

HISTORY OF USA (1865-1945 AD)

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HISTORY OF USA, 1865 – 1945 A.D.

The subject covers the civil war of America, its participation in both world warsand the resurgence of U.S.A as a world power.

The study enables to acquaint the basic concepts of political life in U.S.A, the great experiments in federal democracy and the world wide significance of U.S.A.

UNIT: I –Civil War:

Civil War – Causes, Course, Results, Significance. Abraham Lincoln – Post Civil War Reconstruction - Agricultural Expansion - Sherman Anti – Trust Act of 1890 – Rise of Big business – Labour movements.

UNIT: II –Growth of Imperialism

Growth of Imperialism – Spanish American War – Annexation of Hawai - Philippines and Caribbean – Pacific problems.

UNIT: III – Rise of Progressivism

Rise of progressivism – Theodore Roosevelt - Square Deal – Domestic policy – Big Stick Diplomacy – Taft and Dollar Diplomacy.

UNIT: IV – America and the First World War:

Role of America in the First World War – Woodro Wilson – His Fourteen points – Great Depression and its effects – Hoover administration.

UNIT: V - America as World Power:

Franklin D. Roosevelt – New Deal – America and the Second World War – War time Conferences – Establishment of UNO – Resurgence of USA as World Power.

Reference Books:

- 1. Blake NMA Short History of America life.
- 2. Christopher P.Hill- History of the united states.
- 3. Frank Fredidal and Alan Frankly- America in the 20th Century.
- 4. John A. krout The United States Since 1865.
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UNIT - I

SLAVERY IN AMERICA

In 1852 Franklin Pierce of the Democratic Party was elected President and in 1856 James Buchanan, the presidential candidate of the Democrats, won the election and he was succeeded by the Republican candidate, Abraham Lincoln. The administration of these presidents was marked by antislavery movement and sectional conflict. Slavery existed in all American colonies except Massachusetts at the declaration of independence. To the unscrupulous adventurers of Europe slave trade appeared as a lucrative business. Parties were employed to seize the Negroes of Africa. The Poor victims were shipped to the west Indies, sold in the slave markets and taken to the English colonies for work. It was in 1619 that about twenty Nagroes, being the first batch of slaves, mere imported into Virginia. The white land lords held extensive estates and they needed cheap labour. In consequence more Negroes were imported. The Negro population grew to about five lakhs by the Revolution and to forty lakhs by the Civil war. Mostly they were employed in tobacco, paddy and sugar plantations of southern states. The salves were of two categories; household servants and field hands. The householdservants worked in the houses of their masters as butlers, cooks, coachmen, maids and nurses. The field hands were employed in field to cultivate, make houses and build roads. All were housed in rows of huts in the estate of the white master. The masters employed overseers in control of gangs of slaves.

CIVIL WAR - CAUSES

During the years 1861-1865 united states witnessed one of the important struggles between North and South, which termed out to be the greatest civil war in history. Heographical differences, political differences causes for the civil war in USA.

Causes of civil war

The civil wars were an important chapter in the history of the USA. It has been described as the two brothers war. It was a political test to integrity of the USA. The USA was divided into North, and South. The division was due to the sectional feelings. The Civil War lasted between 1861 and 1865. The two sections fought in the name of Federation and Confederation. Ultimately, the North under President Abraham Lincoln won the war. It strengthened the federation of the USA. There were many fundamental reasons for the American Civil War. These causes were broadly divided into differences in banking system, tariff issue, constructional programmes and the question of slavery.



The whites of the North felt unhappy as slavery came in the way of their own progress. While they were to depend upon their own labour to make a living, they faced the competition from the southern whites, who relied on slave labour for 57 the production of goods. The slaves made their masters rich and rendered them powerful in national politics. In the mean time many a Christian found on justification for the iniquitous practices of slavery, when they saw the helpless Negroes as subjected to barbarous treatment and the children born to the white men and black women, as employed in fetters for work. The American Colonisation Society was created with a view to sending the Negroes to Liberia in Africa, But the demand for slaves was so great that the project gained no complete success. Yet as slavery was found unprofitable for industries, the northern states gradually did away with it. By 1800 slavery existed in the states south of the Mason Dixon Line, the northern boundary of Maryland. In 1808 the slave trade was banned but slavery continued to flourish in the South and served as the basic of the prosperity of landed aristocracy. Among the Americans who opposed slavery because of their moral convictions, the most noted was William Lloyed Garrison. A poor, friendless and young agitator, he set the country aflame by his relentless crusade against slavery. In 1831 he founded his anti-slavery newspaper. The Liberator at Boston. He declared that the principles of life, liberty and pursuit of happiness, as stated in the Declaration of Independence, applied to the whites as well as to the blacks.

The rivalry between North and South in their attempt to strengthen their respective positions contributed to colonization of new areas and annexation of more territories. The two sides made a determined attempt to maintain their balance of power in the national politics, whenever more territories were annexed, additional areas were colonized and new states were formed.

Banking System

The introduction of Bank in America leads to the came of Civil War. There had been sharp differences of opinion between the North and South. Eversince, the beginning of the First Bank of the USA. The North advocated centralized banking system. The south stood for decentralized banking system. Anyhow the centralized banking system was established by George Washington. The first bank of the USA was abolished by Madison. He created the "Per banks". Munroe introduced the Second Bank of USA. It was abolished by Jackson. He introduced the "wild cat banks". The Southerns wanted liberal credit system, whereas the Northerns advocated controlled credit system.

Tariff system

The North strongly advocated protective tariff system. This was to safeguard the American industries from foreign competition. The Southern wanted free trade. On the advice of Hamilton, George Washington, introduced protective tariff system. These tariffs were highly reduced in the days of Jefferson. But tariff had regularly been raised in 1816, 1824 and 1828. These were known as the Tariff of abomination. In 1833, South Carolina launched the



Nullification movement. As a result of the Nullification movement, Jackson sliced down the tariff of 1832. The Nullification movement was an example of the sectional conflict.

Constructional Programmes

The West was separated from the original states by the Applachian Mountain. The westerners demanded rail roads and canal projects. The constructional programmes were undertaken in the days of James Munroe. The first major work was the Cumberland National road. It was 6000 miles in length. The other major project was the Erie canal. The next constructional problem came in the form of Trans-continental railway. It was to link the west with the east, the Northerners suggested it is between Chicago and Los Angels. Anyhow, the first railway route was prepared. It connected the west and the north.

The Question of Slavery

The Question of slavery had been there in America eversince its independence. The North and the South were deeply divided over the issue. Slavery was permitted for a period of 20 years when the Federal constitution was formed. The question of slavery became prominent with the admission of new states. Buchanan rejected slavery as an indefensible evil but the majority of his party, refused to challenge the constitutionally established order.

Missouri compromise of 1820

Amount the original stats, seven were free soil and six were slave soil. During 1791 and 1819, 4 free states and 5 slave states were admitted in the Federation. It established balance between the two groups. Under such circumstances, Missouri applied for admission in 1819. There was a rift in the Senate. Henry Clay introduced the famous Missouri Compromise of 1820. In accordance with it, Missouri should be admitted as a salve state. Massassussets would be divided into two halves, namely Massassussets and Maine. Maine would be admitted as a Free state. In addition Slavery would be abolished in Louisiana North of parallel 360 N Latidue.

Compromise of 1820

In 1850 another problem of administration of new states arose. It was an account of the Mexican war. New-Mexico, Utah and California applied for admission. The problem was whether to admit them as free states or slave states. Several compromises were suggested by Moderates like David-Wilmot, Stephen Doughlas and Henry Clay. The suggestion of David Wilmot was called Wilmot Provision. It insisted abolition of slavery and anti-slavery groups. At last the Compromise of 1850 was suggested by Henry Clay.



Kansas-Nebraska Act of 1854

The next sectional problem was the settlement of middle west territory. It was to be organized into states. Therefore a committee on territories was created. The chairman was Stephen Doughals. It divided the North West territory into states. They were Kansas and Nebraska. Regarding the question of abolition of slavery, the popular sovereignty device was introduced. Accordingly these states would become either slave or free state.

Pottowatomic Massacre and Kansas War of 1856

As a result of Kansas Nebraska Act the Northerner abolitionists settled in Kansas and Nebraska. There were frequent clashes between pro-slavery and anit-slavery groups. The gun was regarded the very important weapon. It was famously called the Beechers Bible. Among the abolitionists John Brown was noteworthy men. In 1856, he brutally murdered a Gree family in Pottowatomic. It was the famous Pottawatomic Massacre. John Brown regarded his work as "Divine Mission".

Dred Scott Case 1857

Dred Scott was a Negro slave. He was in the service of Dr. Emerson. Dr. Emerson was a famous surgeon of Missouri. He used to visit Northern states along with Dred Scott. While Dred Scott stayed in the Northern states he had conduct of abolitionists. On their advice, he filled a case in the Supreme Court against his master. He demanded liberation. The judgement for the case was given in 1857. He was actually the property of his master. The judgement of the Dred Scott case created indignation in the Northern States.

Uncle Tom's Cabin

Uncle Tom"s Cabin was a famous American novel. It was written by Stowe. The theme of the book was the suffering of the Negro slaves. It exposed the public life of the Negroes. It also touched the hearts of the Northerns. It had heavy sales. It also circulated the idea of abolition of slavery in America.

Immediate Cause of Civil War

The Election of 1860

The General Election of 1860 was very crucial. Abraham Lincoln was the Republican candidate. The Democratic party candidate was Stephen Doughlas. The Electoral campaign went vigorously. Abraham Lincoln declared that the American Government could no longer remain half slave and half free. As a result Lincoln was elected by a large majority. The election of 1860 broughtforth a deep crack between the south and north.



Course of the War

The outgoing "Lameduck president" Buchanan was in office upto 1861. Meanwhile, South Carolina held a special convention. It decided to secede from the federation. A similar Stand was taken by Mississippi, Florida and Georgia. President Buchanan tried to mediate between them. But it was a futile attempt. Texas and Louisiana also joined along with South Carolina. The matter became very serious. President Lincoln threatened a war on the southern states. Grant was the General of the army. In the same time "Cotton Kings" formed a confederation with Richmond as their capital. Jefferson Davis was elected the President of the confederation.

The Democrats in the North were divided over the issue. Most of them were Moderates. Therefore they never supported the formation of the confederation. They were popularly called the Copper heads. They supported the cause of the federation. The first battle took place at Sumeter, Lee was the veteran military leader. He was the commander of the army of the confederation. Anyhow, he was defeated in many battles. In 1863, the federal army got the resounding victory at Gettysburg. It was followed by the Emancipation. Proclamation, the black negroes were liberated by the presidential order. In 1865 Richmond was captured. The confederate army surrendered unconditionally. Thus the American Civil War came to an end.

RESULTS OF CIVIL WAR

- i) The federation was strengthened. The USA became more powerful and strong.
- ii) It led to the assassination of Abraham Lincoln.
- iii) The Civil War created more problems than it solved. The civil was fought to strengthen federation. But at the end of the war, there were new and more problems. There were political and economic devastations.
- iv) To make up the devastations, reconstruction programmes were introduced
- v) The Republican Party had became very popular. They dominated the political scene for a longer duration.
- vi) It led to the rise of big business houses. Thus it led to the Industrial Revolution in America.
- vii) The centralized banking system was again introduced in the USA.
- viii) The Negroes were liberated. But they were not economically and socially liberated.

ABRAHAM LINCOLN

One of the greatest presidents of the United States, Abraham Lincoln was born in 1809 in a family of settlers in a log cabin in Kentucky. Not far from the settlement of the Lincolns was born Jefferson Davis, Who was destined to become President of the Confederate States of America. While the Davis family moved to the South, the Lincoln



family went to the West. A man with exceptional strength, he could split rails, build cabins, pilot boats and argue with reason. Like the other settlers of the times, he too fought against the native tribes, yet he was kind to animals and birds. A practical joker, homely wit and inventor of stories, he endeared himself to his fellow whites. Noted for his common sense, he displayed a keen interest in acquiring knowledge. He studied law and politics and read classics, Shakespear's dramas and Aesop's Fables. At Springfield in Illinois he established a reputation as a lawyer and a local politician. A member of the Whig Party he was elected to the Illionis State Legislature and subsequently to the House of Representatives at Washington. Yet he was only a local politician with no recognition.

RECONSTRUCTION OF USA

The Lincoln Plan:

IN Lincoln's scheme of reconstruction reconciliation of the South and preservation of the Union served as the guiding factors Hatred and revenge found no place. A moderate as he was, he entertained the view that southern states had not seceded from the Union, but were in a state of rebellion. Therefore he decided to use his constitutional power to pardon the rebels. In his proclamation of amnesty issued in December 1864, he outlined a plan of political reconstruction, known as Ten Per Cent Plan. There were two proposals in the plan: 1) That all southerners, taking an oath of loyalty to the Union were to be granted pardon and restoration of property except in slaves. However, high ranking civil and military leaders of the Confederacy were exempted from this concession. 2) That as soon as one tenth of the voters in the 1860 election in any state took an oath of loyalty and elected their state conventions to organize new state governments, the rebel state was to be restored to its former status in the Union. Under the operation of this scheme four states, Louisiana, Arkansas, Tennessee and Virginia reconstituted their governments. However, as these states made no attempt to grant voting rights to blacks, Congress, led by radical Republicans, considered Lincoln's plan as too moderate to be approve and refused to admit the representatives of these states. On 14th April 1865, Lincoln was assassinated by a secessionist, John Wilks Booth. This created more complications.

Lincoln's Services to the Nation:

Born in obscurity, Lincoln fought through difficulties to emerge as a national hero. Self educated, he became a lawyer and leader, noted for his ability for clear analysis and forcible presentation of facts. He entered politics during a period of crisis, when the country was threatened with sectionalism. The Republicans accepted him as their candidate and the country elected him to the presidency. As President, the greatest service that Lincoln rendered to his people was preservation of the Union. For long southern states believed in their right to defy national laws and to secede from the Union. The situation that assumed a serious turn since the Mexican War culminated in secession, posing powerful challenge to the new President. In this critical hour Lincoln displayed his great qualities of leadership. He



isolated the South by keeping the border slave states with the Union and preventing the European powers from going to its aid. Though he erred often in military strategy, he mobilized the resources of the country on and unprecedented scale and preserved national unity. Secondly, Linoln granted freedom to the slaves by making use of his war-time powers. However, it cannot be denied that he did it much because of political considerations and that he made no attempt to grant vote to freedmen. Thirdly, Lincoln displayed a spirit of conciliation in dealing with the humbled rebel states. Despite the havoc wrought by the war, he called upon the nation to forget the past, to discard the concept of revenge and to consider the southerners as members of the same national home. In his last cabinet meeting, he exhorted: "We must extinguish our resentment if we except harmony and union".

POST CIVIL WAR RECONSTRUCTION

Guided by Stevens and Summer, Congress appointed a Committee of Fifteen, consisting of representatives from both the houses to formulate terms of reconstruction. Before any definite policy was formulated, Congress passed two acts over the veto of President Johnson for safeguarding the interests of the blacks. One of them extended the tenure of the Freedmen's Bureau, which was founded during the Civil War to take care of the freedmen and the other, the Civil Rights Act of 1866, forbade states from discriminating against the blacks and guaranteed to them equal protection with the whites before law. In 1866 Congress accepted the Fourteenth Amendment to the Constitution. It provided for citizenship and civil rights including equal protection before law for the blacks. It also repudiated the confederate war-debt and disqualified the former confederates from holding offices unless Congress pardoned them. Of the southern states Tennessee voted for this amendment and was therefore admitted into the Union.

Congressional Plan:

By 1867 the Committee of Fifteen completed investigators and formulated its proposals for reconstruction. Accordingly Congress adopted a plan of reconstruction for the remaining ten states. It provided: 1) The South was to be divided into five military districts under commanders of army, who were empowered to protect life and property. 2) The black and white citizens whose names were registered as voters, were to elect delegates to state conventions, which were to draft new state constitutions, guaranteeing tot h blacks right to vote. These constitutions were to be submitted to the voters for ratification and to Congress for approval. 3) The newly elected legislatures were to ratify the Fourteenth Amendment to the Constitution. When these conditions were fulfilled, the rebel states were to join the Union. Accordingly six of the ten states satisfied these conditions and returned to the Union by 1868.

There still remained four states-Virginia, Texas, Mississippi and Georgia. They were required to accept the Fifteenth Amendment to the Constitution as a further condition for admission. This Amendment, adopted in 1870, forbade the United States as well as the



member states from denying vote to a citizen on ground of race, colour or previous condition of servitude. The four states accepted this condition and rejoined the Union in 1870. Though the Congressional Plan appeared harsh, it did a service to the nation, for it gave vote to poor whites and to some extent blacks too, introducing thereby great democracy in the country.

AGRICULTURAL EXPANSION

Land, mining, and improved transportation by rail brought settlers to the American West during the Gilded Age. New agricultural machinery allowed farmers to increase crop yields with less labor, but falling prices and rising expenses left them in debt. Farmers began to organize in local and regional cooperatives like the Grange and the Farmers' Alliance to promote their interests.

When Thomas Jefferson imagined the ideal environment for the republic to thrive, he pictured a country made up of small farms. Independent farmers would make an honest living tilling the soil, and in doing so, they would become virtuous citizens. Before the Civil War, the Free-Soil movement and the Republican Party embraced this idea for the American West: a territory reserved for small white farmers, unchallenged by the wealthy plantation owners who could buy up vast tracts of land and employ slave labor. (The indigenous residents of the West did not figure into their vision, except as obstacles to remove).

During the Civil War, the Republican-controlled Congress worked to make the dream of a farmer's paradise a reality by passing the Homestead Act, which granted up to 160 acres of western land to loyal citizens. The US government also helped westward expansion by granting land to railroad companies and extending telegraph wires across the country. After the Civil War, the dream of independent farms remained, but the reality was more complex. Just as big business was coming to dominate the factories of eastern cities, so too were powerful corporate interests beginning to elbow out the independent farmers, miners, and cowboys who had built the image of the West as the land of opportunity for the rugged individual.

Developing the West

A variety of factors enticed American settlers and immigrants to head west in the late nineteenth century. Chief among these was the availability of cheap land for farming, logging, and ranching. Hundreds of thousands of people obtained land through the **Homestead Act**: through it, the US government transferred more than 270 million acres of public lands into private hands.

The discovery of precious metals and minerals also drew people to the West. Miners discovered gold, silver, and copper in several western states. The discovery of silver in the **Comstock Lode** in Nevada in 1858 prompted the largest rush of prospectors since the California gold rush a decade earlier. Hordes of miners looking to strike it rich created short-



lived "boomtowns" that swiftly turned into abandoned "ghost towns" when the communities exhausted the easily-accessible minerals. By the 1880s, only large mining corporations had the money and machinery necessary to undertake the difficult work of extracting ore from deep in the earth.

But the greatest contributor to the development of the West was the railroad. Eager to promote trade and transportation, federal, state, and local governments granted land to railroad companies. The companies used that land to triple the miles of railroad track in the United States between 1860 and 1880, all while turning a tidy profit selling excess land to settlers and speculators.

The railroads opened up the West not only to settlement but to the world market, making it possible to ship meat and crops to distant cities and even across oceans. To do so, the railroads even transformed time itself: in 1883 the railroad companies coordinated their schedules by dividing the United States into four **time zones**, which are still the standard today

Farmers in an Industrial age

The industrial innovation of the Gilded Age also revolutionized farming. New machinery increased the speed of planting and harvesting crops. Invented in the late nineteenth century, the twine-binder, "combine" (combined reaper-thresher), and gasoline tractor increased harvest yields and decreased the amount of labor needed to produce them.

But this new productivity came at a steep price. Thanks to the railroad, farmers were now at the mercy of a competitive worldwide market. Unlike earlier subsistence farmers, who had grown a variety of crops and produced everything necessary for their families, American farmers now focused their efforts on growing a single

And in the late nineteenth century, farmers were in trouble. To some extent, they were the victims of their own success: the more they produced, the less it was worth. But farmers also found themselves contending with unfavorable government policies and unchecked corporate monopolies. The US government enacted high protective tariffs for industry and a deflationary monetary policy, both of which placed farmers at a financial disadvantage. Railroad monopolies charged shipping rates so high that in some cases it was cheaper for farmers to burn their crops for fuel than to ship them to market. Farm machinery and fertilizer were also subject to steep markups. All of these factors combined to drive farmers into debt and bankruptcy.

The Grange and the Farmers' Alliance

Frustration with their circumstances led farmers to band together in cooperative organizations. The **Order of Patrons of Husbandry**, commonly called the **Grange**, formed in 1867. The Grange called for increased railroad regulations and cooperative buying and



selling of equipment and produce. At its height, the Grange had more than 700,000 members, mainly in the upper midwest states of Illinois, Iowa, Minnesota, and Wisconsin.

In the late 1870s, an even larger organization, the **Farmers' Alliance**, spread among southern and western farmers. The Farmers' Alliance established "exchanges" that would issue loans to farmers and sell their crops, and proposed that the federal government loan money to farmers at low interest rates and create warehouses to store their crops. By 1890, the Farmers' Alliance had more than three million members. Strictly segregated, the Alliance did not accept African American farmers into its ranks. They created a separate Colored Farmers' Alliance with more than one million members. Although neither the Grange nor the Farmers' Alliance effected long-term economic change for farmers, these cooperative organizations would emerge on the national political stage as the Populist Party in the 1890s.

SHERMAN ANTI TRUST ACT OF 1890

The first of these major measures declared illegal all combinations that restrained trade between states or with foreign nations. This law, known as the Sherman Antitrust Act (taking its name from its author, John Sherman) was passed by Congress early in July. It was the congressional response to evidence of growing public dissatisfaction with the development of industrial monopolies, which had been so notable a feature of the preceding decade.

More than 10 years passed before the Sherman Act was used to break up any industrial monopoly. It was invoked by the federal government in 1894 to obtain an injunction against a striking railroad union accused of restraint of interstate commerce, and the use of the injunction was upheld by the Supreme Court in 1895. Indeed, it is unlikely that the Senate would have passed the bill in 1890 had not the chairman of the Senate Judiciary Committee, George F. Edmunds of Vermont, felt certain that unions were combinations in restraint of trade within the meaning of the law. To those who hoped that the Sherman Act would inhibit the growth of monopoly, the results were disappointing. The passage of the act only three years after the Interstate Commerce Act was, however, another sign that the public was turning from state capitals to Washington for effective regulation of industrial giants.

The silver issue

Less than two weeks after Congress passed the antitrust law, it enacted the Sherman Silver Purchase Act, which required the secretary of the treasury to purchase each month 4,500,000 ounces (130,000 kilograms) of silver at the market price. This act superseded the Bland–Allison Act of 1878, effectively increasing the government's monthly purchase of silver by more than 50 percent. It was adopted in response to pressure from mineowners, who were alarmed by the falling price of silver, and from Western farmers, who were always favourable to inflationary measures and who, in 1890, were also suffering from the depressed prices of their products.



The McKinley tariff

Most Republican leaders had been lukewarm to the proposal to increase the purchase of silver and had accepted it only to assure Western votes for the measure in which they were most interested—upward revision of the protective tariff. This was accomplished in the McKinley Tariff Act of October 1890, passed by Congress one month before the midterm elections of that year. The tariff was designed to appeal to the farmers because some agricultural products were added to the protected list. A few items, notably sugar, were placed on the free list, and domestic sugar planters were to be compensated by a subsidy of two cents a pound. The central feature of the act, however, was a general increase in tariff schedules, with many of these increases applying to items of general consumption.

The new tariff immediately became an issue in the congressional elections. It failed to halt the downward spiral of farm prices, but there was an almost immediate increase in the cost of many items purchased by the farmers. With discontent already rife in the agricultural regions of the West and South, the McKinley tariff added to the agrarian resentment. The outcome of the elections was a major defeat for the Republicans, whose strength in the House of Representatives was reduced by almost half.

The agrarian revolt

Political disaster befell the Republicans in the trans-Mississippi West, resulting from an economic and psychological depression that enveloped the region after widespread crop failures and the collapse of inflated land prices in the summer of 1887. The Western boom had begun in the late 1870s, when the tide of migration into the unoccupied farmlands beyond the Mississippi quickly led to the settlement of hitherto unoccupied parts of Iowa and Minnesota and to the pushing of the frontier westward across the Plains almost literally to the shadows of the Rocky Mountains.

Westward expansion was encouraged by the railroads that served the region. It was supported by the satisfactory price and encouraging foreign market for wheat, the money crop of the Plains. For 10 years, from 1877 through 1886, the farmers on the Plains had the benefit of an abnormally generous rainfall, leading many to assume that climatic conditions had changed and that the rain belt had moved westward to provide adequate rainfall for the Plains. Confidence was followed by unrestrained optimism that engendered wild speculation and a rise in land prices. Lured on by these illusions, the settlers went into debt to make improvements on their farms while small-town leaders dreamed of prodigious growth and authorized bond issues to construct the public improvements they felt certain would soon be needed.



The collapse of these dreams came in 1887. The year opened ominously when the Plains were swept by a catastrophic blizzard in January that killed thousands of head of cattle and virtually destroyed the cattle industry of the open range. The following summer was dry and hot; crops were poor; and, to compound the woes of the farmers, the price of wheat began to slide downward. The dry summer of 1887 was the beginning of a 10-year cycle of little rainfall and searingly hot summers. By the autumn of 1887 the exodus from the Plains had begun; five years later, areas of western Kansas and Nebraska that had once been thriving agricultural centres were almost depopulated. The agricultural regions east of the Plains were less directly affected, though there the farmers suffered from the general decline in farm prices.

Although the disaster on the Plains bred a sense of distress and frustration, the lure of good land was still strong. When the central portion of the present state of Oklahoma was opened to settlement in April 1889, an army of eager settlers, estimated to have numbered 100,000, rushed into the district to claim homesteads and build homes.

The Populists of the United States

The collapse of the boom and the falling prices of agricultural products forced many farmers to seek relief through political action. In 1888 and again in 1890 this discontent was expressed through local political groups, commonly known as Farmers' Alliances, which quickly spread through parts of the West and in the South, where economic problems had been aggravated by the shift following the Civil War from a plantation system to sharecrop and crop-lien systems. The alliances won some local victories and contributed to the discomfiture of the Republicans in 1890. They were not, however, an effective vehicle for concerted political action; and in 1891 the leaders of the alliances formed the People's (Populist) Party.

The Populists aspired to become a national party and hoped to attract support from labour and from reform groups generally. In practice, however, they continued through their brief career to be almost wholly a party of Western farmers. (Southern farmers, afraid of splitting the white vote and thereby allowing Blacks into power, largely remained loyal to the Democratic Party.) The Populists demanded an increase in the circulating currency, to be achieved by the unlimited coinage of silver, a graduated income tax, government ownership of the railroads, a tariff for revenue only, the direct election of U.S. senators, and other measures designed to strengthen political democracy and give the farmers economic parity with business and industry. In 1892 the Populists nominated Gen. James B. Weaver of Iowa for president.

RISE OF BIG BUSINESS

The Civil war was a turning point. There was tremendous economic growth in the post civil war period. Several millionaries came to prominence during the civil war period.



Railroads, water transport, electricity and mines were under the control of Big Business houses upto the end of the 19th century. The industrial revolution was due to several factors.

Richness in National Resources

The United States of America was rich in land and natural resources. Oil, coal, copper iron and silver were found in America. Lake Superior was very rich in iron mines. Iron deposits were also found out in Texas, Kansas and Colerado, Oilmines were found out in California and Ohalahama. Copper mines found out in Minnesota. Gold mines are dugout in Appalachian mountain and Smoky mountain.

Invention

The 19tj century witnesses invention in the American continent. Thomas Alva Edison invested incandescent lamp and dynamo. Graham Bell invented Telephone. Robert Foulton invented Steam Boart. Charles Good year found out valcanised rubber. Fullman invented sleeping car. Rockefeller found out new method of refining petroleum. Forde invented the gaseline car. Thus wonders were invented in America.

Availability of Labour

After the Civil war, there was no labour problem. There was availability of cheap labour. There was no restriction in the American immigration law. As a result, Germans and English settled in large number of America. It greatly increased the technical know-how of the Americans.

Protective Tariff

There was no inter-state barriers. American's good moved from one state to another state. In addition, there was protective tariff. It avoided foreign competition.

Availability of Markets

America was widespread nation. There was a heavy demand of articles. In addition, th American goods had a good demand in foreign countries. On account of the effective demand in internal market and growing demand in foreign markets, the American's industries began to grow.

The backing of the government

The civil war was followed by a period of Republican Party. The Republican Party got thumping victories in the presidential election. The Republican Party supported protective tariff centralized banking system and the growth of industries. Entrepreneurs and monopolists



were the favourite children of the Republican party. The civil right bill safeguard the property right of the monopolists.

Expansion of Railroads

There was vast development in the Railway tracks. Trans-continental railroads were constructed. The Construction of railroads were granted to several private company. The most prominent among the private owners was Cornelius Vanderbilt. He was a New Yorker. He began his career as a wealthy ship owner. Later he invested his money in Railway business. It was because of him, the Railway journey was made comfortable, cheaper, safer and quicker.

Growth of steel industries

The growth of steel industry was partly due to Andrew Carnegie. He was Scottish by birth. He came to America in his 13th year. He was employed in a cotton mill. In 1864 he was the owner of an iron industry in Pittsburg. He controlled more than ¼ of the total steel production of America. In 1901, he retired from business and established several libraries. He promoted education and world Peace.

Oil Company

Oil mines were found out in different parts of America and especially in California. Rockfeller was the most important figure in American Oil industries. Rockfellers started his career as ordinary oil driller. He became very popular and unhealthy. It was because of his new method of petroleum purification. Towards the close of the 19th century, he established the Standard Oil Company. He controlled more than 90% of the American Oil production.

Formation of Trust

The Growth of the American industries led to the formation of trust or corporation. Firms of same production joined together and formed trusts, cortels and corporations. The most important among them were the American Tobacco, the US rubber company, the Standard Oil, Company, the American Telephones and telegrams and the American Sugar Refinery Company. These trust controlled prices and markets.

Industrial Unrest: The demands of organized labour were moderate though the workers relied on strike and boycott to realize their objectives. Yet the employers and state governments were so hostile that labour could make no significant gains. The demands of labour could be achieved only slowly and after a long period of industrial strife. Between 1881 and 1900 there were organized about 24,000 strikes, involving about 1,28,000 establishments. Some of these strikes, excited nation wide interest. In 1892 there came the Homestead Strike in the Carnegie Steel Company in Pennsylvania. The agitation lasted for nine months and many died in clashes. Ultimately the strike collapsed and the workers



resumed work, accepting the terms offered by the company. In 1894 there came the Pullman Strike at the Pullman Palace Car Company at Chicago. It spread to other railroads, but was crushed by the federal troops.

In the struggle between labour and capital, the latter was generally successful. The capitalists relied on different methods like black listing of the workers, denial or delayed payment of wages and employment of goondas for coertion. The courts and governments too appeared unsympathetic. Despite these, the trend of events appeared favourable to labour for, many of the employers realized the necessity of co-operating with trade unions for preserving industrial peace.

They frequently agreed to submit labour disputes to arbitration, introduced profit sharing programmes, built housing colonies for workers and implemented old age pension schemes and death benefits. The state and federal governments gradually enacted and enforced laws in favour of the workers. Thus they established eight hour day in public offices and public works, prohibited importation of contract labour and created the Bureau of Labour. If the united labour failed in many respects, it was much because the workers" unions found themselves incapable of competing with capitalists. They started numerous cooperative enterprises but they collapsed due to mismanagement and unfair competition. Secondly, the leadership devoted too much of its attention on the perfection of social reform programme rather than to the needs of trade unions. Though they organized strikes and agitations, they were done without adequate preparations. Mismanaged, and ill-conducted, they frequently ended in violence and disorder, helping the capitalists thereby. In addition to these the labour encountered serious odds, presented by internal bickering. In the mean time the industry perfected a series of weapons that rendered it invincible. Among them were the lockout, black listing of workers for union activity, exaction of oaths from workers against trade union membership and refusal to arbitrate disputes. Together with these, certain industrialists made a genuine attempt to promote the welfare of labour and hence workers found unions not much necessary. Finally, the workers failed in securing the sympathy of the governments. The administration and the judiciary generally extended their support to the employers and lot to the employed in a bid to preserve order.

LABOUR MOVEMENTS

The industrial revolution stands out as a time of great prosperity and expansion as America entered the modern era. But what were the pitflls of such rapid growth and who turned out to be the victims of the country's success?

Between 1860 and 1910 the population of the US tripled, and so too did the industrial work force. New types of commercial enterprise sprung up to stand alongside the pre-Civil War textile factories.



Naturally the demand for workers was high, but in this time of heightened immigration the supply of laborers keen to make their way in a new country was even higher. This helped empower industry bosses and meant working conditions were far from ideal.

However there were many who were unwilling to accept the way big business was run, especially since it was making profit at the expense of the little people. The first organization acting as a federation to encompass American unions was the National Labor Union which truly came into force after the Civil War but was reasonably short-lived.

The largest union of the time was the Order of the Knights of St. Crispin. Representing the shoe industry, the Order attempted to halt the rising trend for the mechanical or unskilled production line which looked set to replace master cobblers.

Inevitably the march of progress prevailed and the faster, more efficient machines soon took their place in the industry. The Knights of Labor union founded in 1869 took the movement to a new level drawing a national membership.

The ethos of the Knights was to include anyone involved in production, which helped its numbers swell. The union was well organized under the control of Terence Powderly and enlisted politics to help fight its various causes.

Events took a turn for the worse in 1886 when the Haymarket riot saw the message of the Knights overshadowed by the death of a police officer in a bomb blast. Public opinion turned against the anarchist movement in general and the union collapsed.

It was only after the advent of the American Federation of Labor, set up by Samuel Gompers in 1886 and acting as a national federation of unions for skilled workers, that the labor movement became a real force to be reckoned with and took on more of the shape we see today.



GROWTH OF IMPERALISM

GROWTH OF IMPERIALISM

Imperialism was only truly new 4,500 years ago. But it got a surprising revival when some parts of the world industrialized. Several factors led to this "new" imperialism.

The world in 1880 was made of both nation-states and empires. Once the idea of sovereignty seemed achievable, it went viral, people around the world were increasingly driven by a nationalistic feeling to have their own countries. This meant that some empires were slowly breaking up. At the same time, many great imperial powers still held on to colonies, as in South Asia and the Caribbean. Nearly all the industrialized states had hit the pause button on empire expansion by this time, happy to stick with what they already had. But in 1880, that changed faster than you could say "production and distribution". Imperialism as a civilizing mission to improve the lives of the "uncivilized" and "inferior" people they conquered.

Nationalism began with the idea that all people should have the right to rule themselves through their own government. But nationalism could be twisted to the idea that one's own nation was superior to other nations, and had a right to rule over them. It could also create a competivite attitude among nations. In this era, in particular, nationalism pushed the governments of Britain, France, Germany, and other European powers to compete, first in Europe and then around the world. Nationalism motivated imperialists to take new colonies before their competitors could.

Search of raw materials: The requirements of modern industries led to enormously increased demands for the raw material of tropical countries. This enhanced the value of colonies as a source of supply of materials. Africa and Asia offered many of the raw materials needed by the multiplying factories of Europe such as cotton, silk, rubber, vegetable oils, and minerals.

Search of markets up to 1870, British manufacturers of textiles, machinery, and hardware found good markets in other European countries. After 1870, Germany, France, Belgium, and other nations were able to satisfy their own home markets which they began to protect against imports from Britain by productive tariff barriers. They even began to produce a surplus for which they also wanted markets abroad.

THE SPANISH AMERICAN WAR-1898

The Spanish American War was the turning point in the history of America. It marked the emergence of the USA as an important power. The war started on the questions of Cuba.



It was a victory for the Americans. The Americans for the a Philippines. In the 20th Century America became an imperialist power. The Spanish American was a stepping stone for the American Imperialism.

Cause of the War

There were a few reasons for the outbreak of the Spanish American War.

The Oppressive Spanish Rule of Cuba

Cuba was under the Spanish Rule. It was corrupt and cruel. The cost of living was very high. But the people were very poor. There was no freedom of people. Therefore, the Cubans revolted in between 1868 and 1878. But the ten years war was suppressed. Thereafter the Cubans were brutally treated. This was opposed by the American Government.

The American Interest in Cuba

The American sympathized for their neighbours. The American Congress demanded war on Spain. But it was delayed by the Presidents like Cleveland and Mckinly. The Americans had political and economic interest in Cuba.

The Work of De Lome

De Lome was the Spanish ambassador in Washington. He described the American President Mckingly as a spineless politician. It increased hue and cry in America. De Lome resigned but the nickname given to the American President created a problem.

Destruction of maine

Maine was an American Battleship. It was anchored in Havana on 15th February 1898. The ship was destroyed by an explosion. The Americans regarded, it was the work of the Spamiards. They sloganed "Remember the maine". It was immediate cause of the Spanish American War.

Paris Peace Treaty

The Spanish American War was closed by a treaty of a Paris on 1st October 1898. By that treaty, it was agreed that

- i) Cuba was granted independence.
- ii) The islands of Philippines was sold to America for 20 million dollar.



Results of the War

The Spanish American war of 1898 was a significant event. It was described as a splendid little war. It marked the beginning of the American Congress did not want to ratify the treaty. It was because the treaty was imperialist in nature. Anyhow, it was ratified with the help of Democrats and Republicans.

As the result of the Spanish American War of 1898, Spain lost all her colonies in the New World. The dominant status, that it occupied in the past, now passed on to the United States. The war contributed to the reconciliation between the United States and Great Britain. The United States of America gained possession of valuable territories. She established her influence over Cuba and occupied the Islands of Puerto Rico and Guam. American also got Philippines from Spain. The American interests in the Far East greatly increased after the acquisition of Philippines. It finally led to the open door policy in China.

ANNEXATION OF HAWAII AND SAMOA

The rich Hawaiian Islands, situated in mid-Pacific had been inhabited by Asiatic people. Early in the nineteenth century traders, whalers and missionaries reached the islands, seeking warmth, women and converts. The Americans carried with them venereal diseases spread them and caused the extinction of most of the population. In the mean time they invested capital in sugar plantations and settled in strength. As their influence began to grow, they interfered more and more in internal affairs.

In 1875 the United States forced the king of Hawaii to sign a treaty of reciprocity. The Americans permitted the importation sugar from Hawaii free of duty, while the king pledged not to disposed of his territory to any other power. As sugar produced in the islands belonged mostly to the citizens of the United States, the treaty gave the material benefits to the American settlers. It also made the economy of the islands dependent upon the United States.

Before long the country secured lease of the excellent Pearl Harbour in the islands. A new constitution, which the king was compelled to sign, granted significant privileges to the American settlers. After gaining control of the economy, the United States, as it was its usual policy decided to throw it into disorder for obtaining more privileges. In 1890 the Mc Kinley tariff put all sugar on the free list and gave concessions to sugar produced in the country, depriving the Hawaiian sugar of privileged status in enjoyed so long. This crippled the economy so much that the islanders were inclined to accept annexation with the United States as the only remedy.

In 1891 queen Liliuokalani ascended the throne of Hawaii. A patriotic princess, she decided to adopt a new constitution, doing away with special privileges, wrested by the Americans. The white settlers now plotted to work out annexation. They appealed to John Stevens, a notorious annexationist and American minister at Honolulu. Shortly afterwards a



war ship appeared, marines landed under the usual plea of protecting "American life and property" and the white settlers rose in rebellion. In 1893 the helpless queen surrendered and the Americans set up a revolutionary government. A commission sent by the white rebels sought annexation of the islands with the United States. A bill was hastily prepared and presented to the Senate, but President Cleveland did not favour annexation as he himself was opposed to imperialism and as the islanders resented the move. Yet the throne was not restored to the queen and the American settlers continued to exercise full authority. After the retirement of Cleveland from the presidency, his successor, Mc Kinley signed a treaty and annexed the islands through a joint resolution of Congress in 1898. The developments that led to the acquisition of Hawaii bear close resemblance to those in Florida and Texas, for they were a story of intrusion and usurpation. As in other areas, the American occupation contributed to the extinction of most of the native population. The possession of the islands strengthened the American influence in the Pacific. At the same time it strained the relations with Japan, for the Japanese in large number had settled in the islands and being an Asiatic people they held a letter claim.

By the middle of the nineteenth century the American reached the Samoan archipelago, situated in South Pacific. In 1878 the United States forced the Samoan chief to grant by treaty use of the harbor of Pagopago on the island of Tutuila. England and Germany also approached the chief and obtained almost similar rights. There followed a three cornered rivalry for supremacy. In 1889 when Germany threatened annexation of the islands, the fleets of the three powers sailed to Pagopago, ready for battle, but a hurricane wrecked the fleets except the ships of England and averted the clash. There upon in 1889 the three powers agreed to establish a joint, protectorate over the islands. Yet the rivalry did not end and clashes continued to occur. A solution was found in 1899, when Germany and the United States divided the archipelago between themselves, with Great Britain gaining compensation elsewhere.

Open door policy

Early Contacts with East Asia: Towards the end of the eighteenth century merchants of the United States reached East Asia. In 1784 when the Empress of China, an American vessal, set sail for Canton, it heralded a period of trade and politics with China. In 1853 a fleet under the command of Commodore Perry reached Japanoo. These developments were of vast consequence in the history of American relations with East Asia. In China the United States joined the European powers in seeking political and economic gains. Japan was in a state of self imposed seclusion, but the advent of the Americans led to an awakening in that island Empire.

The Manchu Emperors ruled over China but internal disorders and external interventions rendered the Empire weak. The British fought two Opium Wars, defeated the Chinese forces and persuaded China to open certain ports for foreign trade. These ports were called treaty ports. Taking advantage of this situation, an American mission under Caleb



Cushing obtained from Peking treaty which granted to the United States equal trading privileges with other powers and extra territoriality. The principle of extra-territoriality granted to the Americans, who were charged under Chinese laws, the right to be tried in their own courts. The commercial religious and educational activities undertaken by the Americans won for their country a firm influence in China.

In 1854 the fleet under Commodore Perry returned to the Japanese waters to make a show of strength and secured a treaty, which opened two ports for American trade. The threat of western aggression awakened Japan from her feudal sleep and prepared the ground for modernization of the islands. The relations between the two countries appeared cordial to begin with. However with the emergence of the United States as a colonial power in the Pacific, she considered the growing strength of Japan as a threat to her interests. American annexation of Hawaii, Japanese immigration and U.S. opposition to Japanese acquisition of Sakhalin from Russia in 1905 sowed the seeds of discord.

CARRIBBEAN POLICY

Wilson"s Carribbean policy was dictated by the fear of German victory and U.S.A was keen to have naval base. Nicaragua was persuaded to sign a treaty and give to the United States the exclusive right to build a Nicaragua canal and grant lease of two islands and a site for naval base. He also purchased the Virginia islands from Denmark in 1916 to get more naval bases.

Following massacre of nearly two hundred opponents by the President of Haiti, Wilson ordered U.S. Marines to occupy Haiti in 1915. The Marines stayed there for about 19 years and brought material benefits to the people like building of roads, expansion of education and improvement of public health. During this period all opposition to the American occupation was ruthlessly repressed. In 1916 the Dominican Republic was also brought under Marine Corps occupation following financial deadlocks. The country remained under Marine control till 1924. Likewise, Wilson intervened in Cuba, which remained under U.S. control from 1917 to 1992.

PACIFIC PROBLEMS

After the War of 1812 most Americans had little interest in foreign affairs. They weretoo busy at home pushing their boundaries across the continent toward the Pacific. Once the nation extended from coast to coast, there was still plenty to be done. The vast western frontier had to be settled, and industry had to be developed. So Americans set to work building railroads and factories and clearing land for new farms. Meanwhile, the Europe, several countries were beginning to expand. Britain was the worlds strongest naval power and had established colonies throughout the world. By the 1870"s Germany and France began to compete with England for colonies and trade. All three nations set up colonies and trading stations in Africa and the Pacific. These outposts supplied valuable raw materials for home



industries and new markets for manufacturers. During the second half of the nineteenth century, American industry started to produce more goods than it could sell at home. At the same time, the country began to need goods that could be bought only in foreign countries. So American businessmen asked the government for help. They wanted the government to get foreign markets for them.

In 1890 the United States began to build up its naval strength. Ships were sent to protect Americans on the Samoan Islands in the Pacific Ocean. Before the century was over, the American government divided the Samoan Islands with Germany. The United States still holds the part of Samoa that it took over in 1899. For some time American missionaries and sugar planters had been moving into the HawaiianIslands. Then in 1891 the King of Hawaii died and his sister became queen. There were two main reasons for the American attitude toward Latin America. First, we felt that we had a right to run things in the western half of the world. This would help us to guard our national security. Second, we wished to protect the interests of American businessmen who had Latin American holdings. Both of these concerns made the United States interested in the Spanish colony of Cuba.

The Cuban Issue Excited Many Americans

In 1895 Cuba began a war for independence. Cubans bought guns in the United States and smuggled them into their country. The Spanish government sent troops to restore order. Many Cubans were put in concentration camps. In the United States, newspapers began to print vivid stories of Spanish cruelty. Although some of these stories were true, many of them were greatly exaggerated. However, many Americans were willing to believe the stories, and a wave of anti-Spanish sentiment swept the country. People began to think that the United States should help set Cuba free. American businessmen with sugar plantations in Cuba were especially interested in overthrowing Spanish rule. They felt that their holdings there would safer if Cuba were run by people more friendly to the United States.



RISE OF PROGRESSIVISM

RISE OF PROGRESSIVISM IN USA

Progressivism, in the United States, political and social – reform movement that brought major changes to American politics and government during the first two decades of the 20th century. Progressive reformers made the first comprehensive effort within the American context to address the problems that arose with the emergence of a modern urban and industrial society. The U.S population nearly doubled between 1870 and 1900. Urbanization and immigration increased at rapid rates and were accompanied by a shift from local small-scale manufacturing and commerce to large-scale factory production and colossal national corporations. Technological break thoughts and technological break thoughts and frenzied searches for new markets and sources of capital caused unprecedented economic growth. From 1863 to 1899, manufacturing production rose by more than 800 percent. But that dynamic growth also generated profound economic and social ills that challenged the decentralized form of republican government that characterized the United States.

Goals of progressivism

The progressive movement accommodated a diverse array of reformers-insurgent republican officeholders, disaffected Democrats, journalists, academics, social workers, and other activists-who formed new organizations and institutions with common objective of strengthening the other activists- who formed new organizations and institutions with the common objective of strengthening the national government and making it more responsive to popular economic, social, and political demands. Many progressives viewed themselves as principled reformers at a critical juncture of American history.

THEODORE ROOSEVELT (1901-1909)

Roosevelt was skilled politician and an imaginative statesman. He therefore, decided to make Presidency a great office and used it boldly. He considered President as a "steward of the people, bound actively and affirmatively to do all he could for the people" and therefore set out to define the great national problems of his time. During his administration he made an effort to solve those problems. Roosevelt wanted to introduce a new spirit into the administration of the Federal Government. For this purpose, he took the following measures.

Trust-Busting

First of all Roosevelt sought to attack the abuse of monopolies. He took the first step in this direction by asking his Attorney General Knox to bring a suit against the Northern



Securities Company under the Anti – Trust Act. The Northern Securities company was a mammoth holding company, which practically monopolized railway operation in the northwestern quarter of the country. Federal Court ordered the dissolution of the Northern Securities Company in 1903. Next year the decision was sustained by the Supreme Court. This was a significant step in the direction of breaking of the monopoly.

Railroad Regulation

He took further action against the railroads by getting the Elkins Act passed in 1903. This Act prevented them giving rebates to certain companies at the cost of others. This practices of rebate had enabled bigger companies to eliminate competition. The Act also strengthened the Interstate Commerce, commission by clarifying the transport laws and providing penalties against agents and officials of offending corporations, as well as the corporations themselves.

Food and Drugs

Roosevelt also took action to save public from the harmful effects of adulteration. In 1906 he got the Pure Food and Drug Act passed from the Congress, which sought to correct the incredibly unsanitary conditions in the manufacture of processed foods, drugs and patent medicines. It was laid down that medicines containing dangerous drugs be correctly labeled.

Protection of Labour

Roosevelt was probably the most sympathetic President towards labour after Lincoln. He used the Erdman Act of 1898 to mediate in the Coal Strike of 1902, much against the will of the operators. His intervention was significant because unlike earlier presidents (Hayes in 1877 and Cleveland in 1894) who had intervened in the disputes infavour of employers, Roosevelt sought to bring about a settlement by negotiation. Initially the owners were reluctant to hold talks with the miners, but when Roosevelt threatened to send in a first rate general with sufficient federal troops to dispose the operators and run the mines as a receive, the owner gave way. A Commission, containing a trade union representative (officially described as an eminent sociologist) was appointed, which announced its decision in March 1903. The Commission in its report favoured the miners.

Conservation of Natural Resources

Roosevelt was the first President to realize the importance of conserving nation"s natural resources. In his first message to the Congress he had declared that the forest and water problems were the most vital domestic problems facing the American people. During his administration he succeeded in setting aside almost 60 million hectares of timber land in the United States proper and 34million hectares of mineral lands in Alaska. Banker"s Panic Another important economic landmark of Roosevelt"s administration was the Panic of 1907 popularly known as Banker"s Panic. It is often alleged that the panic was the direct outcome



of Roosevelt"s prosecutions of the trusts and his attempts to regulate the railroads, which endangered legitimate profits. However, Roosevelt held that the panic was intentionally produced by "male factors of great wealth" to discredit his policies. To overcome the panic twenty-five million dollars were deposited with the hard pressed New York Banks.

SQUERE DEAL

Theodore Rooselvelt, the first messiah of progressivism and President of America from 1901 to provide with a chain of measures which he christened as the "Square Deal" that sought to bring in awave of progressivism in the society. One can surmise that "Square Deal" was actually the precursor of New Deal of Roosevelt and New Freeom of Woodrow Wilson. The origins of "Square Deal" dates back to the presidencies of Hughes, Garfield, and Grover Cleveland who also attempted to pass special antitrust acts and thought of inter-states commerce commissions to regulate trade and commerce across the border of states. They also thought of enacting industrial political and autonomy of states and muncipal corporations. The "Square Deal" therefore grew out of a legacy of the past. As the name suggests, it was expected to bring a fair deal or justics to the society at large. Mark Klopfenstein argues in *The Progressive Era (1900-1920)* The "Square Deal" was formed upon three basic ideas: conservation of natural resourcs, control of corporations, and consumer protection. A number of Acts were passed to become Federal laws:

- 1. The **Reclamation Act of 1902** was passed to initiate large-scale irrigation projects at the expense and supervision of the Federal government.
- 2. The Elkin's Act of 1903 was an anti-trust act which was basically a revival of thesame Act that was passed during Grover Cleveland"s Presidency. It laid down thatformation of new trusts would not longer be allowed and the existing monopolistic strust should be dislocated
- 3. The **Working men's Compensation Act** was passed between **1903 and 1906** whichgranted two crucial demands of improvement in wages and reduction in hours ofwork. The Act conceded that the profit-margin of the entrepreneurs had grown somuch that a share of their increased wealth should be given to the workers.
- 4. The **Hepburn Act of 1906** was a repetition of the inter-state commerce Act. the mainpurpose of which was to regulate inter-state commerce in the name of democraticfederalism.
- 5. The **Antiquites Act of 1906** gave the president authority to restrict use of particular public land.
- 6. The **Pure Food and Drug Act of 1906** provided the federal inspection of meatproducts and forbade the manufacture, sale, or transport of poisonous patentmedicines.



7. A nature-lover, conservationist, and known as the "Father of Green Movement",Roosevelt took advantage of the **Forest Reservation Act of 1891** and set aside 180 million acress of forest areas for preservation.

DOMESTIC POLICY OF ROOSEVELT

A Progressive reformer, Roosevelt earned a reputation as a "trust buster" through his regulatory reforms and antitrust prosecutions. His presidency saw the passage of the Pure Food and Drug Act, which established the Food and Drug Administration to regulate food safety, and the Hepburn Act, which increased the regulatory power of the Interstate Commerce Commission. Roosevelt took care, however, to show that he did not disagree with trusts and capitalism in principle, but was only against monopolistic practices. His "Square Deal" included regulation of railroad rates and pure foods and drugs; he saw it as a fair deal for both the average citizen and the businessmen. Sympathetic to both business and labor, Roosevelt avoided labor strike, most notably negotiating a settlement to the great Coal Strike of 1902. He vigorously promoted the conservation movement, emphasizing efficient use of natural resources. He dramatically expanded the system of national parks and national forests. After 1906, he moved to the left, attacking big business, proposing a welfare state, and supporting labor unions.

In foreign affairs, Roosevelt sought to uphold the Monroe Doctrine and to establish the United States as a strong naval power, He took charge of building the Panama Canal, which greatly increased access to the Pacific and increased American security interests and trade opportunities. He inherited the colonial empire acquired in the Spanish–American War (1898). He ended the United States Military Government in Cuba and committed to a long-term occupation of the Philippines. Much of his foreign policy focused on the threats posed by Japan in the Pacific and Germany in the Caribbean Sea. Seeking to minimize European power in Latin America, he mediated the Venezuela Crisis and declared the Roosevelt Corollary. Roosevelt mediated the Russo-Japanese War (1904–1905), for which he won the 1906 Nobel Peace Prize. He pursued closer relations with Great Britain. Biographer William Harbaugh argues:

In foreign affairs, Theodore Roosevelt's legacy is judicious support of the national interest and promotion of world stability through the maintenance of a balance of power; creation or strengthening of international agencies, and resort to their use when practicable; and implicit resolve to use military force, if feasible, to foster legitimate American interests. In domestic affairs, it is the use of government to advance the public interest. "If on this new continent," he said, "we merely build another country of great but unjustly divided material prosperity, we shall have done nothing."

Historian Thomas Bailey, who generally disagreed with Roosevelt's policies, nevertheless concluded, "Roosevelt was a great personality, a great activist, a great preacher of the moralities, a great controversialist, a great showman. He dominated his era as he



dominated conversations...the masses loved him; he proved to be a great popular idol and a great vote-getter." His image stands alongside George Washington, Thomas Jefferson and Abraham Lincoln on Mount Rushmore. Although Roosevelt has been criticized by some for his imperialism stance, he is often ranked by historians among the top-five greatest U.S. presidents of all time.

BIG STICK DIPLOMACY

On September 2, 1901, United States Vice President Theodore Roosevelt outlined his ideal foreign policy in a speech at the Minnesota State Fair in Falcon Heights, Minnesota: "Speak softly, and carry a big stick." Two weeks later, Roosevelt became president and "Big Stick diplomacy" defined his leadership.

Big Stick diplomacy is the policy of carefully mediated negotiation ("speaking softly") supported by the unspoken threat of a powerful military ("big stick"). The Great White Fleet, a group of American warships that toured the world in a show of peaceful strength, is the leading example of Big Stick diplomacy during Roosevelt's presidency.

President Roosevelt used Big Stick diplomacy in many foreign policy situations. He brokered an agreement for an American-led canal through Panama, expanded American influence in Cuba, and negotiated a peace treaty between Russia and Japan. For this, Roosevelt won the Nobel Peace Prize in 1906.

TAFT AND DOLLAR DIPLOMACY

When William Howard Taft became president in 1909, he chose to adapt Roosevelt's foreign policy philosophy to one that reflected American economic power at the time. In what became known as "dollar diplomacy," Taft announced his decision to "substitute dollars for bullets" in an effort to use foreign policy to secure markets and opportunities for American businessmen. Not unlike Roosevelt's threat of force, Taft used the threat of American economic clout to coerce countries into agreements to benefit the United States.

Of key interest to Taft was the debt that several Central American nations still owed to various countries in Europe. Fearing that the debt holders might use the monies owed as leverage to use military intervention in the Western Hemisphere, Taft moved quickly to pay off these debts with U.S. dollars. Of course, this move made the Central American countries indebted to the United States, a situation that not all nations wanted. When a Central American nation resisted this arrangement, however, Taft responded with military force to achieve the objective. This occurred in Nicaragua when the country refused to accept American loans to pay off its debt to Great Britain. Taft sent a warship with marines to the region to pressure the government to agree. Similarly, when Mexico considered the idea of allowing a Japanese corporation to gain significant land and economic advantages in its country, Taft urged Congress to pass the Lodge Corollary, an addendum to the Roosevelt



Corollary, stating that no foreign corporation—other than American ones—could obtain strategic lands in the Western Hemisphere.

In Asia, Taft's policies also followed those of Theodore Roosevelt. He attempted to bolster China's ability to withstand Japanese interference and thereby maintain a balance of power in the region. Initially, he experienced tremendous success in working with the Chinese government to further develop the railroad industry in that country through arranging international financing. However, efforts to expand the Open Door policy deeper into Manchuria met with resistance from Russia and Japan, exposing the limits of the American government's influence and knowledge about the intricacies of diplomacy. As a result, he reorganized the U.S. State Department to create geographical divisions (such as the Far East Division, the Latin American Division, etc.) in order to develop greater foreign policy expertise in each area.

Taft's policies, although not as based on military aggression as his predecessors, did create difficulties for the United States, both at the time and in the future. Central America's indebtedness would create economic concerns for decades to come, as well as foster nationalist movements in countries resentful of American's interference. In Asia, Taft's efforts to mediate between China and Japan served only to heighten tensions between Japan and the United States. Furthermore, it did not succeed in creating a balance of power, as Japan's reaction was to further consolidate its power and reach throughout the region.

As Taft's presidency came to a close in early 1913, the United States was firmly entrenched on its path towards empire. The world perceived the United States as the predominant power of the Western Hemisphere—a perception that few nations would challenge until the Soviet Union during the Cold War era. Likewise, the United States had clearly marked its interests in Asia, although it was still searching for an adequate approach to guard and foster them. The development of an American empire had introduced with it several new approaches to American foreign policy, from military intervention to economic coercion to the mere threat of force.

The playing field would change one year later in 1914 when the United States witnessed the unfolding of World War I, or "the Great War." A new president would attempt to adopt a new approach to diplomacy—one that was well-intentioned but at times impractical. Despite Woodrow Wilson's best efforts to the contrary, the United States would be drawn into the conflict and subsequently attempt to reshape the world order as a result.



AMERICA AND THE FIRST WORLD WAR

ROLE OF AMERICA IN THE FIRST WORLD WAR

The American entry into World War I came on April 6, 1917, after a year long effort by President Woodrow Wilson to get the United States into the war.[citation needed] Apart from an Anglophile element urging early support for the British, American public opinion sentiment for neutrality was particularly strong among Irish Americans, German Americans and Scandinavian Americans, as well as among church leaders and among women in general. On the other hand, even before World War I had broken out, American opinion had been more negative toward the German Empire than towards any other country in Europe. Over time, especially after reports of atrocities in Belgium in 1914 and following the sinking of the passenger liner RMS Lusitania in 1915, the American people increasingly came to see the German Empire as the aggressor.

As U.S. President, it was Wilson who made the key policy decisions over foreign affairs: while the country was at peace, the domestic economy ran on a laissez-faire basis, with American banks making huge loans to Britain and France — funds that were in large part used to buy munitions, raw materials, and food from across the Atlantic. Until 1917, Wilson made minimal preparations for a land war and kept the United States Army on a small peacetime footing, despite increasing demands for enhanced preparedness. He did, however, expand the United States Navy.

In 1917, with the Russian Revolution and widespread disillusionment over the war, and with Britain and France low on credit, the German Empire appeared to have the upper hand in Europe, while the Ottoman Empire clung to its possessions in the Middle East. In the same year, the German Empire decided to resume unrestricted submarine warfare against any vessel approaching British waters; this attempt to starve Britain into surrender was balanced against the knowledge that it would almost certainly bring the United States into the war. The German Empire also made a secret offer to help Mexico regain territories lost in the Mexican–American War in an encoded telegram known as the Zimmermann Telegram, which was intercepted by British Intelligence. Publication of that communique outraged Americans just as German U-boats started sinking American merchant ships in the North Atlantic. Wilson then asked Congress for "a war to end all wars" that would "make the world safe for democracy", and Congress voted to declare war on the German Empire on April 6, 1917. On December 7, 1917, the U.S. declared war on Austria-Hungary. U.S. troops began arriving on the Western Front in large numbers in 1918.



NEUTRALITY OF USA

After the war began in 1914, the United States proclaimed a policy of neutrality despite President Woodrow Wilson's antipathies against the German Empire.

When the German U-boat U-20 sank the British liner Lusitania on 7 May 1915 with 128 US citizens aboard, Wilson demanded an end to German attacks on passenger ships, and warned that the USA would not tolerate unrestricted submarine warfare in violation of "American rights" and of "international and obligations." Wilson's Secretary of State, William Jennings Bryan, resigned, believing that the President's protests against the German use of U-boat attacks conflicted with America's official commitment to neutrality. On the other hand, Wilson came under pressure from war hawks led by former president Theodore Roosevelt, who denounced German acts as "piracy", and from British delegations under Cecil Spring Rice and Sir Edward Grey.

U.S. Public opinion reacted with outrage to the suspected German sabotage of Black Tom in Jersey City, New Jersey on 30 July 1916, and to the Kingsland explosion on 11 January 1917 in present-day Lyndhurst, New Jersey. Crucially, by the spring of 1917, President Wilson's official commitment to neutrality had finally unraveled. Wilson realized he needed to enter the war in order to shape the peace and implement his vision for a League of Nations at the Paris Peace Conference.

WOODRO WILSON AND FIRST WORLD WAR

Woodrow Wilson was born in Virginia in 1856. He spent the major part of his life at the Princeton University as a student, Professor and President of the University. He entered active politics in 1910 when he became the Governor of New Jersey. As a great liberal, Wilson did much to clean up the administration of New Jersey. In 1913 when he became th President of U.S.A few Americans knew of his high qualities, which he displayed during th tenure of his office. During his campaign for election as President, Wilson had maintained that special interests had too powerful a hand in government administration and that the government was not administered by the common people. Consequently, when he became the President of U.S.A in his First Inaugural Address on March 4, 1913 he tried to put his philosophy into practices and advocated a programme which is popularly known as "The New Freedom". This inaugural Address of Wilson was one of the most notable statements of the American democratic creed and called for a larger role by government in regulation of the economy. He made a stirring plea for action on the tariff, conservation, banking and regulation of the larger economic interests of the nation in the interest of humanity. After his inauguration Wilson called a special session of Congress and got The Under wood Tariff Act (1913) passed. By this Act duties were reduced on 958 items and more than hundred other items were placed on the free list. It also made significant modifications in the federal tax structure and shifted the burden of taxation to those who were able to bear it.



Banking Reforms: Fedral Reserve Act

To reconstruct the national banking and currency system Wilson got the Federal Reserve Act of December 1913 passed. By this Act the country was divided into twelve districts, each with a Federal Reserve Bank. These Federal Banks worked under the supervision of the Federal Reserve Board, consisted of the Secretary of the Treasury the Comptroller of the Currency and five other members appointed by the President. The Board also reserved the right to determine the rate of discount.

To complete the programme of new freedom, Wilson got the Clayton Anti-Trust Act passed from Congress in 1914 with a view to combat the trusts. This Act set out to break the big corporations by encouraging competition. Under the Act the corporations were forbidden a acquire shares in other companies which were competing with them. It also forbade deliberate variation in price which was intended to reduce competition.

WOODRO WILSON – HIS FOURTEEN POINTS

In his speech to Congress, President Wilson declared fourteen points which he regarded as the only possible basis of an enduring peace.:

- 1. Open covenants of peace, openly arrived at, after which there shall be no private international understandings of any kind but diplomacy shall proceed always frankly and in the public view.
- 2. Absolute freedom of navigation upon the seas, outside territorial waters, alike in peace and in war, except as the seas may be closed in whole or in part by international action for the enforcement of international covenants.
- 3. The removal, so far as possible, of all economic barriers and the establishment of an equality of trade conditions among all the nations consenting to the peace and associating themselves for its maintenance.
- 4. Adequate guarantees given and taken that national armaments will be reduced to the lowest point consistent with domestic safety.
- 5. A free, open-minded, and absolutely impartial adjustment of all colonial claims, based upon a strict observance of the principle that in determining all such questions of sovereignty the interests of the populations concerned must have equal weight with the equitable government whose title is to be determined.
- 6. The evacuation of all Russian territory and such a settlement of all questions affecting Russia as will secure the best and freest cooperation of the other nations of the world in obtaining for her an unhampered and unembarrassed opportunity for the independent determination of her own political development and national



policy and assure her of a sincere welcome into the society of free nations under institutions of her own choosing; and, more than a welcome, assistance also of every kind that she may need and may herself desire. The treatment accorded Russia by her sister nations in the months to come will be the acid test of their good will, of their comprehension of her needs as distinguished from their own interests, and of their intelligent and unselfish sympathy.

- 7. Belgium, the whole world will agree, must be evacuated and restored, without any attempt to limit the sovereignty which she enjoys in common with all other free nations. No other single act will serve as this will serve to restore confidence among the nations in the laws which they have themselves set and determined for the government of their relations with one another. Without this healing act the whole structure and validity of international law is forever impaired.
- 8. All French territory should be freed and the invaded portions restored, and the wrong done to France by Prussia in 1871 in the matter of Alsace-Lorraine, which has unsettled the peace of the world for nearly fifty years, should be righted, in order that peace may once more be made secure in the interest of all.
- 9. A readjustment of the frontiers of Italy should be effected along clearly recognizable lines of nationality.
- 10. The people of Austria-Hungary, whose place among the nations we wish to see safeguarded and assured, should be accorded the freest opportunity to autonomous development.
- 11. Romania, Serbia, and Montenegro should be evacuated; occupied territories restored; Serbia accorded free and secure access to the sea; and the relations of the several Balkan states to one another determined by friendly counsel along historically established lines of allegiance and nationality; and international guarantees of the political and economic independence and territorial integrity of the several Balkan states should be entered into.
- 12. The Turkish portion of the present Ottoman Empire should be assured a secure sovereignty, but the other nationalities which are now under Ottoman rule should be assured an undoubted security of life and an absolutely unmolested opportunity of autonomous development, and the Dardanelles should be permanently opened as a free passage to the ships and commerce of all nations under international guarantees.
- 13. An independent Polish state should be erected which should include the territories inhabited by indisputably Polish populations, which should be assured a free and secure access to the sea, and whose political and economic independence and territorial integrity should be guaranteed by international covenant.



14. A general association of nations must be formed under specific covenants for the purpose of affording mutual guarantees of political independence and territorial integrity to great and small states alike.

GREAT DEPRESSION AND ITS EFFECTS

In 1928 Coolidge "did not choose to run for President" The Republican Party nominated Herbert Hoover, Coolidge"s Secretary of Commerce. Hoover had been an engineer. Born poor, he had become a millionarie. The Democrast nominated Governor Alfred Smith of New York. Smith was opposed to prohibition. He felt that he Eighteenth Amendment should be repealed. Many people who thought that drinking was an evil would not vote for Smith. Others would not vote for him because he was a Roman Catholic. As a result, Hoover won the election. Almost immediately Congress passed a new tariff law. The Hawley-Smoot Act raised tariffs higher than ever. This time high tariffs did not make the country prosper. Within six months after President Hoover took office, the stock market collapsed.

During the summer of 1929, wise investors began to with draw their money from the stock market. Late in October of the same year, everybody tried to sell his stock. Prices went down so fast that the people who had borrowed money to buy stocks could not sell them soon enough. Many of them were never able to pay back what they owed. The brokers and bankers who had lent them the money suffered too.

The stock market crash in October of 1929 was only the first in a series of business failures. People quickly lost their optimism about the future. They stopped buying things that they could not afford. Factories had to lay off workers, and some of them shut down. Banks that could not collect the money that was owed to them had to close their doors. Business failures became commonplace. Each new failure-each discouragement. Within two years there were 14 million workers unemployed.

HOOVER ADMINISTRATION

Cabinet

Hoover's cabinet consisted largely of wealthy, business-oriented conservatives. As the third consecutive Republican president to take office in the 1920s, Hoover retained many of the previous administration's personnel, including Secretary of Labor James J. Davis and Secretary of the Treasury Andrew Mellon. Hoover disliked Mellon, who maintained intense support among the party's Old Guard, and instead relied on Undersecretary of the Treasury Ogden L. Mills. Henry Stimson, the Governor-General of the Philippines and a former Secretary of War, became Hoover's Secretary of State.



After Hoover's old friend, Supreme Court Justice Harlan F. Stone declined to serve as Attorney General, Hoover promoted Solicitor General of the United States William D. Mitchell to the head the Justice Department. Hoover's first choice for Secretary of Agriculture was Charles McNary, author of the controversial McNary-Haugen Farm Relief Bill, which Hoover had strenuously opposed. The position instead went to Arthur Hyde, who was inexperienced regarding agricultural issues. For Secretary of the Navy, Hoover chose Charles Francis Adams III, a scion of the Adams political family who shared Hoover's views on disarmament. Hoover persuaded Ray Lyman Wilbur, the president of Stanford University, to serve as Secretary of the Interior. Businessman Robert P. Lamont became Secretary of Commerce, James William Good was appointed as Secretary of War, and Walter Folger Brown took the position of Postmaster General. Vice President Charles Curtis, who had previously opposed Hoover's nomination, had little influence with Hoover.

Press corps

Hoover held a press conference on his first day in office, promising a "new phase of press relations". He asked the group of journalists to elect a committee to recommend improvements to the White House press conference. Hoover declined to use a spokesman, instead asking reporters to directly quote him and giving them handouts with his statements ahead of time. In his first 120 days in office, he held more regular and frequent press conferences than any other president, before or since. However, he changed his press policies after the 1929 stock market crash, screening reporters and greatly reducing his availability.

President Hoover tried to restore confidence. He urged businessmen to keep wages as high as possible and to continue production. In order to put men to work, the President asked Congress to vote money for new roads and buildings. Congress set up a Reconstruction Finance Corporation to lend money to banks, railroads and factories. Congress also set up the Home Loan Bank to lend money at low interest to people who owed money on their homes. When the depression spread to Europe, President Hoover called off all wardebt payments for one year.

These measures show that President Hoover felt that the government is at least partially responsible for improving business conditions and saving people from disaster. Hoover was the first President to use this type of government action to fight a depression. Unfortunately these measures were not enough. Prices kept going down. More and more factories closed and unemployment increased.



AMERICA AS WORLD POWER

FRANKLIN ROOSEVELT

Franklin Delano Roosevelt was born in a wealthy family in 1882. He began his carreer as a lawyer. He was elected to the Legislature of New York in 1910. He was in the American Navy and the governor of New York. During the period, he introduced a number of reforms. These enhanced his prestige. The internal policy of Franklin Delano Roosevelt is famously known as the "new real policy".

Internal Administration

Franklin D.Roosevelt has to face the after efforts of the Great Depression. There were a number a problems and immediate problems. Under these circumstance, he established a perfect administration. His policy is generally known as the "New Real Policy". The main object of the New Real Policy was to destroy the capitalism. The New Real Policy had three principles, Relief, Recovery and reforms. Franklin D. Roosevelt, was a democratic candidate. He was very famous among the Americans. So he was elected in the presidential election of 1932, 1936, 1940 and 1944. He broke the American tradition established by George Washington. He passed away in his fourth term of office.

Relief measure:

The first relief measures undertaken by Franklin D. Roosevelt was Federal Emergency Relief Administration. It provide dole for the Unemployed. It also recommended for the provision work to the unemployed. The dole was paid in the form of money, clothing and food. Later, it was replaced by the civil work administration. It provided provision for employment to those who had been received dole.

The third measure was work progress administration. It was introduced in project works. The projects included construction of road, dam, airports, school, hospital, community centres and play grounds.

The last measure was the civilian conservation corporations. But this measures, young men were recruited as cadets. They were employed in the relief work such as clearing and planting trees, and providing of roads, meals and medical care. They were granted 30 dollars per month. They should sent 25 dollars to the parents or to the relatives.



Recovery measures

By the recovery measures, Loans were granted to the Industries. The Industries were restarted. As public work administration was designed. It provided jobs for millions. It abolished child labour, long working hours, and fixed wages. The Government encouraged trade unions. The farmers were also requested to reduce the production of basic crops like cotton, wheat, rice and corns. it inevitably had to increase the total firm income. Measures were also taken for the conservation of forest. The Gold standard system was also abolished. The circulation of money was increased.

Reform measure

The New Real Policy provided for social security Act. It Granted old age pension. The Government provided for the clearness of slums. The Housing problems was solved. The administration was also made for the improvement of transport system. The railroad was further expanded. Measures were taken for the production of pure drugs and food.

NEW DEAL

The New Deal marked a turning point in American history. From 1933 on, the federal government did many things that had been left to the states. The problems raised by the depression were very complicated and they were nation wise. Thus separate states could not find solutions by acting alone.

The steps that made up the New Deal were of two kinds. First there were the laws that were passed to help end the depression. Many of these were temporary. Second, there were long-term reforms, many of which became permanent. Some of the new laws helped business, while others controlled it. Some laws put the government itself into business, and some provided direct help to individual citizens. Laws were passed so fast, and so many new government agencies were set up to enforce them, that it was hard to keep track of all of them.

After it helped the banks, the administration turned to the problems of business failures and unemployment. In June of 1933 Congress passed to National Industrial Recovery Act (NIRA). This Act allowed businessmen to get together and fix prices. However, the prices had to be approved by the government, and businessmen had to keep wages above a minimum level. The Act helped to raise prices, but it did not put many laborers back to work. One way to help business is to put more money into circulation. This makes prices as well as wages go up, and it makes it easier for people to pay their debts. In order to do this, Congress passed the Gold Reserve Act that fixed the amount of gold in the dollar at about half of what it was before. Congress also gave the President power to buy American silver at a high price and pay for it by issuing new dollar bills. Both of these acts put more money into circulation. Along with the Banking Act and the NIRA, these measures were intended to help business to



recover from the depression. Meanwhile, something had to be done for people who were out of work and had no money. Congress set up a Federal Emergency Relief Administration. The FERA lent money to state and local governments to help pay for relief of the unemployed. Congress also set up four agencies to create new jobs. The Public Works Administration enlarged the agency that President Hoover had started. The PWA built offices, court houses, dams and highways. It also let money to local governments for public works. The Civilian Conservation Corps (CCC) gave jobs to young men. Men were employed by the government to plant trees, build roads and improve national parks. '

The National Youth Administration gave part-time work to students who were still in school. The Works Progress Administration furnished money for all kinds of projects. WPA artists painted murals in public buildings, WPA writers wrote guidebooks about national parks,

WPA musicians gave concerts, and WPA actors put on plays. Congress also set up the Home Owners Loan Corporation. The HOLC let money to home owners to help them pay off mortgages or pay for repairs to their houses.

The New Deal set up a plan whereby the government would pay farmers to cut down their production. Congress passed the Agricultural Adjustment Act in 1933. Under this Act farmers could get money from the government for not raising crops. This Act was soon changed so that, in order to collect any payments, farmers had to plant crops that would save the soil. Later on the AAA was made permanent.

The New Deal also passed laws that helped organized labor. Congress adopted the National Labor Relations Act in 1935. It is called the Wagner Act since Senator Robert Wagner of New York had proposed it. The Wagner Act for bade employers from punishing workers because they belonged to a union. All employers were required to deal with union leaders elected by the workers. A National Labor Relations Board was set up to enforce the Wagner Act. An other congressional law, the Fair Labor Standards Act, put a limit on the number of hours a laborer should work and fixed the minimum wage an employer could pay. Under these acts labor movement grew to be large and powerful.

Merits of the New Deal Policy

There were some remarkable features of the New Deal Policy. It has survived he lost of the time. Firstly, it helped a large number of people, who were affected in the depression very badly. Secondly, the country witnessed a large scale improvement. Many roads, bridges, schools and hospitals were constructed. Thirdly, it Americans from the economic backwardness. The old age pension and the employment were the best schemes for social and economic security. Fourthly, the labour regulation was made better. Fifthly, New Deal Police provided for better economic result in the long run. It developed a better taste for the



industrial property. Sixthly, it recognized a new role for a encouragement. The national planning was for he welfare of the people.

Demerits of the New Deal Policy

There were a few short comings of the New Deal Policy. Firstly, it increased the work of the democracy. Secondly, it created a kind of class consciousness. Thirdly, the unemployment won a perennial problem.

AMERICA AND THE SECOND WORLD WAR

During the days of Franklin Roosevelt the Second World War broke out. It was a war between the two groups of nations in Europe. They were the Allies and the Axis America entered the Second World War in 1942. With the American Entry the Allies got victory. The war was brought to a close in 1945.

Ahack on Poland (1939)

The aggressive activities of Hitler was the most important reason for the outbreak of the Second World War in 1939. But the immediate cause for the outbreak of the war was the problem of Poland. By the treaty of Versallies a Polish corridor was set up. Poland wanted the Polish corridor. But demanded the Polish corridor. Poland refused to give it to Hitler. So Hitler invaded Poland on 1st September 1939. In order to help Poland England on France declared war on Germany on 3rd September 1939. Thus the second World War began with the attack on Poland.

The Presidential election of 1940

Franklin D. Roosevelt stood in the election of 1932 and 1936. He was as a democratic candidate for the Presidential election of 1940. He was elected on a large majority. By this time, Germany occupies France England was bitterly attacked by Germany. After the election Roosevelt adopted war like attitude.

The Pearl Harbour Incident

The Pearl Harbour incident was the immediate cause for the American entry in the Second World War. Pearl Harbour was an American naval base in the Pacific Ocean. In 1941 Japan attacked Pearl harbor. It resulted he death of 2500 American soldiers and damaged the American naval fleet. Immediately, America entry in the Second World War as a turning point in the course of the war.



America and the Second World War

America entered the Second World War on side of the allied nation. The American entry changed the course of the Second Worlds War. The American got victory in Africa, Normandy and Japan. The American General Eishenover who led the allied forces into Germany.

America and the Peace Conference

When the war going on Franklin D. Roosevelt and Winston Churchill met in a warship on the Atlantic Ocean. They discussed the problems of peace. They draw the Atlantic Character. In 1943, America, England and Russia concluded the Moscow conference. In 1945 they met at San Francisco. It resulted the birth of United Nation Organisation.

WAR TIME CONFERENCES

The first involvement of the United States in the wartime conferences between the Allied nations opposing the Axis powers actually occurred before the nation formally entered World War II. In August 1941, President Franklin Roosevelt and British Prime Minister Winston Churchill met secretly and devised an eight-point statement of war aims known as the Atlantic Charter, which included a pledge that the Allies would not accept territorial changes resulting from the war in Europe. Following the Japanese attack on Pearl Harbor, the wartime conferences focused on establishing a second front.

At Casablanca in January 1943, Roosevelt and Churchill agreed to fight until the Axis powers surrendered unconditionally.

In a November 1943 meeting in Egypt with Chinese leader Chiang Kai-shek, Roosevelt and Churchill agreed to a pre-eminent role for China in postwar Asia.

The next major wartime conference included Roosevelt, Churchill, and the leader of the Soviet Union, Joseph Stalin. Meeting at Tehran following the Cairo Conference, the "Big Three" secured confirmation on the launching of the cross-channel invasion and a promise from Stalin that the Soviet Union would eventually enter the war against Japan.

In 1944, conferences at Bretton Woods and Dumbarton Oaks created the framework for international cooperation in the postwar world.

In February 1945, the "Big Three" met at the former Russian czar's summer palace in the Crimea. Yalta was the most important and by far the most controversial of the wartime meetings. Recognizing the strong position that the Soviet Army possessed on the ground, Churchill and an ailing Roosevelt agreed to a number of compromises with Stalin that allowed Soviet hegemony to remain in Poland and other Eastern European countries, granted territorial concessions to the Soviet Union, and outlined punitive measures against Germany,



including an occupation and reparations in principle. Stalin did guarantee that the Soviet Union would declare war on Japan within six months.

The last meeting of the "Big Three" occurred at Potsdam in July 1945, where the tension that would erupt into the cold war was evident. Despite the end of the war in Europe and the revelation of the existence of the atomic bomb to the Allies, neither President Harry Truman, Roosevelt's successor, nor Clement Atlee, who mid-way through the conference replaced Churchill, could come to agreement with Stalin on any but the most minor issues. The most significant agreement was the issuance of the Potsdam Declaration to Japan demanding an immediate and unconditional surrenderand threatening Japan with destruction if they did not comply. With the Axis forces defeated, the wartime alliance soon devolved into suspicion and bitterness on both sides.

ESTABLISHMENT OF UNO

The World War II ended in Europe on 7 may 1945 and the charter of the united nations was signed at san francico in June 1945. The united nations headquarters in new York was created for the maintance of international peace and security, development of friendly relations among nations, achievement of international cooperation in solving international problem of economic, social and promotion and encouragement of respect for human rights and fundamental freedom for all without distinction of race, sex language or religion.

London Declaration: When the Second World War was going on, the Big Powers assembled at London On 12 June, 1941. These countries were England, Canada, Australia, New Zealand, France, South Africa, Greece, Belgium and Czechoslovakia. All the countries assembled at the James Palace at London. They declared for an international peace organisation in this London Declaration.

The Atlantic Charter: During the Second World War, England's Prime Minister Winston Churchill and the U.S.A. President Franklin Roosevelt met in a ship on the Atlantic Ocean. They signed a declaration on 12 June, 1941 which is known as Atlantic Charter. In this declaration importance was attached for the establishment of an international organisation. Importance was also attached on the prevalence of international peace, non-aggression and formation of one's own Government by a country.

Declaration of the UNO: Atlantic Declaration was recognised on 1 January 1942. After that, declaration was made about the United Nations Organisation. 26 Countries signed this agreement later. In this declaration it was unanimously accepted that the member nations should help each other and without their permission it was impossible to make alliance with the enemy countries.



Moscow Declaration: The Foreign Ministers of USA, England, Russia and China assembled at Moscow, on 30 October, 1943. In this declaration a decision was taken regarding the establishment of an International Organisation and every nation could take part in it.

Teheran Conference: In December, 1943, Churchill, Roosevelt and Stalin met at Teheran. In this Conference, the three leaders put emphasis on international peace and security. A declaration was also made in this Conference regarding these principles.

Dumbarton Oaks Conference: This Conference played a vital role in creating an international organisation. In this Conference, a discussion was made regarding the name, structure, functions and different parts of the Organisation.

Yalta Conference: A Conference was arranged at Yalta on II February 1945. In this conference Roosevelt, Churchill and Stalin assembled again. They put emphasis on the creation of an international Organisation to keep up world peace. In this Conference, many unsolved problems of Dumbarton Oaks Conference were solved in this Conference.

San Francisco Conference: This Conference was the last attempt for the formation of United Nations Organisation. It was held at San Francisco on 25 June 1945. All the 51 nations present there, discussed on the UNO Charter. After the recommendation of countries like USA, Soviet Russia, England, France, China etc. it was declared that the UNO Charter would function soon. Thus, the UNO came into existence on 24 October, 1945.

Establishment of the United Nations Organization: As stated earlier, the UNO Charter was recognised on 24 October 1945 and the UNO was established. It played a vital role in keeping world peace. Gradually its membership started to increase. Now UNO has 191 member states. These numbers will increase in future. Really, the establishment of the UNOcreated a new chapter in the world history. Along with the establishment of UNO, the maintenance of world peace began to take a concrete step.

Organs of U.N.O

The United Nations is comprised of five main organs: the General Assembly, the Security Council, the Economic and Social Council, the Secretariat, and the International Court of Justice. Historically, a sixth main organ, the Trusteeship Council, played a significant role in the process of decolonization. The Trusteeship Council suspended its operations in 1994 and is no longer active, but it cannot be formally dissolved without amending the UN Charter.

Brief descriptions of the UN's main organs are provided below, along with links to their respective websites. For a comprehensive listing of all UN-affiliated entities, visit the online Directory of UN System Organizations.



The General Assembly

The General Assembly is the primary deliberative and policymaking arm of the UN, at which all 193 member states are represented. It meets annually in September to debate pressing issues and to make decisions and recommendations on important questions of peace and security, economic and social development development, the protection of human rights, the codification of international law, and the admission of new member states, among other matters. It also approves the UN's budget and the financial assessments of member states. Some decisions require a two-thirds majority while others are decided by a simple majority.

The Security Council

The Security Council has primary responsibility for maintaining international peace and security. It is comprised of 15 members, five of which are permanent (China, the Russian Federation, France, the U.K., and the U.S.). The other ten members are elected by the General Assembly to two-year terms. The Security Council investigates acts of aggression and other threats to peace. Whenever possible, it attempts to settle disputes through peaceful means, but it also has the authority to impose sanctions and authorize the use of force. Nine votes, including the votes of all five permanent members, are required for the Council to issue a decision. The UN Charter obligates all member states to comply with Council decisions.

The Economic and Social Council (ECOSOC)

The Economic and Social Council, usually referred to by the acronym ECOSOC, provides a central forum for discussing the world's economic, social, and environmental challenges and for formulating policy recommendations to address them. It coordinates about 70 percent of the UN's human and financial resources, including those of the 15 specialized agencies, eight functional commissions, and five regional commissions under its jurisdiction. ECOSOC is comprised of 54 UN member states, which are elected by the General Assembly to serve overlapping three-year terms. Seats are allocated among five regions in order to ensure equitable geographic representation.

The Secretariat

The Secretariat is UN's administrative arm, comprised of civil servants responsible for carrying out the day-to-day operations of the organization. Led by the Secretary-General, the Secretariat collects and analyzes data, conducts research on a wide range of economic and social issues, maintains the facilities used by other UN organs, provides interpreter services, and translates documents into the UN's official languages. The Secretary-General is appointed by the General Assembly on the recommendation of the Security Council for a 5-year, renewable term. In addition to mediating international disputes and coordinating peacekeeping activities, the Secretary-General serves as the public face of the UN and acts as the principal spokesperson for its policy initiatives.



The International Court of Justice

The International Court of Justice, also known as the World Court, is the UN's principal judicial organ. It is located in the Peace Palace in The Hague, a city in the Netherlands, making it the only one of the UN's principal organs that is not based in New York City. The Court adjudicates interstate disputes in contentious cases in accordance with international law and issues advisory opinions on questions of law referred to it by authorized UN organs. The Court is comprised of 15 judges elected by both the General Assembly and the Security Council to serve nine-year terms. No two judges from the same jurisdiction may serve simultaneously. Seats are informally apportioned geographically to ensure that judges from all of the world's main legal systems are represented on the Court.

The Trusteeship Council

The Trusteeship Council was established to oversee the 11 "trust territories" established under the UN Charter. These included former colonies previously administered under mandates issued by the League of Nations, as well as territories seized from nations that were defeated in World War II. The Council suspended its operations in 1994 when Palau, the last remaining trust territory, gained its independence. Should the need arise, the Council may resume operations at the request of the majority of its members, the members of the General Assembly or the members of the Security Council.

In order to reduce the gap between Russia and United States of America in the Cold War period, the attempt of the UNO was remarkable. The role of UNO in undertaking many welfare activities in the nook and comer of the world is praiseworthy.

Functions of U.N.O

According to the Charter of the United Nations, the General Assembly may:

- Consider and make recommendations on the general principles of cooperation for maintaining international peace and security, including disarmament;
- Discuss any question relating to international peace and security and, except where a dispute or situation is currently being discussed by the Security Council, make recommendations on it;
- Discuss, with the same exception, and make recommendations on any questions within the scope of the Charter or affecting the powers and functions of any organ of the United Nations;
- Initiate studies and make recommendations to promote international political cooperation, the development and codification of international law, the realization of human rights and fundamental freedoms, and international collaboration in the economic, social, humanitarian, cultural, educational and health fields;
- Make recommendations for the peaceful settlement of any situation that might impair friendly relations among nations;



- Receive and consider reports from the Security Council and other United Nations organs;
- Consider and approve the United Nations budget and establish the financial assessments of Member States:
- Elect the non-permanent members of the Security Council and the members of other United Nations councils and organs and, on the recommendation of the Security Council, appoint the Secretary-General.

Pursuant to its "Uniting for Peace" resolution of November 1950 (resolution 377 (V)), the Assembly may also take action if the Security Council fails to act, owing to the negative vote of a permanent member, in a case where there appears to be a threat to the peace, breach of the peace or act of aggression. The Assembly can consider the matter immediately with a view to making recommendations to Members for collective measures to maintain or restore international peace and security.

While the Assembly is empowered to make only non-binding recommendations to States on international issues within its competence, it has, nonetheless, initiated actions—political, economic, humanitarian, social and legal—which have affected the lives of millions of people throughout the world.

The landmark Millennium Declaration, adopted in 2000, and the 2005 World Summit Outcome Document reflect the commitment of Member States to reach specific goals to attain peace, security and disarmament along with development and poverty eradication; safeguard human rights and promote the rule of law; protect our common environment; meet the special needs of Africa; and strengthen the United Nations.

RESURGENCE OF USA AS WORLD POWER

Woodrow Wilson and the Mexican Revolution

Although Wilson's consuming interest was in domestic politics, he had to deal primarily with foreign affairs while in the White House, and before the end of his presidency he had developed into a diplomatist of great skill as well as one of the commanding figures in world affairs. He was a "strong" president in the conduct of foreign policy, writing most of the important diplomatic correspondence of his government and making all important decisions himself. He usually worked well with his secretaries of state, Bryan and Robert Lansing, and often relied for advice upon his confidential counselor, Col. Edward M. House of Texas.

Wilson served his apprenticeship by having to deal at the outset of his administration with an uprising in Mexico, set off when a military usurper, Victoriano Huerta, murdered liberal president Francisco Madero and seized the executive power in February 1913. It was difficult



for the United States to remain aloof because Americans had invested heavily in Mexico and 40,000 U.S. citizens resided there.

Victoriano Huerta

If Wilson had followed conventional policy and the urgings of Americans with interests in Mexico, he would have recognized Huerta (as most European governments did), who promised to respect and protect all foreign investments and concessions. But Wilson was revolted by Huerta's bloody rise to power; moreover, he believed that the revolution begun by Madero in 1910 was a glorious episode in the history of human liberty. Wilson thus not only refused to recognize Huerta but also tried to persuade the dictator to step down from office and permit the holding of free elections for a new democratic government. When Huerta refused to cooperate, Wilson gave open support to the Constitutionalists—Huerta's opponents under Madero's successor, Venustiano Carranza—and, when it seemed that the Constitutionalists could not themselves drive Huerta from power, Wilson seized the port of Veracruz in April 1914 to cut off Huerta's supplies and revenues. This stratagem succeeded, and Carranza and his army occupied Mexico City in August.

Venustiano Carranza

The revolutionary forces then divided between Carranza's followers and those of his chief rival and most colorful general, Pancho Villa, and civil war raged for another year. Wilson refused to interfere. Carranza emerged victorious by the summer of 1915, and Wilson accorded him de facto recognition in October. In January 1916, however, Villa executed about 17 U.S. citizens at Santa Isabel to demonstrate Carranza's lack of control in northern Mexico. Then, seeking to provoke war between the United States and Mexico, he raided Columbus, New Mexico, on March 9, 1916, burning the town and killing some 17 inhabitants. Wilson sent a punitive expedition under Gen. John J. Pershing into Mexico in hot pursuit of Villa, but the wily guerrilla eluded Pershing, and, the deeper the U.S. forces penetrated into Mexican territory, the more agitated the Carranza government became. There were two serious skirmishes between regular Mexican and U.S. troops in the spring, and full-scale war was averted only when Wilson withdrew Pershing's column some months later. Relations between the two governments were greatly improved when Wilson extended de jure recognition to Carranza's new Constitutional regime in April 1917. Thereafter, Wilson adamantly rejected all further foreign and American suggestions for intervention in Mexico.

John J. Pershing

The outbreak of general war in Europe in August 1914 raised grave challenges to Wilson's skill and leadership in foreign affairs. In spite of the appeals of propagandists for the rival Allies and Central Powers, the great majority of Americans were doggedly neutral and determined to avoid involvement unless American rights and interests were grossly violated. This, too, was Wilson's own feeling, and in August he issued an official



proclamation of neutrality and two weeks later appealed to Americans to be "impartial in thought as well as in action."

Difficulties arose first with the British government, which at once used its vast fleet to establish a long-range blockade of Germany. The U.S. State Department sent several strong protests to London, particularly against British suppression of American exports of food and raw materials to Germany. Anglo-American blockade controversies were not acute, however, because the British put their blockade controls into effect gradually, always paid for goods seized, argued persuasively that in a total war food and raw materials were as essential as guns and ammunition, and pointed out that they, the British, were simply following blockade precedents established by the United States itself during the American Civil War. As a result of a tacit Anglo-American agreement, the United States soon became the chief external source of supply for the food, raw materials, and munitions that fed the British and French war machines. In addition, and in accordance with the strict rules of neutrality, the Wilson administration permitted the Allied governments to borrow more than \$2,000,000,000 in the United States in order to finance the war trade. At the same time, the president resisted all efforts by German Americans for an arms embargo on the ground that such a measure would be grossly un-neutral toward the Allies.

German submarine warfare

There was no possibility of conflict between Germany and the United States so long as the former confined its warfare to the continent of Europe; a new situation full of potential danger arose, however, when the German authorities decided to use their new weapon, the submarine, to challenge British control of the seas. The German admiralty announced in February 1915 that all Allied vessels would be torpedoed without warning in a broad area and that even neutral vessels were not safe. Wilson replied at once that he would hold Germany to "strict accountability" (a conventional diplomatic term) if submarines destroyed American ships and lives without warning. The Germans soon gave broad guarantees concerning American ships, and their safety against illegal submarine attacks was not an issue between the two countries before 1917.

An issue much more fraught with danger was the safety of Americans traveling and working on Allied ships. A German submarine sank the unarmed British liner Lusitania without warning on May 7, 1915, killing, among others, 128 Americans. Wilson at first appealed to the Germans on broad grounds of humanity to abandon submarine warfare, but in the subsequent negotiations he narrowed the issue to one of safety for unarmed passenger liners against violent underseas attack. Momentary resolution came when a submarine sank the unarmed British liner Arabic in August. Wilson warned that he would break diplomatic relations if such attacks continued, and the Germans grudgingly promised not to attack unarmed passenger ships without warning. The controversy escalated to a more dangerous level when a submarine torpedoed the packet steamer Sussex in the English Channel with heavy loss of life in March 1916. In an ultimatum to Berlin, Wilson threatened



to break diplomatic relations if the Germans did not cease attacking liners and merchantmen without warning; once again the Germans capitulated, but they threatened to resume unrestricted submarine warfare if the United States failed to force the British to observe international law in their blockade practices.

Sinking of the Lusitania

The Allies complicated the submarine controversy in late 1915 by arming many of their liners and merchantmen sailing to American ports. Wilson tried to arrange a compromise by which the Allies would disarm their ships in return for a German promise not to sink them without warning. When the British rejected the proposal, the president gave the impression that he would hold Germany accountable for American lives lost on armed ships, setting off a rebellion in Congress and the near passage of resolutions forbidding American citizens to travel on armed ships. Actually, the president had no intention of permitting armed ships to become a serious issue; their status was never a subject of serious controversy between the United States and Germany.

Arming for war

Meanwhile, the increasingly perilous state of relations with Germany had prompted Wilson, in December 1915, to call for a considerable expansion in the country's armed forces. A violent controversy over preparedness ensued, both in Congress and in the country at large. The army legislation of 1916 was a compromise, with Wilson obtaining only a modest increase in the army and a strengthening of the National Guard, but the Naval Appropriations Act of 1916 provided for more ships than the administration had requested.

The United States enters the Great War

Wilson's most passionate desire, aside from avoiding belligerency, was to bring an end to the war through his personal mediation. He sent Colonel House to Europe in early 1915 to explore the possibilities of peace and again early in 1916 to press for a plan of Anglo-American cooperation for peace. The British refused to cooperate, and the president, more than ever eager to avoid a final confrontation with Germany on the submarine issue, decided to press forward with independent mediation. He was by this time also angered by the intensification of British blockade practices and convinced that both sides were fighting for world domination and spoils. On December 18, 1916, Wilson asked the belligerents to state the terms upon which they would be willing to make peace. Soon afterward, in secret, high-level negotiations, he appealed to Britain and Germany to hold an early peace conference under his leadership.



Break with Germany

Chances for peace were blasted by a decision of the German leaders, made at an imperial conference on January 9, 1917, to inaugurate an all-out submarine war against all commerce, neutral as well as belligerent. The Germans knew that such a campaign would bring the United States into the war, but they were confident that their augmented submarine fleet could starve Britain into submission before the United States could mobilize and participate effectively. The announcement of the new submarine blockade in January left the president no alternative but to break diplomatic relations with Germany, which he did on February 3. At the same time, and in subsequent addresses, the president made it clear that he would accept unrestricted submarine warfare against belligerent merchantmen and would act only if American ships were sunk. In early March he put arms on American ships in the hope that this would deter submarine attacks. The Germans began to sink American ships indiscriminately in mid-March, and on April 2 Wilson asked Congress to recognize that a state of war existed between the United States and the German Empire. Congress approved the war resolution quickly, and Wilson signed it on April 6. (For U.S. military involvement in World War I, see the article World War I.)

Mobilization

Generally speaking, the efforts at mobilization went through two stages. During the first, lasting roughly from April to December 1917, the administration relied mainly on voluntary and cooperative efforts. During the second stage, after December 1917, the government moved rapidly to establish complete control over every important phase of economic life. Railroads were nationalized; a war industries board established ironclad controls over industry; food and fuel were strictly rationed; an emergency-fleet corporation began construction of a vast merchant fleet; and a war labour board used coercive measures to prevent strikes. Opposition to the war was sternly suppressed under the Espionage Act of 1917. At the same time, the Committee on Public Information, headed by the progressive journalist George Creel, mobilized publicists, scholars, and others in a vast prowar propaganda effort. By the spring of 1918, the American people and their economy had been harnessed for total war (a near miracle, considering the lack of preparedness only a year before).

America's role in the war

The American military contribution, while small compared to that of the Allies during the entire war, was in two respects decisive in the outcome. The U.S. Navy, fully prepared at the outset, provided the ships that helped the British overcome the submarine threat by the autumn of 1917. The U.S. Army, some 4,000,000 men strong, was raised mainly by conscription under the Selective Service Act of 1917; the American Expeditionary Force of more than 1,200,000 men under General Pershing reached France by September 1918, and



this huge infusion of manpower tipped the balance on the Western Front and helped to end the war in November 1918, a year earlier than military planners had anticipated.

In one of the most ambitious rhetorical efforts in modern history, President Wilson attempted to rally the people of the world in a movement for a peace settlement that would remove the causes of future wars and establish machinery to maintain peace. In an address to the Senate on January 22, 1917, he called for a "peace without victory" to be enforced by a league of nations that the United States would join and strongly support. He reiterated this program in his war message, adding that the United States wanted above all else to "make the world safe for democracy." And when he failed to persuade the British and French leaders to join him in issuing a common statement of war aims, he went to Congress on January 8, 1918, to make, in his Fourteen Points address, his definitive avowal to the American people and the world.

Woodrow Wilson

In his general points Wilson demanded an end to the old diplomacy that had led to wars in the past. He proposed open diplomacy instead of entangling alliances, and he called for freedom of the seas, an impartial settlement of colonial claims, general disarmament, removal of artificial trade barriers, and, most important, a league of nations to promote peace and protect the territorial integrity and independence of its members. On specific issues he demanded, among other things, the restoration of a Belgium ravaged by the Germans; sympathetic treatment of the Russians, then involved in a civil war; establishment of an independent Poland; the return of Alsace-Lorraine to France; and autonomy or self-determination for the subject peoples of the Austro-Hungarian and Ottoman empires. A breathtaking pronouncement, the Fourteen Points gave new hope to millions of liberals and moderate socialists who were fighting for a new international order based upon peace and justice.

The Paris Peace Conference and the Versailles Treaty

With their armies reeling under the weight of a combined Allied and American assault, the Germans appealed to Wilson in October 1918 for an armistice based on the Fourteen Points and other presidential pronouncements. The Allies agreed to conclude peace on this basis, except that the British entered a reservation about freedom of the seas, and Wilson agreed to an Anglo-French demand that the Germans be required to make reparation for damages to civilian property.

Wilson led the U.S. delegation and a large group of experts to the peace conference, which opened in Paris in January 1919. He fought heroically for his Fourteen Points against the Allied leaders—David Lloyd George of Britain, Georges Clemenceau of France, and Vittorio Orlando of Italy—who, under heavy pressure from their own constituencies, were determined to divide the territories of the vanquished and make Germany pay the full



cost of the war. Wilson made a number of compromises that violated the spirit if not the letter of the Fourteen Points, including the imposition of an indefinitely large reparations bill upon Germany. Moreover, the Allies had intervened in the Russian Civil War against the dominant revolutionary socialist faction, the Bolsheviks, and Wilson had halfheartedly cooperated with the Allies by dispatching small numbers of troops to northern Russia, to protect military supplies against the advancing Germans, and to Siberia, mainly to keep an eye on the Japanese, who had sent a large force there. But Wilson won many more of his Fourteen Points than he lost; his greatest victories were to prevent the dismemberment of Germany in the west and further intervention in Russia and, most important, to obtain the incorporation of the Covenant of the League of Nations into the Versailles Treaty. He was confident that the League, under American leadership, would soon rectify the injustices of the treaty.

"Big Four" leaders

The "Big Four" were: David Lloyd George of Britain, Vittorio Orlando of Italy, Georges Clemenceau of France, and Woodrow Wilson of the United States, the principal architects of the Treaty of Versailles.

National Archives, Washington, D.C.

Public opinion in the United States seemed strongly in favour of quick ratification of the Versailles Treaty when the president presented that document to the Senate in July 1919. Traditional isolationist sentiment was beginning to revive, however, and a small minority of 16 senators, irreconcilably opposed to U.S. membership in the League, vowed to oppose the treaty to the bitter end. In addition, a crucial controversy developed between the president and a majority of the Republican senators, led by Henry Cabot Lodge of Massachusetts. Lodge insisted upon adding 14 reservations to the treaty. The second reservation declared that the United States assumed no obligations under Article X of the Covenant, which guaranteed the integrity and independence of members of the League; moreover it said that the president could not use the armed forces to support the Covenant without the explicit consent of Congress.

Henry Cabot Lodge

Calling this reservation a nullification of the treaty, Wilson in September made a long speaking tour of the West to build up public support for unconditional ratification. He suffered a breakdown at the end of his tour and a serious stroke on October 2. The president's illness, which incapacitated him for several months, increased his intransigence against the Lodge reservations; with equal stubbornness, the Massachusetts senator refused to consent to any compromise. The result was failure to obtain the necessary two-thirds majority for ratification, with or without reservations, when the Senate voted on November 19, 1919, and again on March 19, 1920.



Wilson had suggested that the ensuing presidential campaign and election should be a "great and solemn referendum" on the League. The Democratic candidate, James M. Cox of Ohio, fought hard to make it the leading issue, but the Republican candidate, Warren G. Harding of Ohio, was evasive on the subject, and a group of 31 leading Republican internationalists assured the country that Harding's election would be the best guarantee of U.S. membership in the League of Nations. Harding swamped Cox (see U.S. presidential election of 1920), and his victory ended all hopes for U.S. membership. In his inaugural Harding announced that the United States would not be entangled in European affairs; he emphasized this determination by concluding a separate peace with Germany in 1921.

The postwar Republican administrations

Postwar conservatism

After the end of World War I, many Americans were left with a feeling of distrust toward foreigners and radicals, whom they held responsible for the war. The Russian Revolution of 1917 and the founding of the communists' Third International in 1919 further fanned American fears of radicalism. Race riots and labour unrest added to the tension. Thus, when a series of strikes and indiscriminate bombings began in 1919, the unrelated incidents were all assumed—incorrectly in most cases—to be communist-inspired. During the ensuing Red Scare, civil liberties were sometimes grossly violated and many innocent aliens were deported. The Red Scare was over within a year, but a general distrust of foreigners, liberal reform movements, and organized labour remained throughout the 1920s. In fact, many viewed Warren G. Harding's landslide victory in 1920 (see U.S. presidential election of 1920) as a repudiation of Woodrow Wilson's internationalism and of the reforms of the Progressive era.

Peace and prosperity

Harding took office with a clear mandate to restore business as usual, a condition he termed "normalcy." Americans wished to put reminders of the Great War behind them, as well as the brutal strikes, the Red Scare, and the sharp recession of Wilson's last years in office. Peace and prosperity were what people desired, and these would be achieved under Harding.

Warren G. Harding

As part of his policy of returning America to prewar conditions, Harding pardoned many individuals who had been convicted of antiwar activities or for being radicals. His main concern, however, was business. Reversing progressive and wartime trends, the Harding administration strove to establish probusiness policies. Attorney General Harry M. Daugherty obtained injunctions against striking workers. The Supreme Court sided with management in disputes over unions, minimum wage laws, child labour, and other issues.



Secretary of Commerce Herbert Hoover expanded the size of his department fourfold during the next eight years in attempts to foster business growth and efficiency and to encourage trade associations and business—labour cooperation. Secretary of the Treasury Andrew W. Mellon, one of the country's richest men, drastically cut taxes, especially on the wealthy; he also cut federal spending to reduce the national debt.

Andrew W. Mellon

In foreign affairs the Harding administration tried to ensure peace urging disarmament, and at the Washington Naval Conference in 1921 Secretary of State Charles Evans Hughes negotiated the first effective arms-reduction agreement in history. On the whole, however, the policies of the United States were narrow and nationalistic. It did not cooperate with the League of Nations. It insisted that Europeans pay their American debts but in 1922 passed the Fordney–McCumber Tariff, which raised duties so high that foreigners had great difficulty earning the necessary dollars. When immigration reached prewar levels (some 800,000 people entered the country between June 1920 and June 1921), Congress gave in to the protests of organized labour, which believed immigrants were taking jobs away from American citizens, and to the objections of business leaders and patriotic organizations, who feared that some of the immigrants might be radicals. Reversing traditional American policy, Congress passed first an emergency restriction bill and then in 1924 the National Origins Act. The act set a quota limiting the number of immigrants to 164,000 annually (150,000 after July 1, 1927); it discriminated against immigrants from southern and eastern Europe and barred Asians completely. The quota did not pertain to North Americans, however.

Charles Evans Hughes

Harding's policies, his genial nature, and the return of prosperity made the president extremely popular. His sudden death, of a cerebral embolism, in the summer of 1923 resulted in a national outpouring of grief. Yet it soon became evident that his administration had been the most corrupt since Ulysses S. Grant's. Harding had appointed venal mediocrities, many of them old cronies, to office, and they had betrayed his trust. The most publicized scandal was the illegal leasing of naval oil reserves at Teapot Dome, Wyoming, which led to the conviction of Secretary of the Interior Albert B. Fall for accepting a bribe.

Coolidge, Harding's Calvin vice president and successor, was a taciturn, parsimonious New Englander who restored honesty to government. His administration suffered none of the stigma of the Harding scandals, and Coolidge, thanks to a economy divided Democratic defeated buoyant and Party, easily the conservative Democrat John W. Davis in the election of 1924. Even though an independent campaign by Senator Robert M. La Follette of Wisconsin drew off insurgent Republicans, Coolidge received more popular, and electoral, votes than his opponents combined.



Calvin Coolidge

Coolidge followed Harding's policies, and prosperity continued for most of the decade. From 1922 to 1929, stock dividends rose by 108 percent, corporate profits by 76 percent, and wages by 33 percent. In 1929, 4,455,100 passenger cars were sold by American factories, one for every 27 members of the population, a record that was not broken until 1950. Productivity was the key to America's economic growth. Because of improvements in technology, overall labour costs declined by nearly 10 percent, even though the wages of individual workers rose.

The prosperity was not solidly based, however. The wealthy benefited most, and agriculture and several industries, such as textiles and bituminous coal mining, were seriously depressed; after 1926 construction declined.

New social trends

For millions of Americans, the sober-minded Coolidge was a more appropriate symbol for the era than the journalistic terms Jazz Age or Roaring Twenties. These terms were exaggerations, but they did have some basis in fact. Many young men and women who had been disillusioned by their experiences in World War I rebelled against what they viewed as unsuccessful, outmoded prewar conventions and attitudes. Women who had been forced to work outside the home because of labour shortages during the war were unwilling to give up their social and economic independence after the war had ended. Having won the right to vote when the Nineteenth Amendment was ratified in 1920, the new "emancipated" woman, the flapper, demanded to be recognized as man's equal in all areas. She adopted a masculine look, bobbing her hair and abandoning corsets; she drank and smoked in public; and she was more open about sex.

Social changes were not limited to the young. Productivity gains brought most Americans up to at least a modest level of comfort. People were working fewer hours a week and earning more money than ever before. New consumer goods—radios, telephones, refrigerators, and above all the motor car—made life better, and they were easier to buy thanks to a vastly expanded consumer credit system. Leisure activities became more important, professional sports boomed, and the rapid growth of tabloid newspapers, magazines, movies, and radios enabled millions to share in the exciting world of speakeasies, flappers, and jazz music, even if only vicariously.

King Oliver's Creole Jazz Band

On the darker side, antiforeign sentiment led to the revival of the racist, anti-Semitic, and anti-Catholic Ku Klux Klan, especially in rural areas. During the early 1920s the Klan achieved a membership of some 5,000,000 and gained control of, or influence over, many city and state governments. Rural areas also provided the base for a



Christian fundamentalist movement, as farmers and small-town dwellers who felt threatened and alienated by the rapidly expanding, socially changing cities fought to preserve American moral standards by stressing religious orthodoxy. The movement grew steadily until 1925, when John T. Scopes, a biology teacher in Dayton, Tennessee, was tried for violating a law common to many Southern states prohibiting the teaching of the theory of evolution. Although Scopes was found guilty of breaking the law, both the law itself and fundamentalist beliefs were ridiculed during the course of the trial, which attracted national attention (see Scopes Trial).

Scopes Trial

One fundamentalist goal that was achieved was the passage in 1919 of the Prohibition (Eighteenth) Amendment, which prohibited the manufacture, sale, or transportation of intoxicating liquors. Millions of mostly Protestant churchgoers hailed Prohibition as a moral advance, and the liquor consumption of working people, as well as the incidence of alcohol-related diseases and deaths, does seem to have dropped during the period. On the other hand, millions of otherwise law-abiding citizens drank the prohibited liquor, prompting the growth of organized crime. The illegal liquor business was so lucrative and federal prohibition enforcement machinery was so slight that gangsters were soon engaged in the large-scale smuggling, manufacture, and sale of alcoholic beverages.

Prohibition

As in legitimate business, the highest profits came from achieving economies of scale, so gangsters engaged in complex mergers and takeovers; but, unlike corporate warfare, the underworld used real guns to wipe out competition. In 1931 a national law-enforcement commission, formed to study the flouting of prohibition and the activities of gangsters, was to report that prohibition was virtually unenforceable; and, with the coming of the Great Depression, prohibition ceased to be a key political issue. In 1933 the Twenty-first Amendment brought its repeal.

In the meantime, prohibition and religion were the major issues of the 1928 presidential campaign between the Republican nominee, Herbert Hoover, and the Democrat, Gov. Alfred E. Smith of New York. Smith was an opponent of prohibition and a Roman Catholic. His candidacy brought enthusiasm and a heavy Democratic vote in the large cities, but a landslide against him in the dry and Protestant hinterlands secured the election for Hoover.

Al Smith

In October 1929, only months after Hoover took office, the stock market crashed, the average value of 50 leading stocks falling by almost half in two months. Despite occasional rallies, the slide persisted until 1932, when stock averages were barely a fourth of what they



had been in 1929. Industrial production soon followed the stock market, giving rise to the worst unemployment the country had ever seen. By 1933 at least a quarter of the work force was unemployed. Adjusted for deflation, salaries had fallen by 40 percent and industrial wages by 60 percent.

The causes of the Great Depression were many and various. Agriculture had collapsed in 1919 and was a continuing source of weakness. Because of poor regulatory policies, many banks were overextended. Wages had not kept up with profits, and by the late 1920s consumers were reaching the limits of their ability to borrow and spend. Production had already begun to decline and unemployment to rise before the crash. The crash, which was inevitable since stock prices were much in excess of real value, greatly accelerated every bad tendency, destroying the confidence of investors and consumers alike.

Hoover met the crisis energetically, in contrast to earlier administrations, which had done little to cope with panics except reduce government spending. He extracted promises from manufacturers to maintain production. He signed legislation providing generous additional sums for public works. He also signed the infamous Smoot–Hawley Tariff Act of 1930, which raised duties to an average level of 50 percent. These steps failed to ease the depression, however, while the tariff helped to export it. International trade had never recovered from World War I. Europe still depended on American sales and investments for income and on American loans to maintain the complicated structure of debt payments and reparations erected in the 1920s. After the crash Americans stopped investing in Europe, and the tariff deprived foreigners of their American markets. Foreign nations struck back with tariffs of their own, and all suffered from the resulting anarchy.

In the 1930 elections the Democratic Party won control of the House of Representatives and, in combination with liberal Republicans, the Senate as well. Soon afterward a slight rise in production and employment made it seem that the worst of the depression was over. Then, in the spring of 1931, another crisis erupted. The weakening western European economy brought down a major bank in Vienna, and Germany defaulted on reparations Hoover its payments. proposed year moratorium on reparations and war-debt payments, but, even though the moratorium was adopted, it was too little too late. In the resulting financial panic most European governments went off the gold standard and devalued their currencies, thus destroying the exchange system, with devastating effects upon trade. Europeans withdrew gold from American banks, leading the banks to call in their loans to American businesses. A cascade of bankruptcies ensued, bank customers collapsing first and after them the banks.

Hoover tried hard to stabilize the economy. He persuaded Congress to establish a Reconstruction Finance Corporation to lend funds to banks, railroads, insurance companies, and other institutions. At the same time, in January 1932, new capital was arranged for federal land banks. The Glass–Steagall Act provided gold to meet foreign withdrawals and liberalized Federal Reserve credit. The Federal Home Loan Bank Act sought to prop up



threatened building and loan associations. But these measures failed to promote recovery or to arrest the rising tide of unemployment. Hoover, whose administrative abilities had masked severe political shortcomings, made things worse by offering negative leadership to the nation. His public addresses were conspicuously lacking in candor. He vetoed measures for direct federal relief, despite the fact that local governments and private charities, the traditional sources for welfare, were clearly incapable of providing adequate aid for the ever-rising numbers of homeless and hungry. When unemployed veterans refused to leave Washington after their request for immediate payment of approved bonuses was denied, Hoover sent out the army, which dispersed the protesters at bayonet point and burned down their makeshift quarters.

Great Depression:

Hoover's failures and mistakes guaranteed that whoever the Democrats nominated in 1932 would become the next president. Their candidate was Gov. Franklin Delano Roosevelt of New York. He won the election by a large margin, and the Democrats won majorities in both branches of Congress.

The New Deal

Roosevelt took office amid a terrifying bank crisis that had forced many states to suspend banking activities. He acted quickly to restore public confidence. On Inaugural Day, March 4, 1933, he declared that "the only thing we have to fear is fear itself." The next day he halted trading in gold and declared a national "bank holiday." On March 9 he submitted to Congress an Emergency Banking Bill authorizing government to strengthen, reorganize, and reopen solvent banks. The House passed the bill by acclamation, sight unseen, after only 38 minutes of debate. That night the Senate passed it unamended, 73 votes to 7. On March 12 Roosevelt announced that, on the following day, sound banks would begin to reopen. On March 13, deposits exceeded withdrawals in the first reopened banks. "Capitalism was saved in eight days," Raymond Moley, a member of the president's famous "brain trust," later observed.

In fact, the legal basis for the bank holiday was doubtful. The term itself was a misnomer, intended to give a festive air to what was actually a desperate last resort. Most of the reopened banks were not audited to establish their solvency; instead the public was asked to trust the president. Nevertheless, the bank holiday exemplified brilliant leadership at work. It restored confidence where all had been lost and saved the financial system. Roosevelt followed it up with legislation that did actually put the banking structure on a solid footing. The Glass–Steagall Act of 1933 separated commercial from investment banking and created the Federal Deposit Insurance Corporation to guarantee small deposits. The Banking Act of 1935 strengthened the Federal Reserve System, the first major improvement since its birth in 1913.



With the country enthusiastically behind him, Roosevelt kept Congress in special session and piece by piece sent it recommendations that formed the basic recovery program of his first 100 days in office. From March 9 to June 16, 1933, Congress enacted all of Roosevelt's proposals. Among the bills passed was one creating the Tennessee Valley Authority, which would build dams and power plants and in many other ways salvage a vast, impoverished region. The Securities Exchange Act gave the Federal Commission broad new regulatory powers, which in 1934 were passed on to the newly created Securities and Exchange Commission. The Home Owners Loan Act established a corporation that refinanced one of every five mortgages on urban private residences. Other bills passed during the Hundred Days, as well as subsequent legislation, provided aid for the unemployed and the working poor and attacked the problems of agriculture and business.

Franklin D. Roosevelt signing the Agricultural Adjustment Act

Nothing required more urgent attention than the masses of unemployed workers who, with their families, had soon overwhelmed the miserably underfinanced bodies that provided direct relief. On May 12, 1933, Congress established a Federal Emergency Relief Administration to distribute half a billion dollars to state and local agencies. Roosevelt also created the Civil Works Administration, which by January 1934 was employing more than 4,000,000 men and women. Alarmed by rising costs, Roosevelt dismantled the CWA in 1934, but the persistence of high unemployment led him to make another about-face. In 1935 the Emergency Relief Appropriation Act provided almost \$5,000,000,000 to create work for some 3,500,000 persons. The Public Works Administration (PWA), established in 1933, provided jobs on long-term construction projects, and the Civilian Conservation Corps put 2,500,000 young men to work planting or otherwise improving huge tracts of forestland. For homeowners, the Federal Housing Administration began insuring private home-improvement loans to middle-income families in 1934; in 1938 it became a home-building agency as well.

Agricultural recovery

Hoover's Federal Farm Board had tried to end the long-standing agricultural depression by raising prices without limiting production. Roosevelt's Agricultural Adjustment Act (AAA) of 1933 was designed to correct the imbalance. Farmers who agreed to limit production would receive "parity" payments to balance prices between farm and nonfarm products, based on prewar income levels. Farmers benefited also from numerous other measures, such as the Farm Credit Act of 1933, which refinanced a fifth of all farm mortgages in a period of 18 months, and the creation in 1935 of the Rural Electrification Administration (REA), which did more to bring farmers into the 20th century than any other single act. Thanks to the REA, nine out of 10 farms were electrified by 1950, compared to one out of 10 in 1935.

Civilian Conservation Corps



These additional measures were made all the more important by the limited success of the AAA. Production did fall as intended, aided by the severe drought of 1933–36, and prices rose in consequence; but many, perhaps a majority, of farmers did not prosper as a result. The AAA was of more value to big operators than to small family farmers, who often could not meet their expenses if they restricted their output and therefore could not qualify for parity payments. The farm corporation, however, was able to slash its labour costs by cutting acreage and could cut costs further by using government subsidies to purchase machinery. Thus, even before the Supreme Court invalidated the AAA in 1936, support for it had diminished.

Business recovery

As the economic crisis was above all an industrial depression, business recovery headed the New Deal's list of priorities. Working toward that goal, the administration drafted the National Industrial Recovery Act of 1933, which, among other things, created a National Recovery Administration to help business leaders draw up and enforce codes governing prices, wages, and other matters (coded industries would be exempt from the antitrust laws). Labour was offered protection from unfair practices and given the right to bargain collectively. A large-scale public works appropriation, administered through the PWA, was intended to pour sufficient money into the economy to increase consumer buying power while prices and wages went up.

Despite great initial enthusiasm for the NRA program, it was a failure. The codes became too numerous and complex for proper enforcement, and they were resented because they tended to favour the leading producers in each regulated industry. The protections afforded labour proved illusory, while the PWA, despite an impressive building record that included not only dams, bridges, and schools but also aircraft carriers, was too slow and too small to have much effect on the economy as a whole.

Yet, even if the NRA had overcome its technical problems, failure would probably still have resulted. What the country needed was economic growth, but the NRA assumed that the United States had a mature economic structure incapable of further expansion. Accordingly, it worked to stabilize the economy, eliminate wasteful or predatory competition, and protect the rights of labour. Encouraging growth was not on its agenda.

The second New Deal and the Supreme Court

In reaction to pressures from the left and hostility from the right, the New Deal shifted more toward reform in 1935–36. Popular leaders, promising more than Roosevelt, threatened to pull sufficient votes from him in the 1936 election to bring Republican victory. Senator Huey P. Long of Louisiana was building a national following with a "Share the Wealth" program. The poor in Northern cities were attracted to the Roman Catholic priest Charles E. Coughlin, who later switched from a program of nationalization and



currency inflation to an antidemocratic, anti-Semitic emphasis. Many older people supported Francis E. Townsend's plan to provide \$200 per month for everyone over age 60. At the same time, conservatives, including such groups as the American Liberty League, founded in 1934, attacked the New Deal as a threat to states' rights, free enterprise, and the open shop.

Huey Long

Roosevelt's response in 1935 was to propose greater aid to the underprivileged and extensive reforms. Congress created the Works Progress Administration, which replaced direct relief with work relief; between 1935 and 1941 the WPA employed an annual average of 2,100,000 workers, including artists and writers, who built or improved schools, hospitals, airports, and other facilities by the tens of thousands. The National Youth Administration created part-time jobs for millions of college students, high-school students, and other youngsters. Of long-range significance was the Social Security Act of 1935, which provided federal aid for the aged, retirement annuities, unemployment insurance, aid for persons who were blind or crippled, and aid to dependent children; the original act suffered from various inadequacies, but it was the beginning of a permanent, expanding national program. A tax reform law fell heavily upon corporations and well-to-do people. The National Labor Relations Act, or Wagner Act, gave organized labour federal protection in collective bargaining; it prohibited a number of "unfair practices" on the part of employers and created the strong National Labor Relations Board to enforce the law.

Works Progress Administration

In the 1936 elections, Roosevelt, aided by his reform program, formed a coalition that included liberals, urban ethnics, farmers, trade unionists, and the elderly. He easily defeated the Republican nominee for president, Gov. Alfred ("Alf") Landon of Kansas, receiving more than 60 percent of the popular vote and the electoral votes of every state except Maine and Vermont. The Democratic majorities in the House and Senate were also strengthened. Viewing his decisive victory as an electoral mandate for continued reform, Roosevelt sought to neutralize the Supreme Court, which in 1935 had invalidated several early New Deal reform measures and now seemed about to strike down the Wagner Act and the Social Security Act. In February 1937 Roosevelt created a furor by proposing a reorganization of the court system that would have included giving him the power to appoint up to six new justices, thus giving the court a liberal majority. Some Democrats and a few liberal Republicans in Congress supported the proposal, but a strong coalition of Republicans and conservative Democrats, backed by much public support, fought the so-called court-packing plan.



Alf Landon

Meanwhile the court itself in a new series of decisions began upholding as constitutional measures involving both state and federal economic regulation. These decisions, which began an extensive revision of constitutional law concerning governmental regulation, made the reorganization plan unnecessary; the Senate defeated it in July 1937 by a vote of 70 to 22. Roosevelt had suffered a stinging political defeat, even though he no longer had to fear the court. Turnover on the court was rapid as older members retired or died; by 1942 all but two of the justices were Roosevelt appointees.

The culmination of the New Deal

Roosevelt lost further prestige in the summer of 1937, when the nation plunged into a sharp recession. Economists had feared an inflationary boom as industrial production moved up to within 7.5 percent of 1929. Other indices were high except for a lag in capital investment and continued heavy unemployment. Roosevelt, fearing a boom and eager to balance the budget, cut government spending, which most economists felt had brought the recovery. The new Social Security taxes removed an additional \$2,000,000,000 from circulation. Between August 1937 and May 1938 the index of production fell from 117 to 76 (on a 1929 base of 100), and unemployment increased by perhaps 4,000,000 persons. Congress voted an emergency appropriation of \$5,000,000,000 for work relief and public works, and by June 1938 recovery once more was under way, although unemployment remained higher than before the recession.

Roosevelt's loss of power became evident in 1938, when his attempts to defeat conservative congressional Democrats in the primaries failed. In the fall Republicans gained 80 seats in the House and seven in the Senate. The Democratic Party retained nominal control of Congress, but conservative Democrats and Republicans voting together defeated many of Roosevelt's proposals. A few last bills slipped through. The U.S. Housing Authority was created in 1937 to provide low-cost public housing. In 1938 the Fair Labor Standards Act established a minimum wage and a maximum work week. Otherwise, the president seldom got what he asked for.

Apart from the New Deal itself, no development in the 1930s was more important than the rise of organized labour. This too had negative, or at least mixed, effects upon Roosevelt's political power. When the depression struck, only 5 percent of the work force was unionized, compared to 12 percent in 1920. The great change began in 1935 when the American Federation of Labor's Committee for Industrial Organization broke away from its timid parent and, as the Congress of Industrial Organizations (after 1938), began unionizing the mass production industries. The CIO had a unique tool, the sit-down strike. Instead of picketing a plant, CIO strikers closed it down from inside, taking the factory hostage and preventing management from operating with nonunion workers. This, together with the new reluctance of authorities, many of them Roosevelt Democrats, to act against labour, made sit-



down strikes highly successful. On February 11, 1937, after a long sit-down strike, General Motors, the country's mightiest corporation, recognized the United Auto Workers. The United States Steel Corporation caved in less than a month later, and by 1941 some 10,500,000 workers were unionized, three times as many as a decade before. The CIO became a mainstay of the New Deal coalition, yet it also aroused great resentment among middle-class Americans, who opposed strikes in general but the CIO's tactics especially. This further narrowed Roosevelt's political base.

An assessment of the New Deal

The New Deal established federal responsibility for the welfare of the economy and the American people. At the time, conservative critics charged it was bringing statism or even socialism. Left-wing critics of a later generation charged just the reverse—that it bolstered the old order and prevented significant reform. Others suggested that the New Deal was no more than the extension and culmination of progressivism. In its early stages, the New Deal did perhaps begin where progressivism left off and built upon the Hoover program for fighting the depression. But Roosevelt soon took the New Deal well beyond Hoover and progressivism, establishing a precedent for large-scale social programs and for government participation in economic activities. Despite the importance of this growth of federal responsibility, the New Deal's greatest achievement was to restore faith in American democracy at a time when many people believed that the only choice left was between communism and fascism. Its greatest failure was its inability to bring about complete economic recovery. Some economists, notably John Maynard Keynes of Great Britain, were calling for massive deficit spending to promote recovery; and by 1937 the New Deal's own experience proved that pump priming worked, whereas spending cutbacks only hurt the economy. Roosevelt remained unpersuaded, however, and the depression lingered on until U.S. entry into World War II brought full employment.

WORLD WAR II

The road to war

After World War I most Americans concluded that participating in international affairs had been a mistake. They sought peace through isolation and throughout the 1920s advocated a policy of disarmament and nonintervention. As a result, relations with Latin-American nations improved substantially under Hoover, an anti-imperialist. This enabled Roosevelt to establish what became known as the Good Neighbor Policy, which repudiated altogether the right of intervention in Latin America. By exercising restraint in the region as a whole and by withdrawing American occupation forces from the Caribbean, Roosevelt increased the prestige of the United States in Latin America to its highest level in memory.



As the European situation became more tense, the United States continued to hold to its isolationist policy. Congress, with the approval of Roosevelt and Secretary of State Cordell Hull, enacted a series of neutrality laws that legislated against the factors that supposedly had taken the United States into World War I. As Italy prepared to invade Ethiopia, Congress passed the Neutrality Act of 1935, embargoing shipment of arms to either aggressor or victim. Stronger legislation followed the outbreak of the Spanish Civil War in 1936, in effect penalizing the Spanish government, whose fascist enemies were receiving strong support from Benito Mussolini and Adolf Hitler.

Cordell Hull

In the Pacific Roosevelt continued Hoover's policy of nonrecognition of Japan's conquests in Asia. When Japan invaded China in 1937, however, he seemed to begin moving away from isolationism. He did not invoke the Neutrality Act, which had just been revised, and in October he warned that war was like a disease and suggested that it might be desirable for peace-loving nations to "quarantine" aggressor nations. He then quickly denied that his statement had any policy implications, and by December, when Japanese aircraft sank a U.S. gunboat in the Yangtze River, thoughts of reprisal were stifled by public apathy and by Japan's offer of apologies and indemnities. With strong public opposition to foreign intervention, Roosevelt concentrated on regional defense, continuing to build up the navy and signing mutual security agreements with other governments in North and South America.

When Germany's invasion of Poland in 1939 touched off World War II, Roosevelt called Congress into special session to revise the Neutrality Act to allow belligerents (in reality only Great Britain and France, both on the Allied side) to purchase munitions on a cash-and-carry basis. With the fall of France to Germany in June 1940, Roosevelt, with heavy public support, threw the resources of the United States behind the British. He ordered the War and Navy departments to resupply British divisions that had been rescued at Dunkirk minus their weaponry, and in September he agreed to exchange 50 obsolescent destroyers for 99-year leases on eight British naval and air bases in the Western Hemisphere.

The question of how much and what type of additional aid should be given to the Allies became a major issue of the election of 1940, in which Roosevelt ran for an unprecedented third term. Public opinion polls, a new influence upon decision makers, showed that most Americans favoured Britain but still wished to stay out of war. Roosevelt's opponent, Wendell Willkie, capitalized on this and rose steadily in the polls by attacking the president as a warmonger. An alarmed Roosevelt fought back, going so far as to make what he knew was an empty promise. "Your boys," he said just before the election, "are not going to be sent into any foreign wars." In truth, both candidates realized that U.S. intervention in the war might become essential, contrary to their public statements. Roosevelt won a decisive victory.



Franklin D. Roosevelt and the military draft

U.S. Pres. Franklin D. Roosevelt watching while the blindfolded secretary of war, Henry L. Stimson, draws the first number in the first peacetime draft lottery in U.S. history, October 29, 1940.

Draft protest

Demonstrators in New York City protesting against peacetime conscription prior to the United States' entry into World War II, 1941.

Hulton Archive/Getty Images

Upon being returned to office, Roosevelt moved quickly to aid the Allies. His Lend-Lease Act, passed in March 1941 after vehement debate, committed the United States to supply the Allies on credit. When Germany, on March 25, extended its war zone to include Iceland and the Denmark Strait, Roosevelt retaliated in April by extending the American Neutrality Patrol to Iceland. In July the United States occupied Iceland, and U.S. naval vessels began escorting convoys of American and Icelandic ships. That summer Lend-Lease was extended to the Soviet Union after it was invaded by Germany. In August Roosevelt met with the British prime minister, Winston Churchill, off the coast of Newfoundland to issue a set of war aims known as the Atlantic Charter. It called for national self-determination, larger economic opportunities, freedom from fear and want, freedom of the seas, and disarmament.

Although in retrospect U.S. entry into World War II seems inevitable, in 1941 it was still the subject of great debate. Isolationism was a great political force, and many influential individuals were determined that U.S. aid policy stop short of war. In fact, as late as August 12, 1941, the House of Representatives extended the Selective Training and Service Act of 1940 by a vote of only 203 to 202. Despite isolationist resistance, Roosevelt pushed cautiously forward. In late August the navy added British and Allied ships to its Icelandic convoys. Its orders were to shoot German and Italian warships on sight, thus making the United States an undeclared participant in the Battle of the Atlantic. During October one U.S. destroyer was damaged by a German U-boat and another was sunk. The United States now embarked on an undeclared naval war against Germany, but Roosevelt refrained from asking for a formal declaration of war. According to public opinion polls, a majority of Americans still hoped to remain neutral.

The war question was soon resolved by events in the Pacific. As much as a distant neutral could, the United States had been supporting China in its war against Japan, yet it continued to sell Japan products and commodities essential to the Japanese war effort. Then, in July 1940, the United States applied an embargo on the sale of aviation gas, lubricants, and prime scrap metal to Japan. When Japanese armies invaded French Indochina in September with the apparent purpose of establishing bases for an attack on the East Indies, the United



States struck back by embargoing all types of scrap iron and steel and by extending a loan to China. Japan promptly retaliated by signing a limited treaty of alliance, the Tripartite Pact, with Germany and Italy. Roosevelt extended a much larger loan to China and in December embargoed iron ore, pig iron, and a variety of other products.

Japan and the United States then entered into complex negotiations in the spring of 1941. Neither country would compromise on the China question, however, Japan refusing to withdraw and the United States insisting upon it. Believing that Japan intended to attack the East Indies, the United States stopped exporting oil to Japan at the end of the summer. In effect an ultimatum, since Japan had limited oil stocks and no alternative source of supply, the oil embargo confirmed Japan's decision to eliminate the U.S. Pacific Fleet and to conquer Southeast Asia, thereby becoming self-sufficient in crude oil and other vital resources. By the end of November Roosevelt and his military advisers knew (through intercepted Japanese messages) that a military attack was likely; they expected it to be against the East Indies or the Philippines. To their astonishment, on December 7 Japan directed its first blow against naval and air installations in Hawaii. In a bold surprise attack, Japanese aircraft destroyed or damaged 18 ships of war at Pearl Harbor, including the entire battleship force, and 347 planes. Total U.S. casualties amounted to 2,403 dead and 1,178 wounded.

Pearl Harbor, Hawaii

Ford Island in Pearl Harbor, Hawaii, as seen from a Japanese aircraft during the attack on the U.S. Pacific Fleet, December 7, 1941.

National Archives, Washington, D.C.

On December 8, 1941, Congress with only one dissenting vote declared war against Japan. Three days later Germany and Italy declared war against the United States; and Congress, voting unanimously, reciprocated. As a result of the attack on Pearl Harbor, the previously divided nation entered into the global struggle with virtual unanimity.

The United States at war

Although isolationism died at Pearl Harbor, its legacy of unpreparedness lived on. Anticipating war, Roosevelt and his advisers had been able to develop and execute some plans for military expansion, but public opinion prohibited large-scale appropriations for armament and defense. Thus, when Pearl Harbor was attacked, the United States had some 2,200,000 men under arms, but most were ill-trained and poorly equipped. Barely a handful of army divisions even approached a state of readiness. The Army Air Corps possessed only 1,100 combat planes, many of which were outdated. The navy was better prepared, but it was too small to fight a two-ocean war and had barely been able to provide enough ships for convoy duty in the North Atlantic. Eventually more than 15,000,000 men and women would serve in the armed forces, but not until 1943 would the United States be strong enough to



undertake large-scale offensive operations. (For U.S. military involvement in World War II, see the article World War II.)

War production

Roosevelt had begun establishing mobilization agencies in 1939, but none had sufficient power or authority to bring order out of the chaos generated as industry converted to war production. He therefore created the War Production Board in January 1942 to coordinate mobilization, and in 1943 an Office of War Mobilization was established to supervise the host of defense agencies that had sprung up in Washington, D.C. Gradually, a priorities system was devised to supply defense plants with raw materials; a synthetic rubber industry was developed from scratch; rationing conserved scarce resources; and the Office of Price Administration kept inflation under control.

Douglas Aircraft factory

Two women working at a Douglas Aircraft Company factory in El Segundo, California, c. 1940.

United States: manufacturing during World War II

After initial snarls and never-ending disputes, by the beginning of 1944 production was reaching astronomical totals—double those of all the enemy countries combined. Hailed at the time as a production miracle, this increase was about equal to what the country would have produced in peacetime, assuming full employment. War production might have risen even higher if regulation of civilian consumption and industry had been stricter.

Scientists, under the direction of the Office of Scientific Research and Development, played a more important role in production than in any previous war, making gains in rocketry, radar and sonar, and other areas. Among the new inventions was the proximity fuze, which contained a tiny radio that detonated an artillery shell in the vicinity of its target, making a direct hit unnecessary. Of greatest importance was the atomic bomb, developed by scientists in secrecy and first tested on July 6, 1945.

Financing the war

The total cost of the war to the federal government between 1941 and 1945 was about \$321,000,000,000 (10 times as much as World War I). Taxes paid 41 percent of the cost, less than Roosevelt requested but more than the World War I figure of 33 percent. The remainder was financed by borrowing from financial institutions, an expensive method but one that Congress preferred over the alternatives of raising taxes even higher or making war bond purchases compulsory. In consequence the national debt increased fivefold, amounting to \$259,000,000,000 in 1945. The Revenue Act of 1942 revolutionized the tax structure by increasing the number who paid income taxes from 13,000,000 to 50,000,000. At the same



time, through taxes on excess profits and other sources of income, the rich were made to bear a larger part of the burden, making this the only period in modern history when wealth was significantly redistributed.

Social consequences of the war

Despite the vast number of men and women in uniform, civilian employment rose from 46,000,000 in 1940 to more than 53,000,000 in 1945. The pool of unemployed men dried up in 1943, and further employment increases consisted of women, minorities, and over- or underage males. These were not enough to meet all needs, and by the end of the year a manpower shortage had developed.

One result of this shortage was that Blacks made significant social and economic progress. Although the armed forces continued to practice segregation, as did Red Cross blood banks, Roosevelt, under pressure from Blacks, who were outraged by the refusal of defense industries to integrate their labour forces, signed Executive Order 8802 on June 25, 1941. It prohibited racial discrimination in job training programs and by defense contractors and established a Fair Employment Practices Committee to insure compliance. By the end of 1944 nearly 2,000,000 Blacks were at work in defense industries. As Black contributions to the military and industry increased, so did their demands for equality. This sometimes led to racial hostilities, as on June 20, 1943, when mobs of whites invaded the Black section of Detroit. Nevertheless, the gains offset the losses. Lynching virtually died out, several states outlawed discriminatory voting practices, and others adopted fair employment laws.

Full employment also resulted in raised income levels, which, through a mixture of price and wage controls, were kept ahead of inflation. Despite both this increase in income and a no-strike pledge given by trade union leaders after Pearl Harbor, there were numerous labour actions. Workers resented wage ceilings because much of their increased income went to pay taxes and was earned by working overtime rather than through higher hourly rates. In consequence, there were almost 15,000 labour stoppages during the war at a cost of some 36,000,000 man-days. Strikes were greatly resented, particularly by the armed forces, but their effects were more symbolic than harmful. The time lost amounted to only one-ninth of 1 percent of all hours worked.

Because Pearl Harbor had united the nation, few people were prosecuted for disloyalty or sedition, unlike during World War I. The one glaring exception to this policy was the scandalous treatment of Japanese and Americans of Japanese descent. In 1942, on the basis of groundless racial fears and suspicions, virtually the entire Japanese-American population of the West Coast, amounting to 110,000 persons, was rounded up and imprisoned in "relocation" centres, which the inmates regarded as concentration camps. The Japanese-Americans lost their liberty, and in most cases their property as well, despite the fact that



the Federal Bureau of Investigation, which had already arrested those individuals it considered security risks, had verified their loyalty.

Barracks at the Minidoka Relocation Center

A row of barracks at the Minidoka Relocation Center, an internment camp for Japanese Americans in Hunt, Idaho, 1942–45.

Roosevelt soundly defeated Gov. Thomas E. Dewey of New York in the 1944 election, but his margin of victory was smaller than it had been previously. His running mate, chosen by leaders who disliked former vice president Henry A. Wallace for his extreme liberalism, was Sen. Harry S. Truman of Missouri, a party Democrat who had distinguished himself by investigating fraud and waste among war contractors.

Thomas E. Dewey

The new U.S. role in world affairs

The U.S. entry into World War II had brought an end to isolation, and President Roosevelt was determined to prevent a retreat into isolationism once the war was over. After series ofconferences in December 1941. Roosevelt and Prime Minister Churchill announced the formation of the United Nations, a wartime alliance of 26 nations. In 1943 Roosevelt began planning the organization of a postwar United Nations, meeting with congressional leaders to assure bipartisan support. The public supported Roosevelt's efforts, and that fall Congress passed resolutions committing the United States to membership in an international body "with power adequate to establish and to maintain a just and lasting peace." Finally, in the spring of 1945, delegates from 50 nations signed the charter for a permanent United Nations. In addition to political harmony, Roosevelt promoted economic cooperation, and, with his full support, in 1944 the World Bank and the International Monetary Fund were created to bar a return of the cutthroat economic nationalism that had prevailed before the war.

Throughout the war Roosevelt met with Churchill and Stalin to plan military strategy and postwar policy. His last great conference with them took place at Yalta in Crimea in February 1945. There policies were agreed upon to enforce the unconditional surrender of Germany, to divide it into zones for occupation and policing by the respective Allied forces, and to provide democratic regimes in eastern European nations. A series of secret agreements were also made at Yalta; chief among these was the Soviet pledge to enter the war against Japan after the German surrender, in return for concessions in East Asia.

Yalta Conference

Prime Minister Winston Churchill, Pres. Franklin D. Roosevelt, and Premier Joseph Stalin meeting at the Yalta Conference, 1945.



U.S. Army Photo

Roosevelt died suddenly of a cerebral hemorrhage on April 12 and was succeeded by Truman. In the following months the German armed forces collapsed, and on May 7 all German forces surrendered. In the Pacific the invasions of Iwo Jima and Okinawa in early 1945 brought Japan under a state of siege. In the summer, before an invasion could take place, the United States dropped atomic bombs on Hiroshima and Nagasaki. On September 2 the surrender of Japan was signed in Tokyo harbour on the battleship Missouri.

Frank Freidel William L. O'Neill

Truman, who had been chosen as vice president for domestic political reasons, was poorly prepared to assume the presidency. He had no experience of foreign affairs, knew little about Roosevelt's intentions, and was intimidated by the giant shoes he now had to fill. His first decisions were dictated by events or plans already laid. In July, two months after the German forces surrendered, he met at Potsdam, Germany, with Stalin and Churchill (who was succeeded at the conference by Clement Attlee) to discuss future operations against Japan and a peace settlement for Europe. Little was accomplished, and there would not be another meeting between Soviet and American heads of state for 10 years.

Harry S. Truman, Winston Churchill, and Joseph Stalin at the Potsdam Conference

Potsdam Conference, with U.S. President Harry S. Truman (centre), flanked by Soviet Premier Joseph Stalin (left) and British Prime Minister Winston Churchill (right), near Berlin, Germany, July 1945.

Hopes that good relations between the superpowers would ensure world peace soon faded as a result of the Stalinization of eastern Europe and Soviet support of communist insurgencies in various parts of the globe. Events came to a head in 1947 when Britain, weakened by a failing economy, decided to pull out of the eastern Mediterranean. This would leave both Greece, where a communist-inspired civil war was raging, and Turkey to the mercies of the Soviet Union. Truman now came into his own as a national leader, asking Congress to appropriate aid to Greece and Turkey and asserting, in effect, that henceforth the United States must help free peoples in general to resist communist aggression. This policy, known as the Truman Doctrine, has been criticized for committing the United States to the support of unworthy regimes and for taking on greater burdens than it was safe to assume. At first, however, the Truman Doctrine was narrowly applied. Congress appropriated \$400 million for Greece and Turkey, saving both from falling into unfriendly hands, and thereafter the United States relied mainly on economic assistance to support its foreign policy.



The keystone of this policy, and its greatest success, was the European Recovery Program, usually called the Marshall Plan. Europe's economy had failed to recover after the war, its paralysis being worsened by the exceptionally severe winter of 1946–47. Thus, in June 1947 Secretary of State George C. Marshall proposed the greatest foreign-aid program in world history in order to bring Europe back to economic health. In 1948 Congress created the Economic Cooperation Administration and over the next five years poured some \$13 billion worth of aid into western Europe. (Assistance was offered to Eastern-bloc countries also, but they were forced by Stalin to decline.) The plan restored economic vitality and confidence to the region, while undermining the local communist parties. In 1949 Truman proposed extending similar aid to underdeveloped nations throughout the world, but the resulting Point Four Program was less successful than the Marshall Plan. Experience showed that it was easier to rebuild a modern industrial economy than to develop one from scratch.

U.S. policy for limiting Soviet expansion had developed with remarkable speed. Soon after the collapse of hopes for world peace in 1945 and 1946, the Truman administration had accepted the danger posed by Soviet aggression and resolved to shore up noncommunist defenses at their most critical points. This policy, known as containment, a term suggested by its principal framer, George Kennan, resulted in the Truman Doctrine and the Marshall Plan, as well as in the decision to make the western zones of Germany (later West Germany) a pillar of strength. When the Soviet Union countered this development in June 1948 by blocking all surface routes into the western-occupied zones of Berlin, Britain and the United States supplied the sectors by air for almost a year until the Soviet Union called off the blockade. A logical culmination of U.S. policy was the creation in 1949 of the North Atlantic Treaty Organization (NATO), a military alliance among 12 (later 16) nations to resist Soviet aggression.

Secretary of State Dean Acheson signing the North Atlantic Treaty

U.S. Secretary of State Dean Acheson signing the North Atlantic Treaty on April 4, 1949, as U.S. President Harry S. Truman (second from left) and Vice President Alben W. Barkley (left) look on.

Containment worked less well in Asia. In December 1945 Truman sent General Marshall to China with instructions to work out an agreement between the communist rebels and the Nationalist government of Chiang Kai-shek. This was an impossible task, and in the subsequent fighting Mao Zedong's communist forces prevailed. The Nationalist government fled to Taiwan in 1949, and the United States then decided to concentrate its East Asian policy upon strengthening occupied Japan, with much better results.

Postwar domestic reorganization

After the end of World War II the vast U.S. military establishment was dismantled, its strength falling from 12 million men and women to about 1.5 million in 1947. The navy and



army air forces remained the world's strongest, however, and the U.S. monopoly of atomic weapons seemed to ensure security. In 1946 the United States formed an Atomic Energy Commission for purposes of research and development. The armed forces were reorganized under a secretary of defense by the National Security Act of 1947, which also created the U.S. Air Force as an independent service. In 1949 the services were brought together in a single Department of Defense, though each retained considerable autonomy. In that same year the Soviet Union exploded its own atomic device, opening an era of intense nuclear, and soon thermonuclear, competition.

Peace brought with it new fears. Demobilizing the armed forces might result in massive unemployment and another depression. Or, conversely, the huge savings accumulated during the war could promote runaway inflation. The first anxiety proved groundless, even though government did little to ease the transition to a peacetime economy. War contracts were canceled, war agencies diminished or dissolved, and government-owned war plants sold to private parties. But, after laying off defense workers, manufacturers rapidly tooled up and began producing consumer goods in volume. The housing industry grew too, despite shortages of every kind, thanks to mass construction techniques pioneered by the firm of Levitt and Sons, Inc., and other developers. All this activity created millions of new jobs. The Serviceman's Readjustment Act of 1944, known as the G.I. Bill of Rights, also helped ease military personnel back into civilian life. It provided veterans with loans, educational subsidies, and other benefits.

Inflation was more troublesome. Congress lacked enthusiasm for wartime price controls and in June 1946 passed a bill preserving only limited controls. Truman vetoed the bill as inadequate, controls expired, and prices immediately soared. Congress then passed an even weaker price-control bill, which Truman signed. Nevertheless, by the end of the year, most price and wage controls had been lifted. In December the Office of Price Administration began to close down. As a result, the consumer price index did not stabilize until 1948, when prices were more than a third above the 1945 level, while wage and salary income had risen by only about 15 percent.

Truman's difficulties with Congress had begun in September 1945 when he submitted a 21-point domestic program, including proposals for an expansion of social security and public housing and for the establishment of a permanent Fair Employment Practices Act banning discrimination. These and subsequent liberal initiatives, later known as the Fair Deal, were rejected by Congress, which passed only the Employment Act of 1946. This clearly stated the government's responsibility for maintaining full employment and established a Council of Economic Advisers to advise the president.

Truman's relations with Congress worsened after the 1946 elections. Voters, who were angered by the price-control debacle, a wave of strikes, and Truman's seeming inability to lead or govern, gave control of both houses of Congress to Republicans for the first time since 1928. The president and the extremely conservative 80th Congress battled from

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beginning to end, not over foreign policy, where bipartisanship prevailed, but over domestic matters. Congress passed two tax reductions over Truman's vetoes and in 1947, again over Truman's veto, passed the Taft–Hartley Act, which restricted unions while extending the rights of management. Congress also rejected various liberal measures submitted by Truman, who did not expect the proposals to pass but wanted Congress on record as having opposed important social legislation.

By 1948, Truman had won support for his foreign policy, but he was expected to lose the presidential election that year because of his poor domestic record. Polls showed him lagging behind Dewey, again the Republican nominee, and to make matters worse the Democratic Party splintered. Former vice president Henry A. Wallace headed the Progressive Party ticket, which pledged to improve Soviet-American relations whatever the cost. Southerners, known as Dixiecrats, who were alienated by the Democratic Party's strong civil rights plank, formed the States' Rights Democratic Party and nominated Gov. Strom Thurmond of South Carolina for president. These defections appeared to ensure Truman's defeat. Instead Truman won handily, receiving almost as many votes as his opponents combined. His support came largely from labour, which was upset by the Republican passage of the Taft-Hartley Act, from Blacks, who strongly supported the Democrats' civil rights provisions, and from farmers, who preferred the higher agricultural subsidies promised by the Democrats, especially at a time when commodity prices were falling.