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Helping Ourselves

ARE we merely the victims of a great world depression which began in other lands and finally spread to America? Do we have to set the rest of the world to rights before we can climb out ourselves?

The President has many times declared that we are in a depression which is only a part of a world depression. After all, Presidents are only human. Most Presidents who have suffered depressions in their administrations have blamed them on world conditions. The Democrats blamed Harrison's tariff for the depression of 1891. But Harrison said this measure had "been in some degree checked by the surprising and very unfavorable monetary events in England." In 1893, when the panic deepened, Cleveland's friends insisted it was due to world conditions he could not alter.

In 1907 Roosevelt was charged with producing a panic with his anti-trust crusades. He replied: "I don't care what they say. It's not true. Anyhow the depression has been caused by world conditions."

Wilson's trade and money reforms were blamed for the depression of 1913. He denied it and said, "The country is suffering from disturbances in Europe, chiefly due to the Balkan wars and the repercussions of these wars in various countries in Europe."

President Hoover, all through 1931, quite naturally, adopted an explanation which located the causes of the depression well beyond his reach.

Fortunately, the explanation is inadequate. If we must wait for the world to get right we will be a long time out of joint. Our depression did not begin in Europe. It began in our own good old U. S. A. It began in little depressions here and there which spread into bigger depressions and finally enveloped us all. Even before the 1929 drop our purchasing power was affected.

In 1929 the purchasing power of certain great groups in America was reduced below former years by the following amounts, which are conservative figures: oat growers \$67,000,000; barley farmers \$38,000,000; corn growers \$250,000,000; wheat farmers \$170,000,000; cotton planters \$80,000,000. Here was \$605,000,000 of purchasing power lost from our farms. Some other losses of purchasing power here were: silk industry \$75,000,000; textiles \$200,000,000; rubber \$100,000,000—another \$375,000,000; or nearly a billion altogether. Yet all the time foreign purchasing power increased. We sold abroad \$262,000,000 more in 1928 than in 1927 and \$112,000,000 more in 1929 than in 1928. We lost buyers at home before we lost them abroad.

We have had a depression in America largely because we have made mistakes in America. We produced unsalable surpluses. We plunged into wild speculation. We neglected the human elements in our economic life. When the crash came we looked for alibis. Business blamed Congress; Congress blamed Wall Street. We blamed the President; the President blamed the rest of the world. Health comes to us now because we are blaming ourselves.

Our unsalable surpluses in stores and factories have been wiped out. The textile industry shows signs of life. So does the shoe industry. The automobile industry goes back to work.

The depression began with little depressions, points of infection, spreading their poison. Now in the same way focal points of better business appear—factories, communities, industries here and there winning back to health. As good neighbors and for good business we ought not to neglect our duties to other nations. But the chief obstacles to recovery are within our own boundaries.

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