

## The Great Depression

The Great Depression was a very sad time in history. The Great Depression officially began on October 29, 1929. This day in history is known as Black Tuesday. October 29 is the day the stock market crashed. Anyone that had money in the stock market lost most of their money. There were many banks across the United States that closed because of this event. This caused people to lose even more money.

The Great Depression was the worst economic struggle the world has ever faced. The event started in the United States. It became so bad it traveled across the world. The Depression lasted from 1929 until the early 1940s. During this time, more than 15 million Americans (25% of the work force at that time) were out of work.

Before the Depression started, life in the 1920s was very exciting. This period in history was known as the Roaring Twenties. Jazz was very popular. There were plenty of parties. People had a great time. During this period, most Americans liked to spend money. It was common to see the average person shopping for cars, things for their home, and many other new products. Any extra money was often placed in the stock market. Of course, when the people went shopping they were not paying cash. Many of them paid with credit.

The businesses were doing great for this reason. The more people purchased on credit the better they did as a whole. However, workers were not being paid at a high enough rates to afford spending high amounts on credit. This caused a gap between the rich and poor parts of society. The majority of the country earned the same amount of money.

This was not necessarily a bad thing except that businesses were putting out new products all the time. Consumers were buying these items using credit they could not afford to use. This widened the gap between rich and poor even more. This is what caused the stock market to crash. The stock market crash brought on the Great Depression.

President Hoover did not believe that the stock market crash would have a lasting affect on society. He was a firm believer that within a few months the country would go back to normal. Hoover thought it was wrong to offer federal help to the Americans that were suffering. Instead, his plan was to help the businesses through a process called trickle-down economics. This meant the government would help businesses. If the government helped them then businesses should help their workers. Unfortunately, businesses wanted the money for themselves. They decided to lay workers off, which made the situation worse.

Many people blamed the president. They said the Great Depression was his fault. He was openly mocked during this period.

One thing people would do is turn their pants pocket inside out. This was a sign they had no money. This was called the Hoover flag. Many towns had areas called Hoovervilles. A Hooverville was an area of town where the poorest people would live. These people often lost their homes. As a result, they would get together and make a community with tents. They would live as best they could with only the bare necessities.

In the 1920s there was a basic belief that success was earned. People believed that nothing was handed to you. This meant they also believed if failure came to a person then they earned or deserved that failure. The Depression was a very rough time for men. This is because they were supposed to provide for their families. Most of them could not do that.

They believed they earned their failures. They could not do anything to become successful at that time. These men found it humiliating to have to ask for help and yet that had no choice. Their families were starving. They had no place to live. It was an awful time. In fact, it was so bad that many men committed suicide because they felt they had suffered the ultimate failure by losing all their money. They thought they had nothing to live for.

African Americans were forced to suffer even more than white individuals did. This was because jobs were taken from the African Americans and given to the white people. By 1930, over half of the African Americans in the United States were unemployed.

### **Life during the Great Depression**

People were forced to adapt to a way of life they could not imagine. Some children had to quit school because their parents needed them to find jobs. These kids would look for work if their parents could not find any. People learned the importance of saving money. They learned how to make money last because they never knew how much they would be getting.

The majority of people were not driving during this time. They either lost their cars or could not afford gas to drive them. If you were lucky enough to have a home, you had to use kerosene lamps. Some people had to go without light at night if you could not afford kerosene.

There was no air conditioning. Only the wealthy people had fans. If you got hot you would have to open a window or try to cool off outside. Kitchens did not have running water. If you needed water, you would have to pump it from a well. Schools did not have cafeterias. In fact, many schools were only a few rooms.

Most of the younger children grew up not realizing they were poor. There were so many people in poverty around them that they did not realize there was anyone in

better situations than they were. If people made \$700.00 a year they were doing well. This is because there were plenty of people that were not that lucky.

The following table shows the common prices for many of the things your family buys today. Look at the differences in what your family pays today. Things were very cheap back then, but they were still too expensive for many people who could not afford these things.

### Food Items

Price of Goods	Items
<b>5 cents</b>	1 loaf of bread or 1 pound of spinach
<b>10 cents</b>	3 pounds of apples or 3 Milky Way candy bars or a head of lettuce or a pound of peanut butter
<b>13 cents</b>	A pound of bacon or a pound of hot dogs
<b>15 cents</b>	A pound of any of the following meats – Ham, Hamburger, Pork chops, roast beef. 15 pounds of potatoes
<b>17 cents</b>	3 pounds of onions
<b>19 cents</b>	A box of strawberries or three cans of soup
<b>20 cents</b>	1 pound of steak
<b>25 cents</b>	3 pounds of sausage patties or 6 boxes of spaghetti pasta
<b>47 cents</b>	10 pounds of sugar
<b>63 cents</b>	24 pounds of flour

### Other Items

Price of Item	Item
\$0.10	1 children's admission ticket to the movies
\$0.15	1 quart of motor oil
\$0.25	1 bottle of toothpaste or 1 haircut or 1 shampooing at a hair salon or 1 adult admission at the movies
\$0.29	1 broom
\$0.50	1 toothbrush
\$0.98	1 screen door
\$5.00	1 fan
\$440.00	1 new pickup truck - Chevrolet
\$485.00	1 new car – Chevrolet

## The New Deal

Franklin Delano Roosevelt was the governor of New York when he offered Americans something called the New Deal. This was a plan to get America out of the Depression. Roosevelt won the presidential race by a landslide in 1932. When he went into office, he set his New Deal plan into action immediately.

The first thing he did was to declare a four-day bank holiday. This was done so Congress could go ahead and pass an Emergency Banking Relief Act. This act was put into place to make banks a more stable business. Once this was handled, Roosevelt spent the next one hundred days laying the groundwork for the programs and services that would help Americans get their lives back in order.

The New Deal created many programs that are still used today. The government started working with unions and minorities as well as farmers and other areas of business. These groups were being left behind. This was done to ensure that relief and aid were being sent to the right areas and the right people were receiving that aid.

The Great Depression and the New Deal were two areas of history that directly changed the way that American government dealt with the citizens. Americans learned that the government had some responsibility when it came to the health and well-being of the citizens of the country.

## The Great Depression Worksheet

1. Who was president during the beginning of the Great Depression?

- A. Franklin Delano Roosevelt
- B. Woodrow Wilson
- C. Herbert Hoover
- D. Theodore Roosevelt

2. What was the event that thrust America into the Great Depression?

- A. Great Depression Day
- B. Black Tuesday
- C. Black Monday
- D. None of the Above

3. What was the date the day the stock market crashed?

- A. October 29, 2005
- B. October 29, 1929
- C. October 9, 1920
- D. October 19, 1929

4. Before the Great Depression began what was that time in history referred to as?

- A. The Roaring Twenties
- B. The Awesome Twenties
- C. The New Deal
- D. The Non-Depression

### Matching

Match the prices on the left to the appropriate items on the right.

- 5. \_\_\_\_\_ \$0.10
  - 6. \_\_\_\_\_ \$0.25
  - 7. \_\_\_\_\_ \$0.50
  - 8. \_\_\_\_\_ \$0.98
  - 9. \_\_\_\_\_ \$5.00
  - 10. \_\_\_\_\_ \$440.00
- A. A screen door
  - B. A pickup truck
  - C. Three pounds of apples
  - D. A fan
  - E. A toothbrush
  - F. A hair cut

Name \_\_\_\_\_



Date \_\_\_\_\_

## **Essay**

**Write the answers on a separate piece of paper.**

11. President Hoover did not believe the Great Depression was ever going to be as bad as it became. How do you think the president should have acted in that situation? Do you believe it was his job to help all people in need, or did he handle the situation in the best way possible?

12. Pretend you are a person living in the Great Depression. You can be someone living on a farm, in one of the Hoovervilles, or a city. Write about what you think your life would have been like based on all you have learned.

Name \_\_\_\_\_

Date \_\_\_\_\_

### Answer Key

1. A
2. B
3. B
4. A
5. C
6. F
7. E
8. A
9. D
10. B
11. Answers may vary
12. Answers may vary