



# SURVIVING THE DEPRESSION

1930 - 1939

**L**ike the rest of America, Indianapolis spent most of the 1930s in the grip of the Great Depression. Business had been good prior to the stock market crash in October 1929. But by early 1930, nearly 17,000 people, or 9.3 percent of Indianapolis' work force, needed a job. By 1933, the unemployment rate was 37 percent.

The city had experienced hard times before, but nothing like this. Life savings disappeared overnight as banks closed, and before people could catch their breath, they were out of work.

A list of bank closings in 1930 read like a state directory: Monon, Whitestown, North Liberty, Kirklin, Plymouth, Monticello, Gary, East Chicago, Kewanna and Argos were among 19 Indiana cities and towns where a bank closed in 1930. In Indianapolis, 10 banks failed from 1927 to 1933.

In February 1930, business leaders formed a commission "to study and act for the stabilization of employment in Indianapolis."

In 1932, a shantytown of makeshift homes, made out of whatever was handy, appeared on the city's Near Westside near White River.

During the early years of the Depression, Indiana Gov. Harry Leslie, like other state and national leaders, was reluctant to intervene.

In 1931, the Democrats controlled the Indiana House, while the Republicans held the Senate and the governor's office. The divided legislature passed the first old-age pension act in the state's history, but Gov. Leslie vetoed the measure.

By 1932, people were ready for a change. Leading the way in Indiana was Paul V. McNutt. The handsome, silver-haired dean of the Indiana University School of Law was swept into the governor's office in a Democratic Party landslide in the 1932 elections that also gave him overwhelming majorities in both chambers of the Legislature.

McNutt came into office two months prior to the new president, Franklin Delano Roosevelt, and in his inaugural address, McNutt anticipated much of FDR's message, comparing the Depression to war and urging people not to panic

out of fear for the future.

McNutt's administration was perhaps the most activist of any governor Hoosiers could remember. Previous governors certainly had ideas and plans, but they left it up to legislators to introduce bills.

McNutt's team set up a "bill factory" at the Indianapolis Athletic Club, where legislative proposals were crafted. The new administration had floor leaders in both houses to make sure nothing went wrong once the legislation was introduced.

With a 91-9 majority in the House and a 43-7 majority in the Senate, not much did go wrong. McNutt launched a series of legislative initiatives ranging from poor relief to reorganizing state government.

In another parallel to FDR, McNutt used radio to hold a series of Sunday evening talks to comfort the public.

Although Indianapolis got its first radio station in 1921, it was in the 1930s that the new medium became widely popular — and in hard times it was free entertainment.

Prizefights were broadcast from the Naval Armory, Fort Benjamin Harrison and the old Washington Street ballpark, with Ralph "Cauliflower" Elvin as announcer.

Local radio personalities of the day included Ken Ellington and Durward Kirby of WFBM. Kirby went on to national fame in both radio and television. The station also had a program featuring Bob and Gayle Sherwood as they sailed above the city in a hot-air balloon.

For a dime, one could escape the harsh realities of the time for four hours of entertainment — a double feature, cartoons and a newsreel — at one of the city's many movie houses.

During the summer of 1934, Hoosiers could also find entertainment and adventure in news reports about Indianapolis native John Dillinger, the famous bank robber who had been declared Public Enemy Number One by FBI Director J. Edgar Hoover. Dillinger shot his way out of repeated attempts to capture him but was eventually betrayed by the famous "woman in red" in a Chicago movie theater and was gunned down in a shootout.

Dillinger's funeral in Maywood, just south of Indianapolis, drew a crowd of the curious. His grave at Crown Hill Cemetery became a tourist attraction.

**Opposite page:** The Indianapolis Star and the Salvation Army provided ice blocks through donations to The Penny Ice Fund during the 1930's and '40's. The fund tried to ensure that no family went through the summer without ice to provide a cool drink or to safeguard food supplies.