

Age Of Excess



During the Roaring Twenties, the United States was entering the transition into a consumer economy. American citizens were buying manufactured goods more than ever. Due to this excessive spending, the economy seemed to be booming and productivity rose to meet the growing demand for products. Overall GNP skyrocketed during the 1920s.

Due to the success of America's consumer economy, the United State's wealth in 1929 was over two times what it had been in 1920. People had extreme faith in the nation's economy and often made insecure investments keeping the popular saying "*Everyone ought to be rich*" in mind. It appeared that everyone had money, however the reality was only the rich were getting richer, and the poverty in farmers was growing.

Many large business owners in the 1920s began practicing welfare capitalism. This was the idea that companies could prevent strikes by providing benefits to their workers. For example they would give their workers paid time off or vacation. This approach to labourers limited strikes and made companies a more favourable place to work.

While city life was prospering and rich, the rural community was struggling. Many farmers had taken out loans to buy tractors to feed the soldiers in the great war, but now that the

war was over, farmers struggled with over production. Which in turn, led to an extreme drop in crop price. The crops value dropping caused many farms to foreclose and shutdown. Farmers were living in poverty as the cities flourished.