

- # 14. DURING THE PRESIDENTIAL ELECTION IN 1920, THE REPUBLICAN CANDIDATE WARREN G. HARDING CALLED FOR A "RETURN TO NORMALCY". AFTER THE ACTIVISM OF THE PROGRESSIVE MOVEMENT AND THE UPHEAVAL ASSOCIATED WITH WWI, HOW DID HARDING AND HIS SUCCESSOR COOLIDGE RESPOND TO THE PUBLICS CRY FOR "NORMALCY"?

After the period of activism known as the Progressive Movement and the overseas politics of WWI, the American people craved calm. The public wanted business and gov't to reconcile their differences.

No more "trust busting". The new Republican administration was only too happy to oblige. The Republican Party was dominated by conservative businessmen who saw little need for continued reform. America had lost the zeal for social concerns, felt that enough had been accomplished.

#### HARDING ADMINISTRATION:

Wanted a return to "Normalcy", a return to isolation, rejection of the League of Nations.

pushed for less gov't intrusion

a high tariff to protect business at home.

tax reductions to benefit business and the wealthy.

worked to reduce gov't and the budget.

Harding administration pushed inactivity by regulatory agencies of the Fed. Gov't.

#### COOLIDGE ADMINISTRATION:

sought to preserve the dignity of the Executive Branch (Harding scandals)

cleaned house and promoted honesty in gov't.

tax cuts for business and wealthy

economy in gov't. reduced spending.

strong laissez-faire relationship with business. (storm clouds being seeded)

encourage business but don't regulate it. Harding Policy of regulation inactivity

isolation from Europe and its turmoil's,

continued protection for business via a higher tariff.

made no effort to restrain rampant speculation in stocks. (more storm clouds)

## BOTH HARDING AND COOLIDGE:

were champions of business and finance. (Republican Presidents)  
believed that the countries prosperity depended on the prosperity of the upper classes.  
sponsored tax and tariff packages designed to promote special interests.  
gave special attention to car, radio, oil and steel industries.  
brought the Fed. Gov't. into closer cooperation with business community.  
opposed measures that would discourage public investment in stock market.  
felt that the states should be the primary care giver for the social and economic needs of their respective citizens.  
pursued "do-nothing" policies. (true laissez-faire)  
were concerned with balanced budgets and reducing federal debt.  
tightened immigration laws. (narrowed the doorway)  
did nothing for the farmer.  
continued to perceive the economy as fundamentally sound and assured the public on continued prosperity. Stage set for the crash.