

The real Depression: The greatest generation needed welfare

by [Alison Collis Greene](#) in the [March 2, 2016](#) issue



COTTON WORKERS: A photo from about 1937 shows black people in Memphis being trucked to work at plantations outside the city. Photo by Dorothea Lange. Courtesy of the U.S. Library of Congress.

Not long after the end of World War I, my great-grandfather sent his two school-aged sisters to an orphanage because he couldn't afford to support them. To earn his meager wages in the feldspar mines, each morning he left behind his young wife with their own children, his elderly mother, and a third sister, who was older than the others but denied admission to the orphanage because of chronic illness. My great-grandmother left to run an errand one winter day and returned home to find that her invalid charge had fallen into the kitchen's open fireplace and burned to death.

I did not learn this story until I had finished a Ph.D. in history and written a book about religion and the Great Depression. When I was a child in Appalachian North Carolina, my family joked about all the moonshining preachers and married cousins in our family tree, but no one told this story. My great-great aunts maintained a cold distance from the family that had abandoned them, though they prospered as adults. My great-grandparents never spoke of the desperate poverty that drove them to send away their own family. Stories so full of pain, sorrow, and shame often die with those who bear them.

For those who have benefited from the economic boom of the mid-20th century, the desperate days of the 1920s and the still worse days of the Depression often take on a rosy complexion in memory. The narrative of the Greatest Generation is that they suffered through the ravages of the Depression but emerged stronger. Franklin D. Roosevelt might have helped them back on their feet with works programs and Social Security, but they pulled together and lifted themselves still further. They fought a world war and won the war and the peace. They built cozy homes, went to college, raised families, and took them to church or synagogue every weekend. The Greatest Generation was independent and hardworking and grateful, while each generation since has grown lazier and greedier than the one before it.

I call this story the myth of the redemptive Depression. It is at best a half-truth, but it is a version of history that plays a central role in contemporary debates about social policy and the welfare state. It recasts the greatest economic crisis of the 20th century as a purifying experience that brought people together and to God—or would have, if only Franklin Roosevelt had not interfered.

One of the most toxic elements of the myth of the redemptive Depression is the way it supports the argument, advanced fiercely in the welfare reform debates of the 1990s and spoken as obvious truth by many conservatives today, that the New Deal destroyed the careful and compassionate work of churches and voluntary associations. Marvin Olasky made this argument in his influential 1994 book *The Tragedy of American Compassion*, which shaped the views of President George W. Bush and House Speaker Newt Gingrich. Current Speaker of the House Paul Ryan echoed this perspective in 2012 when he said that the welfare state “dissolves the common good of society, and it dishonors the dignity of the human person.”

This argument hinges on two essential beliefs about poverty and suffering. First, poverty and suffering represent individual failures rather than flaws in our political and economic systems; and second, churches and voluntary agencies are best suited to determine who among the poor really deserves help, how much, and under what terms.

If we peel back the myth of the redemptive Depression, we find a very different story. By the 1920s, state and municipal agencies handled welfare and social reform in most cities and large towns outside the South, and religious and voluntary agencies only supplemented their work. In the rural South and in many southern cities, however, municipalities and states did very little. In those places, religious

agencies were doing the work that Ryan and others characterize as their province. Yet they did it poorly and desperately even in the relatively flush 1920s.

Between 1929 and 1931, private aid collapsed altogether. Churches and religious leaders—even conservative southern ones—clamored for the federal government to step in to protect the suffering from the caprices of capitalism. In 1932 and again in 1936, they voted in unprecedented numbers for Roosevelt, and they not only demanded the programs that would make up the New Deal, they pushed Roosevelt leftward, urging him to put in place a permanent social safety net.

The Great Depression revealed to religious leaders what they could ignore in the 1920s, and what Ryan and his colleagues ignore today: poverty exacts a terrible price on families and communities. There is no “dignity of the human person” when that person lies dying, alone, of hunger or the one of the many diseases of malnutrition and exposure, when that person cannot keep her children warm or safe, or when that person must abandon his own siblings so that they do not starve.

Consider the example of Memphis, Tennessee, and the Delta regions of Arkansas and Mississippi. The people of this region relied almost entirely on voluntary aid in caring for the needy. The region’s diverse population—wealthy planters and industrialists; poor factory workers and farmers; Protestants, Catholics, and Jews; African Americans and whites—makes it an interesting case study of how aid operated across lines of institution, geography, and race.

In 1930, Memphis was a city of 250,000, the nation’s 36th largest. About two-thirds white and one-third African American, Memphis was the unofficial capital of the majority-black Arkansas and Mississippi Delta region, where vast cotton plantations spread out south and west of the city. Hard times came early to the region. Cotton prices plummeted after World War I, and in 1927 a Mississippi River flood inundated the Delta. The fabled prosperity of the 1920s did not extend to farmers or much of the working class.

During this time, middle-class reformers worked to expand aid to the poor. Private charities, most of them religious, accounted for 76 percent of per-capita expenditures on relief in Memphis by 1930, and for nearly 100 percent in the Delta. While relief in the Delta proved patchwork and sparse, Memphis boasted a well-organized Community Fund, a nonsectarian network of religious charities and social service agencies designed to reduce duplication and increase the efficiency of aid.

White Protestant women's societies sponsored whites-only schools, hospitals, orphanages, and settlement houses, while Catholic and Jewish agencies operated far more extensive programs to serve their communities. The Salvation Army ran the region's only year-round soup kitchen. Black churches, women's societies, and fraternal organizations provided the only source of support for most African Americans in need, and they established schools, medical facilities, and insurance programs in both city and countryside. Apart from prisons, asylums, and poorhouses for the indigent and elderly, the only form of state aid went to Confederate pensions and Mothers' Aid, small funds for select widowed or abandoned mothers, almost all of them white.

The need these various organizations sought to alleviate far outpaced the resources they could gather even before the Depression. For families that did not need the institutional help that religious societies favored but instead faced chronic poverty and hunger, little assistance was available. Southern charities generally ascribed chronic poverty to individual shortcomings and deemed it the responsibility of extended families and churches to care for their own. People in the countryside relied entirely on informal aid or simply went hungry.

With their fortunes tied to the agricultural market rather than the stock market, residents of Memphis and the Delta scarcely commented on the stock market crash in October 1929. Farmers who had barely recovered from the flood of 1927 faced a devastating drought in the spring and summer of 1930. The price for cotton fell to one-third of the previous year's value, and farmers braced for a hard, hungry winter. Then a wave of bank failures swept the region, and even those who had managed to put a little money by saw their savings disappear.

After several delays, President Herbert Hoover dispatched the Red Cross to provide disaster aid, but this crisis was only the first of many. Though no one had a name for it yet, the Great Depression had begun.

Private aid organizations faced a cascade of crises. The number of desperately needy people skyrocketed at the same time that donations plummeted. The Salvation Army in Memphis served 1,700 meals in December 1929; a year later, that number quadrupled. In March 1931, the Salvation Army provided 10,250 meals. The facility drained its pool to make room to house the homeless on pallets. A visitor there reported his sorrowful encounters with "ragged men—old men with resignation written over their faces, young men whose somber faces belied their age."

Many women's clubs, fraternal orders, and other quasi-religious private organizations suspended their work or disbanded, and churches fared just as poorly. Between 1929 and 1932, national income dropped by more than 50 percent. Wage earners' income sank by 60 percent, that of salaried workers by 40 percent.

Until 1933, church giving held steady as a proportion of national income, but that still meant a 50 percent loss at the very moment that demands on church resources peaked. The churches cut benevolent spending first. As the president of the Southern Baptist Convention admitted, "We are putting off the Lord's cause while we try to settle with our other creditors." When the money ran out, the churches could not help.

Denominations scrambled to maintain the programs they most valued, but even then they cut corners, occasionally with tragic results. Orphanages, for instance, housed not only orphans, but also a growing number of children whose parents could not care for them. Even before the Depression, the orphanages were inadequate, sometimes dangerous places plagued with reports of abuse and neglect and operated with little outside oversight. The Industrial Settlement Home, a church-supported African-American children's home in Memphis, burned to the ground in August 1929. Although the matron reported to the responding firefighters that all the children were accounted for, they were not. Eight young boys ages two to six died huddled together in a second-floor bathroom. The ensuing investigation revealed that the home had been declared a fire hazard, it was routinely so overcrowded that children slept in closets and bathrooms, and the matron had beaten disobedient children with shoes and hot fireplace poker.

Similar episodes of abuse rocked the white Mississippi Baptist orphanage in Jackson in 1929 and 1930, when a grand jury indicted the superintendent for administering excessive corporal punishment after several reports of violent abuse. The denomination blamed the children, and only months later—after an outcry from members—did it remove him from the facility. In 1933, after the orphanage's money vanished in a bank failure, the new superintendent bragged that his facility was "operated cheaper than any other similar home in the South." The boast did not bode well for his charges, many of whom arrived already malnourished and ill.

As they faced the suffering before them and their own inability to alleviate it, even conservative religious leaders began to join social workers and hungry Americans to call for federal intervention. Herbert Hoover, who took office in 1929 as the Great

Humanitarian, retained his commitment to voluntary aid even when he finally designated his Reconstruction Finance Corporation to make loans to states and municipalities for emergency work on public works projects.

Yet the measure did little to stem the Depression, and Roosevelt sailed into office in 1933 on the promise that he would harness the power of the federal government to address the crisis. In May, just two months after he took office, Roosevelt signed the Federal Emergency Relief Act, a temporary program that authorized vast relief projects in the states and also funded direct aid to the needy in whatever form state administrators saw fit.

Across the nation, but especially in places like Memphis and the Delta that had offered little aid to the poor to start with, New Deal spending made all previous contributions look like pocket change. At the peak of private giving, in 1931, Memphians raised \$.88 in aid per person, \$.75 of it private. By 1934, the New Deal in full swing, Memphians received \$7.21 per capita in aid for direct and work relief. Private contributions that year totaled only \$.12 per capita. By comparison, the average aid in the nation's major urban areas increased from \$2.36 per person, \$.45 of it private, in 1931, to \$16.51 per person in 1934, \$.15 of it private. This was a dramatic reversal. In just five years, as federal dollars provided the work and food Memphians so desperately needed, private aid dropped from nearly three-quarters of relief spending in the city to less than 2 percent.

The Delta's statistics are harder to track, but between January 1933 and December 1935, 11 states—including Arkansas, Mississippi, Tennessee, and most of the South—received more than 90 percent of their total work relief funds from the federal government. Few other forms of aid were available. The shift from private to public responsibility for the needy could hardly have been more dramatic.

On the surface, it seemed that the state had swept in to take over the churches' work in dramatic fashion. Certainly, the federal government quickly replaced local churches as the primary source of support for people in need. By 1933, however, the limited aid churches had offered before the Depression was already gone. Relieved of a burden they could not bear and gratified that the state had heard their pleas for help, religious leaders across the theological and denominational spectrum celebrated the shift.

Liberal Protestants applauded FERA, as well as the National Recovery Administration (NRA), which for the first time acknowledged workers' rights to organize, as a realization of the Social Creed of the Churches. Catholics linked New Deal programs to papal decrees regarding social justice and workers' rights. Jews pointed to the connections between the New Deal and the teachings of ancient Israel's prophets. Conservative Protestants applauded the New Deal as well and declared that Roosevelt drew his inspiration straight from the Bible. "The Blue Eagle is now perched on my door," said one Mississippi Methodist in reference to the NRA's symbol. "I have signed up for the war against the Depression."

Two years later, after he signed the Social Security Act and established the Works Progress Administration—the largest works program in the nation's history—Roosevelt reached out to clergy to assess their responses to the New Deal and to the extension of a permanent federal safety net. Over 30,000 clergy responded, with overwhelming enthusiasm. "It seems a providential affair that with unusual courage and fortitude our Chief Executive has undertaken to translate vision into reality and to suggest new provisions for human welfare," wrote a Memphis Congregationalist. "My impression, Mr. President, is that under your wise compassionate leadership there is more real religion in our government at the present hour than at any time in its history."

There were dissenters, of course. Premillennialists included Roosevelt among a cast of possible Antichrists, and a growing contingent of white southerners worried that the New Deal would undermine Jim Crow capitalism. African Americans petitioned for protection from racist southern aid administrators, and some concurred with white Christian and Jewish socialists—a small but visible presence even in the South—who wanted a president who would unmake American capitalism, not revive it.

Yet the New Deal consensus thrived, and from the 1940s to the 1960s both Republican and Democratic administrations gradually expanded the welfare state and its protections for American citizens. When civil rights activists protested the unequal benefits the welfare state provided to whites, Lyndon Johnson's administration responded with War on Poverty programs designed to expand provisions for health, nutrition, and child welfare across racial lines. The effort was far from perfect and met with fierce resistance, but it nonetheless represented the most equitable expansion of the welfare state to that point.

But the consensus did not last. In the 1980s, the War on Poverty had become a War on the Poor—a renewed effort to blame the poor for their own suffering and to deny them the very services that had proven an effective road out of poverty. Four decades of efforts to both shrink and privatize the welfare state and to remove federal oversight of capital have resulted in another period of vast income inequality, unmatched since the 1920s.

This work to dismantle the welfare state has rested on the myth of the redemptive Depression: a careful erasure and repackaging of the 20th century's greatest economic crisis. In the retelling, people who wanted assistance could always turn to their families or their churches, until Roosevelt swept in to replace voluntary assistance with state aid that rendered its recipients hopelessly dependent. One of the most catastrophic moments in modern American life now seemed an idyllic world where the deserving poor, left to their own devices, would find their way out of misery with just a little help from their churches, and with none from the government. This narrative allows many of the current presidential candidates to disparage welfare recipients and the government alike, and to ignore the very real suffering of the 21st century. The stories that we tell about our past matter in forging our future. It is time to unravel the myth of the redemptive Depression.

Portions of this essay have been adapted from Alison Collis Greene's No Depression in Heaven: The Great Depression, the New Deal, and the Transformation of Religion in the Delta (Oxford University Press).