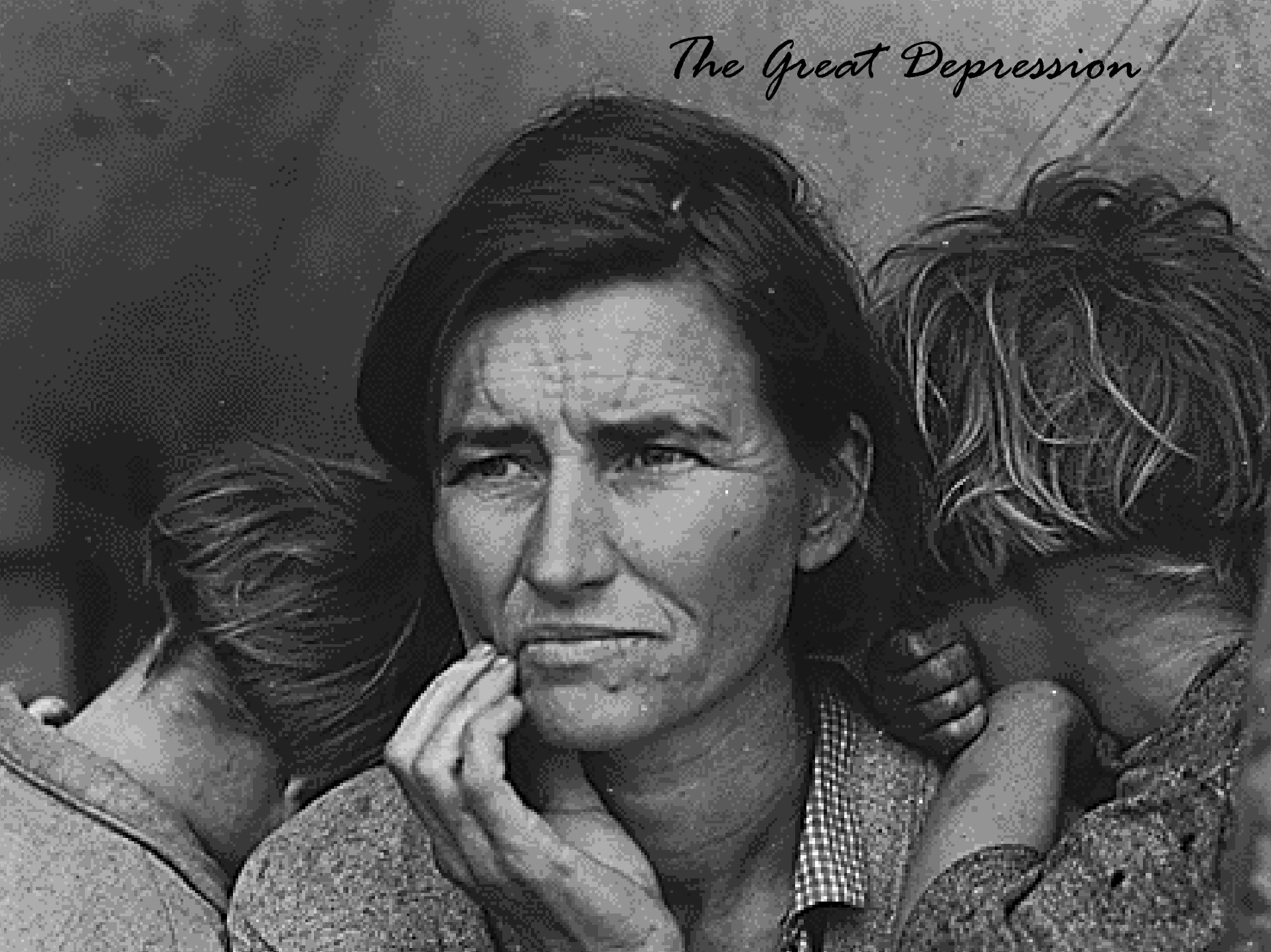
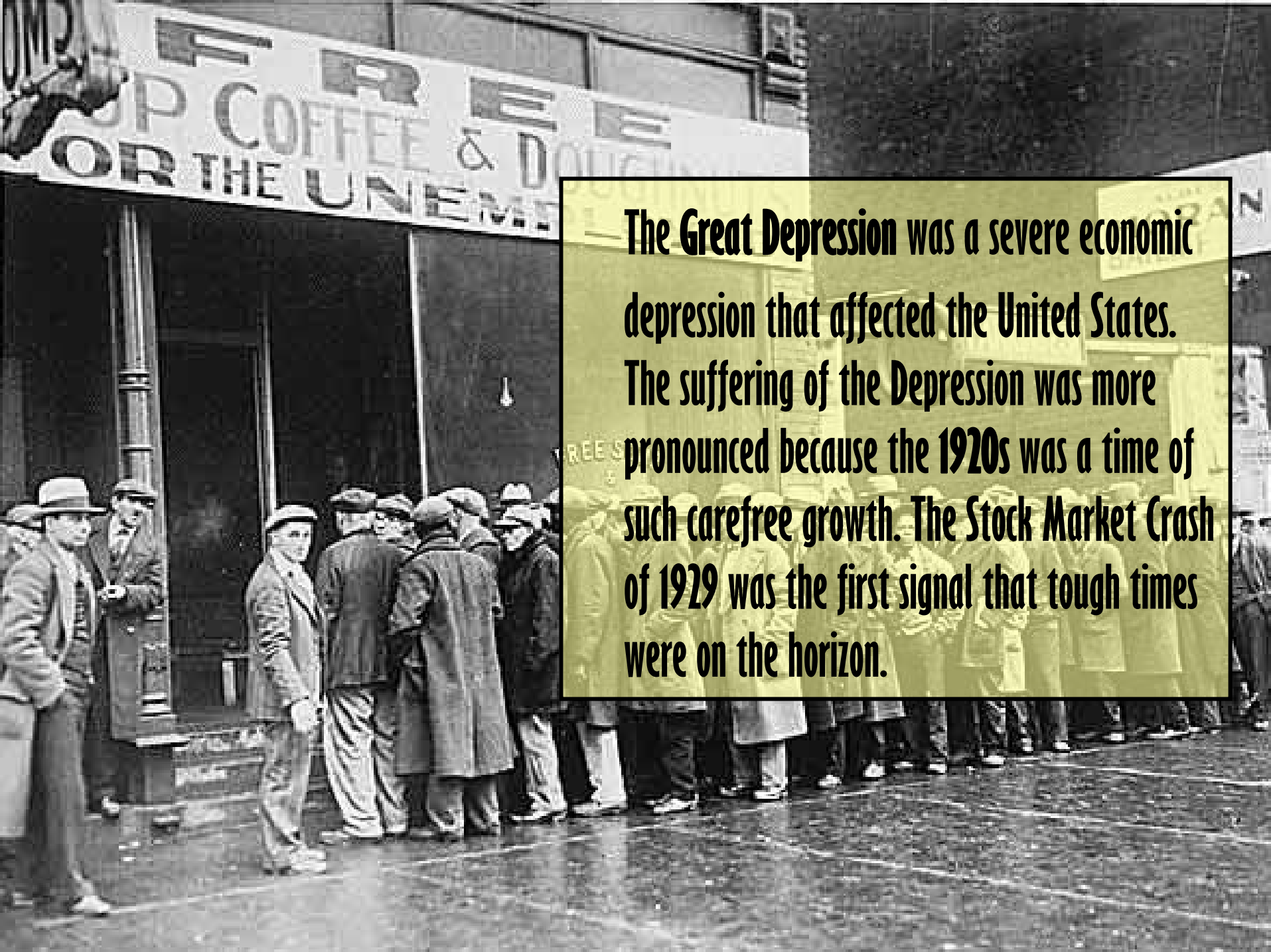


*The Great Depression*

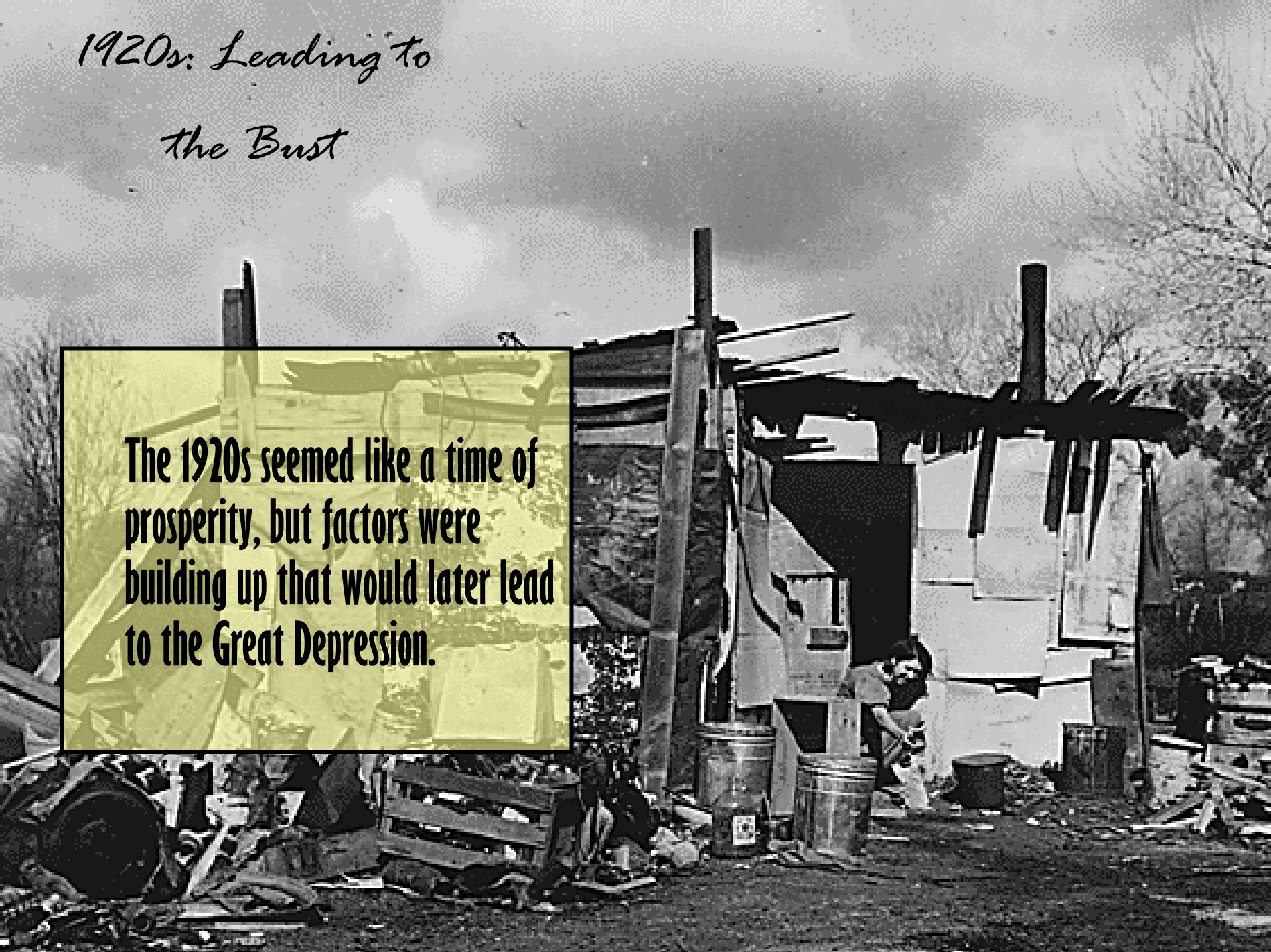




**The Great Depression was a severe economic depression that affected the United States. The suffering of the Depression was more pronounced because the 1920s was a time of such carefree growth. The Stock Market Crash of 1929 was the first signal that tough times were on the horizon.**

*1920s: Leading to  
the Bust*

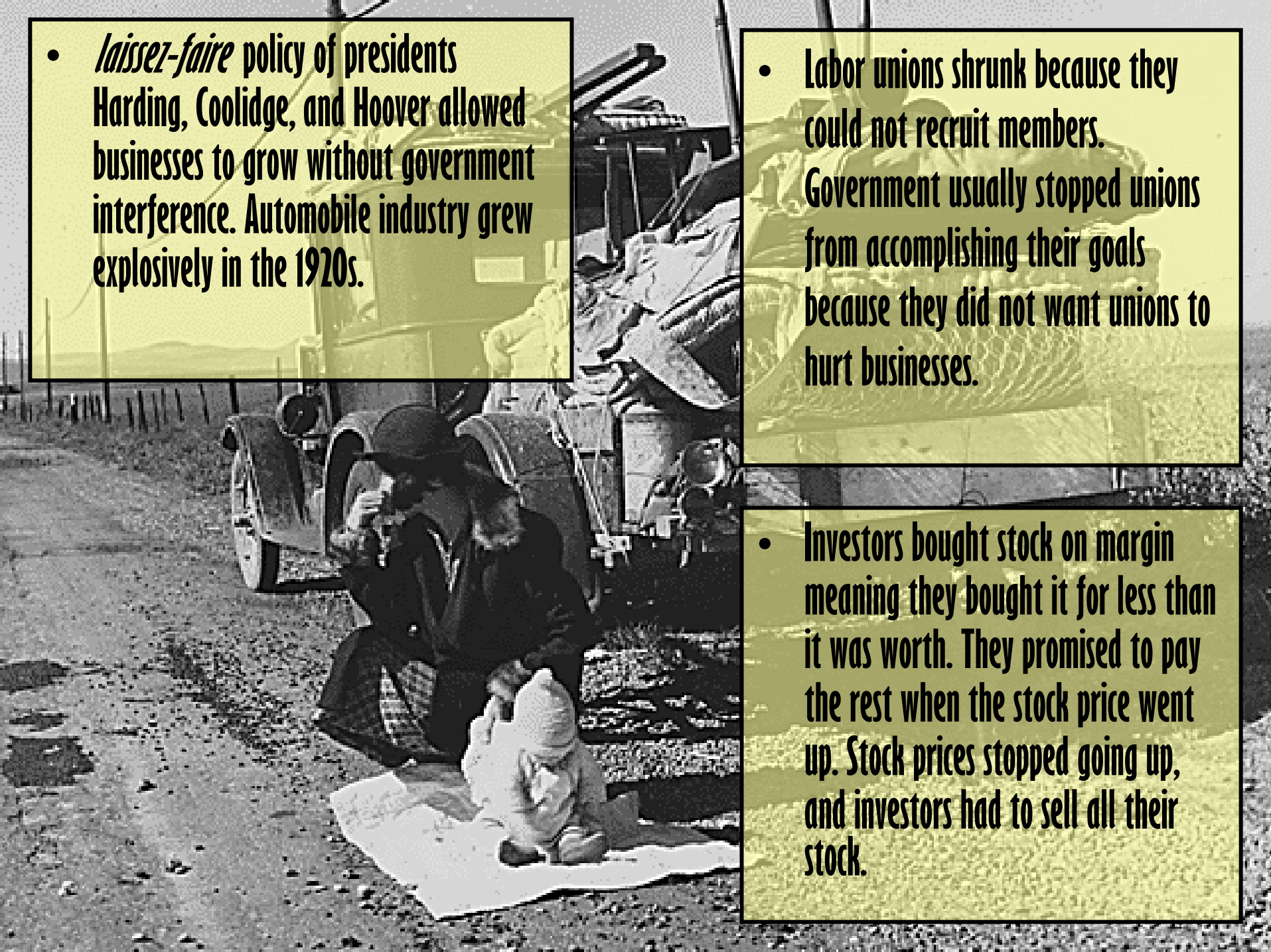
**The 1920s seemed like a time of prosperity, but factors were building up that would later lead to the Great Depression.**



- *laissez-faire* policy of presidents Harding, Coolidge, and Hoover allowed businesses to grow without government interference. Automobile industry grew explosively in the 1920s.

- Labor unions shrunk because they could not recruit members. Government usually stopped unions from accomplishing their goals because they did not want unions to hurt businesses.

- Investors bought stock on margin meaning they bought it for less than it was worth. They promised to pay the rest when the stock price went up. Stock prices stopped going up, and investors had to sell all their stock.



- **Speculators bought stocks hoping to sell them for high profits in the future. This action drove up the stock prices.**

- **People used credit to buy things they couldn't afford at one time. When the depression hit, they could not afford to pay off their purchases.**

- **Farms began producing more crops than were needed. Price of crops went down and farmers lost money. They could not buy equipment and machines.**



- On October 29, 1929, the Great Depression hit the country hard. Work was hard to find, and many people lived in poverty.

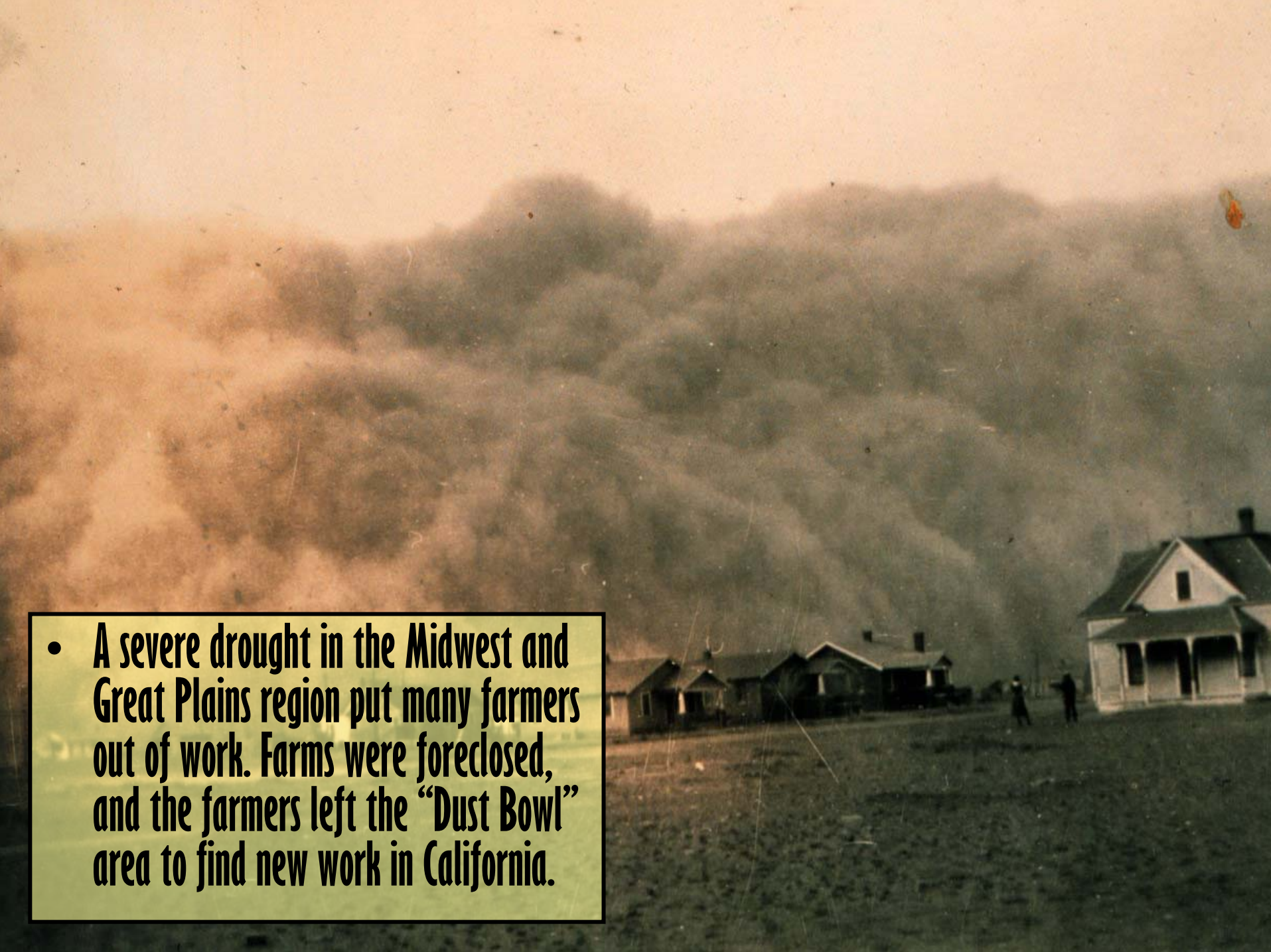
*1930s: The  
Depression  
Hits*



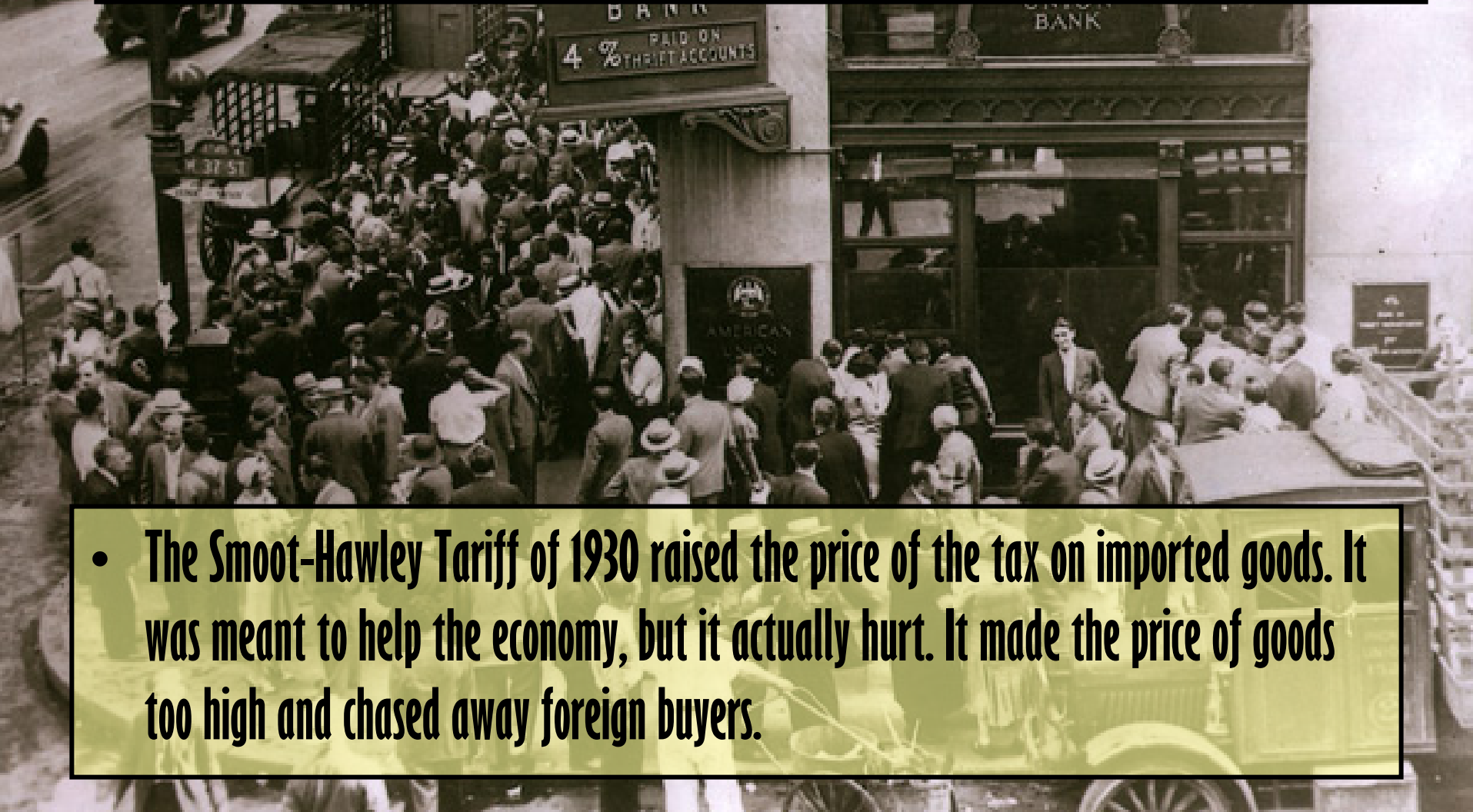
- **Hoovervilles were groups of shacks made from materials usually found in the trash. People could not afford homes when they could not find work. These shantytowns were named after President Hoover. Many people were angry that he did not help them when they needed him.**



- **Hoover did not give direct aid to help the needy people. Instead, he gave good loans to businesses and banks. He thought that helping businesses would help create jobs.**

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- A severe drought in the Midwest and Great Plains region put many farmers out of work. Farms were foreclosed, and the farmers left the “Dust Bowl” area to find new work in California.

- A group called the Bonus Army marched on Washington, D.C., to demand payment of veteran's bonuses. They were scheduled to get the bonuses in 1945, but they needed the money sooner to survive the Great Depression.



- The Smoot-Hawley Tariff of 1930 raised the price of the tax on imported goods. It was meant to help the economy, but it actually hurt. It made the price of goods too high and chased away foreign buyers.

*The End*

**JOBLESS MEN  
KEEP GOING  
WE CAN'T TAKE CARE OF OUR OWN  
CHAMBER OF COMMERCE**

