

The Great Depression

1929 - 1941



The Great Depression was an economic slump in North America, Europe and other industrial areas of the world that began in 1929 that lasted until 1941. It was the longest and most severe depression ever experienced by the industrialized Western World.

Depression

SOL USII.6d
Lesson Objectives

Students will..

- be able to describe what the Great Depression is
- be able to explain the causes of the Great Depression
- be able to Evaluate the effects of the Great Depression
- be able to compare and contrast how the government responded to the Great Depression regarding Hoover and Roosevelt's solutions
- add to their vocabulary the definitions from the lesson
- be able to explain concept's such as what Homerville's are
- be able to describe features of "The New Deal"

Vocabulary Quiz: _____

Unit Test: _____

Great Depression Vocabulary Words

Write how the word and
Definition are used in the lesson

Depression		
Recession		
Default		
Tariff		
Federal Reserve		

Stock Exchange		
Hooverville(s)		
Migrant Worker		
Stock Exchange		

For any economy to work properly, demand must equal supply.
What happen in the 1920's was that there was an oversupply of goods.



1.



In the 1920's... life was good for most Americans. World War I was over; factories were producing many new items such as automobiles and household appliances. Most family homes had the luxury of having a washing machine, radio, refrigerator, irons, and other items to make life easier



People were spending money before they earned it. Which means they were spending money they did not have...???

That's the DANGER using credit to buy things.

2.



"If you ask me, he's too damn cocky!"

Before World War I, only the rich people invested in the stock market. After World War I most Americans were investing **BORROWED** money in the stock market to **GET RICH**

**DANGER
AHEAD**

**IT'S THE
BANK'S
FAULT.**



**DON'T
PAY YOUR
BILLS**

America!

3.

The Smoot-Hawley Tariff Act of June 1930 raised US tariffs to historically high levels. This act was originally intended to help protect U.S. farmers against agricultural imports. During World War I, countries outside of Europe increased their agricultural production. Then when the war ended, European producers stepped up their production. Thus massive agricultural overproduction occurred during the 1920s. This in turn led to declining farm prices during the second half of the decade. One of Herbert Hoover's campaign pledges during the 1928 election campaign was to aid the American farmer and others by raising tariff levels on agricultural products.

The Smoot-Hawley Act did not help the Great Depression. In fact it caused more suffering. It caused a storm of foreign retaliatory. Foreign countries felt the U.S. policies were designed to improve our economy at their expense. This contributed to a drastic decline in international trade. For example, US imports from Europe declined from a 1929 high of \$1,334 million to just \$390 million in 1932, while U.S. exports to Europe fell from \$2,341 million in 1929 to \$784 million in 1932. In the end, world trade declined by about 66% between 1929 and 1934.

The Smoot-Hawley Tariff also created distrust among nations leading to less cooperation in either the political or economic realms.

4.

The Federal Government's failure to give emergency funding to banks. After some large bank failed, customers panicked, and rushed to withdraw their money from smaller local banks. There was no federal insurance for bank deposits during that time, and if a bank went under, the customer lost their money.



A "Run on the Bank"... when people panicked take all their money out of the bank because they are afraid they will lose it because the bank might close.

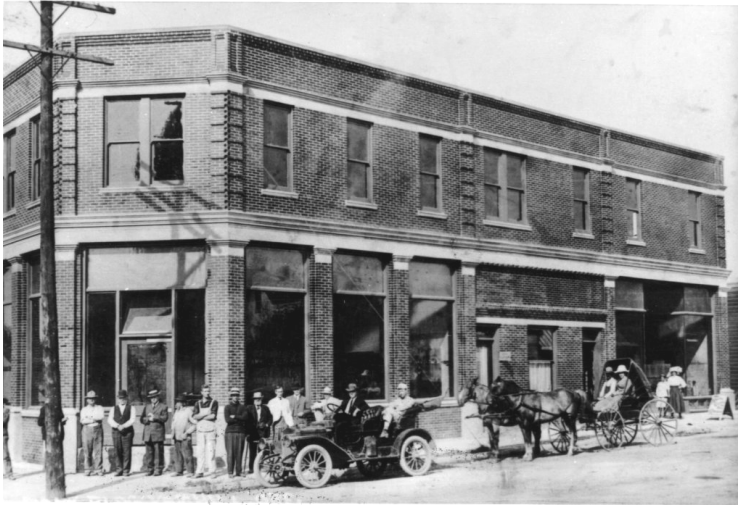
Today, people's money is safe in banks because the Government promises that your money is safe. If a bank closes the government will give you the money you had in the bank.

Every part of the economy affected the other. People couldn't buy because they had no money, stores couldn't sell their goods because they had very few customers, factories couldn't sell to stores because stores had too many products already so factories had to fire workers.

The little fish was eaten by a bigger fish, which was eaten by a bigger fish, which was eaten by a bigger fish, which was eaten by a bigger fish.



1.



- Banks used much of their customer's money to invest. When the stock market dropped, banks lost their customers money.
- Banks could not get the money they loaned to businesses because businesses failed and no longer existed.

People waited outside the bank to try to get their money back. But the bank went out of business and they lost all their money..

People and Families...

2.

At its worst, 1 in 4 (25%) of the workers did not have jobs



Almost 13,000,000 workers had no jobs and very little hope. Not counting millions who worked for less money than before the depression started.



3.



People lost their homes and had
Nowhere to go...

- Poverty..



lives are destroyed
With no money and no job, people lived where ever they could
find a room over their heads. These places were called "Hoovervilles"



Farmers whose topsoil blew away joined the
sod caravans of "Okies" on Route 66 to
California, 1935

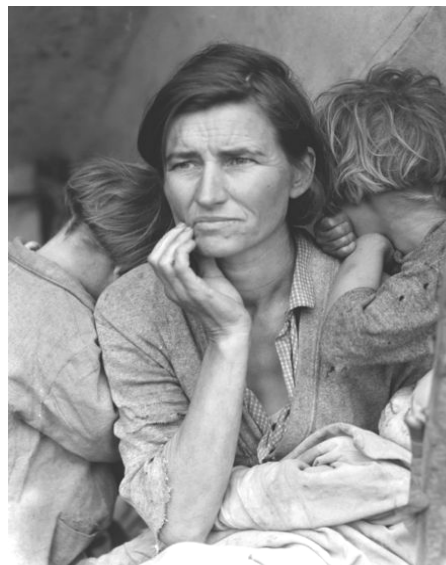
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people lived in shacks



Homeless and nowhere to go



This picture taken by
Dorothea Lange has become
one of the most famous
pictures of the
Great Depression.
The woman, Florence Owens
Thompson was a 32 year old
mother of seven, and her
children had been surviving on
frozen peas they found and
birds the children could kill.

4.



5.



Many farmers could not afford to keep their farms and just had to walk away



Dust storms mostly occurred in Texas, Colorado, Kansas, and Oklahoma and destroyed over 100 million acres of farmland adding to the farmers problems. Lack of rain made the dirt dry and turn to dust that was easily swept across the flatlands by heavy winds

Without a home and food, a family worries how they can feed their children

Use the pictures and the caption below the pictures to write YOUR STORY if this was YOUR family.

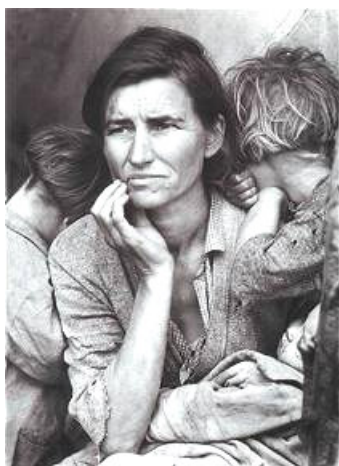
- What jobs did you or your husband or wife have before the Great Depression?
- Where did you live?
- What did you have? (automobiles, house, items that made life easier)
- What did you do for entertainment?
- How did the children live?
- What did you usually have for dinner?
- What happen that led you to this place in your life?
- What are your plans for the future?
- What is life like for you NOW?



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Farmers whose topsoil blew away joined the sod caravans of "Okies" on Route 66 to California, 1935

Homeless:



During the Great Depression, millions of Americans lost every penny they had.... Including their homes.

Many people packed up all they had and piled into their car to look for work they could not find. Some jumped on rail cars and drifted from city to city trying to survive. Millions of people did not even know where their next meal was coming from.



Herbert Hoover

1929 - 1933

President of the United States

When the Great Depression started

help them or try to stop the Great Depression with government help.

As the country sunk into a deep depression President Hoover believed that the crisis was only temporary and better days were right around the corner. Hoover did not think the government should get involved.

Hoover's solutions to the depression was..

- _____
- _____
- _____
- _____

Not until 1931 did the government get involved... By this time, many people thought it was too late... Many Americans hated Hoover..

Feeling the pressure, Hoover finally began to act. The government, in an effort to create more jobs, built new public buildings, roads, parks, and dams. A Presidents Emergency Committee on Employment advised local relief programs. The Hawley-Smoot tariff was passed by Congress in 1930 to protect domestic industries from foreign competitors. However, these tariffs backfired when European nations reacted to the tariffs by increasing their own tariffs on American goods.

Here are examples of what Hoover did...

The government actually made the problem of the depression worse.

- The most famous example of this was the Smoot-Hawley Tariff Act.
- Raised taxes of businesses
- Raised taxes on the rich from 25% to 63%
- Encouraged businesses to keep making products so people could keep working
- Encouraged businesses to keep paying a high wage to workers



Other acts passed during Hoover's administration had similar effects of either raising prices or keeping them artificially high when they should have been dropping. Thus, it's not that Hoover was a do-nothing president, it was that he intervened (got involved) the wrong way.

Draw a picture of what Americans thought of Hoover's leadership as president to help end the Great Depression



Franklin Delano Roosevelt (FDR)

Is Elected
President

1933 - 1945

And introduces his policy to the American people to
help end the Great Depression

By March there were 13,000,000 unemployed, and almost every bank was closed. In his first "hundred days," he proposed, and Congress enacted, programs to help recovery to business and agriculture, relief to the unemployed and to those in danger of losing farms and homes, Franklin D. Roosevelt helped the American people regain faith in themselves

- _____
- _____

FDR's Policy to help end the Great Depression was ...

What Roosevelt Thought would help end the Great Depression

President Roosevelt FDR was ready to experiment, unlike Hoover. Because of his own illness and the giant gap between the wealthy and the poor, FDR had compassion for the ordinary citizens of America. FDR knew that Americans were searching for a change and that is exactly what he gave them.

FDR communicated with the public by radio every week with his "fireside chats" to assure them that recovery was near, thus, increasing their confidence. Roosevelt knew the government had to get involved to help the American people. During the first one hundred days of President Franklin D. Roosevelt's term of office, he feverishly pushed program after program through Congress to provide relief, create jobs, and stimulate economic recovery. These programs were based on federal agencies that had controlled the economy during WWI or on programs started by Hoover or by state governors. FDR's new programs were known as the "New Deal."

Major _____ of Roosevelt's New Deal

1.

- These were programs that helped put many Americans, especially unskilled workers, back to work. The program built many
 - public buildings
 - projects to rebuild roads, bridges, and highways
 - dams
 - airports
 - parks and recreation fields
 - libraries

2.

- To help Farmers. The government met many of the demands of the Farm Bureau that included helping farmers make more money and reduce their debt.

3.

- Workers were given more rights to bargain
- Sick leave and workers compensation
- Minimum wage laws
- Time and a half for overtime worked

4.

- Build Lodges in National Park
- Plant trees

5.

- Food stamps, pension and health insurance, money to the Unemployed

Use the worksheets and your knowledge from class discussions to complete the worksheet on the Great Depression. Each box will have two sentences. The first sentence will introduce your topic of what you "watched, tasted, smelled, etc." The second sentence will support your first sentence with an example of meaningful information. Use the completed square to understand how to complete the other five topics.

28.3 The Economy Sinks into Depression

I listened

to the radio to hear the news of the stock market falling on Black Tuesday. I knew I just lost all of my money.

I watched

I smelled

I tasted

With my hands, I

I felt



WORD BANK

Black Tuesday

unemployed

President Hoover

banks closed

homeless

public works project