

THE ECONOMIC IMPACT OF THE GREAT DEPRESSION ON THE AMERICAN MASS MEDIA. PROSPERITY OR DECLINE?

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Abstract: Certainly, economic and social phenomena, no matter how predictable they are, sometimes generating less than expected effects such as positive nature. Great Depression form America has caused such effects on the mass media. In this paper we intend a short approach to these phenomena and an overview of the status and trends of the American mass media of that time.

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In 1929, The Great Depression started with the collapse of the American stock market. At the lowest point in 1933, 16 million people, or one third of the United States working population were unemployed. Many advertisers switched to radio from newspapers, spending US\$60 million in radio commercials. From 75,000 sales of radios in 1921, figures rose to 13.5 million in 1930. Radio infiltrated all aspects of American life, filling it with music, news, entertainment and advertisements. Next, we propose an overview of the mass media channels evolution during the Great Depression.

Newspapers and magazines. During the Depression, many newspaper chains were formed. Publisher Edward Wyllis Scripps established the first such chain in America and by the start of the Depression had founded or bought thirty newspapers. He also formed a wire service, the United Press Associations. William Randolph Hearst built a chain with twenty-five newspapers by 1937 and organized the wire service, International News Service.

In the 1920s, *Time*, the first news weekly, was formed by Henry R. Luce and Briton Hadden. It quickly led the trend toward interpretive reporting. Luce later founded a chain of periodicals such as *Fortune*, *Life*, and *Sports Illustrated*. The success of his magazines attracted many imitators; for example, *Newsweek* was started in 1933 to compete with *Time*.

Publishers became economically squeezed as circulation and advertising profits declined. Even William Randolph Hearst (1910s, 1940s), who then owned the largest press empire, had to sell stocks and pump in personal funds to keep his newspapers afloat. Many readers switched to more economical condensed periodicals such as *Time* or *Reader's Digest* (see 1920/ Publications section) which gathered the most important articles from various publications.

The press faced scrutiny from the public as many jobless Americans began to examine and criticize the newspapers on their content and impact. During this time, the publishers were actively involved in presenting and commenting on political issues. The press lords Hearst (San Francisco Examiner and New York Journal) and Robert R McCormick (Chicago Tribune) were on opposing sides of the presidential elections of 1932, supporting Franklin Roosevelt and Herbert Hoover respectively. The newspapers presented editorials and features that focused intensely on the governing of America.

Radio. During the Depression, millions of Americans listened to their favorite programs on radios made of wood and cloth. The radio brought together the rich and the

poor, of every race, nationality or creed in one audience rather than in many separate readerships in the print media. Entertainment on the radio included comedians such as George Burns and Gracie Allen, popular music, and shows such as *Little Orphan Annie*. When Americans listened to such programs, they forgot their problems. The radio gave the people entertainment and hope in some of the worst years of their lives.

During the Great Depression, radio advertising revenues doubled (while newspaper and magazine profits were halved), because radio could reach a large national audience. Radio continued to focus on entertainment then news, until World War II where newscasts on the radio became more prominent.

President Roosevelt of the United States made use of radio to speak to the masses, in broadcasts known as "fireside chats" to evoke a comfortable feeling among listeners. His first fireside chat was delivered on March 12, 1935 to 35 million listeners, giving assurance that it was safe to keep money in the banks, (during this period of the Great Depression). Receiving information directly from an authoritative voice added credibility to the report. Confidence returned, and banks began to restart transactions. Listeners felt they were being spoken to personally, in contrast to the feeling of being addressed anonymously in the newspapers.

Adolf Hitler, the leader of Germany, invaded Austria on March 13, 1938. He also obtained Sudetenland from the Czechs through the signing of the Munich Pact. Before then, cultural and human interest stories of radio networks in Europe were re-broadcast in America. Edward R. Murrow, at first an unknown correspondent who had become the European news chief of CBS in 1937, improvised the first coordinated radio broadcast to America from multiple European locations. During the 20-day period of diplomatic talks in Munich, America heard live broadcasts from 14 European cities. The voices of Hitler, Czech President Benes, British Prime Minister Chamberlain and Italian dictator Benito Mussolini was heard first-hand. The radio coverage of the Munich crisis confirmed its power to inform and influence its audience. Radio helped the war events become a reality to those far away from it.

Cinema. During the 1930s and 1940s, five large companies dominated the American film industry: Fox, MGM, Warner Brothers, Paramount and RKO, while Rank and ABPC dominated the British film industry. The stars of this time period included an immensely popular Shirley Temple, who at the age of six, starred in a full-length feature *Stand Up and Cheer*. Katherine Hepburn was another beauty, the Gwyneth Paltrow of the time. In 1932-33, she won an Oscar for best actress in *Morning Glory*. Popular male stars were Clark Gable and Spencer Tracy.

Some of the most famous films of all time were made during this period: *Gone With the Wind* (1939), *Citizen Kane* (1941) based loosely on the life of press lord William Randolph Hearst, and *Casablanca* (1942).

Theatre. While television was still in developmental stages, theatre newsreels were a very dominant form of entertainment and information, and were considered the forerunner of television news. The newsreel presented public figures and events around the world. By the end of the 1930s, 80 million Americans were buying movie tickets yearly, to view showings that included a newsreel, a cartoon, a short subject, previews of coming attractions and a double feature.

Television. Throughout the 1930s, David Sarnoff, president of Radio Corporation of America, started the drive to develop the television. In 1937, 17 experimental television stations emerged. Television was publicly introduced at the 1939 World's Fair in New York. The phenomenon of bringing both pictures and sound to a home audience would soon shake the position of radio and print media. However, World War II prevented its development until the 1950s.

Advertising. During the Depression years of the 1930s, with successes hard to find, the advertising business faced severe challenges. Economic stringency, political

attacks, and a need to recast their appeals all made the decade a difficult one for advertisers. Indeed, the advertising industry's achievements during the 1920s in establishing its cultural and economic importance may have made the challenges of the Great Depression more severe.

Spending on advertisements—from local classified ads to major campaigns in national media—plunged by more than 60 percent between 1929 and 1933, and it did not rise above pre-crash levels until after World War II. Although advertising agencies stressed the foolhardiness of cutting back on promotion during hard times and argued that advertising could help lift the nation out of its slump, many businesses, with revenues plunging, viewed advertising as an unnecessary expense.

After initially attempting to slow the economic downslide by exhortation, advertising agencies themselves began to cut back. High-salaried employees were dismissed, and competition for accounts became more intense. Advertisers pressed agencies to accept lower commissions; agencies in turn wooed potential clients away from their rivals. Despite this anxious environment, several new advertising agencies made headway, some by borrowing the florid techniques of tabloid newspapers and comic strips. Other agencies pioneered in radio advertising as commercials became the main support of the medium.

As might be expected, advertising styles did not respond uniformly to the Depression. In the first few years, advertisers recycled themes of more prosperous times. By about 1932, however, there was a notable shift to hard-sell campaigns. Although ads still portrayed an unrealistically affluent, racially and ethnically homogeneous America, ominous threats, fear appeals, and insistent demands to buy became more prominent. As Roland Marchand observed in *Advertising the American Dream* (1985), campaigns adopted tropes like the "parable of the sickly child" or displayed images of defeated, prematurely aged fathers to warn of the dire consequences of failing to consume the appropriate products. Coupled with this, images of sunbeams promised a hopeful future and clenched fists symbolized the determination to persevere—and purchase—despite hard times.

Radio advertising bloomed in the 1930s. The messages of radio advertising were similar to that of mass magazine advertising. Advertisers paid less attention to the special qualities and focused more on what people wanted or hoped to be. They claimed their products helped people feel young, rich and envied. For example, Listerine (a mouth wash) presented weekly stories of how "lives were ruined forever" because of bad breath. By the Thirties, sponsors of radio programs won the right to broadcast commercial messages, in other words, sponsors were buying time slots on radio for advertising.

Books. As movies during the Great Depression provided an escape from the real world, books also granted this pleasure. Books played an important role in people's lives. You could sit down and enjoy a well-written book, such as John Steinbeck's *The Grapes of Wrath* or *Of Mice and Men*, and get away from the hardships in life. Some were relaxing, and some gave the reader reassurance that many people were going through the same difficulties they were.

By the end of the 1930s, media was the main source of news. It had the responsibility to keep people informed of world, national and local events. Media's power to communicate brought pleasure in the form of entertainment, power in its ability to shape public opinion and relay information rapidly. Meanwhile, World War II was breaking out, and radio was to play an important role in news reporting.

As we can see, profound economic and social crisis of the Great Depression in America interwar period caused an interesting phenomenon. It has consisted of changing the mass media, due to the need of information coming from the people. Changes in lifestyle of individuals have caused a shift to specific media channels, an

increasing desire for information and retrieval of some individual values. News and entertainment programs were the priority of media providers.

On the other hand, the need for communication of the presidential administration and the big companies that have survived, had also determined a recovery of media providers. The government wanted to transmit various propaganda messages about the evolution of armed conflict, state of the economy, the awakening of patriotism and enlistment in the U.S. Army. Both demand and supply of communications has greatly increased, leading to a revival of the American media in that period.

Despite the Depression several of the mass media in the United States underwent considerable growth during the 1930s. Even though their numbers decreased, newspapers maintained their readership. In 1920 the United States had 2,042 daily newspapers with a total circulation of 27,791,000. By 1930 there were a thousand fewer dailies, but their circulation had risen to 39,589,000. In 1939 the number of papers had dropped to 1,888, but those papers had 39,671,000 subscribers. The enormous growth of radio in the 1920s continued during the 1930s. In 1930 there were radios in 29 million households, less than half the households in the United States. Ten years later 80 percent of American households (35 million) had radios. The 1930s were a heyday for magazines. In 1935 there were 6,546 in the United States—half monthlies and one-quarter weeklies. Pulp fiction, comic books, and the new animated cartoons with synchronized sound were also popular. In the 1930s newspapers and radio were radically restructured, both in their operational foundation and in their content.

In conclusion, the great economic crisis has generated a positive and lasting impact on American mass media, certainly quantitatively as well as qualitatively in some areas.

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