

Overview: The Great Depression



*“This great nation will endure as it
has endured, will revive, and will prosper...”*

Franklin D. Roosevelt
March 4, 1933

As Franklin D. Roosevelt spoke these simple and inspiring words, Americans from coast to coast, weary from years of economic hardship, were willing to take the freshly minted President at his word. He was offering them hope, which was all that many people had left. The economic hardships brought on by the Great Depression had reached a pinnacle by the spring of 1933. The banking system was near collapse, a quarter of the labor force was unemployed, and prices and production were down by a third from their 1929 levels. Just a few short years before, Herbert Hoover had proclaimed, “We in America today are nearer to the final triumph over poverty than ever before in the history of any land.” How could things have gone so wrong, so fast?

Conventional wisdom places the beginning of the Great Depression on “Black Tuesday” October 29, 1929, but the factors undermining the economic stability of American and world markets had been in play for some time. One of those factors was a lack of diversification in the American economy throughout the 1920’s. American prosperity had been built on a few core industries, most noteworthy automobiles and construction. As the 1920’s progressed, market saturation began to take hold and automobile and construction expenditures began to drop dramatically.

In addition to the declining demand for products, purchasing power began to skew against those at the lower end of the economic ladder. As demand for products decreased, so did wages - especially for farmers and factory workers. More and more consumers found themselves unable to afford the goods and services the economy was producing. This resulted in even less demand and sparked layoffs and factory shut downs.

Yet another factor contributing to the economic woes of the nation was the dubious debt structure of the economy. Farmers who traditionally lived on or near the edge of economic prosperity, were being hit with the double whammy of declining crop prices and a continuing drought that was literally turning their land to unusable dust. Crop prices were too low to cover the fixed costs of machinery, taxes, mortgages and other debts. By 1933, nearly 45 percent of farms were behind in their mortgage payments and faced foreclosure. Many farmers in the southwest region of the country that had come to be called the Dust Bowl simply abandoned their farms. These "Arkies" and "Oakies" loaded up their families and whatever possessions they could carry and headed west.

A final factor came from beyond our borders. When World War I finally concluded, the Allied nations of Europe owed American banks huge sums of money. With the European economies in shambles, not even the victorious countries were able to make their payments to American banking institutions. They had insisted on reparations from the defeated nations in hopes of using those resources to repay their American creditors. The defeated nations were even less able to muster the necessary funds. American banks refused to forgive the debts, but they did allow European governments to take out additional loans to pay down the original debts. This created a dangerous cycle of paying debts by incurring still more debt. By the end of the 1920's, the American economy was beginning to weaken due to the factors mentioned above. In an effort to protect American manufacturing, protective tariffs were put in place making it more and more difficult for European goods to enter the United States, and many soon defaulted on their loans bringing about a world wide economic crisis.

The Buffalo Times

BUFFALO, SUNDAY, FEBRUARY 14, 1937



TO THE MANY AMERICANS who live on the nation's run-down, exhausted land, the Resettlement Administration, one of Washington's "alphabet" agencies, is bringing new homes, new life, new hope. Typical of the kind of shacks these people live in is this house near Story, Minn. Mountain, Va. with its sun-damaged elements about it.



FOR THIS SHARECROPPER'S CHILD, suffering from rickets and emaciation, there is hope of a happy life in the better land his family is being moved to. He lives in Alabama.



THIS YOUNG LAD IS LUCKY—He's still not too old to forget the ways and the misery forced on some of these people by their baffle to make a living from inhospitable soil. Modern schools and training for a useful life await him in a new community.



THE AMBITIOUS MEMBER OF THE FAMILY—This man left his farm home to find work, got a job as deckhand on a Mississippi boat—but his circumstances still show in his clothing.



THE RESULT OF THE RESETTLEMENT PROGRAM—This farmer has been resettled on good land, is beginning to enjoy life, looks confidently to the future with a smile on his face.



IT'S HARD FOR SAM NICHOLS, poverty-stricken farmer of Blaine County, Arkansas, to understand what the change will mean. To men of his age, the Resettlement program comes almost too late.



ALL HIS LIFE has been spent on barren land, but now, this 83-year-old settler—one of the few who have attained old age in the sub-marginal farm areas—is being resettled on good farmland near Chillicothe, O. The twilight of his life, at least, will pass in good surroundings.

Overview: The New Deal

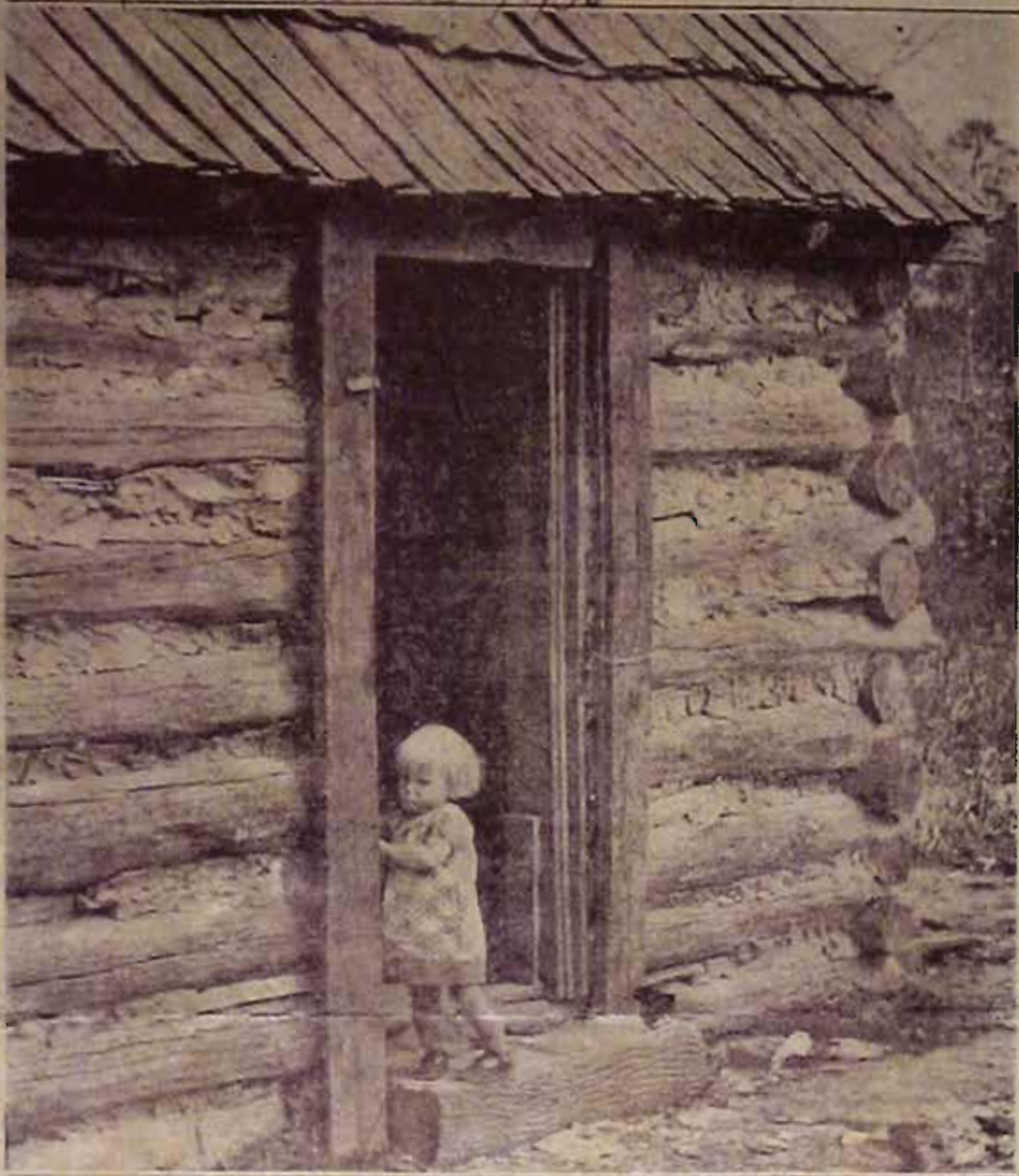
Upon taking office, the new President began immediately to make good on his pledge to get the country moving again. The pace of his first one hundred days in office, beginning in March of 1933, was a whirlwind which produced and passed no less than fifteen major pieces of legislation. Roosevelt sought to establish broad relief measures, major new programs in industrial and agricultural planning, and banking reform. Though the scope of the programs he proposed seemed to some to go in all directions, the threads that held the New Deal together were Roosevelt's unbridled confidence in himself and the American People, and his commitment to bring about three R's - Relief, Recovery and Reform.

Relief for the millions of Americans who suddenly found themselves without work, without food, without shelter and without hope, was the President's first priority. He had concluded that help for the down-trodden must come from beyond the traditional private or local government sources. He believed that the federal government needed to take on a larger role in providing for the well-being of the American people. Though today this concept seems quite natural, the idea of such government involvement in the affairs of business and industry was relatively new and untested in FDR's time. Critics from the political right accused him of exerting too much government influence, while critics from the left complained his programs were not ambitious enough. Roosevelt steered a steady course and kept the American public informed about his plans and their progress through a series of radio addresses that came to be called "fireside chats". These broadcasts were centered on specific topics and issues, and were delivered in warm, folksy language that made people feel they were partners in the efforts the President was putting forth.

The experiment of the New Deal yielded varied results. Some programs were nearly universally applauded such as the CCC, TVA, or the FDIC. Others such as the NRA were attacked in the media or overturned in the courts. Still others such as Social Security have become so interwoven in our social and political fabric that it is difficult to imagine a time when they did not exist. Regardless of the fate of the individual programs, the fact remains that the New Deal forever changed the political, social, and economic landscape of the United States. Historians and scholars continue to debate just how successful the relief, recovery and reform efforts of the New Deal programs were and their lingering impacts today.

This Child Deserves A Better Chance, Says Roosevelt

Harris Sentinel 5/1/36



The Resettlement Administration, a New Deal agency, is resettling the family of this little girl in an area where she will have higher living standards and a greater opportunity to get more out of life. The picture was taken in Indiana.

Editor's Note—This is the first article of a series on the work of the Resettlement Administration. Judge Joseph L. Dailey, assistant administrator, discusses Indiana's part in the National Land Use Program. In this article Judge Dailey discusses other phases of the Resettlement Administration.

By J. L. DAILEY
Assistant Administrator
Resettlement Administration

Land is the basis of our rural economy, and represents the long-time phase of the Resettlement

Administration program. But there is a more immediate and pressing problem of rural need. This activity which is the emergency phase has been termed rural rehabilitation.

Rural rehabilitation means precisely what the term implies—to rebuild and rehabilitate needy farm families. By rehabilitating we do not mean the task of furnishing a minimum of food, clothing, implements, feed and livestock. We do mean assistance which will enable farm families to become once more self-supporting and self-respecting members of their communities.

(Continued on Page 3, Col. 2)

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WHAT THE RESETTLEMENT ADMINISTRATION IS DOING

A REVIEW OF ITS WORK INDICATES MOVEMENT ON THREE BROAD FRONTS IN RURAL REGIONS



Families such as these that had no chance to eke out a living from soil that refused to bear crops will be moved to more fertile land.



Left, this family will be moved into a new home, right, built by the U. S. Resettlement Administration.





Curriculum Guide

"This Great Nation Will Endure": Photographs of the Great Depression

Thumbnails: FSA Photographs

This curriculum guide contains a complete class set of FSA photographs. So that students may draw their own conclusions about the meaning and significance of the images, we have deliberately not identified the place, date, subject or photographer on the student copies. These thumbnails provide that information and can be shared with the students at the teacher's discretion.



Arthur Rothstein

Farmers at auction, Zimmerman farm near Hastings, Nebraska.
March 1940



Arthur Rothstein

Father and Sons Walking in the Face of a Dust Storm.
April 1936



Russell Lee

Tent home of family living in a community camp, Oklahoma City, Oklahoma.
July 1939



Russell Lee

Christmas dinner in the home of Earl Pauley near Smithfield, Iowa. Dinner consisted of potatoes, cabbage and pie.
December 1936



Curriculum Guide

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Russell Lee

Transient Mexican worker's family from Texas. East Grand Forks, Minnesota.

September 1937



Dorothea Lange

Dust Bowl farm, Coldwater District, north of Dalhart, Texas. This house is occupied; most of the houses in this district have been abandoned.

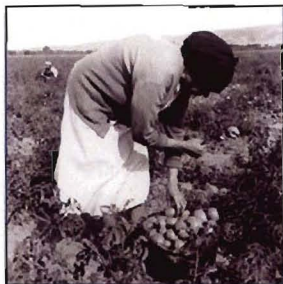
June 1938



Russell Lee

Daughter and son of [an] agricultural day laborer living near Webbers Falls, Oklahoma. The furnishings of this shack were meager and broken and filthy. Muskogee County, Oklahoma.

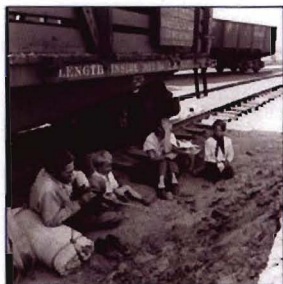
June 1939



Dorothea Lange

Mexican migrant woman harvesting tomatoes, Santa Clara Valley, California.

November 1938



Dorothea Lange

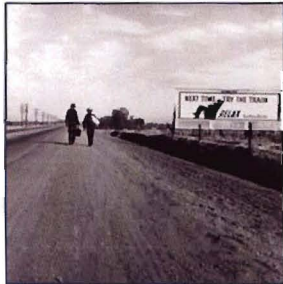
Family who traveled by freight train, Toppenish, Yakima Valley, Washington.

August 1939



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Dorothea Lange
Toward Los Angeles, California.
March 1937



Dorothea Lange
Unemployment benefits aid begins. Line of men inside a division office of the State Employment Service office at San Francisco, California, waiting to register for benefits on one of the first days the office was open.
January 1938



Dorothea Lange
Migrant Mother.
February 1936



Russell Lee
Labor contractor's crew picking peas, Nampa, Idaho.
June 1941



Dorothea Lange
Migrant workers' camp, outskirts of Marysville, California. The new migratory camps being built by the Resettlement Administration will remove people from unsatisfactory living conditions such as these and substitute at least the minimum of comfort and sanitation.
April 1935



Curriculum Guide

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Ben Shahn

A destitute family, Ozark Mountains area, Arkansas.
October 1935



Ben Shahn

Untitled [Pulaski County, Arkansas].
October 1935



Arthur Rothstein

Picking beans, Belle Glade, Florida.
January 1937



Edwin Rosskam

Sugar workers taking a drink of water on a plantation, Ponce (vicinity), Puerto Rico.
January 1938



Edwin Rosskam

Funeral of a child, Ponce, Puerto Rico.
January 1938



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Arthur Rothstein

Tenant farmer moving his household goods to a new farm, Hamilton County, Tennessee.

1937



Arthur Rothstein

State highway officials moving evicted sharecroppers away from roadside to area between the levee and the Mississippi River, New Madrid County, Missouri.

January 1939



Marion Post Wolcott

Child of migratory packinghouse workers, Belle Glade, Florida.

February 1939



Dorothea Lange

Cotton sharecroppers, Greene County, Georgia. They produce little, sell little, buy little.

June 1937



Walker Evans

Houses, Atlanta Georgia.

March 1936



Curriculum Guide

"This Great Nation Will Endure": Photographs of the Great Depression



Marion Post Wolcott

Children and old home on badly eroded land near Wadesboro, North Carolina.

December 1938



Ben Shahn

Cotton pickers, Pulaski County, Arkansas.

October 1935



Marion Post Wolcott

Children in the bedroom of their home, Charleston, West Virginia. Their mother has tuberculosis.

September 1938



Arthur Rothstein

Homes of oyster packinghouse workers, Shellpile, New Jersey.

October 1938



Russell Lee

Unemployed workers in front of a shack with Christmas tree, East 12th Street, New York, New York.

January 1938



Ben Shahn

Young boy who salvages coal from the slag heaps, Nanty Glo, Pennsylvania.

1937

Related Documents

President Roosevelt's 1933 Inaugural Address

In August 1928, shortly before his election to the presidency, Herbert Hoover had proclaimed, "We in America today are nearer to the final triumph over poverty than ever before in the history of any land." Yet by the end of his term nothing could have been farther from the truth. The Great Depression had reached a pinnacle by the spring of 1933. The banking system was near collapse, a quarter of the labor force was unemployed, and prices and production were down by a third from their 1929 levels. The nation was looking for new leadership, and it found it in Franklin D. Roosevelt, the two-term Governor of New York. As a candidate for the presidency, Roosevelt had promised, 'a New Deal for the American people.' Upon taking office, he began immediately to make good on his pledge. Roosevelt seemed fully aware of the challenges he and the nation faced and he spoke with confidence and determination. His inaugural address, delivered on the steps of the United States Capitol building on March 4, 1933 gave the weary nation a much needed glimmer of hope.

THE WHITE HOUSE
WASHINGTON

March 25, 1933.

This is the original of the Inaugural Address - March 4th, 1933 - and was used by me at the Capitol. Practically the only change, except for an occasional word, was the sentence at the opening, which I added longhand in the Senate Committee Room before the ceremonies began.



INAUGURAL ADDRESS OF
PRESIDENT FRANKLIN D. ROOSEVELT
MARCH 4, 1933.

This is a Day of consecration.

I am certain that my fellow Americans expect that on my induction into the Presidency I will address them with a candor and a decision which the present situation of our nation impels. This is preeminently the time to speak the truth, the whole truth, frankly and boldly. Nor need we shrink from honestly facing conditions in our country today. This great nation will endure as it has endured, will revive and will prosper. So first of all let me assert my firm belief that the only thing we have to fear is fear itself, - nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance. In every dark hour of our national life a leadership of frankness and vigor has met with that understanding and support of the people themselves which is essential to victory. I am convinced that you will again give that support to leadership in these critical days.

In such a spirit on my part and on yours we face our common difficulties. They concern, thank God, only material things. Values have shrunken to fantastic levels; taxes have risen; our ability to pay has fallen; government of all kinds is faced by serious curtailment of income; the

means of exchange are frozen in the currents of trade; the withered leaves of industrial enterprise lie on every side; farmers find no markets for their produce; the savings of many years in thousands of families are gone.

More important, a host of unemployed citizens face the grim problem of existence, and an equally great number toil with little return. Only a foolish optimist can deny the dark realities of the moment.

Yet our distress comes from no failure of substance. We are stricken by no plague of locusts. Compared with the perils which our forefathers conquered because they believed and were not afraid, we have still much to be thankful for. Nature still offers her bounty and human efforts have multiplied it. Plenty is at our doorstep, but a *generous* ~~vast~~ use of it languishes in the very sight of the supply. Primarily, this is because the rulers of the exchange of mankind's goods have failed through their own stubbornness and their own incompetence, have admitted their failure and abdicated. Practices of the unscrupulous money changers stand indicted in the court of public opinion, rejected by the hearts and minds of men.

True, they have tried, but their efforts have been cast in the pattern of an outworn tradition. Faced by failure of credit they have proposed only the lending of more money. Stripped of the lure of

profit by which to induce our people to follow their false leadership they have resorted to exhortations, pleading tearfully for restored confidence. They know only the rules of a generation of self-seekers. They have no vision, and when there is no vision the people perish.

The money changers have fled from their high seats in the temple of our civilisation. We may now restore that temple to the ancient truths. The measure of the restoration lies in the extent to which we apply social values more noble than mere monetary profit.

Happiness lies not in the mere possession of money; it lies in the joy of achievement, in the thrill of creative effort. The joy and moral stimulation of work no longer must be forgotten in the mad chase of evanescent profits. These dark days will be worth all they cost us if they teach us that our true destiny is not to be ministered unto but to minister to ourselves and to our fellow-men.

Recognition of the falsity of material wealth as the standard of success goes hand in hand with the abandonment of the false belief that public office and high political position are to be valued only by the standards of pride of place and personal profit; and there must be an end to a conduct in banking and in business which too often has given to a sacred trust the likeness of callous and selfish wrongdoing. Small

wonder that confidence languishes, for it thrives only on honesty, on honor, on the sacredness of obligations, on faithful protection, on unselfish performance: without them it cannot live.

Restoration calls, however, not for changes in ethics alone. This nation asks for action, and action now.

Our greatest primary task is to put people to work. This is no unsolvable problem if we face it wisely and courageously. It can be accomplished in part by direct recruiting by the government itself, treating the task as we would treat the emergency of a war, but at the same time through this employment accomplishing greatly needed projects to stimulate and reorganize the use of our natural resources.

Hand in hand with this we must frankly recognize the over-balance of population in our industrial centers and, by engaging on a national scale in a redistribution, endeavor to provide a better use of the land for those best fitted for the land. The task can be helped by definite efforts to raise the values of agricultural products and with this the power to purchase the output of our cities. It can be helped by preventing realistically the tragedy of the growing loss through foreclosure, of our small homes and our farms. It can be helped by insistence that the federal, state and local governments act forthwith

on the demand that their cost be drastically reduced. It can be helped by the unifying of relief activities which today are often scattered, uneconomical and unequal. It can be helped by national planning for and supervision of all forms of transportation and of communications and other utilities which have a definitely public character. There are many ways in which it can be helped, but it can never be helped merely by talking about it. We must act and act quickly.

Finally, in our progress toward a resumption of work we require two safeguards against a return of the evils of the old order: there must be a strict supervision of all banking and credits and investments; there must be an end to speculation with other people's money, and there must be provision for an adequate but sound currency.

These are the lines of attack. I shall presently urge upon a new Congress in special session detailed measures for their fulfillment, and I shall seek the immediate assistance of the several states.

Through this program of action we address ourselves to putting our own national house in order and making income balance outgo. Our international trade relations though vastly important, are in point of time and necessity secondary to the establishment of a sound national economy. I favor as a practical policy the putting of first things first.

I shall spare no effort to restore world trade by international economic readjustment, but the emergency at home cannot wait on that accomplishment.

The basic thought that guides these specific means of national recovery is not narrowly nationalistic. It is the insistence, as a first consideration, upon the interdependence of the various elements in and parts of the United States -- a recognition of the old and permanently important manifestation of the American spirit of the pioneer. It is the way to recovery. It is the immediate way. It is the strongest assurance that the recovery will endure.

In the field of world policy I would dedicate this nation to the policy of the good neighbor -- the neighbor who resolutely respects himself and because he does so, respects the rights of others -- the neighbor who respects his obligations and respects the sanctity of his agreements in and with a world of neighbors.

If I read the temper of our people correctly we now realize as we have never realized before our interdependence on each other: that we cannot merely take but we must give as well; that if we are to go forward we must move as a trained and loyal army willing to sacrifice for the good of a common discipline, because without such discipline no progress is

made, no leadership becomes effective. We are, I know, ready and willing to submit our lives and property to such discipline because it makes possible a leadership which aims at a larger good. This I propose to offer, pledging that the larger purposes will bind upon us all as a sacred obligation with a unity of duty hitherto evoked only in time of armed strife.

With this pledge taken, I assume unhesitatingly the leadership of this great army of our people dedicated to a disciplined attack upon our common problems.

Action in this image and to this end is feasible under the form of government which we have inherited from our ancestors. Our constitution is so simple and practical that it is possible always to meet extraordinary needs by changes in emphasis and arrangement without loss of essential form. That is why our constitutional system has proved itself the most superbly enduring political mechanism the modern world has produced. It has met every stress of vast expansion of territory, of foreign wars, of bitter internal strife, of world relations.

It is to be hoped that the normal balance of executive and legislative authority may be wholly adequate to meet the unprecedented task before us. But it may be that an unprecedented demand and need

for undelayed action may call for temporary departure from that normal balance of public procedure.

I am prepared under my constitutional duty to recommend the measures that a stricken nation in the midst of a stricken world may require. These measures, or such other measures as the Congress may build out of their experience and wisdom, I shall seek, within my constitutional authority, to bring to speedy adoption.

But in the event that the Congress shall fail to take one of these two courses, and in the event that the national emergency is still critical, I shall not evade the clear course of duty that will then confront me. I shall ask the Congress for the one remaining instrument to meet the crisis -- broad executive power to wage a war against the emergency, as great as the power that would be given to me if we were in fact invaded by a foreign foe.

For the trust reposed in me I will return the courage and the devotion that befit the time. I can do no less.

We face the arduous days that lie before us in the warm courage of national unity; with the clear consciousness of seeking old and precious moral values; with the clean satisfaction that comes from the stern

performance of duty by old and young alike. We aim at the assurance of a rounded and permanent national life.

We do not distrust the future of essential democracy. The people of the United States have not failed. In their need they have registered a mandate that they want direct vigorous action. They have asked for discipline and direction under leadership. They have made me the present instrument of their wishes. In the spirit of the gift I take it.

In this dedication of a nation we humbly ask the blessing of God. May he protect each and every one of us. May He guide me in the days to come.



This is the original reading copy I used March 4th