

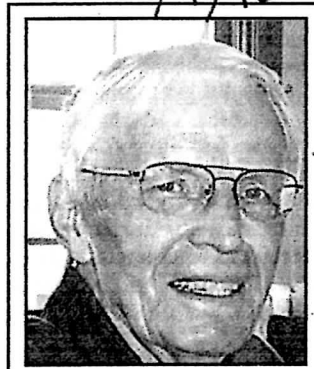
The Great Depression arrives

CS 11/4/10

PUBLISHED OUT OF ORDER

The great depression was truly "great" in that it was, by any measure, the most severe and sustained depression in the nation's history. The worst years were 1931, 1932, and 1933, the GNP declining to 54% of its 1929 value, and unemployment increasing to 13 million or 25% of the labor force by 1933. By 1935 what might be termed a marginal recovery was underway, as reflected by small improvements in the gross national product, employment, and other key indicators. In 1937 unemployment, which had remained above 10 million since 1932, declined to 7.7 million, suggesting that the depression was coming to an end. It returned with vengeance in 1938, however, with unemployment once again exceeding 10 million. Full recovery and a return to economic growth finally occurred with the stimulus of preparedness rearmament and World War II.

The beginning of the depression in the summer of 1930 did not come as a shock to the people of Washburn (if it was noticed at all) since the economy of the city had been depressed for a large part of the 1920s. The Times opened 1930 on a hopeful but cautionary note, declaring that "Conditions are rapidly changing in this country. We are a nation of progress. If we are to succeed we must keep pace with progress and new conditions, and not



Lars Larson
Guest Columnist

stand aside and cuss the changing times." But there was little that the people of Washburn could do to keep pace with the new conditions. Enthusiastic dinner meetings were held by community leaders to discuss ideas for the "betterment of the community." At one such dinner the mayor spoke about Washburn's advantages as a summer resort region, the possibility of building summer homes, and the necessity to eliminate ragweed. The plant manager reported on the Boy Scout program, while a fisheries operator told about progress toward obtaining a Coast Guard station among the islands. The only woman present reported on the work of the garden club, urging people to plant petunias so that Washburn would become known as "petunia city." None of the projects proposed at the meeting ever came to fruition—assuming that the battle against ragweed was lost as usual—

and Washburn never became "petunia city."

Gone were the dreams of industrial plants and an ocean port. The Kenfield-Lamoreaux Box Factory, the Washburn Manufacturing Company, and the Northwestern Fuel Company coal dock all closed. The only other employer besides a few small businesses along Bayfield Street and the city and county governments was the Du Pont Barksdale Works. Throughout the 1930s the Barksdale Works continued to be an important contributor to Washburn's economy. The size of the plant work force fluctuated, however, depending on the changing demand for dynamite from the ore mines in northern Minnesota and northern Michigan. In the fall of 1929 the work force at the plant was the largest since the end of the Great War, but in December 1930 the plant was operating on a four day week. By August 1932 only 50 men were employed on a reduced work schedule, but by June 1935, 250 men were at work. In March 1938 the size of the workforce had once again been reduced, to 190 men, the plant manager noting that "prospects are somewhat discouraging for a seasonal increase this spring." After war began in Europe with the German attack on Poland on September 1 1939, orders from the government and the mines resulted in an rapid expansion of the work force at facilities, which contin-

ued after the United States formally entered the war in late 1941. Rather than taking advantage of the depressed conditions to reduce worker wages, the company periodically increased them. It also began to provide sickness and injury insurance for its employees, paying part of the premium.

During the 1920s Washburn's population decreased from 3,707 to 2,238, or by 40%, but during the great depression the process of population contraction was marginally reversed, total population increasing by 125 people to 2,392. Males accounted for 84 and females, 41 of the total change. During these years the transformation of Washburn into a maintenance community was completed: a rise in the average age of the population because of the migration of young people, closing of businesses, high rate of unemployment, decrease in the number of churches, decline in the quality of schools, transfer of many services to a regional center (Ashland), deconstruction of the material base—buildings, houses, and other structures abandoned or destroyed without being replaced—decline in income, government financial stringency, and reduction in services. Unable to renew itself, much less grow and prosper, Washburn struggled to maintain its identity as a community throughout the great depression.