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**Iowa's Farm and Banking Crisis of
1933**

Lead: Faced with a growing number of foreclosures and bank failures depression plagued Iowa farmers began taking matters into their own hands.

Intro.: "A Moment in Time" with Dan Roberts.

Content: As the effects of the Stock Market Crash of 1929 spread outward from the financial markets farmers and small businessmen far from the centers of power began to suffer. The passage of the Smoot-Hawley Tariff in

1930 wounded an already struggling economy. With a serious depression in the prices of agricultural products and the tariff making it harder to sell what surplus there was farmers could not pay their mortgages and banks all over the country began to foreclose on farmers and throw them off their farms.

Few states were as hard hit as Iowa. In 1933 there were eight foreclosures for every 100 farms and farmers themselves began to explore ways of taking direct action. A decade earlier Milo Reno became president of the Iowa Farmers Union. Born in the southern part of the state and raised on the Populist rhetoric of William Jennings Bryan, the perennial

Democratic candidate for President, Reno, through his leadership of the National Farmer's Holiday Association, began to advocate the farm strike by which farmers would refuse to ship products for less than the cost of production. With the coming the farm crisis in the 1930s Reno's group formed an auxiliary called the Loyal Order of Picketeers. They would show up at a foreclosure, threaten any potential bidders with bodily harm when bids were called they would bid in the property for a few pennies and then turn the debt-free land over the original owner. These so-called "penny auctions" survived legal challenges but did little to solve the deepening crisis for many banks who were suddenly relieved of

valuable assets. They did serve to give vent to emotions running high because of the continuing crisis and spurred political leaders to enact legislation which gave banks and farmers breathing room to get their affairs in order.

"A Moment in Time" is produced at the University of Richmond. This is Dan Roberts.

Resources

Gelfand, Lawrence E. and Robert J. Neymeyer. *The New Deal Viewed From Fifty Years: Papers Commemorating the Fiftieth Anniversary of the Launching of President Franklin D. Roosevelt's New Deal in 1933*. Iowa City, IA: Center for the Study of the Recent History of the United States, 1984.

Sage, Leland. *A History of Iowa*. Ames, IA: The Iowa State University Press, 1974.

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