

The Post World War II Boom: How America Got Into Gear

After years of wartime rationing, American consumers were ready to spend money—and factories made the switch from war to peace-time production.

In the summer of 1945, as World War II drew to a close, the U.S. economy was poised on the edge of an uncertain future.

Since President Franklin D. Roosevelt's call in late 1940 for the United States to serve as the "arsenal of democracy," American industry had stepped up to meet the challenge. U.S. factories built to mass-produce automobiles had retooled to churn out airplanes, engines, guns and other supplies at unprecedented rates. At the peak of its war effort, in late 1943 and early 1944, the United States was manufacturing almost as many munitions as all of its allies and enemies combined.

On the home front, the massive mobilization effort during World War II had put Americans back to work. Unemployment, which had reached 25 percent during the Great Depression and hovered at 14.6 percent in 1939, had dropped to 1.2 percent by 1944—still a record low in the nation's history.