

Great Depression

Great Depression, worldwide economic downturn that began in 1929 and lasted until about 1939. It was the longest and most severe depression ever experienced by the industrialized Western world, sparking fundamental changes in economic institutions, macroeconomic policy, and economic theory. Although it originated in the United States, the Great Depression caused drastic declines in output, severe unemployment, and acute deflation in almost every country of the world. Its social and cultural effects were no less staggering, especially in the United States, where the Great Depression represented the harshest adversity faced by Americans since the Civil War.

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Economic history

The timing and severity of the Great Depression varied substantially across countries. The Depression was particularly long and severe in the United States and Europe; it was milder in Japan and much of Latin America. Perhaps not surprisingly, the worst depression ever experienced by the world economy stemmed from a multitude of causes. Declines in consumer demand, financial panics, and misguided government policies caused economic output to fall in the United States, while the gold standard, which linked nearly all the countries of the world in a network of fixed currency exchange rates, played a key role in transmitting the American downturn to other countries. The recovery from the Great Depression was spurred largely by the abandonment of the gold standard and the ensuing monetary expansion. The economic impact of the Great Depression was enormous, including both extreme human suffering and profound changes in economic policy.

Timing and severity

The Great Depression began in the United States as an ordinary recession in the summer of 1929. The downturn became markedly worse, however, in late 1929 and continued until early 1933. Real output and prices fell precipitously. Between the peak and the trough of the downturn, industrial production in the United States declined 47 percent and real gross domestic product (GDP) fell 30 percent. The wholesale price index declined 33 percent (such declines in the price level are referred to as deflation). Although there is some debate about the reliability of the statistics, it is widely agreed that the unemployment rate exceeded 20 percent at its highest point. The severity of the Great Depression in the United States becomes especially clear when it is compared with America's next worst recession, the Great Recession of 2007–09, during which the country's real GDP declined just 4.3 percent and the unemployment rate peaked at less than 10 percent.

The Depression affected virtually every country of the world. However, the dates and magnitude of the downturn varied substantially across countries. Table 1 shows the dates of the downturn and upturn in economic activity in a number of countries. Table 2 shows the peak-to-trough percentage decline in annual industrial production for countries for which such data are available. Great Britain struggled with low growth and recession during most of the second half of the 1920s. The country did not slip into severe depression, however, until early 1930, and its peak-to-trough decline in industrial production was roughly one-third that of the United States. France also experienced a relatively short downturn in the early 1930s. The French recovery in 1932 and 1933, however, was short-lived. French industrial production and prices both fell substantially between 1933 and 1936. Germany’s economy slipped into a downturn early in 1928 and then stabilized before turning down again in the third quarter of 1929. The decline in German industrial production was roughly equal to that in the United States. A number of countries in Latin America fell into depression in late 1928 and early 1929, slightly before the U.S. decline in output. While some less-developed countries experienced severe depressions, others, such as Argentina and Brazil, experienced comparatively mild downturns. Japan also experienced a mild depression, which began relatively late and ended relatively early.

Peak-to-trough decline in
industrial production in
various countries (annual
data)

country	decline
United States	46.8%
United Kingdom	16.2%
Germany	41.8%
France	31.3%
Italy	33.0%
Japan	8.5%
Canada	42.4%
Belgium	30.6%
The Netherlands	37.4%
Sweden	10.3%
Denmark	16.5%
Poland	46.6%
Czechoslovakia	40.4%
Argentina	17.0%
Brazil	7.0%

Dates of the Great Depression in various countries
(year and quarter)

country	depression began	recovery began
United States	1929:3	1933:2
United Kingdom	1930:1	1932:4
Germany	1928:1	1932:3
France	1930:2	1932:3
Italy	1929:3	1933:1
Japan	1930:1	1932:3
Canada	1929:2	1933:2
Belgium	1929:3	1932:4
The Netherlands	1929:4	1933:2
Sweden	1930:2	1932:3
Switzerland	1929:4	1933:1
Denmark	1930:4	1933:2
Poland	1929:1	1933:2
Czechoslovakia	1929:4	1933:2
Argentina	1929:2	1932:1
Brazil	1928:3	1931:4
India	1929:4	1931:4
South Africa	1930:1	1933:1

The general price deflation evident in the United States was also present in other countries. Virtually every industrialized country endured declines in wholesale prices of 30 percent or more between 1929 and 1933. Because of the greater flexibility of the Japanese price structure, deflation in Japan was unusually rapid in 1930 and 1931. This rapid deflation may have helped to keep the decline in Japanese production relatively mild. The prices of primary commodities traded in world markets declined even more dramatically during this period. For example, the prices of coffee, cotton, silk, and rubber were reduced by roughly half just between September 1929 and December 1930. As a result, the terms of trade declined precipitously for producers of primary commodities.

The U.S. recovery began in the spring of 1933. Output grew rapidly in the mid-1930s: real GDP rose at an average rate of 9 percent per year between 1933 and 1937. Output had fallen so deeply in the early years of the 1930s, however, that it remained substantially below its long-run trend path throughout this period. In 1937–38 the United States suffered another severe downturn, but after mid-1938 the American economy grew even more rapidly than in the mid-1930s. The country's output finally returned to its long-run trend path in 1942.

Recovery in the rest of the world varied greatly. The British economy stopped declining soon after Great Britain abandoned the gold standard in September 1931, although genuine recovery did not begin until



Evicted sharecroppers along a road in southeastern Missouri, U.S., January 1939.

Arthur Rothstein—Farm Security Administration/Library of Congress, Washington, D.C. (LC-DIG-fsa-8a10410)

the end of 1932. The economies of a number of Latin American countries began to strengthen in late 1931 and early 1932. Germany and Japan both began to recover in the fall of 1932. Canada and many smaller European countries started to revive at about the same time as the United States, early in 1933. On the other hand, France, which experienced severe depression later than most countries, did not firmly enter the recovery phase until 1938.

Causes of the decline

The fundamental cause of the Great Depression in the United States was a decline in spending (sometimes referred to as aggregate demand), which led to a decline in production as

manufacturers and merchandisers noticed an unintended rise in inventories. The sources of the contraction in spending in the United States varied over the course of the Depression, but they cumulated in a monumental decline in aggregate demand. The American decline was transmitted to the rest of the world largely through the gold standard. However, a variety of other factors also influenced the downturn in various countries.

Stock market crash

The initial decline in U.S. output in the summer of 1929 is widely believed to have stemmed from tight U.S. monetary policy aimed at limiting stock market speculation. The 1920s had been a prosperous decade, but not an exceptional boom period; prices had remained nearly constant throughout the decade, and there had been mild recessions in both 1924 and 1927. The one obvious area of excess was the stock market. Stock prices had risen more than fourfold from the low in 1921 to the peak in 1929. In 1928 and 1929, the Federal Reserve had raised interest rates in hopes of slowing the rapid rise in stock prices. These higher interest rates depressed interest-sensitive spending in areas such as construction and automobile purchases, which in turn reduced production. Some scholars believe that a boom in housing construction in the mid-1920s led to an excess supply of housing and a particularly large drop in construction in 1928 and 1929.



People gathering on the steps of the building across from the New York Stock

By the fall of 1929, U.S. stock prices had reached levels that could not be justified by reasonable anticipations of future earnings. As a result, when a variety of minor events led to gradual price declines in October 1929, investors lost confidence and the stock market bubble burst. Panic selling began on “Black Thursday,” October 24, 1929. Many stocks had been purchased on margin—that is, using loans secured by only a small fraction of the stocks’ value. As a result, the price declines forced some investors to liquidate their holdings, thus exacerbating the fall in prices. Between their peak in

Exchange on Black Thursday, October 24, 1929, the start of the stock market crash in the United States.

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September and their low in November, U.S. stock prices (measured by the Cowles Index) declined 33 percent. Because the decline was so dramatic, this event is often referred to as the Great Crash of 1929.

The stock market crash reduced American aggregate demand substantially. Consumer purchases of durable goods and business investment fell sharply after the crash. A likely explanation is that the financial crisis generated considerable uncertainty about future income, which in turn led consumers and firms to put off purchases of durable goods. Although the loss of wealth caused by the decline in stock prices was relatively small, the crash may also have depressed spending by making people feel poorer (see consumer confidence). As a result of the drastic decline in consumer and business spending, real output in the United States, which had been declining slowly up to this point, fell rapidly in late 1929 and throughout 1930. Thus, while the Great Crash of the stock market and the Great Depression are two quite separate events, the decline in stock prices was one factor contributing to declines in production and employment in the United States.

Banking panics and monetary contraction

The next blow to aggregate demand occurred in the fall of 1930, when the first of four waves of banking panics gripped the United States. A banking panic arises when many depositors simultaneously lose confidence in the solvency of banks and demand that their bank deposits be paid to them in cash. Banks, which typically hold only a fraction of deposits as cash reserves, must liquidate loans in order to raise the required cash. This process of hasty liquidation can cause even a previously solvent bank to fail. The United States experienced widespread banking panics in the fall of 1930, the spring of 1931, the fall of 1931, and the fall of 1932. The final wave of panics continued through the winter of 1933 and culminated with the national “bank holiday” declared by President Franklin D. Roosevelt on March 6, 1933. The bank holiday closed all banks, and they were permitted to reopen only after being deemed solvent by government inspectors. The panics took a severe toll on the American banking system. By 1933, one-fifth of the banks in existence at the start of 1930 had failed.

Great Depression: bank holiday

Sign in front of a New York City theatre, indicating that it would “accept checks drawn on local banks,” during the “bank holiday” declared by U.S. Pres. Franklin D. Roosevelt in March 1933.

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By their nature, banking panics are largely irrational, inexplicable events, but some of the factors contributing to the problem can be explained. Economic historians believe that substantial increases in farm debt in the 1920s, together with U.S. policies that had encouraged small, undiversified banks, created an environment in which such panics could ignite and spread. The heavy farm debt stemmed in part from the high prices of agricultural goods during World War I, which had spurred extensive borrowing by American

farmers wishing to increase production by investing in land and machinery. The decline in farm commodity prices following the war made it difficult for farmers to keep up with their loan payments.

The Federal Reserve did little to try to stem the banking panics. Economists Milton Friedman and Anna J. Schwartz, in the classic study *A Monetary History of the United States, 1867–1960* (1963), argued that the death in 1928 of Benjamin Strong, who had been the governor of the Federal Reserve Bank of New York since 1914, was a significant cause of this inaction. Strong had been a forceful leader who understood the ability of the central bank to limit panics. His death left a power vacuum at the Federal Reserve and allowed leaders with less sensible views to block effective intervention. The panics caused a dramatic rise in the amount of currency people wished to hold relative to their bank deposits. This rise in the currency-to-deposit ratio was a key reason why the money supply in the United States declined 31 percent between 1929 and 1933. In addition to allowing the panics to reduce the U.S. money supply, the Federal Reserve also deliberately contracted the money supply and raised interest rates in September 1931, when Britain was forced off the gold standard and investors feared that the United States would devalue as well.

Scholars believe that such declines in the money supply caused by Federal Reserve decisions had a severely contractionary effect on output. A simple picture provides perhaps the clearest evidence of the key role monetary collapse played in the Great Depression in the United States. The [figure](#) shows the money supply and real output over the period 1900 to 1945. In ordinary times, such as the 1920s, both the money supply and output tend to grow steadily. But in the early 1930s both plummeted. The decline in the money supply depressed spending in a number of ways. Perhaps most important, because of actual price declines and the rapid decline in the money supply, consumers and businesspeople came to expect deflation; that is, they expected wages and prices to be lower in the future. As a result, even though nominal interest rates were very low, people did not want to borrow, because they feared that future wages and profits would be inadequate to cover their loan payments. This hesitancy in turn led to severe reductions in both consumer spending and business investment. The panics surely exacerbated the decline in spending by generating pessimism and loss of confidence. Furthermore, the failure of so many banks disrupted lending, thereby reducing the funds available to finance investment.

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The gold standard

Some economists believe that the Federal Reserve allowed or caused the huge declines in the American money supply partly to preserve the gold standard. Under the gold standard, each country set the value of its currency in terms of gold and took monetary actions to defend the fixed price. It is possible that had the Federal Reserve expanded the money supply greatly in response to the banking panics, foreigners would have lost confidence in the United States' commitment to the gold standard. This could have led to large gold outflows, and the United States could have been forced to devalue. Likewise, had the Federal Reserve not tightened the money supply in the fall of 1931, it is possible that there would have been a speculative attack on the dollar and the United States would have been forced to abandon the gold standard along with Great Britain.

While there is debate about the role the gold standard played in limiting U.S. monetary policy, there is no question that it was a key factor in the transmission of America's economic decline to the rest of the world. Under the gold standard, imbalances in trade or asset flows gave rise to international gold flows. For example, in the mid-1920s intense international demand for American assets such as stocks and bonds brought large inflows of gold to the United States. Likewise, a decision by France after World War I to return to the gold standard with an undervalued franc led to trade surpluses and substantial gold inflows. (See *also* balance of trade.)

Britain chose to return to the gold standard after World War I at the prewar parity. Wartime inflation, however, implied that the pound was overvalued, and this overvaluation led to trade deficits and substantial gold outflows after 1925. To stem the gold outflow, the Bank of England raised interest rates substantially. High interest rates depressed British spending and led to high unemployment in Great Britain throughout the second half of the 1920s.

Once the U.S. economy began to contract severely, the tendency for gold to flow out of other countries and toward the United States intensified. This took place because deflation in the United States made American goods particularly desirable to foreigners, while low income among Americans reduced their demand for foreign products. To counteract the resulting tendency toward an American trade surplus and foreign gold outflows, central banks throughout the world raised interest rates. Maintaining the international gold standard, in essence, required a massive monetary contraction throughout the world to match the one occurring in the United States. The result was a decline in output and prices in countries throughout the world that nearly matched the downturn in the United States.

Financial crises and banking panics occurred in a number of countries besides the United States. In May 1931 payment difficulties at the Creditanstalt, Austria's largest bank, set off a string of financial crises that enveloped much of Europe and were a key factor in forcing Britain to abandon the gold standard. Among the countries hardest hit by bank failures and volatile financial markets were Austria, Germany, and Hungary. These widespread banking crises could have been the result of poor regulation and other local factors or of simple contagion from one country to another. In addition, the gold standard, by forcing countries to deflate along with the United States, reduced the value of banks' collateral and made them more vulnerable to runs. As in the United States, banking panics and other financial market disruptions further depressed output and prices in a number of countries.

International lending and trade

Some scholars stress the importance of other international linkages. Foreign lending to Germany and Latin America had expanded greatly in the mid-1920s, but U.S. lending abroad fell in 1928 and 1929 because of high interest rates and the booming stock market in the United States. This reduction in foreign lending may have led to further credit contractions and declines in output in borrower countries. In Germany, which experienced extremely rapid inflation (hyperinflation) in the early 1920s, monetary authorities may have hesitated to undertake expansionary policy to counteract the

economic slowdown because they worried it might reignite inflation. The effects of reduced foreign lending may explain why the economies of Germany, Argentina, and Brazil turned down before the Great Depression began in the United States.

The 1930 enactment of the Smoot-Hawley Tariff Act in the United States and the worldwide rise in protectionist trade policies created other complications. The Smoot-Hawley tariff was meant to boost farm incomes by reducing foreign competition in agricultural products. But other countries followed suit, both in retaliation and in an attempt to force a correction of trade imbalances. Scholars now believe that these policies may have reduced trade somewhat but were not a significant cause of the Depression among the large industrial producers. Protectionist policies, however, may have contributed to the extreme decline in the world price of raw materials, which caused severe balance-of-payments problems for primary-commodity-producing countries in Africa, Asia, and Latin America and led to contractionary monetary and fiscal policies.

Sources of recovery

Given the key roles of monetary contraction and the gold standard in causing the Great Depression, it is not surprising that currency devaluations and monetary expansion were the leading sources of recovery throughout the world. There is a notable correlation between the times at which countries abandoned the gold standard (or devalued their currencies substantially) and when they experienced renewed growth in their output. For example, Britain, which was forced off the gold standard in September 1931, recovered relatively early, while the United States, which did not effectively devalue its currency until 1933, recovered substantially later. Similarly, the Latin American countries of Argentina and Brazil, which began to devalue in 1929, experienced relatively mild downturns and had largely recovered by 1935. In contrast, the “Gold Bloc” countries of Belgium and France, which were particularly wedded to the gold standard and slow to devalue, still had industrial production in 1935 well below that of 1929.

Devaluation, however, did not increase output directly. Rather, it allowed countries to expand their money supplies without concern about gold movements and exchange rates. Countries that took greater advantage of this freedom saw greater recovery. The monetary expansion that began in the United States in early 1933 was particularly dramatic. The American money supply increased nearly 42 percent between 1933 and 1937. This monetary expansion stemmed largely from a substantial gold inflow to the United States, caused in part by the rising political tensions in Europe that preceded World War II. Monetary expansion stimulated spending by lowering interest rates and making credit more widely available. It also created expectations of inflation, rather than deflation, thereby giving potential borrowers greater confidence that their wages and profits would be sufficient to cover their loan payments if they chose to borrow. One sign that monetary expansion stimulated recovery in the United States by encouraging borrowing was that consumer and business spending on interest-sensitive items such as cars, trucks, and machinery rose well before consumer spending on services.

Fiscal policy played a relatively small role in stimulating recovery in the United States. Indeed, the Revenue Act of 1932 increased American tax rates greatly in an attempt to balance the federal budget, and by doing so it dealt another contractionary blow to the economy by further discouraging spending. Franklin D. Roosevelt's New Deal, initiated in early 1933, did include a number of new federal programs aimed at generating recovery. For example, the Works Progress Administration (WPA) hired the unemployed to work on government building projects, and the Tennessee Valley Authority (TVA) constructed dams and power plants in a particularly depressed area. However, the actual increases in government spending and the government budget deficit were small relative to the size of the economy. This is especially apparent when state government budget deficits are included, because those deficits actually declined at the same time that the federal deficit rose. As a result, the new spending programs initiated by the New Deal had little direct expansionary effect on the economy. Whether they may nevertheless have had positive effects on consumer and business sentiment remains an open question.

Some New Deal programs may have actually hindered recovery. The National Industrial Recovery Act of 1933, for example, set up the National Recovery Administration (NRA), which encouraged firms in each industry to adopt a code of behaviour. These codes discouraged price competition between firms, set minimum wages in each industry, and sometimes limited production. Likewise, the Agricultural Adjustment Act of 1933 created the Agricultural Adjustment Administration (AAA), which set voluntary guidelines and gave incentive payments to farmers to restrict production in hopes of raising agricultural prices. Modern research suggests that such anticompetitive practices and wage and price guidelines led to inflation in the early recovery period in the United States and discouraged reemployment and production.

Recovery in the United States was stopped short by another distinct recession that began in May 1937 and lasted until June 1938. One source of the 1937–38 recession was a decision by the Federal Reserve to greatly increase reserve requirements. This move, which was prompted by fears that the economy might be developing speculative excess, caused the money supply to cease its rapid growth and to actually fall again. Fiscal contraction and a decrease in inventory investment due to labour unrest are also thought to have contributed to the downturn. That the United States experienced a second, very severe contraction before it had completely recovered from the enormous decline of the early 1930s is the main reason that the United States remained depressed for virtually the entire decade.

World War II played only a modest role in the recovery of the U.S. economy. Despite the recession of 1937–38, real GDP in the United States was well above its pre-Depression level by 1939, and by 1941 it had recovered to within about 10 percent of its long-run trend path. Therefore, in a fundamental sense, the United States had largely recovered before military spending accelerated noticeably. At the same time, the U.S. economy was still somewhat below trend at the start of the war, and the unemployment rate averaged just under 10 percent in 1941. The government budget deficit grew rapidly in 1941 and 1942 because of the military buildup, and the Federal Reserve responded to the threat and later the reality of war by increasing the money supply greatly over the same period. This expansionary fiscal and

monetary policy, together with widespread conscription beginning in 1942, quickly returned the economy to its trend path and reduced the unemployment rate to below its pre-Depression level. So, while the war was not the main impetus for the recovery in the United States, it played a role in completing the return to full employment.

The role of fiscal expansion, and especially of military expenditure, in generating recovery varied substantially across countries. Great Britain, like the United States, did not use fiscal expansion to a noticeable extent early in its recovery. It did, however, increase military spending substantially after 1937. France raised taxes in the mid-1930s in an effort to defend the gold standard but then ran large budget deficits starting in 1936. The expansionary effect of these deficits, however, was counteracted somewhat by a legislated reduction in the French workweek from 46 to 40 hours—a change that raised costs and depressed production. Fiscal policy was used more successfully in Germany and Japan. The German budget deficit as a percent of domestic product increased little early in the recovery, but it grew substantially after 1934 as a result of spending on public works and rearmament. In Japan, government expenditures, particularly military spending, rose from 31 to 38 percent of domestic product between 1932 and 1934, resulting in substantial budget deficits. This fiscal stimulus, combined with substantial monetary expansion and an undervalued yen, returned the Japanese economy to full employment relatively quickly.

Economic impact

The most devastating impact of the Great Depression was human suffering. In a short period of time, world output and standards of living dropped precipitously. As much as one-fourth of the labour force in industrialized countries was unable to find work in the early 1930s. While conditions began to improve by the mid-1930s, total recovery was not accomplished until the end of the decade.

Great Depression: headline

Breadline in New York City's Bryant Park during the Great Depression.

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The Great Depression and the policy response also changed the world economy in crucial ways. Most obviously, it hastened, if not caused, the end of the international gold standard. Although a system of fixed currency exchange rates was reinstated after World War II under the Bretton Woods system, the economies of the

world never embraced that system with the conviction and fervour they had brought to the gold standard. By 1973, fixed exchange rates had been abandoned in favour of floating rates. (See *also* money.)

Both labour unions and the welfare state expanded substantially during the 1930s. In the United States, union membership more than doubled between 1930 and 1940. This trend was stimulated by both the severe unemployment of the 1930s and the passage of the National Labor Relations (Wagner) Act (1935), which encouraged collective bargaining. The United States also established unemployment compensation and old-age and survivors' insurance through the Social Security Act (1935), which was passed in response to the hardships of the 1930s. It is uncertain whether these changes would have

eventually occurred in the United States without the Great Depression. Many European countries had experienced significant increases in union membership and had established government pensions before the 1930s. Both of these trends, however, accelerated in Europe during the Great Depression.

In many countries, government regulation of the economy, especially of financial markets, increased substantially in the 1930s. The United States, for example, established the Securities and Exchange Commission (SEC) in 1934 to regulate new stock issues and stock market trading practices. The Banking Act of 1933 (also known as the Glass-Steagall Act) established deposit insurance in the United States and prohibited banks from underwriting or dealing in securities. Deposit insurance, which did not become common worldwide until after World War II, effectively eliminated banking panics as an exacerbating factor in recessions in the United States after 1933.

The Great Depression also played a crucial role in the development of macroeconomic policies intended to temper economic downturns and upturns. The central role of reduced spending and monetary contraction in the Depression led British economist John Maynard Keynes to develop the ideas in his *General Theory of Employment, Interest, and Money* (1936). Keynes's theory suggested that increases in government spending, tax cuts, and monetary expansion could be used to counteract depressions. This insight, combined with a growing consensus that government should try to stabilize employment, has led to much more activist policy since the 1930s. Legislatures and central banks throughout the world now routinely attempt to prevent or moderate recessions. Whether such a change would have occurred without the Depression is again a largely unanswerable question.

Christina D. Romer

Culture and society in the Great Depression

No decade in the 20th century was more terrifying for people throughout the world than the 1930s. The traumas of the decade included economic disorder, the rise of totalitarianism, and the coming (or presence) of war. Nevertheless, the decade is remembered in different ways in different parts of the world. For people in the United States, the 1930s was indelibly the age of the Great Depression. Bank panics destroyed faith in the economic system, and joblessness limited faith in the future. The worst drought in modern American history struck the Great Plains in 1934. Windstorms that stripped the topsoil from millions of acres turned the whole area into a vast Dust Bowl and destroyed crops and livestock in unprecedented amounts. As a result, some 2.5 million people fled the Plains states, many bound for California, where the promise of sunshine and a better life often collided with the reality of scarce, poorly paid work as migrant farm labourers.

Dust clouds over the Texas Panhandle,
photograph by Farm Security
Administration photographer Arthur
Rothstein, March 1936.
Library of Congress, Washington, D.C.

For Americans, the 1930s will always summon up images of breadlines, apple sellers on street corners, shuttered factories, rural poverty, and so-called Hoovervilles (named for President Herbert Hoover), where homeless families sought refuge in shelters cobbled together from salvaged wood, cardboard, and tin. It was a

Great Depression: housing

Shack, built of loose boards and parts of boxes, in New York City during the Great Depression.

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Great Depression: apple seller

Man selling apples during the Great Depression.

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Cover of sheet music to “Brother, Can You Spare a Dime?” (1932), words by E.Y. Harburg and music by Jay Gorney. Written for the now-forgotten Broadway musical *Americana* (third version, 1932), the song was recorded by Rudy Vallee and Bing Crosby. It quickly became the anthem of the Great Depression.

The Lester S. Levy Collection of Sheet Music, Special Collections, the Milton S. Eisenhower Library of The Johns Hopkins University

Great Depression; breadline

Detail of a sculpture depicting unemployed men in a breadline during the Great Depression, by George Segal, part of the Franklin Delano Roosevelt Memorial, Washington, D.C.

© Zack Frank/Fotolia

time when thousands of teens became drifters; many marriages were postponed and engagements were interminable; birth rates declined; and children grew up quickly, often taking on adult responsibilities if not the role of comforter to their despondent parents. It was a time when the number of women in the workplace actually increased, which helped needy families but only added to the psychological strain on the American male, the traditional “breadwinner” of the American family. It was a time when one of the most popular tunes was “Brother, Can You Spare a Dime?”

Global concerns

The memories of Europeans, by contrast, are haunted not by their economic difficulties, which were considerable, but by the spectre of Adolf Hitler and his drive to conquer the European continent. The Great Depression, of course, had created the perfect environment—political instability and an economically devastated and vulnerable populace—for the Nazi seizure of power and fascist empire building. Consequently, it was the spread of totalitarianism and not economic hardship that occupied the minds of Europeans in the 1930s. The situation was similar in Asia, where urban and rural penury was a normal feature of economic life; moreover, the decade of the 1930s is forever linked to the spread and brutality of Japanese imperialism. Thus, while Americans were preoccupied through most of the decade with their own domestic hardships, Europeans and Asians had other, more transnational, problems to confront.

Moreover, the distinctive economic dilemmas of the 1930s were novel to Americans, largely because their historical experiences were so dissimilar to those of people in the rest of the world. For example, when British author George Orwell published *The Road to Wigan Pier* in 1937, he was describing an old problem: the class structure and its immemorial effect on workers in Britain. But when American authors such as Edmund Wilson and John Steinbeck wrote about the shut-down assembly lines in Detroit or the exodus of the Okies (Oklahomans displaced by the Dust Bowl) to California, they were describing something new: the near-total breakdown of a previously affluent economy. Americans were absorbed by their “Great Depression” because they had never before encountered such a widespread economic failure. This is why they, unlike their foreign counterparts, did not even begin to think about the approach of war or the dangers of totalitarianism until the end of the 1930s.

Migrant Mother, photograph by Dorothea Lange for the Farm Security Administration, 1936.
Library of Congress, Washington, D.C.

But no matter how insular Americans were through much of the decade, the world arrived on their shores in the 1930s. At the moment that Americans were worrying about their economy, European intellectuals, scientists, scholars, artists, and filmmakers

were literally running for their lives. The place that many of them ran to was the United States.

The most important event in the history of European culture in the 1930s was this massive hemorrhage of talent. No one was more responsible for transforming the cultural balance of power between Europe and the United States than Hitler. From the moment he assumed power in Germany in 1933, his book burnings, his firing of Jewish scholars in German universities, his assault on modern art, and his conquest of Europe at the end of the decade forced the most illustrious members of the European intelligentsia to flee, many of them first to France, then to the United States. Even a partial roster of émigrés to America in the 1930s is extraordinary. Among the natural scientists (most of whom were instrumental in constructing the atomic bomb) were Albert Einstein, Enrico Fermi, Edward Teller, Leo Szilard, and Hans Bethe. The social scientists included Erik Erikson, Hannah Arendt, Erich Fromm, Paul Lazarsfeld, and Theodor Adorno. Philosophers such as Paul Tillich and Herbert Marcuse also emigrated, as did novelists and playwrights such as Thomas Mann, Vladimir Nabokov, and Bertolt Brecht. Musicians and composers included Igor Stravinsky, Béla Bartók, Arnold Schoenberg, Paul Hindemith, and Kurt Weill. Among the architects were Walter Gropius and Ludwig Mies van der Rohe. Painters and sculptors left too, notably Marc Chagall, Piet Mondrian, and Marcel Duchamp. And among those who found a home in (and helped to change) Hollywood were Fritz Lang and Billy Wilder—not to mention the Hungarian director Michael Curtiz, whose legendary *Casablanca* (1942) was in part a tribute to European refugee actors, from Peter Lorre to Ingrid Bergman.

Notably, not all persons seeking entry to the United States as refugees from Hitler's Germany were outstanding scholars, artists, scientists, or musicians. Most were average Europeans, but throughout the 1930s Congress chose not to liberalize the immigration laws to allow for more than the minimum quota of arrivals.

As a result of the massive intellectual and artistic emigration, by the end of the 1930s New York City and Hollywood had replaced Paris and Vienna as the home of Western culture—just as Washington, D.C., would replace London and Berlin as the centre of Western politics and diplomacy at the end of World War II. To comprehend the America that became a postwar superpower, culturally as well as politically, it is necessary to understand how the United States responded to and emerged from its own singular experiences of the Great Depression in the 1930s.

Political movements and social change

Aside from the Civil War, the Great Depression was the gravest crisis in American history. Just as in the Civil War, the United States appeared—at least at the start of the 1930s—to be falling apart. But for all

the turbulence and the panic, the ultimate effects of the Great Depression were less revolutionary than reassuring.

This was undeniably an era of extraordinary political innovation, much of it expressed in the reforms enacted by Franklin D. Roosevelt's New Deal and his administration's attempts to cope with the problems of poverty, unemployment, and the disintegration of the American economy. It was also a time when a significant number of Americans flirted with Marxist movements and ideas, as well as with the notion that the model for a more humane society could be found in the Soviet Union. Above all, it was a decade of cultural ferment, in which American writers, artists, and intellectuals experimented with new, more socially oriented forms of literature, painting, theatre, music, and mass entertainment.

Yet, paradoxically, the turmoil of the 1930s turned out to be predominantly conservative in its impact on American society. The Great Depression taught people of all social classes the value of economic security and the need to endure and survive hard times rather than to take risks with one's life or money. Moreover, faced with the spectre of totalitarian ideologies in Europe and Japan, Americans rediscovered the virtues of democracy and the essential decency of the ordinary citizen—the near-mythical “common man” who was celebrated in Roosevelt's speeches, Frank Capra's movies, and Norman Rockwell's paintings. Thus, a decade marked by fundamental—even radical—social change ended for most with a reaffirmation of America's cultural past and its traditional political ideals.

By contrast, many American intellectuals in the 1920s, disillusioned by what they considered the pointless carnage of World War I, had shown little interest in politics or social movements. Nor did they display much affection for life in the United States. Indeed, most American novelists, poets, artists, composers, and scientists continued to believe, as they had since the 19th century, that the United States was culturally inferior to Europe. So, to learn the latest modernist techniques in literature, painting, or music, or to study the most advanced theories in physics or psychoanalysis, they assumed they had to go to London, Paris, Berlin, Vienna, or Copenhagen.

But the stock market crash in 1929, the factory closures and spiraling unemployment of the early 1930s, and Hitler's takeover of the German government in 1933 forced many “expatriates” not only to return to the United States but to become politically engaged in their home country. During the worst years of the Great Depression, between 1930 and 1935, this engagement often took the form of an attraction to Marxism, the Soviet Union, and the American Communist Party.

Marxism seemed to explain persuasively the causes of capitalism's collapse, while also providing a vision of an alternative social order. The Soviet Union, the site of the first successful Marxist-inspired revolution, appeared by the 1930s to be a concrete embodiment of what many writers called (in characteristically pragmatic American terms) the socialist “experiment.” In addition, from 1934 to 1939, the Soviet Union was the most uncompromising opponent of Nazi Germany, seeking alliances with Britain, France, and the United States and promoting a “popular front” partnership of liberals and

socialists within the Western democracies to halt the spread of fascism in Europe and throughout the world. Nowhere did Moscow's desire for a broad antifascist coalition appear more genuine than in the Spanish Civil War (1936–39), when the Soviet Union was the only country besides Mexico to aid in any serious way the Spanish Republicans against the armies of Francisco Franco (supported by Hitler and Benito Mussolini).

Meanwhile, the communist parties in the United States and in western Europe gave intellectuals—as well as teachers, lawyers, architects, and other middle-class professionals—a feeling that they were no longer solitary individuals suffering from the failures of capitalism but belonged instead to a vibrant community of like-minded souls, in that they were participants in an international movement larger than themselves and that they were literally making history. For all these reasons Marxism, the Soviet Union, and the various national communist parties enjoyed a prestige and a popularity through much of the 1930s that they had never possessed in the 1920s and would never again enjoy after the Great Depression.

In 1932 the appeal of Marxism led 53 prominent American writers—including the novelists Sherwood Anderson and John Dos Passos, poet Langston Hughes, literary critics Edmund Wilson and Malcolm Cowley, philosopher Sidney Hook, and journalist Lincoln Steffens—to announce their support for William Z. Foster, the Communist Party's candidate for president. Although Dos Passos, Wilson, and Hook later became bitter critics of the Soviet Union's Stalinist regime, their initial enthusiasm for a socialist revolution indicated how compelling for intellectuals were the values and ideas of the left.

Perhaps no writer better reflected this new sense of social commitment than Ernest Hemingway. In 1929 Hemingway published *A Farewell to Arms*. The novel's Lieutenant Henry, like Hemingway himself a volunteer American ambulance driver in Italy during World War I, decides to flee the madness of the war and make a "separate peace." Here, desertion is seen as an act of sanity, even of heroism. Eleven years later, in 1940, Hemingway published another novel about war—in this case, the Spanish Civil War—called *For Whom the Bell Tolls* (the title was taken from John Donne's poem, which is itself a hymn to human fellowship). In this novel, Robert Jordan, another Hemingwayesque volunteer, serving with a band of anti-Franco guerrillas, is badly wounded but stays behind to defend a bridge, thereby protecting his comrades as they retreat. Jordan—unlike Lieutenant Henry—has found a cause worth fighting and dying for. And Hemingway's own strong identification with the Spanish Republicans, for whom he raised money and helped make a documentary film called *The Spanish Earth* (1937), was symptomatic of a political involvement that neither he nor his fictional characters would have undertaken a decade earlier.

Of course, not every Depression-era American writer was entranced by communism or the Soviet Union. The majority of intellectuals and artists, like their fellow citizens, were much more comfortable voting for Roosevelt than idolizing Joseph Stalin. Indeed, by the middle and late 1930s, a growing number of American intellectuals—many of them clustered around the literary and political journal *Partisan Review*—had become militantly anti-Stalinist even as they retained their sympathy for

socialism, their new stance having formed as Stalin launched a series of show trials that sent his former Bolshevik colleagues to Siberian labour camps (or more frequently to their death in the cellars of prisons), as terror spread throughout the Soviet Union, and as stories began to circulate about the communists murdering Trotskyists and anarchists behind the Republican lines in Spain. Still, it was not until August 1939, when Stalin shocked the world by signing a nonaggression pact with his archenemy Hitler, that the Soviet Union and the Communist Party in the United States lost what was left of their moral authority with all but a few American intellectuals.

New forms of cultural expression

The documentary impulse

Novelists, poets, painters, and playwrights of the 1930s did not need to be Marxists to create works that dealt with the problems of the Great Depression or the dangers of fascism. Indeed, even many who were sympathetic to Marxism acted as “fellow travelers” without joining the Communist Party. Most writers and artists in the prosperous 1920s thought of themselves as members of a transatlantic avant-garde and as stylistic disciples of Pablo Picasso, James Joyce, or Igor Stravinsky. In the impoverished and desperate 1930s, they repudiated—as did Malcolm Cowley in his literary memoir of the 1920s, *Exile’s Return* (1934)—what they now regarded as the escapism and self-indulgence of their modernist mentors. Given the political and economic calamities at home and abroad, they sought to focus on the plight of workers, sharecroppers, African Americans, the poor, and the dispossessed. Further, they wanted to communicate their insights in a language—whether literary, visual, or musical—that their audiences could easily comprehend.

This impulse led, in a variety of genres, to an aesthetic of documentary-style realism and of social protest. For writers such as Edmund Wilson, Sherwood Anderson, John Dos Passos, Erskine Caldwell, Richard Wright, and James Agee, fiction seemed inadequate in describing the disastrous effects of the Great Depression on political institutions, the natural environment, and human lives. So they joined with photographers and turned to journalism, as if their eyewitness portraits of desolate factories and American shantytowns, interviews with migrant workers and tenant farmers, and ubiquitous cameras could capture the “feel” and the essential truth of the Great Depression. Their yearning to record the pure, unadorned facts of daily existence, to listen to what Americans said about their plight, and to refrain from abstract theories or artistic embellishment was reflected in the titles of some of the books they wrote about their travels throughout the country: Wilson’s *The American Jitters* (1932), Anderson’s *Puzzled America* (1935), Nathan Asch’s *The Road—In Search of America* (1937), Caldwell’s *You Have Seen Their Faces* (1937), and Wright’s *Twelve Million Black Voices* (1941).

African American farmer using a mule-drawn cultivator, photographed by Doris Ullman. Because most African Americans were involved in farming or other agricultural work, the Great Depression came early for them.

The most lyrical, and certainly the most eccentric, of these documentaries was *Let Us Now Praise Famous Men* (1941), with a text by Agee and pictures by Walker Evans. In order to illuminate the suffering but also the dignity of three sharecropper families in

Alabama, Evans tried to photograph his subjects as objectively and as unobtrusively as possible. Meanwhile, Agee employed a variety of journalistic and artistic techniques: naturalistic description and dialogue, an almost anthropological itemization of clothing and household furniture, erudite discussions of agricultural problems in the deep South, autobiographical ruminations, religious symbolism, and intimate expressions of love for the families and rage at their misery. Though the book's prose was perhaps too convoluted for readers in 1941, *Let Us Now Praise Famous Men* was the precursor of what would later be called the "New Journalism," a highly personal style of reporting that influenced writers as diverse as George Orwell, Truman Capote, Tom Wolfe, and Norman Mailer.

Increasingly, Americans expected to be transported—through photographs, newsreels, or radio—to the scene of the latest calamity. The urge to convey the sights and sounds of the 1930s was also reflected in the emergence of public-opinion polling as a major (if still primitive) industry; in the "living newspaper" productions of the Works Progress Administration (WPA) Federal Theatre Project, which dramatized the headlines of the day; in government-sponsored documentary films such as Pare Lorentz's *The River* (1938) and *The Plow That Broke the Plains* (1936); in newsreels such as 20th Century-Fox's Movietone News and Henry Luce's *March of Time*; in the photography of Dorothea Lange and Margaret Bourke-White; and in *Life* magazine's reliance on photographs even more than on traditional print journalism to tell the authentic story of what Americans were enduring at the time.

This sensation of being present, at least vicariously, at a crisis may explain why Orson Welles's radio adaptation on October 30, 1938, of H.G. Wells's *The War of the Worlds* (1898) terrified so many listeners into believing that Martians had actually landed in New Jersey. The broadcast was done not as a play but in the style of a news story, with "announcers" breaking in for special bulletins, "reporters" delivering on-the-spot descriptions of the invasion, and "government spokesmen" (including one who sounded like FDR) issuing orders to troops and police. It was an event shared by millions of Americans, which is why it remains one of the most remembered events of the 1930s.

By the end of the decade, as Europe erupted into war, dramatic radio broadcasts took their cue from Welles's drama, and audiences grew to depend on a new type of foreign correspondent, such as Edward R. Murrow, who broadcast from Berlin, Paris, and the rooftops of London and brought the sounds of falling bombs and air-raid sirens directly into people's living rooms, documenting a global struggle more cataclysmic than even Welles could have imagined.

Federal arts programs

The Roosevelt administration, too, embraced the notion that writers and artists should immerse themselves in the details, past and present, of American life. The United States, however, lacked a strong tradition of direct federal support for the arts. This may have been due to the public suspicion of such funding, especially during the 1930s, amid the spectacle of the Nazis' torchlight parades and their total control over radio and movies in Germany, which worried some U.S. congressmen and senators, as

well as ordinary citizens, about the capacity of governments to use culture or the media to manipulate public opinion. It was therefore both unprecedented and remarkable that between 1935 and 1939 the Roosevelt administration was able to create and sustain the Federal Art Project, the Federal Music Project, the Federal Writers' Project, and the Federal Theatre Project as part of the WPA; thousands of artists, architects, and educators found work in American museums, which flourished during the Great Depression.

The New Deal rationale for these cultural endeavours was that, just like construction workers, writers, musicians, painters, and actors had to eat—and, more important, to use their skills for the benefit of society. Consequently, the Federal Theatre Project performances were staged not on Broadway but in working-class and African American neighbourhoods, outside factory gates, and in small towns whose residents had never seen a play. The Federal Writers' Project arranged for thousands of interviews with blue-collar workers, small farmers, fishermen, miners, lumberjacks, waitresses, and former slaves, and it published guidebooks that explored the history, ethnic composition, folklore, and ecology of every state. The Federal Music Project sponsored free concerts and the musical transcription of half-forgotten sea chanteys, cowboy and folk songs, Indian dances, Quaker hymns, and Negro spirituals. The Federal Art Project funded art education, established art centres, and made it possible for thousands of artists to complete works in sculpture, painting, and graphic arts; in addition, the Public Works of Art Project, influenced by Mexican painters such as José Clemente Orozco and Diego Rivera, arranged for murals to be painted on the walls of post offices and county courthouses depicting the stories of particular regions and local communities. It was precisely this attraction to traditional American melodies and to Norman Rockwell-like illustrations of ordinary life that helped composers such as Aaron Copland and Virgil Thomson and painters such as Thomas Hart Benton and Ben Shahn, all of them trained in the European modernist aesthetics of Stravinsky or Picasso, to adapt avant-garde techniques to “American” themes and hence offer an art accessible to popular taste.

Theatre

None of this means that in the 1930s novelists abandoned fiction, or that playwrights ignored the theatre. Rather, many writers still wanted to invest contemporary issues with poetic as well as political power, to raise brute facts to the level of art. Some, influenced by the Soviet Union's call for Socialist Realism, tried to create a didactic “proletarian” literature that usually chronicled a young, politically innocent worker's discovery of the need to join the labour movement, if not the Communist Party. This formula, with its melodramatic tale of how the exploited could triumph over the bosses, frequently led to wooden or bombastic prose, both in novels and on the stage.

Still, there were a number of theatrical companies in addition to the Federal Theatre—such as the Theatre Union and Orson Welles's Mercury Theatre—that attempted to put on plays that were artistically challenging as well as socially relevant. No company was more successful in this effort than the aptly named Group Theatre. Founded in 1931 by the directors Harold Clurman, Lee Strasberg, and Cheryl Crawford and featuring actors such as Stella Adler, John Garfield, Franchot Tone, Lee J. Cobb,

Karl Malden, and Elia Kazan, the Group Theatre survived throughout the Great Depression in New York City as a noncommercial repertory company without stars or prima donnas, devoted to plays of current significance, and emphasizing a psychologically realistic acting style known as the Method, which Clurman and Strasberg borrowed from ideas pioneered by Konstantin Stanislavsky during his directorship of the pre-Bolshevik Moscow Art Theatre.

In 1935 the Group's leading playwright, Clifford Odets, wrote a one-act play whose title could not have summed up more accurately the political sentiments of the 1930s: *Waiting for Lefty*. This was the quintessential proletarian drama in which the actors and the audience on opening night arose at the end of the play to demonstrate their solidarity with New York City taxi drivers by chanting "Strike! Strike! Strike! Strike!"

While some continue to see the Group's political engagement as its enduring hallmark, its true legacy lay not in its ideology but in its impact on American acting, especially on the screen. After World War II, under the influence of Strasberg, Adler, and Kazan, actors who trained in the Method—Marlon Brando, James Dean, Meryl Streep, Paul Newman, Robert De Niro, Al Pacino, Dustin Hoffman, and Shelley Winters, among others—became the most emotionally compelling performers in American movies.

Fiction

The social consciousness of the theatre was duplicated in some of the widely read novels of the 1930s. Here, too, authors strove for a fidelity to the sombre facts of the Depression experience. James T. Farrell's *Studs Lonigan* trilogy (1932, 1934, 1935) explored the claustrophobic world of lower-middle-class Irish Catholics, while Richard Wright's *Native Son* (1940) offered a harrowing portrait of a young African American man imprisoned in white America, capable of asserting his identity only through fear-drenched acts of violence.

It was this sense of constriction, the fear of shrinking natural and economic resources, the feeling that America was no longer buoyant and youthful—no longer a land of infinite hope and opportunity—that captured the mood of the 1930s and underlay the message of many of its novels. John Dos Passos's trilogy *U.S.A.* (1930, 1932, and 1936)—a "multimedia history" of the United States in the first three decades of the 20th century, weaving together newspaper headlines, popular songs, biographies of celebrities, fictional stories, and eloquent prose-poems—was unrelenting in its sardonic depiction of American lives wasted in the neurotic pursuit of wealth and success. John Steinbeck's *The Grapes of Wrath* (1939), the most illustrious "protest" novel of the 1930s, was an epic tribute to the Okies, those throwbacks to America's 19th-century pioneers, now run off their farms by the banks, the Dust Bowl, and the mechanization of modern agriculture, clattering in their trucks and jalopies across the Arizona desert on Route 66 to the advertised promised land in California, a despised caste of migrant labourers who (like Steinbeck's heroic earth mother, Ma Joad) still insisted that the "people" are indestructible no matter what tragedies they must surmount.

But California might not have been a place for new beginnings; in the 1930s, as the novelist Nathanael West observed in *The Day of the Locust* (1939), it was more likely a destination where people went to die. In this novel, as well as in *Miss Lonelyhearts* (1933), West—in his fascination with bizarre personalities and psychological breakdowns—may well have expressed the deeper literary preoccupations of the 1930s more perceptively than did Wright or Steinbeck, preoccupations also reflected in John O'Hara's *Appointment in Samarra* (1934) and Horace McCoy's *They Shoot Horses, Don't They?* (1935).

Like West, the finest and most idiosyncratic writers of the decade—Thomas Wolfe, who was obsessed with dramatizing his own life in *Look Homeward, Angel* (1929); F. Scott Fitzgerald, whose *Tender Is the Night* (1934) and *The Last Tycoon* (1941) contained passages of prose as haunting as anything one could find in *The Great Gatsby* (1925); and William Faulkner, whose *The Sound and the Fury* (1929), *Light in August* (1932), and *Absalom, Absalom!* (1936) would appear on any list of the great American novels of the 20th century—did not conform to the formulas of protest or the demands of any creed. Their novels were not optimistic or pessimistic about America, nor were they “radical” or “conservative.” More often, they were apolitical. Each of these authors strove not for a timely discussion of the social problems of the Great Depression years but for a timeless meditation on the agonies of life, love, and death. This sensitivity to private human predicaments, or more specifically to what might happen over a lifetime to husbands and wives and children in a small fictional New England village called Grover's Corners, was also why Thornton Wilder's *Our Town* (1939), not *Waiting for Lefty*, came to be the most treasured and enduring play of the 1930s. Such novels and plays—romantic, confessional, disturbing—would still be read or performed long after the proletarian aesthetic had lost its appeal for most Americans.

Popular culture

The indifference to politics and to the larger social concerns of the 1930s was reflected as well in the popular culture of the decade. In contrast to the prosperity of the Roaring Twenties, the 1930s emphasized simplicity and thrift. Although styles tended to reflect the glamour of contemporary movies, clothes themselves were mended before being replaced, and the invention of synthetic fibres led to the use of washable, practical, easy-care fabrics. Many who could not afford books or periodicals spent time reading in libraries. Inexpensive amusements included backyard games, puzzles, card games, and board games such as Monopoly, which was introduced in 1935. Even the national pastime, baseball, changed profoundly during the Great Depression. Major League rosters and players' salaries were cut, 14 minor leagues were eliminated, and, in an effort to bolster attendance that had fallen by more than 40 percent by 1933, night games were introduced. And with the end of Prohibition in 1933, nightclubs became legitimate places not only to consume liquor but to socialize, dance, enjoy the entertainment, and be seen wearing the latest fashions. Because radio and film reached many more people than novels or plays, some intellectuals believed that the mass media might be the most effective weapon for radicalizing Americans. Yet, predictably, the radio networks and the Hollywood studios, as commercial enterprises, were more interested in entertaining than in indoctrinating the masses.

A 1935 edition of the board game Monopoly. It became a popular amusement during the Great Depression.

MONOPOLY® & © Hasbro, Inc. Used with permission.

Thus, the most popular programs on radio were afternoon soap operas, music and variety broadcasts, and half-hour comedy shows like *Amos 'n' Andy*, *The Jack Benny Program*, and the *Edgar Bergen–Charlie McCarthy Show*. Although Hollywood was filled with people sympathetic to the political left—people who frequently contributed money to the labour movement or the

Spanish Republicans or who were indispensable in organizing the Screen Actors, Writers, and Directors guilds—little of this political activism left an imprint on the screen.

Jack Benny.

Hulton Archive/Getty Images

In fact, it is striking how few American movies during the 1930s dealt with the plight of the poor and the unemployed. The most memorable films of the decade (particularly those made at Metro-Goldwyn-Mayer, Paramount, and Twentieth Century-Fox) were musicals, screwball comedies, and romances. Only

Warner Brothers specialized in movies, usually gangster sagas, about the violence and poverty of slum life, a life the embattled hoodlum protagonists always yearned to escape.

What many of Hollywood's movies really had in common—even the spectacles of director Busby Berkeley and the dazzling duets of Fred Astaire and his frequent partner Ginger Rogers—was a soundtrack peppered with hard-boiled, even cynical, staccato chatter reminiscent of Walter Winchell's gossip columns in the newspapers and on the radio. The fast-talking guys and dames of 1930s movies—like the contemporaneous music and lyrics of George Gershwin and Ira Gershwin, Cole Porter, Irving Berlin, and Richard Rodgers and Lorenz Hart—were the product of a culture both urban and urbane; the movies and the music depended on clever allusions and witty dialogue, written or composed mostly by sophisticated Manhattanites. One could never imagine Cary Grant, Fred Astaire, Katharine Hepburn, Bette Davis, Rosalind Russell, Claudette Colbert, or the Marx Brothers portraying rural hayseeds or working stiffs. Nor was it possible to envision the gangsters, as played by Edward G. Robinson or James Cagney, asking passing strangers if they could spare a dime. The characters they played all lived in a world of posh furniture and polished floors, of well-cut suits and gowns, of elegant nightclubs filled with cigarette smoke and champagne and piano music, a world far removed from the one movie audiences inhabited.

Some of the music of the 1930s tried to assuage the social suffering. Indeed, from Lew Brown and Ray Henderson's "Life Is Just a Bowl of Cherries" (1931) to Al Dubin and Harry Warren's "We're in the Money" (1933), many of the era's popular songs were suffused in buoyant optimism. The emphatic "Happy Days Are Here Again" (1929) could be heard just about anywhere, whether as a political jingle for Roosevelt's 1932 presidential campaign or as the theme song for the *Your Hit Parade* radio show, launched in 1935. By mid-decade the Benny Goodman Orchestra had ushered in the swing era, popularizing a style of big band jazz that had been pioneered a decade earlier by African American ensembles led by Fletcher Henderson and Duke Ellington. Dance-oriented and relentlessly upbeat, swing was not a palliative for hopelessness; it was tonic for recovery.

Benny Goodman (left) and members of his band, c. 1938.

UPI/Bettmann Archive

Yet songs that expressed a loss of faith in the American Dream were not completely absent. While Bing Crosby could sing “Just remember that sunshine always follows the rain” in “Wrap Your Troubles in Dreams” (1931), he also recorded “Brother, Can You Spare a Dime?” in the same year. Folk songs from the period, many recorded as part of the Federal Music Project’s archival work, provide an especially vivid index of the deprivation suffered by ordinary Americans. Among the folksingers “discovered” through the field recordings of folklorists such as John Lomax and Alan Lomax was Leadbelly (Huddie Ledbetter), an ex-convict who gained fame for the songs he wrote about African American life during the Great Depression. No folk singer-songwriter, however, is more inextricably linked to the music of hardship and protest than Woody Guthrie. An Oklahoman, he took to the road at the height of the Dust Bowl era, frequenting hobo and migrant camps on his way to California, where he first popularized his songs about the plight of Dust Bowl refugees. With politically charged songs such as “(If You Ain’t Got the) Do Re Mi,” “Union Made,” “Tom Joad” (inspired by *The Grapes of Wrath*), and “This Land Is Your Land,” Guthrie became a mythic figure who continued his support of labour and radical politics (including his involvement with the Communist Party) long after most American intellectuals had abandoned them. In the process he became not only a catalyst for the folk music movement centred on New York City’s Greenwich Village in the 1940s and ’50s, with its strong association with leftist politics, but ultimately a role model for singer-songwriter Bob Dylan, who championed social protest in the early 1960s at the head of the folk music revival.

Woody Guthrie.

Encyclopædia Britannica, Inc.

In Hollywood, too, some of the leading directors of the 1930s, such as Capra in *Mr. Deeds Goes to Town* (1936) and *Mr. Smith Goes to Washington* (1939) or John Ford in his movie version of *The Grapes of Wrath* (1940), addressed the corruption of corporate and political power in modern America or the wretched conditions in which migrant farmers lived. The hollowed-out face of Henry Fonda as Steinbeck’s Tom Joad, after all, was as potent an icon of the 1930s as Astaire’s top hat and tails.

Henry Fonda and Jane Darwell in *The Grapes of Wrath* (1940).

Twentieth Century-Fox Film Corporation/The Museum of Art Film Stills Archive, New York City

But few images from this period have lasted as long, or had as great an influence on filmmaking in America and abroad, as that of the fictional media mogul Charles Foster Kane in *Citizen Kane*. Directed by and starring a 25-year-old Welles and released in 1941, the movie was astonishing in part because of its stylistic virtuosity but also because it rebelled against the political clichés of the

1930s. By telling Kane’s story from multiple perspectives, by presenting him as a man to be feared or pitied as well as occasionally admired, and by acknowledging at the end that no single word (not even “Rosebud”) could explain a person’s life, the movie refused to pass judgment or deliver a message—refused to say that this man of wealth and power is evil or that the society that produced him is in need of fundamental change. Neither sentimental nor propagandistic, *Citizen Kane* transcended the filmmaking conventions and the preconceptions of the 1930s and hinted at a more ironic age, with fewer certitudes, that would follow World War II.

Portrayals of hope

Americans in 1941, however, were not yet ready for the cool detachment of *Citizen Kane*. After 10 years of hard times, when the Depression felt like a natural as well as economic disaster (made worse by real environmental catastrophes such as floods and dust storms), what people wanted from their government and their popular culture was comfort. By the late 1930s all but a few Americans were longing not for revolution but for recovery, not for uncertainty but for stability, not for more social conflict but for a sense of national unity.

These essentially conservative impulses dominated the closing years of the Great Depression, though they had been present all along. Franklin D. Roosevelt recognized the craving for solace in the midst of chaos by clothing his reforms in conservative language. The very names of the New Deal agencies and programs—the National Recovery Administration, the Agricultural Adjustment Administration, the Civilian Conservation Corps, the Tennessee Valley Authority, Social Security—promised that America would be repaired and strengthened rather than transformed. Floods would be “controlled”; hydroelectric power would be “harnessed”; the soil would be “conserved”; order would be “restored.” In short, Americans would get a new, fairer deal of the cards but not a brand-new game with perplexing new rules. Even African Americans—for many of whom the toils of the Great Depression were hardly different from the travails of everyday life in segregated America—found hope and inspiration in the New Deal, especially as it was enunciated by first lady Eleanor Roosevelt. They showed their support by switching their political allegiance from the Republican Party to the Democratic Party.

New members of the Civilian Conservation Corps waiting to be fitted for shoes at Camp Dix, New Jersey, 1935.

Encyclopædia Britannica, Inc.

The Roosevelt administration’s rhetoric and its policies were devised for a country that had shed the optimism and the innocence of the 1920s, a country that now regarded itself, psychologically, as middle-aged. The popular culture of the 1930s reinforced this perception that Americans had entered an era of limits, where they should make the best of what they already had

rather than embarking on a quest for the unobtainable. The title of one of the decade’s best-selling self-help books, *Life Begins at Forty* (1932) by Walter Pitkin, implied that a wise if chastened maturity was emotionally healthier and more realistic than adolescent self-confidence. At the same time, movies like Capra’s *It Happened One Night* (1934), *You Can’t Take It with You* (1938), and *Meet John Doe* (1941) suggested that people were happier and better off if they were not rich and that the familiar pleasures of home and family were more fulfilling than the ambitions of the powerful or the affectations of the elite. This was a soothing idea for people whose dreams of a more affluent and adventurous life had vanished.

The conservatism of the 1930s coincided with a revival of interest in the American past and a veneration of America’s legendary heroes. The publication of multivolume biographies of George Washington, Andrew Jackson, and Robert E. Lee, or epic poems like Archibald MacLeish’s *The Land of the Free* (1938), reminded people of the leaders (whatever their differing philosophies) who had guided the

nation through its earlier crises. This reverence for tradition, which encouraged Americans to believe they could prevail over their current predicaments, was the subtext of the decade's most famous novel and the movie that set box-office records both in the 1930s and for the next half century, *Gone with the Wind* (book by Margaret Mitchell, 1936; movie, 1939).

The resurgence of cultural nationalism was hardly unique to the United States. Britain, France, Germany, Italy, the Soviet Union, and Japan were all competing with one another in the glorification of their histories and their values through international automobile races, aviation speed and endurance contests, the acquisition of gold medals at the Olympic Games of 1932 and 1936, and shortwave overseas radio broadcasts such as the British Broadcasting Company's Empire Service. By the end of the 1930s, the Roosevelt administration—fearing the spreading influence of Germany and Italy through the growth, in Latin America, of large émigré populations from those two countries—had entered the culture war by establishing libraries, educational exchanges, and American schools in Mexico, Brazil, Argentina, and Chile. These initiatives marked the beginning of the U.S. government's far more extensive strategy of exporting American culture as an instrument of foreign policy during World War II and the Cold War.

Even as the worst economic problems of the Great Depression began to lift, the prevailing mindset could not forget the lessons of the era. The trust in the federal government to solve or at least address the fundamental dilemmas of various groups in American society (the elderly with Social Security, blue-collar workers with the National Labor Relations Act, poor Southern farmers with the Tennessee Valley Authority), the dependence on Washington as the ultimate supervisor of corporate behaviour, the thirst for social and psychological security, the need to hold a job and save money as protection against some future economic crisis—all of these predilections continued to shape the mentality of Americans who lived through the Great Depression even after America's victory in World War II and the return of prosperity. The emotional scars, the fear of fear itself, could never be eradicated.

But the Great Depression and its aftermath also encouraged a faith in, and a love of, what America presumably stood for. These were not the sort of feelings one might have expected in a decade in which many people were initially angry about the failure of America's economic and social arrangements. Yet the transition from rage to reconciliation was reflected, symbolically, in one of the decade's most cherished movies, *The Wizard of Oz* (1939). Here Dorothy (played by Judy Garland) is transported from her drab, gray Kansas farm to the magical and Technicolor land of Oz. She and her companions—a scarecrow, a tin woodsman, and a cowardly lion—each seeking to change themselves or their circumstances, go off to see the wizard “because of the wonderful things he does.” Although the wizard turns out to be a charlatan, he has an important lesson to teach, not just to his supplicants but to audiences in the 1930s. People, he says, do not need a wizard and his miracles; all they need to do is look inside themselves. So a movie that begins with Dorothy imagining a fantasy world somewhere over the rainbow ends with her back in Kansas, proclaiming “There's no place like home.”

And in the midst of World War II, as the economy recuperated and people went back to work, the virtues of life at home became more palpable to most Americans. In 1939 John Steinbeck had portrayed an Oklahoma in *The Grapes of Wrath* that, like the rest of America, was still marked by scarcity and deprivation. In 1943 Richard Rodgers and Oscar Hammerstein opened a new musical, called *Oklahoma!*, on Broadway. Their Oklahoma, unlike Steinbeck's Dust Bowl, was a bountiful land where the corn was as high "as an elephant's eye."

The musical, with its joyous evocation of beautiful mornings, summed up the spirit of a people who had finally freed themselves from the constraints of the 1930s and could once again relish the vitality of the United States. It was this America—having survived its idiosyncratic crisis in the 1930s and having escaped the bombing of its cities and the destruction of its natural resources during World War II—that the rest of the world would have to decipher and deal with in the postwar years.

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