

# ACIBADEM

MODEL UNITED NATIONS



CABINET OF ROOSEVELT

# STUDY GUIDE

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## **A. Letter from the Secretary-General:**

Distinguished participants and my future family members,

I, as the Presidents of Acibadem University Model United Nations Club and Acibadem University Model United Nations Conference 2020, would like to welcome you all to the very first session of ACUMUN which will be held on 17-20 January 2020. It is more than an honor for me to be able to lead such a precious and professional team under the umbrella of newly-established ACUMUNC as, with its unprecedented campus and well-qualified members, it will be one of the most important entities in MUN community.

In this conference, we prepared highly special committees with very specific procedures which are gathered from not only United Nations bodies but also other governmental bodies. Before stating several details upon our committees, I would like to proudly mention Midnight Crisis system which was simulated by me and my crisis team for the first time in Turkey and spread throughout other conferences. Since our first application of this unique procedure in HPALMUN, we have been supervising the ways to implement it in a better way and hopefully, you will have the chance to experience it. Starting from our committees, we have SOCHUM from our previous conference as being the most demanded committee within our application process. Our committees are all in Harvard Rules of Procedure so you can really experience a high-level academic quality even if it is commonly suggested to beginners and intermediate delegates. What is more, we have expert committee on child rights which is a common and remarkable subject lately, considering latest news upon numerous violations. Apart from them, we have security-based committees with cabinets, councils, secret FBI missions, futuristic councils and of course, world wars. Although it is really hard to define every single of them as having complicated Rules of Procedures, you should believe me on that it will not even resemble to any of your previous experiences. Operations will be more detailed, this simulation would not be separated from its real version, so please check the real functions of your committees before coming to our conference. One more difference from your other experiences, -if you have experienced my crisis committees before when I was an USG, you would definitely know this- you will be experiencing really intense crisis committee with significant number of updates and outcomes of your actions. You will be in need of tackling every single issue detailedly and also simultaneously with other issues. It might seem like it will be hard, yes but, you will be enjoying the themes very much that you would not like to leave this conference on 20th January.

Apart from the context of the committees, whole committees will be directed in accordance to Harvard Rules of Procedure which is more delegate-centered version that allows the members of the committees to firstly discuss the content of possible resolutions and than write it jointly.

Other crisis committees would have several additional procedures that are specific to committee structure. Summing up, we are preparing a conference with the best academic and organizational quality. We will have numerous surprises for you within the conference process.

Do not forget, we are Acibadem, it is your place, it is where we unite the worlds.

I am really excited to see you all in the Conference.

Yours sincerely,  
Korhan KARADENIZ  
President of ACUMUNC and ACUMUN 20'

## **B. Letter from the Under-Secretary-General:**

Highly distinguished Participants,

It is my utmost pleasure to welcome you all to this annual session of Acibadem University Model United Nations 2019.

I am Cengizhan Gergef and I am currently enrolled as an undergraduate student in Marmara University, majoring in International Relations. I've been participating in Model United Nations conferences at various positions since 2014. It is my honor to serve you as your Under Secretary-General responsible for The Cabinet of Franklin Roosevelt.

This year, we will be reviving of the most controversial cabinets of all time being the Cabinet of Franklin Roosevelt. The year is 1933, the bells are ringing in for a new Great-War. More than a decade earlier, President Franklin D. Roosevelt was elected to be the Commander-In-Chief of the United States. His Presidency has proven to be one of the most trying and consequential years of leadership so far in the United States' history. This committee explores the mid-thirties which USA is under the command of Franklin D. Roosevelt and under the stress of a new world war. Delegates will be acting the roles of the various members of Roosevelt's cabinet, administration, and other top members of the U.S. federal government. During these 4 days of the conference, delegates are going to understand a single change in the smallest thing can cause huge results in means of both diplomacy and economy.

Without ending my letter just here, I would like to thank to the academic team responsible for this cabinet for their collaborative work on this study guide.

ACUMUN'19 will be a rewarding experience for all participants to broaden their horizons, creating alternative futures and possibilities for today's world and will change the course of upcoming events. I wholeheartedly hope that every single participant will enrich their experiences in this conference which will last 4 days in numbers but eternal in terms of value and memories.

May the everlasting spirit and inspiration be with you!

Warm Regards,

Cengizhan Gergef

Under-Secretary General responsible for Cabinet of Franklin Roosevelt

### **C. General Information on the Cabinet of Roosevelt:**

Established in Article II, Section 2 of the US Constitution, the Cabinet's role is to advise the President on any subject he may require relating to the duties of each member's respective office.

The tradition of the Cabinet dates back to the beginnings of the Presidency itself. Established in Article II, Section 2, of the Constitution, the Cabinet's role is to advise the President on any subject he may require relating to the duties of each member's respective office.

The Cabinet includes the Vice President and the heads of 15 executive departments — the Secretaries of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Homeland Security, Housing and Urban Development, Interior, Labor, State, Transportation, Treasury, and Veterans Affairs, as well as the Attorney General.

In this version of the Cabinet,

Franklin Roosevelt is the President of the US whose presidency started at March 4, 1933. The Cabinet members of the Franklin Roosevelt including his Vice Presidents, John N. Garner, Henry A. Wallace and Harry S. Truman. His Cabinet members are the official advisers he had appointed to head the executive departments of government during his presidency.

As a person who had an affluent upbringing, Franklin D. Roosevelt; was about to lead one of the most authoritative countries of the time during the World War II -the deadliest war mankind has ever seen-. He claimed the presidency ten years after the World War I, not knowing there would be a second one. However, even after the war the stress remained the same. Therefore, the bells for a new world war started to ring. And shortly after the fact that a new world war is a possibility, the countries formed their coalitions. Germany, Italy and Japan as the Axis Powers and US, UK, Soviet Union, France and China as the Allies. More countries ended up choosing a side throughout the timeline. Eventually, the Allies ended up forming one of the strongest groups known as The Permanent Five (P5) within the United-Nations.

As stated, this committee will consist of Franklin D. Roosevelt and his cabinet members. In this one berserk of a period which the nuclear bombs and the concentration camps occurred, the alternative future will be created by the attendees of this cabinet.

This cabinet will operate as a crisis committee therefore, the attendees must be ready to face alternative outcomes of given crisis'. Furthermore, the participants of this cabinet should expect a midnight crisis.

## **D. Major Events that Occurred in US History Since**

**1918:**

### **i. Treaty of Versailles:**

#### **Overview:**

The Treaty of Versailles was signed on June 28, 1919, in the Hall of Mirrors in the Palace of Versailles, France, and officially ended the war between Germany and the Allied Powers.

The controversial War Guilt clause blamed Germany for World War I and imposed heavy debt payments on Germany.

The Treaty of Versailles was a major contributing factor in the outbreak of the Second World War. Exactly five years after the assassination of Archduke Franz Ferdinand, the Treaty of Versailles was signed in Paris on June 28, 1919. The armistice signed on November 11, 1918 officially ended the hostilities, but the negotiations between the Allied victors at the Paris Peace Conference lasted six months and involved diplomatic delegations from over thirty-two countries.

US President Woodrow Wilson had delivered a speech in January 1918, in which he laid out his vision for the post-war world. The Fourteen Points elaborated Wilson's plan for the comprehensive overhaul of international relations. He called for an immediate end to the war, the establishment of an international peacekeeping organization, international disarmament, open diplomacy, the explicit disavowal of war, and independence for formerly colonial territories. Wilson's Fourteen Points were hugely influential in shaping the contours of the post-war world and in spreading the language of peace and democracy around the world.

In addition to negotiating the Treaty of Versailles, the Paris Peace Conference established the League of Nations, an international peacekeeping organization tasked with resolving international disputes without resorting to Military Force.

The population and territory of Germany was reduced by about 10 percent by the treaty. In the west, Alsace and Lorraine were returned to France, and the Saarland was placed under the supervision of the League of Nations until 1935. In the north, three small areas were given to Belgium, and, after a plebiscite in Schleswig, northern Schleswig was returned to Denmark. In the east, Poland was resurrected, given most of formerly German West Prussia and Poznan, given a corridor to the Baltic Sea which separated East Prussia from the rest of Germany, and given part of Upper Silesia after a plebiscite. Gdansk was declared a free city. All Germany's

overseas colonies in China, in the Pacific, and in Africa were taken over by Britain, France, Japan, and other Allied nations.

### **The Terms of the Treaty of Versailles**

The Treaty of Versailles established a plan for the post-war world. One of the most controversial terms of the treaty was the "War Guilt" clause, which explicitly and directly blamed Germany for the outbreak of hostilities. The treaty forced Germany to disarm, to make territorial concessions, and to pay reparations to the Allied powers in the staggering amount of \$5 billion.

Although US President Woodrow Wilson was opposed to such harsh terms, he was disagreed by French Prime Minister Georges Clemenceau. France was the only Allied power which shared a border with Germany, and therefore suffered most of the devastation and casualties from the Germans. The French aimed to weaken Germany to the greatest extent possible

### **Consequences of the Treaty of Versailles:**

President Wilson was heavily involved in negotiating the treaty, which reflected his vision for the post-war world. In United States some people called "Irreconcilables" - mostly republicans and also some democrats- opposed the treaty, seeing it as a violation to US sovereignty and some believed that it would commit the United States to an alliance system that could lead to another war. Due to the opposition The Treaty of Versailles was never ratified by Congress, and the United States never became a member of the League of Nations.

When Adolf Hitler came into power in 1934, his government started to violate most of the terms of the treaty. Not only he announced a moratorium on all debt payments and cease making reparations, but he also began to build-up the German Military Forces. Some historians believe that the onerous terms of the treaty laid the psychological and economic groundwork for the rise of the Nazi party.

## **ii. Red Scare:**

### **Overview:**

It's August 1919 and the US is in the grip of anti-Bolshevik fever. Strikes, bombings, race riots and government crackdowns are racking the country. The government creates the anti-radical general intelligence division within the Bureau of Investigation and puts J. Edgar Hoover at the helm and the hunt for radicals and supposed radicals is on. It's the Red Scare.



By the late summer of 1919 many Americans had perceived Bolshevism as a domestic threat since as early as November 1917. During this period, a sort of hysteria grew up around the idea of a Bolshevik coup against the US government known as the Red Scare. So, in 1919 some Americans began to view groups such as the Industrial Workers of the World (IWW), the Socialist Party (SP) and Anarchists. As Bolshevik supporters willing and capable of infiltrating the labour movement, US intervention in the Russian Civil War was opposed by many politicians but it still helped create the image of Bolsheviks as an enemy.

So, although the summer of 1919 was not the starting point of the Red Scare, it was the culmination of the fears and tensions of the previous year and a half and the result was race riots, bombings, strikes and government crackdowns.

In the years before 1919, the US labour movement had grown strength with the goal of achieving better conditions for workers. Who had suffered terribly from harsh working conditions in the factories? Groups like the American Federation of Labour (AFL) which represented over a hundred unions and had more than two million members, often went on strike. But they also worked within the existing system rather than for revolution. This resulted in legislation which improved conditions for workers. But this so-called progressive era came to an end with the coming of the Great War. To increase war production, labour and government agreed to halt strikes and the government promised to maintain protections for workers. But this agreement between the AFL and the government came to an end once the war was over. This meant the American workers in 1919 were facing some serious difficulties. The loss of government support for their rights, a wave of inflation and a rise in unemployment. Four million demobilized soldiers, and nine million former war industry workers, were now looking for work -a potent cocktail that would soon explode-. In the face of these difficulties the unions called for better wages and working conditions, but the industrialists and the employers opposed them; especially on topics like: collective bargaining. Now this conflict caused around 3,600 strikes across the country that year. This rise in labour unrest stoked fears among some that organized labour was or could become a vehicle for Bolsheviks to carry out revolution in the US. And this perception was strengthened by the involvement in some strikes of more radical labour groups like IWW and SP. And the Red Scare began to grow.

In January, the Seattle was rocked when over 35,000 shipyard workers struck for better wages and working hours -which soon turned into a general strike in the city-. Now even though the leaders of the strike were not revolutionary, there were some radicals among the rank-and-file. One organizer later explained:

“ I believe that 95% of us agree that the workers should control the industries. Nearly all of us agree on that but very strenuously disagree on the method. Some of us think we can get control through the cooperative movement, some of us think through political action, and others think through industrial action.”

The press ran wild with stories of Bolshevik plots amongst the unions. The strike was non-violent but still the media portrayed it as a Bolshevik attack with headlines like:

‘READS DIRECTING SEATTLE STRIKE TO TEST CHANCE FOR REVOLUTION,  
‘BLIEF GROWS THAT STRIKE IS START OF BOLSHEVIK REVOLT’.

Seattle’s mayor Ole Hanson, swore in an extra 1000 police officers and personally led 800 federal troops into the city in his American flag draped car.



He gave the order to the new officers so kill on sight - anyone attempting to break the law or start a riot-. Afterwards, Hanson toured the country the rest of the year. Giving speeches about the danger of an imminent revolution:

“The so-called sympathetic Seattle strike was an attempted revolution. That there was no violence does not alter the fact (...) The intent, openly and covertly announced, was for the overthrow of the industrial system; here first then everywhere (...) True, there were no flashing guns, no bombs, no killings. Revolution, I repeat, doesn’t need violence. The general strike, as practiced in Seattle, is of itself the weapon of revolution, all the more dangerous because quiet. To succeed, it must suspend everything (...) That is to say, it puts the government out of operation. And that is all there is to revolt – no matter how achieved”

Fearing that official and public hostility might damage the cause of labour across the country the AFL forced the strikers to back down. But the tone was set for future strife. However, it wasn’t just the press ratcheting up the fears of bolshevism, the government did so too.

In February a senate committee -originally formed to investigate German wartime propaganda- was repurposed for an investigation of bolshevism and all other anti-American radicalism in the US. And was meant to inquire concerning any party exercising or claiming to exercise authority in Russia. The committee released its' findings in March. It first claimed the SP, the IWW and the Bolsheviks were working together to stage a revolution in America as evidenced by all three groups' history of using a red flag. Also, the committee members thought up to 8.000 unions vulnerable to Bolshevik propaganda. To fix the problem, they proposed that the country needed new laws to restrict the activities of aliens and radicals: more censorship and a continued military presence in Russia.

In April a series of bombings further stoked suspicions of a radical uprising nearly 40 bombs were sent to prominent figures including: Mayor Hansen, senators, attorney general Palmer and industrialists such as J. P. Morgan Jr. and John D. Rockefeller. Since initially no suspects could be identified, the press jumped to conclusions. The New York Times pinned the bombings on Bolsheviks, anarchists and IWW members. The Harrisburg Telegraph even claimed the failed assassinations meant to spark a nationwide revolution on May 1<sup>st</sup>. But the May Day parades and celebrations of both radical and non-radical labour groups were accompanied by widespread rioting in numerous cities. And both police and anti-labour civilians used force against participants. So, at this point strikes and hysteria about Bolshevik plots had led to bloodshed on May Day. And this marked an escalation of the violence accompanying the Red Scare. Which would get even worse.

The mob violence against leftist for their supposed connections to bolshevism had already occurred back in November 1918, when soldiers and sailors stationed in New York City attacked socialist meetings but back then, the police had attempted to protect the socialists from the attackers. But in the tense climate of mid-1919, with the fear of bolshevism gaining ground and public discourse; police anti-leftist civilians both attacked the demonstrators. This was also the first time that simultaneous violent action was taken against leftist in cities across the US. The Red Scare had reached a new phase.

Things continued to escalate in June. On the second bombs exploded in eight cities which reinforced the climate of fear. Even though the bombings were not an attempt at revolution, some blamed the bombings on Bolsheviks and others under the catch-all term red banner such as IWW members, German sympathizers and anarchists. And Palmer agreed. Later that month the Lusk committee -which had been created by the NYC legislator earlier in the year to investigate seditious acts and prevent a Bolshevik revolution- decided to start its investigation earlier than planned. Led by the senator Clayton R. Lusk, the committee had police raid NYC's Russian/Soviet Bureau, the city's IWW headquarters, the left-wing socialist headquarters and the Rand School of Social Science -a socialist collage-. The authorities interpreted documents seized at the Russian/Soviet Bureau and the Rand School including books by V. Lenin as evidence of a revolutionary plot. The committee questioned whether what they considered

violent propaganda, should be allowed at all and opened a case to have the school shut down. And they continued acts as such. At the end committee failed since the courts declined to pursue the cases due to a lack of credible evidence. But the Lusk Committee wasn't only interested in leftist groups in isolation, they also claimed that these groups were planning to radicalize African Americans to help overthrow the government. This situation reflected a common view of African Americans as Bolshevik sympathizers during the summer of 1919. Which saw widespread race riots in dozens of American cities. African Americans were labelled "Wobblies" -that's an IWW member- etc. Resistance and Questioning Jim Crow laws or black disenfranchisement was linked in the eyes many to soviet Russia. African American newspapers were monitored and investigated by the US government in order to police any sort of ideological mobilizers. When the race riots broke out in July in Washington DC and in Chicago, the Bureau of Investigation claimed that Bolshevik influences had provoked the African American communities into seditious activity. The New York Times ran a headline in July 28 which read "REDS TRY TO STIR NEGROES TO REVOLT". Though, white mobs had started the riots in both cities and though the riots of 1919 represented one of the first times African Americans actively fought back against mob violence, they nonetheless suffered disproportionate loss of live and property damage. Many African American veterans that had just returned from duty in the World War, were also targeted because they were a threat. However, these riots were fuelled by racism and inequality not with any socialist/Bolshevik ideology. Anyhow, the race riots were just one aspect of the growing Red Scare.

But in the climate of the summer of 1919 the race riots were just one of the facets of the growing Red Scare. As the summer ended the panic over an impending Bolshevik Revolution continued. The Red Scare continued in the late summer and early fall with the formation of the US's first communist parties. 10.000 mostly US-born citizens members formed the Communist Labour Party (CLP). Another party, The Communist Party of America was also created by 60.000 mostly foreign-born members. Both of their manifesto's illustrated the typical rules of communism such as proletariat dictatorship, overthrow of capitalism, etc. some of the membership of these communist parties was drawn from existing political organizations. About 60.000 socialist party members and about 2.000 IWW members joined. And this showed there was some support for communism in these two groups. But the SP continued to work legally through the existing political system to achieve its goals while the IWW never fully committed itself to communism. The non-Bolshevik character of the SP and the IWW made it unlikely that they were plotting with Soviet Russia for a Bolshevik revolution. As for the avowedly communist parties themselves, their total membership about 70,000 represented less than 1/10 of 1% of the adult population of the US. Which has caused some to question whether they had enough support necessary to carry out their program at all.

While the new communist parties kept up fears of a plot in some quarters the strikes did not led up throughout September and neither did the fear of imminent revolution. In Boston, the police

force demanded better working conditions and the right to unionize under the AFL. In the climate of the Red Scare, public officials and some residents feared the police would switch sides. The Boston police did go on strike on September 9<sup>th</sup>. After a night of looting in the streets, a local newspaper claimed: "the city was abandoned virtually to the hoodlum and criminal in a night of terror and anarchy". Governor Calvin Coolidge and Mayor Andrew J. Peters gathered the officers who were not striking, new volunteer policeman and 5,000 state guard soldiers to restore order. At this point Montana senator Henry L. Meyers, claimed: "The nation will see a Soviet Government set up within two years' time". In an echo of wartime logic, the strikers were branded as deserters and instead of mediating the situation, on September 13<sup>th</sup> the city decided to fire all striking police officers and recruit new ones. In Coolidge's words: "There is no right to strike against the public safety of anybody, anywhere, anytime"

In September a major strike broke out in the steel industry. Back in July, the AFL wanted Albert H. Gary -chairman of the US Steel Corporation- to renegotiate the rights of workers to include collective bargaining, regulating work hours, better wages and days off. Gary refused and on September 22<sup>nd</sup> over 275,000 steel workers went on strike nationwide. With the number rising 365,000 just four days later. Yet again, the press linked the strikes to bolshevism. The New York Times claimed that it came as a shock that organized labour was prepared to accept such a radical brand of state socialism and a clergyman wrote: "The American Federation of Labour seems to have fallen into the hands of the Bolsheviks and the Reds."

Criticism of the strike increased when a bomb plot was discovered, and the press declared that the Bolshevik radicals in the country planned to use organized labour to overthrow the government. Allegations emerged that those arrested for the bomb plot happened to also be the bomb makers of previous attacks. And the authorities confiscated communist party flyers from the alleged plotters. The steelworkers denied any involvement with the bomb plot or the communists, but it was too late, and even more anger was directed against the strike.

Within a month of that strike attorney general Palmer began raids to rid America of suspected radicals. In August he created the Anti-Radical General Intelligence Division (GID) within the Bureau of Investigation. And put J. Edgar Hoover in charge. Hoover created an index which contained a vast amount of information about suspected radical organizations including membership rosters, officers and the time and place of meetings. Under Palmer and Hoover's direction, the GID's investigation of radicals became driven by xenophobia. The GID estimated that foreign-born residents made up 90% of America's radicals and that neutralizing them would put an end to the unrest.

As summer turned to fall and Red Scare continues the GID was preparing to act on its suspicions. By the early fall of 1919, the Red Scare had exerted a major influence on American politics and the lives of its citizens for nearly two years. The fear of a Bolshevik revolution was

now intertwined with tensions between black and white, workers and owners and native and foreign-born residents. The result was paranoia in press and politics and violence in the streets. And all this while Woodrow Wilson was trying to create a stable world order after the victory over the Central Powers. The dark days of summer 1919 were not the last instance of the red scare as the winter of 1919 to 1920 showed.

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### **iii. Washington Naval Conference:**

#### **Overview:**

Between November of 1922 and February of 1923, representatives of nine nations -the world's largest naval powers- met in Washington D.C. to discuss the proliferation of weapons of war. It was the first major international conference held in the United States and the first international arms control conference in history. This was a seminal moment in US diplomatic history, a major driver in policy in the post-world war environment, and in the end a failure.

There were many drivers for the Washington naval conference and the treaties that followed. But the simplest driver was that, following World War One, major powers engaged in a naval arms race that was rather expensive. Despite being allies in the first world war, the nations that were affected the most were US and its' pacific rival, Japan and the greatest naval power at the time, Great Britain.

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<sup>1</sup> US Congress. Senate. Bolshevik Propaganda: Hearings before a Subcommittee of the Committee on the Judiciary. 65th Cong., 3rd sess., February 11, 1919, to March 10, 1919

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The United States had finished the great war as the world's leading industrial power and with the world's second largest navy. Realizing that naval power would give the US a substantial ability to enforce his vision for world alignment and wary of the threat that Japanese militarism would offer to US interests in the Pacific; President Woodrow Wilson had announced an ambitious program to expand and modernize the American Fleet. But the US public was weary of wars and opposed the huge costs of naval construction and the population was moving back towards its isolationist tendencies. The new republican Harding administration wanted an agreement to limit the new arms race.

Japan was rediscovering its position as one of the world's great powers. And ambitiously new, modern battleships and battle cruisers. But their industrial capacity was limited and at least some of their leadership knew that they could not succeed in an all-out arms race. Despite their ambitions in 1922, the Japanese had only 55% as many capital ships as the Americans and just 18% of the GDP. Great Britain had numerically the largest navy in the world, but the fleet was aging and unable to compete with more modern American and Japanese ships. They had plans to produce more modern vessels but the war and the cost of building the fleet already had, had almost bankrupted the nation. And so, despite their ambitions, the major powers; all had reasons to try to prevent an arms race. And despite the republican opposition to internationalism, when President Harding heard that Great Britain was planning on holding a conference; he took the initiative. Great Britain, Japan, France and Italy were invited to discuss the reduction of naval capacity. While Belgium, China, The Netherlands and Portugal were also included to discuss the situation in the far east.

At the first session held in November 21st, 1921, US secretary of state Charles Evans Hughes provided a dramatic beginning for the conference by stating with resolve "the way to disarm is to disarm". The conference resulted in three major treaties and several bilateral treaties. The most significant was the "Five Power Treaty" which placed a ten-year moratorium on building capital ships, battleships and battle cruisers, limited the total amount of capital ship tonnage each nation could have based on ship displacement. With the US and Britain each allowed 500,000 tons, Japan 300,000 tons, France and Italy each 175,000 tons. The US and Britain were allowed more tonnage because they were expected to maintain fleets in both the Atlantic and Pacific. The nations could not come up with a similar agreement regarding total amount of tonnage of smaller vessels but did limit the allowed size of such vessels. Although there were discussions of limits on submarines, no agreement was reached. Current bases in the Pacific were recognized but nations were not allowed to grow or reinforce those bases.

Another treaty ended the British-Japanese alliance and instead committed the US, Japan, Britain and France to negotiate before military action in the case of a crisis in the far east.

And finally, all nine conference participants agreed to the US goal of an open China policy, agreeing to respect Chinese territorial integrity while China in return, agreed to not to discriminate any countries seeking to do business there.

The treaties did in the period of battleship construction and several existing ships or ships under construction were scrapped or converted into aircraft carriers, which were unregulated. The Japanese battle cruiser Amagi been under construction. For example, was one of those converted into an aircraft carrier.

But in the end the treaty failed to prevent a naval arms race. Why?

First, the treaty only placed limits on some classes of ships leading to an arms race in unregulated classes. There was a significant race to build so-called treaty cruisers. For example, cruisers that met the size limitations of the treaty 10,000 tons displacement and 8-inch guns.

Further treaties in London in 1930, placed limits on smaller classes of ships. Although Japan and Italy did not sign the 1930 agreement.

Second, the conference focused on battle ships which many argue, had become obsolete. While nations did eventually start building new battleships, their limited use in naval warfare in the upcoming affairs demonstrated that the treaty had focused in the wrong place.

Third, because of national security concerns, there was a lack of verification. Nations simply cheated, using creative computations of tonnage; designing ships where the treaty limited guns could be easily replaced with larger guns in times of war. Or simply lying. The Japanese Mogami class cruiser for example, was 20% larger than the treaty allowance.

Fourth, the Japanese naval command was never satisfied with the treaty and felt that their smaller allotment was disrespectful. The resentment eventually led Japan to renounce the treaty, sparking another naval arms race. -One reason: United States was spying on all the other participants in the Washington Naval Conference- which gave them a substantial advantage in the negotiations. Fully aware of all the Japanese diplomatic communications, the US was able to get them to agree to the lowest possible number that they would be willing to accept.

### **Conclusion:**

The treaty lured US into a false sense of security that allowed Japan to build a fleet that could contest with the United States in the Pacific. And this provoked the issues more rather than less. As the treaty did not accurately represent the disparity in industrial capacity between the two, it certainly disadvantaged the United States. This situation also ended up disadvantaging Great Britain. The original calculation assumed that the French fleet would counterbalance the Italian fleet in the Mediterranean. Which turned out to be wrong shortly after the conference. Along with a naval arms race this situation also sparked the development of naval aviation. So there was not only one, but two categories of ongoing armament. And also, an unrestricted naval arms race in the 1920's and 30's might've made the world a more unstable place and certainly had significant economic impacts.



#### iv. The Stock Market Crash:

##### Overview:

The Stock Market Crash of Wall Street in 1929 was a devastating turning point in the history of United States of America, as well as its economy. It lasted from October 24, named as “Black Thursday” to October 29, named as “Black Tuesday” for five days. United States of America, which joined the Great War towards its end, and whose economy was not as much negatively affected as the European countries that fought from the beginning of the war until the end of it, had been becoming one of the strongest economies in the world thanks to the advance in its industrial production. In the Roaring Twenties, the second decade of the 20th century, the advances in the industrialization also affected the population, whom increasingly migrated towards the more industrialized parts of the country to have more income and thus more life quality. As the stock market continued to rise, stakeholders thought that this rise would continue in the long term, despite the warnings of Federal Reserve about excessive speculation in the stock market. Despite this optimistic environment in the stock market, the sales in certain important sectors such as real estate, automobiles and steel decreased. In addition, this environment brought easy access to credits, which eventually led to too much credit consumption. After the crash of London Stock Exchange on September 20 because of the imprisonment of Clarence Hatry, the biggest investor in London Stock Exchange because of fraud charges, the confidence in Wall Street Stock Market declined as well, creating a highly unstable environment in the days leading up to Black Thursday.

On 24th of October, the selling of stocks increased dramatically, and that investors could not know for what value they were trading for a while created a state of absolute panic on the trading floor, causing certain brands in the market losing value. The prominent bankers of the country came together to find a solution, which was to buy certain products for more than their market value. Although it worked temporarily, the environment of panic continued until the “Black Tuesday”, 29th of October, 1929. On that day, because of the panic of decreasing stock values, the number of transactions was so high that it was an all-time record for the Wall Street Stock Market that would not be broken for almost 40 years. Although the tactic of buying large quantities of stocks by the riches of the country to bring back confidence in the Stock Market

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<sup>2</sup> Encyclopedia Britannica. (2019). *Washington Conference | Treaties & Facts*. [online] Available at: <https://www.britannica.com/event/Washington-Conference-1921-1922> [Accessed 12 Dec. 2019].

History.state.gov. (2019). *Milestones: 1921–1936 - Office of the Historian*. [online] Available at: <https://history.state.gov/milestones/1921-1936/naval-conference> [Accessed 12 Dec. 2019]. History.state.gov. (2019). *Milestones: 1921–1936 - Office of*

was attempted once more, the giant loss of the market in this period of time was around \$45 billion. One of the important actors in the management of the crash, the president of the Chase National Bank Albert Wiggin described the crash as follows: We are reaping the natural fruit of the orgy of speculation in which millions of people have indulged. It was inevitable, because of the tremendous increase in the number of stockholders in recent years, that the number of sellers would be greater than ever when the boom ended and selling took the place of buying."

The crash, which was the biggest signal in the way to the Great Depression, was felt all around the world, but especially in the United States of America. Most importantly, it ended the Roaring Twenties, which was a period of economic boom in the US. Consumer buying decreased dramatically, several companies declared bankruptcy and economic difficulties such as bank failures and decline of the money supply were also experienced. This crash also created panic for the working class who were afraid for their jobs, some of which were inevitably lost their jobs because of the economic difficulties it created, further increasing the unemployment rate in the country in the upcoming years. The effects of this crash were felt in Europe at least as severely as it was felt in the United States, if not more. The very same effects were felt in European countries as well, showing how interconnected the economies of the world had become. Several measures were taken after this experience to prevent this kind of crashes to happen ever again: creating of the Pecora Commission in 1932, passing of the Glass-Steagall Act about the classification of banks, and extra measures to temporarily halt stock transactions in the event of a rapid decline.

#### **v. Great Depression:**

##### **Overview:**

Great Depression was the biggest worldwide economic crisis the world had ever experienced until then. Although it started in the United States of America in 1929, its beginning and ending varied in different countries but all economies of the world were quite negatively affected by it to different extents. Although some economies around the world recovered in the early 1930s, some countries continued to feel its effects until the beginning of World War II. There are many schools of thought as to why this crisis happened and what the workable solutions were. The October 1929 crash of Wall Street Stock Exchange was considered to be the main indicator of this economic crisis. After this crash, the investment in the stock market declined significantly,

which meant that <sup>3</sup>keeping the money was more profitable than investing it. This consequently led to the shrinking of the money supply, which meant less loans for businesses or entrepreneurs to make investments or any kind of production. It also caused the depressing of consumer buying. During this period, many banks failed, and the Federal Reserve saved some.

After the beginning of the crisis, many countries such as Britain, Japan, Scandinavian countries left the gold standard system, which was the system of currency in which the value of a currency was determined by the devaluing the currency in terms of gold, and started using floating exchange rates in between 1931 and 1933. Some countries such as France, Poland, Belgium and Switzerland continued to use the gold standard to set the value of their currencies. The fact that different countries were using different ways to set the values of their currencies caused the breakdown of international trade in the third decade of the 20<sup>th</sup> century, which only made the depression worse. The fact that the United States was very protectionist and was keeping import levels as low as possible and export levels as high as possible made it impossible for other countries, especially Germany, which was in debt because of the Versailles Treaty, to pay back their debts to the United States. This caused countries to be more careful in spending money to exports, leading to protectionism all around the world through import quotas, tariffs and strict exchange controls, which created many frictions between countries and drastically hurt international trade and economy.

The process of Great Depression and its economic consequences radically decreased the confidence in democratic systems and their abilities to control and manage the economic relations and the depression was almost completely lost, as well as sparking up many new social movements all around the world. This includes movements such as the strengthening and spreading of communism, Nazi movement in Germany and the fascist movement in Italy. It also strengthened anti-democratic one-man regimes in many countries around the world such as Hungary, Turkey, and Japan etc. The German banking crisis and hyperinflation, as well as the British crisis exacerbated this loss of confidence. Although recovery from this depression started in mid-1930s, the inflation rates all around the countries in the world continued to stay at very high levels until World War II.

## **vi. Election of Roosevelt:**

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<sup>3</sup> Feinstein, C. H et al. *The World Economy Between The World Wars*. Oxford University Press, 2008.

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Perino, Michael. *The Hellhound Of Wall Street*. Penguin Books, 2014.

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Roosevelt narrowly became the governor of New York in 1928, becoming one of the few Democrats to survive the Republican landslide of the year. Re-elected in 1930, Roosevelt experimented with governmental programs to deal with the growing economic depression that had arisen since the 1929 Wall Street crash.

From the country's founding, the concept of "negative government" that "The best government is that which governs least" has served as the basis for the federal government. The new presidency could be the moment when "positive government," one which would allow the federal government to step in more frequently with greater effect appears for the United States. FDR's bold and active approach and proclamations inspired his supporters with hope. Roosevelt promised regulation, tariff reduction, farmer relief, and public works, all to be government-funded to address the Great Depression; he has also promised to balance the budget however, without explaining how he would accomplish this task. Reflecting the public opinion, the Democratic Party platform now included a call for the repeal of the 18th Amendment, better known as the Prohibition. Roosevelt promised to uphold the party platform on this issue. Striking a deal with the Southern Democrats in the 1932 Democratic National Convention and promising to make the Texan John Nance 'Cactus Jack' Garner his vice-presidential running mate, FDR won the presidential nomination. Following in the footsteps of Teddy Roosevelt he became the second presidential nominee to show up at his party's Convention of that year, promising "a New Deal for the American people". The worsening Great Depression worked in the Democrats' favor. President Herbert Hoover who had been re-nominated at the Republican National Convention was seen as the person responsible by the voting public for the economic crisis facing the nation. Hoover's bumbling handling of the Bonus Army further damaged the incumbent's popularity, as newspapers across the country criticized the use of force to disperse assembled veterans and their families. Due to these factors on November 8, 1932, Roosevelt garnered 22,821,857 votes (57.4%) to Hoover's 15,761,841 (39.6%). This also allowed the Democrats to carry 42 states and the Democrats achieved overwhelming majorities in the U.S. House of Representatives and the Senate.

The election has shown that there are two opposing groups, roughly divided by the Mason-Dixon Line, within the Democratic Party. The more conservative ones from the Southern States and those with more progressive views in the North. The inner-party workings should not be ignored as even the Vice President John Nance Garner is a southern politician.

## **E. Presidency of Roosevelt (1933-?):**

### **i. The Current Situation:**

*So, first of all, let me assert my firm belief that the only thing we have to fear is fear itself—nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance. In every dark hour of our national life a leadership of frankness and vigor has met*

*with that understanding and support of the people themselves which is essential to victory. I am convinced that you will again give that support to leadership in these critical days.*

From the First Inaugural Address, March 4, 1933

As the first Democratic president in 16 years, Roosevelt's election ended the Republican dominated 20's and launched the nation into the 30's. The widespread optimism of the "Roaring Twenties" has been replaced by the sombre pessimism of the Great Depression.

As a result of the Great Depression, the United States of America is in an economic catastrophe. Many industries have collapsed, and many of those that did not are on the edge of it. Unemployment rates have risen to over %25 and are steadily increasing as workplaces go out of business. President Hoover, whose economic policies failed to remedy the situation is largely unpopular, and many people have lost trust in the government. Many towns were left deserted as people desperately moved around the country to find sources of income, leading to the rise of the so called "Hoovervilles", shanty towns constructed by the homeless in abandoned slums. The Dust Bowl, a period of severe dust storms in the region surrounding Oklahoma has devastated the American Plains, devastating the agricultural industry and causing the region to be largely depopulated, with hundreds of thousands of migrants leaving for California. The Great Lakes region, with its dependence on heavy industry and the Midwest, with its dependence on agriculture were hit especially hard by the crisis, with some reports indicating that at least %25 of the population had been malnourished.

Half of the country's population is dependent on agricultural work and they are unable to make a profit right now. Industrial production has fallen by more than half since 1929. Two million people are currently homeless. Many banks through the country have closed and the 'run on the banks' has destroyed the confidence many people had on them before the Great Depression hit the USA.

Putting aside the economic results of the Great Depression, America also faces many social problems. The Prohibition put in place 10 years ago is deeply unpopular in the urban centres of the North. Segregation of racial groups is continuing in many states, especially in the Deep South and even in some federal institutions such as the army. The Ku Klux Klan has its largest amount of members in its history, dominating the politics of the rural Midwest and the Deep South. Lynchings are at an all-time high, and federal anti-lynching legislation has not been passed, due to the opposition of Southern Democrats. Many veterans of the Great War are discontent with the state of things, made evident by the Bonus Army incident in which a group of veterans marched on the capital to protest the lack of their promised military bonuses, and were violently suppressed by the Hoover administration. Political machines control the urban votes in much of the Northeast, with many of the Irish-American immigrant communities deeply entrenched in the system. Italian and Jewish communities, on the other hand, are mostly controlled by criminal organisations who managed to make fortunes smuggling alcohol due to the Prohibition.

The appealing conditions for the workers have caused events such as the Battle of Blair Mountain, a labor uprising in West Virginia that grew to become one of the largest organized armed uprisings since the Civil War. With almost 100 dead, and many more arrested the event became national news. Events like these make labor organizations more radical and more willing to use violence and muddy the reputation of the government. Even less radical farmers and workers in some states are willing to vote for more moderate progressive politicians from local parties such as Floyd Olson from Minnesota.

Foreign policy problems also plague the United States. As a part of the Entente, the Americans were on the winning side of the Great War. Wilson's "Fourteen Points" were largely enforced on the losing states, but this has failed to remedy the situation. Fascism rose in Italy and has made many irredentist claims. China is in a state of civil war, as Nationalists and Communists and apolitical warlords all fight each other for control of the country. Japan has pursued a violently aggressive policy in China, using the chaos of the Chinese Civil War as an opportunity to extend their influence. The Soviet Union, despite being one of the largest countries on the globe, still remains unrecognized by the US government. The United States must redefine its foreign policy if it is to keep its global position as a world power. However, a strong isolationist current has been running in the country ever since the start of the century, and opposes any foreign intervention in other countries.

Many have lost faith in the two-party system dominant in America since its founding. The progressive Republicans and conservative Southern Democrats are both discontent with their respective parties' stances on many issues. Cracks are showing in the political establishment, and if Roosevelt's government cannot solve the issues of the day efficiently, people may turn to the radicalism of the newly rising ideologies of Europe - Fascism on the right, and Communism on the left.

## **ii. The Challenges Awaiting United States of America:**

The Roosevelt administration has many difficult obstacles to tackle if it wishes to bring prosperity back to America.

The first and undeniably most important issue for the government to tackle will be the Great Depression. Roosevelt himself had singled out the issue to be the most important, and proposed the "New Deal", a comprehensive economic reform program designed to alleviate the poverty stricken and unemployed lower and middle classes. The bankers and the conservatives call the ideas preposterous, the progressives cheer the project on, while the former president Hoover had privately contacted Roosevelt before his inauguration to ask him to tone his ideas down. Roosevelt has declined, however a changing situation may make it necessary for his government to moderate their ideas to get them accepted by the congress - If they are accepted at all.

There are competing economic theories regarding the Great Depression with economists such as Keynes, Hayek and Mises arguing for different causes and solutions regarding the economic crisis. With the previous president Herbert Hoover's attempts not halting or even slowing it down, decisive actions must be taken regarding which theory to base the governmental response to the crisis.

The gold standard, the current monetary system in which the standard economic unit of account is based on a fixed quantity of gold, has come under criticism. In that it prevented the Federal Reserve from expanding the money supply to stimulate the economy. If the government was to go off the gold standard, following the example of The United Kingdom and its Dominions, it would be free to engage in money creation which would help stimulate the economy. Many conservatives from both the Democratic and the Republican Party oppose this measure however, stating that it would result in lower trust in the dollar as a currency.

Labour organizations such as the AFL and the IWW have a lot of clout on the politics of workers and it was only a decade ago that the Socialist Party of America was prominent in elections. Though divisions have occurred due to different responses to the Soviet Union and figures such as Trotsky and Stalin, the far left of America should not be unaccounted for.

There is also a part of the population, many of them with German descent, that sympathise with the direction Italy and recently Germany have taken. While openly fascist figures do not attract much of a following, there are many that sympathise with these countries. Some for their nationalistic views and others for their economic ones.

The Prohibition is a secondary issue for the government to address. The sale of alcoholic beverages had been prohibited since 1920, leading to the rise of criminal organisations distributing them, such as the gang of the notorious Al Capone, as well as lowering the tax revenue (now desperately needed thanks to the Great Depression) that could have been acquired from the sales. By 1933, the people call for the end of the ban, but there is support for it in conservative circles, and removing the prohibition may mean losing support needed for New Deal projects.

Segregation is another issue that must be addressed. The segregation of several federal agencies by President Woodrow Wilson is very unpopular in the North and the West, while it is very popular in the Southeast. Lynchings of blacks is still a fact of life, especially in the South, and the liberals and progressives call for measures to end this. However, the Southern Democrats, normally supportive of the proposed New Deal threaten to withdraw all support if federal anti-lynching laws, or, more radically, the complete disestablishment of segregation is enforced.

The U.S. forces are still stationed in Haiti after almost two decades and this still raises much contention among the people of Haiti. The situation in Haiti must be resolved and the US Marines disengaged from the country.

Since the previous president Hoover's violent handling of the Bonus Army damaged his popularity, the new government must find a way to solve this issue without the use of force if it wants to avoid such a public relations blunder.

The senate and the house both have Democratic majorities - This will certainly make it easier for the government, though they will have to make an alliance with progressive wing of the Republicans to secure backing for many plans they may have, as the conservative wing of the Democratic Party vehemently oppose the more liberal ideas of Roosevelt, viewing them as a threat to the established order of American capitalism, while the progressive Republicans, angry at the former President Hoover, are very willing to work with the government to pass legislation they see as necessary for the well-being of the American people.

Roosevelt's government has come to power in the most turbulent time of the United States since the Civil War, and it remains to be seen if they will succeed in healing the many problems of the country. One thing is for certain, America is in a turning point of its history, and, if successful, Roosevelt has the potential to go down in the books as one of the greatest presidents of the country.