

THE AGE OF PROSPERITY

In the 1920's people had high confidence in the American economy. The prosperity of the economy led to a rising consumer culture. New inventions and products began to appear in markets, helping the consumer economy. Our nation's Gross National Product began to rise very quickly as the economy depended more and more on consumers. Although the economy was prosperous, railroads began to suffer once the automobile was invented, and farmers began to suffer as well as the country began to urbanize.

One reason our economy was prosperous during the 1920's was, after not being involved in World War 1 for long our economy was better off than other nations at this time. Also people were happy that the war was over which caused them to work even harder. The United States became a consumer economy and major industry leaders became popular public figures. Manufacturers developed clever advertising to encourage consumers to buy on credit. The consolidation of big businesses and banks also helped the economy to prosper.