

How the Great Depression affected the farmers and share croppers of Gwinnet County

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Farming is one of America's oldest occupations, yet through the decades of World War 1 and World War 2, there was a sharp decline in the number of farm owners. The three major factors that could explain this decline are war, economic turmoil, and agricultural policy. The technological advances in the agricultural industry during this period had a negative effect on available jobs and positive affect on profits. It leaves one to wonder, with a country in two major wars twenty years apart from each other, why would its occupants give up participation in what was once considered a lucrative industry?

This paper will explore the rates of farm ownership and economic growth of both African American and Caucasian farmers/sharecroppers living in Gwinnett before and after the Great Depression. It will start with a look into the robust agricultural economy that stands at the start of 1910 and end with why it falls significantly by 1950. After studying county, state and national level statistics on agriculture in that span of five decades, there will be conclusions drawn as to why this happens.

By the start of 1910 farm ownership, particularly among African Americans, was on the rise. Interestingly, African Americans became landlords and philanthropic entities of the community, which was unfathomable in prior years. The land acquired usually came from long standing relationships with Caucasian landowners. This prosperity was experienced by a minority of the population, as most fell into the racial restrictions of the time.<sup>1</sup>

The major war of the century had not yet caused numerous farmers to transition into factory workers or soldiers. Those who were unable to afford the costs of owning their own farms, mostly poor Caucasian and African Americans, entered into contractual agreements with land owners to cultivate a portion of their land in return for a share in profits and rent. Farming was a practical way to make a decent livelihood for most, despite the changes that were to come.

Despite increases in cotton prices, and the fact that cheap labor was still considered the most practical business model for farm owners, sharecropping was at an all-time high. Many of the poor in the south had no other options as education had not yet become a primary means to economic success. The difficulty in the ability to save money towards owning a farm further reinforced the importance of sharecropping. Landlords sought a system to gain more control over their workers which came in the form of providing farming material to sharecroppers on credit, this system is commonly referred to as the crop lien system. Very few understood that this inevitably destined them for a life of debt. This is best represented by the quote “In the end, sharecropping stood not as a symbol of the freedman’s triumph but as a measure of their defeat.”<sup>2</sup>

World War I caused factory production and prices to skyrocket as soldiers on the frontline needed to be fed and clothed. While America did not immediately enter into the war, international trade increased due to Europe’s dwindling ability to maintain sufficient crops to feed both their population and their soldiers. As the decade came to a close, with the war won, the American agricultural industry remained more lucrative, as the crops produced were in demand by the countries rebuilding in Europe. During this period, many farmers took advantage of the loans available to them in order to increase profits. However, this prosperity was only temporary as international demand began to fall in the early 1920s.

The production practices of the late 1910s led to a surplus in produce in the 1920s, as the European countries once in need began producing their crops. The surplus resulted in a decrease in crop prices, as well as bad soil due to the over cultivation during the war time prosperity. Banks provided loans to the profit seeking farmers of the late 1910s; many farmers were simply unable to settle those debts resulting in large numbers of bankruptcies. Needless to say, the

agricultural industry and the nation was in a short economic downturn, commonly known as the depression of 1920, which was only to get worse as the years progressed.

As most of the nation looked to the “roaring twenties” as a decade of prosperity, it was a considerably bleak outlook for farmers. The higher tariffs set by the Emergency Act of 1921 coupled with the Fordney–McCumber Tariff of 1922 increased rates on imports in an effort to help farmers, but it was futile. The rapidly changing industry, with new technology replacing the need for manual labor, forced many of those without the capital to maintain out of the business. Poor farmers during this period began to either sell their farms or abandon sharecropping, by moving to cities in search of better economic opportunities. It would take a long struggle, but as the decade began to close American produce prices and demand were on their way to prewar levels. According to Giovanni Federico’s article on agriculture during the 1920s “This seems to have been the case: all the evidence suggests a slow but steady growth in production matching the slow but steady growth in demand.”<sup>3</sup>

The nation was in the process of the worst depression it had ever seen with the farmers of America being hit the hardest. 1930 marked a pivotal moment in the history of agriculture as family owned and operated farms were being replaced by large industrial sized farms with paid laborers. This change hit sharecroppers the worst as their numbers declined sharply due the mechanization of many aspects in the farm labor system. During this period, agricultural labor unions and political lobby committees pushed for government aid which came as a part of the New Deal program and other economic policies set in place by President Roosevelt.

The Agricultural Adjustment Act of 1933 resulted in the formation of the government agency, Agricultural Adjustment Administration. This agency was controversial as it made attempts to raise the price of crops by limiting the amount produced, forcing farmers to destroy

their surplus. This regulation led to a decline in the amount of wage laborers used and further crippled the sharecroppers by no longer enforcing their government payments which was often kept by the land owners. This also led to another huge drop in African American participation in the agricultural industry. Although it may seem that the New Deal program had a totally negative effect on agriculture, it is important to note that this is also the origin of the Food Stamp Program, which helps feed families in need with the surplus produce.<sup>4</sup>

African Americans experienced devastating conditions during the Great Depression. Many families turned to government assistance as the head of households were unable to find work due to racism. Work normally reserved for African Americans was quickly being occupied by Caucasians on the basis that they needed to be employed first before other races were to be given a chance. Sharecropping was no longer a majority African American occupation as many were replaced by Caucasians who intimidated land owners into terminating the former's land contracts. Differences in wages began to increase as it was reported that in 1936 Caucasian sharecroppers earned more than African American farm owners. Interest rates on loans skyrocketed, forcing more sharecroppers further into debt making the occupation more economically hazardous than ever before.<sup>5</sup>

The 1940s and beginning of a Second World War was both a blessing and a curse for the agricultural industry. The good was that though it was slow to occur, crop prices began to rise beyond normal rates as international, military and domestic demands for food was at an all-time high. The downside of all this prosperity was that a labor shortage had occurred due to the draft enlisting many of the potential wage workers into the military. The government responded by giving draft deferment to farmers deemed essential to the production of crops. The increase in manufacturing also hurt agriculture as many workers fled to cities to work in factories. Farmers

responded by using the money gained from the profitable period to buy new farm equipment, such as tractors, which lowered the need for labor. Sharecropping by this time had virtually ended as numbers of African Americans began migrating towards the north in record numbers.

The dynamics of the farm family began to change as well, as women began to enter the workforce changing their aprons for hard hats. At the start of the century, one in three Americans lived on farms, but by 1950 only ten percent of the nation's total population lived on farms. Some historians attribute this to an adaption to the changing economy of the nation as factory wages and hours seemed more appealing. Regulation on farm practices became strict causing many small farmers to change their way of life.<sup>6</sup>

After World War 2, soldiers returned home but not to the occupation of farming. The government maintained a control of crop prices in order to avoid the crisis that occurred after the First World War, but this was still not enough to draw many people back to the life of farming. During this decade many international policies were also set in place to ensure the need for a surplus in crops for years to come. The drop in farm ownership led to a rise in corporate farms as small farms were bought and the acres consolidated into large farms operated by corporations only interested in profits.

Significant advances occurred in the agricultural business despite the fall in farm ownership. Scientific advances made in the military during World War 2 aided to the discovery of better methods contributing to the diversification of crops. The expansion of plants and factories led to an inevitable decline in fertilizer prices. Advancements in mechanical engineering led to sophisticated farm equipment such as automated cotton pickers and more efficient tractors.<sup>7</sup>

This technological advancement dealt the final blow to the dwindling sharecropper and small farmer population. In terms of progress, the institution of sharecropping, as with other labor systems requiring a large number of workers, was doomed as the labor demands disappeared when the agricultural business became more capitalistic and profit-driven. Economists and historians have considered the system inefficient due to the relationship between landlord and tenant being one in which separation was very difficult. The idea that a low producing tenant could not be removed until their debt was paid made it nearly impossible to maximize profits. This led to a more favorable view on wage laborers and the only tenants that may have survived the transition period were those who were on the share-rent agreement as those workers generally produced more.<sup>8</sup>

The story of farmers during the Great Depression is a story of struggle. Numeric data gathered on the state and county level is from the University of Virginia Library Historical Census Browser, and the national data comes from the United States Department of Agriculture Census. The national statistics on farm ownership tell a story of sharp decline during this period despite wartime prosperity. Prior to 1910, there were over six million farms in the nation, and by 1950 that number dropped by one million. Thirty-six percent of African American farmers either lost or sold their farms while only eleven percent of Caucasian farmers no longer owned their farms by the beginning of 1950. This twenty-five percent disparity can be attributed to many factors, such as the fact that African Americans faced enormous pressures and intimidation by poor and in some cases wealthy whites to abandon their farms or jobs as wage laborers because of economic hardships causing them to flee into factories.<sup>9</sup>

In the state of Georgia, the level of decrease matches that of the national statistics, but the loss of African American owned farms is even greater. There is a slight increase in farm

ownership between 1910 and 1920, presumably due to the agricultural prosperity experienced during World War 1, but after 1920, a landslide begins. Fifty-nine percent of African Americans lose their farms by the end of the Great Depression, and they never seem to recover. White farmers are not as unfortunate because despite the turmoil during this period only twelve percent of them no longer own their farms by 1950. The ripple effect caused by the nation's troubles hit Georgia hard, though not as bad as one would be led to believe. The state went from holding twenty-two percent of the nation's farms to holding twenty-seven percent of the farms increasing agricultural wealth. This increase only benefited wealthy farmers as many of the poor farmers were replaced with machines.<sup>10</sup>

Gwinnett County mirrored the state of Georgia and remained relatively rural. What is today considered one of the most populated and diverse counties in Georgia once was sparsely populated and overwhelmingly white. The number of farms in the county only made up about four percent of the state's total, but the overall decrease over the decades was only two percent less than the state. The number of African Americans losing their farms in Gwinnett was higher than the state and nation combined as there was a seventy-three percent drop in ownership. It is also odd that during the prosperous decade of 1910, only three additional African Americans were able to gain ownership of farms while forty-seven additional whites, nearly fifteen times that number, received ownership by 1920.<sup>11</sup>

Considering the statistics, Gwinnett County does not drift away from the rest of Georgia. The same level of suffering done at the state level is done in Gwinnett during the depression as farmers were at a significant loss, and sharecroppers were hurt even worse. The only difference may be the disparity in African American losses. The value of farm land and buildings does not change much but, the crop prices fluctuate. Many farmers sought loans prior to 1920 in an



attempt to capitalize on wartime gains, but unfortunately many of those same farmers lost their properties to banks by the end of 1930.

Although many in Gwinnett felt a sense of hopelessness, all was not lost as government agencies sprung up around the county aimed at rural restoration after the Great Depression. The Farm Security Administration set up an office in the county to provide loans to farmers who were unable to receive them from banks. Seventeen farmers were able to acquire land under this system. The Department of Public Welfare helped unemployed farmers find work and provided literacy classes to those who could not read and write. The farmers began to work cooperatively to build a seed cleaning plant in the county, localizing the trade of various seeds needed to grow crops.<sup>12</sup>

What is remarkable about the case of Gwinnett is the decrease in farm ownership and African American population despite the increase in overall population. Starting in 1910, there was a population of 28,824 with 4,410 owned farms. By the end of World War 1, the overall population rose to 30,327, with a decrease in the number of African Americans, about 200 people left the county resulting in a population of 4,233. There were interestingly no segregated population statistics gathered for 1930 in the local history book but the overall population, according to the University of Virginia Library Historical Census Browser, lost nearly 3,000 people, thirty percent of them were African Americans.<sup>13</sup>

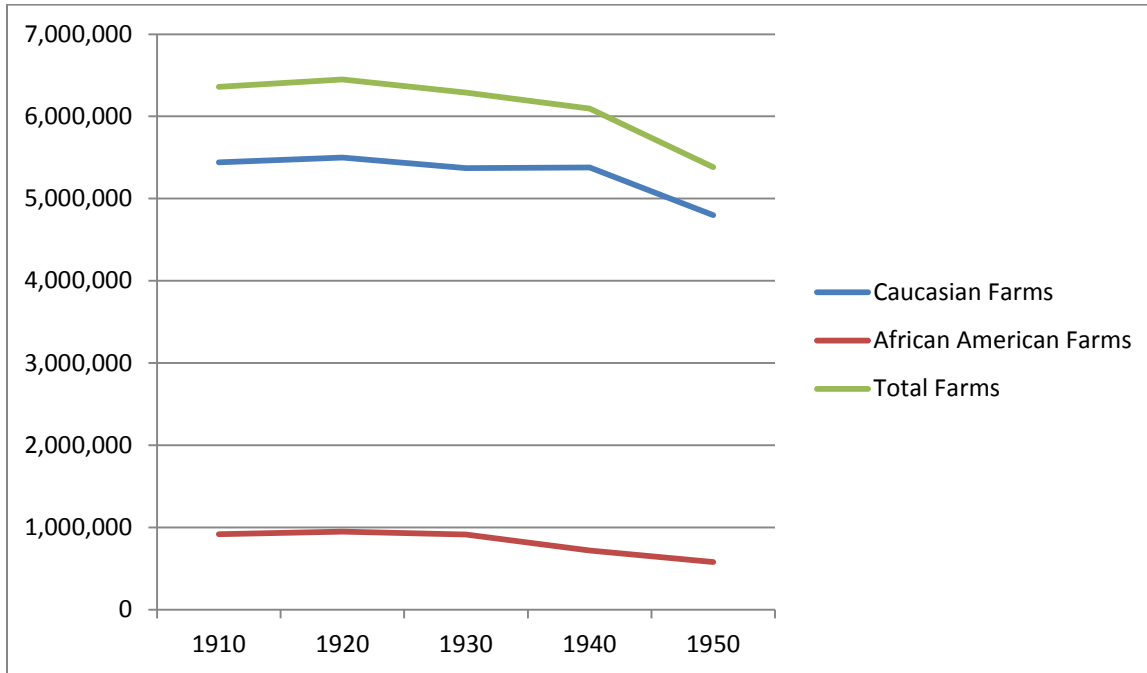
This was not a local phenomenon as nationally the population of African Americans residing in the south decreased by almost twelve percent during this period. By 1940, there is a slight increase in the Caucasian population that continues into the 1950s but farm ownership and the African American population never seem to recover. Georgia's neighboring state of Florida

likewise was experiencing a large decrease in their African American population by, losing ten percent of the population between 1910 and 1920.<sup>14</sup>

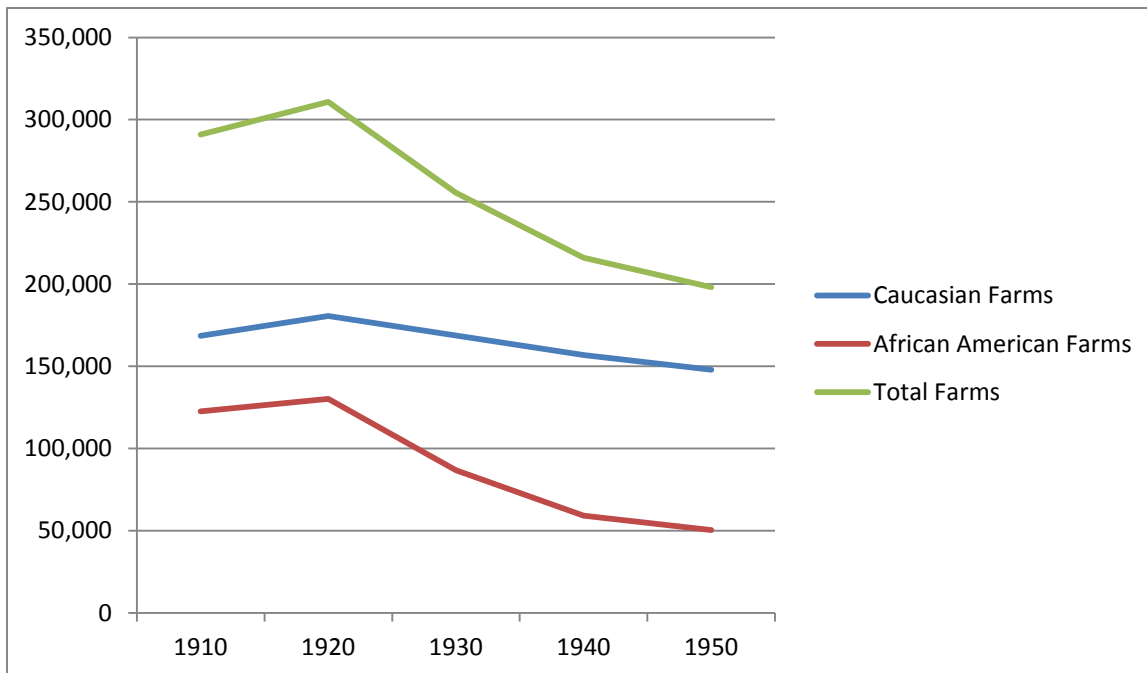
As we consider the important lessons to take away from this study, it should be noted that there is a complex web of factors leading to the ultimate decline in farm ownership after the Great Depression. The spike in crop prices during World War 1 was not enough to sustain American farmers' livelihood as many went into severe debt chasing extra profits during the economic boom. The economic depression occurred for participants in the agricultural industry well before the nation's Great Depression as there were no alternative methods provided to deal with the surplus from overproduction, and crop prices plummeted. Despite government intervention, many farmers lost property and suffered, causing them to lose hope in the occupation.

The farmers of America during the Great Depression were victims of circumstance. It was an occupation traditionally family operated that would inevitably be phased out by growing corporations and capitalism during the period. Governmental intervention, encouraged by farmers, only saved those with enough capital to take advantage of technological advances and hurt those small farmers that needed their surplus crops. The economic turmoil and wartime need for able bodied soldiers hastened the process causing labor shortages. Farming in the south was no longer beneficial for African Americans or Caucasians. In the end, at the start of the twentieth century, farmers were standing in front of a tidal wave of global economic and cultural change; the only farmers that would survive are those with the proper resources to move from a small management system to an industrial system.

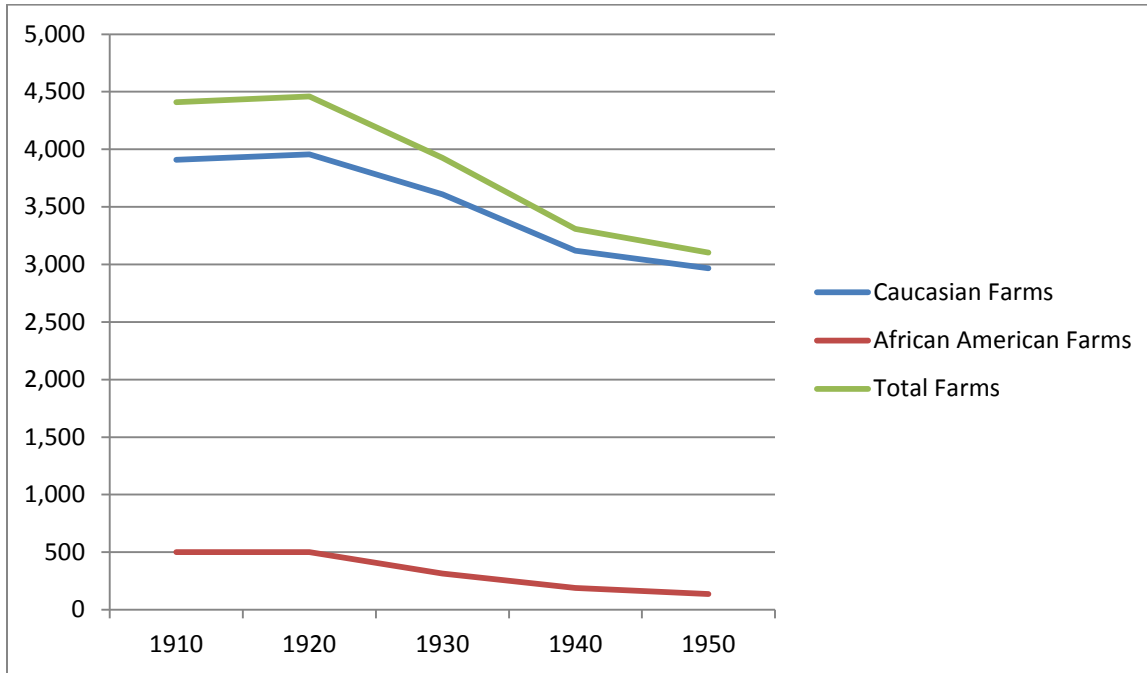
National Statistics on Farm Ownership Line Graph (Graph A)



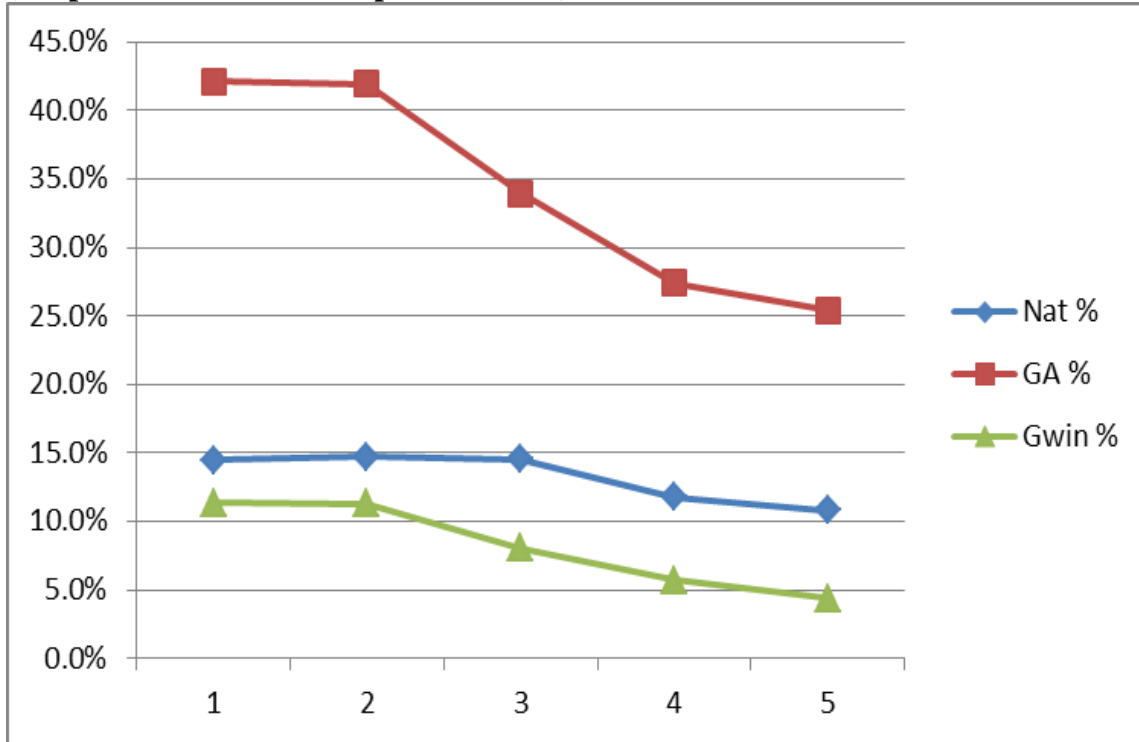
Georgia State level Statistics on Farm Ownership Line Graph (Graph B)



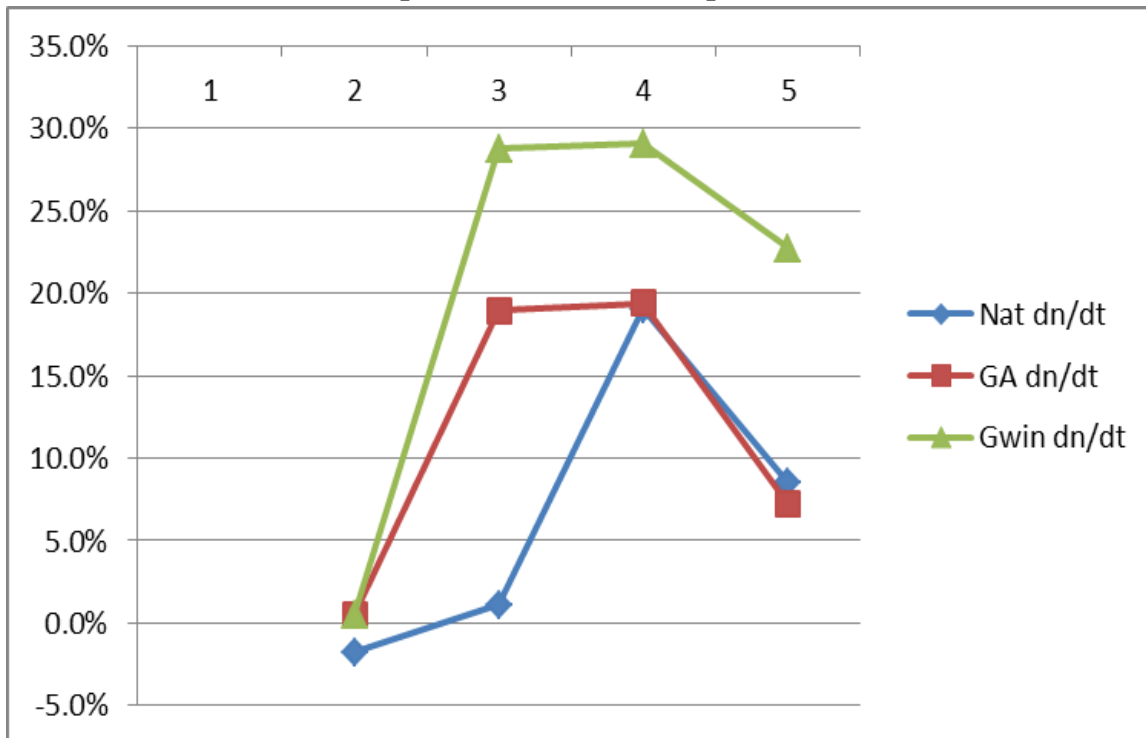
Gwinnett County level Statistics on Farm Ownership Line Graph (Graph C)



**Decline in the percentage of African American owned farms between 1910 and 1950. (1 represents 1910 and 5 represents 1950)**



**Rate of decline per decade of percentages of African American owned farms between 1910 and 1950. (1 represents 1910 and 5 represents 1950)**



## Notes

<sup>1</sup> Bruce J. Reynolds, "Black Farmers in America, 1865-2000: The Pursuit of Independent Farming and the Role of Cooperatives". Report no. 194. *RBS Research Report. United States Department of Agriculture* (2003) 4-5, <http://ageconsearch.umn.edu/handle/117049>.

<sup>2</sup> Terence J. Byres, *Sharecropping and Sharecroppers*. (London: F. Cass, 1983), 120-128. Edward Cary Royce, *The Origins of Southern Sharecropping*. (Philadelphia: Temple University Press, 1993), 218-219.

<sup>3</sup> Giovanni Federico, "Not Guilty? Agriculture in the 1920s and the Great Depression" *The Journal of Economic History*, Vol. 65, No. 4 (December 2005): 963

<sup>4</sup> Warren C. Whatley "Labor for the Picking: The New Deal in the South" *The Journal of Economic History*, Vol. 43, No. 4 (December 1983): 926-927

<sup>5</sup> Cheryl Lynn Greenberg, *To Ask for an Equal Chance: African Americans in the Great Depression* (New York: Rowman & Littlefield Publishers, 2010), 21-24.

<sup>6</sup> Linda Lobao and Katherine Meyer. "The Great Agricultural Transition: Crisis, Change, and Social Consequences of Twentieth Century US Farming." *Annual Review of Sociology*, Vol. 27, No. 1 (November 2001): 104-107.

<sup>7</sup> Alexander J. Field, *A great leap forward: 1930s Depression and U.S. economic growth* (New Haven: Yale University Press, 2011) 22-24 Robert Higgs, *Depression, war, and Cold War studies in political economy* (New York: Oxford University Press, 2006) 45-46

<sup>8</sup> Miriam J. Wells, "The Resurgence of Sharecropping: Historical Anomaly or Political Strategy?" *American Journal Of Sociology* 90, no. 1 (July 1984): 1-7

<sup>9</sup> Greenburg, *To Ask for an Equal Chance*, Pg. 20 "Historical Census Browser." University of Virginia Library. <http://mapserver.lib.virginia.edu/> (accessed November 4, 2013). (See Graph A)

<sup>10</sup> "Historical Census Browser." U. V. L. (See Graph B)

<sup>11</sup> "Historical Census Browser." U. V. L. (accessed November 4, 2013). "Census of Agriculture." United States Department of Agriculture. <http://www.agcensus.usda.gov/index.php> (accessed November 4, 2013). (See Graphs B&C)

<sup>12</sup> James C. Flanigan, *History of Gwinnett County, Georgia, 1818-1943. Vol. I.* (Hapeville, GA: Printed by Tyler &, 1943) 274-275

<sup>13</sup> "Historical Census Browser." U. V. L. (See Graph C)

<sup>14</sup> Greenberg, *To Ask for an Equal Chance*, 8 "Historical Census Browser." U. V. L. (accessed November 4, 2013). Flanigan, *History of Gwinnett Vol. I*, 288 James C. Flanigan, *History of Gwinnett County, Georgia, 1818-1960. Vol. II.* (Lawrenceville, GA: Gwinnett Historical Society, 1984) 137 William B. Stronge, *The sunshine economy: an economic history of Florida since the Civil War.* (Gainesville: University Press of Florida, 2008) 109

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