**Chapter 19, Section 4: The War’s Impact**

**I. An Economy In Turmoil** *(pages 599–601)*

**A.** After World War I ended, rapid inflation resulted when government agencies removed their controls from the American economy. Inflation increased the **cost of living**—the cost of food, clothing, shelter, and other essentials people need.

**B.** While workers needed higher wages to keep up with the cost of living, companies wanted to lower wages due to an increase in operating costs. The number of members in unions increased greatly during the war. Unions were better organized than before. Business leaders wanted to break the power of unions. The result of these factors was a large number of strikes.

**C. General strikes**—strikes that involve all workers living in a certain location—worried Americans because they were common in Europe by Communists and other radicals. The Seattle general strike involved more than 60,000 people and brought the city to a halt for five days.

**D.** In 1919 75 percent of the police force of Boston went on strike. The governor of Massachusetts, **Calvin Coolidge,** called in the National Guard to stop looting. When the police tried to return to work, Coolidge fired them, and a new police force was hired to replace them.

**E.** One of the largest strikes in American history took place when 350,000 steelworkers went on strike for higher pay, shorter hours, and recognition of their union. The failure of their strike set back the union cause in the steel industry until 1937.

**Discussion Question**

What caused Coolidge to become the Republican choice for vice president in the 1920 election? *(Coolidge had agreed that the striking police officers should be fired because they had* *jeopardized public safety. This brought Coolidge public attention and support.)*

**II. Racial Unrest** *(page 601)*

**A.** In the summer of 1919, race riots occurred in many Northern cities. They were caused by the return of hundreds of thousands of American soldiers who needed to find employment. African Americans, who moved North to work, were now competing for the same jobs as the soldiers.

**B.** The worst violence occurred in Chicago where whites and African Americans entered each other’s neighborhoods and attacked one another. The violence lasted almost two weeks.

**Discussion Question**

What caused racial unrest in Northern cities after the war? *(Hundreds of thousands of American soldiers returned to the workforce after the war. They competed for jobs and housing with African Americans who had moved to Northern cities during the war to work in factories.)*

**III. The Red Scare** *(pages 601–603)*

**A.** After World War I, Americans associated communism with disloyalty and unpatriotic behavior.

**B.** The numerous strikes in the U.S. in 1919 made Americans fear that Communists or “reds” might take control. This led to a nationwide panic known as the **Red Scare.**

**C.** The postal service intercepted 30 parcels addressed to leaders in the business and political arena that were set to explode upon opening. One bomb damaged the home of United States Attorney General **A. Mitchell Palmer.** Although no one ever took responsibility for the packages, most people felt it was Communists or revolutionaries trying to destroy the American way of life.

**D.** Palmer set up a special division in the Justice Department called the General Intelligence Division, headed by **J. Edgar Hoover.** Today this is known as the Federal Bureau of Investigation (FBI). Palmer organized raids on various radical organizations, mostly rounding up immigrants who were then **deported,** or expelled from the country.

**Discussion Question**

How did the Red Scare change the attitude of Americans toward immigrants? *(Americans linked radicalism with immigrants. This led Congress to limit immigration.)*

 **IV. An End to Progressivism** *(page 603)*

**A.** Warren G. Harding won the election in 1920 with a campaign that called for a return to “normalcy,” or a return to the simpler days before the Progressive Era reforms.

**B.** Harding won the election by a landslide. The American people liked the idea of returning to a simpler time.

**Discussion Question**

Why did Americans like the idea of a return to “normalcy”? *(Americans had a general sense of disillusionment because of economic problems, labor unrest, and racial tensions. They wanted an end to the upheaval. They liked the idea of returning to simpler times before reform.)*