

Alan Brinkley is a Professor of History at Columbia University and Chair of the Board of Trustees of The Century Foundation, a nonpartisan think-tank. He is the author of *The End of Reform: New Deal Liberalism in Recession and War*; *The Unfinished Nation: A Concise History of the American People*; and other works.



QUESTION: What was the mood of America on the eve of the 1929 crash? What were the nation's expectations moving into the 1930s?

ALAN BRINKLEY: The 1920s were one of the most dynamically prosperous periods of American history up to that point, at least for those parts of the population that benefited from it. So there was enormous ebullience in the 1920s - especially among middle-class people and affluent people - about the rate of economic growth, about the creation of new industries, and of course by the end of the 1920s about the stock market itself. What we should keep in mind is that at least half the population was not benefiting at all from this new prosperity. Indeed, some large sections of the population, particularly farmers, were doing much worse than they had been doing in the decade before. So it was a very uneven prosperity.

QUESTION: Amidst the prosperity of the 1920s, could we see the seeds of what might be coming in the 1930s?

ALAN BRINKLEY: You can see seeds of the Depression in the 1920s in a number of ways. You can see it in the highly uneven distribution of the prosperity of that time. You can see it in the agricultural depression that began in the mid-1920s and hit farmers well before the Depression hit everybody else. And you can see it in the weakening of a number of key industries in the last part of the decade - the automobile and construction industries in particular. This was perhaps the most obvious indicator of the Depression that was soon to come.

QUESTION: What happened in 1929 - and why did it happen at that particular moment in time? The common perception may be that the crash caused the Depression. Is that true?

ALAN BRINKLEY: There is an assumption among many people that the stock market crash caused the Great Depression. I don't think very many historians or economists agree with that. The crash certainly contributed to the Great Depression. It eliminated a great deal of wealth, it damaged a number of banks and financial institutions that were heavily invested in the market. But I think most people would argue that the crash was more a symptom than a cause of a series of deeper weaknesses in the economy that produced the Great Depression.

QUESTION: What role did Federal Reserve policy play in causing the Depression?

ALAN BRINKLEY: Well, the policy of the Federal Reserve certainly made things worse. They tightened credit when they should have been loosening it. They did all the wrong things in the face of a very severe recession. And there are people, monetarists in particular, who believe that the Fed policy turned a normal recession into the Great Depression.

But there are also many economists who would argue that the Fed policy was actually a relatively small contributing factor to the economy, and the larger problems were deeper structural weaknesses in the economy - in the banking system, in the distribution of purchasing power, in the diversity of the industrial economy and in other areas.

QUESTION: How do you explain the severity of the Depression to people who have never experienced such a thing?

ALAN BRINKLEY: It's almost impossible to convey the dimensions of such a terrible economic crisis. There was 15 to 20 percent unemployment consistently for a decade, but of course, there were cities in which unemployment reached 75 percent, 80 percent. [I]nvestment in new plants and equipment went to a negative level; indeed, [the fact that] there was more depreciation than there was new investment gives you some indication of how depressed the economy was.

It was a frightening and disorienting time for almost everyone, and a truly catastrophic time for people who were left without jobs and without income and without an effective welfare relief system to help them in their time of need. One of the things that made the Depression so desperate was that it lasted so long. There had been earlier depressions and many earlier recessions, and they usually lasted for a year or two. The Great Depression lasted for more than a decade, [from 1929 until 1940]. And that was an unprecedented experience in American history, both before or since.

QUESTION: The statistics show that the economy impacted even the most intimate areas of personal life: marriage, birth rates, divorce rates. How did the Depression affect family life?

ALAN BRINKLEY: The dimensions of this crisis were such that even the personal decisions of ordinary people were affected by them. The age of marriage rose dramatically, the rate of marriage declined, the rate of child bearing declined very dramatically. And one has to assume that in most of these cases it was because people felt they couldn't afford to get married, they couldn't afford to have children. It was also a period in which a lot of families broke up, in

which unemployed men in particular found their inability to support their families intolerable - and simply left. This was a desperate time for families because unemployment was so massive and so long-term, and because there was no effective source of relief for unemployed people during much of the 1930s.

QUESTION: Did the Depression hit some people harder than others?

ALAN BRINKLEY: African Americans probably suffered [relatively] less than many other people, because they were so poor already. But it certainly was a very serious crisis for African Americans as well as for other groups, particularly for people who were sharecroppers and tenant farmers in the South. Many of them found [what was already a] very limited income dwindle down to nothing. Many of them were driven off their land by landlords and merchants. It was the beginning of the great migration into cities that reached its peak in the 1940s and early 1950s. So this was a depression for everyone. But the greatest felt shock of the Depression did not fall on the poorest people because they had less to lose. It fell on working-class and middle-class people.

Women suffered from unemployment less than men because the kinds of jobs that women held, mostly service jobs, tended to be less affected by the Depression than the industrial and business jobs that most men held.

And of course there were some people who actually benefited from the Depression, a few scattered people - Joseph Kennedy may be the most famous - who figured out a way to use a bear market to make money. But it would be hard to pick any large group of people who actually benefited significantly from the Depression.

People who work[ed] for the government, people who work[ed] for schools, were less likely to lose their jobs than people in other areas, but they certainly didn't survive the Depression without any costs.

The government was no more immune to the Depression than any other area of the economy. Tax revenues were way down, and so government salaries were cut. Teachers' salaries were cut, just as everybody else's salaries were cut or eliminated.

QUESTION: Let's talk about the migration that the Depression set in motion. What was the scale of the migration?

ALAN BRINKLEY: This was a period of great population movement. There was a significant movement of African American farmers out of the southern countryside and into cities in both the north and south. There was a tremendous movement of people out of the so-called Dust Bowl, the famous Okie migration that John Steinbeck chronicled out of Oklahoma and Texas and other areas of the Dust Bowl and out West - California in particular. There was also a tremendous sort of milling around of unemployed people who would just travel from town to town, city to city, looking for work. There were thousands and thousands of people constantly on the move, often very aimlessly - just riding the rails, hitchhiking, hoping to find something somewhere. So much of the American population was uprooted by this crisis, but in no consistent way.

QUESTION: You touched on John Steinbeck's portrayal of the Okie migration. Is the vision conveyed in the Steinbeck book and movie an accurate one?

ALAN BRINKLEY: I think John Steinbeck painted a reasonably accurate portrait of the Okie migration - [although] somewhat romanticized. And the portrait of local police and local landowners and employers in California is somewhat polemical. But on the whole it is an accurate picture of the scale of the migration, of the desperation of many of the people who were going to California, of the hostility of the local population to them. Steinbeck of course grew up in California and lived in the Salinas Valley during the height of this migration, so he saw much of this personally and portrayed it fairly accurately.

QUESTION: But the Steinbeck portrait only dealt with one part of the migration, right?

ALAN BRINKLEY: Many of the so-called Okies didn't go to California - they went to industrial cities in the Midwest and elsewhere, although of course there was very little employment for them [there] either. And there were many migrations from other parts of the country aside from the Dust Bowl - from the agrarian South, from one industrial city to another, even [from] many people who left California to go to other places. So the migrations of the 1930s, which are among the most extensive in modern American history, moved in many different directions and had many different sources and targets.

QUESTION: The other major thing that the Depression set in motion was a change in the role of the federal government. What was the average American's relation to the federal government prior to the Depression? And how did that change?

ALAN BRINKLEY: For the average American in the 1920s the federal government was a fairly remote presence. Most people interacted with the federal government almost entirely through the post office. Many Americans at that point didn't yet pay income taxes. So the federal government, although it was certainly a visible symbol of American nationhood, it was not an active presence in the lives of very many people.

QUESTION: When FDR first came into office, did he have any idea how far the New Deal would eventually go?

ALAN BRINKLEY: Well, the New Deal lasted a long time, so [many of] the ideas that informed the New Deal in its first years [were] abandoned [in] its later years. Roosevelt came into office believing that he could form a great partnership of government and labor and business to stabilize the economy and rebuild prosperity. And that proved to be impossible.

[This belief] took the form of the National Recovery Administration and some other experiments, and they were almost uniformly unsuccessful. And so by 1935 Roosevelt was changing course, moving towards a more unilateral government intervention of the economy, moving to protect labor unions, moving to create more aggressive welfare mechanisms, moving to launch an assault of public monopolies. And that effort produced some important long-range results, among them the Social Security system, the Wagner Act, the legislative guarantee to workers of collective bargaining. But that didn't end the Depression either.

By the late 1930s the New Deal was moving into yet another stage at which point it began to use the one tool that eventually did finally end the Depression, which was massive government spending - an early embrace of Keynesianism - beginning in about 1938.

QUESTION: To what extent was the New Deal a unique experiment for the United States?

ALAN BRINKLEY: There were earlier very large-scale efforts to provide government support to some people - [such as] the Civil War pensions that were created in the late nineteenth century and that at one point were affecting a majority of men in the North. That's a very conspicuous precedent for some of the efforts of the New Deal, but the Civil War pensions died out in the early twentieth century as the Civil War generation died out. There were some state and local efforts to provide welfare mechanisms - worker's compensation for people who were injured on the job, mother's pensions for widows who were left alone with children. But these were very modest compared to the things that the New Deal created. So I think it is correct to see the New Deal as the founding moment of the modern welfare state, even if it didn't build the welfare state from nothing.

QUESTION: How important was the Depression as a catalyst for change? Do you think we would have Social Security, welfare and unemployment insurance today if there had been no Depression?

ALAN BRINKLEY: I don't know how to answer that. Virtually every other industrial nation in the world has some version of Social Security - usually a much more extensive and generous version than ours. So in one sense it's hard to imagine that the United States would have survived through the second half of the 20th century without creating some kind of welfare state, even if there had been no Depression. On the other hand, virtually every other industrial country in the world has some kind of national health insurance, and we have never done that either. So if there had been no Depression, if there had been no New Deal, who is to say that we would have even the relatively limited welfare state that we have now?

QUESTION: What is the legacy of the New Deal?

ALAN BRINKLEY: The legacy of the New Deal - in other words, the things that the New Deal did that have had a lasting effect on American life - include a great number of quite different things. There's the creation of the foundations of the modern welfare state through the Social Security Act. There is the creation of the beginnings of the modern labor movement through the National Labor Relations Act of 1935 and the formation of many large-scale unions that are still important today as a result.

There were a wide range of financial reforms - the strengthening of the Federal Reserve Board, the federal insurance of bank deposits, the regulation of the stock market through the SEC and many other things that have created an increasing stability in the financial markets and in the financial world.

There was a tremendous government investment in infrastructure in the 1930s, of a dimension greater than almost any other period in our history - dams, bridges, highways, public buildings, harbors - especially in the South and in the West, two regions whose subsequent prosperity owes an enormous amount to the high level of government investment in those regions in the 1930s.

Then there are less tangible legacies of the New Deal: a heightened expectation of what government will do for people in hard times [and] Keynesianism, the idea of using government spending and government taxation to effect economic behavior and the health of the economy.

QUESTION: Did the New Deal end the Depression?

ALAN BRINKLEY: Contrary to some of its own mythology, the New Deal did not end the Depression. It moderated the Depression at least during some periods of the 1930s; it kept the Depression from getting worse perhaps. But the Depression didn't end until 1940, and it was World War II that brought it to an end, by increasing government spending for war materials so dramatically that people were brought back into the work force in enormous numbers very quickly.

QUESTION: In September of 1935, the very first question on the very first Gallup poll asked if government spending on relief and recovery was too much, too little or about right. Surprisingly, 60 percent said "too much."

How do you explain that?

ALAN BRINKLEY: There was never a moment in the history of the New Deal that polls would not have shown that most Americans thought too much money was being spent on relief.

The reason for that I think was not that people believed that relief was wrong - although some people certainly did - but that people believed that an enormous amount of what was spent on relief was wasted, that people received relief who didn't deserve it, that people were put to work doing meaningless things. And that's been a consistent view of welfare in the United States throughout the twentieth century, and probably remains a view of welfare today.

QUESTION: And yet just three months later the Americans were asked if the government should provide old-age pensions for the needy. Roughly 90 percent said yes, which seems an apparent contradiction. How do you account for that?

ALAN BRINKLEY: I don't think there is any contradiction between people's support for Social Security pensions for the aged and people's opposition to heavy government spending on relief. [P]eople believed that everyone who received [Social Security] pensions had paid for their pensions, and that's what made them what we now call an "entitlement" - something that everybody was entitled to and had earned or had contributed to. Relief was something that people received just because they were down on their luck. And for many people that was much harder to swallow.

QUESTION: Clearly you agree that World War II did end the Depression. How did the ensuing boom contrast to the Depression, and what did it mean for America?

ALAN BRINKLEY: It would be hard to overstate the impact of the war on American economic life. Whole new industries were created - aviation, aluminum. Ship-building was dramatically expanded. This was one of the most booming periods of American history coming right on the heels of the most desperately depressed period of American history. And so the contrast was so dramatic that almost nobody in the United States could have been unaware of it.

QUESTION: In what ways did the boom brought on by the war lead to postwar prosperity?

ALAN BRINKLEY: Many people believed that the wartime boom was a temporary phenomenon that would be followed after the war by a return to the Depression. And of course that didn't happen. And it didn't happen for a number of reasons. One is that the war jump-started the American economy and got it running at full capacity again. More importantly, the war did two other things that ensured prosperity would continue. First of all, it put an enormous amount of money in people's pockets. And because there were so few consumer goods that people could buy during the war, there was a very large amount of savings by the end of the war. And once the war was over people used those savings to buy the things that they had not been able to buy during the war. And that helped the transition into the peacetime economy.

The second thing the war did was to create or strengthen a whole range of new or emerging industries that helped diversify the American economy and give it a much broader platform from which to grow. So the American economy by 1945 was a much stronger economy, even than it had been in 1929.

It's important to remember also that in 1945 the United States had the only industrial economy in the world that had not been debilitated by the war - indeed quite the contrary - it had been strengthened by the war. And so the United States was poised as [was] no other industrial nation to move into a very prosperous future.

QUESTION: What did people expect would happen when the war ended?

ALAN BRINKLEY: Many people believed that when the war ended the prosperity would end with it, [that] the Depression would return, and that we would live once again in a period of sluggish or nonexistent economic growth. The idea was that the war was a purely aberrant experience that offered no long-term solution to the problems of the economy. That was a view that was particularly important to people who believed that the problems of the economy were deep structural problems in the nature of capitalism, and [that] the war was not addressing those structural problems.

But of course the aftermath of the war proved that that was not the case, that whatever structural problems there might be with modern capitalism, they were overwhelmed by the extent of economic growth, both during and after the war.

QUESTION: Any other thoughts on how the Depression and/or World War II left a lasting mark on postwar America?

ALAN BRINKLEY: Well, World War II is one of the great turning points in American history, and in several ways. It propelled the United States onto the world stage in a way it had never been before, and this time - unlike [after] World War I - we stayed there.

It created - or at least vastly strengthened - a new economy that would produce unprecedented economic growth in the 1950s and 1960s, [growth] that transformed the social experience of most Americans. It launched the

government into a new kind of intervention into the economy, a Keynesian intervention, because of the lessons drawn from the war and the effects of massive government spending during the war. And it also created what we now know as the military-industrial complex, which survived the war and survives in somewhat different forms still, which has had a major impact on many areas of American life, not just economic.

QUESTION: Lastly, does anything strike you about this time period that is particularly surprising or contrary to popular views?

ALAN BRINKLEY: I think many people think of World War II as a great turning point in the employment of women outside the home. And to some degree that's true. Of course many millions of women went to work during the war and took jobs that men had vacated. But it's very easy to overstate the impact of the war, because women had been moving increasingly into the workplace even in the 1930s during a period of large-scale unemployment. And they continued to move into the workplace after the war was over. And there are many historians who would argue that the war in fact had very little impact on the employment of women, that this movement would have occurred with or without the war.

[Another thing] I don't think many people would have predicted [was] that the war would have as big [of] an impact on the lives of African American as in fact it did. The government did very little in the 1940s to help African Americans. The army was segregated.

And yet the war had an enormous impact on the lives of black Americans and on the emergence a few years later of the civil rights movement. There was a demographic impact, the movement of many black people out of the countryside and into cities. There was an economic impact, the enlargement of a black middle class. And there was a very powerful psychological impact drawn from the experience of many black soldiers and sailors who had served in the military who came home expecting change, and - unlike World War I - demanding change.

So I think a racial status quo that had been dismally stable for about a half century prior to World War II lost its stability during the war. It would be a number of years after the war before a full-scale movement would emerge to shatter at least a part of the structure of white supremacy. But I think the war was a critical turning point in the expectations of African Americans and their willingness to take active steps to achieve those expectations.