

New Deal, Old Systems: Praises and Lamentations to  
Post-Depression America

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# 1 Introduction

The story of the Great Depression was itself as much a series of booms and busts as the very same booms and busts that brought it on in the first place, a story of waxing and waning social progress amongst racial and ethnic groups, momentary benefactors, and perpetual restructuring of institutions both good and bad. Despite a majority of Americans not owning stock, workers the world over found themselves contorted by volatile and mismanaged markets propped up by cheap money yet again, only this time leading to mass unemployment, waning confidence in the economy, and the exacerbation of socioeconomic derision. Economic interdependence between the post-war European nations spread the Depression internationally as wartime debts were defaulted on and tariffs soared.

Unemployment ravished America decimating local and national economies. Industry towns crumpled, rural America starved, and laborers both skilled and unskilled fell to the sidelines. In the midst of the Depression, many farms foreclosed due to drought. Communists and socialists, emboldened by the success of the recent Russian Revolution, took prominence during the downturn with organizations and chapters sprouting across America to rally workers and demand government intervention in the economy (Else, *A Job at Ford's*). President Hoover's image of self-sufficiency gradually collapsed as became evident the federal government was unprepared for the magnitude of economic downturn. Millions sought aid that strained charity, local relief efforts, and the voluntary kindness of others.

## Thesis

In spite of the prevailing hardship endured by all, working-class Americans exercised considerable power in their country through various movements and government programs to uplift one another. Though the Great Depression impacted workers of all backgrounds,

revitalization of the economy that occurred in the New Deal era by and large upheld preexisting racial and ethnic tensions between workers while disproportionately excluding historically disenfranchised groups such as African Americans, Jews, Native Americans, and women.

## 2 The Mobilization of the Working Class and the New Deal

FDR's New Deal-era policies and establishment of government relief programs greatly empowered American workers and led to the gradual renewal of the economy by providing work to the unemployed, direct relief to countless, and protecting the rights of workers. As unemployment gradually (then suddenly) swept American cities and towns and as radicals rallied workers, the response to the Depression from disaffected elites echoed those of the not-too-distant past in the 1877 railroad strike or the battle at the Homestead. In Dearborn, MI for example, when 60,000 workers were laid off by Henry Ford at his River Rouge plant in 1932, protesters demanding reinstatement and improved working conditions were met with violent resistance from Ford's guards and the local police, killing four marchers (Clark et al., eds., Vol 2, Ch. 8). In the same year, over 20,000 veterans of the Great War protesting in the Bonus March were fired upon by the army killing 2 marchers (Clark et al., eds., Vol 2, Ch. 8).

By 1933, unemployment peaked at 15 million with the gross national product falling by 29 percent since the start of the Depression in 1929 (Clark et al., eds., Vol 2, Ch. 8). In FDR's first one hundred days in office, he established several government agencies to combat the Depression such as the Federal Emergency Relief Administration (FERA), Civilian Conservation Corps (CCC) which helped to restore forests (James, New Deal, New York), Agricultural Adjustment Administration (AAA), and most notably the

National Recovery Administration (NRA). Collectively, “these work relief programs employed more than ten million Americans” (Clark et al., eds., Vol 2, Ch. 8). The NRA was tasked with instituting the National Industrial Recovery Act. Through the NRA, the federal government was able to regulate markets and increase wages. (James, *New Deal, New York*). To guarantee self-regulation amongst NRA businesses, NIRA provisions mandated protection of “the right to organize and bargain collectively through representatives of their own choosing . . . free from the interference, restraint, or coercion of employers” under section 7a (Clark et al., eds., Vol 2, Ch. 8). More than 2 million employers embraced the tight regulation imposed by the NRA and many flaunted their NRA employer status (James, *New Deal, New York*). Many industrial workers formed unions under the NRA doctrine such as the in the New York garment industry who formed the International Ladies Garment Workers (James, *New Deal, New York*). Furthermore, immigrants who were often excluded from organized labor finally gained admission (James, *New Deal, New York*). This work was then continued with the creation of the Workers Progress Administration (WPA), which became the largest employer of all FDR’s agencies (James, *New Deal, New York*).

### 3 An Everchanging Scapegoat: Racial and Ethnic Perspectives on the Depression

Despite considerable efforts from FDR’s administration to mitigate effects of the Depression, access to provisions of the New Deal’s various agencies were skewed in favor of white male workers, reinforcing prejudicial social systems. Unemployment disproportionately affected Black communities throughout the entirety of the Depression such as in the misappropriation of Red Cross funds given to plantation owners during the Hoover Administration (Rockefeller, *The Road to Rock Bottom*) or with FDR’s refusal to

publically support anti-lynch legislature (Stept, *To Be Somebody*). In the example of Harlem, employment rose to over 50 percent (James, *New Deal, New York*). Though NRA funding had been pulled from New York and jobs had been lost across the board, Harlem businesses were largely operated and owned by white people (James, *New Deal, New York*). The strict segregation between Black customers and white-owned services syphoned money out of Harlem, though this gave rise to the slogan, "Don't buy where you can't work." (James, *New Deal, New York*). Even though the boycotts were widely practiced, a New York ruled their picketing to be illegal in 1934. Even with Fiorello LaGuardia at the helm, New York's Black community distrusted City Hall and their skepticism resurged in times of relative economic growth such as with the construction of the Triborough Bridge. Even with the influx of jobs and the bridge directly servicing Harlem, Black workers were barred from participating in its construction (James,, *New Deal, New York*). The construction companies awarded the Triborough contract were white Union shops (James, *New Deal, New York*).

Other groups such as immigrants struggled for identity within American culture despite their significant contributions to society. While pre and post-Depression figures such as Henry Ford and Fiorello LaGuardia were powerful examples of immigrants working within the system to better the lives of other immigrants, American society was by and large still plagued by ethnic and cultural divisions. These divisions were exacerbated by current events. Jewish Americans suffered greatly in America. Even before the Depression, Ford's newspaper, *The Dearborn Independent*, published swaths of articles singularly blaming Jews cultural erosion and economic downturn (Else, *A Job at Ford's*). Americans in the Depression needed a scapegoat and many blamed the Jews for being both the wealthy bankers who controlled all the money but also as the Communist agitators seeking to destroy Capitalism simultaneously (Stept, *To Be Somebody*). Antisemitism further rose with the proliferation of Nazism in America as Hitler began to escalate his persecution of Jewish people (Stept, *To Be Somebody*). The Federal government did little to assist Jews

in America as well as Jews abroad, determined to keep immigration quotas tight and turning down incoming refugees in droves like in the instance of the S.S. St Louis (Stept, *To Be Somebody*).

The Depression also devastated Mexican Americans. Mexican American agricultural workers were ousted from their jobs by the migration of white Americans (Clark et al., eds., Vol 2, Ch. 8). Over 500,000 Mexican Americans were repatriated and many cities with Mexican immigrant communities barred noncitizens from public works jobs and other relief efforts (Clark et al., eds., Vol 2, Ch. 8). Even NRA-backed organized labor experienced a string of defeats with unions consisting predominantly of Mexican Americans and/or African Americans (Clark et al., eds., Vol 2, Ch. 8).

## 4 The Erosion of the Female Workforce

Combatting the Depression was largely seen as a man's undertaking and that overcoming the downturn would restore male dignity and women of all backgrounds were largely excluded from relief efforts (Clark et al., eds., Vol 2, Ch. 8). Women held less than ten percent of FERA and CWA jobs and enforcement of the NIRA's provisions lacked considerably (Clark et al., eds., Vol 2, Ch. 8). This mistreatment would only continue even as the powers of the Federal government in the economy spread. Even with efforts to equally protect men and women from the market economy such as the Social Security Act, relying on the welfare state was heavily stigmatized (Clark et al., eds., Vol 2, Ch. 9) and work relief was not given to many predominantly female occupations, nor were women represented within FDR's agencies.

## 5 Conclusion

The legacies of the Great Depression are undeniable, permeating most aspects of American life. The Great Depression entirely restructured the economy, cemented party lines, and redefined the role of the federal government and work culture. More notably, the United States' response to the downturn caused by the COVID 19 pandemic strongly echoes the restoration efforts of FDR's administration. COVID-19 greatly disrupted production as did the Great Depression, though this did not lead to mass-unemployment. Unlike the Great Recession of 2007-2009, which was softened by relief to banks, the recession of 2020-2021 was relieved by direct aid through the stimulus packages established in several instances of monetary policy (*Chart Book...*, para 23).

Even with the waves of relief ushered in by the Roosevelt administration and nobody was truly safe, the effects of the Great Depression disproportionately affect non-white and non-male workers of all backgrounds. In spite of this, African Americans, immigrants, and women still made considerable social and political advances that remain such as the establishment of Social Security and other welfare programs. Ultimately, the power politics of pre-Depression America remained largely unshaken by the unprecedented level of government interference in the economy. Workers still experienced and continue to experience widespread exploitation, discrimination in employment, stolen wages, and unequal pay are still commonplace. I refuse to argue that it was for nothing.



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