**The Great Depression**

The 1930s were marred by the worst economic depression in the history of the United States. Nationwide the average unemployment reached nearly 25%, but was much higher in some areas and demographics. Politically the nation was transformed dramatically, leaving behind a much different federal government and a much stronger executive branch. The most fundamental change, however, was the social and psychological impact that the Great Depression had on people. Not everyone lost their farm in the Dust Bowl and not everyone lost their life savings following the stock market crash; the Great Depression did, however, touch everyone's life. For many, the Great Depression challenged their faith in the American Dream and created a sense of helplessness that affected them deeply.

#### Causes of the Great Depression

The Stock Market Crash in 1929 is often used as a benchmark for the start of the Great Depression. Between "Black Thursday" (October 24, 1929) and "Black Tuesday" (October 29, 1929) stock prices plummeted and billions of dollars were lost by investors. Most people, however, did not have their life savings tied up in the stock market. The fallout from the crash, however, devastated the economy and drove thousands of banks into bankruptcy. The nation's economic system was trapped in a rapid downward spiral.

For farmers, the Great Depression had been creeping up on them for most of the 1920s. In the early 1930s, their struggle was made worse by a devastating series of long droughts. The extra dry conditions killed off much of the crops planted by farmers, leaving insufficient vegetation to hold the soil in place. Native grasses had developed long roots to seek out water in times of drought, roots which also served to hold the soil in place. With those grasses gone, crops dying, and the topsoil lying exposed in long furrows, strong winds were able to easily erode the land.

#### The Dust Bowl

The severe drought conditions combined with farming techniques created the "perfect storm" conditions for the Dust Bowl. In 1931 great "black blizzards" began to occur. These "blizzards" were dust storms of immense proportions. The loose topsoil was whipped up and blown by the winds, leaving everything in its path coated in a fine dark silt. Massive storms picked up thousands of acres of soil and carried it all the way to the East Coast. These storms continued throughout the 1930s, displacing millions upon millions of tons of topsoil.

The Dust Bowl destroyed the livelihood of hundreds of thousands of farmers in the Great Plains region. Economically farmers had been suffering for a decade or more, the Dust Bowl made conditions even worse, pushing many into bankruptcy and foreclosure. Steinbeck's [The Grapes of Wrath](http://sits.sjsu.edu/context/historical/hist_context_1930s/%7B%7Bf:2075517%7D%7D) chronicles the devastating effect the Dust Bowl had on the Joad family. The Joads, like hundreds of thousands of families in the region, lost their land when they couldn't repay bank loans. They were left with few choices - find work as laborers, or to move and try to find opportunity elsewhere.

#### Agribusiness and Mechanized Farms

Foreclosed farmland was often sold to large landowners: agribusinesses which worked enormous tracts of land using tractors. Crops like wheat and cotton lend themselves well to mechanized planting and reaping, and tractors replaced the labor of hundreds of people. When an agribusiness took over the land of family farmers like the Joads, that land was combined with farms surrounding them which had been foreclosed on. One tractor could do the work that several families had been doing. As a result, there were few jobs available as farm laborers or tractor drivers. When the families lost their land, there was little chance that they could continue to work as farmers or laborers. The tractor had replaced them.

For several hundred thousand farmers in the Dust Bowl region, the only answer seemed to be to move - particularly out to California. Handbills, or flyers, advertised the abundance of jobs and land available in California. California agriculture relied, and still relies, on migrant farm laborers for the harvest seasons. Lennie and George in [Of Mice and Men](http://sits.sjsu.edu/context/historical/hist_context_1930s/%7B%7Bf:1630332%7D%7D) are migrant workers, traveling around California to where work was needed.

Although Lennie and George were successful in finding work by migrating across California, the Joads encountered a different scenario. The Dust Bowl drew more than 300,000 refugees into California during the 1930s. Although California farming required more labor, and therefore more people, there simply were not enough jobs available for the number of people migrating into the state. The Joads arrived in California to find that jobs were not plentiful and that opportunity was scarce. Their dream of laboring for a few months to scrape the money together to buy their own piece of land quickly fizzled away.

#### Organized Labor and Strikes

Agricultural workers began to unionize in the 1930s. In particular, Filipino workers in Salinas, California formed the Filipino Labor Union in 1933. In 1936 the union went on strike demanding wage increases. Their strike was brutally put down by a vigilante force organized by the local sheriff. The Salinas Lettuce Strike was a catalyst behind Steinbeck's work from 1936 to 1939. [In Dubious Battle](http://sits.sjsu.edu/context/historical/hist_context_1930s/%7B%7Bf:1633755%7D%7D), published in 1936, is the story of labor unions struggling against California's growers' associations. More directly, Steinbeck chronicled the struggles of agricultural laborers in a series of articles called "The Harvest Gypsies" he wrote for the San Francisco News in October of 1936. "The Harvest Gypsies" was the first step in what would eventually become Steinbeck's epic novel [The Grapes of Wrath](http://sits.sjsu.edu/context/historical/hist_context_1930s/%7B%7Bf:2075517%7D%7D).

#### Welfare and "The Dole"

Prior to the New Deal, people who were "down on their luck," unemployed, or struggling did not have unemployment insurance and welfare to rely on. Local, private charities helped people in need to get back on their feet. Some cities and counties had programs to help the unemployed and homeless as well. It was taboo, however, to receive a "handout". What we would call welfare today was called "the dole" during the early 20th century. Being given money or food freely and not in return for work went against what many Americans saw as right or normal. To be reduced to asking for a handout was devastating psychologically and socially. People on the dole were looked down upon, and they looked down upon themselves as well.

#### Politics: Hoover and the Great Depression

In 1928, Herbert Hoover was elected President of the United States. He was a popular choice during a time when most of the American economy was prospering. During World War I Hoover had been the head of the U.S. Food Administration and coordinated charities and food conservation to support the war effort. In the first year of his presidency, however, the stock market crashed and the country rapidly slid into economic depression. Hoover's response was guided by his belief, and experience, that private industries and charities should come to the rescue of the poor and destitute.

Hoover pushed for legislation that propped up the collapsing banking industry and increased the federal budget for public works programs. He also helped to create the Reconstruction Finance Corporation (RFC) which provided federal loans to big businesses such as railroads, banks, and insurance companies. This was federal relief money directed at the top of the economic pyramid. The theory was that these loans would "prime the pump" of the economy and get it restarted. Many people were angered that relief was directed at large corporations and financial institutions, rather than directly helping the unemployed and homeless. Hoover, as a result, became the scapegoat for the Great Depression.

#### FDR and the New Deal

Franklin D. Roosevelt was elected president in 1932 and served through two of the nation's most challenging periods: The Great Depression and World War II. Roosevelt knew that the key to pulling the country out of the depression was action. The American people needed to know that the government was trying to help them, that they were no longer going to be left out of relief efforts. Roosevelt was not afraid to try a new program only to scrap it later if it was ineffective. Roosevelt's plans gave assistance to the helpless and hope to the despairing.

Roosevelt is perhaps most famous for the New Deal. The New Deal was a series of laws and programs passed under Roosevelt that aimed at rescuing the people from the downward spiral of the depression. Rather than only directing relief and government funding to banks, investors, and large corporations, Roosevelt's New Deal programs targeted the unemployed and farmers directly as well.

Roosevelt's New Deal attacked the Great Depression in a way that was advocated by the economist John Maynard Keynes. An economic crisis the size of the Great Depression, Keynes argued, required an enormous injection of cash flow into the economy. However, so much money was needed that the only possible source was the federal government. Keynes recommended massive federal spending to reverse the Great Depression.

Later, the New Deal focused more on reforming the nation's economic system. Many regulations were put into place and organizations created to stop a future collapse of the economy. These reforms were aimed at stopping large corporations, banks, and investment firms from recreated the conditions that led to the stock market crash in 1929 and to the banking collapse that followed. But wealthy, conservative people, the very ones who the regulations targeted, hated the New Deal and Roosevelt. They often referred to FDR derisively as "that man" or "that man in the White House."

#### Psychological Effects of the New Deal

Historians and economists still argue over how effective the New Deal was in rescuing the American economy. Regardless of the New Deal's economic success, Historians generally agree that psychologically the New Deal had an enormous impact. Putting people back to work gave them more than a handout, it gave them a means to be productive. It put them back on par with the rest of society. The New Deal restored the faith that hard work paid off; it gave hope to people who had lost everything, including their dignity.

#### Social

New Deal programs helped to put people back to work and to lift the morale of the nation, but they did not benefit everyone equally. Women and minorities were often intentionally excluded from the work created by New Deal programs. Jobs were typically reserved for men because men were seen as the breadwinners in the family unit. When women were employed under New Deal programs, they were paid less than men.

Minorities were also marginalized by the New Deal programs. Usually the focus was to hire white men, and when non-whites were given jobs in a New Deal project, they were typically segregated from white workers. The New Deal was a big change in the way the federal government was involved in the economy and the well being of Americans, but it was not so great a leap forward for women and minorities.