

America Between the World Wars

Class 2

William A. Reader

E-mail: williamreader40@gmail.com

What We Will Cover Today

- Finish up on the Impact of World War I and its peace treaties
 - Finish up the Influenza Pandemic
 - Some Other Impacts of World War I
 - Four Key Wilson Decisions
 - Impact of the Peace Treaties and failed U.S. ratification of the Treaty of Versailles
- Prohibition

The Influenza Pandemic - 4

- An estimated 50 million people died of the flu
 - This included 550,000 Americans
 - Roughly half who died were people in their 20s and 30s
 - May have killed as many as 8%-10% of the people in the 20s-30s age group
 - In many American cities, over half the population was infected

The Influenza Pandemic – 5

- WWI contributed to the Flu Pandemic in several ways:
 - Providing an initial funnel of infection at Fort Funston
 - Creating population movements of both refugees from areas of fighting and rural workers to areas of war-time employment in cities
 - Creating a malnourished population in Europe
 - By channeling more and more doctors and nurses into military-related medicine, it caused a deterioration of civilian medical care

Camp Hospital



Other Impacts of WWI – 3

- Created a potential market for ham and broadcast radio
 - Large number of wartime radio operators
- American Legion and other veterans organizations
- Tomb of the unknown soldier
- Armistice Day (November 11th) as a national holiday
 - Later renamed Veterans' Day

Four Key Wilson Decisions - 1

1. The decision to turn the Paris peace negotiations into an extended summit
 - Kept Wilson out of touch with what was going on in the U.S.
 - Led Wilson to ignore the problems of war-related inflation and postwar demobilization
 - This was to have deep implications for the Democrats in the 1920 election

Four Key Wilson Decisions – 2

2. The decision to accept a flawed treaty in order to win foreign acceptance of the League of Nations

- Treaty contained provisions and omissions that
 - Were politically unpalatable to the U.S. Senate
 - Were to cause future trouble

3. The refusal to accept any changes or reservations in the Treaty to win Republican support

Four Key Wilson Decisions - 3

4. The Decision not to resign the Presidency after his stroke

- Led to the U.S. being governed by Wilson's wife
 - This meant that the problems of postwar inflation, demobilization, and recession were totally ignored
- Let the Lodge Republicans dominate the debate over ratification of the Versailles Treaty
 - This sapped support for the Treaty and led to its eventual defeat

Impact of the Treaty of Versailles

- Led to great resentment in Germany
 - Signing the Versailles “diktat” weakened the Weimar Republic, giving the German Right (and the Nazis) a tool with which to attack the Republic
- Created instability in Eastern Europe
 - Created weak and unstable states
 - Strengthened Germany strategically
 - Constituted a peace settlement that neither Germany nor Soviet Russia supported

Impact of Failed Ratification

- Greatly weakened the League of Nations
- Fostered a sense of disillusionment
 - With World War I and its results
 - With U.S. participation in the war
 - With U.S. engagement with the world
- This in turn fostered a spirit of isolationism that was reflected in restrictive immigration laws, high tariffs, and the Neutrality Acts of the 1930s

The Impact of High Tariffs

- Harding and Coolidge Administrations followed a policy of:
 - Minimalist government
 - Lowering taxes
 - Paying down the National Debt
 - Support of high tariffs
- High tariffs
 - Reduced European access to the U.S. market
 - Made Europe dependent on U.S. bank loans to pay war debts, reparations, and buy U.S. goods

Prohibition

Wild West Origins of Prohibition - 1

- Prohibition had its origins in the West – an area where crime rates were high and drinking was common
 - As one historian noted, “A mixture of alcohol and kids with guns always causes problems”
- Much of the Wild West violence and drunkenness was connected to the saloon

Wild West Origins of Prohibition - 2

- As time passed, there was a growing presence of women and children. This
 - Changed the population structure
 - Changed the moral climate, since most women were moral conservatives
 - Moral reaction against the saloon led to the movement for Prohibition
 - Having their reform efforts blocked by politicians allied to the vice industries led to support for female voting enfranchisement

The Anti-Saloon League

- The Anti-Saloon League
 - Knit together a wide constituency opposed to the liquor traffic and the saloon
 - Focused on the single issue of liquor
 - Willing to accept incremental gains
 - Supported any politician willing to vote “dry” regardless of political party
 - Prototype of the modern lobby group that uses its political power to influence public policy

Liquor and Culture Clashes

- The Prohibition Movement provoked the first of the culture clashes that have marked American politics in the 20th century
 - Middle class native Protestants vs Working class ethnic Catholics and Lutherans
 - The saloon and 'biergarten' were important elements of immigrant culture
- Rising alcohol consumption after 1900
 - Germans popularized beer drinking

Role of the Saloon

- Saloons were part of urban political machine politics
 - Saloons were often polling stations and political gathering sites
 - Served as a clearinghouse for the exchange of money and favors
 - Where the political boss met his petitioners and made deals
- Provided services to neighborhood workers
 - Hiring halls
 - Free (or cheap) meals
 - Check cashing
 - Use of saloon safes to store valuables
 - Place for socializing with neighbors and fellow workers (i.e. the poor man's club)
- Many saloonkeepers held political office

Beer and the Saloon

- As the brewing industry became a big business, it developed close ties to the saloon for the following reasons:
 - Dominance of draft beer
 - High license fees
- Close ties between brewers and saloons led to an overexpansion of the saloon trade
 - This led to saloons encouraging excess drinking
 - Also led to saloons allowing illegal activities to take place

The Prohibition Tide

- The South becomes dry
- The Impact of Progressivism
- The Impact of Science
- The Impact of World War I

The South Goes Dry

- The South had traditionally opposed federal mandates
- This changed, however, during the Progressive Era as far as liquor is concerned
 - Southern whites feared disorder and violence between blacks and lower-class whites
 - Saw liquor as fostering such disorder. Hence, growing Southern support for Prohibition

The Impact of Progressivism

- Progressivism with its various reform laws accustomed Americans to accept some governmental controls to further the general welfare
 - Pure Food and Drug laws
 - Regulation of women's and children's labor
 - Factory safety laws
 - Consumer protection laws

The Impact of Science

- By 1916, there was a lot of scientific evidence in support of limiting alcohol consumption
 - Alcohol was a depressant
 - Alcohol depressed higher mental functions
 - Alcohol use was positively correlated with crime, prostitution, and poverty

World War I & Prohibition

- World War I
 - Fostered the belief that drink impeded industrial productivity and soldierly fighting ability
 - Brewing and distilling diverted grain needed by the troops and European allies into the creation of products that inhibited the war effort
 - Discredited the principal opponents of Prohibition
 - the brewers and the German-American Alliance
 - Enabled the Anti-Saloon League to successfully link liquor to disloyalty and beer-drinking with sympathy to the kaiser and his Huns

The 18th Amendment

- Amendment forbade the “manufacture, sale, or transportation of intoxicating liquors within ... the United States and all territories subject to its jurisdiction thereof for beverage purposes.”
 - Approved by Congress on November 21, 1917
 - Ratified by Nebraska (the 36th state to do so) on January 16, 1919
 - Took effect on January 16, 1920
- Did not define what were “intoxicating liquors”
- Did not forbid the use or possession of liquor

The Volstead Act - 1

- Defined an “intoxicating beverage” as one containing 0.5% alcohol
- Forbade the manufacture, sale, transport, importation, delivery, or possession of any intoxicating liquor except
 - Medicinal alcohol prescribed by a doctor
 - Sacramental wine
 - Flavoring extracts and syrups containing alcohol

The Volstead Act -2

- Allowed brewers to manufacture near-beer
 - Beer containing less than 0.5% alcohol
- Allowed households and grape growers to produce non-intoxicating cider, fruit juices, and fruit cakes
- Allowed the manufacture and sale of industrial alcohol provided denaturants were added to make it unpalatable

The Volstead Act – 3

- Provided a fine of \$1,000 and/or 30 days in prison for the first offense
- Placed the Prohibition Bureau under the Treasury Department and exempted its agents from civil service requirements
- Allowed the possession and consumption of alcoholic beverages that the possessor owned and stored prior to January 1920

Inherent Enforcement Problems

- Vastly inadequate staffing levels and appropriations
- 18,700 miles of unguarded land and sea borders
- Difficulty in policing the legal traffic in alcohol
 - Industrial Alcohol
 - Near beer
 - Tracking liquor permits held by thousands of doctors and druggists (as well as permits for sacramental wine)
 - Dried grape and raisin cakes
- Illegal stills, breweries, and saloons (speakeasies)

Premonitions of Trouble

- Warnings that the 2 million soldiers overseas would not like the new dispensation
- Experience of towns and states that had adopted Prohibition before 1920
- Warning of ex-President William Howard Taft
- Warnings that Prohibition would prove so unpopular and unworkable that it would quickly be repealed

Rumrunners & the Real McCoy

- European shipping of liquor to nearby sites in Mexico, Canada, the Bahamas, and St Pierre & Miquelon
 - Rum-running ships & speedboats
- American & European bank financing of liquor smuggling
- The 'Real [Bill] McCoy'

Roy Olmstead

- Police lieutenant who moonlighted as a smuggler
 - Used police contacts in Canada to buy liquor
 - Became a millionaire with profits of at least \$200,000 a month
 - Ownership of KFOX & a palatial mansion
 - Arrested in 1926 and sentenced to 4 years in jail
- Trial made legal history
 - *Olmstead vs United States* (277 U.S. 438)

Loopholes & George Remus

- George Remus was a drugstore owner who became a pharmacist and a mob lawyer
 - Bought up “whiskey certificates” & got permission to sell whiskey to drug companies licensed to sell medicinal whiskey
 - Used the drug companies (many of them Remus fronts) to sell most of it to bootleggers, nightclub owners, and middlemen

Chicago & Al Capone - 1

- Before Prohibition, Chicago gangs involved in gambling, 'protection' racketeering, and prostitution had established links with local politicians
- Many of the politicians and gangsters operated saloons and cafés
- 'Big Jim' Colasimo operated the Colasimo Café on South Wabash Ave – the town's hottest nightspot
 - The band by playing both opera medleys and jazz helped popularize jazz in the Chicago area

Chicago & Al Capone - 2

- After 1920, 'Big Jim' Colasimo, saloon owner and brothel king, got involved with bootlegging
- Colasimo imported his nephew, Johnny Torrio, to manage his illegal enterprises
 - In 1920, Colasimo was probably killed by Johnny Torrio
 - Colasimo had the first of the expensive ostentatious funerals

Chicago & Al Capone – 3

- Torrio took over Colasimo's empire and:
 - Entered into an alliance with the former legal brewers who were eager to keep their breweries going and capable of producing good beer
 - Organized a temporary peace among the bootleggers and racketeers
 - Brought in Al Capone to act as an enforcer

Chicago & Al Capone – 4

- The prospect of vast profits, however, caused the peace to break down, resulting in gang wars
 - One consequence was that Torrio decided to retire, leaving the enterprises to Capone
- Capone, building on Torrio's legacy, created a criminal empire
 - Included breweries, distilleries, speakeasies, nightclubs, brothels, gambling houses, and horse & dog racing tracks
 - Took in an estimated \$105 million a year

Chicago & Al Capone – 5

- The St. Valentine's Day Massacre
 - Part of the long-running gangland feuds that from 1920-1933 killed nearly 800 gangsters in Chicago
 - Brought Capone to the attention of Herbert Hoover who put the Federal Government on Capone's case
 - Eliot Ness and the Untouchables to raid Capone's breweries
 - IRS audits of unpaid Federal income taxes

The Effects of Prohibition - 1

- Made organized crime a big business
 - Whereas prostitution, racketeering, and gambling had largely been local, rum-running and bootlegging required organization, capital, and links to gangs in other cities and supplies outside the U.S.
 - Provided upward social and economic mobility to members of ethnic minorities excluded from legitimate enterprises by their ethnic background

The Effects of Prohibition – 2

- Made drinking fashionable among young people of college age
- Made it respectable for women to drink in public
- Changed patterns of public entertainment
- Created café society
- Popularized cocktail drinks

The Effects of Prohibition – 3

- Notably decreased the amount of drinking overall in America
- Significantly decreased drinking among the working class
- Destroyed the old-time saloons and created a new culture of drinking in public
- Constituted the first of the 'culture wars' that were to beset America in the 20th -21st Centuries

Why Prohibition Was Repealed - 1

- Prohibition destroyed the forward-looking optimistic image of Temperance Reform
 - 19th Century Prohibitionists had supported women's suffrage and socio-economic reform
 - 1920s Prohibitionists became identified with nativism, anti-Catholicism, the Ku Klux Klan, and puritanism.
 - Both the Anti-Saloon League and the Klan suffered scandals that deeply tarnished their public images

Why Prohibition Was Repealed - 2

- Movies helped turn the American people against Prohibition
 - Movies conveyed the impression that drinking was widespread and that violating Prohibition laws was socially respectable
 - Many movies made celebrities of gangland figures,
 - Early 1930s gangster films , with such stars as James Cagney and Edward G. Robinson , depicted gangsters as appealing bootlegging entrepreneurs

Why Prohibition Was Repealed - 3

- The emergence of a new middle-class culture based on secular consumerism
- The emergence of socio-economic elite organizations dedicated to repeal
 - Association Against the Prohibition Amendment
 - Included many prominent former drys who now supported repeal
 - Women's Organization for National Prohibition Reform
- The impact of the Great Depression
 - The Economic Argument
 - The 1932 election

The Aftermath of Repeal - 1

- Many of the major bootleggers became legitimate businessmen
- Other members of the bootlegging gentry went into new avenues of organized crime
- The development of canned beer and the spread of home refrigeration made home consumption of beer more popular
 - This diminished the role of both the saloon and the restaurants, taverns, and bars that replaced it

The Aftermath of Repeal – 2

- After repeal, the disease concept of alcoholism began to dominate thinking about drinking
- In contrast to WWI, the brewing trade in WWII was considered a vital war industry
- The issues, problems, and culture conflicts that cropped up during Prohibition would resurface later