bought, and so on. The liberation of women also links in with jazz music. The wild dances performed to jazz tunes again gave women more freedom – they were able to dance closely with young men, as well as drink and smoke publicly – they were liberated. Women contributed to the jazz music industry by spending money going out, boosting the success of The Jazz Age. The

freedom of women is also linked to another feature of the 1920's economic
<https://assignbuster.com/the-main-aspects-of-the-economic-boom-in-the-1920s-essay-sample/>

boom, which were the massive increases in consumer goods such as fridges, vacuum cleaners and washing machines.

The many new inventions that had been created for use around the home had a tremendous effect on people's lifestyles and their attitudes. In particular for women it meant chores such as cleaning a house wasn't such a manual task - women could clean their houses and carry out other domestic tasks quicker than before, so they had more free time, and that for the first time instance in history women could have a social life away from their husbands (again giving them more freedom and independence! - just as jazz did).

This also influenced the jazz industry because women had more time to go listening to concerts, making the industry richer. Another way in which consumer goods influenced jazz was the new radios and gramophones, now made available cheaply to ordinary working families.

The radios enabled people to hear new jazz music, popularising the genre, whilst the affordable gramophones (items such as these could now be bought using the new credit system) meant people would buy records - making jazz very big business... jazzmen such as Louis Armstrong made good money out of both their performances and sales of their music. Consumer goods also allowed people (in particular women) more time to go to the cinema, helping to make the Hollywood film industry boom (this also meant that women would copy even more of what they saw onscreen during the movies, again linking in with their freedom and independence, and causing them to go and see more jazz, strengthening this industry, etc.).

In turn movies contained advertisements for consumer goods, making demand rise even more, and also providing money for a new industry - advertising! Adverts also link to the film industry, as cars were made more attractive by adverts, and people seen in movies drove cars, making them all the more appealing. This is an example of how the economy (growth of the advertising industry), led to changes in the society (more people buying cars, etc.). So how else was society changed by the economy, and vice versa?

Changes in society in terms of women like job availability changed the economy because women had more money to spend on fashion, socialising, and cigarettes. Women having more time due to electrical products e. g. the Hoover and increased independence meant a booming economy where consumer goods and cars were concerned. These changes in the economy in turn lead to changes in society, e. g. the take off of the consumer goods like radios and gramophones influenced the jazz music and dances of the era.

Largely because of jazz and the ideals of its followers, there was more emphasis on having fun in society, and more advertising for the music. More adverts in society then changed the economy by increasing demand for motor cars (also advertised), and the car industry part of the economy changed society by resulting in more jobs, quicker transport (people could go to shops easily - even go on holiday), the delivery of goods, higher wages for many workers, and new mass production methods.

Despite the vast riches of the country, wealth was certainly not distributed evenly among the people of America in the 1920's. Six million families lived on an income of less than \$1000 per year. These people undoubtedly did not

benefit from the boom. Agriculture also suffered a huge decline, as farm prices fell to the consumer's advantage, but leading to widespread closure, and the textiles industry declined due to new synthetic fibres being developed. Black people also did not share in the boom.

Segregation and racial prejudice meant that they were forced into the most badly paid jobs, whilst other Americans enjoyed the products of a booming economy. In conclusion, during the boom in the US economy during the 1920's there was cycle consisting largely of people having more money to spend (or put back into the economy), and business making increased profits, creating more jobs, and generating or influencing other industries as they started, creating a more affluent society.

The main aspects of the boom were cars, Hollywood and the movies, The Jazz Age, the liberation of women and the explosion in consumer goods. It was a range of aspects that were the features of the boom - and these factors enabled and relied upon each other. These things established the state of mind in America, which continued to fuel the consumer market. The atmosphere across the country was of a busy activity, and there was a sense of business that ensured the USA stayed prosperous. Making money was seen almost as a religious duty.