**Chapter 25: Chapter Outline**

The following annotated chapter outline will help you review the major topics covered in this chapter.

**Instructions:** Review the outline to recall events and their relationships as presented in the chapter. Return to skim any sections that seem unfamiliar.

**I. The Coming of the Great Depression**

A. The Great Crash

1. From Feb 1928 until October 1929 economic boom, stock prices rose dramatically w/ credit easily available

2. October 29, 1929- “Black Tuesday”- stock market crashed

B. Unemployment and Relief

1. In capitalist system recessions cyclical, but Great Depression direly severe

2. Such large crash b/c lack of diversification (many overinvested in automobiles + construction), maldistribution of wealth resulting in consumers receiving too little money to spend to keep pace w/ growing markets + supplies (coupled w/ rising unemployment due to natural cycle + from technology)

3. Credit structures + indebtedness of farmers threatened banks, but banks also threatened by risky investments + loans in stock markets

4. US foreign exports declined b/c some Eur nations productivity increasing but others facing financial difficulties; international debt structure after WWI in which nations sought new loans to pay off existing Allied loans + Central nation reparations weakened US economy after 1929 left countries w/o source with which to repay loans, began to default

C. Progress of Depression

1. Stock market crash triggered chain of events that further weakened economy over next 3 years

2. Banking system collapsed and billions of dollars in deposits lost; money supply contraction exacerbated by 1931 Fed Reserve interest raises

3. GDP, capital investment, gross farm product all down at least 25% by 1933; in 1932 national unemployment had risen to 25% (much more in some cities)

**II. The American People in Hard Times**

A. Unemployment and Relief

1. Americans taught to believe that individual responsible for own fate, poverty sign of own failure; nevertheless the small relief system of the 1920s incapable of dealing w/ new demands and govts hesitant to increase support b/c of decreasing tax revenues + welfare stigma. Bread lines found in cities

2. In rural areas income declined 60%, 1/3 of farmers lost land, massive drought extended thru the “Dust Bowl” starting in 1930 lasting for a decade farm prices so low that many farmers left homes to seek employment (“Okies”)

3. Nationwide problems of malnutrition, homelessness; growth of shantytowns, massive migrations of ppl across country seeking jobs, better living conditions

B. African-Americans and the Depression

1. Most S blacks were farmers, collapse of cotton + staple crop prices led them to leave land; menial jobs they had held in cities began to be given to whites (Black Shirts in Atlanta 1930 called for dismissal of all blacks from jobs so that they would be available for struggling whites to takE.

2. Mass migration of jobless southern blacks to Northern urban centers

3. Segregation + black disenfranchisement remained, but famous Scottsboro case in which group of 7 blacks falsely accused of rape resulted in national attention b/c of NAACP support

4. NAACP began working to increase black participation in unions + organized labor

C. Mexican Americans in Depression America

1. Large Mex immigration population (known as Chicanos) centered mostly in Southwest, worked mainly menial jobs or as unskilled laborers in urban areas

2. When Depression hit many whites forced them from their jobs, relief to Mexicans severely limited + many rounded up to be sent back to Mexico—all highlighted the discrimination of Hispanics that swept region

D. Asian Americans in Hard Times

1. Depression strengthened pattern of economic marginalization of Asian American populations which were centered mainly on the West coast; frequently lost jobs to whites desperate for employment

2. Some Japanese sought to form clubs to advance political agendas: Japanese American Democratic Club worked for laws against discrimination; Japanese American Citizens League sought to make immigrants more assimilated

E. Women and the Workplace in the Great Depression

1. Ppl believed that b/c jobs so scarce whatever was available should go to men—this belief strengthened notion of women’s main role staying in home, also feelings that no woman with an employed husband should hold a job

2. Single and married women both continued to work during Depression b/c money so necessary- result of nonprofessional nature of “pink-collar” jobs as more secure than those in heavy industry, male stigma about taking them

3. Support for Reform Era ideas of women economically and professionally independent began to wane; Depression saw death of National Woman’s Party

F. Depression Families

1. Middle- and working-class families used to rising standard of living now uncertain b/c of unemployment or income reductions

2. Retreat from consumerism as women made clothes in home, home businesses established, banding together of extended family units

**III. The Depression and American Culture**

A. Depression Values

1. Pre-Depression acceptance of affluence and consumerism remained unchanged as ppl worked even more hard to achieve ideals

2. Longstanding belief that individual controlled own fate and success thru hard work (“success ethic”) largely survived Depression as many unemployed simply blamed themselves and remained passive b/c felt ashamed

3. Masses responded messages that they themselves could restore own wealth + success—best-selling *How to Win Friends and Influence People* by Dale Carnegie

B. Artists and Intellectuals in the Great Depression

1. Just as urban poverty had received attention during Reform Era, during 1930s many shocked at “discovery” of rural poverty- photography of Farm Security Administration photographers highlighted impact of hostile env’t on ppl

2. Many writers began to highlight social injustices- Erskine Caldwell’s *Tobacco Road* (193II. of rural poverty; Richard Wright’s *Native Son* of urban ghettos; John Steinbeck’s novels of migrant workers; John Dos Passso’s *USA* trilogy attacked capitalism

C. Radio

1. Almost every family had radio, listening often a communal activity

2. Most radio programming was entertaining and escapist in nature (comedies or adventures, soap operas); live programming of performances also developed

3. Radio allowed access to major public events in news, sports, politics

4. Drew nation together b/c of widespread availability of same cultural and informational programming, gathered family together in the home

D. The Movies

1. Early 1930s movie attendance dropped b/c of economic hardship, but by mid-1930s many seeing them again

2. Most movies censored heavily and studio system kept projects largely uncontroversial; some films did manage to explore social and political questions, but most remained escapist in order to keep attention of audience away from troubles. Walt Disney movies emerged during 1930s

E. Popular Literature and Journalism

1. Literature more reflective of growing radicalism + discontentedness than radio and movies, although escapist and romantic works still widely popular (Mitchell’s 1936 *Gone With The Wind*; photographic Life MagazinE.

2. Other works challenged American popular values: John Dos Passos’s *U.S.A.* trilogy (1930-1936) attacked American materialism; Nathanael West’s *Miss Lonelyhearts* (193III. of a woman overwhelmed by the life stories of others

F. The Popular Front and the Left

1. Late 1930s more literature more optimistic of society b/c of rise of Popular Front coalition lead by American Communist Party- supported Franklin Roosevelt and New Deal, mobilized intellectuals toward social criticism

2. Intellectual detachment of 1920s targeted by Popular Front- mobilized some men into Lincoln Brigade to fight in Spanish Civil War against the fascists

3. Communist Party organized unemployed, unions, supported racial justice; however party under control of Soviet Union- when Stalin signed 1939 nonaggression pact w/ Hitler Party abandoned Popular Front and returned to criticizing liberals

4. Socialist Party of America under Norman Thomas attempted to argue crisis failure of capitalist system and tried to win support for party, especially targeting rural poor—supported Southern Tenant Farmers Union but never gained strength

5. Antiradicalism a strong force in 1930s and hostility existed toward Communist Party, yet at the same time Left widely respected amongst workers and intellectuals; temporary widening of mainstream culture

6. Famous accounts of social conditions of the era provided by James Agee’s *Let Us Now Praise Famous Men* (194I. and more famously John Steinbeck’s *The Grapes of Wrath* (1939)

**IV. The Ordeal of Herbert Hoover**

A. The Hoover Program

1. Hoover responded to Depression by trying to restore confidence in economy- tried to gather business into voluntary program of cooperation to aid recovery; by 1931 voluntarism had collapsed b/c of worsening economy

2. Hoover tried using govt spending to boost economy; spending not enough in face of huge economic problems, sought to raise taxes 1932 to balance budget

3. Offered Agricultural Marketing Act to help farmers w/ low crop prices, raised foreign agricultural tariffs in Hawley-Smoot Tariff of 1930- neither helped

4. . Dems gained majority in House + increase in Senate in 1930 elections by promising government economic assistance; presidents unpopularity grew (shantytowns called “Hoovervilles”) especially after international financial panic in spring 1931 w/ Austrian bank collapse

5. 1932 Congress created Reconstruction Finance Corporation (RFC. to give loans to imperiled banks, RRs, businesses- RFC failed to improve economy b/c lent largely to big institutions, didn’t sponsor enough relief + public works

B. Popular Protest

1. By 1932 dissent beginning to come to a head: Farmers’ Holiday Association attempted farmer’s product strike; veterans in “Bonus Army” marched on Washington to protest withholding of bonuses, Hoover called on Army units under Gen Douglas MacArthur to clear Bonus Army out of city

2. Popular image of Hoover as unsympathetic + unable to act effectively

C. The Election of 1932

1. Repubs re-nominated Hover as candidate; Democrats nominated NY Governor Franklin Delano Roosevelt

2. Roosevelt avoided religion and prohibition, focused on economic grievances of nation

3. Roosevelt won large majority of popular vote and even more overwhelmingly in electoral college; Dems majorities elected to House and Senate- signified mandate for change

D. The “Interregnum”

1. Period between election and inauguration one of increasing economic problems b/c of expanding banking crisis + more depositors seeking to withdraw money in a panic; more banks declared bankruptcy

2. Roosevelt refused to make public commitments asked of him by Hoover to maintain economic orthodoxy or not institute broad economic reforms