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Crime and the Great Depression

In 1929, the most severe depression in the history of the Western World hit the United States. Many Americans, because of the years of prosperity in the past, did not expect it. The depression lasted ten years until coming to an end in 1939. The recession began with the collapse of the New York Stock Exchange in October of 1929, mostly due to the imbalance in the economy that was obscured by the euphoria of the 1920s. Unemployment was drastically rising and eventually escalated to a 25 percent unemployment rate. Throughout this period, unemployment benefits did not exist, so as the duration of an individual's unemployment extended (and this usually lasted a very long time), the people of America would resort to extreme measures in order to provide for their families. By 1933, almost half of the banks in the United States (11,000 of 25,000) had failed, leading to reduced spending and production, which only aided in the downward spiral of the U.S. economy. The American government had never experienced a depression of this scale and lacked the ability needed to deal with it properly.

Manufacturing within the United States was also failing. Manufacturing firms were producing a mere 54 percent of their pre-depression levels (Nelson). These high levels of unemployment and low levels of manufacturing would continue until the outbreak of World War II. It would only become worse for the American people as the depression slowly spread throughout the rest of the world.

The Great Depression was a time hard felt by all Americans and people throughout the world. It is seen as a time of great poverty across the nation that forced many Americans into unemployment and poor health. As a result, many Americans resorted to crime as a means of

bettering themselves and their economic situation. Theft, prostitution, and alcohol-related crime began to increase with the recession. Unemployment and poverty are believed by many to be two of the main factors behind crime during the Great Depression. Other evidence, however, leads some to believe that the depression did not display the typical evidence in support of the depression having a major effect on crime. Factors such as prohibition, organized crime and gangsterism also influenced the crime spikes of the period.

The economy of the Great Depression did have an influence on the rising crime rates of the late 1920s and 1930s, but it was not the main contributor behind the rising rates of crime. The economy was *not* the sole source of rising crime rates in the United States; it was the bad economy, along with organized crime, prohibition, and lowered levels of policing that allowed for crime rates to rise.

Evidence shows that the economy of the Great Depression held only a limited role in the rising crime rates of this period. Before reasons for this limited role are discussed, however, reasons for why people normally commit crimes must be stated in order to clearly see why the economy of the depression did not have a significant role in the crime increase. It is said, “a person will commit a crime if the expected utility exceeds that of using his time and other resources in pursuit of alternative activities” (2011). When people enter times of economic distress and are forced into poverty, like many during the Great Depression, there are not many options for them to acquire utility. After an individual becomes unemployed, and if that individual is likely to stay unemployed for some time, the likelihood of them resorting to crime increases (Wilson 2011). In 1932, the Crime Prevention Bureau found poverty and ill-health to be the greatest incentives to crime among the average person during the period (1932).

Unemployment and poverty produced crime during the Great Depression in several ways. Some Americans resorted to petty theft as a means of getting items they needed or could not afford because of their economic status. Many of the people that resorted to petty theft did so as a way of putting food on the table for their families. Some women in America facing hard times during the depression would prostitute themselves on the streets in order to pay their bills and provide for their families (ushistory.org). One magazine article, published in 1938, told a story of a prostitute making a living in the United States during the depression. One passage stated, “In a good house with 10 to 15 customers per day per girl, it is not uncommon to gather up five extra dollars. This is handy because it covers our laundry bill and payment for two meals per day.” The article also stated how men would “flock” to these houses in order to receive the services of the women within (*Ken Magazine* 1938, 85).

Child crime also began to rise during the Great Depression. A committee member of the Crime Prevention Bureau stated, “Juvenile crime especially reacts to poverty and ill-health and most of our cases of delinquent boys and girls come from homes of extreme poverty” (1932, 8). One thing that results from the high unemployment and poverty rates during recessions and depressions is lowered levels of security and policing forces (King 2009). As state and local governments begin to lose money, they have to cut the funding for certain programs, such as police funding. This also affects the market for security workers. Storeowners might not be able to afford the security that they once were able to, and once the store security is gone, the likelihood of it being robbed increases.

The case of New York in 1930 provides evidence that crime was on the rise. A report put forth by the Gibson Group attempted to link the rising crime rates to the lack of jobs throughout the country, particularly New York. The report references a 33 percent increase in the number of

arrests in New York City in 1930 from the previous year (Gibson Group 1931, 13). Even though unemployment did not contribute to all 33 percent of the increased number of arrests, it still contributed none the less. Lewis E. Lawes, a Warden during the Great Depression in the State of New York once stated, “frequently the man with too much pride to join the breadlines oversteps the bounds of the law rather than starve or see his family suffer” (1931, 13). As it can be seen, people will resort to crime when they are forced into hard economic times. People need to provide for their families during times of economic distress, and crime provided an opportunity for some during this dark time in American history. President Hoover stated in his inaugural address, “crime is increasing, confidence is rigid, and speedy justice is decreasing” (1932). Times were undeniably hard for the American people.

Besides the bad economy of the Great Depression having a role in the rising crime rates of the period, there were also many other factors that helped contribute to these high rates of crime. Prohibition was one of these factors until it was banned in 1933. Prohibition gave rise to many organized bands. With the banning of alcohol sales in the United States, many individuals throughout the country began to compete with one another in illegal sales of alcohol. A big influence on crime spikes during the Great Depression was due to turf wars between bootleggers and disorderly conduct among their customers (King 2012). Because alcohol was hard to come by, violence often broke out between sellers and amongst consumers. A notorious bootlegger gang of the time was Al Capone’s mob in Chicago. Wars would often break out between big rival sellers because of the high profitability of their merchandise. When prohibition ended in 1933, many people turned to alcohol to “fix” their problems (ushistory.org). Alcohol consumption by an individual makes them more likely to commit a crime. With millions of Americans being able to consume alcohol, along with other factors, crime began to skyrocket.

The U.S. Department of Justice states that alcohol abuse makes up 40 percent of violent crimes committed within the United States (T. Buddy, 2010). With many resorting to alcoholism during the Great Depression, crime only increased with the rise in alcohol consumption.

Organized crime during the Great Depression played a significant role in the number of crimes occurring throughout the United States. An article published in the *New York Times* in 1930 stated that 70% of crime in the United States was due to organized bands (1930, 19). One national organization composed of crime leaders across the United States was referred to as The Syndicate. This organization, along with other crime organizations throughout the country, took actions to kill members of other gangs to better their standing in the criminal sphere (u-s-history.com). War among rival gangs during the period were very prevalent and often resulted in the deaths of many people. In the 1930s, murder rates reached one of the highest points in history at 9.7 murders per 100,000 people (2000, 38). This can be seen in graph 1 of the appendix. These high rates lasted until 1935 before they began to slowly decline. They would not reach this peak again until the 1970s when the United States again entered into another recession. Many gangs during the Great Depression used alcohol during prohibition as their main source of sales. The way of life for a gangster became known as “gangsterism.” After prohibition ended in 1933, however, many of these gangs turned to other profit making methods. Many turned to gambling and narcotics trafficking. Those who could not find any other illegal work turned to the work force to provide for themselves and for their families if they could find work (u-s-history.com). The rise in crime during the Great Depression had a lot to do with other factors such as organized crime and prohibition and was not solely due to petty crimes that normally occur in a bad economy.

The crime rates of the Great Depression were indeed severe, but the economy was not the sole source of the extreme rates of crime. Unemployment during the Great Depression reached its peak at 25-30 percent during the mid-years of the recession (Wilson 2011). The thing to notice, however, is that the type of crimes that normally result from such high unemployment rates, such as property crimes, did not increase (King 2009). Other crime spheres did increase though, such as organized crime and gangsterism, along with crime resulting from prohibition, which had a huge effect, more so than the recession, on the high crime rates of the period. Because of the high levels of poverty, many families became closer as they kept a very close watch on loved ones. Robert McCrie, a professor of protection management at John Jay College quotes, “More people were spending time at home, making it more difficult for people to commit burglaries during that era” (2009). A report in the *City Journal* reads, “Unemployment and poverty were so common during the Great Depression that families became closer, devoted themselves to mutual support, and kept young people, who might be more inclined to criminal behavior, under constant adult supervision” (2011). This would have made it extremely difficult for young children to stray away from the support of their families and commit crimes. Because of this, there was a significant drop in petty theft and property crimes during the Great Depression. Although there were still a limited number of property crimes that contributed to the rising crime rates, there were not nearly as many that would have resulted otherwise (King 2009).

Social programs also had an effect on limiting crime during the Great Depression. McCrie is also a supporter of believing that the social programs during the period helped keep some instances of crime at bay. Roosevelt’s Social Security program, which was brought into effect on April 14, 1935, gave private pension funds to a number of Americans throughout the

United States (Wolf 2004). Even though only a small number of Americans throughout the United States received these benefits, mainly men, it still helped lower crime rates throughout the country by providing relief. Roosevelt took significant time to educate citizens that their survivability of themselves and the nation were bound to each other. If one fails then they both fail and their fates are intertwined. He said that each American was responsible for the welfare of all other Americans. Roosevelt believed that the government had a sacred duty to act to mediate this shared responsibility and trust (2004). Part of the reason petty crime began to drop was due to the hope that Roosevelt gave to the people of the United States. He promised the people prompt and vigorous action would be taken to deal with the recession. A quote from Roosevelt in his inaugural address reads, “the only thing we have to fear is fear itself,” shows how faith was being given to the American people, providing them with a sense of hope (the White House). He made the American people believe that fear was the enemy. Roosevelt spoke of the crisis as if it were a war (Silkey, 2012). The positive attitude of leaders towards the people gave a lot of the poverty stricken families throughout the United States optimism that they would be alright, which brought them closer together and resulted in fewer taking part in criminal activity. Within the first 100 days of his time in office, he enacted a major program to bring recovery to the business and agricultural sectors, those who were in danger of losing their homes, and the unemployed. The Tennessee Valley Authority was one such act. It attempted to bring relief to citizens in Tennessee through electricity generation, economic development, and fertilizer manufacturing. He also established higher taxes on the wealthy, put controls over banks and public utilities and most importantly, established an extreme work relief program for the unemployed (White House). This program also increased the standard of living for many Americans living in areas surrounding the Tennessee Valley (Silkey, 2012).

Roosevelt also enacted many work relief programs during his time in office. He started the Public Works Administration (PWA), which consisted of construction projects all across the country. It brought jobs to many men throughout the country (Silkey, 2012). This gave them the opportunity to provide for their families and a chance to get away from resorting to extreme measures to meet their family's needs. The Civilian Conservation Corps (CCC) was a similar project put forth (compared to the PWA) by Roosevelt. It targeted young men for jobs in physical labor. These young men were provided with all the food they could eat and good living conditions (Silkey, 2012). Because many of these young men were employed and were benefitting extremely well from their work, they were not out roaming the streets taking part in criminal activities. The Civil Works Administration (CWA) and the Works Progress Administration (PWA) brought work relief to many unemployed Americans. Some of the social programs that were taking place because of these administrations were the Federal Writers Project, the Federal Arts Project, the Federal Music and Theater Project, and the Nation Youth Administration (Silkey, 2012). All of these programs, in their own way, helped keep petty crime at bay due to the hope and social structures that were being given to the people of the United States. Americans now had social events and activities to take their mind off of the depression and focus their time on things other than crime. The hope that President Roosevelt gave the American people heightened their awareness of the situation and brought a lot of families together throughout the country.

Although the economy of the Great Depression did have somewhat of an effect on the rising crimes rates of the period, it was not the main player behind them. The main factors behind the high crime rates of late 1920s and 1930s was due to a number of other factors, such as prohibition, organized crime, and gangsterism. Close knit family structures, such as keeping a

strict watch on children and loved ones kept a lot of child crime at bay. Social programs enacted by Franklin D. Roosevelt, such as the Social Security Act, business and agricultural reforms, unemployment acts, work relief acts, and the Tennessee Valley Authority kept certain criminal behavior at bay that normally would have resulted from such high unemployment and poverty rates. There were both high levels of unemployment and poverty during the Great Depression which is why many fail to grasp the true reasons for the high crime rates of the period.

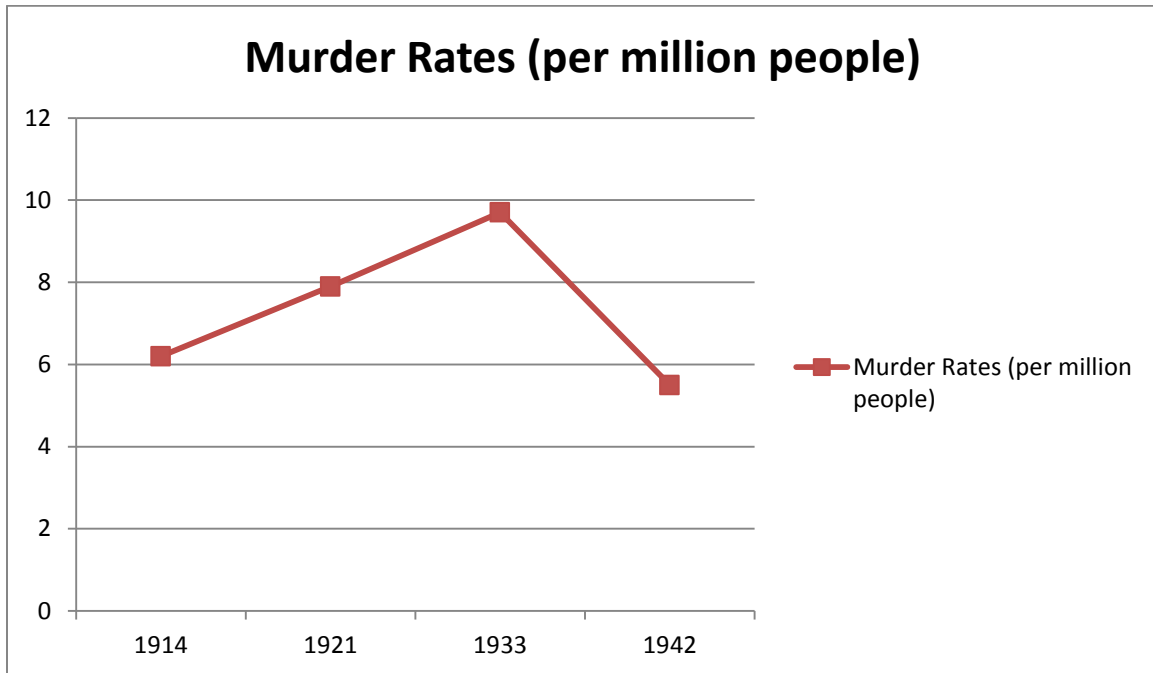
Poverty/unemployment and crime, however, are not as related as most come to believe. With much previous work and articles on the crime rates during the Great Depression being written, some fail to grasp that the economy of this depression was not the main factor behind the high rates in crime during the period. This work combines ideas to produce one fundamental conclusion; the economy of the Great Depression played only a limited role in the rising crime rates of the era, while other factors, such as lowered levels of policing forces and security, prohibition (crime among illegal sellers and customers), and gangsterism pushed crime rates to record highs. These extremely high rates of crime would not be seen again for many decades following the Great Depression. To fully understand why the crime rates of the period were so high, scholars must look at these other factors aside from the economy to get the bigger picture.

This research is important because it shows that the economy of the Great Depression did not play a major role in the crime spikes of the period that can be seen in other recessions throughout American history, such as our most recent economic recession and those that occurred a few decades ago. It displays the nature and culture of people in America in the late 1920s and 1930s and how closer knit family structures kept crime out of the streets. By studying the social programs put forth by President Roosevelt and his attitude towards the recession, it is clear that these social programs that aided unemployment, business and agricultural sectors,

communities and the economy of the United States helped keep petty crime at a low rate while other criminal acts began to skyrocket, such as murder, illegal sales of alcohol, and gang violence. Crime rates did rise during the Great Depression, but not solely because of the economy, which many commonly think. The answers to the heightened crime rates of the period lay within prohibition, organized crime, gangsterism, as well as other non-economic factors.

Appendix

Graph 1.



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