

# “Have To” History: The Great Depression / The Dust Bowl

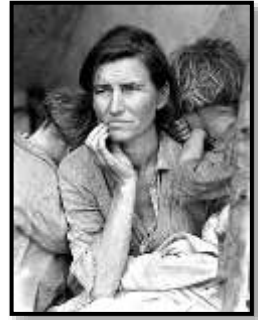
## *Stuff You Don't Really Want To Know (But For Some Reason Have To)*

### Three Big Things:

1. The Stock Market “Crash” on October 29<sup>th</sup>, 1929, marked the beginning of the biggest, longest, worstest, economic and emotional depression in all of U.S. History. It impacted most of the rest of the world as well.

2. President Franklin D. Roosevelt pushed an unprecedented series of government programs and other laws collectively called the “New Deal” by way of trying to fix things. Historians and economists argue about how much good they did. Many elements of “big government” today began as part of this “New Deal.”

3. Depression was felt even more deeply across the Midwest due to a decade of drought which made it almost impossible to grow anything. The apocalyptic dust storms of the 1930s led to the term “Dust Bowl,” now used to more generally refer to the overall misery and suffering of farmers and their ilk.



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### Causes of the Great Depression / Dust Bowl

1. **Unrestrained faith and investment in the stock market / “buying on margin.”** The 1920s are remembered as the “Roaring Twenties” for a reason. Life was good and getting better, it seemed like everyone had a job, technology was providing untold convenience and possibilities, and the economy was going only one direction – UP. This led to inflated (and unsustainable) stock prices, and people “playing the market” who had no business doing so. Banks loaned money too easily, and it was not unusual for average families to go into debt in order to buy stock with the assumption they’d pay off the loan with their profits.

2. **Overproduction.** Manufacturing was still a major industry in the U.S., and productivity was up. Credit was easy to obtain, and people bought consumer goods at unprecedented rates. Eventually this had to slow; each household needed only so many washing machines or radios, and businesses found themselves grossly overstocked. That meant prices dropped, but also that workers had to be cut, wages fell, and people could no longer buy as much, which meant even *less* demand, and there you go.

3. **Unequal distribution of wealth.** The gap between rich and “regular” had grown dramatically. While there’s nothing wrong with being wealthy, the man with ten times as much as his neighbor doesn’t necessary *spend* ten times as much. The man who makes a thousand times what you do may take more vacations and buy nicer things, but probably not a thousand-fold so. Since there are only so many mansions, paintings, and yachts one can use, much of that wealth grows stagnant. Like water, money does best when it keeps circulating – flowing, rising, raining, repeat. When things get too out of balance between the top and bottom, it barely even trickles down.

4. **Crop prices plummeted.** Before it quit raining, farmers were producing a wider variety of crops more efficiently than ever before. That worked out well during WWI because soldiers gotta eat, and the U.S was on a team with lots of soldiers. When the war ended, however, prices dropped dramatically. Being hard-working, rugged individual-types, most farmers doubled down and worked harder, planted more land, or borrowed money to acquire more machinery, fertilizer, etc. It worked – they grew *even more*. Thanks to basic supply and demand, though, the more they grew, the less profit they made – sending them further into debt as prices plummeted.

5. **Over-Farming / Drought.** The “Dust Bowl” was brought about by a combination of man’s short-sightedness and nature’s cruelty. Farming practices of the 1910s and 20s stripped away anything which might otherwise hold the soil together – grass, bushes, trees, weeds, etc. Every arable inch was planted with cash crops. Then it quit raining,

almost entirely, for close to ten years. Soil without moisture is dirt, and the Midwest is – as the song says – “where the wind comes sweeping down the plains.” Add heavy sustained blowing to miles of unprotected, bone-dry dirt, and you get raging, destructive, dark-sky dirt storms like nothing people had ever seen. It was terrifying. And it hurt.

### **The Trigger – “Black Tuesday”**

On October 29, 1929, the bottom fell out of the stock market. There’d been signs – the previous Thursday had almost been the day, but a handful of big money types shored up confidence by buying shares in major industries at well-above market value. It didn’t hold. “Black Tuesday” set off a domino effect of selling, panic, business failures, bank runs, and even a few suicides.

### **President Herbert Hoover**

Hoover is generally portrayed as a hardliner, unsympathetic to the plight of those impacted by the Depression. This isn’t entirely fair, but he was hesitant to push the Legislature to do *too* much for fear of unintentionally making things worse – both short and long-term. The makeshift homeless camps which sprang up in big cities became known as “Hoovervilles,” which didn’t help his reputation.

### **The New Deal**

Franklin D. Roosevelt was elected President in 1932 promising a new approach – he’d try stuff. Lots of stuff. If something worked, he’d keep doing it. If it didn’t, he’d try something different. The “New Deal” was a series of legislative efforts pushed by the President to stabilize the economy, get people back to work, and to offer help for those in the most immediate danger – often denoted as “The 3 R’s: Relief, Recovery, and Reform.”

Historians argue about the extent to which the “New Deal” actually fixed anything, but many of its programs are still around – Social Security and “Minimum Wage” laws, for example. Also going full speed almost a century later are the FDIC (if your bank folds, your deposits are insured), the Federal Housing Administration (regulates construction standards and financial stuff associated with home-buying), the TVA (dams, electricity, flood-control, and such), and the SEC (the folks who look at porn all day while big-money stock brokers and people with jobs like “fiscal management security options specialist” do pretty much whatever they want.



FDR’s regular “Fireside Chats” – radio time spent speaking directly to the American people – offered a sense of unity and hope which forever changed expectations of a President in times of need. First Lady Eleanor Roosevelt also published a regular column in which she responded to letters from those seeking assurance or aid.

On December 7, 1941, the Japanese bombed Pearl Harbor. The next day, America entered World War II. That meant soldiers, and uniforms, and guns, and food, and airplanes, and fuel, and drivers, and medics, and equipment, and transportation, and training, and... the Depression was over. The U.S. was at war. FDR would go on to be the only American President to win FOUR terms, although he died before serving out the last.

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### **You Wanna Sound REALLY Smart? {Extra Stuff}**

If you’re wanting to throw in some extra detail, consider looking into the following: the “Bonus March,” *The Grapes of Wrath*, the WPA (Works Progress Administration), FDR’s “Court-Packing Scheme,” or major criticisms of the New Deal. Any of these topics can fill volumes – and have, in fact.

That’s not even getting into FDR having polio, Eleanor Roosevelt as a transformational First Lady, or the various scandals associated with their administration. Then again, if you cared *that* much, you wouldn’t be reading this.