**Fear Mongering**

* \_\_\_\_\_\_\_\_\_\_\_\_– Fear of communist infiltration in US society
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – Attorney General ordering the lockup of suspected anarchists/communists
* Scheneck v. U.S. – Gov is justified in prosecuting free speech issues if a “\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is at issue.
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – prosecuted, convicted, executed for personal beliefs rather than evidence.

**Labor**

* Strikes – Boston Police Strike, Steel and Coal strikes struck down by Warren G. Harding administration.
* There is no right to strike against the public safety by anybody, anywhere, anytime.”
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – agreed to not strike during WWI, but protested wages after war was over. Gov forced them to go back to work.

**Politics**

* “\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_” – get the federal government back to a laissez-faire (hands off) role in business/labor/international issues
* President Warren G. Harding elected protesting progressive leadership.
* Pro-business, anti-labor, low-or-no taxes, high protective tariffs, anti-immigration.
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – avoiding political or cultural involvement in foreign affairs.
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – No military (navy), no chance of military conflict.
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_: US/foreign countries limit navies.

**Isolation**

* \_\_\_\_\_\_\_\_\_\_\_\_ – favoring US born peeps.
	+ Anti-city: immigrants go to the cities (slums)
	+ Unions resented immigrants (scabs)
	+ Anarchists/communists (red scare)
* No League of Nations
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – raise tariff rates on all imported goods. Make the goods more expensive than American-made goods.
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_: 15 nations agreed not to use the threat of war in dealing with one another.

**Economics**

* Warren G. Harding – Republican.
* Sec of Treasury – \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Sec of Commerce – \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Gov should not regulate business. Capitalism at its finest.
* Fix debt and grow the economy at the same time: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
* Eliminate debt by cutting spending on government programs (sequester)
* (a)Cut taxes on the wealthy and they (b) buy more stuff which (c) increases demand and that increases (d) jobs.

**Teapot Dome Scandal**

* “\_\_\_\_\_\_\_\_\_\_” group of WGH buddies lined their pockets with bribes from special interests.
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_: WGH knew his White House associates were leasing federal lands to oil interests and not giving the money to the federal government.
* Harding died before problems came to light.
* VP Calvin Coolidge becomes president.

**Silent Calvin Coolidge**

* Gov agencies (ICC and FTC) are supposed to end trusts.
* Coolidge appointed fellas who were business friendly.
* Coolidge appointed pro-business judges
* Sec. of Treasury was the 3rd wealthiest person in the United States.
* Millionaires paid less than 1/3 of the taxes in 1926 than in 1921.

**Laissez-Faire Capitalism**

* Tax cuts lead to lots of excess money.
* Invest or spend?
* 1,000 business mergers for efficiency.
* 200 corporations worth ½ of national wealth.
	+ Dow Jones
* \_\_\_\_\_\_\_\_\_\_\_\_ – eliminate union negotiations from the workplace. Reduce protections for lab

**Herbert Hoover**

* Campaign Phrase – “\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_”. The sky is the limit for American wealth/prosperity.
* Richest .1% = 34% of all bank savings
* Poorest 80% = no savings.
* Stock Market – A “\_\_\_\_\_\_\_” where people meet to buy/sell ownership in private companies.
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – investors in the stock market
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – buying stock/bonds for the purpose of increasing value over time.
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – ownership in a company.

**Deregulation**

* No rules governing buying/selling stock.
* “\_\_\_\_\_\_\_\_\_\_\_\_” – plop down 10% of the cost per share of stock, borrow the rest on credit.
* \_\_\_\_\_ Market – overall stock values increase in value over a short period of time.
* \_\_\_\_\_ Market – overall stock values decrease in value over a period of time.
* \_\_\_\_\_\_\_\_\_ – overinflated value of a stock. Not a realistic price.

**Stock Market Crash**

* \_\_\_\_\_\_\_\_\_\_\_\_ – Influential trader. Buy! Buy! Buy! No way the market will ever go down.
* Dow Jones 36,000
* Speculation.
* Loan from bankish place.
* Buying on margin with loan
* from bankish place.
* Weakness in the Economy
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – Stock values collapse.

**Weakness in the Economy**

* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ of industrial/agricultural goods.
* Farmers bought extra land to produce extra crops during WWI. Price values declined after WWI because extra supply lowers cost.
* To make up for the lower cost of wheat, corn, etc., farmers produce even more goods, lower prices further.
* Farmers can’t make enough money to recoup cost, land gets foreclosed.
* Ditto with industry.

**Don’t Panic!**

* GDP (GNP) – value of all \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ produced in the US any given year.
* 1933 – GDP fell by ½
* \_\_\_\_\_\_\_ sector trouble. Foreclosed property means no income for banks. No income, banks shut down…with your savings in the bank.
* No savings? What happens if you lose your job?
* No house.
* Uh-oh.

**What to do**

* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – Is this just a up-down roller-coaster cycle of business?
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – increased tariffs on imported goods to promote American good purchases.
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – This tough time will make us all tougher in the end. What doesn’t kill you…
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – US gov buys excess crops lowering supply, increasing prices.
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – loans to people to keep paying their mortgages.
* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – Gov program loaning money to big industries to stay open, produce goods, keep people employed.

**Issues**

* \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ – Gov bailout of business, industry, etc., removes incentive to not fail.
* “\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.”
* 2009 -- GM – Go bankrupt. Learn the lesson!
* But…400,000 people lose their jobs.
* Ripple effects – diners, retail, cars. Nationwide consequences.
* 1930’s – End of capitalism?
* 2008 – Repeat of Great Depression?