

# Mass Unemployment

The Problem with Peace

## Learning Objectives

Explain the cause and consequence of the Agricultural Collapse in the 1920s-1930s

Explain how Factory Mechanization contributed to unemployment

Define the term "Bonus Army"

Define the term "Hoovervilles"

# Agricultural Prices Collapse

## Summary

"During the 1920s, there was an agricultural depression that lasted the entire decade and kept a noticeable divide in place between this class and the urban classes. The women of the farms made great sacrifices in this time just to keep their families underneath a roof.

The origins were both political and structural. Agricultural exports to Europe exploded during the Great War, and even this was not enough to keep up with demand. Corn, wheat, and cotton all hit very high prices, and this encouraged new tilling, new growing, and most importantly new borrowing. With a postwar price collapse came a rural financial collapse as well.

Structurally, the demand for rural farming and labor was dropping faster than people were able or willing to move out of the countryside. As the American economy was becoming increasingly mechanized and industrialized, there was simply not as great a need for half of the population to work on farms. But many people were attached to this way of life, economically, financially, culturally, and psychologically."

Source: <https://www.americanhistoryusa.com/great-farm-depression-1920s/>

# Factory Mechanization



## “Hoovervilles”

### What?

“During the Great Depression, many families lost their homes because they could not pay their mortgages. These people had no choice but to seek alternative forms of shelter.

Hoovervilles, named after President Hoover, who was blamed for the problems that led to the depression, sprung up throughout the United States.”



**Portland, Oregon**

Source: <http://www.history.com/topics/hoovertowns>

## A Shantytown by any other name

"These camps came to be called Hoovervilles, after the president. Democratic National Committee publicity director and longtime newspaper reporter Charles Michelson (1868-1948) is credited with coining the term, which first appeared in print in 1930.

Hooverville shanties were constructed of cardboard, tar paper, glass, lumber, tin and whatever other materials people could salvage. Unemployed masons used cast-off stone and bricks and in some cases built structures that stood 20 feet high. Most shanties, however, were distinctly less glamorous: Cardboard-box homes did not last long, and most dwellings were in a constant state of being rebuilt. Some homes were not buildings at all, but deep holes dug in the ground with makeshift roofs laid over them to keep out inclement weather. Some of the homeless found shelter inside empty conduits and water mains.

**Portland, Oregon**



## Life in a Hooverville

"Whenever possible, Hoovervilles were built near rivers for the convenience of a water source. For example, in New York City, encampments sprang up along the Hudson and East rivers. Some Hoovervilles were dotted with vegetable gardens, and some individual shacks contained furniture a family had managed to carry away upon eviction from their former home.

However, Hoovervilles were typically grim and unsanitary. They posed health risks to their inhabitants as well as to those living nearby, but there was little that local governments or health agencies could do. Hooverville residents had nowhere else to go, and public sympathy, for the most part, was with them.

Even when Hoovervilles were raided by order of parks departments or other authorities, the men who carried out the raids often expressed regret and guilt for their actions. More often than not, Hoovervilles were tolerated."

Source: <http://www.history.com/topics/hoovertowns>

# The Bonus Army

## Where did it come from?



"In 1924, a grateful Congress voted to give a bonus to World War I veterans - \$1.25 for each day served overseas, \$1.00 for each day served in the States. It was scheduled to be paid in 1945.

However, by 1932 the nation had slipped into the dark days of the Depression and the unemployed veterans wanted their money immediately

In May of that year, some 15,000 veterans, many unemployed and destitute, descended on Washington, D.C. to demand immediate payment of their bonus. They proclaimed themselves the Bonus Expeditionary Force but the public dubbed them the "Bonus Army." Raising ramshackle camps at various places around the city, they waited."

Source: <http://www.eyewitnesshistory.com/snorelief4.htm>



## Tensions Escalate

"The veterans made their largest camp at Anacostia Flats across the river from the Capitol. Approximately 10,000 veterans, women and children lived in the shelters built from materials dragged out of a junk pile nearby - old lumber, packing boxes and scrap tin covered with roofs of thatched straw.

Discipline in the camp was good, despite the fears of many city residents who spread unfounded "Red Scare" rumors. Streets were laid out, latrines dug, and formations held daily. Newcomers were required to register and prove they were bonafide veterans who had been honorably discharged. Their leader, Walter Waters, stated, "We're here for the duration and we're not going to starve. We're going to keep ourselves a simon-pure veteran's organization. If the Bonus is paid it will relieve to a large extent the deplorable economic condition."

June 17 was described by a local newspaper as "the tensest day in the capital since the war." The Senate was voting on the bill already passed by the House to immediately give the vets their bonus money. By dusk, 10,000 marchers crowded the Capitol grounds expectantly awaiting the outcome. Walter Waters, leader of the Bonus Expeditionary Force, appeared with bad news. The Senate had defeated the bill by a vote of 62 to 18. The crowd reacted with stunned silence. "Sing America and go back to your billets" he commanded, and they did. A silent "Death March" began in front of the Capitol and lasted until July 17, when Congress adjourned."

Source: <http://www.eyewitnesshistory.com/snorelief4.htm>



**The Bonus Army:**

<https://www.youtube.com/watch?v=mSC1lbCXfRQ&t=23s>

## Violence

"A month later, on July 28, Attorney General Mitchell ordered the evacuation of the veterans from all government property. Entrusted with the job, the Washington police met with resistance, shots were fired and two marchers killed. Learning of the shooting at lunch, President Hoover ordered the army to clear out the veterans. Infantry and cavalry supported by six tanks were dispatched with Chief of Staff General Douglas MacArthur in command. Major Dwight D. Eisenhower served as his liaison with Washington police and Major George Patton led the cavalry.

By 4:45 P.M. the troops were massed on Pennsylvania Ave. below the Capitol. Thousands of Civil Service employees spilled out of work and lined the streets to watch. The veterans, assuming the military display was in their honor, cheered. Suddenly Patton's troopers turned and charged. "Shame, Shame" the spectators cried. Soldiers with fixed bayonets followed, hurling tear gas into the crowd.

Source: <http://www.evewitnesstohistory.com/snprelief4.htm>

## Routed

"By nightfall the BEF had retreated across the Anacostia River where Hoover ordered MacArthur to stop. Ignoring the command, the general led his infantry to the main camp. By early morning the 10,000 inhabitants were routed and the camp in flames. Two babies died and nearby hospitals overwhelmed with casualties. Eisenhower later wrote, "the whole scene was pitiful. The veterans were ragged, ill-fed, and felt themselves badly abused. To suddenly see the whole encampment going up in flames just added to the pity."



Source: <http://www.evewitnesstohistory.com/snprelief4.htm>

## Review

What was the cause and consequence of the Agricultural Collapse in the 1920s-1930s?

How did Factory Mechanization contribute to unemployment?

What was the "Bonus Army"?

What were "Hoovervilles"?