

# Buford, Georgia the “Depression Proof” City

---

Laura Valiani

History 3150

Fall 2011

## Buford, Georgia the “Depression Proof” City

The Great Depression of the 1930s was a devastating period for most Americans. Many businesses found it hard to make ends meet and growth was negligible. Unemployment in the nation reached 25 percent. However, this is not true for at least one area of Georgia. In Buford, Georgia, when other businesses were struggling to make ends meet, the tannery and other businesses, run by the Allen family were growing by leaps and bounds. In all actuality, these businesses thrived because of the depression. Because people could not afford to continue using their machinery, they had to go back to using horses to tend their farms. They could not use horses without the equipment that went with them: horse collars, bridles, saddles, harnesses, etc. The Allen family owned a tannery, a horse collar factory, a shoe factory, a box factory and a glue factory. As life became more industrial, more leather businesses started closing and the Allen family factory took in the business from these tanneries. Because of the Allen family, Buford was known as “The Leather City.” It was said that Buford was “depression proof.” Buford was “depression proof” due to the Allen family factories, and as a result, Gwinnett County as a whole did not suffer as it could have during the Great Depression, however the effect of Buford on Georgia was insignificant. “Depression proof” does not mean Buford did not feel the depression. Instead, while destitution hit the rest of the country, it did not hit quite as hard in Buford due to many reasons. Smart business practice, plenty of money, and a sense of community that was not available in many other locations were some of the reasons.<sup>1</sup>

Another city that was said to have not felt the depression as bad as the rest of the country was Indianapolis. Indianapolis already had a work relief program set up before the federal aid started pouring in. What separated Indianapolis from the other communities was its “strong leadership and cooperation.” This could be said of Buford also. In 1931, a group of

representatives from different organizations met and set up a Community Chest to collect and distribute funds, clothing and other aid to the needy. Children were kept in school through donations and contributions of the townspeople. Since the cotton farmers tended to be the ones who suffered most, *The Buford Advertiser* offered to take 50 pounds of cotton for a year's subscription.

The community was not the only way that Buford farmers got support however. They also were able to get relief from the Federal government. The Federal relief programs began in 1933 in the state of Georgia. It was one of the earliest states to receive funds. In 1935 the Federal Emergency Relief Administration established a mattress factory in Buford which employed upward of twenty-five workers. In the same year, the Civilian Conservation Corps (CCC) established a camp of fifty working men near Buford who labored in re-forestation, gully control, terracing, and other needed jobs. The purpose of the AAA was to help the farmers in Georgia although according to the data, it seems to have at least had a little effect because the population of Gwinnett began to increase after 1930. Mostly, this was due to industry, but at least some of this increase was in the farming community.<sup>2</sup>

According to Fishback, Horrace, and Kantor, the AAA did not stimulate the economy at all. They put forth that it may have had a negative effect. Other federal help may have stimulated the economy. Buford was able to finally get a water line from Big Creek in Hall County which was three miles away. This helped the economy of Buford (although it did not affect the factories because the Allen factories had their own water supply which they had extended through Buford for years). The factories did get a boost from the local CCC camp until it closed in 1938, but the people employed were mostly not from Buford. The population data on Buford confirms that this is true. Buford population increased as Gwinnett population decreased.

Some of the people who relocated to Buford came because of these jobs. The more people in the city, the more business the tannery received.<sup>3</sup>

Although Neumann, Fishback and Kantor found that the WPA jobs were more popular in some places during the depression years, this was not the case in Buford. Darby reported that the wages of WPA jobs were half the salary that one would get working for a private employer. As Wallis discovered, WPA jobs did not compete with local businesses; they helped those that were not employed at the factories and in the businesses in town to find employment. Bernanke, before becoming chairman of the Federal Reserve, argued that hours were cut and real wages went up in some sectors of the country and some industries. This was not the case in Buford. He also finds that leather and shoes were the exception to the rule, as discussed by Margo. Factories never faltered and business was good in Buford. The Allen family industries, which were the main contributor to the growth of the city of Buford, hit their peak employment of 2,200 workers in 1932 at the worst of the depression. In 1933, a Bona Allen saddle won a blue ribbon at the Chicago World's Fair and in 1935 the harness factory was expanded by an addition to its building on Main Street. In an article written in 1934 in the *Today* magazine, the author conducted an interview with John Allen who described the Allen family's model of business. According to Allen, there were no stocks or bonds offered for sale and no loans were taken to build additions. They built as they went.<sup>4</sup>

Although the Allen family did not take loans, the employees who worked for them could. Like the great entrepreneur Henry Ford, the Allen family provided housing for its workers. The majority of the workers rented homes from them however, if an employee wanted to buy a home he could pay on it through his payroll. Ford did the same thing in his towns around Detroit and elsewhere in his villages. He also strived to produce what he needed from his own "empire."

The Allen family did the same. They handled everything its comprehensive operations required. In 1919, six hundred acres were sown in rye, the straw to be used to stuff horse collars, and 6,000 bushels of rye were marketed. They also maintained a stock farm of pure bred Hereford cattle.

The differences between Ford and the Allen family were evident though. Ford tried to squeeze every drop of work out of his employees whereas the Allen family would give the workers an hour off to attend church services. There was at least one activity planned per week in Buford. There was also a baseball team.<sup>5</sup>

The main similarity which got both of these companies through the depression with little stress was money. Both Henry Ford and the Allen family had the money to keep the business going and to help foster the community growth. Without that money, people suffered. The money from the community and the private sector was what set those who struggled in Buford apart from those who struggled in other parts of the state and country. People in other parts of the state had to go to relief offices and ask for help. They were out of work for years at a time. People in Buford did not experience the depression to that extent. People in Buford had organizations in the town that helped them to make it through the hard times. They did not have to go stand in front of a factory which had a sign that said “No Help Wanted.” Buford’s factories were running.<sup>6</sup>

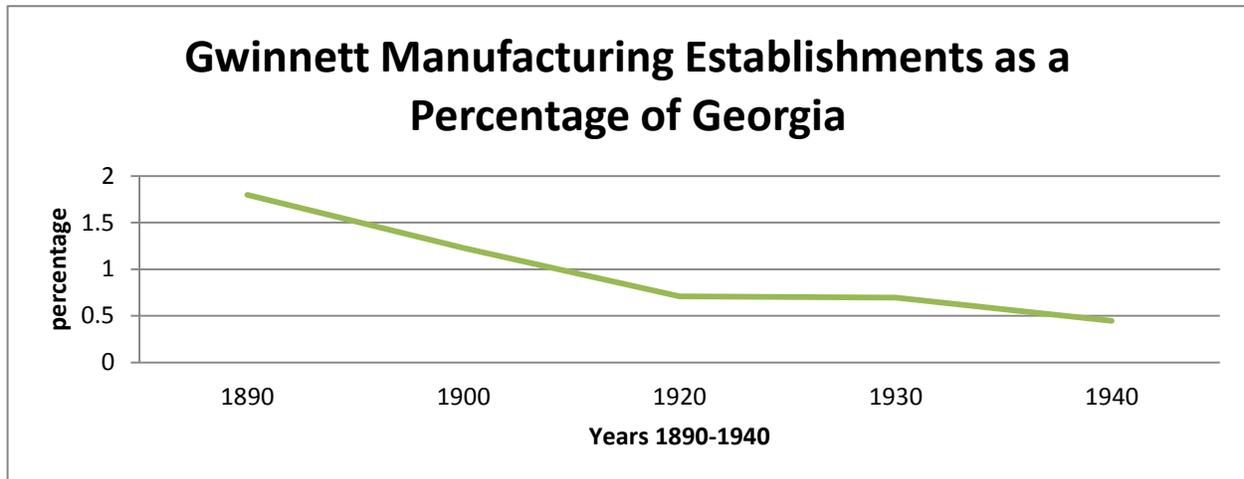
Rosenbloom and Sundstrom determined that the depression varied over the United States with the South Atlantic states being less affected by the depression. Although this differs with information from the New Deal programming, which shows that Georgia was one of the first states to receive assistance, Rosenbloom was looking at industry, not at farming or the general welfare of the population at the time. Because Georgia falls into the South Atlantic category,

according to Rosenbloom, Buford actually could have just been at the right location at the right time. It is possible that, had Buford been located in another state, it may not have prospered as it did. However, another possibility is that Buford prospered because of the specific industry it represented. As stated earlier, Margo found that leather and shoes were an exception to the rule.<sup>7</sup>

Although the town was started from a railway, and built up from the leather industry, it does not really qualify as an “Industrial Eden” as discussed by Green, but it is also not a “satanic mill” either. It leans more toward the “Industrial Eden” than the “satanic mill” because of the prosperity and the climate of the employee relations. One of John Allen’s workers stated to the news journalist for the *Today* magazine, that there would be no union at the Allen’s factories. There was not a need for one. What none of my sources noted however, was the effect of an “Industrial Eden” on the county it resided in and none compared this to the state.<sup>8</sup>

#### Data

For this paper, I looked at the U.S. Census reports for the number of manufacturing establishments from 1890-1940 in Georgia and Gwinnett County and also the population of Gwinnett County from 1900-1940 and Buford, Georgia from 1900-1940 but was only able to find 1930 and 1940. Although it is not a large range of data, the information on Buford’s population combined with the total population of Gwinnett is enough to establish that Buford was a big contributor to the population growth during the 1930-1940 span. I had intended to look at unemployment data, but the Bureau of Labor did not collect unemployment data until after the time period that I was searching for. I was able to find it on a national scale and was able to find Gwinnett County data for 1930 and 1937 but that was all I was able to locate. I could not find any unemployment data for the state of Georgia besides that which was on the WPA logs not organized in a concise manner.



**U.S. Census of Manufacturing Establishments 1890-1940, Georgia, Gwinnett County.**

9

Based on the number of manufacturing establishments, the 1890s in Georgia was fairly industrial but became less industrial as the time went on. Gwinnett County became less industrial as well, but on a stronger scale. In the years that I was mostly concerned with, the data demonstrates what I had suspected which is that the number of factories decreased during the depression. The number of factories decreased quickly from 1890 to 1920, then stayed fairly steady from 1920 to 1930 and then dropped again from 1930 to 1940. The information I have found on Gwinnett County shows that the substantial drop between the 1930s and 1940s took place between 1930 and 1935. Unfortunately, I could not find information about the number of factories in Georgia in 1935 and so could not show this decrease on my graph.

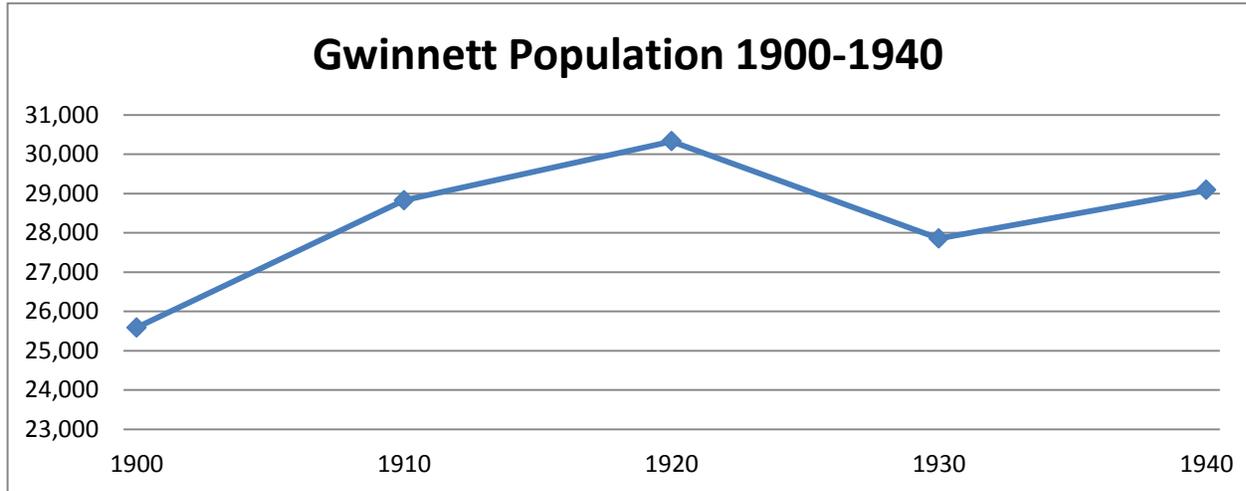
When I graphed the number of factories in Georgia and the number of factories in Gwinnett on separate graphs, the slope of the line looked similar. In order to make the number of factories in Georgia comparable with the number of factories in Gwinnett County, I divided the number of factories in Gwinnett by the number of factories in Georgia and multiplied by 100 to get the percentage Georgia factories that Gwinnett comprised. Comparing the number of

factories in Gwinnett County to the number of factories in Georgia painted a slightly different picture of how the manufacturing business was changing.

In 1930 Gwinnett County had twenty-nine factories which was .69% of the factories in the state of Georgia. I discovered that there were twelve factories in Gwinnett County in 1935 but was not able to find the number of factories in Georgia. However, by 1940, there were only fourteen factories in Gwinnett County. That was only .4 percent of the state's factories. Five of these factories belonged to the Allen family. That means that there were only nine factories that were not owned by the Allen family open in Gwinnett County in 1940. At least five out of the 14 factories in Gwinnett County in 1935 were located in Buford, Georgia.

If in Gwinnett County there were twenty-nine factories and seventeen closed during 1930-1935 and none of these factories belonged to the Allen family that seems to confirm that the Allen factory and their businesses did not suffer from the depression. Since they were the backbone of Buford, it also follows that Buford did not suffer from the depression (at least in the industry arena), but was a hub of activity and production during the depression. It also shows that had the Allen factories not been successful, Gwinnett would have suffered from the depression even more than it did.

Even if we assume that only fifteen factories closed instead of seventeen between the years of 1930 to 1940, we still have to consider that Buford makes up a very small portion of Gwinnett County and it had five factories by itself of which none closed. Buford is only 14.8 square miles, which is very small considering that the whole of Gwinnett County consists of 436.72 square miles and although it is the biggest city in Gwinnett population wise in the 1930s, it is pretty impressive to think that the city of Buford could contain a third or more of the factories that remained open in Gwinnett County during the Great Depression.

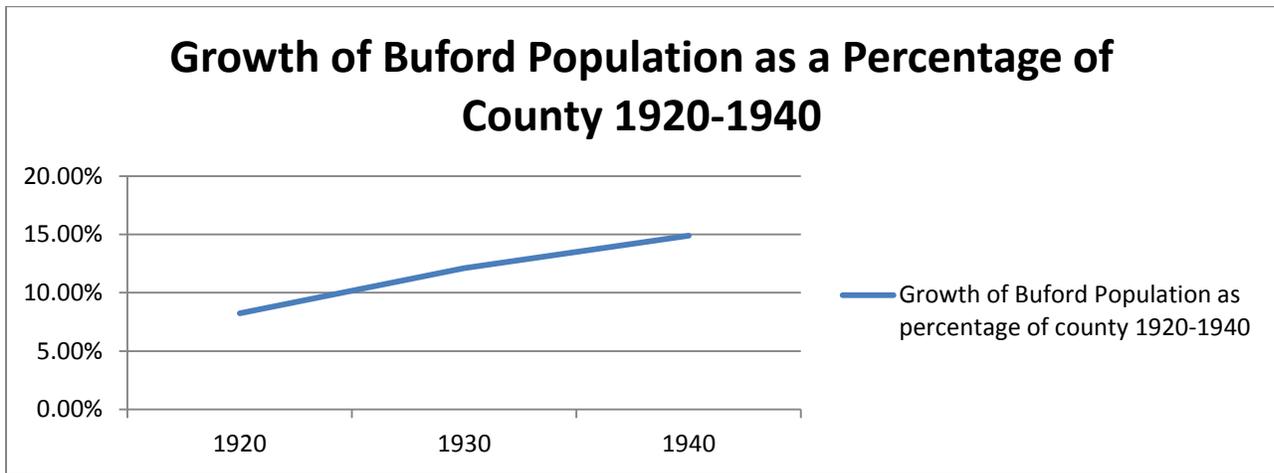


#### U.S. Census of Population 1900-1940

The population data of Gwinnett County demonstrates the same type of conclusion that the number of manufacturers does. From 1900 until 1920, the population increased by almost 5,000, and then dropped by about 2,000 people in ten years, which was most likely caused by people leaving Gwinnett and going to the cities due to the loss of farms and increase of people moving to the cities. In the 1930s the population increased again, most likely because people were moving to Gwinnett looking for the jobs that the Allen factories were providing. Although the first part of the population growth was independent of factories, the growth from 1930 on can be linked to people looking for work. It does not make sense logically that people would be moving to Gwinnett and not looking for jobs particularly in a depression. Especially after people moved out of Gwinnett in the 1920s. We have to ask, why would that trend reverse itself? The answer has to be jobs.

Even though the population of Gwinnett County as a whole was decreasing during the 1920s, the population of Buford was increasing. Considering that there were lots of jobs available in Buford, we can make the connection that many people were moving to Buford to

look for jobs and moving out of Gwinnett because of the farming situation. Gwinnett was considered a rural area at the time.



10

In order to show the percent of the Gwinnett County population that Buford comprised in the timeframe of 1920-1940, I divided the population of Buford by the population of Gwinnett and then multiplied by 100. This confirmed that the population of the Buford increased as a portion of the Gwinnett population in these years. In 1920, there were 2,500 people in Buford 8.24% of the population of Gwinnett. In 1930, Buford was the largest city in the county and encompassed 12.1% of the population with 3,357 people and in 1940 it contained 14.9% with 4,401 people. Buford itself gained 744 people when Gwinnett only gained 1,234. This means 60.9 percent of the population coming into Gwinnett at this time was going to Buford.

In 1930, there were only 1,132 workers out of work according to the census. The census of 1940 pulled from the census of population 1937 and demonstrates a flat unemployment rate. There were 1132 workers out of work in 1937. Buford had employment during the Great Depression. The Allen factories were not laying off workers, they were hiring them.

Although one could argue that it is unlikely that Gwinnett County had a flat employment rate during the Great Depression when factories were closing, one has to take note that in 1930

there were 1113 people employed in manufacturing the whole of Gwinnett County, yet in 1932, at the height of the depression, the Allen family employed 2,200 people with a payroll of close to \$1.25 million.

Also, we have to consider that work relief came early to Georgia. The W.P.A began in Georgia in 1933. It hit a peak in 1934 with 134,160 cases and began a downhill trend from there. However, most people who were helped by the W.P.A. were rural farmers who had been suffering for much longer than the industrial sector. The flat unemployment rate could have been because the people who were on work relief were not counted as employed. They were still counted as unemployed.

#### Conclusions

Buford, the city known as “The Leather City” in the 1920s and 1930s really was “depression proof” in the sense the phrase is used in this paper. There was some suffering, mostly farmers, but the tannery and other factories continued without ceasing during the depression. Buford’s relationship with Gwinnett County can only be viewed as positive. Gwinnett County did not suffer as much during the depression as it would have had Buford not been as well off as it was. The data clearly demonstrate that Buford was increasing in population even during the Depression. Although some of this growth came from government relief services such as the CCC, the majority of the growth came from people relocating to Buford itself. After all, it was the largest city in Gwinnett County in 1930 and all of the Allen family factories remained open and prosperous throughout the depression. Although being in Georgia may have had an effect on Buford, Buford did not have an effect on Georgia. It was a small oasis of business in a large abyss of distress and destitution. Georgia itself struggled during the

depression. As Rosenbloom found, it may not have suffered to the extent some states did in the field of industry, but the depression was still felt in the farm fields of Georgia.<sup>11</sup>

---

<sup>1</sup> Hansel Grady Morgan, *Historic Buford*, (Buford, GA: City of Buford, 1993).

<sup>2</sup> Sample, Bradford, "A Truly Midwestern City: Indianapolis on the Eve of the Great Depression," *Indiana Magazine of History* 97, Issue 2 (Jun2001): 129. Morgan, *Historic Buford*, 141. Georgia State Archives, Morrow, GA, "Condensed Report of Miss Gay B. Shepperson to Federal Agencies Conference Atlanta" April 10, 1936

<sup>3</sup> Price V. Fishback, William C. Horrow, Shawn Kantor, "Did New Deal Grant Programs Stimulate Local Economies? A Study of Federal Grants and Retail Sales during the Great Depression," *The Journal of Economic History* 65, No.1 (March 2005): 65. Morgan, *Historic Buford*, 142.

<sup>4</sup> Todd C. Neumann, Price V. Fishback, and Shawn Kantor, "The Dynamics of Relief Spending and the Private Urban Labor Market During the New Deal," *The Journal of Economic History* 70, Issue 1 (March 2010): 195. Michael R. Darby, "Three-and-a-Half Million U.S. Employees Have Been Misled: Or, an Explanation of Unemployment, 1934-1941," *Journal of Political Economy* 84, No. 1 (February 1976): 4. John Joseph Wallis, "Employment in the Great Depression: New Data and Hypotheses," *Explorations in Economic History* 26, Issue 1 (January 1989): 45. Ben S. Bernanke, "Employment, Hours, and Earnings in the Depression: An Analysis of Eight Manufacturing Industries," *The American Economic Review* 76, No. 1 (March 1986): 89. Robert A. Margo, "Employment and Unemployment in the 1930s," *The Journal of Economic Perspectives*, 7, No. 2 (Spring 1993): 50. Morgan, *Historic Buford*, 132. Morgan, *Historic Buford*, 140. Fred C. Kelley in "Today" Magazine, May 12, 1934.

<sup>5</sup> Greg Grandin, *Fordlandia: The Rise and Fall of Henry Ford's Forgotten Jungle City* (New York, NY: Metropolitan Books, 2009): 33. Morgan, *Historic Buford*, 60. Morgan, *Historic Buford*, 138. Morgan, *Historic Buford*, 146.

<sup>6</sup> Robert S. McElvaine, *The Great Depression: America 1929-1941*, (New York, NY: Three Rivers Press, 1993): 170. Morgan, *Historic Buford*, 140.

<sup>7</sup> Joshua L. Rosenbloom and William A. Sundstrom, "The Sources of Regional Variation in the Severity of the Great Depression: Evidence from U.S. Manufacturing, 1919-1937," *The Journal of Economic History* 59, No. 3, (September 1999): 714.

<sup>8</sup> Hardy Green, *The Company Town: The Industrial Edens and Satanic Mills That Shaped the American Economy*, (New York, NY: Basic Books, 2010). Kelley, "Today" Magazine, 1934

---

<sup>9</sup> *U.S Census of Manufacturing Establishments, 1890-1940: Georgia, Gwinnett County:* Washington, UVA Browser.

<sup>10</sup> James C Flanigan, *History of Gwinnett County Vol. I*, (Buford, GA: Moreno Press Inc, 1975).

<sup>11</sup> Joshua L. Rosenbloom and William A. Sundstrom, “The Sources of Regional Variation in the Severity of the Great Depression: Evidence from U.S. Manufacturing, 1919-1937,” *The Journal of Economic History* 59, No. 3, (September 1999): 714.