

1930-1939

The lean years of the depression made Americans more thoughtful. Bank failures, soup lines, high unemployment were common. Dustbowl in south created disaster for the financially stricken tenant farmers. New Deal provided new hope although it was slow. Student and union radicalism first sit down strike in Chevy Plant 4. Folk heroes like Wiley Post and Will Rogers kept up the American spirit. The threat of totalitarianism in Europe strengthened patriotism at home.

SOCIAL:

Literature - Popular books included Mitchel's "Gone With the Wind;" "Goodbye Mr. Chips;" Pearl Buck's "The Good Earth" and Dale Carnegie's "How to Win Friends and Influence People." Classic American literature abounded with the work of John Dos Passos "USA," John Steinbeck's novels of simple working people facing hardships included the "Grapes of Wrath." William Faulkner's novels of the decadent south, i.e., "The Sound and the Fury." Erskine Caldwell's "Tobacco Road."

Theater - Lillian Hellman's "Childrens Hour" and "Little Foxes."

Film - "It Happened One Night" Clark Gable and Claudet Colbert, "Gold Diggers of 1933," Busby Berkeley Musicals. "Wizard of Oz," Judy Garland. "Gone With the Wind," Gable and V. Leigh. Gangster Movies - with James Cagney, Ed. G. Robinson, "Little Caesar" and "Scarface," John Ford's "Stagecoach" with John Wayne. Comedians: Marx Bros, Mae West, and W. C. Fields. Thin Man series with Myrna Loy and William Powell. 1st animated film "Snow White and the Seven Dwarfs," by Walt Disney.

Fine Arts - WPA Federal Arts Project, the "Ash Can" School depicted everyday or slum scenes as means of social protest. Isolationists Thomas Hart Benton's Midwest scenes. Bauhaus impressionism. Art Deco prevalent in architecture N. Y. Radio City.

Music - Pop Hits "Easter Parade," "Begin the Beguine" "September Song," "God Bless America," and "April in Paris." Swing Era - Duke Ellington, Louis Armstrong, Court Basie and Benny Goodman - the King of Swing. Opera - Gershwin's "Porgy and Bess."

Dance - Jitterbug - Lindy Hop (after Lindberg), the Shag, Trucking. Group dances like the Conga. Dance Marathons.

Mass Media - Print: Fortune - monthly magazine of business Newsweek, Esquire, and Life (first of new photo magazine). Radio: Boom growth. Programing included music first NBC symphony 1937 with Toscanini; Mystery and Crime - Charlie Chan and Sherlock Holmes. Game shows - "Information Please." Comedy and Variety - "The Goldbergs" and "Just Plain Bull." Radio stars included Eddie Cantor, Al Jolson, Rudy Vallee, Jack Benny, Burns and Allen, and Ed Wynn. Public affairs broadcasting by Edward R. Morrow. Drama - War of the Worlds narrated by Orson Welles 1938 created a panic due to its realism.

Recreation - Jig saw puzzles were a fad as were parades, picnics in the park, political rallies, barnstorming and the radio. Bingo became the rage.

Cause Celelge - Charles A. Lindberg kidnapping and loss of Amelia Erhart.

POLITICAL:

Domestic - 1930-32: Hoover's Relief Policy - self-help program for unemployed. Measures to relieve economy - Reconstruction Finance Corporation (government loans to banks), Glass-Steagall Act - Credit expansion, and Federal Home Loan

Bank Act. 1932: Franklin Delano Roosevelt - elected president. 20th Amendment - Congress convenes each year on January 3, new president takes over January 20th. 1933: 1st "Fireside Chat" March 12; NEW DEAL - comprehensive legislation affecting banking, industry, agriculture, labor, and unemployment passed by 73rd Congress - CCC - provided jobs in reforestation; TVA - to improve economies well being of south; NIRA - to revive industrial and business activity - fair trade codes; Civil Works Administration - established as emergency unemployment relief - government projects. 21st Amendment - prohibition repealed. 1934: Gold Reserve Act to devalue dollar; Export-Import bank established to encourage overseas commerce by financing trade; Agricultural relief - Crop Loan Act, Jones - Connally Farm Act, Cotton and Sugar Acts. Financial reform - SEC established and Corporate Bankruptcy Act. FCC established. 1935 2nd New Deal - Social reform. WPA - National jobs program; Soil Conservation Act; Social Security Act - unemployment, compensation, and old-age insurance. 1936: Robinson-Patman Act - made illegal unreasonably low prices - aimed at chain stores. 1937: Supreme Court fight - FDR's thwarted attempt to reconstruct judiciary. 1938: House Comm. for unamerican activities established. 1939: Administration Reorganization Act - to increase government efficiency - regroup 50 government units.

Foreign - 1931: Hoover placed 1 year moratorium on wave debt due to world depression. 1932-33: Trouble in Asia Japan vs. Manchuria. 1933: "Good Neighbor Policy" - the neighbor who respects himself, respects the rights of others. Official U. S. recognition of Soviet Russia. 1933-38: Improved Solidarity with Latin America against European totalitarianism - Montevideo and Buenos Aires Conferences and closer ties with Brazil and Mexico. Isolationism - Neutrality Acts of '35, '36, and '37 - to embargo arms against all belligerent nations in future wars. Quarantine of international aggressors. 1938-39: Deteriorating European Condition - Munich Conference - vital Czech fortresses yielded to Germany. Russo - German pact of neutrality, Poland crushed.

ECONOMIC:

Depression - 1932-33: index of industrial production dropped to all time low. Run on banks weakened bank - currency hoarding. 1933-37: New Deal intervention with deficit financing started a business recovery interrupted by a brief but severe recession in 1937. 25% unemployment.

Business - Growing discontent with policies of business leaders. Industrial operation $\frac{1}{2}$ of 1930 level by 1932. End of prohibition saw boom in liquor industry especially of Canadian Seagrams Ltd. Aviation industry boomed both in airframe building and commercial transport of mail, passengers and freight. Growth of industrial R & D efforts particularly in chemicals.

Agriculture - Hit hardest by depression with high surpluses, severe drought, fall in prices, and low incomes ruined many farmers. Received much government support as result of New Deal.

Labor - Unionism grew due to protective legislation. 1932 - Norris-Laguardia Act - forbade use of injunctions to prevent strikes, boycotts and picketing. 1935: NLRA (Wagner Act) - protected the right to collective bargaining, prevented unfair labor practices by employers established NLRB to enforce act. 1938: Fair Labor Standards Act established 25¢ 1 hour minimum wage, 40 hrs. week, and forbade child labor for minors under 16.

TECHNOLOGICAL:

Materials - Synthetics - nylon and fiberglass invented 1938. Synthetic abrasives and insulation - polythene, vitamin K discovered 1934. The development of freon

to rapid growth of refrigeration.

Machines - Super speed cutting tools developed as result of use of cemented tungsten carbide. Development of radar. Synchro. Transmission developed. Caterpillar tractor developed, 1931. 1st high speed diesel motored train, 1934. Jet engine developed in Britain, 1937. Development of plane that could lift load equal to its weight by Glenn L. Martin.

Communication - 1st electronic T.V. camera, 1936.

Energy - Increasing use of electric power in industry. Major hydroelectric projects, Grand Coulee and Bonneville Dams.

Agriculture - Developments in livestock breeding. 1st artificial breeding of cattle, 1938.

MANAGEMENT: Organization and Management

The crash of 1929 was blamed in part on American business managers, many of whom were brought to trial for their business dealings. Business, revered in the twenties, was viewed as a villain in the thirties and blamed for 25% of unemployment, bank runs, and a generally poor economy. Career managers gained popularity because of the need for trained responsible individuals. The decade also saw an unprecedented cooperation between business and government in developing the economic policies of the new deal. From this point on business - government relationships would be important to the business man.

The continued growth of professional or career managers stimulated efforts to distinguish between the function of organization and that of management. The distinction between administration and management was maintained with the former referring to the functions of the general manager or top manager concerned with managing the whole organization while management referred to the functions of managing operating departments and divisions.

Organization was viewed from different perspectives: the psychological perspective is presented by Dennison (1931). The organization was based on the "group" and through an understanding of human behavior to obtain cooperative teamwork through leadership and motivation, from this a structure is designed to channel human effort successfully. The sociological viewpoint is exhibited by Barnard (1938) who defined organization as "a system of consciously coordinated activities or forces of two or more persons." He noted that the organization was made up of both formal and informal aspects. The former being the deliberate aspects while the latter being the aggregate of social interaction within the organization.

The management functions were most clearly outlined by Ralph C. Davis (1935) as planning, organizing and controlling. These were the functions of administrative level. The management level was responsible for supervision and operations. Davis was also one of the first to indicate that business ultimately derives its authority from society to which it must be responsible. Ordway Tead (1935) used a behavioral approach and defined management as leadership or "the activity of influencing people to cooperate toward some goal which they come to find desirable." He believed in leadership as "power with people." To Davis's list of management functions, he added delegating, supervising, giving orders, training, coordinating and motivating. Barnard viewed the functions of the executives quite differently, for he felt organizations could manage themselves. The manager's role was to maintain cooperative effort by: (1) providing a system of communication; (2) securing essential efforts of people; and (3) formulating a definite purpose.

The management of organizations was systematically treated by Mooney and Reilly (1931) two practitioners, who felt that all organizations could be managed by three principles: the coordinative, the scalar, and the functional principles and that each principle had a process which usually involved some management function and an effect.

Thus the 1930s saw an effort toward more precise definitions of the field. Business education continued to grow although not as rapidly. The first principles of management course was taught at Indiana University, 1939. Management literature emphasized production processes, and practitioners turned out more original material than academicians.

Professional Associations:

- 1930 Society for the Advancement of Management (Taylor Society)
- 1936 The Academy of Management (informally organized)