

# Mark schemes for Depth study USA- paper 1

**Hire purchase was the most important factor in causing the American economic boom. How far do you agree with this statement?**

Hire purchase was very important as it meant that more and more goods could be sold. People who could not afford to purchase an item outright were able to pay for it in instalments under a hire purchase agreement. This meant increasing numbers of goods were purchased which stimulated the economy. OR

Republican policies were very important in causing the economic boom. Tariffs were placed on imported goods which made these imports more expensive than American made goods. This encouraged people to buy American, which helped American producers to increase their profits.

**In what ways did the US entertainment industry change in the 1920s?**

Cinema increased significantly in popularity. Hollywood produced a large number of films or movies. Many new stars were created including Charlie Chaplin, Mary Pickford and Rudolph Valentino. In 1927 the first talkie was made. As variety theatres declined, radio provided a fresh start for many artists. The choice of radio programmes rapidly grew in the 20s. The 1920s became known as the Jazz Age. Jazz was linked to dance music and led to the opening of many night clubs. Sport boomed during the 1920s, especially baseball. Stars like Babe Ruth were created. Baseball became a big money sport with legendary teams like the New York Yankees and the Boston Red Sox. Boxing became increasingly popular with heroes like Jack Dempsey.

**Describe how car ownership changed peoples lives in 1920s America.**

People could live in the suburbs and travel into the city centre. They carried their owners to and from their entertainments. Cars carried boyfriends and girlfriends beyond the moral gaze of their parents. The car took Americans to an increasing range of sporting events. Americans could visit shopping malls. They could go on holidays to the beach or picnics in the country. Americans could visit family and friends. It gave employment to car workers. It gave employment to road builders and hotel construction workers. It gave employment to workers in other industries, such as glass, rubber, steel and leather.

**Why was there a growth in popular entertainment in America during the 1920s?**

The average working week dropped from 47 hours to 44 hours so people had more leisure time. Average wages rose by 10% in real terms so workers had more disposable income. Many chose to channel this spare time and money into entertainment.

Most people had more leisure time. People had more disposable income. An attitude of putting the war behind them. Radios could be purchased in instalments. Cinemas were improving technically. There were numerous sporting heroes and people followed them. The car helped their owners to and from the entertainments.

**Explain how the old industries declined in the USA in the 1920s.**

The older industries in the United States were victims of the modernisation of the country. During the war some industries, such as coal mining and shipbuilding were at full production. When the war ended these industries no longer needed to produce as much and so demand dropped. Consequently people lost their jobs as these older industries declined. But there was more to it than that. It wasn't just that the war had ended. As people began to switch to electricity for their heat and cooking, the demand for coal decreased. America's roads were also improving, so a lot of freight went by truck overland. That me

**What advances did Ford make in car production in the period up to 1929?**

Started the Ford Motor Company (1903). Developed the Model T, a car for the masses. Introduced the assembly line (1913). (One mark for description) Built standard cars more quickly and more cheaply therefore more sales. The motor industry became America's biggest industry by the end of the 20s. (1929 – 4.8m cars)

**What was the Fordney-McCumber Tariff?**

The Fordney-McCumber Act was passed in 1922. It was passed by a Republican government. It raised tariffs on many imported goods. Its aim was to protect US factories and agriculture. The tariff was part of the policy called Protectionism. By passing the tariff, it was thought Congress was showing a pro-business attitude. The tariff added, on average, 14% to imported goods. The President was given the power to increase the tariff on a particular product by up to 50%. This made imported goods less attractive to the US consumer. The imported goods cost more, making home produced goods cheaper. It led to a tariff war.

**Why did many American farmers find it difficult to make a living in the 1920s?**

The underlying problem was overproduction. During the 1st World War, more and more land was farmed to produce foodstuffs for Europe. Improved machinery, especially the combine harvester, and improved fertilisers made US agriculture very efficient. After the War, Europe imported less food from the US because Europe was poor and as a response to US tariffs. The result was that the US farmer was producing surpluses which nobody wanted and this resulted in lower prices for their products. Food exports to Europe were reduced. There was overproduction of foodstuffs. Prices fell which caused hardship for the farmer. There was competition from Canada and Argentina. Farmers had borrowed from banks and, with lower prices, they could not pay their debts. Banks seized farms if debts had not been paid. In the South, there was too much reliance on one crop. Crops were lost to pests such as the boll weevil. European nations would not take US farm products as the US had placed tariffs on imports.

**Electricity created the boom in 1920s America. How far do you agree with this statement? Explain your answer.**

the widespread availability of electricity meant that homes and industry now had a clean, cheap and efficient power source. Domestic appliances powered by electricity, such as fridges, washing machines and vacuum cleaners became

affordable to ordinary Americans. The demand for these appliances created companies and employment.

OR

e.g. The motor car was central to America's economic success. The car industry, which employed up to half a million workers, stimulated road and hotel construction, the building of roadside filling stations and the development of suburbs and

holiday resorts. It also boosted a range of other associated industries such as plate glass, rubber, steel, leather and upholstery.

The USA was rich in natural resources.

The American economy emerged strong and reinvigorated from the First World War.

Republican policies of high import tariffs favoured US businesses.

Low taxes meant that consumers had more money to spend.

There were advances in chemicals and synthetics.

Cheap electricity.

Mass advertising.

The invention of talking pictures boosted the film industry.

Hire purchase allowed consumers to buy goods and pay for them in instalments.

The motor industry was a huge employer and boosted numerous other industries.

Mass production methods led to a fall in prices.

**How important were tariffs as a reason for economic problems in the USA by 1929? Explain your answer.**

Yes

Tariffs of the 1920s such as the 1922 Fordney-McCumber tariff made

importing and exporting goods more expensive; exporting surplus goods

difficult due to tariffs on American goods; led to large surplus of goods;

prices dropped and shareholder confidence dropped as profits declined, etc.

No

Other factors more important – over-speculation on the stock market had led

to an artificial increase in share prices; when economic problems began to

show, shareholders panicked and sold quickly; banks lent money and

allowed people to buy on the margin leading to huge debt; domestic market

was saturated; construction industry had slowed down by 1929; farming

always in decline since WWI; inequality of income – up to 50% of US

population earned below \$2000 a year (especially minorities like Black

Americans and Native Americans), etc.

**How important was government policy in creating the prosperity of the 1920s in the USA? Explain your answer.**

YES – Republican Presidents – Harding, Coolidge and Hoover; Republican governments wanted low intervention in economy and business – laissez-faire; low taxation encouraged consumer society – taxes cut between 1921 and 1925 mainly by Andrew Mellon (Secretary of State for the Treasury); tariffs (e.g. Fordney–McCumber Tariff of 1922) protected American industry against cheaper foreign imports; trusts in major industries (e.g. Carnegie steel and Rockefeller oil) became captains of industry; government spending on highways funded massive road building projects – Federal Aid Highway Act of 1921 saw \$170 million of capital invested by the government and created jobs in construction and motor car industries; unemployment fell to just 3% on average after 1921 increasing consumer spending etc.

NO – Republican policies such as the tariffs hurt farmers incomes and led to problems in the agricultural sector that lasted into the 1930s; farmers were given no government help and prices of agricultural goods continued to fall; laissez-faire policies failed to increase wages in older industries like coal and textiles leading to a growing wage-gap; more important – new innovations like electricity, Bakelite and rayon; USAs natural resources in abundance meant foreign imports were not as necessary for economic growth; First World War and US dominance in world trade especially chemicals; war loans paid back with interest from Allies helped banks lend to US business; confidence and increased speculation in the stock market helped some get rich; motor car industry grew rapidly and prices lowered: knock on effects with other industries – glass, rubber, leather, road building, oil etc.

**How important was the availability of new consumer goods in changing people's lives in the USA in the 1920s? Explain your answer.**

Radios became widespread in the US – 40% owned one by 1930; used in cars and the household; listened to new music, sports and advertising; by 1926, there were 500 local radio stations; gave rise to the popularity of jazz music and opportunities for black Americans; refrigerators, vacuum cleaners and other household appliances saved time on household chores; gave women more free time; mail catalogues sold women make-up, new clothes, perfumes which changed peoples fashions and appearances; cars gave people freedom of movement; allowed families to go on holiday to different counties and states; caused a growth of suburban areas; gave people access to city life, etc.

NO

More important – nightclubs, cinemas, sports; new entertainment made people idolise movie stars and copy their fashions and appearances – flappers; jazz music changed young peoples behaviour and dancing styles; women's vote 1920; Prohibition; Red Scare; growth of KKK, etc.

**Was advertising the main reason why there was an economic boom in the USA in the 1920s? Explain your answer.**

You may use the following in your answer and any other information of your own.

- Advertising
- Government policies
- Hire purchase
- Mass production

Both hire purchase and mass production played a very important part in bringing about the economic boom. Hire purchase created demand for goods because people no longer had to save up the money to buy things. Shops and businesses set up payment by instalment schemes. You went into a shop and signed an agreement that you would pay for what you wanted to buy over an agreed period of time. So you hired it and purchased it. By this method, people could buy a number of things at the same time and so demand was created which meant more things were made and more workers employed – who had money to buy goods. Mass production played a part in the boom too. This involved using an assembly line. Each worker stayed in one place and the job came to them. So their job might be to put the wheels on the car. Using the assembly line method meant cars could be produced very quickly. The time taken to make a car dropped from 12 hours to just over 90 minutes. This was really important because if factories could produce a lot more goods using the same number of workers, then they could cut prices. In 1908 a Ford Car cost \$950 dollars, but by 1926 the price had dropped to \$350 dollars, so obviously this was going to help the economic boom by making goods affordable to more people. Advertising was really important too, because if people didn't know about the goods, they couldn't buy them. But it was a bit more subtle than that. Advertising didn't just tell people about what was available; it made them think that not owning these new consumer goods was in some way a bad thing. So the desire to buy goods increased dramatically. Advertising was more important than hire purchase because....but still not as important. To what extent did the Americans benefit from the boom in the economy in the 1920s?

**Were tariffs the main reason for the depression in 1929 in the USA?**

Yes

Tariffs of the 1920s such as the 1922 Fordney-McCumber tariff made importing and exporting goods more expensive; exporting surplus goods difficult due to tariffs on American goods; led to large surplus of goods; prices dropped and shareholder confidence dropped as profits declined, etc.

No

Other factors more important – over-speculation on the stock market had led to an artificial increase in share prices; when economic problems began to show, shareholders panicked and sold quickly; banks lent money and allowed people to buy on the margin leading to huge debt; domestic market was saturated; construction industry had slowed down by 1929; farming always in decline since WWI; inequality of income – up to 50% of US population earned below \$2000 a year (especially minorities like Black Americans and Native Americans), etc.

**To what extent did the Americans benefit from the boom in the economy in the 1920s?**

The increase in wealth was not shared equally. The rich and middle classes got richer whilst 60% of families were below the poverty line. The wages of industrial workers increased slightly particularly in the industrial areas of the north and west which prospered. On the agricultural areas of the south and the Great Plains there was depression as there was less demand for agricultural produce from these areas. Racial minorities were discriminated against. Many blacks were looking for work in the industrial north but there was competition for jobs. This led to tension and race riots. Many black agricultural workers did not receive a wage but received a proportion of the crop. Native Americans were confined to reservations where the land was so poor that it was impossible to make a living. Workers in the newer industries benefited from consumer demand and continuous employment as the real value of their incomes rose. Many benefited from the use of the motor car which made rural areas less isolated. Availability of consumer goods increased such as cars and radios. These were easier to buy using hire-purchase. Labour saving devices increased, such as the vacuum cleaner, the availability of records and the growth of the cinema changed the way of life for many. Shares in companies were bought and sold often on the margin. This gave income in the form of dividends. Life for some women became freer and women were more independent. Young fashionable women known as flappers drank, smoked, dated and wore outrageous fashions. More women went to work.

**Why did the boom fail to benefit all Americans? [6 marks]**

Female cotton operatives were paid very low wages. There was less demand for cotton textiles. Synthetic fibres were being used more. There was less demand for coal. Coal workers suffered wage cuts. A large number of Americans lived below the poverty line. There was a slump in farming. Food exports to Europe were reduced. There was overproduction of foodstuffs. Prices fell which caused hardship for the farmer. There was competition from Canada and Argentina. Farmers could not pay their debts. In the South, there was too much reliance on one crop, which made the farmer vulnerable. Crops were lost to pests such as the boll weevil. The US had placed tariffs on imports. Native Americans suffered from poor education and ill health. Immigrants often found it hard to find jobs. Many people were unemployed.

How significant was the motor car as a cause of changes in US society in the 1920s? Explain your answer.

YES Mass production reduced cost of cars – by 1920s one was produced every 10 seconds; affordable and reliable – the Model T dropped in price from \$1200 to \$295 by 1928; allowed many middle-class families in rural and urban areas freedom; stimulated boom in other sectors of society – radio, cinema, sports, etc.; caused massive road building projects to connect the United States and rural and urban areas; decreased isolation for rural families; allowed

women to travel into towns and experience nightlife; increased freedom for women; breakdown of social norms in more urban areas, etc. NO Prohibition led to illegal drinking, speakeasies – Roaring Twenties; changing attitudes, especially in urban areas and amongst middle-class families led to increased freedom for some women – flappers; entertainment industry – impact of film and Hollywood (film stars, the first talkie in 1927); jazz music and night life; expendable income due to economic boom; new household products such as vacuum cleaners increased leisure time; advertising changed fashions; other new technology such as typewriters opened up new job opportunities for women, etc.

