

**The Harding Presidency  
and the  
Business of America**

# Harding Struggles for Peace, Tariffs and Reparations

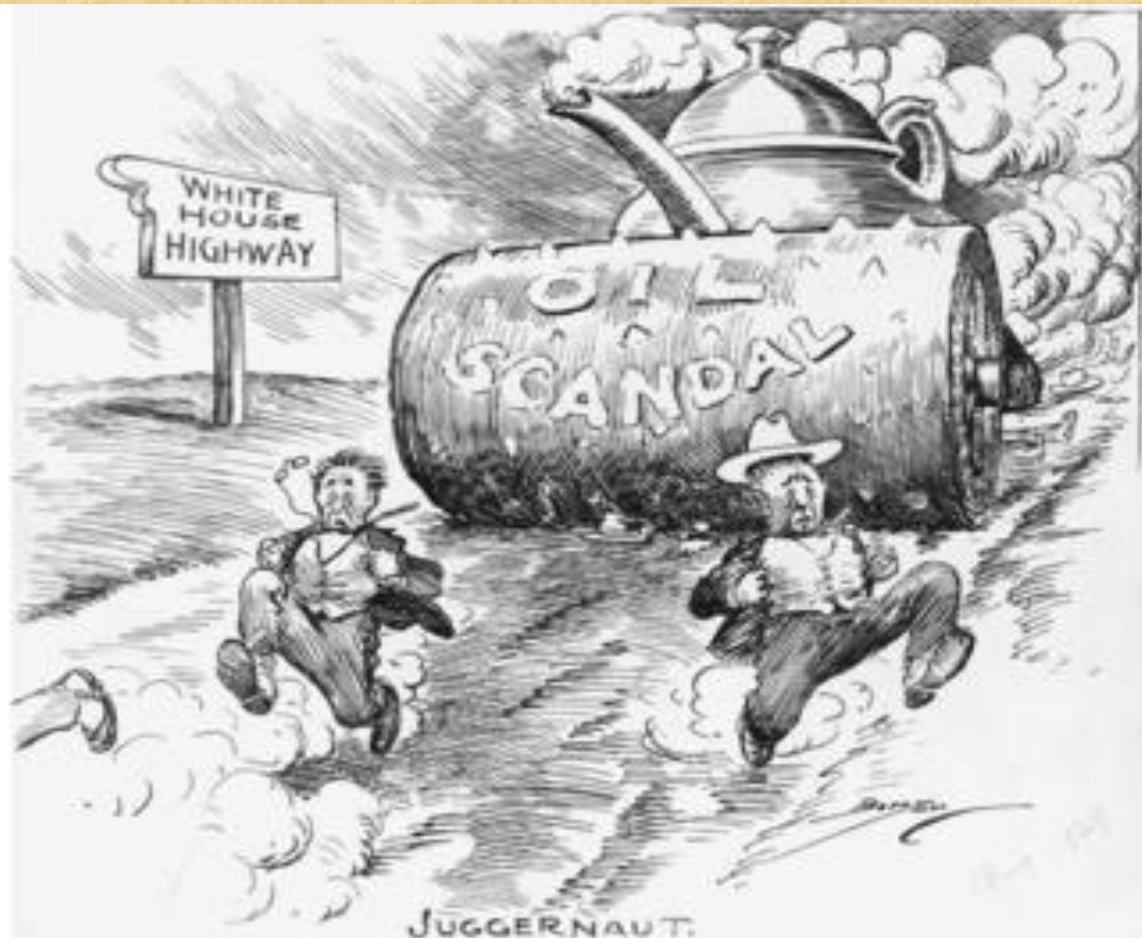
- In 1921, President Harding invited several major powers to the **Washington Naval Conference** (US, Great Britain, Japan, France, and Italy) - Russia was not invited because it was a communist country. Countries agreed to not build warships for the next 10 years.
- In 1928, fifteen countries signed the **Kellogg-Briand Pact** renouncing war as a national policy but provided no means for enforcement.
- France and Great Britain owed the \$10 billion to the US - they could either sell goods to the US or collect reparations from Germany.
- But in 1922 the US imposed the **Fordney-McCumber Tariff** - which raised import tariffs to 60%.
- So American banker Charles G. Dawes devised the **Dawes Plan** = US loaned Germany \$2.5 billion to pay back GB and FR and GB and FR could pay back the US. Only caused resentment.

# Harding's Cabinet and Scandals

- Charles Evans Hughes was Secretary of State.
- Herbert Hoover was Secretary of Commerce - he did a great job handling food distribution and the refugee problems in WWI.
- Andrew Mellon was Secretary of the Treasury - was one of the wealthiest men - he cut taxes and reduced the national debt.
- Cabinet also included the so-called **Ohio Gang**, men who were known for being corrupt and using graft (using political power for own personal wealth)
- Charles R. Forbes (head of the Veterans Bureau) was caught illegally selling government and hospital supplies to private companies.
- Colonel Thomas W. Miller (head of the Office of Alien Property) was caught taking a bribe.

# The Teapot Dome Scandal

- The US government had oil-rich land in Teapot Dome, Wyoming and Elk Hills, California for use by the US Navy.
- Secretary of the Interior Albert B. Fall leased the land to two private oil companies in return for \$400,000. He was later found guilty of bribery and became the first American to be convicted of felony while holding a cabinet post. (spent a year in jail)
- On August 2, 1923, Harding died of a heartache or stroke.



JUGGERNAUT.

# American Industries Flourish

- The new president Calvin Coolidge was very much pro-business - he wanted to keep taxes down and profits high.
- He said “the chief business of the American people is business”
- He believed in a laissez-faire “hands-off” approach to the economy.
- The automobile changed America
  1. Roads were constructed - Route 66
  2. Houses were built with garages, or carports, or a driveway
  3. Gas stations, repair shops, public garages, motels, traffic lights, underwater tunnels (Holland Tunnel in NYC) and shopping centers were built.
  4. Those who lived in rural America were no longer isolated, families would vacation, women and young people became more independent, and workers could work miles away from their jobs, resulting in urban sprawl as cities spread in all directions.
- By the late 1920s, around 80% of all registered automobiles in the world were in the US. 1 automobile for every 5 people.

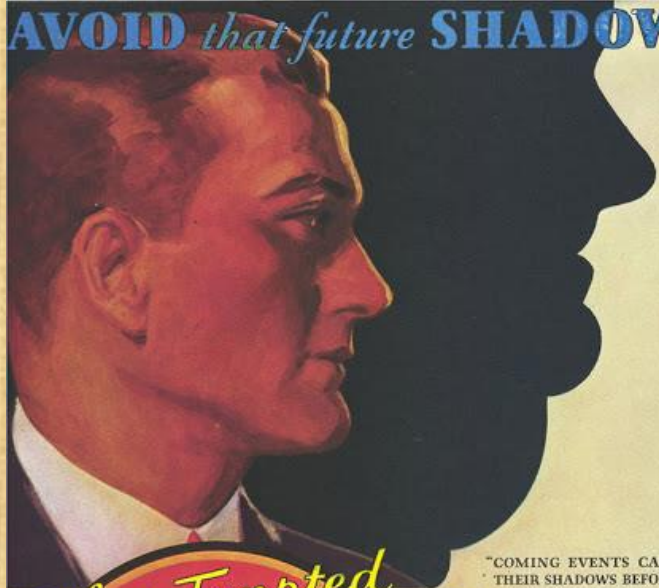
- The airplane industry began as a mail carrying service for the U.S. Post Office
- With the development of weather forecasting, planes began carrying radios and navigational instruments.
- Transatlantic flights by Charles Lindbergh (1927) and Amelia Earhart (1932) promoted flying.
- In 1927, The Lockheed Company produces a single-engine airplane, the Vega.
- In 1932, Pan American Airways inaugurated the first transatlantic passenger flights.

# **American's Standard of Living Soars**

- Between 1920 to 1929 Americans owned around 40% of the worlds wealth and average incomes rose by 35%.
- People spent their money on appliances powered by electricity like refrigerators, cooking ranges, and toasters, which allowed women to enjoy leisure activities and also work outside the home.
- Companies hired advertisement companies to sell their products - advertising companies hired psychologists to study how to appeal to people's desire for youthfulness, beauty, health, and wealth.



**AVOID** *that future* **SHADOW**



*When Tempted*

**Reach  
for a  
LUCKY**

**"It's toasted"**

No Throat Irritation - No Cough.

"COMING EVENTS CAST  
THEIR SHADOWS BEFORE"

*Thomas Campbell, 1777-1844*



# HOW'S YOUR BREATH TODAY?



*If it's bad, you won't  
be welcome... Play  
safe... use Listerine*

• How's your breath today? If it is bad, it will keep you out of things... it may mar friendship... kill off a romance... or jeopardize a business chance. Don't let it do any of these things.

Play safe... use Listerine, every morning and night and before social or business contacts. Listerine instantly renders your breath sweet, wholesome, and agreeable to others. It is the one reliable remedy for halitosis (unpleasant breath).

#### *Everybody Has It*

Fortunate as you may be, do not make the mistake of thinking that your breath is never bad. Halitosis spurs no one, because it springs from such common causes as tiny bits of fermenting food particles on the teeth, unhealthy tonsils or gums, and temporary or chronic infections of the nose, throat, and mouth. The insidious thing about it is that you yourself never realize when you have it.

#### *Only Listerine Succeeds*

Only by using Listerine can you be certain that your breath will not offend others. Cheap, ordinary mouthwashes fail in 12 hours to compare odors which Listerine gets rid of instantly. That has been shown again and again by strict laboratory and clinical tests.

Keep Listerine handy in home and office. Rinse the mouth with it before social and business engagements. It cleanses and invigorates the entire oral cavity and leaves you with a feeling of confidence and assurance. You know your breath is right. Lambert Pharmaceutical Company, St. Louis, Missouri.



# LISTERINE

# A Superficial Prosperity

- Americans believed prosperity could go on forever - the average factory worker was producing 50% more and national income had grown from \$64 billion in 1921 to \$87 billion in 1929.
- As businesses grew so did the income gap between workers and managers.
- Iron and railroad industries were not doing well.
- Farmers were producing too much food and this drove down prices.
- Americans were buying goods through **installment plans** which allowed them to buy goods without having to put down much money at the time of purchase. “Enjoy while you pay”
- Economists called this superficial economic prosperity.
- But Americans focused on the present and not future...