

Pre-existing advantages + WWI

- Had large supplies of natural resources- timber, iron, coal, minerals, oil and land.
- Had a large population c. 120 million
- German industry devastated by WWI - US steps in post war.
- Industrial production increased - supplying goods and food to Europe.
- US exports exceeded imports = becoming a creditor nation

Focus on: **ELECTRICITY** - many benefits of electrification of US **society**.

Advantage: cheaper than oil + gas + efficient source of power for new factory production. (+ safer - reduced number of house fires)

Simultaneous use of machinery = time saving = mass production.

Consumerism - underpinned the consumer boom - demand for **DOMESTIC APPLIANCES** e.g refrigeration, hoovers, irons +washing machines (think about the dramatic impact on 'everyday life')
Not forgetting toasters and waffle irons! + Increased variety of fresh produce in stores.

Essential for boom in **ENTERTAINMENT** - Cinemas (Birth of Hollywood), Radio and Sport. All dependent on electricity. e.g radio broadcasts of sporting events

Construction - Sped up construction thanks to electric concrete mixers, pneumatic tools + buildings grew taller thanks to electrically operated lifts!

What technological innovations were there which made the 'boom' possible? **BIG PICTURE**

Electricity - by 1929, 70% of homes were on the national grid (from 30% in 1919).

Scientific Progress - especially in the chemical industry - US became leading developer + supplier of fertilisers and dyes. also developed new materials such as **BAKELITE** (essential for consumer industry) and **RAYON** (replacing more expensive fabrics).

Conveyer belt = assembly line (pioneered by Henry Ford from 1913) = unskilled labour = reduced costs = reduced prices = increased demand = mass production (cycle of prosperity)

What made the USA 'Boom' in the 1920s? (CONFIDENCE)



Changes in **FINANCE**

CREDIT: Credit Firms = Hire purchase scheme = increased demand for goods because the majority of Americans could now buy expensive items they previously could not afford. New gadgets for the home were particularly popular, such as vacuum cleaners and waffle irons.

STOCK MARKET speculation - made easy 'buying in the margin' (10% down)

Focus on: **RAYON** - a Revolution in clothing - Rayon exploded in the 1920s as a popular fashion fibre, beginning with socks, lingerie and clothing. The variety of available fabrics and finishes meant that any women could now wear garment types once affordable only to women who could buy silk. By the end of the 1930s, rayon was six times as plentiful as silk in American clothing



REPUBLICAN POLICES Republican Presidents during the 1920s, (Warren Harding, Calvin Coolidge and Herbert Hoover), were pro-business and their policies aimed to help this sector of the economy (Laissez-Faire)

They lowered taxes, which meant businesses had more money to invest and the public had more money to spend on consumer items.

They put tariffs (e.g Fordney McCumber) imported goods so American products would be bought by consumers because they were cheaper than their foreign rivals.

Did you know? The average wage increased by 8% in the 1920s - increasing disposable income...

MASS MARKETING - the 1920s, catalogue shopping became a convenient way of buying goods. The most famous mail order company was Sears, Roebuck and Co. / By 1928, one-third of Americans bought goods from it. Improvements in the road system meant delivery by mail became easier. Chain stores opened across the country, making consumer goods readily available even in remote areas. JC Penney, had a few hundred stores in 1920 -.He opened his 500th store in 1924 and by the end of the decade, he had 1,000.