

Chapter 10

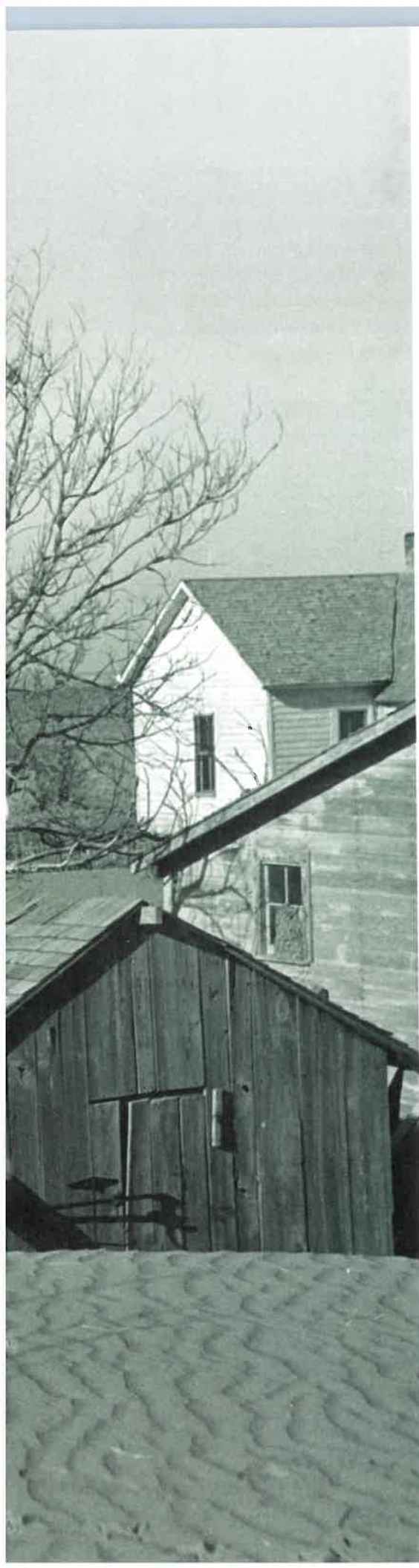
A black and white photograph showing a close-up of a person's hand holding an empty, shallow metal bowl. The person is wearing a dark, heavy jacket with visible pockets. The background is dark and out of focus. The lighting highlights the texture of the jacket and the rim of the bowl.

**“Brother, can
you spare a dime?”**

—Yip Harburg, songwriter

THE DUST BOWL

Piles of dust bury a farm near Liberal, Kansas, in this 1936 photograph by photojournalist Arthur Rothstein. Rothstein is known for his images of rural and small-town America.



Between 1931 and 1939, so-called “black blizzards”—dangerous dust storms—were frighteningly common across the Great Plains, especially in Texas, Oklahoma, Colorado, Kansas, and New Mexico. Journalist Robert Geiger coined the nickname “Dust Bowl” for this drought-stricken region in 1935. The name stuck because it was such an apt description for a bleak time and place, and possibly the worst environmental disaster ever to strike the United States.

When a black blizzard came howling into town, it looked and felt like the end of the world. One witness described one of these traumatizing storms after it assaulted a Texas town in 1935, writing, “The front of the cloud was a rolling, bumbling, boiling mass of dust and dirt about two hundred feet high, almost vertical, and as black as an Angus bull. . . . After the front passed, the darkness rivaled the darkness inside a whale resting on the bottom of the ocean at midnight.” Lorena Hickok, a newspaper reporter, was in a car when a black blizzard hit. It was “[like] driving in a fog, only worse because of the wind that seemed as if it would blow the car right off the road,” she recalled. “It was as though we were picked up in a vast, impenetrable black cloud which was hurling us right off the earth.”

CAUSES AND REMEDIES

To a great extent, the Dust Bowl was a human-caused catastrophe. The Great Plains region has a semiarid climate, which means it receives light annual rainfall and is prone to occasional droughts. In the 1880s and 1890s, however, when millions of European settlers were arriving on the plains, the weather was exceptionally rainy, leading the new arrivals to the comfortable assumption that the bountiful rainfall would continue.

In the decades between 1880 and 1930, agricultural technology improved, allowing farmers to plow up increasingly wide swathes of native prairie grasses in order to plant their crops. These native plants had deep roots that anchored the soil when strong winds blew across the wide-open prairies, and they were perennials, which means they would survive from year to year. In contrast, wheat and other crops had shallow roots and were annuals, or plants that die after their growing season. Thus, in 1931, when heat and drought dried up the soil, there was nothing to hold it down when the turbulent winds blew. Wendell Berry, a writer and environmental activist, observed, “We plowed the prairie and never knew what we were doing, because we did not know what we were undoing.” One perceptive Texas sheepherder put it more plainly when he asserted, “Grass is what holds the earth together.”

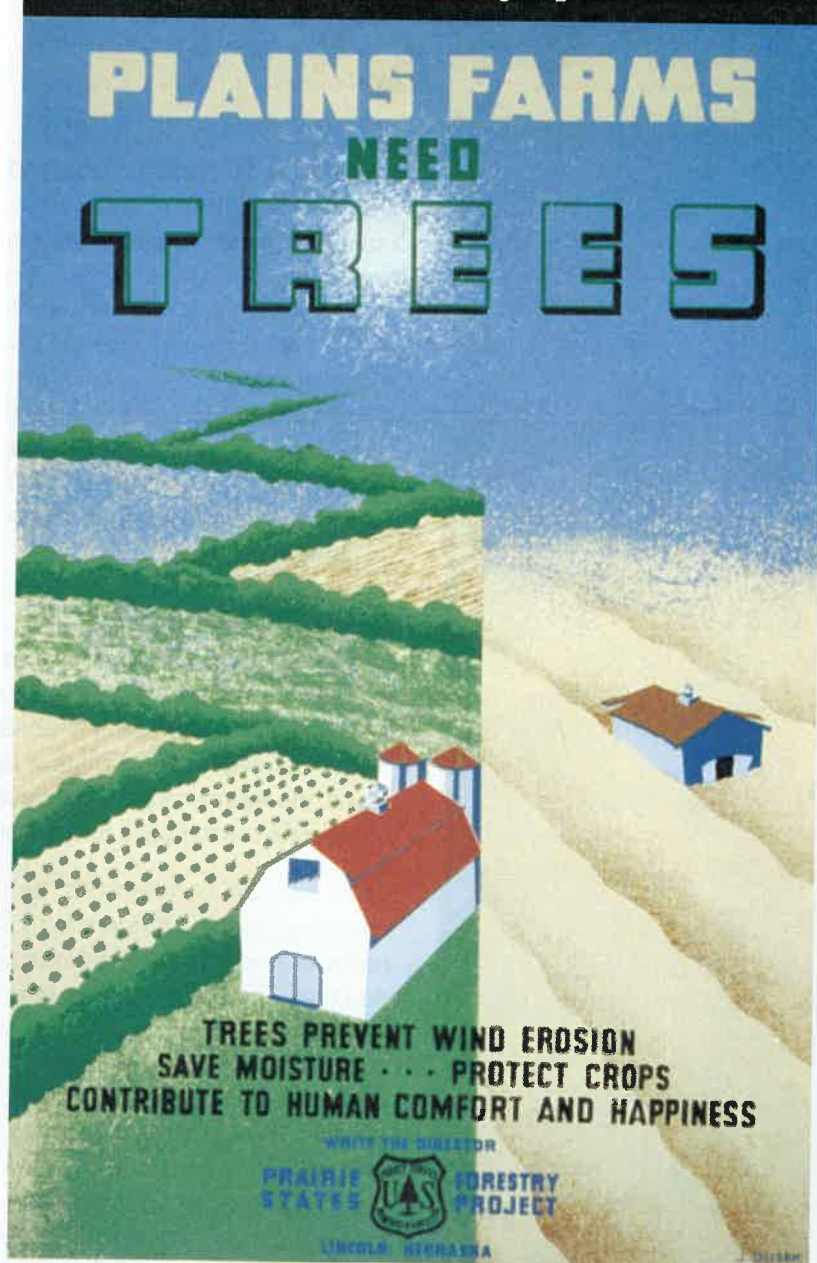
A black blizzard could carry unimaginable quantities of dirt. In 1934, one storm traveled clear across the continent, deposited 12 million tons of former prairie soil on the city of Chicago, then carried dust so far east it darkened the sky in New York City and even reached ships 300 miles from shore in the Atlantic Ocean. On what became Black Sunday, April 14, 1935, another storm ripped up an estimated 300 million tons of topsoil from the Great Plains, trapping people who were caught outside in biting winds and absolute blackness.

The end of the Dust Bowl came about through both human solutions and nature's intervention. A federal agency called the Soil Conservation Service was established to introduce new farming techniques that would help retain the soil. The agency encouraged farmers to use contour plowing, a method of plowing furrows that follow the shape of the land, rather than plowing in a straight line regardless of hills or dips in the terrain. When occasional rains did fall, the contoured furrows would catch the water as it flowed downhill rather than channeling it through the parched land. The agency also suggested planting soybeans, sweet clover, and other crops that would help anchor the soil.

President Franklin Roosevelt also promoted his own plan, known as the Shelterbelt Project. According to the plan, the government would pay farmers to plant a broad line of trees from Texas to the Canadian border. This "shelterbelt" was intended to break the momentum of winds sweeping eastward across the plains and provide cooling to

nearby areas. In the end, Roosevelt's shelterbelt was never completed, but it did help publicize the importance of taking action to reduce the negative effects of farming on the environment. By 1938, the drought continued unabated, but the tonnage of soil carried aloft by storms was reduced almost by half. In 1939, nature stepped in and rainfall resumed, putting an end to the lengthy drought.

CRITICAL VIEWING This poster from the late 1930s promotes the planting of trees on the Great Plains in order to combat wind erosion. How does the poster visually convey its message, and what audience do you think the poster was targeting?



CRITICAL VIEWING Thousands of migrant families in California carried their belongings from one farm to the next as they worked harvesting crops. How might this way of life have impacted children's social and educational lives?



THOSE WHO LEFT

When the long drought began, the United States was already in the throes of the Great Depression. Farmers were struggling to make a living after a drastic fall in crop prices. For many, the arrival of the first severe dust storms in 1933 turned a difficult situation into a desperate one. Crops and livestock were already suffering from the lack of moisture, and now the black blizzards were carrying the soil away. Homes and buildings were half buried, while animals trapped outside in the storms sickened and died

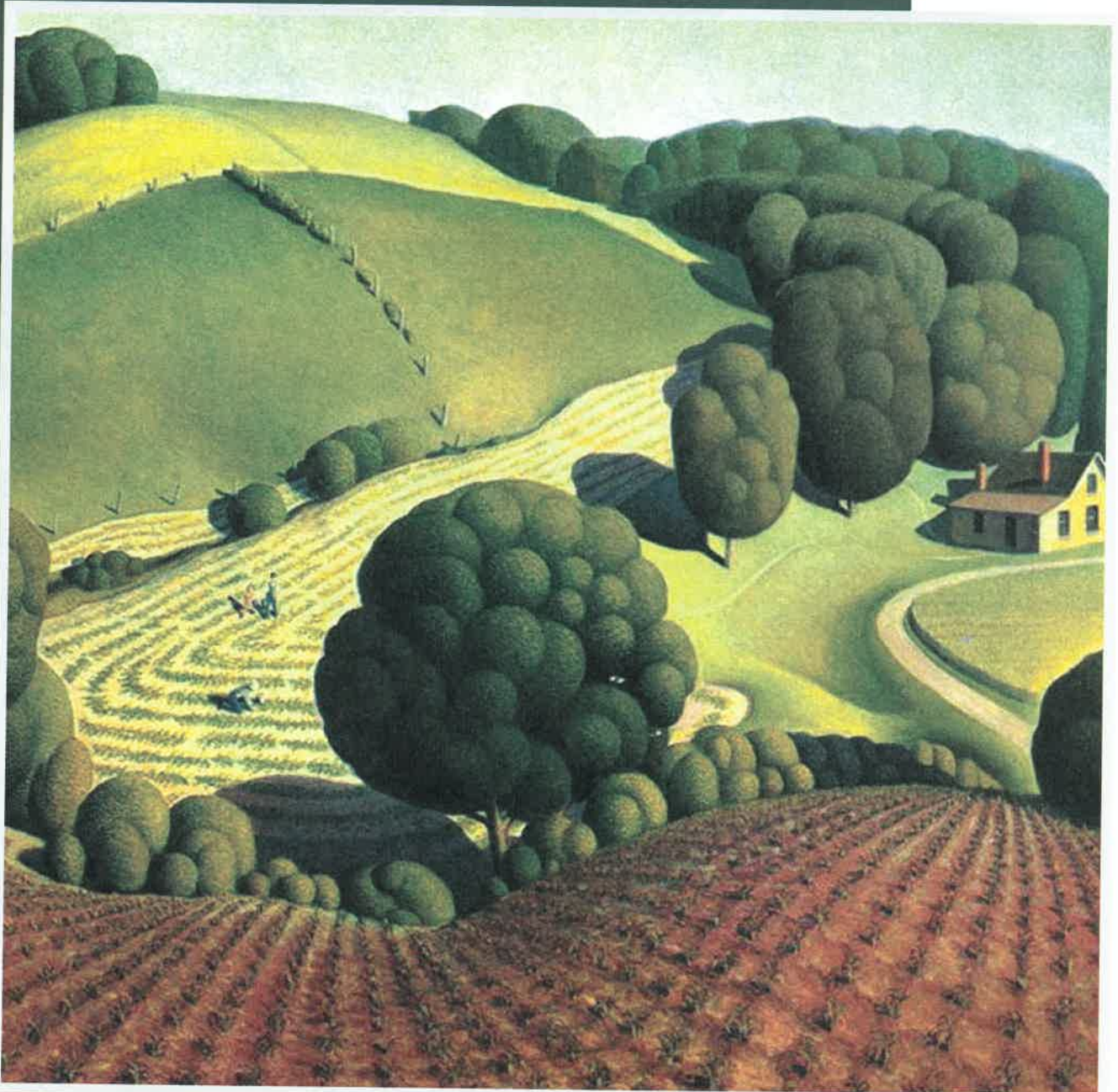
from the dirt they inhaled. One grim joke of the time told of a farmer applying for a loan to support his farm, and then looking out the window of the bank to see that same farm blowing past in the wind.

Feeling they had no options, about one quarter of the people affected by the Dust Bowl decided to abandon their homes. Many of them packed their families and belongings into their cars and headed west for California, where they believed they would find work.

SEEMS LIKE ANOTHER COUNTRY

As the black blizzards raged and bread lines stretched along city streets, some Depression-era artists sought to imagine the country in more promising times. A group of American painters known as Regionalists aimed to create a purely American style, distinct from the styles of their contemporaries in Europe, and several used the American countryside as their subject. Instead of the ravaged scenery of the Dust Bowl, they painted idealized Midwestern farms that appeared green, fertile, and prosperous. Among the most prominent Regionalists were Grant Wood, Thomas Hart Benton, and John Steuart Curry. The painting below by Grant Wood is entitled *Young Corn*.

How does the image of rural life portrayed in this painting by Grant Wood differ from the image shown in the photographs in this article?



“THE NIGHTMARE IS BECOMING LIFE”

Many people who lived through the Dust Bowl wrote horrifying accounts of black blizzards. Avis D. Carlson, of Kansas, wrote the following description in 1935 for the magazine *The New Republic*. How does the line, “It is becoming Real,” contribute to the excerpt?

PRIMARY SOURCE

The impact is like a shovelful of fine sand flung against the face. People caught in their own yards grope for the doorstep. Cars come to a standstill, for no light in the world can penetrate that swirling murk. . . . The nightmare is deepest during the storms. But on the occasional bright day and the usual gray day we cannot shake from it. We live with the dust, eat it, sleep with it, watch it strip us of possessions and the hope of possessions. It is becoming Real. The poetic uplift of spring fades into a phantom of the storied past. The nightmare is becoming life.

The rich California farm fields could not have looked more different to the exhausted migrants streaming into the state. The area of California known as the Inland Empire was home to large farms growing lemons, oranges, lettuce, grapes, and many other varieties of produce. Jobs, however, were not so plentiful, and the agricultural work was back-breaking. In addition, the farm owners used the influx of migrants to force down the already low wages for all workers, including native Californians and immigrants from Mexico.

As a result, local workers intensely resented the newcomers, whom they called “Okies.” The term was short for Oklahoma, although most of the migrants were not from that state. Singer Woody Guthrie, who was well acquainted with the sufferings of Dust Bowl refugees, described the connotations of the name “Okie.” According to him, the term “means you ain’t got no home. Sort of meant, too, that you’re out of a job. Or owe more than you can rake or scrape [up].”

Many Okies were met at the state line by police officers who informed them there was no work for them in California and told them to turn back. Californians weren’t very friendly towards the migrants, either—in fact some were downright hostile, likely due to differences in regional culture. As a result, thousands of Okies found themselves living in roadside camps that were collections of ramshackle huts, and in the backs of cars and trucks. There was little or no sanitation or privacy. Eventually, the federal government stepped in to help provide better conditions for the migrants, but for many, life did not noticeably improve until the end of the Great Depression.

THOSE WHO STAYED

The people who remained in the Dust Bowl learned to endure nearly unbearable heat, extreme dryness, and inescapable dust. It was impossible to keep dirt out of the houses, no matter how tightly the doors and windows were sealed. One woman described sheltering in her home during a dust storm: “All we could do was just sit in our dusty chairs, gaze at each other through the fog that filled the room and watch the fog settle slowly and silently, covering everything—including

ourselves—in a thick, brownish gray blanket.” At night, people slept uncomfortably on gritty sheets. When setting the table, women placed plates and glasses upside-down until it was just time to serve the food, to avoid dirt settling onto the dishes.

It was impossible to avoid breathing in some dust, which could cause a variety of illnesses. Among the worst was silicosis, nicknamed “dust pneumonia,” which was caused by sharp dust particles gradually scraping the lungs until the sufferer died.

People caught outside on foot or in cars during storms were at risk of becoming lost in the darkness and being suffocated by the violently blowing dirt. Some died just a few feet away from shelter that they could not glimpse through the black blizzard. One farmer recalled stretching a wire between his house and barn so that he could navigate his way home if a dust storm hit while he was in the barn.

Asked why people stayed on their farms, one woman from Kansas replied, “In part . . . we hope for the coming of moisture, which would change conditions so we can again have bountiful harvests. And in great part, because it is home. We have reared our family here and many have precious memories of the past. We have our memories. We have faith in the future, we are here to stay.”

THINK ABOUT IT

What lessons about land use or management can be drawn from the Dust Bowl?

To get an overview of a field or a camp that she wanted to photograph, Dorothea Lange would often climb up on the roof of her car.



DUST BOWL PHOTOGRAPHER: DOROTHEA LANGE

Dorothea Lange was not planning to become an influential documentary photographer when she moved to San Francisco. Born into a wealthy family in 1895, she studied photography at Columbia University in New York City and then worked as an apprentice to several photographers before moving west to set up a successful portrait studio.

When the Great Depression hit San Francisco, it brought the same scenes of human misery as in other cities: homelessness, unemployment, and bread lines. Disturbed by the suffering she saw daily in the streets, Lange turned her camera to the people and events outside of her studio. Soon, she was working for the federal government, tasked with a mission to document the predicaments of people forced from their land by the Dust Bowl.

From 1935 to 1939, Lange traveled throughout the western United States photographing Dust Bowl refugees in settlement camps, in their cars, and at work. She used her skills as a portrait photographer to capture faces in unguarded moments of exhaustion, worry, and occasional relaxation. Paul Taylor, who accompanied Lange on her travels, explained her technique for putting her subjects at ease. "Her method of work," he recalled, "was often to just saunter up to the people and look around,

and then when she saw something that she wanted to photograph, to quietly take her camera, look at it, and if she saw that they objected, why, she would close it up and not take a photograph, or perhaps she would wait until . . . they were used to her."

The photo on the bottom of the next page is part of a series of images that became symbolic of the Great Depression, capturing the poverty, misery, and stress endured by migratory farmworkers in the 1930s. The main subject of the "Migrant Mother" photographs was 32-year-old Florence Owens Thompson, who was the sole supporter of her seven children. Lange claimed Thompson had sold her car's tires to buy food for her children and that the family had been surviving on vegetables that had frozen in a nearby field, but Thompson's children said Lange must have confused their mother with someone else.

Lange's images from the 1930s leave an indelible impression on viewers to this day. She and other Depression-era photographers helped ensure that all Americans would know about the struggles of those impoverished and left homeless by the upheavals of the time. After the Depression ended, Lange continued her work as a documentary photographer until her death in 1965.

In these photographs taken in California in the 1930s, Dorothea Lange captured rural people at work and at rest. The photo on the top left shows two workers loading cotton. The one on the right shows Dust Bowl refugees stopped along a highway. The bottom photograph from Lange's 1936 "Migrant Mother" series features mother Florence Owens Thompson sitting in a tent with two of her seven children.



A DECEPTIVE PROSPERITY

The saying “All that glitters is not gold” is an apt description of the 1920s. When President Calvin Coolidge began his first full term in office, he believed the United States was prosperous and secure. But economic troubles lurked beneath the sparkling surface.

COOLIDGE IN THE WHITE HOUSE

In 1924, after serving out Harding's remaining term in office, Calvin Coolidge ran for and won the presidency. Strongly pro-business and against government intervention, his policy goals were modest. When Coolidge asked Congress for a cut in taxes, lawmakers responded with a measure that lowered taxes for people who made more than \$100,000 a year. However, most married couples made less than \$3,500 a year, so the tax cuts affected only the wealthiest Americans. The president also promoted laws to oversee the expansion of the new airline industry and to regulate the growing radio business. At the same time, Coolidge did little to help farmers and people living in rural areas. He twice vetoed a bill to aid farmers

and did not support a federal government initiative to build dams on the Tennessee River that would provide affordable electric power to that region of the country.

In foreign policy, Coolidge opposed the use of military force, but he also believed the United States had an obligation to help countries in need. In 1924, the Coolidge administration had endorsed a plan to help a struggling Germany meet its huge war reparation debt. During the next four years, Germany borrowed almost \$1.5 million from the United States. Similarly, when the Soviet Union faced a famine in the early 1920s, Americans sent large amounts of food and monetary aid. But when revolution and civil war took place in China, the U.S. government did not get

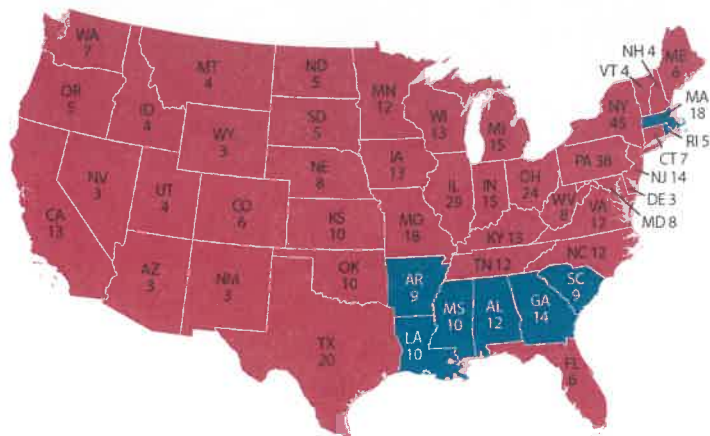


PRIMARY SOURCE

Coolidge focused on cutting taxes that were already low for most Americans and viewed taxation as funding “extravagance” in government.

We must have tax reform. We cannot finance the country, we cannot improve social conditions, through any system of injustice, even if we attempt to inflict it upon the rich. Those who suffer the most harm will be the poor. This country believes in prosperity. It is absurd to suppose that it is envious of those who are already prosperous. The wise and correct course to follow in taxation and all other economic legislation is not to destroy those who have already secured success but to create conditions under which everyone will have a better chance to be successful.

—from Calvin Coolidge's Inaugural Address, March 4, 1925



The Election of 1928

Herbert Hoover, Republican

Electoral Vote: 444 votes, 83.6%

Popular Vote: 21,391,381 votes, 58.8%

Al Smith, Democrat

Electoral Vote: 87 votes, 16.4%

Popular Vote: 15,016,443 votes, 41.2%

involved. In fact, the State Department preferred the idea of outlawing war altogether, an idea that peace groups supported. The resulting **Kellogg-Briand Pact** was a multinational agreement in which the signing countries agreed to renounce, or reject, war. Coolidge was among those who signed the pact in 1928, and it was ratified in 1929. However, there was no way to enforce the pact worldwide.

Believing that it would be difficult for anyone to be effective in the office for more than eight years, Coolidge declined to run for a second full term. Herbert Hoover, Coolidge's secretary of commerce, beat out his political rivals to win the Republican nomination for president. Hoover faced off against the Democratic candidate, Governor Alfred E. Smith of New York, who was Roman Catholic. In the general election, Hoover benefited from the religious intolerance many Protestants held against Smith's faith. Hoover won the electoral vote in a landslide.

A TROUBLED ECONOMY

When Hoover took office, the future looked bright, but the surface prosperity of the 1920s hid some serious economic problems. The most pervasive of these was the dramatically uneven distribution of income. Agricultural overproduction had driven down crop prices throughout the decade, so farmers did not benefit from the nation's general prosperity. Furthermore, by 1929, the economy was characterized by a lopsided distribution of income. At the top level, 5 percent of Americans received 33 percent of the total annual personal income, while half of all Americans received about 16 percent of the total. More than half of American families lived near or below the poverty line even though unemployment was low. More than 21 million families, or 80 percent of the national population, did not have any savings at all. But in order to expand, the economy relied on people purchasing consumer goods. If most ordinary

Americans lacked **disposable income**—or spending money—and purchasing power, it would have a big impact on the national economy.

Other warning signs signaled the economy was in trouble, including a recession in 1927. Wholesale prices fell nearly 4.5 percent, the production of goods slowed, and consumer spending dropped. The global economy was also fragile. Germany continued to struggle with its reparation payments, even after the United States reduced the burden of German war debts in 1924. In 1929, an international committee proposed another plan that further reduced Germany's total debt and established a longer period for repayment. These concessions eased economic pressures, but only temporarily. Weakness in the German economy continued to grow as banks closed and markets disintegrated.

Yet, despite multiple national and global warning signs, the U.S. banking system continued to expand credit. Americans increasingly speculated in the **stock market**, or the buying and selling of shares in companies. Earnings from stocks could be higher than interest paid by banks, but an investor could also lose money, especially over the short term. For the average American, though, it looked like the economy would grow forever.

HISTORICAL THINKING

- 1. READING CHECK** What role did religion play in the presidential race between Hoover and Smith?
- 2. ANALYZE LANGUAGE USE** How did President Coolidge's use of the phrase "any system of injustice" help his argument for tax reform?
- 3. IDENTIFY MAIN IDEAS AND DETAILS** What warning signs suggested that the U.S. economy was not as prosperous as it appeared?

PANIC ON WALL STREET

We all know that what goes up must eventually come down. Investors in the 1920s didn't realize that old saying also applied to the stock market. On October 29, 1929, they learned just how wrong they were.

INVESTMENT FEVER

In the 1920s, Americans pointed to the growth of the stock market as an indication of the nation's growing prosperity. The market grew so quickly that many Americans saw it as the ideal place to make a fast buck. The U.S. Treasury's sale of Liberty Bonds during World War I had shown citizens that investments could lead to wealth.

More and more, corporations offered their stocks for sale to obtain cash to finance business growth. During the prosperous Harding and Coolidge years, generous government tax policies allowed the very wealthy to pay little or no income taxes, giving them extra money to invest in the stock market.

Smaller investors often bought stocks on **margin**. That is, they purchased stocks on credit, paying only 10 or 15 percent of the actual price up front.

Buying on margin is a risky strategy because the investor is betting on being able to sell the stock at a higher price, pay off the stockbroker—the person who buys and sells stocks for his or her clients—and pocket a substantial profit. The lure of making easy money in the market was so great that people borrowed money to buy on margin. Banks happily loaned American investors that money, in spite of the Federal Reserve's warnings against the practice, which consequently gave rise to the establishment of weaknesses in the economy.



When this New York investor lost everything in the 1929 stock market crash, he put his car up for sale for less than 10 percent of its value.

Buying stocks on margin is a form of **speculation**. The buyer assumes, or speculates, that stock prices will always go up, even though there is no guarantee that they will. But in the 1920s, this looked like a sure bet. On September 3, 1929, the **Dow Jones Industrial Average (DJIA)**—a leading measure of general stock market trends—hit 381.17, a high for the decade, driven up in part by speculation and margin buying. Few suspected that the weakening market was headed for collapse.

OCTOBER 29, 1929

The problem began in September 1929. At the beginning of that month, the market hit its record high, but then stock prices declined. They regained some strength but began drifting downward again. Since there had been no abrupt collapse, many on Wall Street, their confidence unshaken, saw these events as one of the normal and temporary “corrections” that typically preceded another big increase in the stock market. A few people warned that problems lay ahead, but they were dismissed as chronic naysayers who had been wrong before.

But prices did not rise. On October 24, 1929, the day that became known as **Black Thursday**, stock trading began as usual, but few investors were willing to buy. Prices collapsed as investors, many of whom had bought on margin, tried to sell their stocks before prices fell even more. Nearly 13 million stocks were traded that day, which was then an all-time record. Stockholders absorbed, by some estimates, a \$9 billion loss in the value of their stocks. During the afternoon, a large banking group led by bank executive J.P. Morgan, Jr., urged investors to be calm. Morgan even purchased some stocks himself. The market seemed to settle, leading to the hope that normal trading might recover.

Recovery was not in the cards. On the following Monday, the market fell sharply—around 13 percent—

Dow Jones Industrial Average Daily Index



Source: The Dow Jones Averages (1885–1995)

and the DJIA plummeted to 260.64. Then the hammer fell on October 29, a day that is still known as **Black Tuesday**. When trading began, the sell-off continued, with more than 16 million shares changing hands in a single day. The DJIA fell to 230.07 and continued to drop for nearly three years.

The consequences of the crash were immediate and striking. The prices of individual stocks continued on their downward slide. The DJIA reached a low of 41.22 on July 8, 1932. Within a few months of the crash, General Electric's stock had dropped from \$403 a share to \$168, and Standard Oil shares fell from \$83 to \$48. During the next year, the **gross national product (GNP)**—the total goods and services produced by the nation plus the income earned by its citizens—shrank from nearly \$88 billion to \$76 billion. With the already existing difficulties in agriculture and the large debt crisis, the U.S. economy slumped into a long and severe decline, resulting in an economic catastrophe that became known as the **Great Depression**, the deepest and most prolonged economic downturn in American history with a substantial human toll.

PRIMARY SOURCE

Oral historian Studs Terkel interviewed people who lived through the Great Depression. In 1970, he published their stories in his book, *Hard Times*. In the following excerpt, composer Alec Wilder is speaking to Terkel of his losses in the stock market.

I knew something was terribly wrong because I heard bellboys, everybody, talking about the stock market. About six weeks before the Wall Street Crash, I persuaded my mother in Rochester to let me talk to our family adviser. I wanted to sell stock which had been left me by my father. He got very sentimental: "Oh your father wouldn't have liked you to do that." He was so persuasive, I said O.K. I could have sold it for \$160,000. Four years later, I sold it for \$4,000.

—from *Hard Times: An Oral History of the Great Depression*, by Studs Terkel, 1970

HISTORICAL THINKING

- 1. READING CHECK** What effect did speculation and buying on margin have on stock prices?
- 2. DRAW CONCLUSIONS** If trading reached record highs on October 24 and 29, why are these days called Black Thursday and Black Tuesday?
- 3. INTERPRET GRAPHS** According to the graph, what were the highest and lowest averages in the DJIA in 1929, and how does the graph illustrate the cost and benefit of investing in the stock market?

THE DEPRESSION BEGINS

The reaction in a domino chain starts with the fall of the first domino, but it's the structure of the chain that causes the other dominos to fall. That principle applied to the economy during the Great Depression.

A WEAK FOUNDATION

The stock market crash of 1929 signaled the start of the Great Depression of the 1930s, the deepest and most prolonged economic downturn in American history. But the Depression was caused by broad underlying weaknesses more deeply rooted than falling stock values. The apparent prosperity of the 1920s hid the fact that the U.S. and world economies rested on an unsound foundation. Four main factors contributed to the problem: overproduction resulting in oversaturated markets, unequal income distribution, lack of proper banking regulations, and a weak worldwide financial system.

After World War I, American farmers continued to maintain high levels of wartime production, even though Europe was once again producing its own food or buying from U.S. competitors. Soon, the surplus of American crops and meat drove down prices on the global market. In the manufacturing sector—especially in one of the nation's leading industries, the automotive industry—new machinery and assembly lines led to increased productivity, and output jumped almost 32 percent between 1923 and 1929. Similarly, the other leading U.S. industry, construction, far outpaced demand for new houses. But by 1929, growth in the auto, housing, and consumer goods industries had begun to decline. Innovations that had enabled producing those items affordably meant that many people had already purchased what they needed. As demand decreased, workers were laid off.

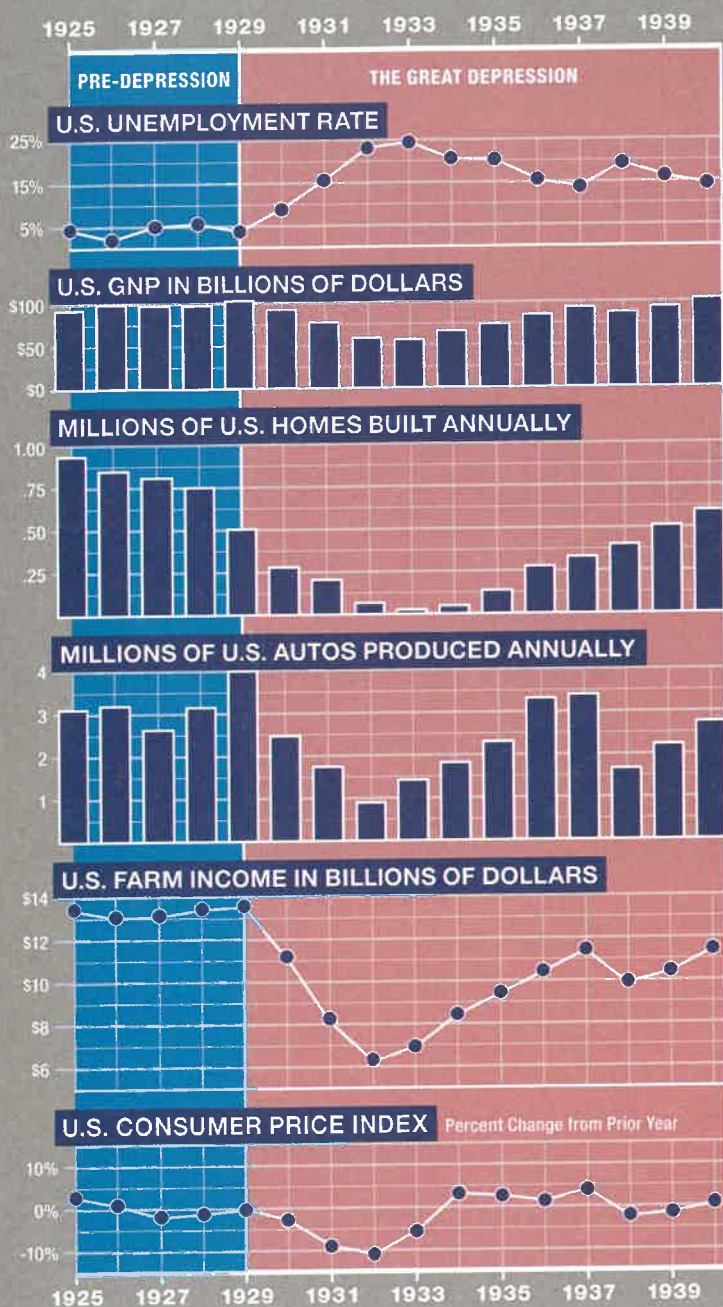
Income inequality, or the unequal distribution of income and wealth between the few wealthiest Americans and the rest of the population, made the problem of overproduction worse, especially in the automobile and housing construction markets.

Similarly, the uneven distribution of wealth, or the value of what a household owns minus debts, factored into an unstable economy. The small percentage of wealthy Americans purchased only so many houses, cars, and luxury goods. To keep the consumer economy growing, the majority of the population needed to purchase newly built houses and to buy cars and consumer goods. Though unemployment was low, wages did not rise as fast as production, and soon more goods existed than people could afford to buy. As businesses accumulated profits rather than increasing workers' wages, demand weakened, prices and profits actually fell, and businesses laid off workers. By 1929, more than half of American families could not meet their basic needs with their income.

A lack of regulation in the banking and financial industries was another cause of the Depression. While the Federal Reserve regulated banking, district banks often had difficulty agreeing on regulation. For example, they could not decide on how best to rein in margin buying and overspeculation. Investors formed **trading pools**, groups formed to buy and sell large amounts of stocks. They made stocks appear active by buying and selling among themselves. This drove up the price of the stock artificially, and after they had sold off their stock at high prices, other investors' shares had little value. Lack of regulation also kept the Federal Reserve from acting quickly and decisively when, as the Depression deepened, American banks began to fail.

The fragile state of the global economy also contributed to the Depression. Internationally, the world stock market, international loans, economic policies, and World War I reparations formed a web of interconnected factors that helped lead to a

THE GREAT DEPRESSION BY THE NUMBERS



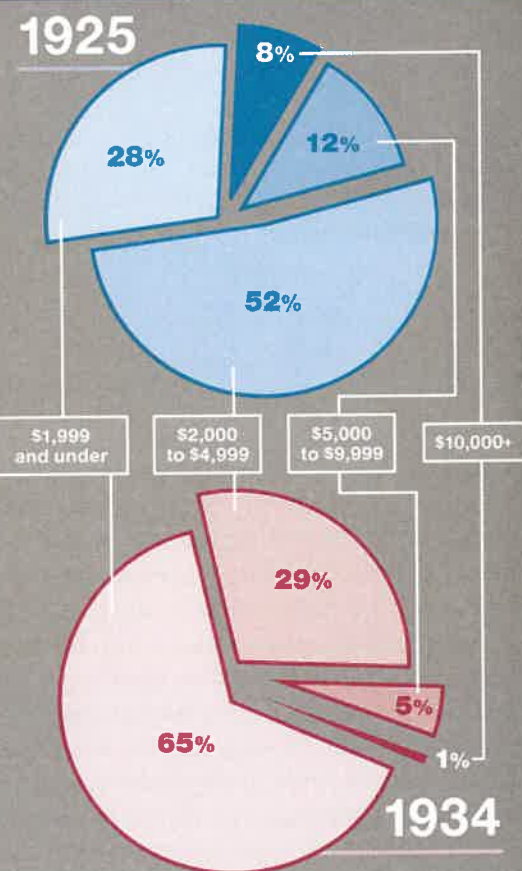
SOURCES: National Bureau of Economic Research, 1937, 1957, 1965; CQPress <http://cpress.com>, 2017; U.S. Census Bureau; U.S. Department of Labor, 2014; U.S. Internal Revenue Service, 1925, 1934

ANALYZE ECONOMIC INDICATORS

Study these economic indicators to analyze economic trends from 1925 to 1939. Use the data to expand your understanding of the economic behaviors that led to the Great Depression. Then do the following:

Describe the relationship between two or more of the economic indicators shown here, and explain how those indicators contributed to the Great Depression.

ANNUAL HOUSEHOLD INCOME 1925 vs. 1934



worldwide downturn. Europe was already weakened by Germany's inability to pay its war reparations. The United States had overtaken Britain after World War I as the world's financial leader and now passed protective tariffs it believed would enable American agriculture and industry to rebound. But the **Smoot-Hawley Tariff Act** of 1930, which raised customs duties to high levels, made it more difficult for European businesses to sell goods in the United States and obstructed the flow of capital, goods, and services in the world economy. Dozens of countries responded by passing retaliatory tariffs

that made it harder for the United States to export goods. International trade declined sharply, triggering international bank failures and adding to the suffering at home and abroad.

THE DEPRESSION DEEPENS

When the DJIA rose for a few months in early 1930, President Hoover told the nation, "I am convinced we have passed the worst and with continued effort shall rapidly recover." But as 1930 continued, it was clear the situation was only getting worse. Bank failures soared from 659 in 1929 to 1,350 a year later.

CRITICAL VIEWING In May 1933, New York City police evicted inhabitants of 80 shacks between 9th and 10th streets along the East River. What can you infer about what life was like for the people in this photo, taken shortly before their eviction?



Businesses closed, investment declined, and profits fell. Industrial production was 26 percent lower at the end of 1930 than it had been 12 months earlier. Automobile manufacturing, a prime driver of the economy in the 1920s, operated at only 20 percent of capacity. By October 1930, 4 million people were jobless (almost 9 percent of the labor force), and the trend worsened each month. Within a year, nearly 16 percent of the labor force was out of work, and by 1932, unemployment had climbed to more than 23 percent. An additional 33 percent of Americans were underemployed: they were working but not earning enough to support themselves and their families.

The stock market crash left banks in a fragile position. Rural banks were particularly vulnerable, and many failed when farmers could not repay their loans. Small local banks also shut down, leaving their communities without functioning banks. Some of these banks had contributed to their own failure by providing loans for buying stocks on margin. When stock prices fell, investors and stockbrokers could not repay their loans. In addition, some banks had placed their own assets at risk by investing their deposits directly in the stock market.

When bank failures began, the Federal Reserve took a wait-and-see attitude. Some believed the failures would weed out weaker banks and strengthen the system, helping to combat the economic crisis. By the time larger banks began to fail, it was too late for action. Bank deposits were not insured by the government, so individual banks were vulnerable when customers requested to withdraw their money. Stronger banks called in loans they had made to smaller banks to save themselves, further damaging weaker banks. When a bank failed, its customers lost their savings with no hope of recovering the funds.

ECONOMIC REALITIES

For most Americans, there was no single moment after 1929 when they knew the economy was in trouble. But in the months following October 1929, families began making lifestyle changes as workers' hours were cut and the human toll became evident. People began postponing purchases and asking their children to contribute to the household's income. Job losses had a dramatic impact on families. Savings could help tide the family over for a while, but if a family had lost its savings in a bank failure or if its

savings ran out, the family would have to put its home up for sale or wait for the bank to foreclose on, or take possession of, its mortgaged property.

Some responses to the economic crisis revealed underlying ideas about civil liberties and gender in the workforce. Many female workers were pressured to give up their jobs to men in an attempt to end the unemployment crisis. Men were considered to be the main “breadwinners,” or the principal sources of income for the family, and working women were accused of taking their jobs away from men. Some corporations fired all married female employees, and southern school districts dismissed married female teachers. While the Depression did hinder women’s participation in the workforce and slowed their economic progress, unemployment rates were lower for women than for men because women continued to work at their clerical and domestic jobs.

For already economically vulnerable Americans, the Depression presented still greater challenges. In the South, whites seeking work forced African Americans out of the low-paying service jobs they had traditionally filled. Sometimes this process was violent. Native Americans already trapped in a life of neglect and poverty fared even worse during the Depression. The infant mortality rate among Native Americans far exceeded the rate for the white population because of poverty, lack of healthcare facilities, and inadequate sanitation. The Bureau of Indian Affairs (BIA) did not address the many social problems that the people under its jurisdiction faced.

Like African Americans and Native Americans, immigrants faced serious challenges to their civil liberties during the Depression. Theirs were in the form of backlash. In an attempt to combat economic crisis, the Hoover administration instituted immigration quotas, or limits, to reduce the number of people looking for jobs and receiving government services. While potential restrictions applied to all immigrants, these efforts targeted Mexicans and Mexican Americans. Between 1930 and 1940, in a coordinated governmental effort known as the **Mexican Repatriation Program**, about 1 million people of Mexican descent were either **deported**, or forcibly removed from the country, or pressured to leave. An estimated 400,000 of those deported had been living in California. **Repatriation** means returning or being returned to the country of one’s citizenship, but an astonishing 60 percent of those who returned to Mexico were actually U.S. citizens, and their deportation violated their civil rights.

PRIMARY SOURCE

In the 1980s, historian Vicki L. Ruiz interviewed Mexican women who had worked in California’s canneries in the 1930s and 1940s. Carmen Escobar recounts an interaction with her foreman about how she was being paid.

When I caught the foreman cheating me, he said, “I love you like a daughter, Carmen, but who’s the foreman, me or you?” “You are, but I came here to make money, not to stand around and not get my due.” And then he would tell me, “Look, the poor bosses are losing money. One hour is nothing.” “What do you mean one hour is nothing?” “Be quiet, Carmen.”

—from *Cannery Women, Cannery Lives*,
by Vicki Ruiz, 1987

Filipinos were also pressured to leave the United States. The Filipino Repatriation Act of 1935 provided transportation funds for Filipinos who agreed to move back to their home country permanently.

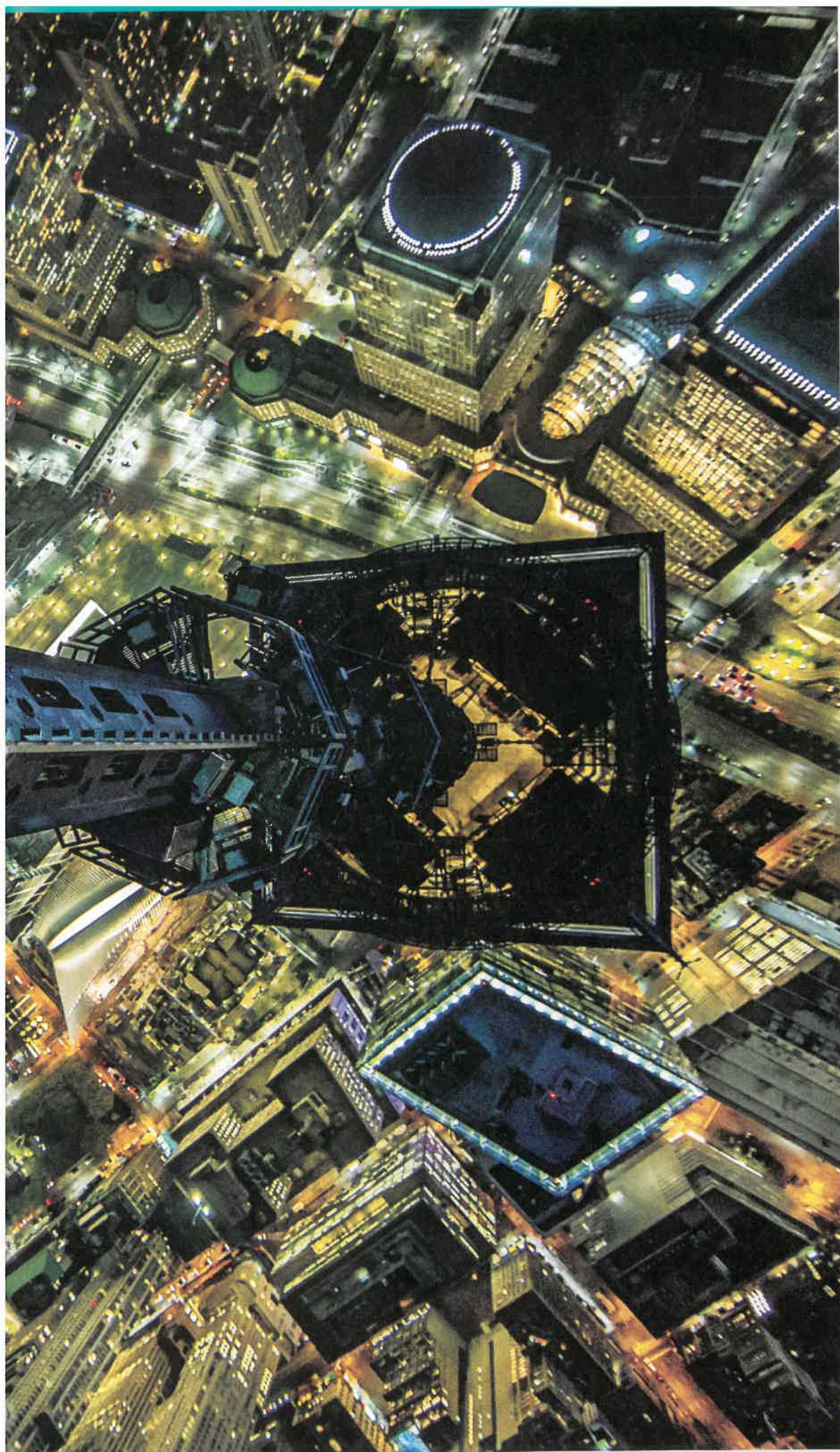
On the nation’s farms, where many Mexican Americans worked, produce rotted in the fields because few people could afford to buy it. The Federal Farm Board was established in 1929 to stabilize farm prices. However, when farm surpluses around the world flooded grain markets in 1930, nothing could keep crop prices from plummeting. As banks foreclosed on farm mortgages, many former landowners became tenant farmers. All economic indicators, including GNP, consumer price index, and farm income, were in decline. And now an environmental disaster was about to deliver a crushing blow.

HISTORICAL THINKING

- 1. READING CHECK** How did overproduction lead to weakness in key sectors of the economy?
- 2. ANALYZE CAUSE AND EFFECT** What were the unintended consequences and complexities of the Smoot-Hawley Tariff Act of 1930?
- 3. SYNTHESIZE** Why was there a Great Depression? State how individuals affected the U.S. economy.
- 4. MAKE CONNECTIONS** How were African Americans, married women, Mexicans, and Mexican Americans hurt by the unemployment of white male workers?

CRITICAL VIEWING Safety liaison Jamison Walsh, photographed by Chin, climbs the spire of 1 World Trade Center after leading Chin's ascent. How are New York's skyscrapers symbols of the 1920s?





National Geographic adventure photographer Jimmy Chin is used to extreme heights. He's skied down Mount Everest, photographed free climbers on Yosemite, and conquered the granite Shark Fin's wall of Meru Peak in the Himalayas. So 1,776 feet—the height of New York's 1 World Trade Center—is no big deal. In this shoot, Chin focused on capturing the great city of New York, a city of skyscrapers, many of which rose up around the Great Depression, from the spire of the building constructed where the World Trade Center once stood.

THROUGH THE LENS

JIMMY CHIN

2.2



THE DUST BOWL

Sometimes nature and human actions mix in deadly and destructive ways. On the Great Plains, farmers had planted millions of acres of croplands with one main crop—wheat. When prolonged drought struck in the 1930s, the golden fields of wheat turned to dust, resulting in ecological disaster and human misery.

THE DIRTY THIRTIES

Farmers, already hit hard after World War I by falling crop and livestock prices, suffered a devastating blow in the early 1930s. Record high temperatures and **drought**, a prolonged period of low rainfall, gripped the Great Plains. In addition to the drought, strong winds whipped through the region, causing terrifying dust storms that swept through the plains and stripped nutrients from the dry soil.

Drought is a natural occurrence on the Great Plains, as are high winds and extreme temperatures. But the dust storms that plagued the region during the 1930s were unexpected and worsened by unwise

agricultural methods and human modification of the landscape. Farmers had plowed millions of acres of grasslands on the Great Plains in order to plant wheat. After the crops were harvested, farmers used new machinery, such as disc plows pulled by small gas-powered tractors, to turn up the fields again. They then left them unplanted for months. Ranchers on the plains allowed their cattle and other livestock to overgraze what grassland remained. Without the deep roots of the prairie grasses, there was nothing to keep the soil in place. The wind picked up the dry soil and carried it for hundreds of miles.



CRITICAL VIEWING On April 14, 1935, a black blizzard hit the panhandles of Texas and Oklahoma. What details in this photo convey how threatening the cloud seems as it approaches a Texas town?

PRIMARY SOURCE

John Steinbeck's novel *The Grapes of Wrath* tells the story of an "Okie" family on its way to California from Oklahoma along "Route 66." That remains the popular name for U.S. highway 66, which ran from Chicago to Los Angeles before the interstate highway system was built beginning in 1956.

[Route] 66 is the path of a people in flight, refugees from dust and shrinking land, from the thunder of tractors and shrinking ownership, from the desert's slow northward invasion, from the twisting winds that howl up out of Texas, from the floods that bring no richness to the land and steal what little richness is there.

—from *The Grapes of Wrath*, by John Steinbeck, 1939

Some of the dust storms were caused by low-level winds that blew sand into huge drifts. Others were massive storms—black blizzards—with rolling dust clouds thousands of feet high that crackled with electricity, carried precious soil away to neighboring states, and turned daylight into dark. "This is the ultimate darkness," a Kansas woman wrote in her diary. "So must come the end of the world."

The blowing dust of a black blizzard destroyed crops and sickened and killed livestock and people. Dirt permeated everything, even the inside of houses, despite people's best efforts to seal every crack, window, and door. After the storm passed and light returned, farmers found their cattle and horses buried alive. The storms turned millions of acres of cultivated land in parts of Kansas, Colorado, Oklahoma, Texas, and New Mexico into a barren desert that became known as the **Dust Bowl**. The dust storms continued as the 1930s wore on—14 in 1932, then 38 in 1933—earning the decade the nickname the "Dirty Thirties."

HITTING THE ROAD

Many people living in the Dust Bowl region stuck it out because of pride, determination, or hope. Others stayed because they were simply too poor or too beaten down to leave. But a quarter of the population fled the region, some pushed off their land as they could not pay their mortgages. In one of the largest internal migrations in the nation's history, more than 3 million "Dust Bowl refugees" in Oklahoma, Kansas, the Dakotas, and other states abandoned their farms in the 1930s. Many set out for California seeking work and opportunity. The fortunate found low-wage work there, picking fruit, boxing vegetables, and baling

hay. Others went to cities to work as laborers. But few "Okies," as the Californians called them, found relief from the economic turmoil they had fled. Once in California, most lived in squatter camps along roads, often contracting diseases such as intestinal worms, typhoid, and dysentery as a result of the polluted water and lack of sanitation. The **Farm Security Administration (FSA)**, a federal agency charged with combating rural poverty, built camps to house families temporarily in somewhat improved conditions, but life was still difficult.

Okies were generally treated poorly, and they experienced discrimination at the hands of many native Californians. The Los Angeles police set up a task force called the "bum brigade" to turn Okies away at the border between California and Arizona. Residents complained about the tent communities, called "Okieville," growing around the edges of Los Angeles, so sheriffs would ask the migrants to pack up and move on. In some towns, residents beat up the Okies and set fire to their camps.

Photographer **Dorothea Lange** documented the plight of the Okies as they traveled to California and tried to eke out a living there. Author **John Steinbeck** did the same in his 1939 novel, *The Grapes of Wrath*. His story chronicled the lives of the Joads, a sharecropper family from Oklahoma, who migrated to California in search of work. Steinbeck and Lange, along with many other writers and photographers in the 1930s, captured the struggles of ordinary people weighed down by circumstances.

Once the depression lifted, some Okies returned to the plains, but many stayed in California. They infused their evangelical Protestantism, patriotic individualism, and downhome musical traditions into the culture of California's Central Valley.

HISTORICAL THINKING

- 1. READING CHECK** Why did many people living in the Dust Bowl region stay during the 1930s?
- 2. ANALYZE ENVIRONMENTAL CONCEPTS** How did the scale and duration of human actions, including modifying the landscape, affect the natural systems of the Great Plains during the Dust Bowl?
- 3. MAKE INFERENCES** How might the social and economic impacts of the Dust Bowl refugees have influenced the reception the Okies received in California?
- 4. ANALYZE LANGUAGE USE** How did Steinbeck characterize Route 66?

CULTURE DURING THE DEPRESSION

Maybe you take in a good movie or watch your favorite television show to cheer up when you're feeling down. Many people during the Great Depression tuned into their favorite radio shows, went to theaters to watch movies, and listened to music to escape reality—at least for a few minutes.

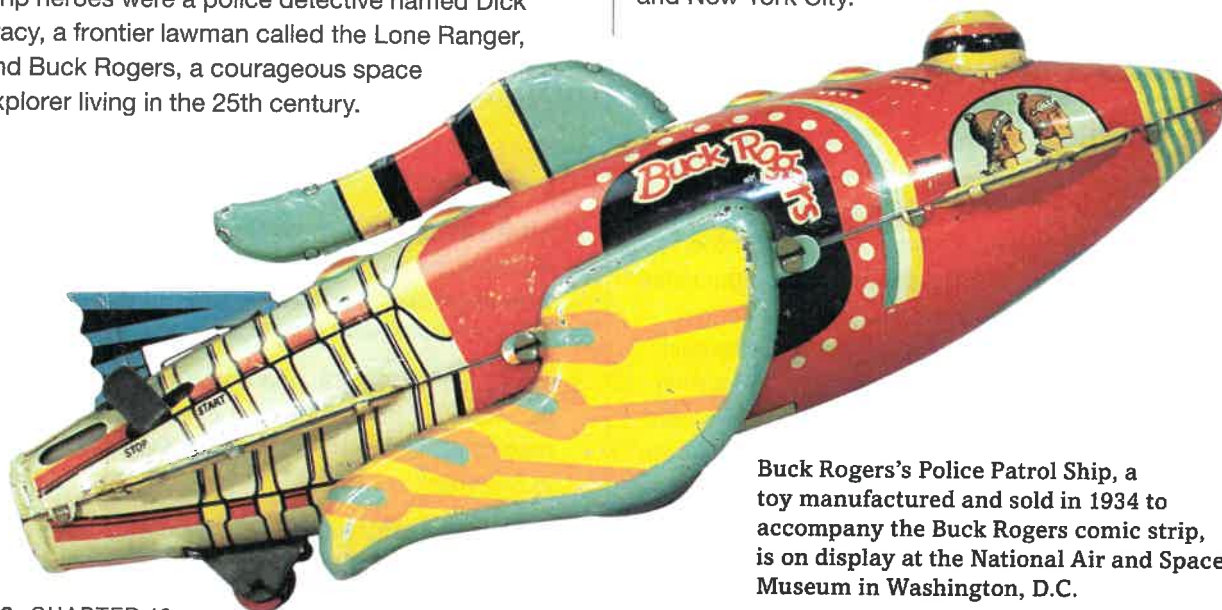
FORGETTING TROUBLES

Amid the challenges of the Depression, Americans found diversion in popular entertainment and **mass media**, or forms of communication such as radio, film, and musical recordings designed to reach large numbers of people. By the 1930s, radios had become more affordable, and they began to play a significant role in the worldwide diffusion of popular culture. Listening to a favorite radio show was a vital part of the daily lives of many families. Many listeners preferred daytime dramas such as *One Man's Family* or *Mary Noble, Backstage Wife*, which were quickly dubbed “soap operas” after the detergent companies that sponsored them.

Comic books also became popular during the Depression. The first comic books were collections of newspaper comic strips, and their heroes provided a sense that everything was going to be okay during a time of uncertainty. Among the most popular comic strip heroes were a police detective named Dick Tracy, a frontier lawman called the Lone Ranger, and Buck Rogers, a courageous space explorer living in the 25th century.

With ticket prices low and audiences hungry for a break from the stress of the Depression, movie theaters presented a wide choice of Hollywood films. Movies with sound had replaced the silent pictures of the 1920s, and people regularly went to the movies to forget their own troubles for a while.

Audiences enjoyed movie musicals and laughed at the Marx Brothers, W.C. Fields, and a new genre called screwball comedy, named for the unpredictable baseball pitch. Characterized by rapid-fire dialogue, social satire, and a blend of wacky situations and sophisticated settings, examples of screwball comedy include such hits as *It Happened One Night* (1934) and *My Man Godfrey* (1936). Not all films were pure escapism, however. Gangster films such as *The Public Enemy* and *Little Caesar* (both from 1931) were entertaining, but they also exposed viewers to the urban crime and corruption that existed in cities like Chicago and New York City.



Buck Rogers's Police Patrol Ship, a toy manufactured and sold in 1934 to accompany the Buck Rogers comic strip, is on display at the National Air and Space Museum in Washington, D.C.

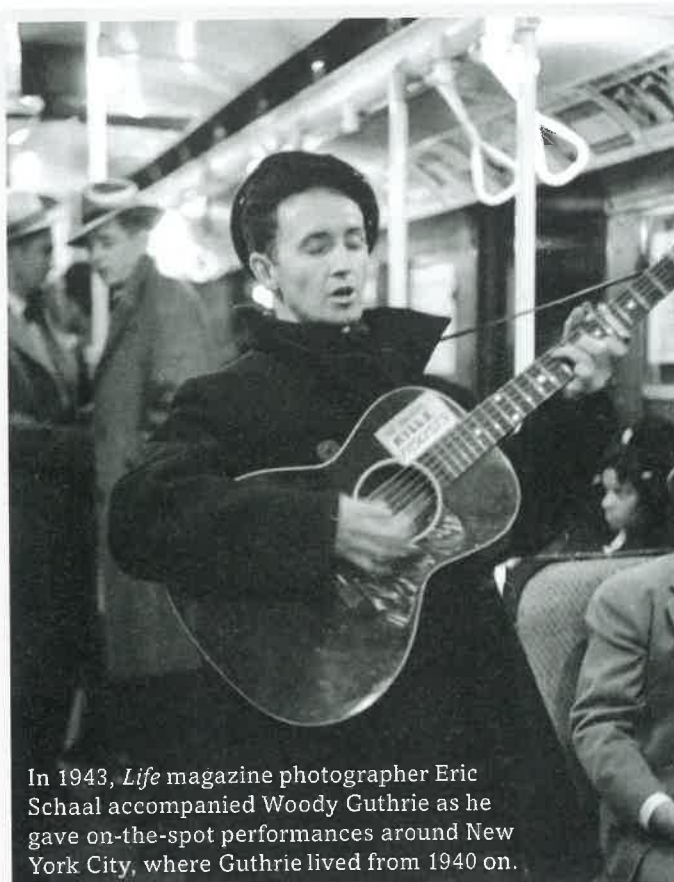
The Depression was also a vibrant period for music. In Kansas City and other midwestern cities, African-American musicians developed a new jazz style known as “swing.” Marked by complicated but compelling rhythms, swing was energetic and loud. As swing grew more popular, white musicians added elements of more sedate musical genres, such as classical music, to make swing more commercial. Many swing bands evolved into big bands with percussion, woodwind, and horn sections. **Benny Goodman**, from Chicago, led a big band that made swing popular with young people.

Not all music was flamboyant and brassy, however. Folk singers such as **Woody Guthrie**, Pete Seeger, and Huddie Ledbetter caught the public’s attention by singing about the lives of the people hit hardest by the Dust Bowl and the Depression. Guthrie, an “Okie” who migrated to California, lived the life he sang about, riding the rails and sleeping in migrant camps. He sang on the streets for money and took whatever small jobs he could find to survive. Some of Guthrie’s songs, such as “(If You Ain’t Got That) Do Re Mi,” describe the struggles of the Okies seeking a new beginning in California. But Guthrie also wrote the anthem “This Land Is Your Land,” celebrating the beauty and diversity of the country while also commenting on the disparity between rich landowners and those who could not afford land.

Similarly, Huddie Ledbetter—nicknamed Lead Belly—chronicled the troubles of African Americans during the Depression through his songs. Lead Belly bridged a gap between folk music and the blues. He sang old folk standards of the rural South, gospel songs, the blues, and protest songs. He also composed his own music, including “Goodnight, Irene,” which became a hit after his death in 1949.

CAPTURING THE DEPRESSION

Other artists joined musicians in telling Americans’ stories during the Great Depression. As you have read, photographer Dorothea Lange captured images of Dust Bowl refugees. Photographer **Walker Evans** traveled throughout the South during the Depression, photographing rural life. Lange and Evans both worked for the Resettlement Administration, which later became the Farm Security Administration. Evans’s photographs helped reveal the challenges faced by the rural poor. Evans also worked with



In 1943, *Life* magazine photographer Eric Schaal accompanied Woody Guthrie as he gave on-the-spot performances around New York City, where Guthrie lived from 1940 on.

writer **James Agee** to document the lives of three sharecropper families trying to farm on a dry hillside in the 1930s. In 1941, they published their text and photographs in *Let Us Now Praise Famous Men*.

Writer **John Dos Passos**, part of the “lost generation” you read about earlier, exposed the divisions in American society in his trilogy *U.S.A.*, which combined fiction, biographies of famous people, newsreels, and newspaper headlines to paint a picture of what he saw as the two halves of society: rich and poor. Novelist **Richard Wright** portrayed the discrimination and struggles faced by African Americans in his novel *Native Son*. The novel is about a young African-American man who lives in poverty on Chicago’s South Side during the 1930s.

HISTORICAL THINKING

- 1. READING CHECK** How did mass media trends help people cope with the Great Depression?
- 2. MAKE CONNECTIONS** How did folk music, photography, and literature help recount the plight of the poor during the Great Depression?
- 3. EVALUATE** Why is it important that artists document significant historical events through their art?

HOOVER'S INITIATIVES

President Hoover's assumption that private citizens and businesses could work together to solve the ills created by the Great Depression reflected a faith in human decency. But the problems were too big to solve without government intervention.

VOLUNTARY ACTION AND SELF-HELP

President Hoover's life experiences influenced how he handled the Great Depression. Raised as a Quaker, he believed in the power of individual effort and the obligation for all citizens to help one another. His success as a mining engineer and business leader reinforced his belief in the rewards of individual effort. His success in running relief programs during and after World War I convinced him of the effectiveness of voluntary action—private citizens and businesses working together to solve problems without government prompting or legal requirements. Hoover believed the traditional self-reliance and volunteer spirit of the American people provided the most dependable means of combating the economic crisis of the Great Depression.

Toward this end, Hoover set up presidential committees to coordinate volunteer relief efforts for the unemployed, such as the **President's Organization of Unemployment Relief (POUR)**. In an effort to keep the banking system afloat, he persuaded bankers to set up the National Credit Corporation, a private agency that would **underwrite**, or buy up the assets of, banks that had failed. That action was meant to safeguard

the deposits of bank customers. Unfortunately, bank managers were reluctant to do this. Since that experiment was a failure, Hoover tried again with the Reconstruction Finance Corporation (RFC), a government agency to loan money to troubled banks that did not belong to the Federal Reserve System. During the year Hoover was to remain in office, the RFC was not particularly successful either.

Hoover's attempts to ease the misery that Americans were facing every day also failed. His programs were unable to deal with the scale of the unemployment situation. Eight million workers were jobless by 1931, a number that overwhelmed the resources of existing charitable agencies. The POUR program coordinated relief agencies and urged people to help their neighbors, but these efforts did little to alleviate the human toll of the Great Depression that gripped the country.

Millions of Americans were feeling desperate and hopeless. The homeless and unemployed took to the roads and rails, looking for work, better opportunities, or a simple meal along the way. Migrant workers moved through the farmlands of California, picking produce for whatever they could earn. Others traveled from city to city, doing their best to survive on the charity of relief stations and church groups. Homeless Americans lived in and around cities in shantytowns dubbed **Hoovervilles**. The name "Hooverville" mocked the president's failure to provide for the American people.

Yet when politicians begged the federal government to find a solution to the unemployment problem, Hoover refused to budge. His response to the drought that caused the Dust Bowl provided yet

PRIMARY SOURCE

Any lack of confidence in the economic future and the basic strength of business in the United States is simply foolish. Our national capacity for hard work and intelligent cooperation is ample [promise] of the future of the United States.

—from President Herbert Hoover's press conference, November 15, 1929



CRITICAL VIEWING One of the largest and longest-lasting Hoovervilles covered 9 acres outside of Seattle, Washington, and had a population of 1,200. Based on details you see in the photo, what were living conditions like in Hoovervilles?

another example of the administration's failures. Congress proposed to allocate \$60 million to help disaster victims buy fuel and food. Hoover offered money to feed animals, but he rejected the idea of feeding farmers and their families. This concern for animals over starving citizens conveyed a lack of empathy on the president's part, and additional derogatory references to the president circulated. A pocket turned outward to show it was empty of money was called a "Hoover flag." A newspaper unfolded and used to cover oneself for warmth was a "Hoover blanket." In 1931, in Minneapolis and Oklahoma City, crowds stormed into grocery stores and took food for themselves, and more protests against Hoover's lack of help were to come.

TURMOIL ABROAD

As the U.S. economy deteriorated, so did the international economy, inspiring some Europeans to look to strong but authoritarian leaders for relief. Such a leader had already risen to power in Europe. Playing on the social unrest and economic turmoil of the postwar years, dictator **Benito Mussolini** had seized control of Italy in 1922. Mussolini was a proponent of **fascism**, a political movement that involves extreme nationalism, militarism, and racism. As the supreme leader, or *Duce*, Mussolini destroyed Italian labor unions, censored the press, abolished all

political parties but his own, and relied upon a secret police force to silence his critics. Global economic insecurity opened the door for fascism to grow in Europe. As people slid into poverty, many were willing to give up some of their rights on the basis of their authoritarian leader Mussolini's promises to bring back prosperity.

Asia was also affected. A 30 percent decrease in trade worldwide caused drops in income and productivity throughout the world. Japan, an island nation, needed raw materials for its industry and saw China as a likely source. Extreme nationalism provided a rationale for expanding its empire, and in 1931, Japan launched a war to occupy Manchuria, in China. Ultimately, Japan sought military, political, and economic control over the Pacific.

HISTORICAL THINKING

- 1. READING CHECK** Why did President Hoover rely on voluntary action of citizens to try to address the economic crisis of the Great Depression?
- 2. MAKE INFERENCES** Why was Hoover's response to drought victims in the Midwest unwise from a political standpoint?
- 3. SYNTHESIZE** How did citizens and politicians try to deal with the effects of widespread unemployment?

THE BONUS ARMY

President Hoover was quickly reminded that sometimes things go from bad to worse. As unemployment rose, Hoover's popularity with Americans plummeted. As a result, the Democrats made progress in the 1930 elections and set their sights on victory in the 1932 presidential election.

HOOVER'S WANING POPULARITY

Hoover already had a low favorability rating with his constituents because of his policies to battle unemployment. Because Hoover was a Republican, many Americans assigned blame for the nation's struggles to his party. In the 1930 election, the Democrats picked up 8 seats in the Senate and 49 in the House. Neither gave the Democrats a majority, but by the time Congress next convened, Democrats had a majority in the House due to special elections held to replace representatives who had died.

To deal with a growing budget deficit, Congress passed the **Revenue Act of 1932**, the greatest peacetime increase in taxes in the nation's history.

At a time when the economy needed Americans to have more buying power to keep factories and businesses open, the tax measure drew money out of the hands of potential consumers. Raising taxes in an election year contributed to Hoover's decreasing popularity. On the other hand, Congress also passed the **Norris-LaGuardia Act of 1932**, which extended to workers "full freedom of association" in unions and labor representation. The law restricted the use of federal **injunctions**, or court orders, to stop labor strikes, boycotts, and picketing and barred actions that prevented workers from joining unions. This legislation strengthened the power of labor, and it was popular among many American workers.



Tents and shacks burned as the U.S. Army drove the Bonus Army out of Washington, D.C., in July 1932.

To make matters worse, Congress introduced bills to provide direct assistance to the unemployed, but a coalition of Republicans and southern Democrats blocked their passage. Finally, as public pressure for action intensified, Congress passed the **Emergency Relief and Construction Act of 1932**. The act allocated federal funds to states for building public structures that could generate income, such as toll bridges, if the states proved they could not raise any money themselves. Although the law limited the kinds of construction projects that could be funded, it represented a symbolic step toward a greater federal role in combating the economic crisis and meeting the needs of desperate Americans.

THE BONUS MARCH

As the Depression worsened, economic distress triggered social protests, including one by war veterans. In 1931, a veterans organization passed a resolution demanding from Congress immediate payment of the cash bonus scheduled to be paid to World War I veterans in 1945. Veterans argued the early payment would not only help them but would also stimulate the economy. In December 1931, a bill authorizing this payment was introduced in the House. In May 1932, veterans began traveling to Washington, D.C., to show their support for the bill.

By June, more than 15,000 veterans calling themselves the Bonus Expeditionary Force, or the **Bonus Army**, had arrived in Washington to listen to Congress debate the bonus bill. While some slept in government buildings, most members of the Bonus Army camped out in makeshift tents and sheds on the banks of the Anacostia River. The Washington, D.C., police superintendent and the police captain in charge of Anacostia helped the veterans by providing food, medical care, and supplies for building their shacks. Hoover, on the other hand, ignored them. On June 17, the bill was rejected by the Senate. In July, the Hoover administration urged the Bonus Army to leave Washington and even allocated \$100,000 to pay the men's transportation costs home. But many stayed on, hoping for a change in government policy.

On July 28, 1932, the secretary of war ordered the police to remove marchers from government buildings. Veterans resisted, and fighting broke out. When a police pistol went off, other officers began shooting, and soon two veterans lay dead. The president ordered the federal troops in Washington, commanded by Army Chief of Staff General **Douglas MacArthur**, to restore order. MacArthur took his

PRIMARY SOURCE

A 1932 editorial in the magazine *The New Republic* described the violence directed against the Bonus Army in Washington, D.C.

The orders which sent the soldiers to Anacostia, routing men, women and children out of bed, drenching them with tear gas, ruthlessly burning their poor shelters and whatever personal property they could not carry on their backs, then driving all of them, cripples, babies, pregnant women, up a steep hill at the point of a bayonet—these were the orders of a furious child who has been thwarted and is raging for revenge. It is profoundly humiliating to every decent American that he must see his government thus persecuting and stealing from these hungry and ragged men whom, fourteen years ago, it did not hesitate to send into the trenches at the risk of death.

—from “Bullets for the B.E.F.,” *The New Republic*, August 10, 1932

men, armed with tanks and machine guns, across the Anacostia River into the Bonus Army's camp. His troops hurled tear gas canisters and burned tents and shacks as the veterans fled in terror. Documentary filmmakers captured the events, and moviegoers across the nation saw newsreels of MacArthur in full military dress directing the attack, cavalry soldiers charging veterans, and flames and smoke billowing from the camp. By the next day, the camp was a ruin and all the veterans had left. Many Americans were shocked. “If the Army must be called out to make war on unarmed citizens,” wrote one newspaper editor, “this is no longer America.” The public outrage spelled trouble for Hoover as the 1932 presidential election approached.

HISTORICAL THINKING

- 1. READING CHECK** Why did veterans organize the Bonus Army?
- 2. IDENTIFY PROBLEMS AND SOLUTIONS** What problem was the Emergency Relief and Construction Act of 1932 meant to solve?
- 3. ANALYZE CAUSE AND EFFECT** How did public pressure and opinion affect the political actions of Hoover and his administration?
- 4. DISTINGUISH FACT AND OPINION** Does the phrase “these were the orders of a furious child” convey a fact or an opinion? Explain your answer.

VOCABULARY

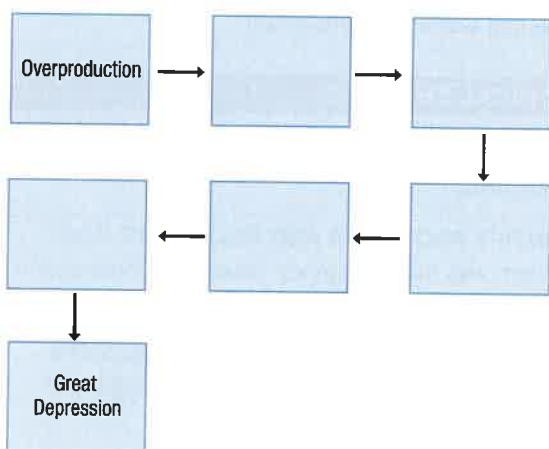
Write a paragraph about the topic using all the words in each group of words. A sentence is provided as a sample beginning.

- Topic: the stock market crash
Dow Jones Industrial Average
margin speculation
trading pool stock market
Speculation was one factor impacting the Dow Jones Industrial Average.
- Topic: effects of the Depression
Dust Bowl drought Bonus Army
Hooverville deportation
- Topic: remedying the Depression
underwrite Smoot-Hawley Tariff Act
Revenue Act of 1932 injunction

READING STRATEGY

ANALYZE CAUSE AND EFFECT

Analyzing cause and effect can help you understand how situations develop throughout history. Complete the Cause-and-Effect Chain to identify the factors that led to the stock market crash in 1929 and the Great Depression that followed. Then answer the question.



- Describe the chain of causes and effects that resulted in the Great Depression.

MAIN IDEAS

Answer the following questions. Support your answers with evidence from the chapter.

- What was the Kellogg-Briand Pact?
LESSON 1.1
- Why did intervention fail to stop the stock market slide between Black Thursday and Black Tuesday? **LESSON 1.2**
- How did income inequality and overproduction in manufacturing work together to create problems during the 1920s?
LESSON 2.1
- In what ways did new farm machinery contribute to the conditions that caused the Dust Bowl? **LESSON 2.3**
- Why was Woody Guthrie's music so important to people facing poverty during the Depression? **LESSON 2.4**
- Why did Hoover's plan to help the banking system stay afloat fail? **LESSON 3.1**
- How did worldwide economic problems influence the emergence of fascism?
LESSON 3.1
- How did the passage of the Revenue Act of 1932 hurt Hoover's popularity?
LESSON 3.2

HISTORICAL THINKING

Answer the following questions. Support your answers with evidence from the chapter.

- ANALYZE CAUSE AND EFFECT** How did international loans and World War I reparations contribute to the Great Depression?
- MAKE CONNECTIONS** How did the Dust Bowl contribute to the depopulation of rural areas in the Great Plains?
- EVALUATE** In what ways did ordinary people respond to the Great Depression?

16. ANALYZE CAUSE AND EFFECT Did panic help cause the stock market crash, or was panic an effect of that crash? Explain your answer and describe how determining historical causes and effects can be complicated.

17. FORM AND SUPPORT OPINIONS How would you rate Hoover's handling of the Great Depression? Support your position with evidence from the text.

18. ASK AND ANSWER QUESTIONS Write a question you could ask about causes of the Great Depression, and describe how you could research the answer. Then explain the challenges of determining the causes and effects of a historical event like this.

ANALYZE VISUALS

Look closely at the political cartoon from 1929 depicting Herbert Hoover saying to a farmer, "It may not be perfect, but I'm sure it'll help quite a bit." Then answer the questions that follow.

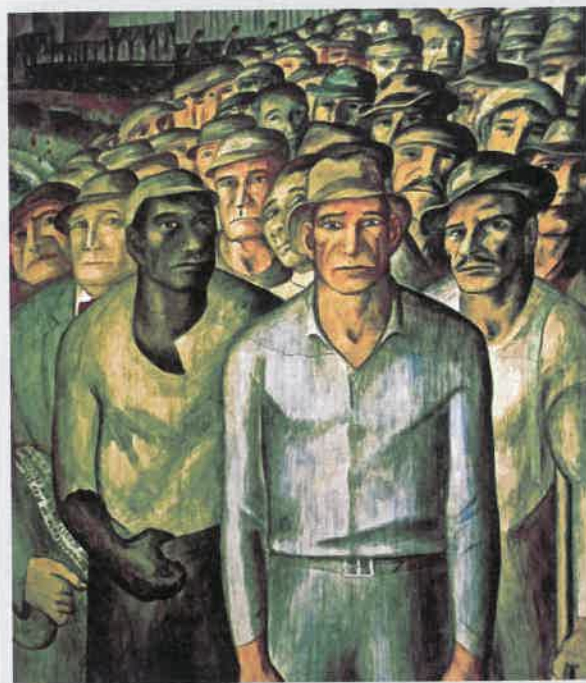


19. What do each of the characters depicted in the cartoon represent?

20. What solution is Hoover offering the farmer, and what do the expressions of the scarecrow and crow convey about the solution?

ANALYZE SOURCES

California Industrial Scenes is a 1934 fresco by John Langley Howard depicting unemployed workers during the Great Depression.



21. How does the painting reflect the larger social and economic developments of the Depression era?

CONNECT TO YOUR LIFE

22. EXPLANATORY The Dust Bowl was an ecological disaster that may have been prevented if farmers had better understood the impact of their farming methods on the land. Find information about an ecological problem of today. Using the Dust Bowl as an example, write a short essay explaining why it is important that we understand problems before we can begin to solve them.

TIPS

- Think about the physical and human characteristics of the region.
- Use textual evidence from the chapter in your explanation.
- Make a connection between the Dust Bowl and the problem of today, and explain how being more informed can prevent ecological problems from turning into disasters.
- Use two or three vocabulary terms from the chapter in your response.

THE
NEW DEAL

1933–1940

HISTORICAL THINKING In what ways were Franklin Roosevelt's policies during the Great Depression groundbreaking?

**AMERICAN
STORIES**

America's Favorite Pastime

SECTION 1 Franklin D. Roosevelt's New Deal

SECTION 2 The Second New Deal

SECTION 3 Groups Struggle for Rights

SECTION 4 Legacy of the New Deal

**AMERICAN GALLERY
ONLINE**

Visual Arts of the New Deal



This mural, titled *Agriculture in California*, appears in Coit Tower in San Francisco. Created in 1934 by American artist Maxine Albro, it was commissioned under a federal program to fund the visual arts. In an attempt to end the Great Depression, President Franklin Roosevelt initiated programs to help workers in all occupations, including artists and farmers.