**The Presidents of the 1920s**

The three Presidents who were elected in the 1920s were all Republicans. Although these Presidents differed in important ways, they shared common attitudes. Warren G. Harding, Calvin Coolidge, and Herbert Hoover firmly believed that government should play a limited role in the nation’s affairs.

**“A Good Second-Rater”**

Warren G. Harding’s promise of a return to “normalcy” was welcomed by a majority of American voters in the election of 1920. They were exhausted by the idealism of the progressives and the sacrifices of war.

Harding brought few qualities of leadership to the presidency. His handsome features and friendly personality helped him to be elected to the state legislature in Ohio and then to the United States Senate. When the Republican party picked him as its presidential candidate in 1920, one party leader remarked that Harding was “a good second-rater.”

Harding received strong business support during the 1920 campaign. Harding favored a reduction in government regulation of business, and he urged more business leaders to serve in government jobs.

Harding chose many talented people to serve in his administration. Charles Evans Hughes served as Secretary of State, Herbert Hoover headed the Commerce Department, Andrew Mellon was the Secretary of the Treasury, anard Henry C. Wallace directed the Department of Agriculture.

**The Harding Scandals**

Some of the people Harding chose to work in his administration were corrupt. These individuals, known as the Ohio Gang, had served with Harding in state politics.

The leader of the Ohio Gang was a Republican party boss named Harry Daugherty. Harding chose Daugherty to be Attorney General. Unknown to Harding, Daugherty misused his office, selling pardons and paroles to criminals. He was later arrested and tried for his crimes.

Harding picked Charles R. Forbes to be director of the Veterans Bureau. Forbes stole millions of dollars from the nation’s taxpayers. He demanded and received kickbacks from businesses selling goods to the Veterans Bureau, and when the crimes were uncovered Forbes fled to Europe. He was later returned to stand trial, was convicted and sent to prison for two years.

Another member of the Ohio Gang was Albert B. Fall. Harding chose Fall to be Secretary of the Interior. In 1921, Fall arranged for two government oil reserves to be transferred from the Navy Department to the Interior Department. The oil reserves in Elk Hills, California and Teapot Dome, Wyoming were then secretly leased to private oil companies. Elk Hills was leased to a company headed by Edward L. Doheny and in return, Fall received a “loan” of $100,000. Teapot Dome was leased to an oil company run by Harry F. Sinclair, who gave Fall $300,000 and a herd of cattle.

In 1923, the Senate ordered an investigation of the leasing of the oil reserves. Secretary Fall was charged and convicted of accepting bribes, sentenced to one year in prison, and fined $100,000.

As the problems and corruption of the Harding administration were being uncovered, the President took a trip to the Far West and Alaska. While returning from the trip, he suffered a painful attack. His doctor, an unqualified man Harding had appointed to serve as Surgeon General, assured the President it was food poisoning. In fact, Harding had suffered a heart attack. He traveled on to San Francisco, where he had a second heart attack, and on August 2, 1923, he died.

**“Silent Cal”**

The news of Harding’s death was sent immediately to the Vice-President, Calvin Coolidge, who was sworn in as President. Coolidge pledged to continue the policies of Harding and shard Harding’s belief that government should interfere as little as possible with business or other activities of the nation. This style of government matched Coolidge’s personality. He was a man of little action and few words. He slept as much as 14 hours a day, including long afternoon naps. He issued few public statements and even tried to avoid private conversations.

Coolidge’s nickname, “Silent Cal” was well deserved. According to a popular joke in the 1920s, a woman once sat beside Coolidge at a dinner party. The woman said, “Mr. President, I made a bet with my husband that I could get you to say three words.” The President looked at her and replied, “you lose.”

In 1924, Coolidge ran for a second term and won the election with nearly 16 million popular votes. Coolidge’s popularity rested largely on the prosperity of the 1920s. The Republicans took full credit for the prosperity and claimed that the good times had been caused by their pro-business policies. He once remarked that “the business of America is business.” His able assistants, many of whom had served in the Harding administration, carried out Coolidge’s pro-business policies.

Secretary of the Treasury Andrew W. Mellon urged that taxes on corporations and wealthy individuals be lowered. He believed that lower taxes would encourage businesses and their leaders to be more productive. Congress responded by cutting taxes by more than half. At the same time, tariffs were raised to protect industries from foreign competition.

Secretary of Commerce Herbert Hoover encouraged businesses to cooperate with each other. Corporations should be allowed, not forbidden, to exchange information about markets and products.

In the 1920s, business leaders were appointed to serve on the Interstate Commerce Commission, the Federal Trade Commission, and the Federal Reserve Board. Rather than controlling business, the commissions themselves came to be controlled *by* business. The Supreme Court in the 1920s weakened the power of the federal government to regulate business or to take anti-trust actions. During the 1920s, 8,000 mining and manufacturing companies combined into larger corporations. Four tobacco companies wer making 90 percent of the nation’s cigarettes. Three auto companies produced 90 percent of all cars.

**“The Election of 1928”**

When Coolidge decided not to run for reelection in 1928, the Republicans chose his Secretary of Commerce, Herbert Hoover, as their candidate. Hoover was a very talented man and well qualified to be President.

Hoover won a landslide victory in the election. He even received majorities in five states of the Democratic “solid” South. Many voters in the countryside rejected his political opponent, Alfred E. Smith, because he was the governor of New York and an opponent of Prohibition. Others voted against Smith because of his religion. The biggest factor in Hoover’s victory, however, was the Republican record of prosperity. Hoover, most people expected, would lead the country into many more years of good economic times.

During Hoover’s campaign, he famously said, “We in America today are nearer to the final triumph over poverty than ever before in the history of any land,” but less than a year later the stock market crash of 1929 struck, and the worst economic downturn in American history was upon Hoover’s administration.

Hoover’s plan to attack the Great Depression had as its backbone tax cuts and public works projects: keep more money in people’s pockets, and keep people working. He also contacted business leaders and urged them not to cut wages or lay off workers. In 1932, he backed the establishment of the Reconstruction Finance Corporation, a lending institution intended to help banks and industries in their recovery efforts. Unfortunately, none of these approaches helped the foundering economy, and Hoover watched helplessly while businesses closed their doors and Americans sank into poverty. He also made a critical mistake in signing into law the Smoot-Hawley Act, which raised taxes on imports and prompted foreign nations to turn their backs on American-made goods when the country desperately needed sales.

When the election of 1932 came around, Hoover blamed the depression on factors beyond his control, but the public either didn’t care or wasn’t buying it, and he was trounced by Franklin D. Roosevelt.