

# Social Studies

## Chapter 8: The Great Depression and the New Deal

Name: Key

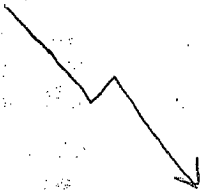
### I. The Good Times End

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#### A. The Economy Weakens

1. Harding and Coolidge let rich people get too rich
2. Hoover thought all poverty was ending in the 20's
3. people had spent too much
  - a. many new appliances
  - b. too busy paying them off to buy any more
  - c. consumer spending slowed
  - d. too many goods not selling
  - e. cut worker hours and wages
  - f. laid people off
  - g. then closed completely

#### B. The Stock Market Crashes

1. Stock Market
    - a. place where people buy and sell stocks, or shares in businesses
    - b. **investors** - Someone who uses money to buy or make something that will make more money
    - c. people put money in to get rich
    - d. hoped to sell stock for higher price than they bought it
    - e. borrowed money to do this
  2. stock prices drop - 1929
    - a. everyone began to sell stocks
    - b. very few people were buying them
    - c. stock prices dropped
    - d. everyone panicked and tried to sell their stock!
  3. Black Thursday, October 24
    - a. everyone was selling and prices were dropping quickly
    - b. some rich bankers bought stock to try to stop it (didn't work)
  4. Tuesday, October 29
    - a. stock was worth little or nothing
    - b. Stock Market had "crashed"
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5. hurt everyone

a. people who had money invested in the Stock Market

b. people who relied on those others to pay them for something

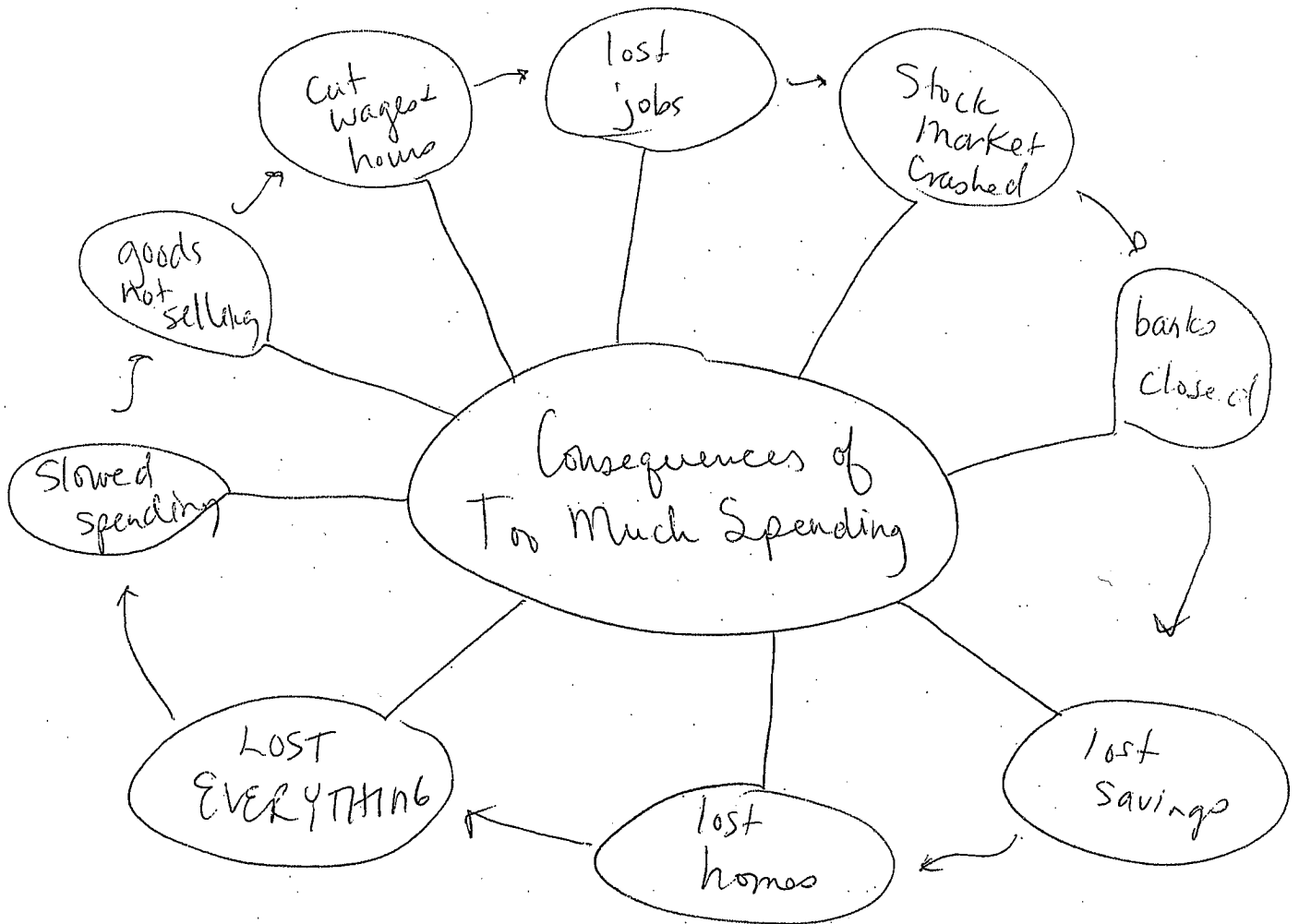
C. Relied on Savings

1. went rushing to the banks

2. had loaned money to people for businesses, houses, and stock

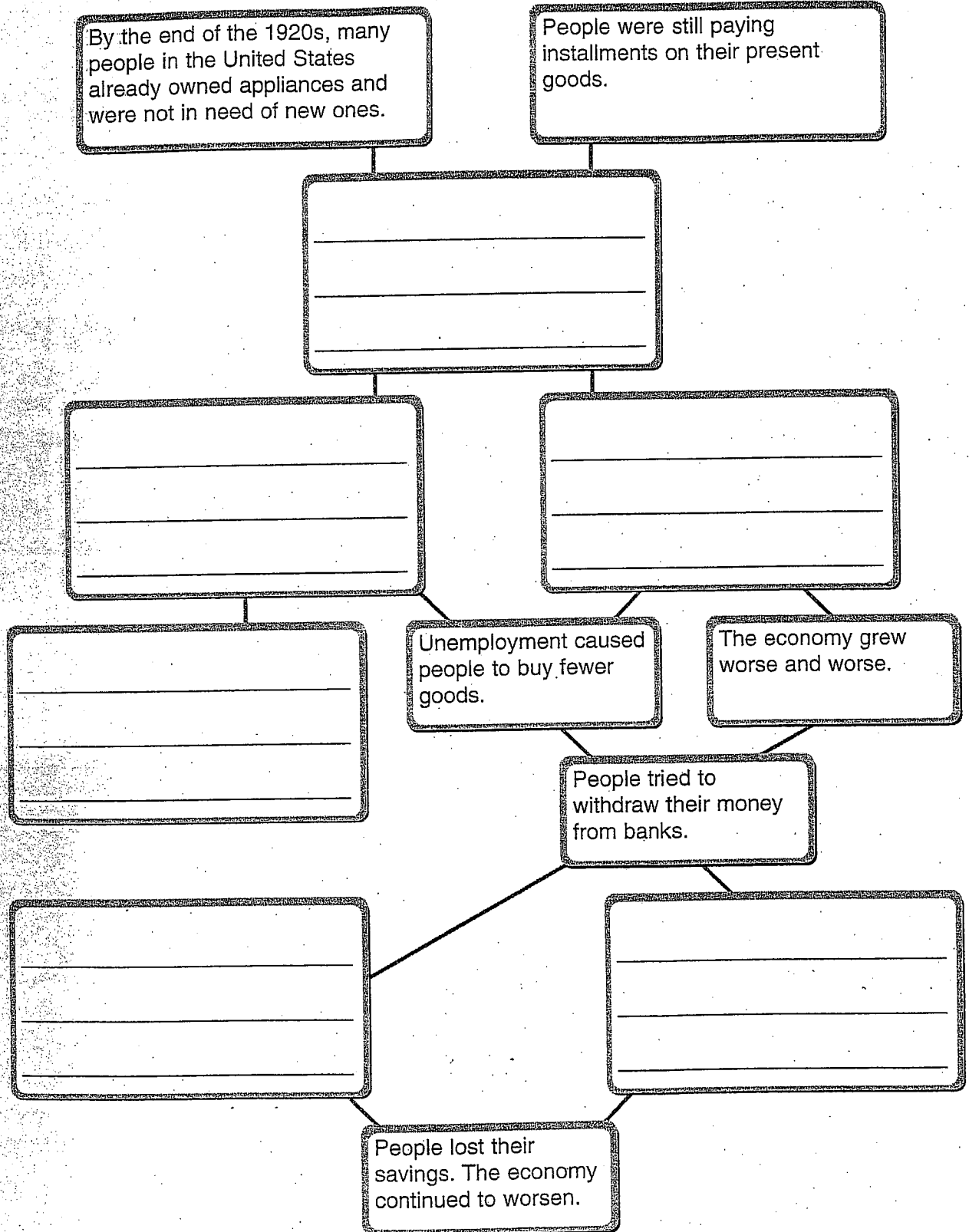
3. couldn't pay them their savings

4. closed



# The Good Times End

**Directions** Complete the flow chart below.



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## II. The Great Depression

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### A. Hard Times

1. **depression** - time when industries don't grow + people are out
  - a. **economists** - people who study the economy of work
  - b. believe depressions are natural
  - c. but this one was much deeper and longer lasting
2. businesses failed
  - a. 22,000 the first year
3. banks closed
  - a. over half the first year
4. **unemployment**
  - a. number of workers lost jobs
  - b. 1 out of 4 people out of work
5. lost homes
  - a. lived with family or friends
  - b. Shantytown - built homes from tents, tin cans, boxes, cars
6. no food
  - a. waited in long lines (whole block) for bread or Soup
7. farmers still hurting
  - a. burned crops instead of coal

### B. Hoover's Policies

1. **balanced budget**
  - a. believed the government should not Spend more than it made
  - b. didn't want to just give Americans money
  - c. thought state and local people should help first
  - d. felt the economy would bounce back on its own
2. Smoot - Hawley Tariff
  - a. raised taxes on imported goods
  - b. wanted to encourage Americans to buy American products
  - c. so other countries raised theirs
  - d. lowered both imported and exported goods and actually hurt the economy more
3. made people angry
  - a. jackrabbits - "Hoover Hops"
  - b. empty pocket - "Hoover Flaps"
  - c. newspapers - "Hoover blankets"
  - d. shantytowns - "Hooverilles"
4. the Bonus Army
  - a. group of WWI vets

- b. wanted their war bonus early
- c. Hoover feared they would try to take over the government
- d. General MacArthur was ordered to drive them away with tanks, tear gas, and machine guns

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### C. The Dust Bowl

- 1. causes
  - a. cattle had eaten too much grass
  - b. farmers had plowed the soil too much
  - c. years of drought and wind - 350 dust storms
  - d. blew the top soil away
- 2. many states involved in the southern Great Plains
  - a. Kansas, Oklahoma, Texas, Colorado, and New Mexico
  - b. could tell where the dust blew from because of the color
- 3. dust buried everything
  - a. farms
  - b. animals
  - c. machinery
  - d. people slept with wash cloths over their mouths
  - e. some died
- 4. people headed for California
  - a. especially tenant farmers and sharecroppers
  - b. packed everything into the car
  - c. worked odd jobs along the way
  - d. but no jobs when they got there
  - e. the few jobs available were in the San Joaquin valley picking produce
  - f. Mexican families were forced out of the U.S.

### D. Entertainment

- 1. movies
  - a. Shirley Temple - "Animal Crackers in my Soup"
  - b. Snow White - first animated motion picture
  - c. Wizard of Oz
  - d. Gone with the Wind - a Civil War musical
- 2. music
  - a. Big Band - 25+ instruments playing
  - b. Woody butthie - singer/songwriter in Oklahoma
- 3. other
  - a. Dorothea Lange - photographer
  - b. Will Rogers - comedian

# The Great Depression

**Directions** Read each statement. On the line provided, write *T* if the statement is true or *F* if the statement is false. Rewrite each false statement to make it true.

- 1 A depression is a time when industries are strong and most people have jobs.  
\_\_\_\_\_
- 2 Many economists believe that a depression is a natural part of an economic cycle.  
\_\_\_\_\_
- 3 By 1932 unemployment was high, and one of every four Americans was out of work.  
\_\_\_\_\_
- 4 Most people of the Great Depression had little desire to work.  
\_\_\_\_\_
- 5 President Hoover believed that the government should keep a balanced budget and not spend more money than it made.  
\_\_\_\_\_
- 6 The Smoot-Hawley Tariff enabled the United States export economy to boom in 1932.  
\_\_\_\_\_
- 7 A "Hooverville" was a prosperous town during the Great Depression.  
\_\_\_\_\_
- 8 President Hoover feared the Bonus Army would try to take over the government in Washington, D.C.  
\_\_\_\_\_
- 9 The Dust Bowl refers to a group of states in the Great Plains that were repeatedly hit by droughts in the 1930s.  
\_\_\_\_\_

(continued)

Name \_\_\_\_\_

Date \_\_\_\_\_

**Directions** Imagine that you are living during the Great Depression. Your family information is given below. You are in charge of buying food and other items for the family this week. Choose the best grocery list. Then explain why your choice is best.

**Family Information:**

Job: Production Worker

Weekly Earnings: \$16.00

You must put away \$5.00 for rent.

There are two adults and five children.

The youngest child has her fifth birthday this week.

Shopping List #1		Shopping List #2		Shopping List #3	
5 quarts milk	\$ .70	8 quarts milk	\$ 1.12	7 quarts milk	\$ .98
7 loaves bread	.63	dried beans	.25	5 bottles soda pop	.25
sled	4.00	10 loaves bread	.90	7 boxes popcorn	.21
4 pints ice cream	.80	5 gallons gas	.90	10 loaves bread	.90
new shoes for Dad	12.00	doll	1.95	10 gallons gas	1.80
meat, 3 pounds	1.26	put away for shoes	4.00	2 quarts ice cream	.60
		meat, 3 pounds	1.26	meat, 2 pounds	.84
<b>Total Cost:</b>	<b>\$19.39</b>	<b>Total Cost</b>	<b>\$10.38</b>	<b>Total Cost</b>	<b>\$5.58</b>

10 Which shopping list is the best for the family? Explain your reason.

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### III. Franklin D. Roosevelt and the New Deal

#### A. F.D.R.

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1. believed the government had to do more
2. "...the only thing we have to fear is fear itself."
3. the Hundred Days - passed many new laws
4. had a supportive **bureaucracy** - the many workers and groups of people, including Congress, who run gov. programs

#### B. Reestablishing Banks

1. Emergency Banking Act
  - a. had a bank holiday - closed them all down
  - b. checked all banks and only reopened the stable ones
2. Federal Deposit Insurance Corporation (FDIC)
  - a. if bank lost person's money, it was insured
  - b. would be paid back by the national government

+ Banks

#### C. Putting People Back to Work

1. Emergency Conservation Work Bill
  - a. 250,000 hired to work on government lands
  - b. prevented forest fires, floods, and soil erosion
  - c. worked on plant, pest, and disease control
2. Civilian Conservation Corps (CCC)
  - a. government paid for food, clothes, shoes, tools, and medical care
  - b. offered free job training in many areas
  - c. had to be a single, unemployed male between 17- 23 years old
  - d. had to send \$ 22 of \$30 home to family
  - e. built wildlife preserves, planted trees, maintained forest roads and trails, and built lookout towers for fires
3. Works Progress Administration (WPA)
  - a. built roads and highways
  - b. repaired or built bridges, parks, landing strips, public schools, libraries, and post offices
  - c. hired artists: painters, sculptors, writers, and musicians
4. Public Works Administration (PWA)
  - a. built roads and buildings
  - b. helped labor unions
5. Social Security Act
  - a. employers and employees paid an extra tax
  - b. would pay **pensions** - retirement incomes of

+ Jobs



- Americans who stopped working at the age of 65 or older
6. Fair Labor Standards Act (Wages and Hours Law)
    - a. set **minimum wage** - lowest amount a person could make per hour
    - b. set the greatest number of hours a person could work
    - c. said only children 16 and older could work
  7. Housing Act of 1937
    - a. helped people find safe and affordable housing

D. Helping Farmers

1. Agricultural Adjustment Act (AAA)
  - a. to get higher prices for products
  - b. paid farmers to NOT plant certain crops - wheat, corn, rice, and cotton (so prices began to rise)
  - c. helped them keep their farms
2. Tennessee Valley Authority Act (TVA)
  - a. cleared sand bars in the river for shipping
  - b. built **hydroelectric dams** - use water they store to make electricity
    - 1.) controlled flooding of farm land
    - 2.) allowed the region to have electric lights and appliances
    - 3.) attracted businesses
3. Rural Electrification Administration (REA)
  - a. brought electricity to rural areas

E. Eleanor Roosevelt

1. fought for rights of others
  - a. women
  - b. workers
  - c. children
  - d. African Americans
  - e. migrant workers
2. achieved much
  - a. helped F.D.R. shape New Deal programs
  - b. wrote "My Day" to share her views
  - c. President Truman chose her for the UNHRC
  - d. President Kennedy chose her for the CSW

+ Homes

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# Franklin D. Roosevelt and the New Deal

**Directions** Read each statement, and write the name of the organization or act to which the statement belongs.

## Organizations and Acts Under the New Deal

- Civilian Conservation Corps
- Emergency Banking Act
- Fair Labor Standards Act
- Federal Deposit Insurance Corporation (FDIC)
- Social Security Act
- Tennessee Valley Authority (TVA)
- Works Progress Administration (WPA)

- 1 It cleared areas of the Tennessee River so that farmers could ship their products to the Ohio River. \_\_\_\_\_
- 2 It allowed money in banks to be insured by the federal government.  
\_\_\_\_\_
- 3 It worked for the prevention of forest fires, floods, and soil erosion and for plant, pest, and disease control. \_\_\_\_\_
- 4 It established a tax to be paid by both employers and employees to pay pensions to people who retired. \_\_\_\_\_
- 5 It set the smallest amount a person had to be paid per hour and made it against the law to employ children under the age of 16. \_\_\_\_\_
- 6 It allowed the government to watch over banks' records and allowed only strong, stable banks to open again. \_\_\_\_\_
- 7 People from this organization built more than 650,000 miles (1,046,045 km) of roads and highways. \_\_\_\_\_

(continued)



# CHART AND GRAPH SKILLS

## Compare Tables

**Directions** Use the information in the tables below to answer the questions on page 81.

Table A: Unemployment in the United States		
Year	Number of Unemployed Workers	Percent of Unemployed Workers
1929	1,550,000	3
1930	4,340,000	9
1931	8,020,000	16
1932	12,060,000	24
1933	12,830,000	25
1934	11,430,000	22
1935	10,610,000	20
1936	9,030,000	17
1937	7,700,000	14
1938	10,390,000	19
1939	9,480,000	17

Table B: Unemployment in the United States		
Percent of Unemployed Workers	Number of Unemployed Workers	Year
3	1,550,000	1929
9	4,340,000	1930
14	7,700,000	1937
16	8,020,000	1931
17	9,030,000	1936
17	9,480,000	1939
19	10,390,000	1938
20	10,610,000	1935
22	11,430,000	1934
24	12,060,000	1932
25	12,830,000	1933

(continued)

Name \_\_\_\_\_ Date \_\_\_\_\_

**Directions** Use the information in the tables on page 80 to answer the questions below.

- 1 Which table makes it easier to find out when the percent of unemployed workers was the lowest? Why? \_\_\_\_\_  
\_\_\_\_\_
- 2 Which table makes it easier to find out what the percent of unemployed workers was for a certain year? Why? \_\_\_\_\_
- 3 How many people were unemployed in 1932? Which table is better for finding out this information? \_\_\_\_\_
- 4 In which year was unemployment the highest? Which table is better for finding out this information? \_\_\_\_\_
- 5 How did FDR's New Deal affect unemployment when he became President in 1933? \_\_\_\_\_  
\_\_\_\_\_
- 6 Which part of the decade had higher unemployment, the beginning or the end? \_\_\_\_\_  
\_\_\_\_\_
- 7 What happened in 1938? \_\_\_\_\_  
\_\_\_\_\_
- 8 The total workforce in 1929 was 49,180,000. If 1,550,000 people were unemployed, how many were working? \_\_\_\_\_