

# *American History: Chapter 25*

The Global Crisis, 1921 - 1941

# Relevant Period 7 Key Concepts

- Though pivotal in understanding the buildup to World War II, Chapter 25 does not explicitly cover material from the AP US History Concept Outline

# The Diplomacy of the New Era

- Washington Conference of 1921:
  - Several nations agree to reduce militaries
  - 5 Power Pact: US, Britain, Japan, France, and Italy:
    - 5 tons of ships for US, 3 for Japan, 1.75 for France and Italy
  - Nine-Power Pact:
    - Continued the Open Door Policy in China
- Kellogg-Briand Pact:
  - Agreement that outlawed war
  - No enforcement mechanism
- Dawes Plan: (Not to be confused with Dawes Act)
  - US banks loaned \$ to Germany -> pays Britain and France -> pays loans back to US Treasury
  - Simply a circle of \$ - ends with stock market crash of 1929
- President Hoover:
  - Did not enforce the Roosevelt Corollary
- Overseas Expansion
  - *Lebensraum* – Germany sought “living space”
  - Japanese invasion of Manchuria -> Stimson Doctrine
    - US refused to recognize Japanese gains

# Isolationism and Internationalism

- World Economic Conference: London, 1933
  - FDR did not favor the Gold Standard
- Reciprocal Trade Agreement:
  - US could lower tariffs on foreign countries that do the same
- US recognition of the Soviet Union in 1933:
  - US hoped the USSR would help contain Japan's growing power
  - USSR promised to stop propaganda in the US
- Good Neighbor Policy:
  - FDR sought improved relations with Latin America
  - Less of a focus on military force

# Isolationism and Internationalism

## Isolation

- Nye Committee:
  - Senate Committee that alleged the US became involved in WWI so businesses could profit
  - Believed as truth by many at the time; not so much today
- 1935 invasion of Ethiopia by Italy
  - Fear that another world war was close
- Neutrality Acts 1935 – 1937:
  - US could not sell weapons to warring (belligerent) countries
    - Did not matter who was the aggressor or who was the victim
    - Non-military goods could be sold via a “cash and carry” policy
  - US could not provide loans to belligerent nations
  - US citizens could not travel on ships from warring nations

# Isolationism and Internationalism

- Quarantine Speech:
  - FDR's speech in response to Japanese aggression
  - Encouraged economic sanctions
- Munich Conference:
  - Germany invaded areas of Czechoslovakia (clear violation of Treaty of Versailles)
  - Many countries were fearful of another world war
    - Followed a policy of **appeasement** – giving in to the demands of an aggressor (Hitler)
  - At Munich, France and Britain allowed Hitler to have parts of Czechoslovakia
    - Prime Minister Chamberlain stated it would provide “peace in our time”
    - Hitler violated the agreement within 6 months

# From Neutrality to Intervention

- Neutrality Act of 1939:
  - Passed after Germany's invasion of Poland
  - Designed to help France and Britain
  - US could sell weapons to democracies via "cash and carry"
    - Countries must pay in cash in full and pick up goods themselves
- Two Important US Groups
  - Committee to Defend America – Interventionists - favored aid
  - America First Committee – Isolationists (Charles Lindbergh)
- Arsenal of Democracy Speech:
  - FDR speech that claimed the US should aid European countries resisting Germany
  - Arsenal refers to the US' ability to make war materials for Allied countries
- Lend-Lease Act (1941):
  - Drastically increases US' involvement in WWII
  - US could lend crucial supplies to countries the president deems vital
  - US would transport goods as far as Iceland
- "Shoot-On-Sight" Policy:
  - Reaction to a conflict between a US boat and German submarine
  - US ships could shoot German submarines upon seeing them
- Atlantic Charter (August, 1941)
  - First wartime meeting between US (FDR) and Britain (Churchill)
  - Outlined the goals for post-WWI, including: self-determination, lower trade barriers, economic cooperation, etc.

# From Neutrality to Intervention

## US – Japan Relations:

- Panay Incident (1937):
  - Japan attacked a US ship
  - Japan apologized, American isolationists urged the US to move on
- US and Japan:
  - US froze Japanese assets in response to aggression (1940s)
  - US instituted an embargo
- December 7, 1941:
  - Pearl Harbor was attacked by Japanese
  - US declared war on Japan and Germany immediately after