Flickering in a Seattle movie theater in the depths of the Great Depression, the Hollywood production *Wild Boys of the Road* captivated 13-year-old Robert Symmonds. The film, released in 1933, told the story of boys hitching rides on trains and tramping...
around the country. It was supposed to warn teenagers of the dangers of rail riding, but for some it had the opposite effect. Robert, a boy from a middle-class home, already had a fascination with hobos. He had watched his mother give sandwiches to the transient men who sometimes knocked on the back door. He had taken to hanging around the “Hooverville” shantytown south of the King Street railroad station, where he would sit next to the fires and listen to the rail riders’ stories. Stoked for adventure, when school let out in 1934, Robert and a school friend hopped onto a moving boxcar on a train headed out of town. Hands reached out to pull them aboard the car, which already held 20 men. The two boys journeyed as far as Vancouver, Washington, and home to Seattle again. It was frightening, and exhilarating.

In 1938, under the weight of the Depression, the Symmonds family’s security business failed. Years later, Robert recalled the effects on his father: “It hurt him bad when he went broke and all his friends deserted him. He did the best he could but never recovered his self-esteem and his pride.” The loss of income forced Robert’s family to accept a relative’s offer of shelter in a three-room mountain cabin without electricity. Because of the move, Robert could no longer attend high school in Seattle. Once again, this time out of necessity, he turned to the rails, leaving his parents and three sisters behind.

Robert faced a personal challenge of surviving difficult times, but he also was part of a looming problem that troubled the administration of Franklin D. Roosevelt. Thousands of young people were graduating from high school or leaving school early with very few jobs open to them. An estimated 250,000 young people were among the drifters who resorted to the often dangerous practice of hitching rides on trains around the country. Robert rode the rails during summers to find work harvesting fruit up and down the West Coast. In 1939, his travels took him to Montana, where he encountered the Roosevelt administration’s solution for the “youth problem”: the Civilian Conservation Corps (CCC). When he enlisted in the CCC, Robert became one of nearly 3 million young men age 17 and older who found work in government-sponsored conservation projects between 1933 and 1942. In exchange for their work, CCC workers earned $25 a month for their families back home plus $5 a month spending money for themselves.

The CCC was known as Roosevelt’s “tree army” because the corps planted trees covering more than 2 million acres, improved more than 4 million acres of existing forest, and fought forest fires. In addition, the CCC worked on a wide variety of conservation-related projects in a nation suffering from deforestation, erosion, drought, dust storms, and other environmental problems. They improved parks and recreation areas and even Civil War historic sites, including the notorious Andersonville prison camp in Georgia. In many ways, the CCC operated like a military organization, with workers wearing surplus World War I uniforms and following a fixed regimen of work and recreation that began with a bugler’s call at 6 A.M. Many of its veterans credited the corps with transforming them from boys into men, although others chafed under the discipline of the camps.

One historian has called the CCC the greatest peacetime mobilization in U.S. history, and it set the stage for the wartime mobilization that followed. By the time Robert Symmonds joined the CCC in 1939, war loomed in Europe. Like many CCC veterans, Robert’s next stop in life was military service. He joined the navy and after the war became a merchant seaman. In later years, like many Americans of his generation, Robert remembered his experiences of the Great Depression grimly, but with some nostalgia. He even returned to hopping rides on railroad cars again during his retirement years, out of a sense of adventure rather than necessity. “It’s something that got into my blood years ago,” he explained. “I guess it is a freedom thing.”

**The Great Depression** changed the lives of all Americans, separating that generation from the one that followed. An exaggerated need for security, the fear of failure, a nagging sense of guilt, and a real sense that it might happen all
over again divided the Depression generation from everyone born after 1940. Like Robert Symmonds, they never forgot those bleak years.

This chapter explores the causes and consequences of the Great Depression, which had an impact around the world. We will look at Herbert Hoover and his efforts to combat the Depression and then turn to Franklin Roosevelt, the dominant personality of the 1930s. We will examine the New Deal and Roosevelt’s program to bring relief, recovery, and reform to the nation. The New Deal legislation, some of which continued reforms started during the progressive era, did not end the Depression. But this legislation was based on the idea that the federal government had some responsibility for the economy and for promoting the welfare of all the people. We will also look at the other side of the 1930s, for the decade did not consist only of crippling unemployment and New Deal agencies. It was also a time of great strides in technology, when innovative developments in radio, movies, and the automobile affected the lives of most Americans.
THE GREAT DEPRESSION

There had been recessions and depressions in American history, notably in the 1830s, 1870s, and 1890s, but nothing compared with the devastating economic collapse of the 1930s. The Great Depression was all the more shocking because it came after a decade of unprecedented prosperity, when most experts assumed that the United States was immune to a downturn in the business cycle. The Great Depression had an impact on all areas of American life; perhaps most important, it destroyed American confidence in the future.

The Depression Begins

Few people anticipated the stock market crash in the fall of 1929. But even after the collapse of the stock market, few expected the entire economy to go into a tailspin. General Electric stock, selling for 396 in 1929, fell to 34 in 1932; U.S. Steel declined from 261 to 21. By 1932, the median income had plunged to half of what it had been in 1929. Construction spending fell to one-sixth of the 1929 level. By 1932, at least one of every four American breadwinners was out of work, and industrial production had almost ground to a halt.

Why did the nation sink deeper and deeper into depression? The answer is complex, but it appears in retrospect that the prosperity of the 1920s was superficial. Farmers and coal and textile workers had suffered all through the 1920s from low prices, and the farmers were the first group in the 1930s to plunge into depression. But other aspects of the economy also lurch ed out of balance. Two percent of the population received about 28 percent of the national income, but the lower 60 percent got only 24 percent. Businesses increased profits while holding down wages and the prices of raw materials. This pattern depressed consumer purchasing power. American workers, like American farmers, did not have the money to buy the goods they helped to produce. There was a relative decline in purchasing power in the late 1920s, unemployment was high in some industries, and the housing and automobile industries were already beginning to slacken before the crash.

Well-to-do Americans were speculating a significant portion of their money in the stock market. Their illusion of permanent prosperity helped fire the boom of the 1920s, just as their pessimism and lack of confidence helped exaggerate the Depression in 1931 and 1932.

Other factors were also involved. The stock market crash revealed serious structural weaknesses in the financial and banking systems (7,000 banks had failed during the 1920s). The Federal Reserve Board, fearing inflation, tightened credit—exactly the opposite of the action it should have taken to fight a slowdown in purchasing. But the Depression was also caused by global economic problems created by World War I and the peace settlement. Large reparations exacted against Germany had led to the collapse of the German economy, and high tariffs had reduced international trade. When American investment in Europe slowed in 1928 and 1929, European economies declined. Americans purchased fewer European goods, and Europeans got along without American products. As the European financial situation worsened, the American economy spiraled downward.

The federal government might have prevented the stock market crash and the Depression by more careful regulation of business and the stock market. Central planning might have ensured a more equitable distribution of income. But that kind of policy would have taken more foresight than most people...
had in the 1920s. It certainly would have required different people to be in power, and it is unlikely that the Democrats, had they been in control, would have altered the government's policies in fundamental ways.

**Hoover and the Great Depression**

Initial business and government reactions to the stock market crash were optimistic. "All the evidence indicates that the worst effects of the crash upon unemployment will have been passed during the next sixty days," Herbert Hoover reported. Hoover, the great planner and progressive efficiency expert, did not sit idly by and watch the country drift toward disorder. His upbeat first statements were calculated to prevent further panic.

Hoover acted aggressively to stem the economic collapse. More than any president before him, he used the power of the federal government and the office of the president to deal with an economic crisis. Nobody called it a depression for the first year at least, for the economic problems seemed very much like earlier cyclic recessions. Hoover called conferences of businessmen and labor leaders. He met with mayors and governors and encouraged them to speed up public works projects. He created agencies and boards, such as the National Credit Corporation and the Emergency Committee for Employment, to obtain voluntary action to solve the problem. Hoover even supported a tax cut, which Congress enacted in December 1929, but it did little to stimulate spending.

**ECONOMIC DECLINE**

Voluntary action and psychological campaigns could not stop the Depression. The stock market, after appearing to bottom out in the winter of 1930–1931, continued its decline, responding in part to the European economic collapse that undermined international finance and trade. Of course, not everyone lost money in the market. William Danforth, founder of Ralston Purina, and Joseph Kennedy, film magnate, entrepreneur, and the father of a future president, were among those who made millions of dollars by selling short as the market went down.

More than a collapsing market afflicted the economy; an additional 1,300 banks failed in 1930. Despite Hoover's pleas, many factories cut back on production, and some simply closed. U.S. Steel announced a 10 percent wage cut in 1931. As the auto industry laid off workers, the unemployment rate rose to more than 40 percent in Detroit. More than 4 million Americans were out of work in 1930, and at least 12 million were unemployed by 1932. Foreclosures and evictions created thousands of personal tragedies. While the middle class watched in horror as their life savings and their dreams disappeared, the rich were increasingly concerned as the price of government bonds (the symbol of safety and security) dropped. They began to hoard gold and fear revolution.

There was never any real danger of revolution. Some farmers organized to dump their milk to protest low prices, and when a neighbor's farm was sold, they gathered to hold a penny auction, bidding only a few cents for equipment and returning it to their dispossessed neighbor. But everywhere, people despaired as the Depression deepened in 1931 and 1932. For unemployed blacks and for many tenant farmers, the Depression had little immediate effect because their lives were already so depressed. Most Americans (the 98 percent who did not own stock) hardly noticed the stock market crash; for them, the Depression meant the loss of a job or a bank foreclosure. For Robert Symmonds it meant the failure of his father's business and being forced to drop out of high school. For some farmers, it was burning corn rather than coal because the price of corn had fallen so low that it was not worth marketing.
For some in the cities, the Depression meant not having enough money to feed the children. In Chicago, children fought with men and women over the garbage dumped by the city trucks. In Toledo, when municipal and private charity funds were drying up (as they did in all cities), those granted assistance were given only 2.14 cents per meal per person. In Philadelphia a social worker noticed that the children were playing a game called “Eviction.” “Sometimes they play ‘Relief,’” she remarked, “but ‘Eviction’ has more action and all of them know how to play.”

Not everyone went hungry, stood in bread lines, or lost jobs during the Depression, but almost everyone was affected, and many victims tended to blame themselves. A businesswoman who lost her job and had to stand in a relief line remembered years later how he would bend his head low so nobody would recognize him. A 28-year-old teacher in New Orleans was released because of a cut in funds, and in desperation she took a job as a domestic servant. “If with all the advantages I’ve had,” she remarked, “I can’t make a living, I’m just no good, I guess. I’ve given up ever amounting to anything. It’s no use.”

The Depression probably disrupted women’s lives less than men’s. When men lost their jobs, their identity and sense of purpose as the family breadwinner were shattered. Some helped out with family chores, but usually with bitterness and resentment. For women, however, even when money was short, there was still cooking, cleaning, and mending, and women were still in command of their households. Yet many women were forced to do extra work. They took in laundry, found room for a boarder, and made the clothes they formerly would have bought. Women also bore the psychological burden of unemployed husbands, hungry children, and unpaid bills. The Depression altered patterns of family life, and many families were forced to move in with relatives. The marriage rate, the divorce rate, and the birthrate all dropped during the decade. Many of these changes created tension that statistics cannot capture.

A Global Depression

Hoover reacted to growing despair by urging more voluntary action. He insisted on maintaining the gold standard, believing it to be the only responsible currency, and a balanced budget, but so did almost everyone else. He blamed the Depression on international economic problems, and he was at least partly right. The legacy of the war and the global economic policies of the 1920s had been one cause of the economic downturn in the United States, and as the United States sank into depression, the world followed. In May 1931, the leading Austrian bank collapsed; by June, the German financial system,
which had gone from hyperinflation to false stability, was in chaos. In September, England abandoned the gold standard, precipitating a decline in international lending and trade. Soon most of the industrialized world, including Argentina, Brazil, and Japan, was caught in the Great Depression. In some countries, the social safety net of health and unemployment insurance helped, but there were hungry and unemployed people in much of the world. That a stock market crash in the United States triggered a worldwide depression indicated that by 1930 the United States was an economic world power, but that was little solace as the global depression exaggerated and extended the Depression at home.

Despite the worldwide depression, Americans began to blame Hoover for some of the disaster. The president became isolated and bitter. The shanties that grew near all the large cities were called “Hoovervilles,” and the privies “Hoover villas.” Unable to admit mistakes and to take a new tack, he could not communicate personal empathy for the poor and the unemployed.

Hoover did try innovative schemes. More public works projects were built during his administration than in the previous 30 years. In the summer of 1931, he attempted to organize a pool of private money to rescue banks and businesses that were near failure. When the private effort failed, he turned reluctantly to Congress, which passed a bill early in 1932 authorizing the Reconstruction Finance Corporation. The RFC was capitalized at $500 million, but a short time later that was increased to $3 billion. It was authorized to make loans to banks, insurance companies, farm mortgage companies, and railroads. Some critics charged that it was simply another trickle-down measure whereby businessmen and bankers would be given aid while the unemployed were ignored. Hoover, however, correctly understood the immense costs to individuals and to communities when a bank or mortgage company failed. The RFC did help shore up a number of shaky financial institutions and remained the major government finance agency until World War II. But it became much more effective under Roosevelt because it lent directly to industry.

Hoover also asked Congress for a Home Financing Corporation to make mortgages more readily available. The Federal Home Loan Bank Act of 1932 became the basis for the Federal Housing Administration of the New Deal years. He supported the passage of the Glass–Steagall Banking Act of 1932, which expanded credit to make more loans available to businesses and individuals. But Hoover rejected calls for the federal government to restrict production in hopes of raising farm prices—that, he believed, was too much government intervention. He maintained that the federal government should promote cooperation and even create public works. But he firmly believed in loans, not direct subsidies, and he thought it was the responsibility of state and local governments, as well as of private charity, to provide direct relief to the unemployed and the needy.

The Bonus Army

Many World War I veterans lost their jobs during the Great Depression, and beginning in 1930, they lobbied for the payment of their veterans’ bonuses, which were not due until 1945. A bill passed Congress in 1931, over Hoover’s veto, allowing them to borrow up to 50 percent of the bonus due them, but this concession did not satisfy the destitute veterans. In May 1932, about 17,000 veterans marched on Washington. Some took up residence in a shantytown called Bonus City that was located in the Anacostia flats outside the city.

In mid-June, the Senate defeated the bonus bill, and most of the veterans, disappointed but resigned, accepted a free railroad ticket home. Several thousand remained, however, along with some wives and children, in the unsanitary shacks during the sweltering summer heat. Among them were a small group of committed Communists and other radicals. Hoover, who exaggerated the subversive elements among those still camped out in Washington, refused to talk to the leaders and finally called out the U.S. army.

General Douglas MacArthur, the army chief of staff, ordered the army to disperse the veterans. He described the Bonus marchers as a “mob . . . animated by the essence of revolution.” With tanks, guns, and tear gas, the army routed veterans who 15 years before had worn the same uniform as their attackers. Two Bonus marchers were killed, and several others were injured. “What a pitiful spectacle is that of the great American Government, mightiest in the world, chasing unarmed men, women and children with Army tanks,” commented a Washington newspaper. “If the Army must be called out to make war on unarmed citizens, this is no longer America.” The army was not attacking revolutionaries in the streets of Washington but was routing bewildered, confused, unemployed men who had seen their American dream collapse.

The Bonus army fiasco, bread lines, and Hoovervilles became the symbols of Hoover’s presidency. He deserved better because he tried to use...
the power of the federal government to solve growing and increasingly complex economic problems. But in the end, his personality and background limited him. He could not understand why army veterans marched on Washington to ask for a handout when he thought they should all be back home working hard, practicing self-reliance, and cooperating “to avert the terrible situation in which we are today.” He believed that the greatest problem besetting Americans was a lack of confidence. Yet he could not communicate with these people or inspire their confidence. Willing to use the federal government to support business, he could not accept federal aid for the unemployed. He feared an unbalanced budget and a large federal bureaucracy that would interfere with the “American way.” Ironically, his actions and his inactions led in the next years to a massive increase in federal power and in the federal bureaucracy.
ROOSEVELT AND THE FIRST NEW DEAL

The first New Deal, lasting from 1933 to early 1935, focused mainly on recovery from the Depression and relief for the poor and unemployed. Some of the programs were borrowed from the Hoover administration, and some had their origin in the progressive period. Others were inspired by the nation’s experiences in mobilizing for World War I. No single ideological position united all the legislation, for Franklin Roosevelt was a pragmatist who was willing to try a variety of programs. More than Hoover, however, he believed in economic planning and in government spending to help the poor.

Roosevelt’s caution and conservatism shaped the first New Deal. He did not promote socialism or suggest nationalizing the banks. He was even careful in authorizing public works projects to stimulate the economy. The New Deal was based on the assumption that it was possible to create a just society by superimposing a welfare state on the capitalist system, leaving the profit motive undisturbed. While the progressives believed in voluntary action and only reluctantly concluded that the federal government needed to intervene to promote a just society, the New Dealers, from the beginning, believed in an active role for the government. Roosevelt was confident he could achieve his goals through cooperation with the business community. Later he would move more toward reform, but at first his primary concern was simply relief and recovery.

The Election of 1932

The Republicans nominated Herbert Hoover for a second term, but in the summer of 1932, the Depression and Hoover’s unpopularity opened the way for the Democrats. After a shrewd campaign, Franklin D. Roosevelt, governor of New York, emerged from the pack and won the nomination. Journalist Walter Lippmann’s comment during the campaign that Roosevelt was a “pleasant man who, without any important qualifications for office, would like very much to be President” was exaggerated at the time and...
The Disabled President  This is a rare photograph of Franklin Roosevelt in his wheelchair taken in a private moment with his dog, Fala, and a young friend. Usually FDR’s advisers carefully arranged to have the president photographed only when he was seated or propped up behind a podium. Despite being paralyzed from the waist down, the president gave the impression of health and vitality until near the end of his life. Did his physical disability restrict his ability to be president? (Margaret Suckley Collection, Franklin Delano Roosevelt Library)

seemed absurd later. Roosevelt, distantly related to Theodore Roosevelt, had served as an assistant secretary of the navy during World War I and had been the Democratic vice presidential candidate in 1920. Crippled by polio not long after, he had recovered enough to serve as governor of New York for two terms, although he was not especially well-known by the general public in 1932.

As governor, Roosevelt had promoted cheaper electric power, conservation, and old-age pensions. He became the first governor to support state aid for the unemployed, “not as a matter of charity, but as a matter of social duty.” But it was difficult to tell during the presidential campaign exactly what he stood for. He did announce that the government must do something for the “forgotten man at the bottom of the economic pyramid,” yet he also mentioned the need for balancing the budget and maintaining the gold standard. Ambiguity was probably the best strategy in 1932, but the truth was that Roosevelt did not have a master plan to save the country. But he won the election overwhelmingly, carrying more than 57 percent of the popular vote.

During the campaign, Roosevelt had promised a “new deal for the American people.” But the New Deal had to wait for four months because the Constitution provided that the new president be inaugurated on March 4 (this was changed to January 20 by the Twentieth Amendment, ratified in 1933). During the long interregnum, the state of the nation deteriorated badly. The banking system seemed near collapse, and the hardship increased. Despite his bitter defeat, Hoover tried to cooperate with the president-elect and with a hostile Congress, but he could accomplish little. Everyone waited for the new president to take office and to act.

In his inaugural address, Roosevelt announced confidently, “The only thing we have to fear is fear itself.” This, of course, was not true, for the country faced the worst crisis since the Civil War, but Roosevelt’s confidence and his ability to communicate with ordinary Americans were obvious early in his presidency. He had clever speechwriters, a sense of pace and rhythm in his speeches, and an ability, when he spoke on the radio, to convince listeners that he was speaking directly to them. Recognizing the possibilities of the new media, he instituted a series of radio “fireside chats” to explain to the American people what he was doing to solve the nation’s problems. When he said “my friends,” millions believed that he meant it, and they wrote letters to him in unprecedented numbers to explain their needs.

Roosevelt’s Advisers

During the interregnum, Roosevelt surrounded himself with intelligent and innovative advisers. Some, such as James A. Farley, a former New York State boxing commissioner with a genius for remembering names, and Louis Howe, Roosevelt’s secretary and confidant since 1912, had helped plan his successful campaign. His cabinet was made up of a mixture of people from different backgrounds who often did not agree with one another. Harold Ickes, the secretary of the interior, was a Republican lawyer from Chicago and a one-time supporter of Theodore Roosevelt. Another Republican, Henry Wallace of Iowa, a plant geneticist and agricultural statistician, became the secretary of agriculture. Frances Perkins, the first woman ever appointed to a cabinet post, became the secretary of labor. A disciple of Jane Addams and Florence Kelley, she had...
American Voices

Mrs. Ivan G. Martin, “What Is to Become of Us?”
An Oregon Woman Writes to Eleanor and Franklin Roosevelt

President Roosevelt, and especially his wife Eleanor, received hundreds of thousands of letters from ordinary citizens asking for help or explaining their troubles. The first lady finally had to hire several people to answer the letters. But in the end, there was little she could do.

July 15, 1939
Dear Sir and Madam,

Hardly expect this to reach you personally but I simply have to write to someone about the hopelessness of our trying to earn an honest living.

We are a family of four, one boy to enter high school this fall, the other boy in junior high. We’ve been married sixteen years, happily in spite of the terrific struggle trying to make both ends meet.

Our problem is the same as hundreds, more likely thousands of others. We started out with doctor and hospital bills the first few years of our married life and are still trying to pay them off. We make a fair living wage but can’t live even comfortably on it as most of it goes to pay these old bills, all drawing interest now. We have tried to get on a cash basis but then the creditors press us. No matter how we try the future hasn’t a sign of a rose tint. Is there a solution?

The whole family needs dental and eye care but how can it be managed? Husband’s insurance even had to be dropped and his work is far from safe, but what else to do? We don’t ask for charity or relief, but just help to get on our feet and free of debt.

Isn’t there aid of some sort for the honest people, trying to get along? How can people be happy, contented and good Americans when every cent is needed for old accounts? I personally know dozens of families struggling just as we are. What is to become of us? We can’t save for a rainy day because every cent is needed for bills... I wonder if it’s worth the struggle. Can you yourselves realize the fight we’re making to live decently and honestly? In this glorious land of plenty of ours how can a common person get a start when he’s burdened with old doctor bills and other small accounts...?

Very Sincerely,
Mrs. Ivan G. Martin
Foster, Oregon

If you were Mrs. Roosevelt’s secretary, how would you answer this letter?
What does it reveal about the lot of the working poor at the end of the 1930s?
decided. There was no overall plan, no master strategy. An improviser and a pragmatist who once likened himself to a football quarterback who called one play and if it did not work called a different one, Roosevelt was an optimist by nature. And he believed in action.

ONE HUNDRED DAYS

Because Roosevelt took office in the middle of a major crisis, a cooperative Congress was willing to pass almost any legislation that he put before it. Not since Woodrow Wilson's first term had a president orchestrated Congress so effectively. In three months, numerous bills were rushed through. Some of them were hastily drafted and not well thought out, and some contradicted other legislation. But many of the laws passed during Roosevelt's first 100 days would have far-reaching implications for the relationship of government to society. Roosevelt was an opportunist, but unlike Hoover, he was willing to use direct government action to solve the problems of depression and unemployment. As it turned out, none of the bills passed during the first 100 days cured the Depression, but taken together, the legislation constituted one of the most innovative periods in American political history.

The Banking Crisis

The most immediate problem Roosevelt faced was the condition of the banks. Many had closed, and American citizens, no longer trusting the financial institutions, were hoarding money and putting their assets into gold. Roosevelt immediately declared a four-day bank holiday. Three days later, an emergency session of Congress approved his action and within hours gave the president broad powers over financial transactions, prohibited the hoarding of gold, and allowed for the reopening of sound banks, sometimes with loans from the Reconstruction Finance Corporation.

Within the next few years, Congress passed additional legislation that gave the federal government more regulatory power over the stock market and over the process by which corporations issued stock. It also passed the Banking Act of 1933, which strengthened the Federal Reserve System, established the Federal Deposit Insurance Corporation (FDIC), and insured individual deposits up to $5,000. Although the American Bankers Association opposed the plan as "unsound, unscientific, unjust and dangerous," banks were soon attracting depositors by advertising that they were protected by government insurance.
The Democratic platform in 1932 called for reduced government spending and an end to Prohibition. Roosevelt moved quickly on both. The Economy Act, which passed Congress easily, called for a 15 percent reduction in government salaries as well as a reorganization of federal agencies to save money. The bill also cut veterans’ pensions, despite their protests. However, the Economy Act’s small savings were dwarfed by other bills passed the same week, which called for increased spending. The Beer-Wine Revenue Act legalized beer that had an alcohol content of 3.2 percent and light wines and levied a tax on both. The Twenty-First Amendment, ratified on December 5, 1933, repealed the Eighteenth Amendment and ended the Prohibition experiment. The veterans and the antiliquor forces, two of the strongest lobbying groups in the nation, were both overwhelmed by a Congress that seemed ready to give the president free rein.

Congress granted Roosevelt great power to devalue the dollar and to manipulate inflation. Some members argued for the old Populist solution of free and unlimited coinage of silver, while others called for issuing billions of dollars in paper currency. Bankers and businessmen feared inflation, but farmers and debtors favored an inflationary policy as a way to raise prices and put more money in their pockets. “I have always favored sound money,” Roosevelt announced, “and I do now, but it is ‘too darned sound’ when it takes so much of farm products to buy a dollar.” He rejected the more extreme inflationary plans supported by many congressmen from the agricultural states, but he did take the country off the gold standard. No longer would paper currency be redeemable in gold. The action terrified some conservative businessmen, who argued that it would lead to “uncontrolled inflation and complete chaos.” Even Roosevelt’s director of the budget announced solemnly that going off the gold standard “meant the end of Western Civilization.”

Devaluation did not end Western civilization, but neither did it lead to instant recovery. After experimenting with pushing the price of gold up by buying it in the open market, Roosevelt and his advisers fixed the price at $35 an ounce in January 1934 (against the old price of $20.63). This inflated the dollar by about 40 percent. Roosevelt also tried briefly to induce inflation through the purchase of silver, but soon the country settled down to a slightly inflated currency and a dollar based on both gold and silver.

**Relief Measures**

Roosevelt believed in economy in government and in a balanced budget, but he also wanted to help the unemployed and the homeless. One survey estimated in 1933 that 1.5 million Americans were homeless. One man with a wife and six children from Latrobe, Pennsylvania, who was being evicted wrote, “I have 10 days to get another house, no job, no means of paying rent, can you advise me as to which would be the most humane way to dispose of myself and family, as this is about the only thing that I see left to do.”

Roosevelt’s answer was the Federal Emergency Relief Administration (FERA), which Congress authorized with an appropriation of $500 million in direct grants to cities and states. A few months later, Roosevelt created a Civil Works Administration (CWA) to put more than 4 million people to work on various state, municipal, and federal projects. Hopkins, who ran both agencies, had experimented with work relief programs in New York. Like most social workers, he believed it was much better to pay people to work than to give them charity. An accountant working on a road project said, “I’d rather stay out here in that ditch the rest of my life than take one cent of direct relief.”

The CWA was not always effective, but in just over a year, the agency built or restored half a million miles of roads and constructed 40,000 schools and 1,000 airports. It hired 50,000 teachers to keep rural schools open and others to teach adult education courses in the cities. It also put more than a billion dollars of purchasing power into the economy. Roosevelt, who later would be accused of deficit spending, feared that the program was costing too much and might create a permanent class of relief recipients. In the spring of 1934, he ordered the CWA closed down.

The Public Works Administration (PWA), directed by Harold Ickes, in some respects overlapped the work of the CWA, but it lasted longer. Between 1933 and 1939, the PWA built hospitals, courthouses, and school buildings. It helped construct structures as diverse as the port of Brownsville, Texas, a bridge that linked Key West to the Florida mainland, and the library at the University of New Mexico. It built the aircraft carriers Yorktown and Enterprise, planes for the Army Air Corps, and low-cost housing for slum dwellers.

One purpose of the PWA was economic pump priming—the stimulation of the economy and consumer spending through the investment of government funds. Afraid that there might be scandals in the agency, Ickes spent money slowly and carefully. Thus, during the first years, PWA projects, worthwhile as most of them were, did little to stimulate the economy.
Agricultural Adjustment Act
In 1933, most farmers were desperate, as mounting surpluses and falling prices drastically cut their incomes. Some in the Midwest talked of open rebellion, even of revolution. But most observers saw only hopelessness and despair in farmers who had worked hard but were still losing their farms.

Congress passed a number of bills in 1933 and 1934 to deal with the agricultural crisis. But the New Deal’s principal solution to the farm problem was the Agricultural Adjustment Act (AAA), which sought to control the overproduction of basic commodities so that farmers might regain the purchasing power they had enjoyed before World War I. To guarantee these “parity prices” (the average prices in the years 1909–1914), the production of major agricultural staples—wheat, cotton, corn, hogs, rice, tobacco, and milk—would be controlled by paying the farmers to reduce their acreage under cultivation. The AAA levied a tax at the processing stage to pay for the program.

The act aroused great disagreement among farm leaders and economists, but the controversy was nothing compared with the outcry from the public over the initial action of the AAA in the summer of 1933. To prevent a glut on the cotton and pork markets, the agency ordered 10 million acres of cotton plowed up and 6 million young pigs slaughtered. It seemed unnatural, even immoral, to kill pigs and plow up cotton when millions of people were underfed and in need of clothes. The story circulated that in the South, mules trained for many years to walk between the rows of cotton now refused to walk on the cotton plants. Some suggested that those mules were more intelligent than the government bureaucrats who had ordered the action.

The Agricultural Adjustment Act did raise the prices of some agricultural products. But it helped the larger farmers more than the small operators, and it was often disastrous for the tenant farmers and sharecroppers. Landowners often discharged tenant families when they reduced the acres under cultivation. Many sharecroppers were simply cast out on the road with a few possessions and nowhere to go. Large farmers cultivated their fewer acres more intensely, so that the total crop was little reduced. In the end, the prolonged drought that hit the Southwest in 1934 did more than the AAA to limit production and raise agricultural prices. But the long-range significance of the AAA, which was later declared unconstitutional, was the establishment of the idea that the government should subsidize farmers for limiting production.

Industrial Recovery
The legislation during the first days of the Roosevelt administration contained something for almost every group. The National Industrial Recovery Act (NIRA) was designed to help business, raise prices, control production, and put people back to work. The act established the National Recovery Administration (NRA), with the power to set fair competition codes in all industries. For a time, everyone forgot about antitrust laws and talked of cooperation and planning rather than competition. There were parades and rallies, even a postage stamp, and industries that cooperated could display a blue eagle, the symbol of the NRA, designed to symbolize patriotic cooperation. “We Do Our Part,” the posters and banners proclaimed, but the results were somewhat less than the promise.

Section 7a of the NIRA, included at the insistence of organized labor, guaranteed labor’s right to organize and to bargain collectively and established the National Labor Board to see that their rights were respected. But the board, usually dominated by businessmen, often interpreted the labor provisions of the contracts loosely. In addition, small-business
owners complained that the NIRA was unfair to their interests. Any attempt to set prices led to controversy. Many consumers suspected that the codes and contracts were raising prices, while others feared the return of monopoly in some industries. One woman wrote the president that she was taking down her blue eagle because she had lost her job; another wrote from Tennessee to denounce the NIRA as a joke because it helped only the chain stores. The booster campaign for New Deal legislation backfired in the end because anyone with a complaint about a New Deal agency seemed to take it out on the NRA symbol of the blue eagle. When the Supreme Court declared the NIRA unconstitutional in 1935, few people complained. Still, the NIRA was an ambitious attempt to bring some order into a confused business situation, and the labor provisions of the act were picked up later by the National Labor Relations Act.

Civilian Conservation Corps

One of the most popular and successful of the New Deal programs, the Civilian Conservation Corps (CCC), combined work relief with the preservation of natural resources. It put young unemployed white men, such as Robert Symmonds, between ages 17 and 25 to work on reforestation, road and park construction, flood control, and other projects. There were a few carefully segregated black units. The men lived in work camps (more than 1,500 camps in all) and earned $30 a month, $25 of which had to be sent home to their families. Some complained that the CCC camps, run by the U.S. army, were too military, and one woman wrote from Minnesota to point out that all the best young men were at CCC camps when they ought to be home looking for real jobs and finding brides. Others complained that the CCC did nothing for unemployed young women, so a few special camps were organized for them, but only 8,000 women took part in a program that by 1941 had nearly 3 million participants. Overall, the CCC was one of the most successful and least controversial of all the New Deal programs.

The Tennessee Valley Authority

Franklin Roosevelt, like his distant Republican relative Theodore, believed in conservation. He promoted flood-control projects and added millions of acres to the country’s national forests, wildlife refuges, and fish and game sanctuaries. But the most important New Deal conservation project, the Tennessee Valley Authority (TVA), owed more to...
Republican George Norris, a progressive senator from Nebraska, than to Roosevelt.

During World War I, the federal government had built a hydroelectric plant and two munitions factories at Muscle Shoals, on the Tennessee River in Alabama. The government tried unsuccessfully to sell these facilities to private industry, but all through the 1920s, Norris campaigned to have the federal government operate them for the benefit of the valley’s residents. Twice Republican presidents vetoed bills that would have allowed federal operation, but Roosevelt endorsed Norris’s idea and expanded it into a regional development plan.

Congress authorized the TVA as an independent public corporation with the power to sell electricity and fertilizer and to promote flood control and land reclamation. The TVA built nine major dams and many minor ones between 1933 and 1944, affecting parts of Virginia, North Carolina, Georgia, Alabama, Mississippi, Tennessee, and Kentucky. Some private utility companies claimed that the TVA offered unfair competition to private industry, but it was an imaginative experiment in regional planning. It promoted everything from flood control to library bookmobiles. For residents of the valley, it meant cheaper electricity and changed lifestyles. The TVA meant radios, electric irons, washing machines, and other appliances for the first time. The largest federal construction project ever launched, it also created jobs for many thousands who helped build the dams. But government officials and businessmen who feared that the experiment would lead to socialism curbed the regional planning possibilities of the TVA.

Critics of the New Deal

The furious legislative activity during the first 100 days of the New Deal helped alleviate the pessimism and despair hanging over the country. Stock market prices rose slightly, and industrial production was up 11 percent at the end of 1933. Still, the country remained locked in depression, and nearly 12 million Americans were without jobs. Yet Roosevelt captured the imagination of ordinary Americans everywhere. But conservatives were not so sure that Roosevelt was a savior; in fact, many businesspeople, after being impressed with Roosevelt’s early economy measures and approving programs such as the NIRA, began to fear that the president was leading the country toward socialism. Appalled by work relief programs, regional planning such as the TVA, and the abandonment of the gold standard, many businesspeople were also annoyed by the style of the president, whom they called “that man in the White House.”

The conservative revolt against Roosevelt surfaced in the summer of 1934 as the congressional elections approached. A group of disgruntled politicians and businessmen formed the Liberty League. The league supported conservative or at least anti–New Deal candidates for Congress, but it had little influence. In the election of 1934, the Democrats increased their majority from 310 to 319 in the House and from 60 to 69 in the Senate (only the second time in the twentieth century that the party in power had increased its control of Congress in the midterm election). A few people were learning to hate Roosevelt, but it was obvious that most Americans approved of what he was doing.

While some thought the New Deal was too radical, others maintained that the government had not done enough to help the poor. One source of criticism was the Communist party. Attracting supporters from all walks of life during a time when capitalism seemed to have failed, the Communist party increased its membership from 7,500 in 1930 to 75,000 in 1938. The Communists organized protest marches and tried to reach out to the oppressed and unemployed. While a majority who joined the party came from the working class, communism had a special appeal to writers, intellectuals, and some...
college students during a decade when the American dream had turned into a nightmare.

A larger number of Americans, however, were influenced by other movements promising easy solutions to poverty and unemployment. In Minnesota, Governor Floyd Olson, elected on a Farm–Labor ticket, accused capitalism of causing the Depression and startled some listeners when he thundered, “I hope the present system of government goes right to hell.” In California, Upton Sinclair, the muckraking socialist and author of The Jungle, ran for governor on the platform “End Poverty in California.” He promised to pay everyone over age 60 a pension of $50 a month using higher income and inheritance taxes to finance the program. He won in the primary but lost the election, and his program collapsed.

California also produced Dr. Francis E. Townsend, who claimed he had a national following of more than 5 million people. His supporters backed the Townsend Old Age Revolving Pension Plan, which promised $200 a month to all unemployed citizens over age 60 on the condition that they spend it in the same month they received it. Economists laughed at the utopian scheme, but followers organized thousands of Townsend Pension Clubs across the country.

More threatening to Roosevelt and the New Deal were the protest movements led by Father Charles E. Coughlin and Senator Huey P. Long. Father Coughlin, a Roman Catholic priest from a Detroit suburb, attracted an audience of 30 million to 45 million to his national radio show. At first, he supported Roosevelt’s policies, but later he savagely attacked the New Deal as excessively probusiness. Mixing religious commentary with visions of a society operating without bankers and big businessmen, he roused his audience with blatantly anti-Semitic appeals. Most often the “evil” bankers he described were Jewish—the Rothschilds, Warburgs, and Kuhn-Loeb. Anti-Semitism reached a peak in the 1930s, so Jews bore the brunt of nativist fury.

Huey Long, like Coughlin, had a charisma that won support from the millions still trying to survive in a country where the continuing depression made day-to-day existence a struggle. Elected governor of Louisiana in 1928, Long promoted a “Share the Wealth” program. He taxed the oil refineries and built hospitals, schools, and thousands of miles of new highways. By 1934, he was the virtual dictator of his state, personally controlling the police and the courts. Long talked about a guaranteed $2,000 to $3,000 income for all American families (18.3 million families earned less than $1,000 per year in 1936) and promised pensions for the elderly and college educations for the young. He would pay for these programs by taxing the rich and liquidating the great fortunes. Had not an assassin’s bullet cut Long down in September 1935, he might have mounted a third-party challenge to Roosevelt.
THE SECOND NEW DEAL

Responding in part to the discontent of the lower middle class but also to the threat of various utopian schemes, Roosevelt moved his programs in 1935 toward the goals of social reform and social justice. At the same time, he departed from attempts to cooperate with the business community. “We find our population suffering from old inequalities,” Roosevelt announced in his annual message to Congress in January 1935. “In spite of our efforts and in spite of our talk, we have not weeded out the overprivileged and we have not effectively lifted up the underprivileged.”

Work Relief and Social Security

The Works Progress Administration (WPA), authorized by Congress in April 1935, was the first massive attempt to deal with unemployment and its demoralizing effect on millions of Americans. The WPA employed about 3 million people a year on a variety of socially useful projects. The WPA workers, who earned wages lower than private industry paid, built bridges, airports, libraries, roads, and golf courses. Nearly 85 percent of the funds went directly into salaries and wages.

A minor but important part of the WPA funding supported writers, artists, actors, and musicians. Richard Wright, Jack Conroy, and Saul Bellow were among the 10,000 writers who were paid less than $100 a month. Experimental theater, innovative and well-written guides to all the states, murals painted in municipal and state buildings, and the Historical Records Survey were among the long-lasting results of these projects.

Only one member of a family could qualify for a WPA job, and first choice always went to the man. A woman could qualify only if she headed the household. But eventually more than 13 percent of the people who worked for the WPA were women, although their most common employment was in the sewing room, where old clothes were made over. “For unskilled men we have the shovel. For unskilled
The WPA (which some wags said stood for “We Putter Around”) employed many people for a great variety of jobs. This is an unusual photograph because it is in color. A few photographers who worked for government agencies were beginning to experiment with color film, but most of the photographs that survive from the 1930s are black and white. Does the government have a responsibility to create jobs for the unemployed during a depression? (Bettmann-CORBIS)

women we have only the needle,” one official remarked.

The WPA was controversial from the beginning. Critics charged that the agency had hired Communists to paint murals or work on the state guides. For others, a “lazy good-for-nothing” leaning on a shovel symbolized the WPA. The initials WPA, some wags charged, stood for “We Pay for All” or “We Putter Around.” Yet for all the criticism, the WPA did useful work; the program built nearly 6,000 schools, more than 2,500 hospitals, and 13,000 playgrounds. More important, it restored the morale of millions of unemployed Americans.

The National Youth Administration (NYA) supplemented the work of the WPA and assisted young men and women between ages 16 and 25, many of them students. A young law student named Richard Nixon earned 35 cents an hour working for the NYA while he was at Duke University, and Lyndon Johnson began his political career as director of the Texas NYA.

By far the most enduring reform came with the passage of the Social Security Act of 1935. Since the progressive period, social workers and reformers had argued for a national system of health insurance, old-age pensions, and unemployment insurance. By the 1930s, the United States remained the only major industrial country without such programs. Within the Roosevelt circle, Frances Perkins argued most strongly for social insurance, but the popularity of the Townsend Plan and other schemes to aid the elderly helped convince Roosevelt of the need to act. The number of people over age 65 in the country increased from 5.7 million in 1925 to 7.8 million in 1935, and that group demanded action.

The Social Security Act of 1935 was a compromise. Congress quickly dropped a plan for federal health insurance because of opposition from the medical profession. The most important provision of the act was old-age and survivor insurance to be paid for by a tax of 1 percent on both employers and employees. The benefits initially ranged from $10 to $85 a month. The act also established a cooperative federal–state system of unemployment compensation. Other provisions authorized federal grants to the states to help care for the disabled and the blind. Finally, the Social Security Act provided some aid to dependent children. This provision would eventually expand to become the largest federal welfare program.
Yet in no other country was social insurance paid for in part by a regressive tax on workers' wages. "We put those payroll contributions there so as to give the contributors a legal, moral, and political right to collect their pensions and unemployment benefits," Roosevelt later explained. "With those taxes in there, no damn politician can ever scrap my social security program." It was never intended as a traditional pension program, but rather as a social contract whereby one generation helped to pay for the previous generation's retirement. But the law also excluded many people, including those who needed it the most, such as farm laborers and domestic servants. It discriminated against married women who were wage earners, and it failed to protect against sickness. Yet for all its weaknesses, it was one of the most important New Deal measures. A landmark in American social legislation, it marked the beginning of the welfare state that would expand significantly after World War II.

Aiding the Farmers

The Social Security Act and the Works Progress Administration were only two signs of Roosevelt's greater concern for social reform. The flurry of legislation in 1935 and early 1936, often called the "second New Deal," also included an effort to help American farmers. More than 1.7 million farm families had annual incomes of less than $500 in 1935, and 42 percent of all those who lived on farms were tenants. The Resettlement Administration (RA), motivated in part by a Jeffersonian ideal of yeoman farmers working their own land, set out to relocate tenant farmers on land purchased by the government. Lack of funds and fears that the Roosevelt administration was trying to establish Soviet-style collective farms limited the effectiveness of the RA program.

Much more important in improving the lives of farm families was the Rural Electrification Administration (REA), which was authorized in 1935 to lend money to cooperatives to generate and distribute electricity in isolated rural areas not served by private utilities. Only 10 percent of the nation's farms had electricity in 1936. When the REA's lines were finally attached, they dramatically changed the lives of millions of farm families who had been able only to dream about the radios, washing machines, and farm equipment advertised in magazines.

In the hill country west of Austin, Texas, for example, there was no electricity until the end of the 1930s. Houses were illuminated by kerosene lamps, whose wicks had to be trimmed just right or the lamp smoked or went out, but even with perfect adjustment, it was difficult to read by them. There were no bathrooms, because bathrooms required running water, and running water depended on an electric pump. Women and children hauled water constantly—for infrequent baths, for continuous canning (because without a refrigerator, fruits and vegetables had to be put up almost immediately or they spoiled), and for wash day. Wash day, always Monday, meant scrubbing clothes by hand with harsh soap on a washboard; it meant boiling clothes in a large copper vat over a woodstove and stirring them with a wooden fork. It was a hot, backbreaking job, especially in summer.

It was memory of life in the hill country and personal knowledge of how hard his mother and grandmother toiled that inspired a young congressman from Texas, Lyndon Johnson, to work to bring rural electrification to the area. In November 1939, the lights finally came on in the hill country, plugging the area into the twentieth century.

The Dust Bowl: An Ecological Disaster

Those who tried to farm on the Great Plains fell victim to years of drought and dust storms. Record heat waves and below-average rainfall in the 1930s turned an area from the Oklahoma panhandle to western Kansas into a giant dust bowl. A single storm on May
Dust Bowl Family  Thousands of families fled the dust bowl in old cars and headed for California. With no place to sleep, they used sheets and blankets to turn their cars into tents. John Steinbeck wrote about these migrants in *The Grapes of Wrath*. Do the dust bowl migrants represent a failure of the American dream? (Courtesy Franklin D. Roosevelt Library [53227(575)])

11, 1934, removed 300 million tons of topsoil and turned day into night. Between 1932 and 1939, there was an average of 50 storms a year. Cities kept their streetlights on for 24 hours a day. Dust covered everything from food to bedspreads and piled up in dunes in city streets and barnyards. Thousands died of “dust pneumonia.” One woman remembered what it was like at night: “A trip for water to rinse the grit from our lips, and then back to bed with washcloths over our noses, we try to lie still, because every turn stirs the dust on the blankets.” By the end of the decade, 10,000 farm homes were abandoned to the elements, and 9 million acres of farmland were reduced to a wasteland. By the end of the decade, 3.5 million people had abandoned their farms and joined a massive migration to find better lives.

More than 350,000 left Oklahoma during the decade and moved to California, a place that seemed to many like the promised land. But the name *Okie* came to mean any farm migrant. The plight of these wayfarers was immortalized by John Steinbeck in his novel about the Joad family, *The Grapes of Wrath* (1939). The next year, John Ford made a powerful movie based on the book, starring Henry Fonda as Tom Joad. Many Americans sympathized with the plight of the embattled farm family trying to escape the dust bowl and find a better life in California; others interpreted their defeat as a symbol of the failure of the American dream.

The dust bowl was a natural disaster, but it was aided and exaggerated by human actions and inactions. The semiarid plains west of the ninety-eighth meridian were not suitable for intensive agriculture. Overgrazing, too much plowing, and indiscriminate planting over a period of 60 years exposed the thin soil to the elements. When the winds came in the 1930s, much of the land simply blew away. In the end, it was a matter of too little government planning and regulation and too many farmers using new technology to exploit natural resources for their own gain.

The Roosevelt administration did try to deal with the problem. The Taylor Grazing Act of 1934 restricted the use of the public range in an attempt to prevent overgrazing, and it ended an era of unregulated use of natural resources in the West. Before 1934, anyone could use public land, but the 1934 act required a permit and a fee. The Taylor Act established the principle that the remaining public domain was under federal control and not for sale. The Civilian Conservation Corps and other New Deal agencies planted trees, and the Soil Conservation Service promoted drought-resistant crops and contour plowing, but it was too little and too late. Even worse, according to some authorities, government measures applied after the disaster of 1930 encouraged farmers to return to raising wheat and other inappropriate crops, leading to more dust bowl crises in the 1950s and 1970s.

The New Deal and the West
The New Deal probably aided the West more than any other region. The CCC, AAA, drought relief measures,
and various federal agencies helped the region to an extent that was out of proportion to the people who lived there. In fact, the top 14 states in per capita expenditure by federal agencies during the 1930s were all in the West. Most important were the large-scale water projects. The Boulder Dam (later renamed the Hoover Dam) on the Colorado River not only provided massive amounts of hydroelectric power but, with the construction of a 259-mile aqueduct, also provided the water that caused the city of Los Angeles to boom.

The largest power project of all was the Grand Coulee Dam on the Columbia River northwest of Spokane, Washington. Employing tens of thousands 

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**Taylor Grazing Act, 1934**

The Taylor Grazing Act of 1934 marked the end of an era when the federal government transferred public land to private ownership. The federal ownership or control of vast amounts of land in the West set up a conflict between rugged individualism and government planning and management. Should the government own or control this amount of land?
of men and pouring millions of dollars into the economy, the dam, finally completed in 1941, provided cheap electricity for the Pacific Northwest and eventually irrigated more than a million acres of arid land.

Despite all the federal aid to the region, many westerners, holding fast to the myth of frontier individualism, bitterly criticized the regulation and the bureaucracy that went with the grants. Cattlemen in Wyoming, Colorado, and Montana desperately needed the help of the federal government, but even as they accepted the aid, they denounced Roosevelt and the New Deal.

Controlling Corporate Power and Taxing the Wealthy

In the summer of 1935, Roosevelt set out to control the large corporations, and he even toyed with radical plans to tax the well-to-do heavily and redistribute wealth in the United States. The Public Utility Holding Company Act, passed in 1935, attempted to restrict the power of the giant utility companies, the 12 largest of which controlled more than half the country’s power. The act gave various government commissions the authority to regulate and control the power companies and included a “death sentence” clause that gave each company five years to demonstrate that its services were efficient. If it could not demonstrate this, the government could dissolve the company. This was one of the most radical attempts to control corporate power in American history.

In his message to Congress in 1935, Roosevelt also pointed out that the federal revenue laws had “done little to prevent an unjust concentration of wealth and economic power.” He suggested steeper income taxes for wealthy groups and a much larger inheritance tax. When Congress dropped the inheritance tax provision, however, Roosevelt did not fight to have it restored. Even the weakened bill, increasing estate and gift taxes and raising the income tax rates at the top, angered many in the business community who thought that Roosevelt had sold out to Huey Long’s “Share the Wealth” scheme.

The New Deal for Labor

Like many progressive reformers, Roosevelt was more interested in improving the lot of working people by passing social legislation than by strengthening the bargaining position of organized labor. Yet he saw labor as an important balance to the power of industry, and he listened to his advisers, especially Frances Perkins and Senator Robert Wagner of New York, who persistently brought up the needs of organized labor.

Roosevelt supported the National Labor Relations Act. Passed in 1935, it outlawed blacklisting and a number of other practices and reasserted labor’s right to organize and to bargain collectively. The act also established a Labor Relations Board with the power to certify a properly elected bargaining unit. The act did not require workers to join unions, but it made the federal government a regulator, or at least a neutral force, in management–labor relations. That alone made the National Labor Relations Act one of the most important New Deal reform measures.

The Roosevelt administration’s friendly attitude toward organized labor helped increase union membership from less than 3 million in 1933 to 4.5 million by 1935. Many groups, however, were left out, including farm laborers, unskilled workers, and women. Only about 3 percent of working women belonged to unions, and women earned only about 60 percent of wages paid to men for equivalent work. Still, many people resented that women were employed at all. The Brotherhood of Railway and Steamship Clerks ruled that no married woman whose husband could support her was eligible for a job.

The American Federation of Labor (AFL) had little interest in organizing unskilled workers, but a new group of committed and militant labor leaders
emerged in the 1930s to take up that task. John L. Lewis, the eloquent head of the United Mine Workers, was the most aggressive. He was joined by David Dubinsky of the International Ladies’ Garment Workers, and Sidney Hillman, president of the Amalgamated Clothing Workers. Dubinsky and Hillman were socialists who believed in economic planning, but both had worked closely with social justice progressives. These new progressive labor leaders formed the Committee of Industrial Organization (CIO) within the AFL and set out to organize workers in the steel, auto, and rubber industries. Rather than separating workers by skill or craft as the AFL preferred, they organized everyone into an industry-wide union much as the Knights of Labor had done in the 1880s. They also used new and aggressive tactics.

In 1936, the workers at three rubber plants in Akron, Ohio, went on unauthorized strikes. Instead of picketing outside the factory, they occupied the buildings and took them over, preventing the owners from running the factory with non-union workers. The “sit-down strike” became a new protest technique. Sometimes the workers occupied a factory for a week or more. After sit-down strikes against General Motors plants in Atlanta, Georgia, and Flint, Michigan, General Motors finally accepted the United Auto Workers (UAW) as their employees’ bargaining agent. The General Motors strike was the most important event in a critical period of labor upheaval. Labor’s voice now began to be heard in the decision-making process in major industries in which labor had long been denied any role. The strikes at General Motors also helped raise the status of organized labor in the eyes of many Americans.

Violence spread along with the sit-down strike. Chrysler capitulated, but the Ford Motor Company used hired gunmen to discourage the strikers. A bloody struggle ensued before Ford agreed to accept the UAW as the bargaining agent. Even U.S. Steel, which had been militantly anti-union, signed an agreement with the Steel Workers Organizing Committee calling for a 40-hour workweek and an eight-hour workday. But other steel companies refused to go along. In Chicago on Memorial Day in 1937, a confrontation between the police and peaceful picketers at the Republic Steel plant resulted in 10 deaths. In the “Memorial Day Massacre,” as it came to be called, the police fired without provocation into a crowd of workers and their families, who had gathered near the plant in a holiday mood. All 10 of the dead were shot in the back.

The CIO’s aggressive tactics gained many new members, to the horror of AFL leaders. They expelled the CIO leaders from the AFL, only to see them form a separate Congress of Industrial Organization (the initials stayed the same). By accepting unskilled workers, African Americans, and others who had never belonged to a union before, the CIO infused the labor movement with a new spirit.

**America’s Minorities in the 1930s**

Half a million African Americans joined unions through the CIO during the 1930s, and many blacks were aided by various New Deal agencies. Yet the familiar pattern of discrimination, low-paying jobs, and intimidation through violence persisted. Lynchings in the South actually increased in the New Deal years, rising from 8 in 1932 to 28 in 1933 and 20 in 1935.

One particular case came to symbolize and dramatize discrimination against African Americans in the 1930s. On March 25, 1931, in Scottsboro, Alabama, two young white women accused nine black men of raping them in a railroad boxcar as they all hitched a free ride. A jury of white men found all nine blacks guilty, and the court sentenced eight to die. The U.S. Supreme Court ordered new trials in 1933, on the grounds that the accused rapists had not received proper legal counsel. The case garnered much publicity in the United States and abroad. The youth of the defendants, their quick trial, and the harsh sentences made the “Scottsboro boys” a popular cause for many northern liberals and especially the Communist party.

For many southerners, however, it was a matter of defending the honor of white women. As one observer remarked of one of the accusers, she “might be a fallen woman, but by God she is a white woman.” However, evidence supporting the alleged rapes was never presented, and eventually one of the women recanted. Yet the case dragged on. In new trials, five of the young men were convicted and given long prison terms. Charges against the other four were dropped in 1937. Four of the remaining five were paroled by 1946, and the fifth escaped to Michigan.

African Americans did not have to be accused of rape to want to flee to the North, however, and the migration of blacks to northern cities, which had accelerated during World War I, continued during the 1930s. The collapse of cotton prices forced black farmers and farm laborers to flee north for survival. But since most were poorly educated, they soon became trapped in northern ghettos, where they were eligible for only the most menial jobs. The black unemployment rate was triple that of whites, and blacks often received less per person in welfare payments.
CHAPTER 24 The Great Depression and the New Deal

811

Sharecroppers Despite the black migration North during World War I and the 1920s, more than 80 percent of African Americans lived in the South during the 1930s. Most were sharecroppers, tenant farmers who often were in debt to the landlord. They were trapped by prejudice, unable to vote, and oppressed by poverty. The New Deal policies often made their situation worse. Many were kicked off the land and became homeless drifters. Can you imagine what it was like to be a sharecropper? Why did the nation tolerate such inequality? (Library of Congress, LC-USF34T01-9575)

Black leaders attacked the Roosevelt administration for supporting or allowing segregation in government-sponsored facilities. The TVA model town of Norris, Tennessee, was off limits for blacks, and AAA policies actually drove blacks off the land in the South. The CCC segregated black and white workers, and the PWA financed segregated housing projects. Some charged that NRA stood for “Negroes Rarely Allowed.” Blacks ought to realize, a writer in the NAACP journal The Crisis warned in 1935, “that the powers-that-be in the Roosevelt administration have nothing for them.” Roosevelt, fearing that he might antagonize southern congressmen whose backing he needed, refused to support the two major civil rights bills of the era, an antilynching bill and a bill to abolish the poll tax. Yet Harold Ickes and Harry Hopkins worked to ensure that blacks were given opportunities in New Deal agencies. By 1941, black federal employees totaled 150,000, more than three times the number during the Hoover administration. Most worked in the lower ranks, but some were lawyers, architects, office managers, and engineers.

Partly responsible for the presence of more black employees was the “black cabinet,” a group of more than 50 young blacks who had appointments in various New Deal agencies and were led by Mary McLeod Bethune, the daughter of a sharecropper. She had founded a black primary school in Florida and then transformed it into Bethune-Cookman College. In the 1920s, she had organized the National Council of Negro Women. In 1934, Harry Hopkins, following the advice of Eleanor Roosevelt, appointed her to the advisory committee of the National Youth Administration. Bethune had some impact on New Deal policy and on the black cabinet. She spoke out forcefully, she picketed and protested, and she intervened shrewdly to obtain civil rights and more jobs for African Americans, but in the end the gains for blacks during the New Deal were very limited.

W. E. B. Du Bois, in the meantime, had become increasingly discouraged with token appointments and the reform of race relations through integration with white society. In the 1920s, he supported a series of pan-African conferences designed to unite black people from around the world. He resigned from the NAACP and from his position as editor of The Crisis in 1934 and devoted his time to promoting “voluntary segregation” and a “Negro Nation within a nation.” Eventually, he joined the Communist party and moved to Ghana, where he died in 1963.

Although Roosevelt appointed a number of blacks to government positions, he was never particularly committed to civil rights. That was not true of Eleanor Roosevelt, who was educated in part by Mary McLeod Bethune. In 1939, when the Daughters of the American Revolution refused to allow Marian Anderson, a black concert singer, to use their stage, Mrs. Roosevelt publicly protested and resigned her membership in the DAR. She also arranged for Anderson to sing from the steps of the Lincoln Memorial, where 75,000 people gathered to listen and to support civil rights for all black citizens.

Hundreds of thousands of Mexicans, brought to the United States to work in the 1920s, lost their jobs in the Depression. Drifting to the Southwest or settling in the urban barrios and the small towns and farms in the Southwest, they met signs such as “Only White Labor Employed” and “No Niggers, Mexicans, or Dogs Allowed.” Some New Deal agencies helped destitute Mexicans. A few worked for the CCC and the WPA, but to be employed, an applicant had to qualify for state relief, and that eliminated most migrants. The primary solution was not to provide aid for Mexicans but to ship them back to Mexico. In Los Angeles and other cities, the police and immigration authorities rounded up aliens and held them illegally. A trainload of repatriates left Los Angeles...
every month during 1933, and officials deported thousands from other cities. One estimate placed the number sent back in 1932 at 200,000, including some American citizens.

Not all the Mexicans were repatriated, however, and some who remained adopted militant tactics to obtain fair treatment. Mexican strawberry pickers went on strike in El Monte, California, and 18,000 cotton pickers walked away from their jobs in the San Joaquin valley in 1933. On August 31, 1939, during a record-breaking heat wave, nearly all of the 430 workers, most of them Mexican American women, staged a massive walkout at one of the largest food processing plants in Los Angeles. In Gallup, New Mexico, several thousand Mexican coal miners walked out on strike. They constructed a village of shacks and planned to wait out the strike. The miners, who were aided by writers and artists from Santa Fe and Taos, were evicted from their village by the city authorities. Federal agents arrested their leader, Jesus Pallares, and deported him to Mexico.

Asians (Chinese, Japanese, and a smaller number of Koreans and Asian Indians) also suffered during the Depression. Most lived in ethnic enclaves, lost their jobs, and were treated as foreigners—not quite black, but not white either. Asians, especially the second generation who were automatically citizens if they were born in the United States, were troubled by a "twoness." They were both Chinese or Japanese and American. At least their parents wanted them to retain ties to the old country and the old culture. One young Chinese student from San Francisco had to go to Chinese school after her regular school. “We never became proficient in reading or writing Chinese,” she recalled, “probably because we never thought of ourselves as needing Chinese. After all, weren’t we Americans?” A Japanese nisei remembered the “queer mixture of Occident and the Orient. I sat down to American breakfast and Japanese lunch. My palate developed a fondness for rice along with corned beef and cabbage. I became equally adept with knife and fork and with chopsticks. I said grace at mealtime in Japanese, and recited the Lord’s prayer in English.” But one Japanese father told his son to learn Japanese because there was no future for him in the United States. Most American failed to appreciate the sense of “twoness” that the Asians suffered with; indeed, they treated all Asians as aliens, and they had great difficulty distinguishing a Chinese from a Japanese from a Korean.

Native Americans also experienced alienation, disease, and despair during the Depression, and their plight was compounded by years of exploitation. Since the Dawes Act of 1887 (described in Chapter 17), government policy had sought to make the Indian into a property-owning farmer and to limit tribal rights. Native Americans lost more than 60 percent of the 138 million acres granted them in 1887. The government declared some of the land surplus and encouraged individuals to settle on 160 acres and adopt the “habits of civilized life.” Few Native Americans profited from this system, but many whites did.

Just as other progressives sought the quick assimilation of immigrants, the progressive-era Indian commissioners sped up the allotment process to increase Indian detribalization. But many Native Americans who remained on the reservations were not even citizens. Finally, in 1924, Congress granted citizenship to all Indians born in the United States. The original Americans became U.S. citizens, but that did not end their suffering.

Franklin Roosevelt brought a new spirit to Indian policy by appointing John Collier as commissioner of Indian affairs. Collier was primarily responsible for the passage of the Indian Reorganization Act of 1934, which sought to restore the political independence of the tribes and to end the allotment policy of the Dawes Act. “Even where a tribal group is split into factions, where leadership has broken down, where Indians clamor to distribute the tribal property, even there deep forces of cohesion persist and can be evoked,” Collier wrote. The bill also sought to promote the “study of Indian civilization” and to “preserve and develop the special cultural contributions and achievements of such civilization, including Indian arts, crafts, skills and traditions.”

Not all Indians agreed with the new policies. Some chose to become members of the dominant culture, and the Navajos voted to reject the Reorganization Act. Some Americans charged that the act was inspired by communism. Others argued that its principal result would be to increase government bureaucracy, while missionaries claimed that the government was promoting pagan by allowing the Indians to practice their native religions.

The paradox and contradictions of U.S. policy toward the Indians can be illustrated by Collier’s attempt to solve the Navajo problem. The Navajo lands, like most of the West, were overgrazed, and soil erosion threatened to fill the new lake behind the Hoover Dam with silt. By supporting a policy of reducing the herds of sheep and goats on Indian land and by promoting soil conservation, Collier contributed to the change in the Navajo lifestyle and to the end of their self-sufficiency, something he wanted to support.
CHAPTER 24 The Great Depression and the New Deal

Women and the New Deal

Women made some gains during the 1930s, and more women occupied high government positions than in any previous administration. Besides Frances Perkins, the secretary of labor, there was Molly Dewson, a social worker with the Massachusetts Girls Parole Department and the National Consumers League before becoming head of the Women’s Division of the Democratic Committee and then an adviser to Roosevelt. Working closely with Eleanor Roosevelt to promote women’s causes, she helped achieve a number of firsts: two women appointed ambassadors, a judge on the U.S. Court of Appeals, the director of the mint, and many women in government agencies.

Katharine Lenroot, director of the Children’s Bureau, and Mary Anderson, head of the Women’s Bureau, selected many other women to serve in their agencies. Some of these women had collaborated as social workers and now joined government bureaus to continue the fight for social justice. But they were usually in offices in which they did not threaten male prerogatives.

Despite some gains, the early New Deal programs did nothing for an estimated 140,000 homeless women, or the 2 million to 4 million unemployed women. Married women often were fired from their jobs on the grounds that they should be home caring for their families rather than depriving men of employment. Single, divorced, and widowed women were usually ignored. Eleanor Roosevelt was genuinely concerned over the plight of poor women. She sponsored a White House Conference in November 1933 on the Emergency Needs of Women. She also advocated including more women in the CCC, the WPA, and other programs, but in the end the New Deal did little for poor women.

### FDR’s Successful Presidential Campaigns, 1932–1944

<table>
<thead>
<tr>
<th>Year</th>
<th>Candidate</th>
<th>Party</th>
<th>Popular Vote</th>
<th>Electoral Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>1932</td>
<td>FRANKLIN D. ROOSEVELT</td>
<td>Democratic</td>
<td>22,809,638 (57.4%)</td>
<td>472</td>
</tr>
<tr>
<td></td>
<td>Herbert C. Hoover</td>
<td>Republican</td>
<td>15,758,901 (39.7%)</td>
<td>59</td>
</tr>
<tr>
<td></td>
<td>Norman Thomas</td>
<td>Socialist</td>
<td>881,951 (2.2%)</td>
<td>0</td>
</tr>
<tr>
<td>1936</td>
<td>FRANKLIN D. ROOSEVELT</td>
<td>Democratic</td>
<td>27,751,612 (60.8%)</td>
<td>523</td>
</tr>
<tr>
<td></td>
<td>Alfred M. Landon</td>
<td>Republican</td>
<td>16,681,913 (36.5%)</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>William Lemke</td>
<td>Union</td>
<td>891,858 (1.9%)</td>
<td>0</td>
</tr>
<tr>
<td>1940</td>
<td>FRANKLIN D. ROOSEVELT</td>
<td>Democratic</td>
<td>27,243,466 (54.8%)</td>
<td>449</td>
</tr>
<tr>
<td></td>
<td>Wendell L. Willkie</td>
<td>Republican</td>
<td>22,304,755 (44.8%)</td>
<td>82</td>
</tr>
<tr>
<td>1944</td>
<td>FRANKLIN D. ROOSEVELT</td>
<td>Democratic</td>
<td>25,602,505 (53.5%)</td>
<td>432</td>
</tr>
<tr>
<td></td>
<td>Thomas E. Dewey</td>
<td>Republican</td>
<td>22,006,278 (46.0%)</td>
<td>99</td>
</tr>
</tbody>
</table>

Note: Winners’ names appear in capital letters.
CHAPTER 24 The Great Depression and the New Deal 813

THE LAST YEARS OF THE NEW DEAL

The New Deal was neither a consistent nor a well-organized effort to end the Depression and restructure society. Roosevelt was a politician and a pragmatist, unconcerned about ideological or programmatic consistency. The first New Deal of 1933–1934 concentrated on relief and recovery, while the legislation passed in 1935 and 1936 was more involved with social reform. In many ways, the election of 1936 marked the high point of Roosevelt’s power and influence. After 1937, in part because of the growing threat of war but also because of increasing opposition in Congress, the pace of social legislation slowed. Yet several measures passed in 1937 and 1938 had such far-reaching significance that some historians refer to a third New Deal. Among the new measures were bills that provided for a minimum wage and for housing reform.

The Election of 1936

The Republicans in 1936 nominated a moderate, Governor Alfred Landon of Kansas. Although he attacked the New Deal, charging that new government programs were wasteful and created a dangerous federal bureaucracy, Landon only promised to do the same thing more cheaply and efficiently. Two-thirds of the newspapers in the country supported him, and the Literary Digest predicted his victory on the basis of a “scientific” telephone poll.

Roosevelt, helped by signs that the economy was recovering and supported by a coalition of the
Democratic South, organized labor, farmers, and urban voters, won easily. A majority of African Americans for the first time deserted the party of Lincoln, not because of Roosevelt’s interest in civil rights for blacks but because New Deal relief programs assisted many poor blacks. A viable candidate to the left of the New Deal failed to materialize. In fact, the Socialist party candidate, Norman Thomas, polled fewer than 200,000 votes. Roosevelt won by more than 10 million votes, carrying every state except Maine and Vermont. Even the traditionally Republican states of Pennsylvania, Delaware, and Connecticut, which had voted Republican in almost every election since 1856, went for Roosevelt.

The Battle of the Supreme Court

“[I] see one-third of a nation ill-housed, ill-clad, ill-nourished,” Roosevelt declared in his second inaugural address, and he vowed to alter that situation. But the president’s first action in 1937 did not call for legislation to alleviate poverty. Instead, he announced a plan to reform the Supreme Court and the judicial system. The Court had invalidated not only a number of New Deal measures—including the NIRA and the first version of the AAA—but other measures as well.

Increasingly angry at the “nine old men” who seemed to be destroying New Deal initiatives and defying Congress’s will, Roosevelt determined to create a more sympathetic Court. He hoped to gain power to appoint an extra justice for each justice over age 70, of whom there were six. His plan also called for modernizing the court system at all levels, but that plan got lost in the public outcry over the Court-packing scheme.

Roosevelt’s plan to nullify the influence of the older and more reactionary justices foundered. Republicans accused him of being a dictator and of subverting the Constitution. Many congressmen from his own party refused to support him. Led by Vice President John Nance Garner of Texas, a number of southern Democrats broke with the president and formed a coalition with conservative Republicans that lasted for more than 30 years. After months of controversy, Roosevelt withdrew the legislation and admitted defeat. He had perhaps misunderstood his mandate, and he certainly underestimated the respect, even the reverence, that most Americans felt for the Supreme Court.

Ironically, though he lost the battle of the Supreme Court, Roosevelt won the war. By the spring of 1937, the Court began to reverse its position and in a 5–4 decision upheld the National Labor Relations Act. When Justice Willis Van Devanter retired, Roosevelt was able to make his first Supreme Court appointment, thus ensuring at least a shaky liberal majority on the Court. After 1937 a series of court cases established the principle that Congress and federal power trumped states’ rights and local control. But Roosevelt triumphed at great cost. His attempt to reorganize the Court dissipated energy and slowed the momentum of his legislative program. Seen as the most unpopular action he took as president, it made him vulnerable to criticism from opponents of the New Deal, and even some of his supporters were dismayed by what they regarded as an attack on the principle of separation of powers.

The economy improved in late 1936 and early 1937, but in August, the fragile prosperity collapsed. Unemployment shot back up, industrial production fell, and the stock market plummeted. Facing an embarrassing economic slump that evoked charges that the New Deal had failed, Roosevelt resorted to “deficit spending,” as recommended by John Maynard Keynes, the British economist. Keynes argued that to get out of a depression, the government must spend massive amounts of money on goods and services to increase demand and revive production. The economy responded slowly but never fully recovered until wartime expenditures, beginning in 1940, stimulated it, reduced unemployment, and ended the Depression.

Completing the New Deal

Despite increasing hostility, Congress passed a number of important bills in 1937 and 1938 that completed the New Deal reform legislation. The Bankhead–Jones Farm Tenancy Act of 1937 created the Farm Security Administration (FSA) to aid tenant farmers, sharecroppers, and farm owners who had lost their farms. The FSA, which provided loans to grain collectives, also set up camps for migratory workers. Some people saw such policies as the first step toward Communist collectives, but the FSA in fact never had enough money to make a real difference.

Congress passed a new Agricultural Adjustment Act in 1938 that tried to solve the problem of farm surpluses, which persisted even after hundreds of thousands of farmers had lost their farms. The new act replaced the processing tax (which the Supreme Court had declared unconstitutional) with direct
### Key 1930s Reform Legislation

<table>
<thead>
<tr>
<th>Year</th>
<th>Legislation</th>
<th>Provisions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1932</td>
<td>Reconstruction Finance Corporation (RFC)</td>
<td>Granted emergency loans to banks, life insurance companies, and railroads (passed during Hoover administration)</td>
</tr>
<tr>
<td>1933</td>
<td>Civilian Conservation Corps (CCC)</td>
<td>Employed young men (and a few women) in reforestation, road construction, and flood control projects</td>
</tr>
<tr>
<td>1933</td>
<td>Agricultural Adjustment Act (AAA)</td>
<td>Granted farmers direct payments for reducing production of certain products; funds for payments provided by a processing tax, which was later declared unconstitutional</td>
</tr>
<tr>
<td>1933</td>
<td>Tennessee Valley Authority (TVA)</td>
<td>Created independent public corporation to construct dams and power projects and to develop the economy of a nine-state area in the Tennessee River valley</td>
</tr>
<tr>
<td>1933</td>
<td>National Industrial Recovery Act (NIRA)</td>
<td>Sought to revive business through a series of fair-competition codes; Section 7a guaranteed labor’s right to organize (later declared unconstitutional)</td>
</tr>
<tr>
<td>1933</td>
<td>Public Works Administration (PWA)</td>
<td>Sought to increase employment and business activity through construction of roads, buildings, and other projects</td>
</tr>
<tr>
<td>1934</td>
<td>National Housing Act—created Federal Housing Administration (FHA)</td>
<td>Insured loans made by banks for construction of new homes and repair of old homes</td>
</tr>
<tr>
<td>1935</td>
<td>Emergency Relief Appropriation Act—created Works Progress Administration (WPA)</td>
<td>Employed more than 8 million people to repair roads, build bridges, and work on other projects; also hired artists and writers</td>
</tr>
<tr>
<td>1935</td>
<td>Social Security Act</td>
<td>Established unemployment compensation and old-age and survivors’ insurance paid for by a joint tax on employers and employees</td>
</tr>
<tr>
<td>1935</td>
<td>National Labor Relations Act (Wagner-Connery Act)</td>
<td>Recognized the right of employees to join labor unions and to bargain collectively; created a National Labor Relations Board to supervise elections and to prevent unfair labor practices</td>
</tr>
<tr>
<td>1935</td>
<td>Public Utility Holding Act</td>
<td>Outlawed pyramiding of gas and electric companies through the use of holding companies and restricted these companies to activity in one area; a “death sentence” clause gave companies five years to prove local, useful, and efficient operation or be dissolved</td>
</tr>
<tr>
<td>1937</td>
<td>National Housing Act (Wagner-Steagall Act)</td>
<td>Authorized low-rent public housing projects</td>
</tr>
<tr>
<td>1938</td>
<td>Agricultural Adjustment Act (AAA)</td>
<td>Continued price supports and payments to farmers to limit production, as in 1933 act, but replaced processing tax with direct federal payment</td>
</tr>
<tr>
<td>1938</td>
<td>Fair Labor Standards Act</td>
<td>Established minimum wage of 40 cents an hour and maximum workweek of 40 hours in enterprises engaged in interstate commerce</td>
</tr>
</tbody>
</table>
foreclosure. The HOLC also had a strong impact on housing policy by introducing the first long-term, fixed-rate mortgages. Formerly, all mortgages were for periods of no more than five years and were subject to frequent renegotiation.

The HOLC also introduced a uniform system of real estate appraisal that tended to undervalue urban property, especially in neighborhoods that were old, crowded, and ethnically mixed. The system gave the highest ratings to suburban developments where, according to the HOLC, there had been no “infiltration of Jews” or other undesirable groups. This was the beginning of the practice later called “redlining,” in which lending agencies drew lines around neighborhoods and made it nearly impossible for prospective home buyers of certain ethnic or racial backgrounds to obtain a mortgage.

The Federal Housing Administration (FHA), created in 1934 by the National Housing Act, expanded and extended many of these HOLC policies. The FHA insured mortgages, many of them for 25 or 30 years; reduced the down payment required from 30 percent to less than 10 percent; and allowed more than 11 million families to buy homes between 1934 and 1972. The system, however, tended to favor purchasing new suburban homes rather than repairing older urban residences. New Deal housing policies helped make the suburban home with the long FHA mortgage part of the American way of life, but the policies also contributed to the decline of many urban neighborhoods.

Just as important as housing legislation was the Fair Labor Standards Act, which Congress passed in June 1938. Roosevelt’s bill proposed for all industries engaged in interstate commerce a minimum wage of 25 cents an hour, to rise in two years to 40 cents an hour, and a maximum workweek of 44 hours, to be reduced to 40 hours. The act covered only 20 percent of the labor force and only 14 percent of working women. Nevertheless, when it went into effect, 750,000 workers immediately received raises, and by 1940, some 12 million had received pay increases. The law also prohibited child labor in interstate commerce, making it the first permanent federal law to prohibit youngsters under age 16 from working. And without emphasizing the matter, the law made no distinction between men and women, thus diminishing, if not completely ending, the need for special legislation for women.

The Fair Labor Standards Act was the last New Deal measure passed. The New Deal had many weaknesses, but it did dramatically increase government support for the needy. In 1913, local, state, and federal governments spent $21 million on public assistance. By 1932, that had risen to $218 million; by 1939, it was $4.9 billion.

**THE OTHER SIDE OF THE 1930S**

The Great Depression and the New Deal so dominate the history of the 1930s that it is easy to conclude that nothing else happened, that there were only bread lines and relief agencies. But there is another side of the decade, for a communications revolution changed the lives of middle-class Americans. The sale of radios and attendance at movies increased during the 1930s, and literature flourished. Americans were fascinated by technology, especially automobiles. Many people traveled during the decade; they stayed in motor courts and looked ahead to a brighter future dominated by streamlined appliances and gadgets that would mean an easier life.

**Taking to the Road**

“People give up everything in the world but their car,” a banker in Muncie, Indiana, remarked during the Depression, and that seems to have been true all over the country. Although automobile production
dropped off after 1929 and did not recover until the end of the 1930s, the number of motor vehicles registered, which declined from 26.7 million in 1930 to just over 24 million in 1933, increased to more than 32 million by 1940. People who could not afford new cars drove used ones. Even the “Okies” fleeing the dust bowl of the Southwest traveled in cars. They were secondhand, run-down cars to be sure, but the fact that even many poor Americans owned cars shocked visitors from Europe, where automobiles were still only for the rich.

The American middle class traveled at an increasing rate after the low point of 1932 and 1933. In 1938, the tourist industry was the third largest in the United States, behind only steel and automobile production. More than 4 million Americans traveled every year, and four out of five went by car. Many dragged a trailer for sleeping or stopped at the growing number of tourist courts and overnight cabins. In these predecessors of the motel, there were no doormen, no bellhops, no register to sign. The tourist court was much more informal than the hotel, and you could park your car next to your cabin.

**The Electric Home**

If the 1920s was the age of the bathroom, the 1930s was the era of the modern kitchen. The sale of...
electric appliances increased throughout the decade, with refrigerators leading the way. In 1930, the number of refrigerators produced exceeded the number of iceboxes for the first time. Refrigerator production continued to rise throughout the decade, reaching a peak of 2.3 million in 1937. At first, the refrigerator was boxy and looked very much like an icebox with a motor sitting on top. In 1935, however, the refrigerator, like most other appliances, became streamlined. Sears, Roebuck advertised “The New 1935 Super Six Coldspot . . . Stunning in Its Streamlined Beauty.” The Coldspot, which quickly influenced the look of all other models, was designed by Raymond Loewy, one of a group of industrial designers who emphasized sweeping horizontal lines, rounded corners, and a slick modern look. They hoped modern design would stimulate an optimistic attitude and, of course, increase sales. At the end of the decade, in 1939, the World’s Fair in New York glorified the theme of a streamlined future, carefully planned and based on new technology.

This reverence for technological progress contrasted with the economic despair in the 1930s, but people adapted to it selectively. For example, the electric washing machine and electric iron revolutionized wash day. Yet even with labor-saving machines, most women continued to do their wash on Monday and their ironing on Tuesday. Packaged and canned goods became more widely available during the decade, and many women discovered that it was easier, and in some cases cheaper, to serve Kellogg’s Corn Flakes or Nabisco Shredded Wheat than to make oatmeal, to heat Van Camp’s pork and beans or Heinz spaghetti from a can than to prepare a meal, or to use commercially baked bread than to bake their own.

Ironically, despite these new conveniences, a great many middle-class families maintained their standard of living during the 1930s only because the women in the family learned to stretch and save and make do, and most wives spent as much time on housework as before. Some also took jobs outside the home to maintain their level of consumption. The number of married women who worked increased substantially during the decade. At the same time, many rural women, such as those in the hill country of Texas and other remote areas, and many wives of the unemployed simply made do. They continued to cook, clean, and sew as their ancestors had for generations.

The Age of Leisure

During the Depression, many middle-class people found themselves with time on their hands and sought out ways of spending it. The 1920s had been a time of spectator sports, of football and baseball heroes, of huge crowds that turned out to see boxing matches. Those sports continued during the Depression decade, although attendance suffered. Softball and miniature golf, which were cheap forms of entertainment and did not require expensive travel, also became popular. But leisure in the 1930s actually grew to be a problem, and professionals published some 450 new books on the subject. Leisure was mechanized; millions put their nickels in a slot and listened to a record played on a jukebox. Millions more played a pinball machine, a mechanized device that had no practical use other than entertainment and could end the game with one word: “Tilt.”

Many popular games of the period had elaborate rules and directions. Contract bridge swept the country during the decade, and Monopoly was the most popular game of all. Produced by Parker Brothers, Monopoly was a fantasy of real estate...
HOW OTHERS SEE US

Georges Duhamel, A French Writer Visits the United States and Finds Nothing to Admire

Georges Duhamel, a French novelist, traveled in the United States at the beginning of the Great Depression. He used Chicago to symbolize all that he disliked about America. As much as he hated everything he saw, he feared that American culture was going to spread around the world.

O painters, my friends and brothers, you can never make anything of Chicago! You will never paint this world, for it is beyond the human grasp. Chicago is no more paintable than the desert. It is prodigious and untamed; it is not a living thing.

America is devoted to its ephemeral works. It erects, not monuments, but merely buildings. Should it fall into ruins tomorrow, we should seek in its ashes in vain for the bronze statuette that is enough to immortalize a little Greek village. Ruins of Chicago—prodigious heap of iron-work, concrete, and old plaster; the sole beauty of which will be gay plants and moss—I evoke you with horror and weariness of spirit.

In that ridiculous moral atmosphere in which swarms not a great nation, but a confusion of speculation in which chance, luck, and the roll of the dice determined the winner. But one still had to obey the rules: “Go Directly to Jail. Do Not Pass Go. Do Not Collect $200.” During a depression brought on in part by frenzied speculation, Americans were fascinated by a game whose purpose was to obtain real estate and utility monopolies and drive one’s opponents into bankruptcy.

The 1930s was also a time of fads and instant celebrities, created by radio, newsreels, and businesspeople ready to turn almost anything to commercial advantage. The leading box office attraction between 1935 and 1938 was Shirley Temple, a blond and adorable child star. She inspired dolls, dishes, books, and clothes. Even stranger was the excitement created by the birth of five girl babies to a couple in northern Ontario in 1934. The Dionne quintuplets appeared on dozens of magazine covers and endorsed every imaginable product. Millions of people waited eagerly for the latest news about the babies, and more than 3 million traveled to see their home in Canada. The crazes over Shirley Temple and the Dionne quintuplets were products of the new technology, especially radio and the movies.

Literary Reflections of the 1930s

Though much of the literature of the 1930s reflected the decade’s troubled currents, reading continued to be a popular and cheap entertainment. John Steinbeck, whose later novel The Grapes of Wrath (1939) followed the fortunes of the Joad family, described the plight of Mexican migrant workers in Tortilla Flat (1935). His novels expressed his belief that there was in American life a “crime . . . that goes beyond denunciation.” He warned, “In the eyes of the hungry there is a growing wrath.”

Other writers also questioned the American dream. John Dos Passos’s trilogy U.S.A. (1930–1936) conveyed a deep pessimism about American capitalism that many other intellectuals shared. Less political were the novels of Thomas Wolfe and William Faulkner, who more sympathetically portrayed Americans caught up in the web of local life.

Is Duhamel’s criticism fair?
Is it perhaps influenced by the time he visited?
Is this kind of attack (that The United States has no culture, no tradition) still common among European visitors?
Just as some historians have used fiction to help define the cultural history of a decade, others in the twentieth century have turned to film to describe the “spirit of an age.” On an elementary level, the movies help us appreciate changing styles in dress, furniture, and automobiles. We can even get some sense of how a particular time defined a beautiful woman or a handsome man, and we can learn about ethnic and racial stereotypes and assumptions about gender and class.

The decade of the 1930s is sometimes called the “golden age of the movies.” Careful selection among the 500 or so feature films Hollywood produced each year during the decade—ranging from gangster and cowboy movies to Marx Brothers comedies, from historical romances to Busby Berkeley musical extravaganzas—could support a number of interpretations about the special myths and assumptions of the era. But one historian has argued that, especially after 1934, “not only did the movies amuse and entertain the nation through its most severe economic and social disorder, holding it together by their capacity to create unifying myths and dreams, but movie culture in the 1930s became a dominant culture for many Americans, providing new values and social ideals to replace shattered old traditions.”

The year 1934 was a dividing line for two reasons. The motion picture industry, like all other industries, had suffered during the Depression; 1933 marked the low point in attendance, with more than one-third of the theaters in the country shut down. The next year, however, attendance picked up, heralding a revival that lasted until 1946. Also in 1934, the movie industry adopted a code for which the Catholic Legion of Decency and other religious groups had lobbied. The new code prohibited the depiction of “sex perversion, interracial sex, abortion, incest, drugs and profanity.” Even married couples could not be shown together in a double bed. Although a movie could depict immoral behavior, sin always had to be punished. “Evil and good should never be confused,” the code announced.

Before the code, Hollywood had indeed produced graphic films, such as The Public Enemy (1931) and Scarface (1932), with a considerable amount of violence; musicals, such as Gold Diggers of 1933, filled with scantily clad young women; films featuring prostitutes, such as Jean Harlow in Red Dust (1932) and A scene from It Happened One Night, 1934. (Photofest)
Marlene Dietrich in *Blond Venus* (1930); and other films that confronted the problems of real life. But after 1934, Hollywood concentrated on movies that created a mythical world in which evil was always punished, family moral values won out in the end, and patriotism and American democracy were never questioned. Although the code was modified from time to time, it was not abandoned until 1966, when it was replaced by a rating system.

*It Happened One Night* (1934) and *Drums Along the Mohawk* (1939), two films out of thousands, illustrate some of the myths the movies created and sustained. Frank Capra, one of Hollywood’s masters at entertaining without disturbing, directed *It Happened One Night*, a comedy-romance. A rich girl (played by Claudette Colbert) dives from her father’s yacht off the coast of Florida and takes a bus for New York. She meets a newspaper reporter (Clark Gable), and they have a series of madcap adventures and fall in love. But mix-ups and misunderstandings make it appear that she will marry her old boyfriend. In the end, however, they are reunited and marry in an elaborate outdoor ceremony. Afterward, they presumably live happily ever after. The movie is funny and entertaining and presents a variation on the poor-boy-marries-rich-girl theme. Like so many movies of the time, this one suggests that life is fulfilled for a woman only if she can find the right man to marry.

Claudette Colbert also stars in *Drums Along the Mohawk*, this time with Henry Fonda. Based on a 1936 novel by Walter Edmonds, *Drums* is a sentimental story about a man who builds a house in the wilderness, marries a pretty girl, fights off the Indians, and works with the simple country folk to create a satisfying life in the very year the American colonies rebel against Great Britain. *Drums* was one of a number of films based on historical themes that Hollywood released just before World War II. *The Howards of Virginia* (1940), *Northwest Passage* (1939), and, most popular of all, *Gone with the Wind* (1939) were others in the same genre. Historical themes had been popular before, but with the world on the brink of war, the story of men and women in the wilderness struggling for family and country against Native Americans (stereotyped as savages) proved comforting as well as entertaining.

**Reflecting on the Past** Can a historian use movies to describe the values and myths of a particular time, or are the complexities and exaggerations too great? Are the most popular or most critically acclaimed films more useful than others in getting at the “spirit of an age”? Which films that are popular today tell us the most about our time and culture? Is there too much sex and violence in movies today? Should the government control the language, themes, and values depicted in movies? Are movies as important today as they were in the 1930s in defining and influencing the country’s myths and values?
and facing the complex problems of the modern era. Faulkner's fictional Yoknapatawpha County, brought to life in *The Sound and the Fury*, *As I Lay Dying*, *Sanctuary*, and *Light in August* (1929–1932), documented the South's racial problems and its poverty as well as its stubborn pride. But the book about the South that became one of the decade's best-sellers was far more optimistic and far less complex than Faulkner's work—Margaret Mitchell's *Gone with the Wind* (1936). Its success suggested that many Americans read to escape, not to explore their problems.

### Radio's Finest Hour

The number of radios purchased increased steadily during the decade. In 1929, slightly more than 10 million households owned radios; by 1939, more than 27.5 million households had radios. Not just a source of music and news, the radio was a focal point of the living room. In many homes, the top of the radio became the symbolic mantel where cherished photos were displayed. Families gathered around the radio at night to listen to and laugh at Jack Benny or Edgar Bergen and Charlie McCarthy or to try to solve a murder mystery with Mr. and Mrs. North. *The Lone Ranger*, another popular program, had 20 million listeners by 1939.

During the day there were soap operas. "Between thick slices of advertising," wrote James Thurber, "spread twelve minutes of dialogue, add predicament, villainy, and female suffering in equal measure, throw in a dash of nobility, sprinkle with tears, season with organ music, cover with a rich announcer sauce and serve five times a week." After school, teenagers and younger children argued over whether to listen to *Jack Armstrong, the All-American Boy* or *Captain Midnight* or *Stella Dallas* and *The Young Widder Brown*.

Most families had only one radio. The reception was sometimes poor, especially in rural areas and small towns. Voices faded in and out and disappeared during storms. But the magic of radio allowed many people to feel connected to distant places and to believe they knew the radio performers personally. Radio was also responsible for one of the most widespread episodes of mass hysteria of all time. On October 31, 1938, Orson Welles broadcast *The War of the Worlds* so realistically that thousands of listeners really believed that Martians had landed in New Jersey. If anyone needed proof, that single program demonstrated the power of the radio.

### The Silver Screen

The 1930s were the golden decade of the movies. Between 60 million and 90 million Americans went to the movies every week. The medium was not entirely Depression-proof, but talking films had replaced the silent variety in the late 1920s, and attendance soared. Though it fell off slightly in the early 1930s, by 1934 movie viewing was climbing again. For many families, even in the depth of the Depression, movie money was almost as important as food money.

In the cities, one could go to an elaborate movie palace and live in a fantasy world far removed from the reality of Depression America. In small towns across the country, for 25 cents (10 cents for those under age 12) one could go to at least four movies during the week. There was a Sunday–Monday feature film (except in communities where the churches had prevented Sunday movies), a different feature of somewhat lesser prominence on Tuesday–Wednesday, and another on Thursday–Friday. On Saturday, there was a cowboy or detective movie. Sometimes a double feature played, and there were always short subjects, a cartoon, and a newsreel. On Saturday, there was usually a serial that left the heroine or hero in such a dire predicament that one...