

## CHAPTER 26

# The United States in a Troubled World, 1920–1941

### LEARNING OBJECTIVES

After you have studied Chapter 26 in your textbook and worked through this study guide chapter, you should be able to:

1. Explain the ideas associated with isolationist sentiment in the United States, and discuss how these ideas were manifested in the various attempts by American citizens and the American government to create a stable international order during the interwar years.
2. Examine and discuss the objectives and consequences of U.S. policies toward world economic issues from 1918 to 1941.
3. Examine the economic and cultural expansion of the United States from 1918 to 1941.
4. Discuss the impact of the Great Depression on international relations, and explain Secretary of State Cordell Hull's response to intensified economic nationalism.
5. Examine and evaluate the interests, methods, and results of U.S. policy toward Latin America during the 1920s and 1930s.
6. Explain Europe's descent into the Second World War.
7. Explain the nature and growth of isolationist sentiment in the United States, and discuss the Neutrality Acts as an expression of such sentiment.
8. Discuss the foreign-policy ideas and diplomatic leadership of President Franklin Roosevelt from 1933 to U.S. entry into the Second World War.
9. Examine the erosion of American neutrality toward the war in Europe between September 1939 and December 7, 1941.
10. Examine the deterioration of Japanese-American relations from the 1920s to the Japanese attack against Pearl Harbor, and discuss American entry into the Pacific theater of the Second World War.

### THEMATIC GUIDE

In this chapter, the authors seek to explain the instability of the world order in the 1920s and the coming of world war in the 1930s. Involvement in disarmament talks and arms limitation treaties, acceptance of the Kellogg-Briand Pact outlawing war, and international economic expansion by the United States serve as examples of the independent internationalist approach to foreign policy undertaken by the United States during the 1920s. These examples also illustrate the drawbacks of such an approach. U.S. acceptance of arms limitations treaties that did not include some of the most dangerous weapons of the age—submarines, destroyers, and cruisers—meant the continuation of rearment. Acceptance of a treaty that outlawed war but had no enforcement provisions was no guarantee of peace. International economic expansion, high U.S. tariff rates, U.S. policies concerning war debts and reparations, and the

onset of the Great Depression caused an upsurge of economic nationalism and destabilized the international economy. Although Secretary of State Cordell Hull's attempts to move in the direction of economic internationalism were positive, they did not have a dramatic short-term impact.

In the 1920s, the United States altered its policy toward Latin America. Blatant military intervention no longer seemed to preserve American interests and maintain the order and stability so important to those interests. A new approach favored support for strong native leaders, training of the national guard in Latin American countries, continued economic expansion, Export-Import Bank loans, and political subversion. Evidence for this change in approach may be found through an examination of American policy toward the Dominican Republic, Nicaragua, Haiti, and Cuba during the 1920s and early 1930s. The Good Neighbor policy enhanced American power throughout the region but did not bring to Latin America the stable, democratic governments that the United States professed to desire. Mexico was a special case. In response to the expropriation controversy, President Roosevelt decided compromise was the best course of action.

As the depression, economic nationalism, and aggressive fascist states began slowly to carry Europe into the abyss of war, the United States continued to follow the policy of independent internationalism, as evidenced in American economic ties with the Soviet Union and diplomatic recognition of that country in 1933. At the same time, isolationist sentiment (the desire to remain aloof from European power struggles and war) increased. Such sentiment found expression in the investigations of the Nye Committee, which attempted to prove that business interests had selfishly pulled the United States into the First World War. Although it failed to prove this assertion, the Nye Committee did find evidence of discreditable business practices during the 1920s and 1930s designed to increase arms sales.

Furthermore, the chapter includes evidence of American business ties to Nazi Germany and fascist Italy. The publicity generated by the Nye Committee was in part responsible for passage of the Neutrality Acts of 1935, 1936, and 1937. Although Roosevelt supported these acts, events in Europe gradually convinced him that they should be revised and finally repealed.

In “Japan, China, and a New Order in Asia,” the authors discuss American interests in Asia and trace the deterioration of U.S.–Japanese relations during the 1920s and 1930s. This discussion leads to the final section, “U.S. Entry into World War II,” where the authors focus on events in Europe and explain President Roosevelt’s policies, which carried the United States from neutrality to undeclared war. In addition, we look at the deterioration of relations between the United States and Japan in the early 1940s. Ultimately, Japanese leaders decided that the United States stood in the way of its goal of creating the Greater East Asia Co-Prosperity Sphere. As a result, Japan launched a surprise attack on Pearl Harbor. This attack led Congress to pass a formal declaration of war against Japan on December 8, 1941. Great Britain then declared war on Japan; and, three days later, Germany and Italy declared war on the United States.

## **IDENTIFICATION AND SIGNIFICANCE**

After studying Chapter 26 of *A People and a Nation*, you should be able to identify and explain fully the historical significance of each item listed below.

- Identify each item in the space provided. Give an explanation or description of the item. Answer the questions *who, what, where, and when*.
- Explain the historical significance of each item in the space provided. Establish the historical context in which the item exists. Establish the item as the result of or as the cause of other factors existing in the society under study. Answer this question: *What were the political, social, economic, and/or cultural consequences of this item?*

1. the Washington Naval Conference
2. the Kellogg-Briand Pact of 1928
3. the most-favored-nation principle
4. the Export-Import Bank
5. diplomatic recognition of the Soviet Union
6. the Spanish Civil War
7. fascism
8. the policy of appeasement
9. the Munich Conference

10. American isolationist sentiment

11. the Nye Committee

12. the Neutrality Acts of 1935, 1936, and 1937

13. the voyage of the *St. Louis*

14. the Nazi-Soviet (Hitler-Stalin) Pact

15. the German invasion of Poland (September 1, 1939)

16. Japanese seizure of Manchuria

17. Roosevelt's quarantine speech

18. the fall of France
19. the destroyers-for-bases agreement
20. the Selective Training and Service Act
21. the Lend-Lease Act
22. the Atlantic Charter
23. Japanese occupation of French Indochina
24. the Japanese attack on Pearl Harbor

## IDEAS AND DETAILS

### Objectives 2 and 3

1. Secretary of State Charles Evans Hughes encouraged U.S. economic expansion abroad because he believed such expansion
  - a. would promote world stability.
  - b. would foster healthy competition and rivalry.

- c. would bring power and glory to the United States at the expense of the less virtuous European nations.
- d. would promote economic nationalism.

### **Objective 1**

2. As a result of the Five-Power Treaty,
  - a. Britain, the United States, Japan, France, and Italy agreed to limits on the number of submarines that each nation could build.
  - b. Britain, the United States, and Japan dismantled some major ships to meet the tonnage ratio agreed to.
  - c. provisions for the enforcement of the Open Door policy were accepted by Britain, the United States, Japan, France, and Italy.
  - d. Britain, the United States, France, Italy, and the Soviet Union agreed to impose economic sanctions against Nazi Germany.

### **Objective 1**

3. The Kellogg-Briand Pact
  - a. placed limits on the number of submarines and destroyers to be built by the world's five major powers.
  - b. called for an end to international arms sales.
  - c. made the United States an official observer at the League of Nations.
  - d. renounced war as an instrument of national policy.

### **Objectives 2 and 3**

4. Which of the following conclusions may be drawn from an examination of the war debts and reparations issue?
  - a. The United States handled the issue in a selfless manner.
  - b. The triangular arrangement that emerged was economically destabilizing in the long run.
  - c. The European nations demonstrated a willingness to forgive Germany in the aftermath of the First World War.
  - d. The German government used the issue to create tensions between the United States and Great Britain.

### **Objectives 2, 3, and 4**

5. In response to the Hawley-Smoot Tariff,
  - a. European states raised tariffs against American imports, causing economic nationalism to gain momentum.
  - b. European nations exported inexpensive goods to the United States in record numbers.
  - c. European states pledged to support the Open Door policy.
  - d. Japan imposed an embargo against all American-made goods.

### **Objectives 2, 3, and 4**

6. The central feature of the Reciprocal Trade Agreements Act of 1934 was
  - a. the adoption of free trade by the United States.
  - b. low-interest loans to foreign countries agreeing to buy American goods.
  - c. the most-favored-nation principle.
  - d. the establishment of a free trade zone in the Western Hemisphere.

## Objective 5

7. The Good Neighbor policy meant that
- the United States would strictly adhere to the doctrine of nonintervention in Latin America.
  - the United States would be less blatant in dominating Latin America.
  - American businesses in Latin America would invest their profits there rather than in the United States.
  - the United States would practice isolationism in Latin America.

## Objective 5

8. With regard to Latin America, the Roosevelt administration
- sought to stimulate economic diversification and industrial development throughout the region.
  - believed that military intervention by the United States was the best way to deal with political and economic instability in countries throughout the region.
  - was willing to support dictatorial regimes in the hope they would preserve U.S. economic interests in the region.
  - fostered democracy by sending impartial observers to oversee free elections in the region.

## Objective 6

9. As a result of the Munich Conference,
- Britain and France accepted Hitler's seizure of the Sudeten region of Czechoslovakia.
  - Britain agreed to extend financial and military aid to France in the event of German aggression.
  - Britain, France, and the Soviet Union entered into a defensive alliance against Nazi Germany.
  - Germany and France agreed to withdraw their troops from Austria and the Rhineland, respectively.

## Objectives 2, 3, and 7

10. Records from the 1930s concerning American business practices abroad indicate that
- all major American corporations strongly supported arms control in the belief that fewer armaments would generate peace and prosperity.
  - American petroleum exports to Italy increased after that country's attack on Ethiopia.
  - all major American corporations severed their business ties with Germany when the Nazis gained power.
  - all American firms severed economic ties with Germany after learning about the persecution of Jews.

## Objective 7

11. The Neutrality Acts of 1935 and 1936
- were attempts to provide aid to the Allies while avoiding war with Hitler.
  - imposed a unilateral freeze on further deployment of destroyer-class vessels.
  - allowed the president to intervene in the Spanish Civil War.
  - prohibited arms shipments and loans to nations declared by the president to be in a state of war.

## Objective 9

12. As a result of the outbreak of war in Europe in September 1939,
  - a. Roosevelt promised that the United States would involve itself in the conflict if British defeat seemed imminent.
  - b. Congress, at Roosevelt's urging, approved arms exports on a cash-and-carry basis.
  - c. the United States broke diplomatic relations with the Soviet Union.
  - d. Roosevelt asked Congress for a declaration of war against Germany.

## Objective 10

13. In response to the Japanese invasion of Manchuria, the United States
  - a. issued the Stimson Doctrine by which it refused to recognize any impairment of Chinese sovereignty.
  - b. froze Japanese assets in this country.
  - c. called for economic sanctions against Japan through the League of Nations.
  - d. signed a defensive treaty of alliance with China.

## Objective 9

14. By the Lend-Lease Act,
  - a. the United States traded fifty old destroyers to the British for leases to eight British bases.
  - b. the provisions of the Neutrality Acts were revoked.
  - c. Roosevelt was authorized to ship war materiel to the British.
  - d. the United States canceled Allied debts from the First World War.

## Objective 10

15. The Roosevelt administration
  - a. plotted to start a war with Japan.
  - b. was completely surprised by the Japanese decision in favor of war.
  - c. was aware of Japanese war plans but did not conspire to leave Pearl Harbor vulnerable.
  - d. expected a Japanese attack against the American mainland.

## ESSAY QUESTIONS

### Objective 1

1. Discuss the Washington Naval Conference's treaty agreements and the Kellogg-Briand Pact as examples of the U.S. independent-internationalist approach to foreign policy during the 1920s, and explain the strengths and weaknesses of that approach.

### Objectives 1, 2, and 3

2. Explain and evaluate American handling of the war debts and reparations issue.

### Objective 5

3. Discuss the Good Neighbor policy and its impact on relations between the United States and Latin America.

## Objective 7

4. Explain the sources of isolationist thought in the United States in the 1920s and 1930s, and discuss the actions taken by Congress to prevent U.S. involvement in European power struggles.

## Objective 9

5. Explain the process by which the United States moved from neutrality in 1939 to undeclared war with Germany in 1941.

## Objective 10

6. Trace relations between the United States and Japan during the 1920s and 1930s, and explain the Japanese decision to bomb Pearl Harbor.

## Multiple-Choice Answers

1. a. Correct. Secretary of State Hughes accepted the philosophy that economic expansion was necessary for world peace. As a result, he supported passage of legislation intended to foster international trade.  
b. No. Secretary of State Hughes did not focus on the competition and rivalry that would accompany economic expansion.  
c. No. Secretary of State Hughes did not encourage economic expansion abroad out of a desire to increase the power of the United States at the expense of “less virtuous” European nations.  
d. No. Secretary of State Hughes did not encourage economic expansion abroad as a means by which the United States could promote economic nationalism.
2. b. Correct. As one of a total of three treaties that came out of the Washington Naval Conference, the Five-Power Treaty provided for a ten-year moratorium on the construction of capital ships and established a ratio of capital ships. Britain, the United States, and Japan had to dismantle some ships to meet the ratio.  
a. No. None of the treaties negotiated at the Washington Naval Conference placed limits on the construction of submarines, destroyers, or cruisers—the most destructive weapons of the age.  
c. No. In the Nine-Power Treaty, all the nations represented at the Washington Naval Conference agreed to respect Chinese sovereignty and to accept the Open Door principle.  
d. No. The Five-Power Treaty was drafted at the Washington Naval Conference of 1921–1922. The Nazis were not in power in Germany at that time.
3. d. Correct. The Kellogg-Briand Pact, signed by sixty-two nations in 1928, condemned war as a way of solving international problems and renounced war as an instrument of national policy.  
a. No. No treaty signed during the 1920s placed limits on the number of submarines and destroyers to be built by the five major powers.  
b. No. No limits were placed on international arms sales during the 1920s.  
c. No. Although it is true that the United States began to send observers to League conferences, this was not accomplished by the Kellogg-Briand Pact.
4. b. Correct. American loans to Germany, German reparations payments to the Allies, and Allied war-debt payments to the United States created a triangular arrangement that depended on German borrowing in the United States and was economically destabilizing.

- a. No. Even though it worked a hardship on the debtor nations, the United States insisted that they pay their debts in full. This does not indicate a selfless handling of the war-debt issue.
  - c. No. The Allies forced Germany to accept guilt for the First World War and insisted that Germany pay the \$33 billion reparations bill levied by the Allies.
  - d. No. The idea that the German government used the war-debt and reparations issue to create tensions between the United States and Great Britain is not a logical inference that can be drawn from the evidence presented.
5. a. Correct. This tariff measure raised rates an average of 8 percent. As a result, many European nations were priced out of the U.S. market. In response, the European nations retaliated by raising tariff rates against American imports.
- b. No. European imports to the United States declined as a result of the Hawley-Smoot Tariff.
  - c. No. The Hawley-Smoot Tariff was a general tariff measure and did not deal specifically with the Open Door policy, which applied to China.
  - d. No. Since most American imports came from Europe, the Hawley-Smoot Tariff primarily affected trade relations with that area. Therefore, this tariff did not give Japan a reason to impose an embargo against American products.
6. c. Correct. Any nation entering into regular trade agreements with the United States would be given tariff rates matching those given to the “most-favored nation.” This principle was important because it brought an overall lowering of tariff rates and fostered economic internationalism.
- a. No. Although this act authorized the president to lower American tariffs by as much as 50 percent through special agreements with foreign countries, the United States did not adopt a free trade position. Such a position would have meant repealing all tariffs.
  - b. No. This act did not offer low-interest loans to countries agreeing to buy American goods.
  - d. No. This act moved toward freer trade but did not establish a free trade zone within the Western Hemisphere.

7. b. Correct. Some methods used by the United States to maintain its influence in Latin America had become counterproductive. Therefore, the Good Neighbor policy was an attempt to use less controversial and less blatant means to accomplish the same end.
- No. In spite of the Good Neighbor policy, the United States saw order in Latin America as vital to its national interests. As a result, it was not willing to “strictly adhere” to the doctrine of nonintervention.
  - No. In spite of the Good Neighbor policy, American businesses in Latin America continued to take their profits out of the region and invest them elsewhere (a process known as decapitalization).
  - No. The Good Neighbor policy certainly did not mean that the United States would practice isolationism in Latin America. Rather, it included ways for the United States to stay involved in more subtle ways.
8. c. Correct. Rafael Leonidas Trujillo, president of the Dominican Republic from 1930 to 1961, Anastasio Somoza, ruler of Nicaragua from 1936 to 1979, and Fulgencio Batista, ruler of Cuba from 1934 to 1959, had dictatorial powers in their respective countries. Roosevelt supported each of these regimes during his years as president because he believed that they not only protected American economic interests, but that they also brought stability and order to their respective countries and, therefore, to Latin America.
- No. The Roosevelt administration did not seek to stimulate economic diversification and industrial development throughout Latin America.
  - No. Roosevelt wanted to maintain U.S. influence throughout Latin America, but through the Good Neighbor Policy, he wanted to use means that were less blatant than military intervention.
  - No. The United States did not send impartial observers to oversee free elections in Latin American states during the Roosevelt administration.
9. a. Correct. Britain and France, following the policy of appeasement, accepted Hitler’s seizure of the Sudetenland in September 1938. Hitler proceeded to take the rest of Czechoslovakia in March 1939. Then, in September 1939, when German forces attacked Poland, Britain and France declared war on Germany.
- No. The British made no such pledge to France in the years leading up to the Second World War.
  - No. The Munich Conference did not result in a defensive alliance among Britain, France, and the Soviet Union against Nazi Germany.
  - No. At the time of the Munich Conference, Germany had seized the Rhineland (March 1936) and Austria (March 1938). Germany did not withdraw its troops from either area as a result of the conference.

10. b. Correct. After Italy's invasion of Ethiopia, Roosevelt invoked an arms embargo against Italy as required by the Neutrality Act of 1935. The act did not require a ban on petroleum, copper, and iron and steel scrap exports; and, despite Roosevelt's call for a moral embargo on these products, exports of these items to Italy increased.
- a. No. Hearings by the Nye Committee indicate that some U.S. corporations lobbied against arms control and attempted to increase arms sales to foreign nations during the 1920s and 1930s.
- c. No. Records indicate that twenty-six of the top one hundred U.S. firms still had contractual agreements with Germany in 1937, four years after Hitler and the Nazis came to power.
- d. No. Many U.S. firms continued to maintain lucrative economic ties with Germany after learning about the persecution of Jews. One exception was the Wall Street firm of Sullivan and Cromwell, which severed economic ties with Germany to protest Hitler's anti-Semitic practices.
11. d. Correct. Congress believed that bankers and munitions-makers had dragged the United States into the First World War. To prevent this from recurring, Congress passed the Neutrality Acts, which required a mandatory arms embargo against and forbade loans to all belligerents.
- a. No. The intent of the Neutrality Acts was to prevent the United States from being drawn into war, not to provide aid to the Allies.
- b. No. The Neutrality Acts contained no arms-control provisions.
- c. No. In 1937, the United States declared itself neutral in the Spanish Civil War and Roosevelt embargoed arms shipments to both sides.
12. b. Correct. In spite of strong lobbying efforts by isolationists and the presence of strong opposition in Congress, the arms embargo, at Roosevelt's urging, was repealed in November 1939 and the sale of arms was placed on a cash-and-carry basis.
- a. No. Although Roosevelt was sympathetic toward the British and saw Germany, Italy, and Japan as "bandit nations," he did not respond to the outbreak of war by promising American involvement if British defeat seemed imminent.
- c. No. Although the United States condemned Russia's nonaggression pact with Hitler and the subsequent Russo-German conquest and partition of Poland, Washington did not break diplomatic relations with the Soviet Union.
- d. No. In response to the outbreak of war in Europe, President Roosevelt declared the United States to be a neutral nation.
13. a. Correct. President Hoover, who was grappling with the problems of the Great Depression and who realized that the United States did not have the naval power to risk a Pacific war, refused to authorize anything stronger than the Stimson Doctrine, which was a moral condemnation of the Japanese.
- b. No. The United States did not take definitive economic action against Japan in response to that nation's 1931 invasion of Manchuria, and Japanese assets were not frozen until after the Japanese occupation of southern Indochina in July 1941.
- c. No. President Hoover refused to cooperate with the League in imposing economic sanctions on Japan.
- d. No. The United States continued to follow a foreign policy characterized by nonalignment with foreign nations.

14. c. Correct. Designed primarily to aid the British, who were running out of money, the Lend-Lease Act (March 1941) authorized the president to transfer, sell, exchange, lend, or lease war materiel to any country whose defense was considered vital to the United States.
- a. No. In September 1940, in the midst of the Battle of Britain, Roosevelt concluded the Destroyer-Bases Agreement with Great Britain. By this agreement, the United States traded fifty old destroyers to the British for ninety-nine-year leases to eight British bases in Newfoundland and the Caribbean.
- b. No. The Neutrality Acts of 1935, 1936, and 1937 were slightly modified in 1939; and, although the Lend-Lease Act may be considered a further modification, it did not “revoke” the provisions of the Neutrality Acts.
- d. No. In 1931–1932, President Hoover and Congress refused to cancel Allied debts incurred during the First World War. As a result, European nations were forced to default, but that happened some ten years before the Lend-Lease Act.
15. c. Correct. The U.S. government knew of Japan’s war plans but did not know where or when Japan would strike. When the location was learned, the telegram informing the base commanders at Pearl Harbor was delayed.
- a. No. After the Japanese occupation of Indochina, Roosevelt’s advisers, acting on the president’s advice, tried to prolong talks with the Japanese so that the Philippines could be fortified and the fascists checked in Europe.
- b. No. The United States had broken the Japanese code and knew by December 1 that Japan had decided on war with the United States if the oil embargo was not lifted.
- d. No. The United States government and the base commanders at Pearl Harbor expected an attack at British Malaya, Thailand, or the Philippines.