

American Businesses Flourish

- ❖ Both Coolidge and his Republican successor Herbert Hoover favored government policies that kept taxes down and business profits up
- ❖ Tariffs were high which helped American manufacturers
- ❖ Government interference in business was minimal; wages were increasing



Impact of the Auto



Henry Ford's first car

- ❖ The auto was the backbone of the American economy from 1920 through the 1970s
- ❖ It profoundly altered the American landscape and society



Ford Model T

Only came in black; cost \$290; sold 15 million by 1927

Impact of the Auto

- ❖ Paved roads, traffic lights
- ❖ Motels, billboards
- ❖ Home design
- ❖ Gas stations, repair shops
- ❖ Shopping centers
- ❖ Freedom for rural families
- ❖ Independence for women and young people
- ❖ Growing urban areas; Detroit, Flint Akron
- ❖ By 1920, 80% of the world's vehicles are in the United States

Airline Transport Becomes Common

- ❖ The airline industry began as the mail carrying service and quickly "took off"
- ❖ By 1927, Pan American Airways was making transatlantic passenger flights
- ❖ All flight attendants were white females

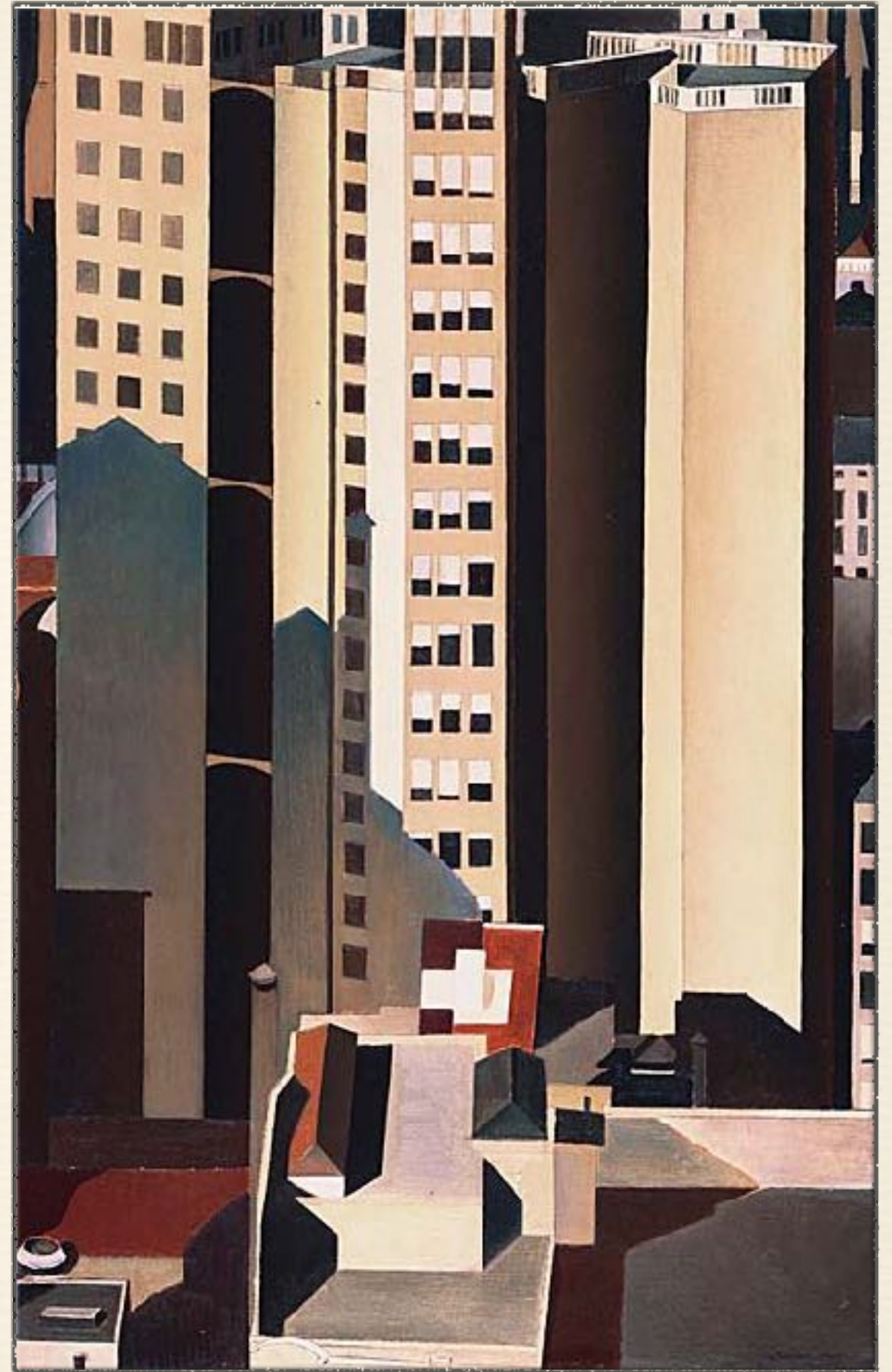


The original 8 airline stewardesses
with model 80A, 1930

American Standard of Living Soars

- ❖ The years 1920-1929 were prosperous ones for the U.S.
- ❖ Americans owned 40% of the world's wealth
- ❖ The average annual income rose 35% during the 1920s (\$522 to \$705)
- ❖ Discretionary income increased (aka spending money!)

Charles Sheeler
Skyscrapers
1922



Electrical Conveniences

1926 Hoover Cleaner
\$38.95



If you want a really *clean* home, you ought to know all about this greater *Hoover!*

The HOOVER
It BEATS... as it Sweeps as it Cleans

- ❖ While gasoline powered much of the economic boom of the 1920s, the use of electricity also transformed the nation
- ❖ Electric refrigerators, stoves, irons, toasters, vacuums, washing machines, and sewing machines were all new

Modern Advertising Emerges

- ❖ Ad agencies no longer sought to merely "inform" the public about their products
- ❖ They hired psychologists to study how best to appeal to Americans' desire for youthfulness, beauty, health, and wealth.





"Say it with Flowers" slogan actually doubled sales between 1912-1924

Problems on the Horizon

- ❖ Businesses expanded recklessly
- ❖ Iron and railroad industries faded
- ❖ Farms nationwide suffered losses due to overproduction
- ❖ Too much was bought on credit (installment plans) including stocks



A Superficial Prosperity



❖ Many during the 1920s believed the prosperity would go on forever

❖ Wages, production, GNP, and the stock market all rose significantly