

The war economy

[Business](#)



“ Never before had the federal government poured so much energy and money into production or assigned such a great army of experts to manage it. This marshaling of resources involved a concentration of power in the federal government that exceeded anything planned by the New Deal”- Out of Many, 3rd edition. While the war was primarily fought overseas between the Allied and Axis Powers, a major force operating behind the war effort came from the United States organizing economic war initiatives that mobilized the military and the U. S. population in the Great Depression. President Roosevelt created a number of alphabet wartime agencies to head the reorganization of America’s economy and organization of war supply production, including (SPAB) that oversaw the expenditure of wartime resources and domestic consumption, (OPA) which monitored the possibility of inflation, and the (NWLB) which facilitated relations between workers and labor management, strikes, and limitations of wage increases.

Furthermore, some of wartime funding went towards propaganda, “ selling” a sense of U. S. patriotism that encouraged the average civilian to donate whatever they could to the war effort, whether it was their own money, food, families, or self-labor. Propaganda also encourages U. S.

citizens to purchase war bonds, using anti- German and Japanese imagery and the phrase of having “ a stake in the financial stake in American democracy” to further sell the war. As a combined result of these undertakings, estimates for daily capital were rounded to cost around \$250 million per day, almost twice the amount that the federal government had in any period beforehand. The focus of America transferred from “ Dr. New Deal” to “ Dr. Win the War,” settling a consuming political responsibility for

acquiring planes, weapons, food, and other accessories thought to be needed for victory. Eventually, “out production” became the U.

S.’s primary goal in determining victory, a confidence reinforced by America’s industrial base, copious natural resources, and an entire population ready to work its labor and armed forces. Economic conversion resulted from a permutation of U. S. government spending and foreign demand, and resulted in aiding to lift the U.

S. out of its depression and inducing major profits to businesses benefiting from the wartime rush, along with an influx of new workers, such as domestic women. America’s war spending has duly increased between the years 1940-1945, inciting the creation of several war programs that provided money and materials for the Allied forces while drawing millions of American citizens to service the war effort in machinery or in the army.