

THE GREAT DEPRESSION



By icHistory

Causes of the Wall Street Crash

Mission: to summarise the major causes of the Wall Street Crash

Blame ...

The banks because ...

- 1-
- 2-

Canada because ...

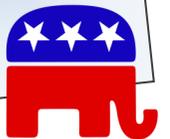
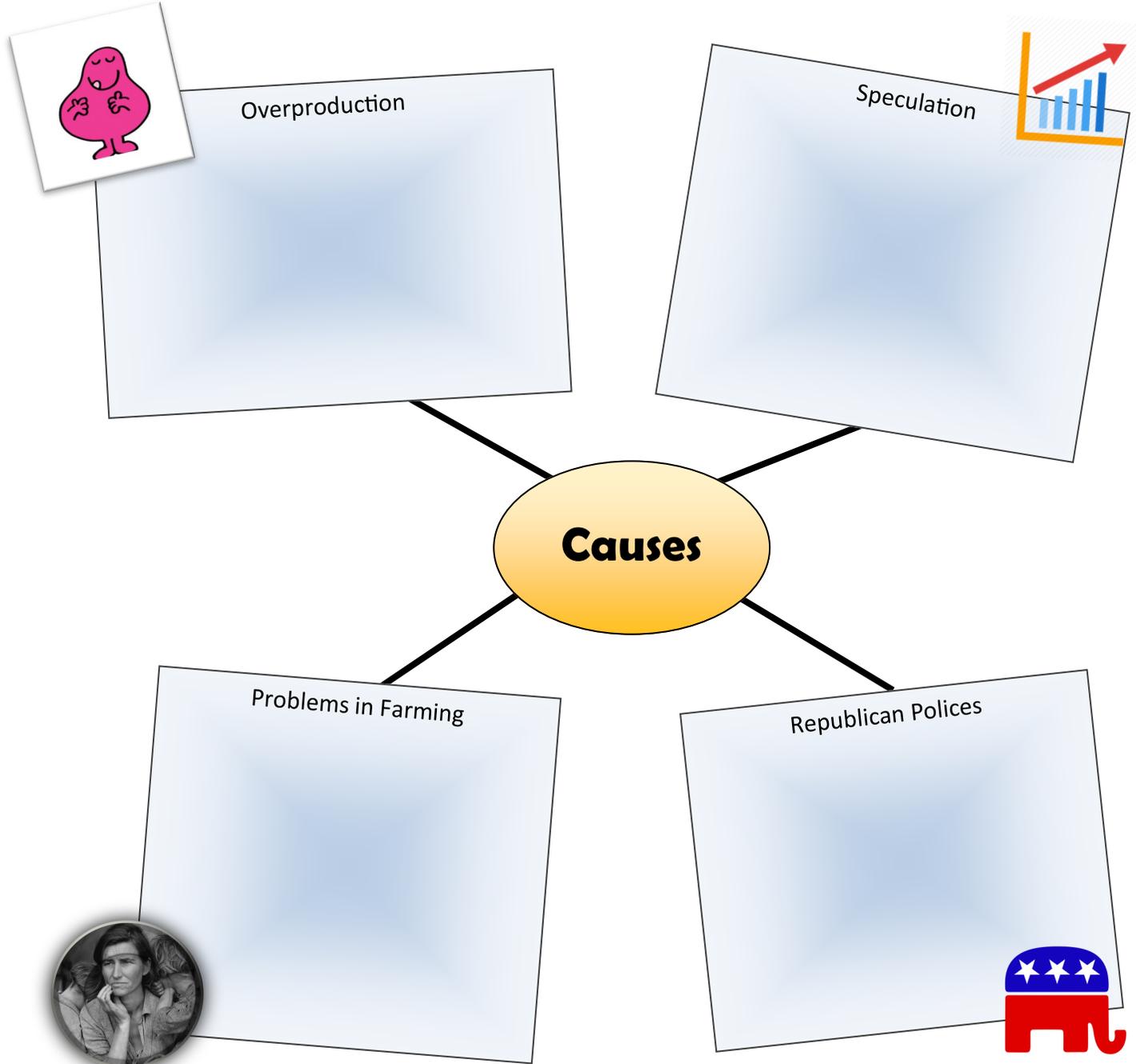
- 1-

Speculators because ...

- 1-
- 2-

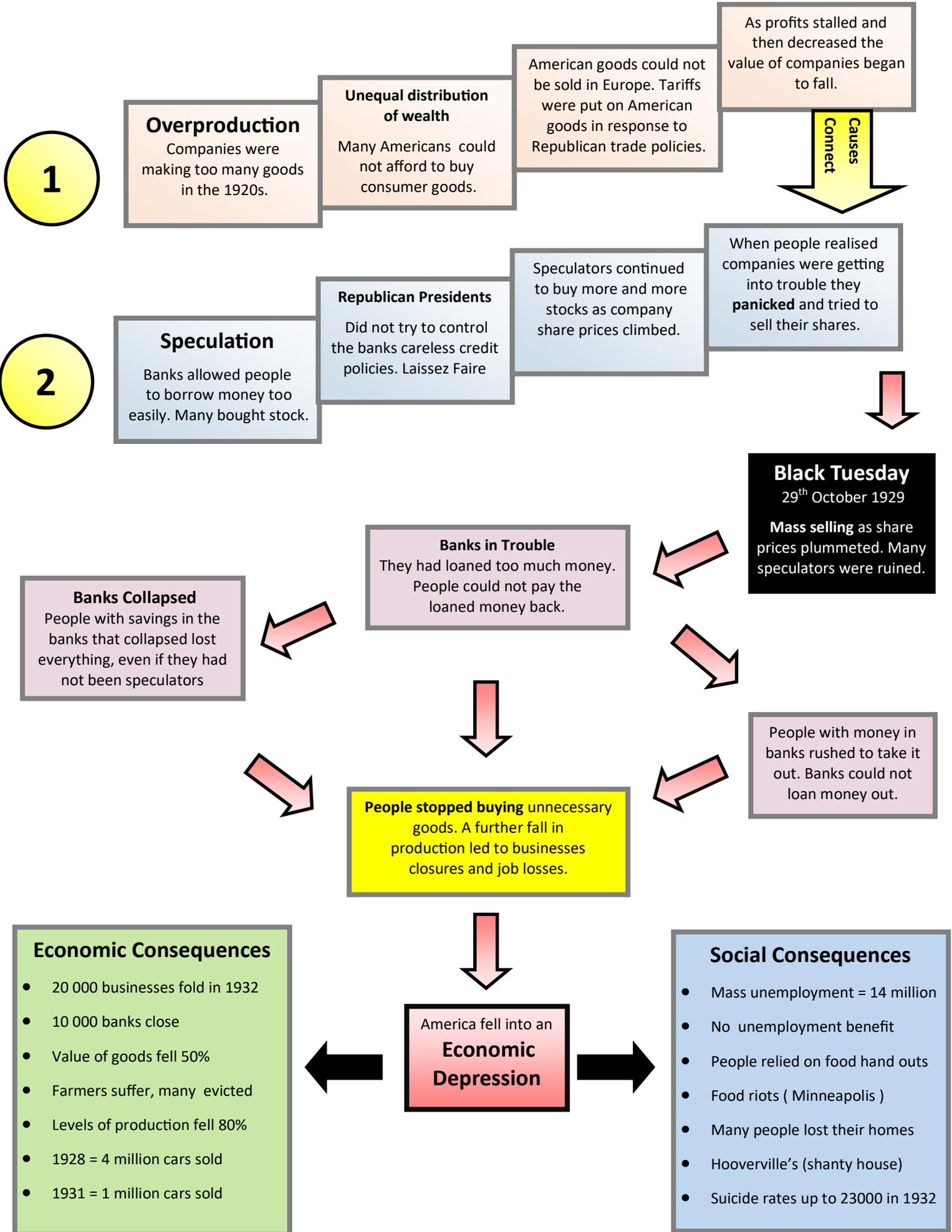
Republican policies because...

- 1-
- 2-
- 3-



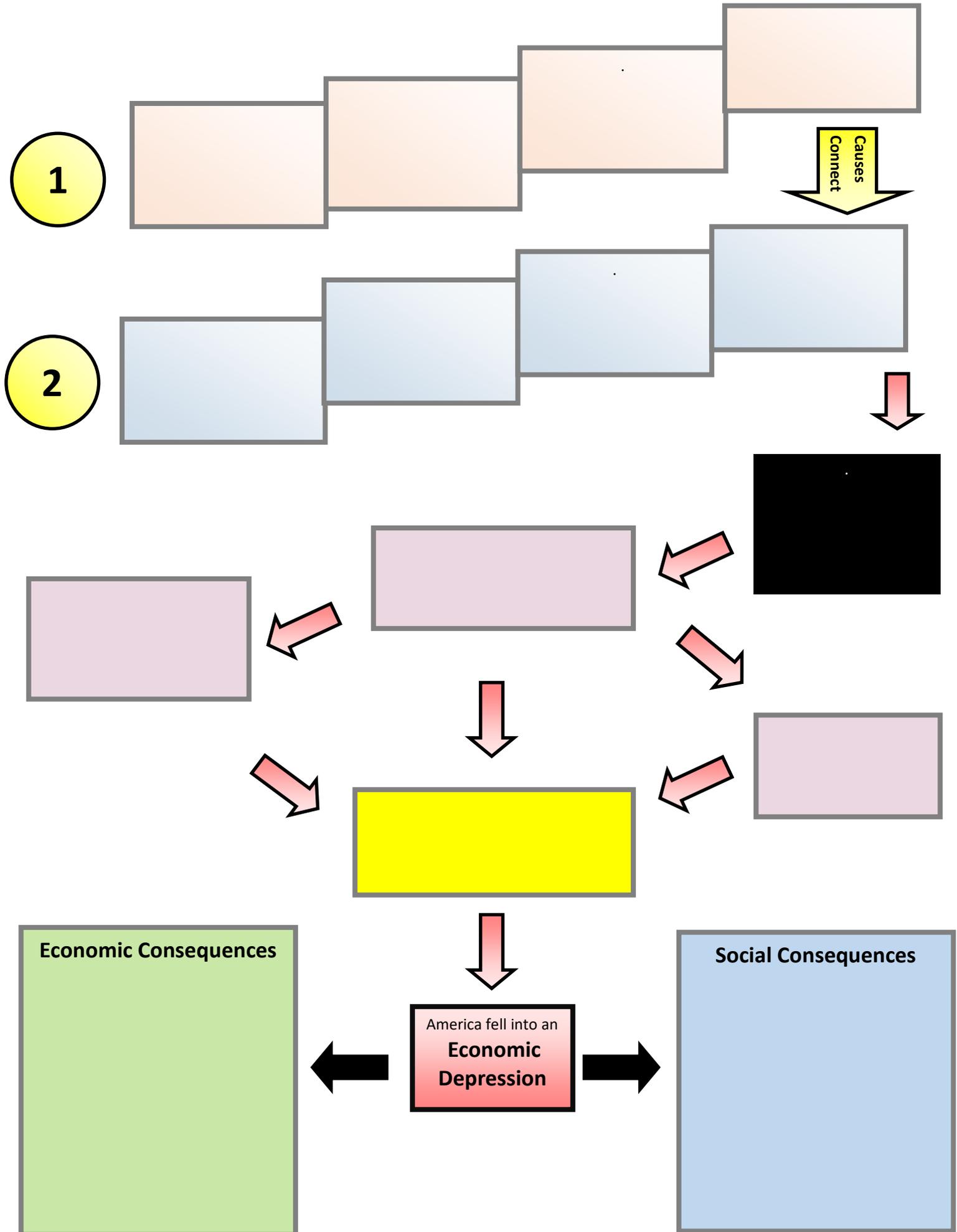
Wall Street Crash: causes + consequences

Mission: to understand the key causes and effects of the Wall Street Crash in 1929.



Wall Street Crash: causes + consequences

 **Mission:** to understand the key causes and effects of the Wall Street Crash in 1929.



What is a stock?

A loan from a bank	A small slice of a company	A loan from a company
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1

What is an investor?

A person who sells stock	A person who sells shares	A person who buys shares
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2

Why people bought stock (2)

Quick, easy way to make money	Could not get bank loans	Exciting to 'play the market'
-------------------------------	--------------------------	-------------------------------

3

The marketplace for stock trading

Wall Street	Sesame Street	Quality Street
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4

'Buying on the margin'

Buying stock illegally	Buying stock with savings	Buying stock with loans
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5

What is a shareholder

A person who owns stock	A person who sells shares	A person who buys shares
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6

More likely to 'play the market'

Poor people	Middle classes	Black People
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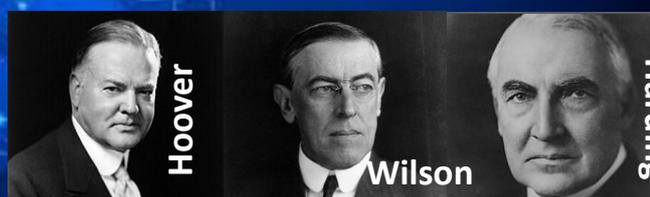
7

Number of investors by 1929

20 million	40 million	25 million
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8

President in October 1929



9

\$1000 of radio company stock

Bought in 1928 sold for \$2000 in '29	Bought in 1928 sold for \$5000 in '29	Bought in 1928 sold for \$4000 in '29
---------------------------------------	---------------------------------------	---------------------------------------

10

Answer

A person who buys shares

Answer

A small slice of a company

Answer

Wall Street

Answer

Quick, easy way to make money

Exciting to 'play the market'

Answer

A person who owns stock

Answer

Buying stock with loans

Answer

20 million

Answer

Middle classes

Answer

Bought in 1928 sold for \$4000 in '29

Answer



Hoover

When was Black Tuesday?

Tuesday 29th August	Wednesday 29th September	Tuesday 29th October
---------------------------	--------------------------------	----------------------------

11

Shares traded on Black Tuesday

6 million shares	16 million shares	20 million shares
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12

How many businesses collapsed?

5000 businesses	10,000 businesses	20,000 businesses
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13

Economic, Social or Political?

Goods fell 50%	Hoover held responsible	Food riots E.G. Minneapolis
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14

Biggest victim of the WSC?

Speculators	Those with savings in the banks	Banks owners
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15

Name of houses in Central Park

Hooverilles	Parkvillas	Shanty tents
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16

Who marched in Washington DC?

Soldiers	War veterans	National Guard
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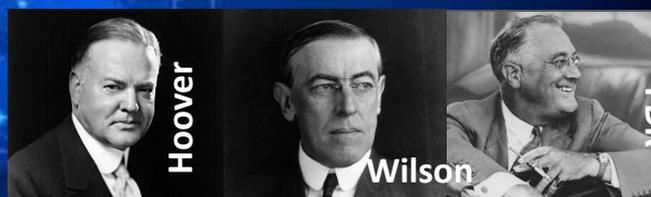
17

Cars produced (2)

1928 = 4 million	1931 = 1 million	1932 = 3 million
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18

Presidential Candidates in 1932 (2)



19

Jobless car workers chanted

Hang Hoover	Frame Franklin	Help Hoover
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20

Answer

16 million
shares

Answer

Tuesday
29th
October

Answer

Social Political Economic

Answer

20,000
businesses

Answer

Hoovervilles

Answer

Those with
savings in
the banks

Answer

1931 = 1 million 1928 = 4 million

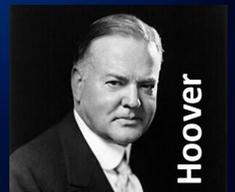
Answer

War
veterans

Answer

Hang
Hoover

Answer



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Hoover	Wilson	
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Answer

The Effects of the Wall Street Crash - The Great Depression.

 **Mission:** to analyse, evaluate and compare historical sources to consider how Americans were impacted by the economic collapse.

"A six year old boy licked the paper bag the meat had been brought in. His legs were scarcely any larger than a medium sized dog's leg. His belly was as large as a 130 pound woman's. Suffering from rickets and anaemia, his legs were unable to carry him for more than a dozen (12) steps at a time; suffering from malnutrition, his belly was swollen several times its normal size. His face was white and bony. He was starving to death. In the other room of the house without chairs, beds or tables, a woman lay rolled up in some quilts trying to sleep. On the floor before an open fire lay two babies, neither a year old, sucking dry teats of a mongrel bitch (dog) "

Eskine Calder writing in 1935 - New York Post Article after a visit to rural Georgia. Calder was a radical writer and anti-capitalist.

A

B "The Great Depression blighted everybody, except for the very poor who had nothing to lose. There were skyscrapers just finished that had no tenants. There were truckers with nothing to truck, milk that went undelivered to people who couldn't afford it. I couldn't go out in the evening to mail a letter without being stopped by nicely dressed men cadging dimes and quarters".

Alistair Cooke, America, 1973.

" During the last three months I have visited some 20 states of this wonderfully rich and beautiful country. Montana citizens told me of thousands of bushels of wheat left in the fields uncut on account of its low price that hardly paid for harvesting. In Oregon I saw apples rotting at the orchards. At the same time there are millions of children who will not eat one apple this winter. A farmer told me he had cut the throat of 3000 sheep and thrown them into a canyon because it cost \$1.10 to ship an animal worth \$1.00. I saw men picking for meat scraps from the garbage cans of the cities".

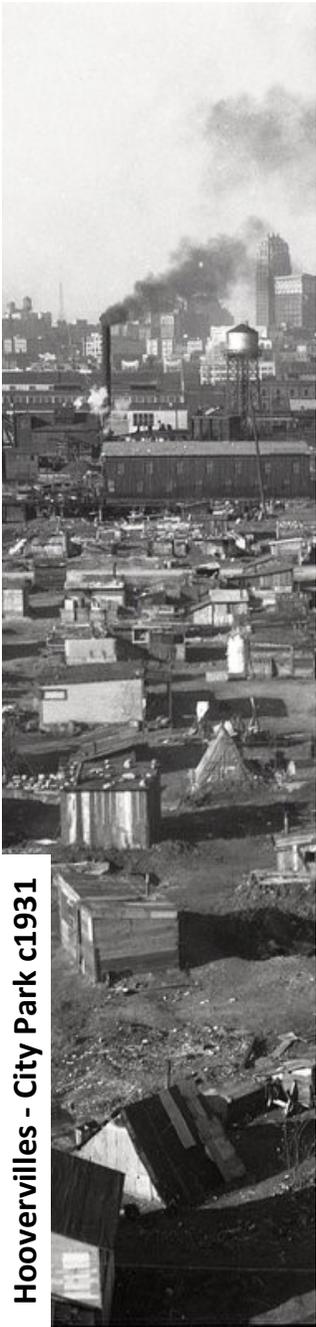
Oscar Ameringer's evidence to the House of representatives in 1932.

C

" ..at first and even a second glance, New York City is much the same as it was in pre-depression days. Wandering the city looking for disaster, the visitor will very likely find no more then he would have in New York in any other winter".

D

An article in Fortune Magazine - c1931.



Hoovervilles - City Park c1931



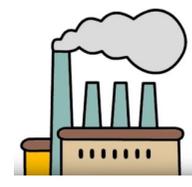
Rural Family, America c1934

Wall Street Crash to the Great Depression + other causes.

 **Explore:** the main reasons for the Great Depression.

Wall Street Impact

Over half of banks would eventually collapse.



Stock prices began to crash.	Banks had invested and lost money.	Banks asked for any loans back.	Angry customers rushed to get their money out.	Businesses had loans called in - went bankrupt.	Factories stopped producing and many closed.	High rates of unemployment.	Great Depression
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15 million unemployed by 1933.

And In The Cities



Businesses produced consumer goods.	But many Americans could not afford them.	Tariffs also hurt oversea sales.	So many of such things were left unsold.	Factories had to do this ..	Wages were cut and jobs too.	Great Depression
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Industrial production fell 50 %.

In The Countryside



US farming became very efficient.	And they faced competition.	And those tariffs hurt exports.	So they cut prices.	They stopped making any profit .	They could not pay mortgages or loans.	The banks took away their farms instead.	Great Depression
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Puzzle Pieces Option

Wall Street Impact

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And In The Cities

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In The Countryside

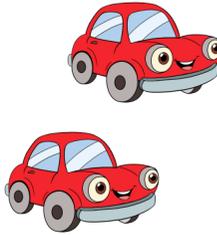
Over half of banks would eventually collapse.

Wall Street Crash to the Great Depression + other causes.

🎯 Explore: the main reasons for the Great Depression.



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Great Depression Impact

Unemployment

Homelessness

“Evidence”

Farmers

Migration

Self Help

Help for the poor

Dust Bowl

Grapes of Wrath

Saving America in 1932.

 **Mission:** solve the social, economic and political problems c1932.

It is 1932 and the Great Depression has ravaged America - **So what now what?**

Activity set up: assign student groups to play one of the roles on the place cards that follow. Note, it is not necessary to have every group represented and these are merely suggestions. Ideally groups should be given a lesson and a homework to formulate their ideas and arguments for their most important items.

The 'electorate' decides the outcome following each item discussion. The electorate is essentially the jury that decides on each item. They also call the items to order, maintain discipline and set a time limit (5 mins?) per item. At the end of each item, they should be given a short time to decide then announce their decision. You may wish to use the 'Electorate Tokens' at the end of each item for the team that was most helpful or persuasive.

Show a large count down timer on a whiteboard of possible.

There are also additional game / power cards to spice up the activity if you wish to use them.

1: Riots in New York: workers and the unemployed are rioting in protest of what is happening to them. How should they be treated?



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the 'electorate' to support your argument.

2: Tax Rates: what is the best tax rates for - Farmers - Workers -Middle Class - Big Business Owners? Decide as a percentage.



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the 'electorate' to support your argument.

3: Low worker wages: production has dropped 50% resulting in less profits for companies and cuts in wages. Raise them or not?



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the 'electorate' to support your argument.

4: Farmer's mortgage defaults: famers are not making their mortgage repayments to the banks. Take their farms away?



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the 'electorate' to support your argument.

5: Homelessness: Two million people in 1932. Solutions?



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the t 'electorate' to support your argument.

6: The Volstead Act / Prohibition: the sale, consumption, manufacture and transporting of alcohol has been illegal since 1920. Repeal?



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the 'electorate' to support your argument.

7: Banks Dry: Surviving banks have no money to lend - companies that need money are failing or can't grow. Solutions?



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the 'electorate' to support your argument.

8: Overeruption of consumer goods: many Americans cannot afford to buy goods. Very difficult to export them too. Solutions?



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the 'electorate' to support your argument.

9: Banking Regulations: Banks currently left to make their own rules.



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the electorate' to support your argument.

10: Bonus Army: 15,000 WW1 veterans march on Washington to demand early payment of pensions due in 1945. Disband them?



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the 'electorate' to support your argument.

11: Fourteen million Americans unemployed: What can be done to get so many people back to work?



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the 'electorate' to support your argument.

12: The Dust Bowl: Farmers from Oklahoma 'Ookies' have been devastated by no rain, dust storms. Many are migrating to California.



Is this item VERY important for your group? If not, skip it - if so plan how you will persuade the 'electorate' to support your argument.

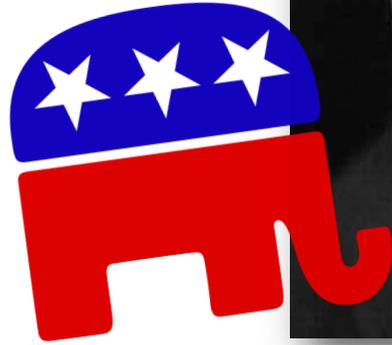
13: Any other business: Any suggested items for discussion?



Republicans did not believe in BIG (Federal) government interventions.
Laissez Faire
Deregulation of banks and industries.
Low Taxes for the wealthy - handouts make poor people lazy
Capitalism—the American Dream — Let big business take care of business

MAIN AIM = Save America with traditional Republican policies.

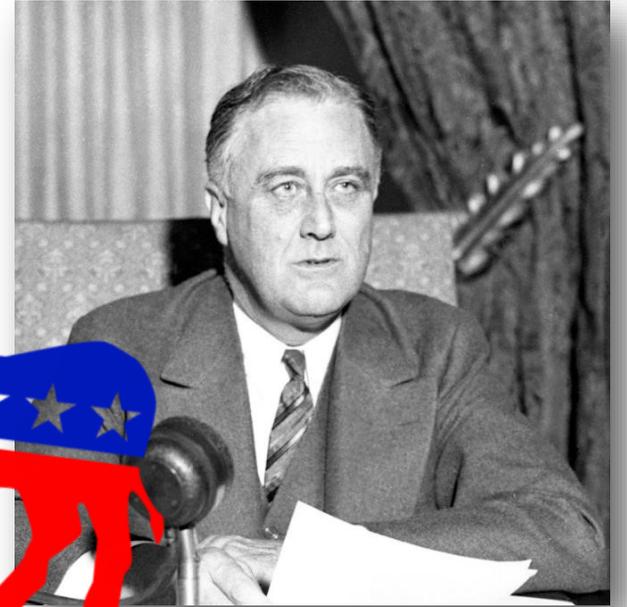
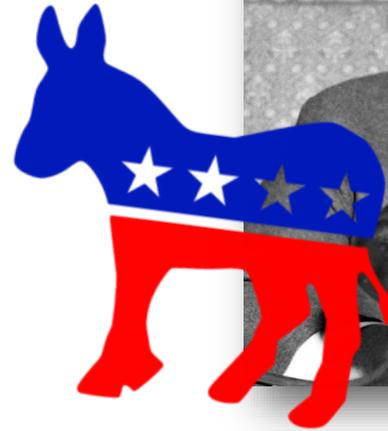
President Hoover



Democrats believe that Federal government should get involved at local and state level.
Lower taxes for the working and middle classes.
Government regulation of banks and industries.
Federal money should be used to support the poor.

MAIN AIM = Save America with traditional Democratic policies.

Franklin D Roosevelt



You represent farmers in the Midwest and the South
Many of your members are unable to pay the mortgages on their farms
This is not their fault- but due to overproduction and tariffs
Many have also been hit by the environmental disaster of the dust bowl
You are more conservative in outlook

MAIN AIM = Find any way to sell your goods at a fair price.

The Farm Board



You need Federal support to help ease this problem.
You do not have enough state money to make any real improvement.
Your state has been struggling to cope with the migration of 'Oakies'.
The Federal Government (president Hoover) has cash reserves.

MAIN AIM = Help the poor, unemployed and homeless in your city

California Governor



You used to work at Ford's Factory.
You got easy loans from the bank to invest in the stock market - and lost.
You lost your job in 1930.
You do not have enough money to pay your mortgage or feed your family.
You joined the New York protests and riots.

MAIN AIM = Get a job and feed your family.

Ex Factory Worker



You own big factory that produces radios.
After 1928 more and American people have stopped buying your goods.
Tariffs have made it hard to sell your products outside of America
You have already cut wages and fired some workers.
You cannot get any money from the bank to keep your business going.

MAIN AIM = Get back to business

Business Owner



You are the manager of a large chain of banks.
You have loaned out too much money and your bank has no money left.
People who gambled on the stock market lost the money you loaned them.
Most farmers cannot make the payment on their farm mortgages

MAIN AIM = get your money back

Bank Manager



Listen carefully to the proposals from groups before you decide what to do for each item.

Announce your decision before introducing and moving onto the next item of discussion.

You may ask any clarifying questions but avoid getting involved in discussions - let the various groups do this.

Suggested tasks while the other teams prepare.

Task 1 - Decide on necessary roles E.G. a time keeper - a chairperson - announcer - other?

Task 2 - Consider any other important matters and raise these during the 'Any Other Business' round.

Task 3—Any other ideas or suggestions to improve the activity - what issues may you face?

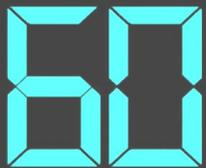
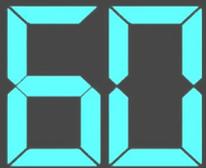
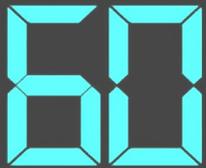
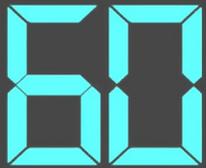
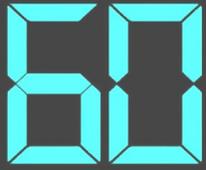
MAIN AIM = to bring the USA out of the Great Depression

The Electorate



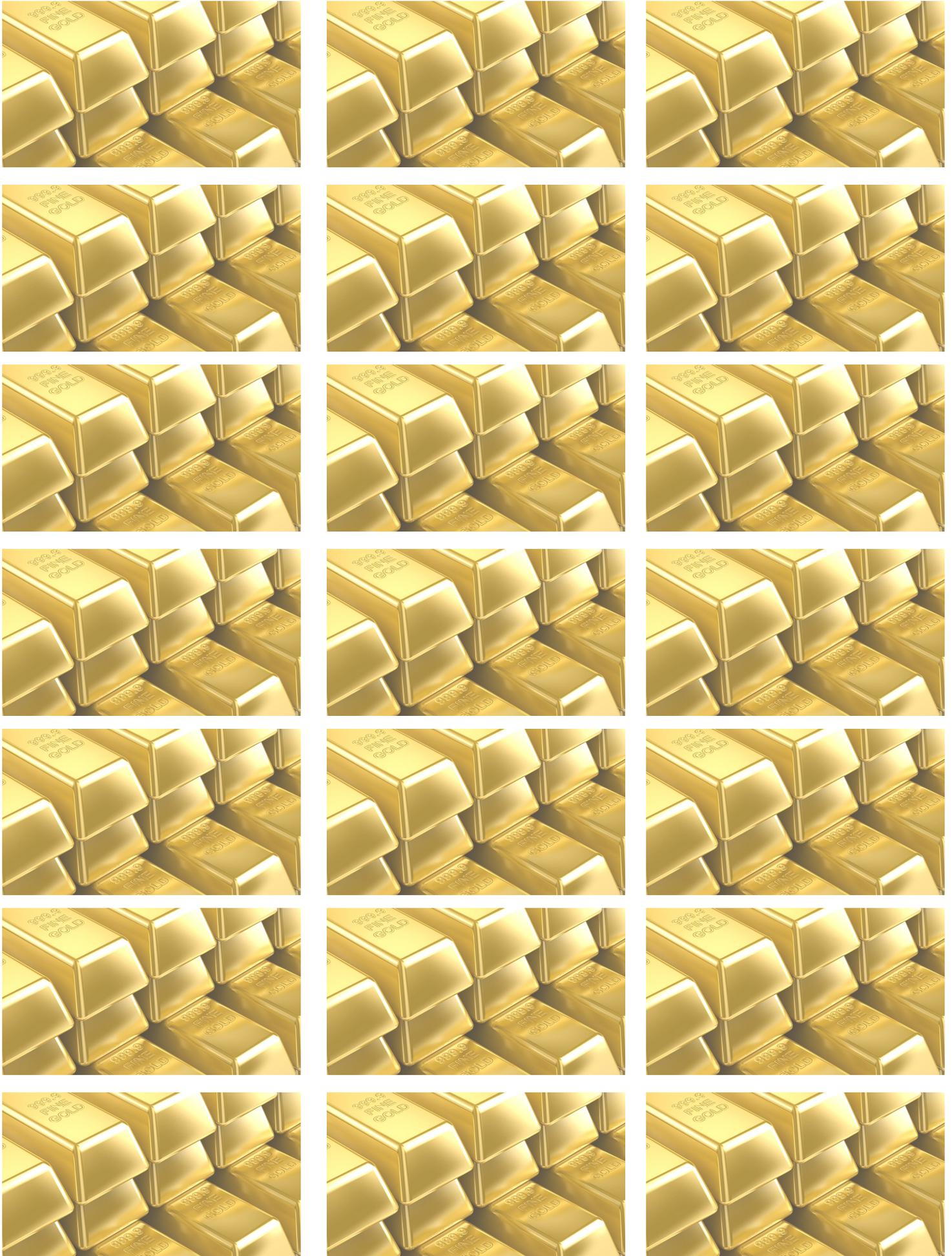
Time Tokens - you may wish to give each team 3 x 60 seconds time tokens to play. Once played this guarantees the floor + one minute of uninterrupted time to make their argument.

Unused time may be yielded to another group.



Electorate Tokens - the electorate may choose to offer reward token for teams that were particularly persuasive or helpful after each discussion item.

Trade in for a reward at the end of the activity?



Election Winner

Electoral College

Republican = _____

Democrat = _____

Popular Vote Total

Hoover = _____

Roosevelt = _____

Why Did Roosevelt Win The 1932 Election? (short plan)

Intro: _____

P: _____

E: _____

E: _____

L: _____

HH
-

Bonus Army

P: _____

E: _____

E: _____

L: _____

HH
-

P: _____

E: _____

E: _____

L: _____

FR
+

P: _____

E: _____

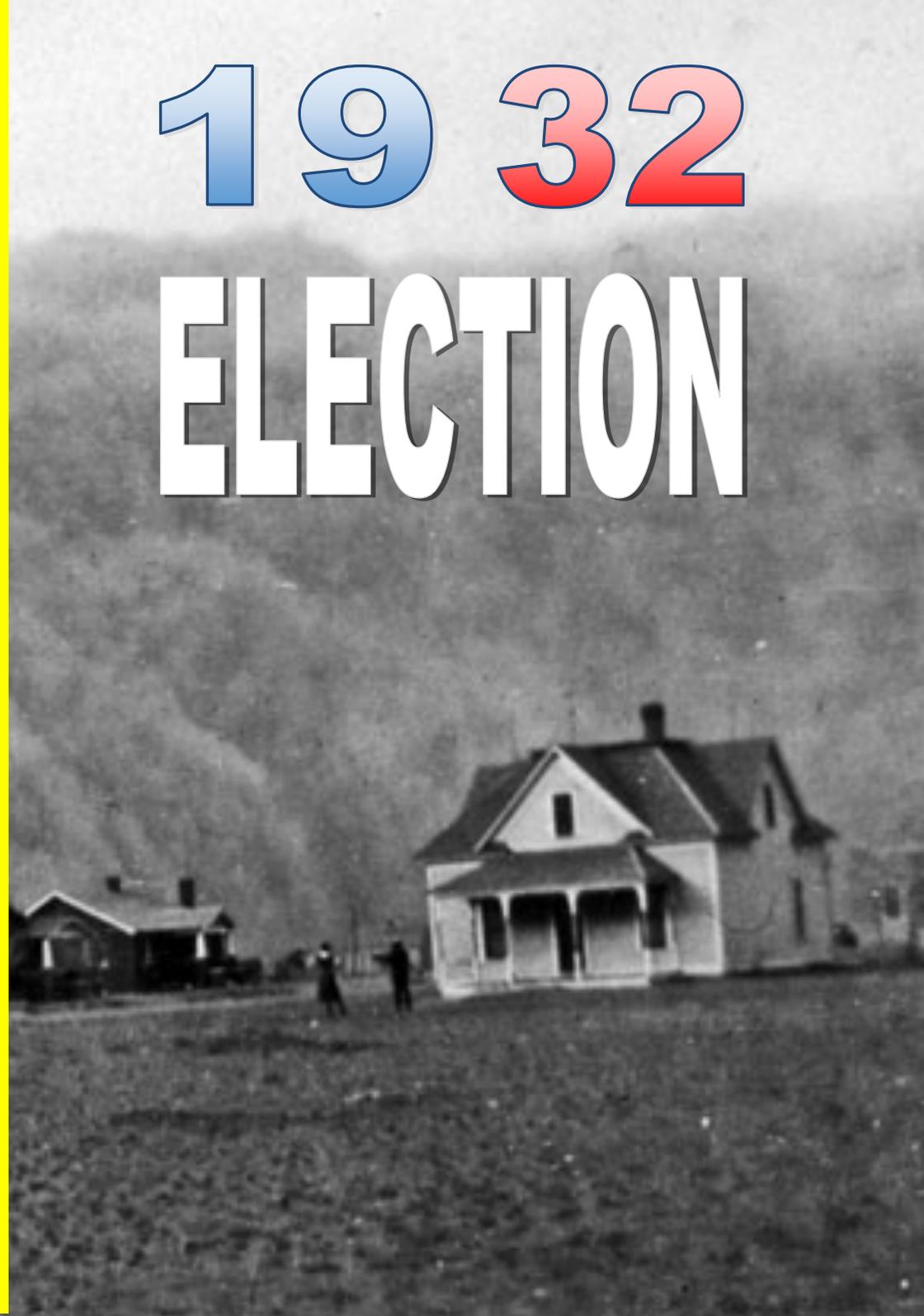
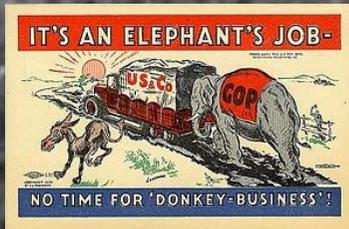
E: _____

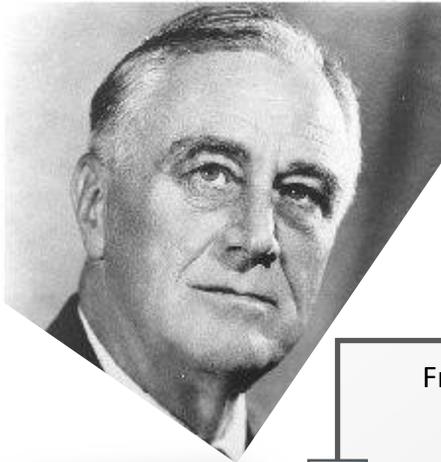
L: _____

FR
+

1932

ELECTION





1932



Roosevelt



Hoover

Franklin D Roosevelt - who was he?

President Hebert Hoover - who was he?

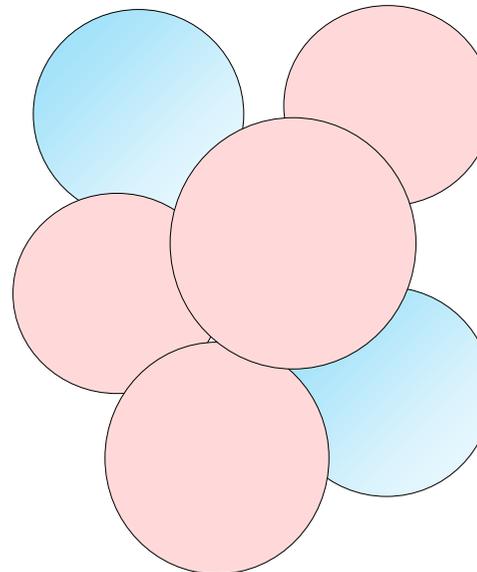
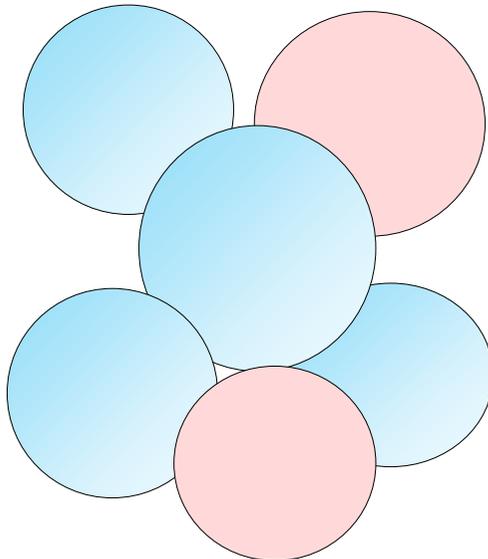


Pro Roosevelt - Anti Hoover Points

Pro Hoover - Anti Roosevelt Points

Democrat Campaign of 1932

Republican Campaign of 1932



Why Did Roosevelt win the 1936 election?

Mission: to understand why Roosevelt won the 1936 election by a landslide.



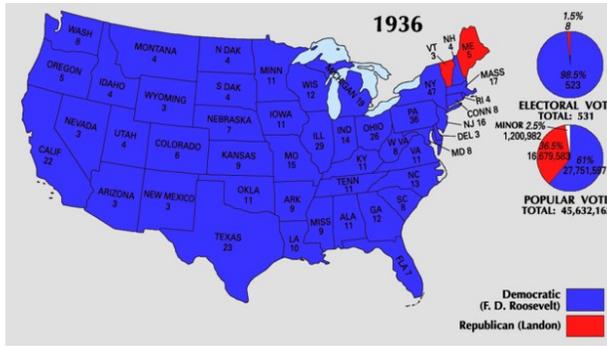
“President Roosevelt has done his part, now you do something. Buy somethings – buy anything, paint your kitchen, send a telegram, give a party, get a car, pay a bill, rent a flat, fix your roof, get a haircut, see a show, build a house, take a trip, sing a song, get married. It does not matter what you do - but get going and keep going. This old world is starting to move.”

Posted on a New Jersey factory board in 1933.



“Dear Mr President,
This is just to tell you everything is alright now: The man you sent found our house alright and we went down to the bank with him and the mortgage can go on for awhile longer. You remember I wrote about losing the furniture too. Well your man got it back for us. I never heard of a President like you. My wife and I are old folks, and don't amount to much, but we are joined with millions of others in praying for you every night. God bless you, Mr Roosevelt.”

One of thousands of personal letters sent to President Roosevelt.



“As Roosevelt described it, the ‘New Deal’ meant that the forgotten man, the little man, the man nobody knew much about was going to be dealt better cards to play with. He understood that the suffering of the Depression had fallen with terrific impact upon the people least able to bear it. He knew that the rich had been hit hard too, but at least they had something left. But the little merchant, the small householder and home owner, the farmer, the man who worked for himself—these people were desperate. And FDR saw them as principal citizens of the United States.”

‘The Roosevelt I Knew’
By Frances Perkins
Roosevelt's Labour Secretary



“In his fireside chats on the radio he projected himself and his message into millions of homes. Most years until the war, he made extensive tours through America so that hundred of thousands saw for themselves the big smile, the jauntily cocked cigarette holder, the straight nose and jutting jaw.”

Hugh Brogan - ‘The New Deal’.



“He was in a very special sense the people’s President, because he made people feel that with him the White House they shared the Presidency. The sense of sharing gave the most humble citizen a lively sense of belonging”.

Justice William D. Douglas - Being an American, 1948.



“Negroes swung to Roosevelt because they had been granted relief (financial support). In many areas , negroes had been hit harder by another other group by the Depression, survived largely due to relief cheques. The NYA though the negro leader, Mary Bethune funnelled funds to thousands of young negroes ... When Roosevelt toured the country in 1936 he could hear people crying out ...‘he saved my home’ ... ‘he gave me a job’ .”

W.E. Leuchtenburg
‘Franklin Roosevelt and The New Deal’.



How far does source B support E

Point of support / corroboration

P1 :

Point not supported / corroborated

P1 :

Mostly supports Does not support

A reason why E may not be reliable?

Quick Questions

Why were people told to get a haircut?

Who was the leader of the Negro Youth Admin?

Something you don't understand from the sources

Why was FDR was elected in '36?

P1 -

P2 -

P3 -

P4 -

Crash and Depression

Contact phil@ichistory.com if you have any questions about this resource.

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The Roaring Twenties

The New Deals

www.icHistory.com