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The Great Depression and the Americas, 1929–39

What became known as the Great Depression was a severe and persistent worldwide economic downturn that began in 1929 and ended in 1941. The economic interconnectedness of nations in a world of increasing trade and investment across oceans resulted in economic distress that included causes beyond the borders of any individual country. Most nations in all six populated continents, whether their economies were based on industry or agriculture, were deeply affected. In the Americas, it was the most serious economic collapse in history. The Depression had many effects, ranging from starvation to the fall of governments. Political leaders from different countries tried a variety of solutions with varying success. In many countries the Great Depression resulted in changes that lasted decades beyond the period itself. Through studies of the United States, Canada, Brazil and Argentina, this chapter is designed to examine the causes, conditions, solutions, and effects of the Great Depression in the Americas 1929–39.

The study will begin with an examination of the Great Depression in the United States with special attention paid to the causes and the steps taken by presidents Herbert Hoover and Franklin D. Roosevelt, examining the New Deal at length. The United States section will also examine how different minority groups were affected, and include a look at the role New Deal programs had in the fine and popular arts. The section ends with a discussion of different theories on the effectiveness of the United States' response to the crisis.

The chapter continues with a study of the Great Depression in Canada, looking at economic, social, and political conditions during the decade of the 1930s. It presents and assesses the responses of Prime Minister Mackenzie King and his successor R.B. Bennett.

The Latin American section continues with case studies of Brazil and Argentina, and the important role of Import Substitution Industrialization (ISI) policies in coping with the loss of international markets, especially those of the United Kingdom and the United States. Each case study concludes with an analysis of the economic and political results.

In reading the chapter, students should look at the Great Depression as a significant economic event that had immediate and lasting effects on the countries and peoples of the Americas. The unit is designed as a comparative one in which candidates are expected to learn about a variety of countries within the Americas and be able to write an assortment of essays employing knowledge from across the region.

By the end of this chapter, students should be able to:

- discuss the political and economic causes of the Great Depression in the Americas
- analyze the nature and efficacy of solutions in the United States, as provided by presidents Hoover and Franklin D Roosevelt, in reference in particular to the New Deal
- assess the response to the Great Depression in Canada of prime ministers William Lyon Mackenzie King and RB Bennett
- evaluate Latin American responses to the Great Depression in Brazil and Argentina and the effects of the policies of Import Substitution Industrialization (ISI)
- recognize the impact of the Great Depression on society, and the particular effects on women and ethnic minorities
- review the impact of the Great Depression on the arts and popular culture.

The Great Depression in the United States

Panics had been a part of US economic patterns from the beginning of the republic. The nation was less than ten years old when the first recession hit, and from 1819 onward there was at least one panic during each decade up to the Great Depression. Economic downturns were frequent in the last decade of the 19th century and the first decade of the 20th century, occurring every three to four years. After the **Panic** of 1911, the economy continued to grow until late 1929, when the stock market crashed and a variety of economic ills quickly followed. The **recession** turned into a depression by the follow year, and lasted a full decade. The Great Depression was the longest and deepest economic downturn in the history of the United States.

This section will examine the economic and political causes of the Great Depression, the policies and programs of Herbert Hoover and Franklin D. Roosevelt, the effects of the Depression and the efforts at countering it by the government, and the path and uses of the creative arts during the era. The events of the Great Depression had lasting effects of the lives of those who lived through it and future generations.

Causes of the Depression

It is difficult to separate the economic and political causes of the Great Depression. The Depression can be divided into phases and each phase examined for causes. The first phase is the period leading up to and including the crash of 1929. The second phase is the period from late 1929 to 1933 as the country moved from panic to deep depression. The third phase is from 1933 to 1937, which was a period of recovery, and the fourth phase from 1937 to 1941, ended with the United States joining the Second World War.

Panic A general fear of a stock market crash that results in massive sales of stock, driving share prices quickly downward.

Economists generally define a **recession** as two or more consecutive quarters (three month periods) of negative growth.

The 1920s was a time of economic growth and political conservatism in the United States. Calvin Coolidge, a Republican, occupied the White House from 1921 until 1929. A pro-business president, who once said, "The chief business of the American people is business," Coolidge practiced a hands-off policy towards the nation's economy. The businessman was king, regulation was relaxed, and the era of the **Titans of Wall Street** was born. Successful stock brokers and speculators became national celebrities. For eight years stock prices rose and for the first time many ordinary people owned stock. The price rise was fueled by speculation and easy credit. Instead of buying shares with cash, investors borrowed from banks: **buying on margin**. A buyer would put down 10% of the stock price and borrow 90%. The unprecedented extension of credit provided additional stimulus to the market, forcing prices higher and inducing more people into the market. But the market was manipulated by large investors who would combine money to make large purchases of stock, driving prices up. Small investors seeing the price rise bought the stock, hoping to ride the price up and make quick money. When the price reached a high enough, the large investors sold and took profits, leaving only small investors holding stocks.

Expansion of credit also helped fuel consumer demand. Many new household appliances such as washing machines, refrigerators, and air conditioners arrived in stores. The extension of consumer loans allowed manufacturers and retailers to move the new products into homes, but also increased personal debt. The banks' confidence in low-collateral loans followed the common thought of the time that the economy had changed permanently. The patterns of panic and recovery that had been the rhythm of the previous century no longer applied in the new economy. The Federal Reserve Bank, whose responsibility it was to smooth out economic bumps and anticipate problems, stayed on the sidelines, further enabling the expansion of credit. Most economists of the era believed that the economic fundamentals had changed. However, a minority of economists thought differently. They looked at the market fundamentals and saw a large sell-off coming.

There were signs of economic troubles ahead. Farm prices were dropping from overproduction. In the spring of 1929, car sales, steel production, and construction declined. Nevertheless, over the summer months stock prices doubled, their purchase funded by increased debt. High confidence in the market remained. On September 3, the stock market reached its all-time high.

The crash of 1929

Stocks began to fall and the market took wild swings through the rest of the month. Bankers were, however, still convinced that the market was a secure investment. October continued the fluctuations. On October 24, the market crashed and large banks responded by announcing funds would be made available for purchasing stocks. The market appeared to stabilize. On October 29, Black Tuesday, the market crashed and the banks' efforts could not stop the sell-off.

The **Titans of Wall Street** were a group of bankers including J. P. Morgan Jr. and Charles Mitchell.

Buying on margin involved taking a loan for 90% of a stock's value in the belief that the share price would increase. For example, if a share was \$100 a buyer could put down \$10 and borrow \$90, purchasing ten shares worth a total of \$100. If the stock price increases to \$12 a share, the shareholder could sell the ten shares for \$120, pay back the \$90, and have a \$20 profit on an original investment of \$10. A 20% rise in price yielded a 200% profit. But, if prices drop more than 10%, the lending bank issues a margin call when the price of the stock falls below the amount of the loan: the share owner must pay the bank the difference between the current value of the stocks and the loan. If the price continues to fall the owner must again make up the difference.

Activity

Causes of the Great Depression

Set up a table with causes. Suggested sectors include banking, business, government, the environment, and the stock market. After categorizing the causes, assess the relative importance of each in causing the Great Depression or making it more severe.

Causes of the Great Depression

Sector	Cause	Relative importance

Confidence in the market fell along with stock prices, increasing the sell-off and forcing prices lower. Small investors lost their life savings in a day. Contrary to common thought, the crash alone did not lead directly to the Great Depression.

Several trends occurred in the 1920s that, when combined, can be said to have caused the Great Depression. While gross domestic product increased during the decade, so did income disparity. Uneven distribution of income resulted in wealth becoming concentrated in the upper classes: by 1929, almost one-half of families in the United States lived at subsistence level or below. The declining income of the lower classes reduced their purchasing power. Secondly, much of the economy depended upon the automobile and construction industries and the growing aviation, motion picture and consumer product companies were not large enough to take up the slack when construction fell by 20% in the three years preceding the crash, along with the decline in automobile sales. Productive capacity continued to grow during those same years, as capital flooded the market, eventually outstripping demand, resulting in layoffs and lower wages, which accelerated the decline in the purchasing power of the populace. At the same time that US industries were suffering from domestic economic weaknesses, the market for its products in Europe dropped. A combination of several European countries increasing production while other economies weakened because of turmoil, reparation payments, unpaid war debts and loan obligations caused a decline in the demand for goods from across the Atlantic. All of these developments combined with the unstable underlying economic foundation in the United States to produce an economic free fall.

President Hoover and Federal Reserve monetary policy

The president at the time of the crash was Herbert Hoover, who had been elected the year before, promising to continue Coolidge's policies of minimum government involvement, letting business do business. When the crash occurred, Hoover was unprepared to confront the turn of events. Philosophically, he did not believe in a forceful role for government in the economy. In the months that followed the crash, the actions and inactions of the Hoover administration, legislation passed by Congress, and policies of the Federal Reserve combined to cause a panic to become the deepest depression in the nation's history. Federal Reserve monetary policy, supported by Hoover and government economists, continued to take money out of the economy rather than increase the supply, mistaking deflation for inflation. Initially, Hoover did not try to directly stimulate the economy, believing it was not the business of the federal government to interfere with business. He reduced government spending as well, in the theory that less government involvement would enable the economy to recover. Farms continued to lose money and rural banks continued to fail without government help. Hoover continued in his belief that the people would help each other, that members of communities would fix their own problems. He did not recognize that devastated

Activity

Relevance

Applying history to the present

With the exception of very few countries, there was a worldwide recession that began in 2008 and continued at least until the end of 2010. Research statements made by leading economists, including the governors of the Federal Reserve Bank in the first decade of the 2000s. Then explore the causes of the first major fiscal crisis of this century. Respond to the following question in either an essay or class debate:

"In the decades of the 1920s and the 2000s the economic crisis was mostly caused by unsupported optimism that spurred people to conclude that the rules of the market had fundamentally changed."

communities did not have the resources to save themselves. In addition to mistaken fiscal action and government inaction, legislators reacted to economic distress by trying to protect the home market from foreign goods. In an attempt to save domestic producers Congress passed the Hawley-Smoot Tariff Act in June 1930. Hawley-Smoot, signed by Hoover, established a high protective tariff. The tariff caused other nations to retaliate with their own high tariffs, reducing exports worldwide by more than 50% and causing a deepening of the Depression.

Despite his reluctance to involve the federal government in the economy, Hoover was sensitive to the plight of Americans. Known as Mr. Rescue for his work in assisting postwar Europe and heading relief for the victims of the Great Flood of 1927, he summoned governors to the White House and encouraged them to accelerate infrastructure projects to employ workers. He urged corporations to keep employees on the job despite surplus inventories. He gave monetary assistance to troubled banks. The president established the Reconstruction Finance Corporation, an independent agency that granted loans to banks, railroads, states and local governments, and also spent more money on federal public works projects than any president before him. He hoped to create a solid infrastructure on which a stronger and more resilient economy could rise. Programs to provide credit to farmers and buy excess crops began, but only motivated farmers to grow more crops, consequently prices did not rise. Hoover did not give money to individuals as it was not the government's job to interfere with individual initiative. In fact, job loss and poverty was a sign of individual failure. To give money to the unemployed was to support failure: today that concept is called **moral hazard**. It was resurgent US individualism that would get the country out of the economic downturn.

Social effects of the Depression

The economic downturn affected the entire country. Major cities in the Midwest, their factories stilled, saw unemployment rise above 50% by 1932. In Toledo, Ohio, 80% of workers were jobless.

Herbert Hoover (1874–1964)

Remembered by most Americans as the president who presided over the first years of the Great Depression, Herbert Hoover was an accomplished humanitarian and civil servant before his presidential term. Born in Iowa in 1874, he spent his childhood in Oregon, then earned a degree as a mining engineer from Stanford University in California.



After graduating, Hoover and his wife spent a few years in China, where he worked at his chosen profession. He returned stateside in 1900. In London, at the beginning of the Great War, Hoover organized food, clothing, and transportation home for thousands of stranded Americans. Later that year, and for the next two years he led food relief for Belgium, distributing millions of tons of supplies, becoming a hero to many. When the United States entered the war, Hoover took on administrative responsibilities in the government. After the war, he headed the American Relief Administration, responsible for distributing food to the millions of hungry Europeans. He also extended aid to the Soviet Union, telling his critics, "Twenty million people are starving. Whatever their politics, they shall be fed." Hoover eventually became Warren Harding's commerce secretary and continued serving in the Coolidge administration. When the Great Mississippi Flood of 1927 came, Hoover directed relief, including the eradication of several diseases in areas affected by the flood. Hoover's efforts helped millions of Americans. Hoover was elected president in 1928, having never run or held elective office. Well after his presidency ended, Hoover continued to serve. He went to Germany after the Second World War and organized food distribution for millions of starving children. At the requests of presidents Truman and Eisenhower, Hoover headed commissions to reform the executive branch. He died at the age of 90 in 1964.

A moral hazard occurs when a person or party is insured for a certain action. The insurance creates a situation in which the person or party will act in a risky or unproductive way contrary to behavior without the insurance. For example: the contents of a house is insured for loss from fire regardless of cause. A renter who does not pay for the insurance would be less likely to be careful than one whose belongings were not insured.

Despite the shame that accompanied asking for help, increasing numbers asked the government for assistance, because charities could not handle the vast demand for help. Local and state officials were, however, unable to provide relief, as any programs that existed were minimal in the best of times. In cities across the nation men walked the streets looking for work. People searched garbage for food scraps and clothing. Soup kitchens saw lines go for block after block. Families split up as men left to look for work. Families that lost their homes moved to the outskirts of towns and cities. Shanty towns sprung up. The new settlements became known as Hoovervilles, named with anger directed at the ineffective action of the president.

In the heartland

While much of the discussion of the Great Depression focuses on cities, the financial sector, and industry, a long-term drought struck much of the middle part of the country, hitting farmers who were already suffering from a devastating drop in income. The drought began in 1930 and continued for a decade. While much of the United States and Canada was affected, the area of the southern Great Plains was particularly impacted. Years of farming practices, involving the removal of native grasses to be replaced with seasonal crops, deep plowing and failure to rotate crops to replace nutrients, took the deep and fertile top soil for granted. As the drought wore on, crops failed and farm animals were brought to the slaughter house in a desperate attempt to make some money. Many farms in Oklahoma, Texas, Nebraska and neighboring states were abandoned as the drought continued. The winds that often blow across the plains picked up the fine dust that a century before had been held down by tall grasses. The dust formed into massive clouds that darkened the sky, making breathing difficult and fouling farm machinery. The Dust Bowl was born. Over the next few years approximately 100 million acres of top soil blew away. In May 1934, a dust storm darkened skies as far away as Washington, D.C. The condition caused more than two million farmers, shop keepers, and white collar workers to leave the plains for California and other destinations. The Dust Bowl was a terrible ecological disaster that added another dimension to the Great Depression.



Hooverville on the outskirts of Seattle, Washington, on the tidal flats adjacent to the Skinner and Eddy Shipyards, Port of Seattle, June 10, 1937, one of many similar shanty settlements built by Americans who lost their homes during the Great Depression.



Deserted farm in Great Plains region of the United States. As a result of land misuse, erosion and years of drought, the ecological disaster known as the Dust Bowl lasted through the 1930s, resulting in useless farmland and homeless people in their hundreds of thousands.

Activity

Uses of film and the novel in history

The Grapes of Wrath

Read the following passages involving bank representatives foreclosing on tenant farmers from Dust Bowl farms in John Steinbeck's *The Grapes of Wrath* (1939). Source A is from the novel, and source B is the script from the film version (Dir. John Ford, 1940).

Source A

The owner men sat in the cars and explained. You know the land is poor. You've scabbled at it long enough. God knows.

The squatting tenant men nodded and wondered and drew figures in the dust, and yes, they knew. God knows. If the dust only wouldn't fly. If the top would only stay on the soil, it might not be so bad.

The owner men went on leading to their point: You know the land's getting poorer. You know what cotton does to the land; robs it sucks all the blood out of it. ...

The squatting men raised their eyes to understand. Can't we just hang on? Maybe next year will be a good year ... They looked up questioningly.

We can't depend on it. The bank—the monster—has to have profits all the time. It can't wait. It'll die.

Source B

Agent: The fact of the matter, Muley, after what them dusters done to the land, the tenant system don't work no more. You don't even break even, much less show a profit. Why, one man and a tractor can handle twelve or fourteen of these places. You just pay him a wage and take all the crop.

Muley: Yeah, but uh, we couldn't do on any less than what our share is now. Why, the children ain't gettin' enough to eat as it is, and they're so ragged. We'd be ashamed if everybody else's children wasn't the same way.

Agent: I can't help that. All I know is, I got my orders. They told me to tell you to get off, and that's what I'm tellin' ya.

Muley: You mean get off of my own land?

Agent: Now don't go to blamin' me! It ain't my fault.

Muley's son (Hollis Jewell): Who's fault is it?

Agent: You know who owns the land. The Shawnee Land and Cattle Company.

Muley: And who's the Shawnee Land and Cattle Company

Agent: It ain't nobody. It's a company.

Muley's son: They got a President, ain't they? They got somebody who knows what a shotgun's for, ain't they?

Agent: Oh son, it ain't his fault, because the bank tells him what to do.

Muley's son: All right, where's the bank?

Agent: Tulsa. What's the use of pickin' on him? He ain't nothin' but the manager. And he's half-crazy hisself tryin' to keep up with his orders from the East.

Muley: Then who do we shoot?

Agent: Brother, I don't know. If I did, I'd tell ya. I just don't know who's to blame.

Muley: I'm right here to tell you, mister, there ain't nobody gonna push me off my land! My grandpaw took up this land seventy years ago. My paw was born here. We was all born on it. An' some of us was killed on it. (Muley squats down and fingers the dust of the farm he has just lost.) An' some of us died on it. That's what makes it am. Bein' born on it and workin' on it and dyin', dyin' on it. An' not no piece of paper with writin' on it.

Questions

- 1 Discuss in groups the effectiveness of using works of fiction to understand an historical period or event.
- 2 In what ways do these sources evoke the same understanding of the plight of the common man as the lyrics of "Do Re Mi" by Woody Guthrie (See lyrics on page 193) and the photographs of the Dust Bowl?
- 3 What is the significance of the designation of a company as the antagonist in the scene from the film?
- 4 What other cultural sources can be used to support the analysis of this period in history?

The effect of the Depression on minorities

An overview of the effect of the Great Depression on Americans must examine the consequences for African Americans, Hispanics, and women. Overall, the 1930s set all groups back, whatever economic gains had come about during the previous decades were lost.

African Americans

In some areas of the United States, African Americans had seen improvements during the 1920s, mostly in the northeast, as the Harlem Renaissance flourished. But in many ways, the 1920s represented stagnation as most African Americans failed to benefit from the economic growth of the decade. Lynchings continued into the decade, although less frequent than the number of killings at the turn of the century. In the economic downturn, African Americans lost the shaky economic status they had obtained. One-half of all blacks lived in the south. Rural southern blacks lost farms as cotton prices and other agricultural products dropped in price. In the cities, blacks lost jobs as white men took the low-pay, low-status jobs such as street cleaners and janitors. The farmers' first move was often into southern cities, where they joined other unemployed African Americans. Some whites formed groups to keep blacks out of work. "No Jobs for Niggers Until Every White Man has a Job!" is representative of the mood and obstacles blacks faced. By 1932, 75% of black people were unemployed compared to the general figure of 25%. Relief programs run by local governments went to whites first, leaving many black families malnourished and homeless. African Americans did benefit from several federal programs including the Public Works Administration, the Works Progress Administration, and the Farm Services Administration Schools. Blacks comprised a quarter of residents in federal housing projects.

Employment in government agencies often, but not always, followed non-discrimination regulations. In fact, Roosevelt appointed several blacks to positions within the administration, including attorney William Hastie, and Mary McLeod Bethune, an important adviser who played a significant role in the **Black Cabinet**. Some divisions harmed African-Americans. The Agricultural Adjustment Administration, whose policy enforcement favored landowners over tenant farmers, penalized blacks, who were mostly sharecroppers. The National Regulatory Authority's industrial non-discrimination wage policy encouraged businesses, especially in the south, to fire African American workers who had been paid significantly less. Federal programs, administered by local whites, often denied relief to African Americans. Intimidation, including lynchings, increased as the Depression deepened. Efforts by the the National Association for the Advancement of Colored People (NAACP) to pass a federal anti-lynching law, in response to the rise in lynchings, foundered as southern Democrats prevented its passage in the Senate. Black women were also affected as jobs as domestic servants went to white women. As a result of the worsening economic and social conditions, close to half a million blacks moved to northern cities to find work (in addition to the millions who moved north during the **Great Migration**

The **Black Cabinet** was a group of African-American leaders in the Roosevelt administration who, with the support of Eleanor Roosevelt, advised the president on a variety of issues.

The **Great Migration** was the movement of African Americans from the South to northern cities beginning in 1915 and continuing in ebbs and flows into the 1970s.

1915–30). When they arrived in the cities, however, there were few jobs available, as the cities were already devastated by factory closings and failed businesses.

African Americans in northern urban cities lost jobs as well. Men and women suffered high unemployment as factories and businesses closed, and as service and domestic work dried up. As elsewhere, job-loss rates for blacks significantly exceeded that for whites. Black women's jobless rates were often greater than that for men.

One bright spot for African Americans was the labor movement. One labor union, the Brotherhood of Sleeping Car Porters, founded by A. Philip Randolph, successfully negotiated the first contract between a black union and a US-based corporation, the Pullman Company, in 1937. Some factory owners attempted to use blacks as strike-breakers. Despite high black unemployment, the NAACP supported the all-white labor unions' job actions. As a result, 500,000 blacks joined labor organizations during the 1930s; in some unions they comprised a fifth of the membership.

Hispanic Americans

The Great Depression devastated Hispanic Americans as well. At the start of the Great Depression there were between one and a half and two million Latinos in the United States. The majority were of Mexican heritage and most lived in the southwest. Other Hispanics traced their heritage to Cuba, Puerto Rico, and the Dominican Republic, among other origins. Latinos lived in many northern cities as well. Though some Mexican Americans were long-established, most Hispanics worked the lowest paying jobs, whether in agriculture or industry. The agricultural jobs were often geographically transient, as workers followed crops, planting and harvesting. Low wages, long hours, and poor working conditions were commonplace. In the southwest United States Hispanics occupied similar socio-economic status to African Americans in the south. When the Depression hit Latinos suffered substantial job losses, as they were "last hired first fired." White program administrators wrongly claimed that many eligible Latinos were not citizens in order to deny them access to relief programs. The ill-treatment went further, as Latin American children were not allowed to enroll in school and hospitals often refused to admit them when ill or injured. There were a few exceptions: for example, the head of the Texas division of the National Youth Administration, Lyndon Baines Johnson, the future president, made sure that Hispanics benefitted from the program. But, because they were often treated as unwelcome aliens, regardless of citizenship status, as well as the difficulty they had in creating stable institutions due to labor movement, Latinos frequently had little or no support both outside and within their own communities.

In the face of poverty and ill-treatment by employers, and local and state governments, Hispanics relocated. The mass movement within the United States resulted in a rise in the Latino urban population. The move into cities simply relocated their poverty into urban ghettos. As the city populations swelled, local

governments tried to force Mexican Americans out. In raids on their *barrios* US citizens as well as true “illegals” were rounded up in the climate of discrimination and fear that motivated many to move. The intimidation caused close to a half-million Latinos to move to Mexico during the Great Depression. It is estimated that half of all Hispanic Americans relocated during the Great Depression.

Women

The effect of the Great Depression on the lives of women is characterized by a worsening of their circumstances, and increased responsibility, in the need to fend for themselves and their families when their husbands went on the road to find work. In the Dust Bowl region, entire families packed up their belongings and moved west; women fulfilling the traditional role of taking care of the family, even in migrant camps and on the side of the road. Some women became entrepreneurs, but most remained in traditional roles of wife and mother as the prevailing view that jobs should go to men was solidified by the falling economy. During the New Deal, women became more prominent in the federal government, but the changes were incremental rather than revolutionary.

The role of women in the workplace had been changing in the first decades of the 20th century. The percentage of women in the workforce gradually increased to almost a quarter of the workers. Most viewed the spheres of the home and the workplace as separate. The biggest change during the Great Depression was in the working status of married women. The number of working married women increased by 50% during the 1930s. The employment of single women increased by approximately 10% during the same period. The reason for the increase in working married women was economic necessity, but the type of necessity can be divided into two categories: among the poverty-stricken, the need to maintain or attain some kind of level of subsistence forced women to work; for middle-class women the additional income was to maintain an appropriate lifestyle. In fact, according to some data, close to half of employed married women who lived with their husbands (as opposed to families with an absent male head of the household) were of middle class status. It is argued that the consumerism of the 1920s changed the perception of what a middle-class household looked like, raising expectations that necessitated a second wage earner. The push to maintain material comforts was reinforced by women's magazines in which writers gave budget advice on how to cut down needless spending. The advice, often anecdotal, was frequently provided by women in the upper-fifth of household income, so the columns were also the source of ridicule. In fact, it was through the wages of working women that millions of households clung to middle-class lifestyles or, at the very least, had a roof and regular meals. Regardless of economic level, working mothers and wives were seen as a stopgap measure during hard economic times, and the increase should not be viewed as a significant change in their role or status.

Activity

Research presentation and essay

The class is divided into three groups: Each group is assigned a research presentation task. The task is to create a presentation and outline on the following, in preparation for a comparison/contrast essay discussing the lives of ethnic minorities in the United States during the Great Depression.

Group 1: African Americans

Group 2: Hispanics/Latinos

Group 3: Asians and Asian Americans

(Groups may be subdivided for researching the lives of women, children, rural vs. urban.)

The jobs that most women had during the period were in support roles or domestic work. As jobs became scarce for men, women were pushed out of traditional fields such as education, and took up clerical and retail positions. African American women were forced by circumstances into different endeavors. Black workers lost their jobs in proportionally larger numbers than whites. As middle-class white families cut down on expenses, black women employed as domestic workers were let go. It is estimated that close to 40% of black workers (men and women) lost their jobs during the Depression. Black women took up other means of survival. The choice was often one of **survivalist entrepreneurship**. The two most prominent businesses for black women were boarding houses and beauty parlors. The Great Migration of African Americans to the north provided opportunities for women to run boarding houses for the millions of people looking for places to live. The boarding houses were often within homes, and did not only provide needed funds, but also allowed many families to pay rent and keep their dwellings. African American women also ran salons, whether in storefronts or at home. While many jobs that black women had held were taken by whites during the economic downturn, white-owned beauty salons did not cater to the needs of black women, leaving the field open for entrepreneurs. The demand for beauticians increased as southern women moved north looking for work. Organizations such as the Urban League and the National Council of Negro Women advised women on how to look and what to wear, essentially enhancing the role of the beauty industry. A third but less popular business was running a restaurant or food market. These proprietorships were also run out of homes, and the advantage was that if the investment failed, the stocks could be consumed. African American women, in particular, were limited to the types of businesses that required little or no capital investment. Some women built larger businesses, upgrading from in-home operations to chain storefronts, but for most black women, running a business was about keeping one's home and feeding the family.

With the New Deal came an increased role for women in the federal government, but not in society as a whole. Franklin Roosevelt's wife Eleanor is credited with increasing the place for women in government. The first female cabinet official in the history of the United States was Frances Perkins, the Secretary of Labor. The government hired scores of other women as well. Still, there was little change for women in general. Just as the Progressives had worked for women's health and safety during the early years of the 20th century, the New Deal period focused on protecting women, while emphasizing that the main wage earner for families was the male head of household. Women were discouraged from taking or remaining in jobs that men could do. Consequently, the Great Depression was a period of temporary change for most women that only served to reinforce the role of men as wage-earners, even while women took on the necessary responsibility of providing for the family.

Survivalist entrepreneurship

In response to exclusion from the labor market a person is forced to form his/her own business to provide for herself and her family.

Activity**Source analysis**

The following documents address the lives of people during the Great Depression.

Source A

From *America in the Twentieth Century* by Frank Freidel and Alan Brinkley.

... blacks benefitted in significant, if limited ways from New Deal relief programs (in large part because Eleanor Roosevelt, a close friend of relief administrator Harry Hopkins and Harold Ickes worked hard to ensure that the programs did not exclude blacks). By 1935, according to some estimates, nearly 30 percent of all blacks were receiving some form of government assistance. Blacks, who constituted in the 1930s only 10 percent of the population, filled 18 percent of the positions within the WPA. ...

Despite the benefits they received from the New Deal, blacks continued to languish in almost universal poverty and continued to be the victims of brutal racial discrimination ... blacks were the “last hired and first fired”—a pattern that resulted in blacks losing their jobs far more quickly than whites when hard times arrived. ... Two-thirds of black cotton farmers in the 1930s made no money at all from their crops and survived only by hunting, scavenging, begging, or moving to the cities.

Source: Freidel, Frank & Brinkley, Alan. 1982. *America in the Twentieth Century*. 5th edn. New York: McGraw-Hill. pp. 266–68.

Source B

The lyrics of the song “Do Re Mi” by Woody Guthrie.

Lots of folks back East, they say, is leavin' home every day,
 Beatin' the hot old dusty way to the California line.
 Cross the desert sands they roll, gettin' out of that old dust bowl,
 They think they're goin' to a sugar bowl, but here's what they find
 Now, the police at the port of entry say,
 “You're number fourteen thousand for today.”

Oh, if you ain't got the do re mi, folks, you ain't got the do re mi,
 Why, you better go back to beautiful Texas, Oklahoma, Kansas, Georgia, Tennessee.
 California is a garden of Eden, a paradise to live in or see;
 But believe it or not, you won't find it so hot
 If you ain't got the do re mi.

You want to buy you a home or a farm, that can't deal nobody harm,
 Or take your vacation by the mountains or sea.
 Don't swap your old cow for a car, you better stay right where you are,
 Better take this little tip from me.
 'Cause I look through the want ads every day
 But the headlines on the papers always say:

Oh, if you ain't got the do re mi, folks, you ain't got the do re mi,
 Why, you better go back to beautiful Texas, Oklahoma, Kansas, Georgia, Tennessee.
 California is a garden of Eden, a paradise to live in or see;
 But believe it or not, you won't find it so hot
 If you ain't got the do re mi

Source: Woody Guthrie Lyrics.
http://www.woodyguthrie.org/Lyrics/Do_Re_Mi.htm.



Source C

From President Roosevelt's second inaugural address, January 20, 1937.

...But here is the challenge to our democracy: In this nation I see tens of millions of its citizens—a substantial part of its whole population—who at this very moment are denied the greater part of what the very lowest standards of today call the necessities of life. I see millions of families trying to live on incomes so meager that the pall of family disaster hangs over them day by day. I see millions whose daily lives in city and on farm continue under conditions labeled indecent by a so-called polite society half a century ago. I see millions denied education, recreation, and the opportunity to better their lot and the lot of their children. I see millions lacking the means to buy the products of farm and factory and by their poverty denying work and productiveness to many other millions. I see one-third of a nation ill-housed, ill-clad, ill-nourished.

Source: Inaugural Addresses of the Presidents of the United States.
<http://www.bartleby.com/124/pres50.html>.

Source D

Photo of man looking for work in Detroit, Michigan. He holds a placard that says "Work is what I want and not a charity. Who will help me get a job—7 years—in Detroit ..."



Source: Archive Photos, Getty Images.

Questions

- 1 What is the message of source B?
- 2 Explain the impact of source D.
- 3 Compare and contrast the evidence in sources A and C of the difficulties that US citizens encountered in the Great Depression.
- 4 Referring to the type of document, as well as to the content, explain the values and limitations of sources B and D for historians seeking to understand what life was like in the 1930s.
- 5 Using the sources and your own knowledge, discuss the harmful effects of the Great Depression on the lives of people from all social groups in the United States in the 1930s.

President Roosevelt and the New Deal

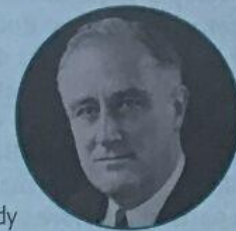
Franklin Delano Roosevelt, New York's Democrat governor, won in a landslide victory over Republican incumbent, Herbert Hoover, in the 1932 elections. Roosevelt ran on a financially conservative platform, not the multitude New Deal programs that were to come over the next four years. Many political observers considered FDR an intellectual lightweight, with little to offer a struggling nation, but Roosevelt would prove them wrong. The new president, working with a sometimes cooperative legislature, tried many different programs over the next two terms, some more successful than others. Roosevelt's public persona was as important as his governmental programs; his warmth and use of the media, especially radio, contrasted greatly with his aloof predecessor. By the end of Roosevelt's first two terms, he and his "Brain Trust" had created a new understanding of the role of government in people's lives, and had been the catalyst behind a realignment of US politics, spearheaded by a group of Democrat politicians who became known as New Deal Democrats. The new coalition lasted as a political force into the 1960s. Roosevelt's administration worked hard to institute beneficial reforms from 1933 to 1941. But what pulled the United States out of the decade-long Depression was the entry of the United States into the Second World War.

The first New Deal

After his inauguration, Roosevelt acted quickly to reform a broken system, providing a foundation for recovery, and much-needed relief for those most affected by the Great Depression in the United States. Building on a theme from his inaugural address, he stated "let me assert my firm belief that the only thing we have to fear is fear itself—nameless, unreasoning, unjustified terror ..." The entire address planted the seeds for immediate and bold presidential initiatives, claiming, "This nation asks for action, and action now." In the first few months, he acted to reform the economic system, stimulate industry, and

Franklin Delano Roosevelt (1882–1945)

The longest-serving president in United States' history, Franklin Roosevelt (also known by his initials FDR) was born in Hyde Park, New York State. His parents were quite wealthy and his mother could trace ancestors back to the Mayflower. Roosevelt was also a fifth cousin of Teddy Roosevelt, who became president when Franklin was attending Harvard. Franklin married a distant cousin, Eleanor, in 1905. His political career began in 1910, when he was elected State Senator. He gained fame by opposing the Tammany Hall political machine. Woodrow Wilson appointed FDR to the position of assistant secretary of the navy only three years after he was elected Senator. In 1920, the Democratic Party nominated Roosevelt as their candidate for vice president, but the Republican ticket, headed by Warren G. Harding, defeated the Cox-Roosevelt team. The following year FDR contracted a disease, thought at the time to be polio, that left him paralyzed from the waist down. Roosevelt refused to believe that the paralysis was permanent. He also refused to let the public see him in a wheelchair, wanting to appear vigorous. In 1928, Roosevelt won the governorship of New York. Four years later he defeated Hoover for the presidency. The US public elected FDR four consecutive times. After holding the nation's highest office, during the Great Depression and most of the Second World War, he died in April 1945, only a few months into his fourth term.



Activity

Leadership qualities

The Italian Renaissance philosopher Niccolò Machiavelli wrote:

The one who adapts his policy to the times prospers, and likewise that the one whose policy clashes with the demands of the times does not.

Explain the role of adaptation in New Deal legislation and administration. Is it better to stick to a philosophy of government or adapt to circumstances? What is the role of political philosophy?



To what extent should elected leaders act on the promises they made to voters?

develop a sense of confidence in the American people. Two days after taking office, Roosevelt proclaimed a banking holiday, closing all US banks for four days. He subsequently submitted the first of many pieces of legislation: the Emergency Banking Act. Congress passed the bill in one day. The new law stabilized large banks, gave the Federal Reserve Bank additional powers, took the dollar off the gold standard, and mandated inspection of banks by the Treasury Department before they reopened. A second bill, the Economy Act, quickly followed. The new law attempted to balance the federal budget by cutting salaries and reducing pensions.

The two bills reflected Roosevelt's fiscal conservatism and were in no way reflective of British economist John Maynard Keynes' theories on government and the economy. In fact, cutting government spending acted as the opposite of a stimulus. But there was another purpose to the first week's legislation: Roosevelt wanted to rebuild confidence in the economy of the United States after almost four years of decline. He gave his first national radio address in the evening of March 12. Over the radio, Roosevelt explained to the people of the United States how the new laws would work and what they could expect in the upcoming days. It was the first of three-dozen fireside chats over the 13 years of his presidency. The talks played an important part in building support for the president's initiatives and allowing time for the economy to turn around. During 1933, Roosevelt delivered four such talks, speaking in an informal manner as if he was sitting in each family's home by the fire. Each address dealt with an important concept. The May talk explained the New Deal program. The many agencies formed by legislation and executive action became known as the Alphabet Agencies.



US president Franklin Delano Roosevelt speaks into four radio microphones, which sit on his desk during one of his live nationwide 'fireside chats' in 1935.

Activity

Organizing information

Fill in the columns of the table below with evidence of policies, actions, and statements by the three presidents that contributed to the political views of people living in the United States before and during the Great Depression.

President	Cause for concern	Inspired confidence
Coolidge		
Hoover		
Roosevelt		

The Agricultural Adjustment Agency (AAA) was formed in May. The purpose was to raise farm prices so that farmers could survive and put a halt to the abandonment of farms. Even in the midst of the Depression, farmers produced more food than Americans could consume or purchase. The surplus put a downward pressure on prices and, combined with general deflation, resulted in prices well below the cost of producing food. The AAA attempted to reverse the trend by paying farmers to let land lay fallow to reduce production and paying subsidies to farmers to cover the shortfall in market prices. In addition, the AAA slaughtered over six million pigs that year and ordered the destruction of many crops. Some of the pork was distributed to the needy, but the destruction of so much food at a time when millions of people were going hungry was alien to many people. The AAA lent money to farmers as well. These programs tended to benefit large-scale farming operations, although the credit was granted to many small farmers, but rather than helping individuals, the administration was attempting to stabilize and rebuild a critical sector of the economy.

The banking system was also a focus of reform. Congress passed the Glass-Steagall Banking Reform Act which was written to address a main cause of the Depression and to renew confidence in banks. As a significant amount of the money that fueled the stock market speculation of the late 1920s came from banks, the Glass-Steagall Act prohibited banks from underwriting securities. Essentially, financial institutions had to choose between being a lender and a stock underwriter. The Act also created the Federal Deposit Insurance Corporation (FDIC), an organization funded by banks that insured individual bank deposits up to \$2,500. The FDIC brought confidence to depositors, inviting trust in banks, which helped to stabilize and rebuild the banking system.

Congress passed the National Industry Recovery Act in 1933 to prompt economic recovery through promoting confidence among workers, industry, and investors. The National Recovery Administration (NRA), directed by General Hugh Johnson, worked to end wage deflation through a minimum wage, establish a maximum limit to weekly hours to promote new hiring, end child labor, and restore competition to the marketplace through business codes that included the elimination of **price fixing**. Perhaps the most famous symbol of the New Deal was the NRA "Blue Eagle," a sticker that cooperating businesses placed in their front window. Many companies agreed to abide by the NRA rules, but not all that professed compliance actually followed the codes. During the two years of the NRA (before it was declared unconstitutional), industrial production rose by 22%.

The third leg of Roosevelt's New Deal concentrated on relief. The Federal Emergency Relief Agency (FERA) was simply a rebranding of the Emergency Relief Agency, formed by Hoover a year before. The original purpose was to create new jobs through loans to states. But FERA did much more. Under the leadership of Harry Hopkins, who

Price fixing is when manufacturers, wholesalers, or retailers conspire to keep prices at a particular level. The prices may be kept high to increase profits or low to drive competitors out of business.

would become an important part of the Roosevelt administration's efforts to end the Great Depression and involvement in the Second World War, FERA granted funds to state and local governments. In the two years of its existence, FERA created jobs for more than 20 million workers. Part of FERA was the creation of a sub-agency, the Civil Works Administration (CWA), which accelerated job creation in late 1933 and early 1934. Jobs included building roads, repairing schools, and installing sewers. By mid-January 1934, more than four million people worked at CWA jobs. In addition to jobs through state and local governments, FERA provided funds for adult education, began projects that employed artists and writers, and placed women in jobs along with men. FERA ended when declared unconstitutional by the Supreme Court in 1935.

Activity

Ranking

Make a chronological list of New Deal agencies. Note the activities of each agency under the three purposes: relief, reform, recovery. Organize your list by placing the most effective agency at the top and the least effective at the bottom. What are your criteria for the ranking? Compare your criteria and rankings with your classmates.

New Deal Agencies			
Agency	Relief	Reform	Recovery

The first two years of the New Deal brought more agencies to assist with reform, relief, and recovery. The Tennessee Valley Authority (TVA), established in 1934, brought power and flood relief to the Tennessee River region. The Securities and Exchange Commission (SEC) was created the same year to provide oversight to the stock market to make investing more transparent by curtailing insider trading and market manipulation by large investors. The Public Works Administration, established in 1933 as a result of the National Industry Recovery Act, spent federal funds on building construction projects including dams, bridges and a multitude of public buildings. One agency that is fondly remembered by participants and produced lasting effects on the landscape was the Civilian Conservation Corps (CCC). The CCC was created to offer temporary employment for young men, many of whom were homeless, hungry, and on the road. CCC projects ranged from planting wind-break tree lines across the Dust Bowl to building the Blue Ridge Parkway in the Appalachian Mountains. The CCC paid the young men, but sent the majority of the money to their parents. All told, 1933 and 1934 brought 17 new agencies into the government, many of which, like the FDIC, TVA, SEC, Federal Communications Commission (FCC), Civil Aeronautics Authority (changed to FAA in 1958), and the Federal Housing Administration (FHA) continued throughout the 20th century.

The actual success of the many agencies is debated. There is no doubt that the United States' economy grew during the first two years of Roosevelt's first term. The New Deal programs were criticized as "make-work" **boondoggles**, filled with waste, and an inefficient way to provide relief. Job creation was more expensive than handouts. The programs were also attacked as being anti-capitalist by interfering with the free market, thereby leading to socialism. Finally, in May 1935, a hostile Supreme Court found many of the laws unconstitutional on the grounds that they granted the president powers that violated the intent and words of the Constitution, immediately voiding any program established under the National Recovery Act. The Supreme Court ruled the Agricultural Adjustment Act unconstitutional in January 1936. The court showed itself to be hostile to a large government role in the economy.

A **boondoggle** is a government project, usually expensive and with little practical benefit, that often allowed friends of government officials, as well as the officials themselves, to make money.

Roosevelt and the court system

The court's decisions led the Roosevelt administration to follow two paths. The first was to craft new laws that would meet court scrutiny, and the second was to alter the court itself to being more favorable towards government involvement in the economy than the *laissez-faire* majority. In April 1935, the Works Progress Administration (WPA) was created. Included within the WPA were projects for writers, musicians, artists, and thespians. Among many projects, the Federal Writers Project recorded more than two thousand interviews with former slaves. In June 1935, Congress passed the Wagner Act, a bill guaranteeing labor rights, including the right to collectively bargain. Later that month, the National Youth Administration was created under the WPA. In August, Congress passed a law creating the Social Security System, a retirement contribution program for workers. Many programs continued to operate, and the WPA expanded its programs to include fighting fires and assisting flood victims. But the specter of the court caused Roosevelt to seek major change. After his landslide reelection in November 1936, he prepared to execute a plan to pack the court. The plan he submitted to Congress in February proposed that there be a new justice added to the court for each justice over the age of 70. This meant he would be able to name six new justices who presumably would rule in his favor. Roosevelt's frustration with the court was understood by the public, but even his supporters disapproved of the blatant attempt to weaken the independence of the third branch. The plan languished in Congress during the spring and was allowed to die in July. In the interim, the president's action appeared to have created a change in the court's rulings, specifically Justice Owen Roberts, who began to rule in favor of the administration, whether out of a genuine change of judicial philosophy or, more likely, as a response to avert a possible constitutional crisis or a court damaged by a lack of the public's trust in the fairness of its decisions. Regardless of the reason, the court's rulings upheld the new laws, allowing increased federal involvement in the economy.

Activity

Source analysis

The following documents address Roosevelt's "Court packing."

Source A

On March 9, 1937, in the wake of repeated Supreme Court decisions striking down New Deal legislation and programs, Franklin Roosevelt gave a fireside chat.

But since the rise of the modern movement for social and economic progress through legislation, the Court has more and more often and more and more boldly asserted a power to veto laws passed by the Congress and by state ...

In the last four years the sound rule of giving statutes the benefit of all reasonable doubt has been cast aside. The Court has been acting not as a judicial body, but as a policymaking body.

When the Congress has sought to stabilize national agriculture, to improve the conditions of labor, to safeguard business against unfair competition, to protect our national resources, and in many other ways, to serve our clearly national needs, the majority of the Court has been assuming the power to pass on the wisdom of these acts of the Congress—and to approve or disapprove the public policy written into these laws. ...

We have, therefore, reached the point as a nation where we must take action to save the Constitution from the Court and the Court from itself.

Source: Fireside Chat on Reorganization of the Judiciary, March 9, 1937. *Oyez, Oyez, Oyez: A Supreme Court Resource*. <http://www.hpol.org/fdr/chat>.

Source B

Following is a historian's perspective from an article by Richard G. Menaker.

Shortly thereafter, on "Black Monday," May 27, 1935, the Court issued three destructive decisions—*Schechter Poultry* (the infamous "sick chicken" case) cut the heart out of the NIRA, Louisville Bank struck down the Frazier-Lemke Act limiting mortgage foreclosures, and Humphries' Executor scaled back the President's ability to control the make-up of certain federal regulatory bodies. Each of the decisions was unanimous. Subsequent rulings included the invalidation of the wages-and-hours and price-control mechanisms of the Bituminous Coal Conservation Act (5–4, with Roberts the swing vote), invalidation of the processing tax in the Agricultural Adjustment Act (6–3, with Roberts writing for the majority), and vacatur of a New York State minimum wage law (5–4, Roberts again), a ruling with worrisome implications for a vast area of industrial regulation.

Source: Menaker, Richard, G. April 2008. "FDR's Court-Packing Plan: A Study in Irony". *History Now: American History Online*, no. 15. Gilder-Lehrman Institute of American History. http://www.gilderlehrman.org/historynow/04_2008/historian4.php.



Source C

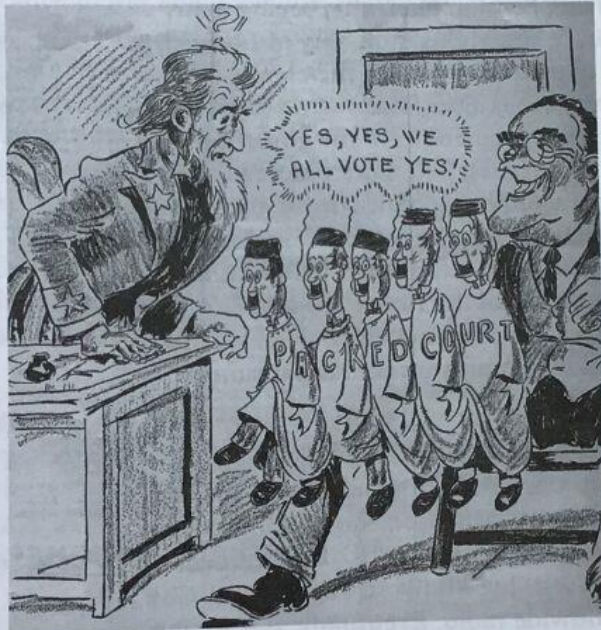
The following extract is from *American History: A Survey*, by Alan Brinkley.

On one level, the affair was a significant victory for Franklin Roosevelt. The Court was no longer an obstacle to New Deal reforms ... But the Court-packing episode did lasting damage to the administration. By giving members of his own party an excuse to oppose him, he helped destroy his congressional coalition. From 1937 on, southern Democrats and other Democratic conservatives voted against his measures much more often than in the past. In combination with Republicans, they constituted a powerful enough force to block many New Deal measures.

Source: Brinkley, Alan. 1999. *American History: A Survey*. 10th edn. Boston: McGraw Hill. p. 892.

Source D

Following is a political cartoon on Roosevelt's court packing, published February 14, 1937.



Source: Fotosearch/Getty Images.

Questions

- 1 What evidence is there in source B that the Supreme Court had acted to stop New Deal programs?
- 2 What is the message of source D?
- 3 Compare and contrast sources A and B for evidence that Franklin Roosevelt was justified in proposing a significant change to the structure of the Court.
- 4 With reference to their origin and purpose, what are the values and limitations of sources A and C for historians studying Roosevelt's attempt to "pack" the Supreme Court?
- 5 Using the documents and your own knowledge and additional research, assess the short- and long-term effects on the New Deal of FDR's attempt to modify the Supreme Court.

Opposition to the New Deal

The Supreme Court's response was disheartening to those who favored Roosevelt's programs, but it was welcomed by opponents to the New Deal. FDR was opposed by those on the left, including the Communist and Socialist Parties, for doing too little to change the economic structure of the country. In fact, the Communist Party gained membership during the 1930s. Greater opposition came from the Republican Party, even Herbert Hoover became a vocal critic of the programs. Many businessmen and bankers felt the New Deal targeted them, got the government too involved in the free market, and weakened their companies by forcing needless and harmful regulations on them. Some conservatives hated Roosevelt so much that decades after the Great Depression they would not even carry a **Roosevelt dime**. Political opposition was also voiced by three charismatic men of vastly different backgrounds, each of whom commanded national attention.

Francis E. Townsend, Father Charles E. Coughlin, and Huey P. Long attracted significant followers in their challenges to the New Deal. Townsend, an elderly doctor from California, proposed his own program, the Old Age Revolving Pension Plan, after seeing many senior citizens living in destitute conditions in his city of **Long Beach**. The central concept of the plan was that the elderly should retire and leave jobs to young people, thus lowering unemployment. The retirees would get a monthly payment from the government of \$200. Within two years his organization had more than a million members. Townsend became a significant political force and elements of his program made it to the House floor to be voted on. The bill was defeated, but many congressmen were intimidated by his fame and following; consequently, almost half of the House abstained from the vote. Townsend's influence declined after the bill's defeat, but the popularity of his proposals did lend momentum to expansion of Social Security in later years.

Religious radio broadcasts became popular during the 1920s. Father Charles E. Coughlin was a Catholic priest, originally from Canada, who had a small parish near Detroit, Michigan. Coughlin started broadcasting sermons in 1926. During the late 1920s he gained listeners from an increasing area of the Midwest, and in 1931 CBS signed him to preach on nationwide radio. Eventually, the audience for *Hour of Power* reportedly reached over 40 million listeners each week. As the severity of the Great Depression solidified, Coughlin turned his sermons to economics. He spoke about universal economic rights and the responsibility of people to help those in need within their communities and included proposals to nationalize the banking system and alter the monetary system. During the 1932 election, and the first two years of the Roosevelt presidency, Coughlin voiced strong support. But after being denied the access to the White House that he felt he had earned, and seeing Roosevelt reject many of his economic proposals, Coughlin became a voice of opposition and established the National Union for Social Justice. After Roosevelt's reelection in 1936, Coughlin spoke positively about fascism in Italy and Germany, proclaiming that neither capitalism nor democracy were the answer to the his country's economic

The **Roosevelt dime**, which was first issued in 1946, the year following his death, commemorated his involvement with the March of Dimes. The original name of the March of Dimes was the National Foundation for Infantile Paralysis, started by FDR in 1938. Radio listeners were asked to mail their dimes to the White House to support the cause. The name of the organization officially changed to March of Dimes in 1979.

Long Beach is situated at the south end of the City of Los Angeles across from the port of San Pedro.

problems. He also published a magazine called *Social Justice*. Articles in the magazine and commentaries on the radio became increasingly anti-Semitic. Some radio stations censored his broadcasts or dropped his program as a result. Coughlin, nevertheless, retained a large following, but opposition to his views mounted when he expressed criticism of the entry of the United States into the Second World War, even after the Japanese attack on Pearl Harbor.

The third major opposition figure was the Louisiana Senator Huey P. Long. The "Kingfish" as he was known, rose to power in Louisiana by attacking banks, oil companies, utilities and their supporters. For years, the state's government had been dominated by a small group of conservative and well-connected politicians and Long railed against those in power. Elected governor the year before the stock market crash, he destroyed his opposition with almost dictatorial power. His popularity was built on charisma, reforming the tax code, and the funding of many public works projects, including roads and schools. As a United States Senator taking office in 1931, he opposed Hoover's policies and then supported Roosevelt's run for the presidency. Roosevelt lost Long's support shortly after taking office, and Long proposed an alternative to the New Deal: the Share Our Wealth Plan—a plan to redistribute wealth. Long claimed Share Our Wealth would end the Great Depression, and that by seizing all accumulated wealth over \$5 million the government would be able to guarantee every worker an annual wage of \$2,500—much higher than the median family income in 1935 of \$1,500 per year. The Share Our Wealth Society eventually accumulated a membership list upwards of four million. Long's popularity never reached the heights necessary for his proposals to gain a hold in the Senate, but his voice was a constant reminder to the administration that there was significant support for policies to the political left of Roosevelt's New Deal.

There was significant opposition to the New Deal from the left and the right. While the majority of Americans supported the president's policies, the strength of the forces against the administration did limit New Deal legislation, especially as the Great Depression continued into the latter half of the decade.

The Great Depression and the arts

During the Great Depression, the arts did not disappear. For the first time the federal government took a significant interest in the fine arts as exemplified by Federal Project Number One. Eleanor Roosevelt, the first lady, well known for her promotion of civil rights, was also a strong proponent of the arts. The government launched several programs ranging from theater to music to photography. The private sector, including novelists and movie studios, created many new works, some addressing the Depression while others provided escapism. Other diversions included music and cartoons. Folk music and blues became more visible. The radio also played an important part in popular culture as radio stations penetrated rural heartlands, as well as the cities. The arts expanded the cultural landscape of the United States.

The Federal Government and the arts

There were several federal arts programs. Urged by his wife, Eleanor, who felt that the arts should not be just for the élites, President Roosevelt supported the arts for another reason: it would employ a great many people. Initial involvement began with the Public Works of Art Project division of the CWA. A major focus was the commissioning of murals for public buildings such as schools, libraries, and other public buildings. Artists were commissioned, in the first instance, because they were on relief. But also, of course, for their skills. Artists who participated in the program included Thomas Hart Benton, Jackson Pollock and Grant Wood. The program was short-lived and ended when the CWA was abolished in 1934. The PWAP was followed by a painting and sculpture program housed within the Treasury department under which artists competed for funds. In the short life of the program, more than 1,300 works of arts were commissioned. In 1935, the Treasury Relief Art Program (TRAP) was created. TRAP focused less on relief, not adhering to WPA's standards, and more on the skill of the artist in response to complaints of the established arts community. TRAP continued the placement of art in public buildings, including a mural in at least one post office in every congressional district. The most significant arts program began under the auspices of the WPA.

Federal Project Number One

Federal Project Number One (FPNO) began in 1935. The program was much larger than the previous arts programs and would encompass many different art forms including theater, music, writing; it would also contribute to documenting theater, music, along with gathering and organizing historical records. A year after the FPNO began, more than 40,000 people were employed in various projects across the country.

FPNO had a significant dramatic arts section that operated until 1939. Not only did it remove over 12,000 people from the relief rolls, but it established community theater in communities, large and small, across the country. Ethnic production companies produced African-American, French, German, Italian and Yiddish dramas. The projects even crossed into CCC camps. Joseph Cotton, **Orson Welles**, and Burt Lancaster were among the participants. The visual arts section contributed more than 20,000 works of art ranging from stained glass to sculpture from artists such as Jacob Lawrence and Mark Rothko. Arts education was an important component of the Federal Arts Project with 100 arts centers that served millions. Writers such as Studs Terkel, **Ralph Ellison** and Margaret Walker were among the thousands of writers who wrote fiction, guidebooks to every state, and collected folklore. One of the most historically significant projects

Activity

Does the US Constitution allow that?

Many critics of Roosevelt have argued that the New Deal went far beyond the intention of those who framed it and the words of the United States Constitution itself.

Read Article 1, sections 8 and 9 of the Constitution.

Does the Constitution allow for arts programs?

Does it prohibit Congress from funding such agencies?



For what reasons is it beneficial or harmful for the government to fund the arts?



The Social History of Missouri painted by Thomas Hart Benton in the Missouri State Capitol, Jefferson City, Missouri.

Orson Welles was a famous film actor and director. His film, *Citizen Kane*, is often cited as one of the greatest films of all time.

Ralph Ellison wrote the groundbreaking novel *Invisible Man* (1952) about an African American who considers himself invisible to the majority white society around him.

Activity**TOK****Using oral history**

Visit *Born in Slavery: Slave Narratives from the Federal Writers' Project, 1936–1938* at <http://memory.loc.gov/ammem/snhtml/snhome.html>. Read several slave narratives. Discuss the content of the narratives, and the role of memory in reconstructing a distant past. Also discuss the role of the person who recorded the narrative in preserving and creating history, and use of the narratives helps you to formulate your understanding of history.

Address the following questions from the ToK Guide, page 29. Form your answers using the narratives and other documents of your own choosing.

- 1 Does the historian record history or create it?
- 2 Can the historian be free of bias in the selection and interpretation of material?
- 3 Could it be reasonably argued that the personal understanding of historians, despite or even because of their possible bias, is necessary or even desirable in the interpretation and recording of history?

was the recording of narratives from former slaves. Additionally, artists created more than 2,000 different posters to publicize theatrical and musical performances and subjects such as health and safety, and education.

An unlikely agency, the Farm Services Administration, was the source of many of the iconic images of the Great Depression. The FSA hired scores of photographers. Included were some of the finest photographers of the era: Esther Bubley, Walker Evans, Dorothea Lange and Gordon Parks. They were sent out to document conditions for workers on the road, in camps and on farms. Dorothea Lange's "Migrant Mother" portrait, for many the image of the displaced Dust Bowl farmer, is but one of thousands of photographs that the FSA used to tell the story of rural life in the United States.

Popular culture

Popular art forms in the 1930s included movies, radio, music, and literature. Two themes

Dorothea Lange (1895–1965)

Known to most students of the Great Depression as the photographer of Dust Bowl migrants, Dorothea Lange was born in Hoboken, New Jersey in 1895. Lange contracted polio at the age of seven, leaving her with a severely weakened right leg and a noticeable limp. When she was 12 her father abandoned the family, forcing her mother to work in New York City. Her mother enrolled Dorothea in New York Public Schools to be near her work. Lange recalled feeling very much the outsider being the only gentile in a school filled primarily with Jewish immigrants. Lange declared her intention to be a photographer at the age of 18, then learned all aspects of the trade for two years as an apprentice. She then moved across the country to San Francisco. Within a few years, she became well-known as a studio photographer. When the Great Depression hit, Lange began taking photographs of people on the streets. Her work caught the eye of Paul Taylor, an economist who was documenting the working conditions of migrant farm workers for the State of California. Taylor hired Lange to provide photographic evidence. Lange and Taylor's combined efforts influenced state and federal policies. Eventually their partnership became romantic, and each divorced their spouses and remarried. Their professional and personal partnership continued throughout Lange's lifetime. Taylor and Lange travelled much of the country, especially the south, documenting conditions in rural areas. Eventually, Lange was hired by the federal government to document conditions in worker camps in California. She spent eight years documenting the lives of many of society's forgotten. Following the Japanese attack on Pearl Harbor, Lange documented the lives of Japanese-Americans who became instant outcasts. She also photographed internment camps. Lange's work continues to have impact on students of the 1930s and 1940s.



emerge: art that addressed the times, or art that allowed audiences to escape for a little while. Authors like John Steinbeck, who portrayed the plight of migrant farmers in *The Grapes of Wrath* (1939), depicted the conditions in fiction. Richard Wright contributed essays, poetry, and novels, and edited *The Left Front*, a Communist Party publication. Movies ranged from Frank Capra's *Mr. Deeds Comes to Town* (1936), a film about a man on the street, to adventure films like *Tarzan the Ape Man* (1932) and *Captains Courageous* (1937) to Busby-Berkeley musicals. The end of the decade brought *Gone With the Wind* and *The Wizard of Oz*, both from 1939, two of the most popular films of all time. For the first time, radio penetrated rural areas and shows such as *The Lone Ranger*, *The Adventures of Superman*, *Dick Tracy*, and comedians Burns & Allen (George Burns and Gracie Allen) and Jack Benny filled the airways. The most popular forms of music that continued into the 1930s, either as live acts or over the radio, included folk, blues and jazz. Folklorist John Lomax (also director of the ex-slave narrative project) made field recordings of thousands of songs, preserving examples of the various musical forms. Lomax is often credited with discovering Huddie "Lead Belly" Ledbetter, and elevated folk music as an art form.

Despite the dire living conditions, the federal government stepped in to create a role for the government that brought fine arts to ordinary people and preserved vast amounts of Americana for future generations.

Activity

Listening for yourself

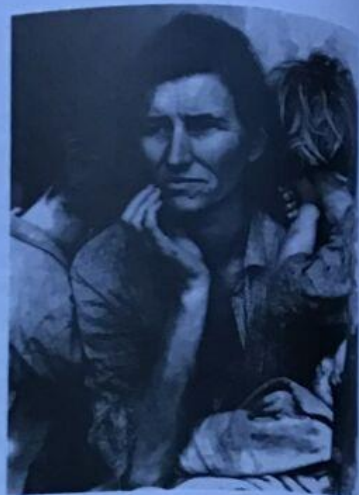
Put yourself back in the 1930s by listening to Depression-era radio serials, including *The Lone Ranger*, *Superman*, and a variety of other 1930s radio programs.

You can experience the sound of the past through *America in the 1930s*, a University of Virginia website: <http://xroads.virginia.edu/~1930s/RADIO/radiofr.html>.

Setback: the recession of 1937

By 1937, the economy had recovered to levels not seen since 1930, and had risen considerably since bottoming out in 1933. GDP was up 80% and private investment went from a low of \$1 billion in 1932 to \$12 billion in 1937. But beginning in May, the growth of the economy reversed and a recession began. Unemployment was now up to 19% from a low of 14% as more than four million jobs were lost. Manufacturing fell to 1934 levels and private investment fell by 40%. GDP declined a bit over 6% during the recession that lasted until June 1938. The reversal was a stunning setback for the country.

The causes of the recession are still debated. The monetarist school blames the Federal Reserve Bank for taking actions to tighten the money supply. The Fed always feared **inflation**, the result of a growing economy. Trying to anticipate a severe inflationary cycle led the Federal Reserve to clamp down, causing investment to drop and



"Migrant Mother," Dorothea Lange's iconic photo of migrant farm workers.

Huddie "Lead Belly" Ledbetter was an influential blues singer. Musicians acknowledging his impact range from Josh White to the Rolling Stones; Bob Dylan to Van Morrison; and Odetta to Kurt Cobain.

Inflation is often viewed as a tax on savings. Money in the bank loses real value when currency inflates. The tendency is to remove money from banks and purchase goods before they rise in price even more. The spending increases demand, which accelerates the inflationary spiral. Workers then demand wage increases to maintain purchasing power, further increasing inflationary pressure.

people to stop spending money, which slowed down the economy. The Keynesian school also blames the Central Bank, and Roosevelt for abruptly attempting to balance the budget. FDR was concerned about the build-up of federal debt. Furthermore, the New Deal relief and recovery programs were temporary measures to help the poor and to stimulate the economy. As the economy had grown steadily for four years, Roosevelt and the Congress increased taxes and decreased spending, removing the stimulus. A third possible cause was the reform aspect of the New Deal. Those sympathetic to businesses and favoring an unregulated market blamed the many regulations on the failure of business, despite the Court's limiting of the government's hand.

In response to the downturn, Roosevelt increased government funding to 1936 levels. The recession eased in July 1938 and the economy grew in the second half of the year. By the end of the year, GDP surpassed that of the year preceding the recession. The economy continued to grow in 1939 and 1940, when GDP reached pre-Great Depression levels, but unemployment remained high at 14%. In 1941, the United States economy posted the largest GDP in its history, as output rose by more than 20%. Federal spending, especially defense spending, increased greatly that year. December 7, 1941, brought the entry of the United States into the Second World War and FDR switched from "Mr. New Deal" to "Mr. Win the War."

Were Roosevelt's policies successful?

There are a number of ways to look at the Roosevelt response. Looking at the numbers, the economy recovered over the decade and returned to pre-Depression levels, however, unemployment did not return to 1929 levels until war production absorbed millions of workers. The reform aspects, farm and industrial policy, as well as banking and stock market regulations, encountered significant opposition from interest groups, many members of Congress, and the Supreme Court. The administration's policies were developed to prevent the events that led to the Great Depression. The government programs that lasted well beyond the Depression include Social Security and the SEC. While there was some success in reform, most efforts were watered-down, leaving the agricultural, industrial, and financial sectors with less freedom than in the 1920s, but more freedom than many members of the administration intended. The many relief programs provided work in many fields, from theater to construction and conservation. Millions were employed, housed and fed. A further outcome were the many new parks, schools, hospitals and environmental projects that started many devastated areas on the path to renewal. But benefits to minorities were uneven at best, and some programs caused more harm than good. Historians sometimes criticize Roosevelt for not providing enough stimulus to the economy and for removing it before recovery was complete, as well as for failing to enact major reforms, but his response was pragmatic, rather than ideological. Some historians have even called that approach conservative. The effectiveness and legacy of the New Deal in the United States is still discussed and debated today.