

AP US History

Chapter 25 - The Global Crisis, 1921-1941

Finn Frankis

Key Concepts

What are this chapter's key concepts?

- **7.3.II.D** - Following WWI, US pursued unilateral foreign policy using international investment, peace treaties, mil. intervention to maintain U.S. isolationism while ensuring international order
- **7.3.II.E** - Most Americans opposed military action in WWII despite opposition to fascism/totalitarianism until Pearl Harbor

The Diplomacy of the New Era

How did the New Era U.S. handle foreign policy?

In the 1920s, foreign policy started off devoted entirely to avoiding another war; agreements were made between the US, Britain, and Japan to prevent a potential naval arms race. Furthermore, the U.S. began to take a greater economic presence in Latin America and Europe, with several industries taking a major foothold in the weak European economy unable to recover due to high debts and strong American tariff barriers. When the Depression hit, Hoover struggled to make significant strides: he cut out nearly all intervention in Latin America regardless of the gravity of the situation, refused to compromise with Europe on the issue of debt, and refused cooperation with the League of Nations or military action against Japan after their invasion of Manchuria.

What alternatives emerged for the League of Nations?

- 1921: Charles Evans Hughes (sec. of state) secured legislation to declare war at end, negotiating peace treaties w/ each of Central Powers
 - Sought to replace League of Nations through less involved program
- 1921: **Washington Naval Conference** intended to prevent costly, war-inducing naval armaments race betw. Japan, U.S., GB
 - Hughes proposed reductions in naval production; no large warships for 10 yrs.
 - **Five-Power Pact** set limit for tonnage, fixed ratio w/ for each 5 tons of US/GB warships → Japan could have 3 tons, France/Italy 1.75
 - Most terms agreed to: Japanese able to secure power in East Asia by focusing all naval output toward East Asian development
 - **Nine-Power Pact** ensured Open Door in China; **Four-Power Pact** promised no aggression betw. US/GB/Japan/France in Pacific territories
- 1928: **Kellogg-Briand Pact** after France asked U.S. to join alliance against Germany → Sec. of State Kellogg proposed treaty to ban war entirely: 14 nations signed
 - No official ways to enforce but represented moral beacon

After Hughes negotiated individual treaties with each of the Central Powers, ending the war, efforts were taken against it ever repeating. The 1921 Washington Naval Conference agreed to limit naval production among Britain, the US, and Japan to prevent an arms race while securing the open door in China and preventing war in the Pacific. The Kellogg-Briand Pact, signed by 14 nations, outlawed war entirely.

How did the U.S. engage in financial diplomacy?

- Several debts owed by Europe to U.S. w/ Allies unable to pay debts to U.S. and Germany unable to pay back Allies, Republican U.S. unwilling to forgive → Charles G Dawes, American banker, intervened
 - **Dawes Plan** loaned large sums to Germany from U.S. to pay back Allies (who would reduce the amount of required payments); Allies would then use money to pay back U.S. → circular pattern
 - American loans → U.S. became powerful economic force in Europe
 - * Automobile industry opened factories in Europe
 - * Many other industries exploited weak European econ. to establish foothold → many feared excessive overseas dependence
 - Tariff barriers → Europe unable to export to U.S. → loans went repaid; few responded to tariff objections
- Strong military presence in Latin America during 1920s
 - Argued necessary to quell revolution; truly to increase access to natural resources
 - Latin America unable to repay debts (tariffs) → continued dependence of other nations on U.S. ("yankee imperialism")

With Europe, the United States produced the Dawes Plan, entailing loans to Germany to help them repay debts to the Allies, which the Allies used to pay off debts to the U.S.; this circular flow of money was not a long-term solution, but it allowed several U.S. industries to establish a foothold in the weak European economy. The U.S. maintained a military presence in Latin America. High tariffs for Latin America or Europe to export goods to the U.S. meant that both regions struggled to pay off their debts to American banks.

How did Hoover approach foreign policy during the Depression?

- Depression → destruction of already weak international agreements of 1920s; existing political leaders forced out of office by Depression w/ more radical ones → risk of war
- Latin America: Hoover made 10-week tour for goodwill, attempted to prevent major intervention w/ military withdrawal
 - Repudiated Roosevelt corollary, stressing that economically collapsing Latin American nations would receive no assistance; chose to recognize all governments regardless of how they came to power
- Little success in Europe w/ moratorium on debts unsuccessful; refused to cancel debts → several nations defaulted
- Ineffective diplomacy especially concerning w/ new govts. beginning to emerge
 - Italy: **Benito Mussolini's Fascists** grew more powerful, nationalistic, militaristic w/ imperial expansion
 - Germany: **National Socialist (Nazi) Party** grew rapidly in support w/ leader, **Adolf Hitler** rising to power despite anti-Semitism, militarism
- Crisis in Asia after Japan, suffering from econ. depression, saw military govt. takeover, invading northern Manchuria
 - U.S., under **Henry Stimson**, hoped moderate govt. would regain control but never happened → Stimson simply sent warnings (Hoover banned from working w/ League of Nations)
 - U.S. did not officially recognize new territories; Japan didn't care, pushing further into China (reaching Shanghai)
- By end of Hoover's presidency, clear failure w/ **voluntary cooperation** for foreign policy fundamentally unsuccessful; U.S. had to choose betw. isolationism and internationalism

The Depression forced Hoover to take immediate action regarding foreign policy. In Latin America, he ended the Roosevelt corollary by refusing to intervene economically in any collapsing nations. In Europe, too, his unwillingness to cancel any debts caused strained relations; in the midst of these tensions, Mussolini's Fascist and Hitler's Nazi governments began to take power in Italy and Germany, respectively. In Asia, after Japan invaded Manchuria, the U.S. was powerless to intervene as Hoover barred any cooperation with the League of Nations.

Isolationism and Internationalism

How did the U.S. face great conflict between isolationism and internationalism under FDR?

Roosevelt reduced American diplomatic presence in currency and war debt negotiations; however, he attempted to improve the nation's standing in foreign trade through treaties to reduce tariffs. He also attempted (and failed) to improve relations with Russia; he cut off all military intervention in Latin America, replacing it with economic pressure. With Roosevelt unable to make any major strides toward world peace, isolationist belief began to return to American culture due to fear of war; these were particularly manifested in the Neutrality Acts to respond to Italy's invasion of Ethiopia. Growing fear developed among the American people as Japan pushed further into China.

- Hoover believed in gold standard → agreed for U.S. participation in **World Economic Conference** to find currency stability; Roosevelt had already ended gold standard → refused to take part
 - Roosevelt opposed conference → unable to make any true progress
- Abandoned goal to settle war debts through international discussion
 - 1934: Ended Dawes Plan by preventing banks from loaning to nations having defaulted on debts; let issue die w/ war-debt payments simply stopping
- Active interest in improving U.S. role in international trade w/ **Reciprocal Trade Agreement of 1934**
 - Authorized negotiation of treaties to lower tariffs up to 50%
 - 1939: Sec. of State Cordell Hull had negotiated 21 treaties → U.S. exports increased 40%, but imports remained behind bc. agreements only accepted goods not competing w/ American industries
 - * Lagging imports → not enough American currency circulating to other nations

How did Roosevelt approach diplomatic affairs during the Depression?

Roosevelt, having repudiated the gold standards, refused to partake in international agreement to stabilize the currency; he also had little concern for settling the issue of war debts. However, he did seek to improve the U.S. role in world trade, passing the Reciprocal Trade Agreement to allow lowered tariffs; exports increased dramatically.

How did Roosevelt attempt to forge a relationship with the Soviet Union?

- Hostility betw. U.S./Russia since **Bolshevik Revolution of 1917** w/ U.S. only recognizing Soviets after 1933
- U.S. sought new relationship for trade, Russians sought U.S. help in preventing Japanese dominance
 - Soviet foreign minister reached agreement w/ FDR: Soviets would end propaganda if U.S. recognized Soviet regime
 - U.S. trade unsuccessful in Russia; U.S. showed no indication of wanting to help against Japan → mistrust resumed on both sides

FDR attempted to form a new relationship with the Soviet Union; though he reached a promising agreement with the foreign minister, both sides fell short of their goals and thus mistrust once again emerged.

How did the U.S. implement the Good Neighbor policy in Latin America?

- Latin America key target for trade reciprocity w/ exports and imports increased
- Hoover admin. had ended military intervention to push Latin American governments; Roosevelt admin. banned any direct intervention in Latin America
 - Successful in limiting tensions but created growing economic pressure

Roosevelt's Good Neighbor Policy ended military intervention in Latin America in favor of economic pressure; as a result, exports and imports both increased dramatically and tensions were reduced.

- First years of Roosevelt admin. made clear that world peace would not be reached through official treaties
 - Arms control conference in Geneva met frequently w/ little success; Roosevelt submitted new proposal after over a year but negotiations failed
 - After Hitler/Mussolini withdrew from Geneva, Japan from **London Naval Conference** (extension of Washington Conference), held little weight
- Most Americans began to turn to isolationism
 - Even Wilsonians saw unsuccessful League of Nations (notably in Manchuria)
 - Other Americans convinced that bankers had tricked U.S. into WWI participation to protect loans after investigation by Senator Nye revealed tax evasion during war; Roosevelt was impressed by findings
- Roosevelt still sought some role: asked Senate to ratify treaty to allow U.S. to join **World Court**, international organization with little true significance
 - Charles Coughlin, newspaper opposition → Senate defeated in major blow to Roosevelt
- After great fear emerged that Italy would invade Ethiopia, American legislators produced **Neutrality Acts**
 - Designed to prevent causes of U.S. entry into WWI: forced arms embargo against victim/aggressor, required president to warn U.S. citizens before travelling on potentially dangerous ships
 - 1936 Neutrality Act renewed; 1937 Neutrality Act created cash-and-carry policy where all belligerents could only buy nonmilitary goods, would need to pay cash
 - Mussolini launched attack on Ethiopia, resigning from League; formed **Axis** alliance w/ Nazis → isolationist sentiment grew in U.S. w/ govt. offering no assistance to either side during Spanish Civil War

Roosevelt failed to get anywhere through international agreements and treaties; the failed League of Nations and fear that U.S. war entry had been rigged by bankers caused growing isolationist sentiment against Roosevelt. The Neutrality Acts were designed to prevent the causes of U.S. entry into WWI from repeating; they prevented the U.S. from supplying military goods to any nations involved in war; they were successful in preventing immediate U.S. involvement in Italy's invasion of Ethiopia. World War II began as Hitler pushed into Czechoslovakia, ignoring the Munich Conference with France and Britain, and ultimately invaded Poland, stimulating a response from Britain and France.

How did isolationism return to U.S. foreign policy in its relations with Europe?

How did isolationism return to U.S. foreign policy in its relations with Japan?

- Relations w/ Japan weakened as they began to move further into China in 1937 → Roosevelt issued vague "quarantine" in public speech, but response hostile → Roosevelt stepped back
 - Dec. 1937: Japanese plane bombed U.S. gunboat as it sailed in China; obviously deliberate → outrage but isolationists hoped Roosevelt would accept Japanese apology

As Japan further moved into China, FDR issued a "quarantine" (without specifics). Tensions ran even higher after they bombed a U.S. gunboat passing through China.

How did the Munich Conference fail?

- Hitler annexed the Rhineland, a neutral area protected by the Versailles treaty and long-controlled by France; created **Anschluss** w/ Austria → intentions clear but rest of Europe/U.S. initially had little concern
- Hitler sought to annex Sudetenland region of Czechoslovakia to give more space for Germany; Czechoslovakia willing to fight but no other Euro. nation would come to aid, fearing war
- **Munich Conference** on September 29, 1938 saw Hitler agree to only annex Czechoslovakia and nowhere else → formal agreement
 - Policy known as "appeasement"
 - Hitler occupied remainder of Czechoslovakia, began to threaten Poland (GB/France promised intervention if Germany threatened); formed non-aggression agreement w/ Russia (had not been invited to Munich Conference)
 - Germany staged attack on Polish border as justification for attack → GB/France came to defense, beginning WWII on Sept. 1st, 1939

The Munich Conference, attempting to appease Hitler's demands by allowing him to annex part of Czechoslovakia but nowhere else; Hitler immediately broke this by annexing the entire nation. After he invaded Poland, Britain and France came to his aid, beginning World War Two on September 1st, 1939.