African Americans and the Great Depression

Reference Articles

The Great Depression was a severe economic downturn impacting the United States and other industrialized countries. Lasting from 1929 through the early 1940s, the period was characterized by bank failures, massive unemployment, and a dramatic decrease in the production and sale of manufactured goods. In the United States, the economic collapse led to a dramatic transformation in the role that the federal government plays in regulating the economy. President Franklin D. Roosevelt's New Deal programs sought to alleviate suffering through unprecedented government intervention. Roosevelt's economic policies proved to be a turning point in the agricultural South, as federal funds led to the mechanization of agriculture and to the eventual displacement of many of the region's agricultural workers.

The Great Depression startled many Americans, coming as it did on the heels of the 1920s, a time of reputed prosperity characterized by an ebullient national mood and unprecedented consumer spending. Although many people did see an upswing in their standard of living during the 1920s, many of these changes were only surface-deep. Wealth remained unequally distributed, and many Americans, particularly in the South, continued to live in poverty. In order to maintain the lifestyle promoted by the advertisements of the era, many Americans bought luxury items on credit and were ultimately unable to support their lifestyle. Some investors also borrowed money to buy stocks on margin, initially paying as little as 10% of the face value in the hopes of paying off these debts as the stock's value increased. Speculation of this kind led to inflated stock prices, whose values could not be maintained, and on October 29, 1929, the bubble burst. The stock market fell in value by $14 billion in a single day. Industrial production quickly fell by half, and the unemployment rate reached a devastating 25% by 1932.

The events on Wall Street and the pain felt by the nation's industrial sector initially meant very little to the inhabitants of the largely rural U.S. South. In 1929, Southerners were already suffering from the decline in agricultural prices that followed the end of World War I, as international production outpaced the demand for agricultural goods. Natural disasters in the form of an infestation of boll weevils, which plagued the cotton-producing South, and the devastating Mississippi River flood of 1927 brought severe damage to the Southern economy well before the onslaught of the nationwide Depression.

During this era, the federal government dramatically increased its role in regulating the economy and in providing for the needs of U.S. citizens. After his election in 1932, President Roosevelt set out to provide needy Americans with the "New Deal" he had promised in his campaign. These government programs were designed to regulate businesses and agriculture, shore up the nation's banking system, provide relief to the needy, and reduce unemployment. In theory, many of these programs prohibited discrimination on the basis of race, but in reality, such discrimination continued to occur.

Throughout the country, African Americans were disproportionately impacted by the Great Depression—they were typically the last hired and the first fired. During the height of the Depression, half of all U.S. black workers were unemployed. Like other workers, African Americans became increasingly radicalized in response to dire economic need and joined labor unions, such as the biracial Southern Tenant Farmers' Union, founded in Arkansas in 1934, in an attempt to protect their economic interests.

Blacks also suffered disproportionately, as they were less likely than needy whites to receive aid—in the form of government payments or of food subsidies. Particularly in the South, blacks who did receive relief typically received less money and food than whites. This was due to the prevailing belief that African Americans were prone to laziness and would not work if given too much public assistance. To compound matters, prominent Southern whites generally controlled relief funds and supplies, even those donated by the Red Cross, and were able to use their control over these resources to influence black behavior.

One of the federal programs that most dramatically impacted the South was the Agricultural Adjustment Act. Passed in 1933, this Act was designed to increase agricultural prices by limiting production. To do so, the Act provided government subsidies to farmers. Southern plantation owners enthusiastically participated in the program, but for the most part, they refused to share New Deal monies with the sharecroppers and tenant farmers who worked on their land. Furthermore, as large landowners began to decrease production, they began to evict unneeded farm workers from the land. The displacement of the agricultural workforce accelerated in the following decades as landowners used federal funds to mechanize agricultural production, further reducing their dependence on individual laborers.

As a result, both black and white farm laborers began to migrate to cities in search of other kinds of work, and many African Americans in particular set their sights on the North. Blacks had begun migrating northward in large numbers to take advantage of opportunities in manufacturing as the stream of European immigrants dried up during World War I. Although many waited out the lean years of the Great Depression in the South, African Americans again began migrating in great numbers as the country mobilized in preparation for World War II. In the process, African Americans went from a primarily rural, Southern population to becoming a predominantly urban population that resided in increasing numbers in the North.

As the 1930s progressed, the South continued to lag behind other parts of the country on the road to economic recovery, failing to measure up in terms of per-capita income. The region's inhabitants also suffered from a lack of access to adequate health care and a lackluster commitment to providing quality public education for all Southerners. In 1938, Roosevelt soberly labeled the region "the nation's No. 1 economic problem."

Recovery did come to the country after the United States entered World War II, as the effort to prepare for war jump-started the economy. The South began increasingly to industrialize, and machinery such as tractors and mechanical cotton pickers continued to displace laborers as the dramatic transformation of the Southern economy that began in earnest during the lean years of the Great Depression continued.

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Further Reading

Greenberg, Cheryl Lynn. *Or Does It Explode? Black Harlem in the Great Depression.* New York: Oxford University Press, 1991; McElvaine, Robert S. *The Great Depression: America, 1929–1941*. New York: Crown, 1984; Shlaes, Amity. *The Forgotten Man: A New History of the Great Depression.* New York: HarperCollins Publishers, 2007.

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