

Name _____
Date _____

Class _____
Teacher _____

THE GREAT DEPRESSION (1929 - 1941) – LESSON 1

Objective: To examine the causes of the Great Depression.

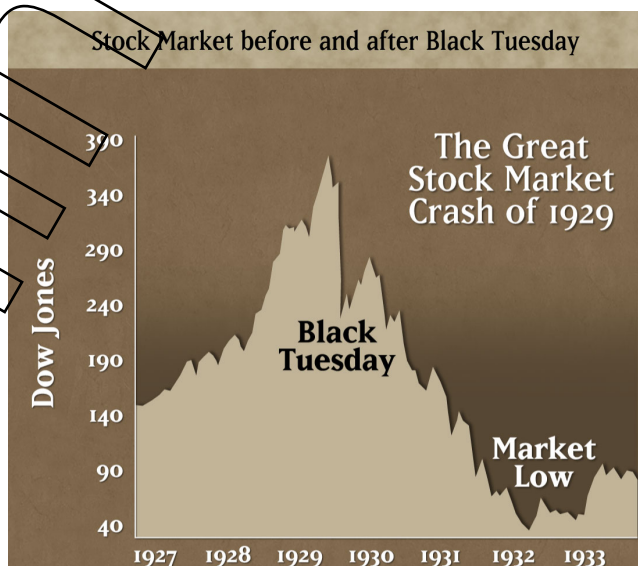
Do Now: How did an increase in wages help cause an economic boom?

People used their disposable income to purchase large amounts of consumer goods. Businesses prospered, expanded, and hired more employees. Therefore, more people had jobs and money to spend on consumer goods, continuing the cycle of an economic boom.

Causes of the Great Depression

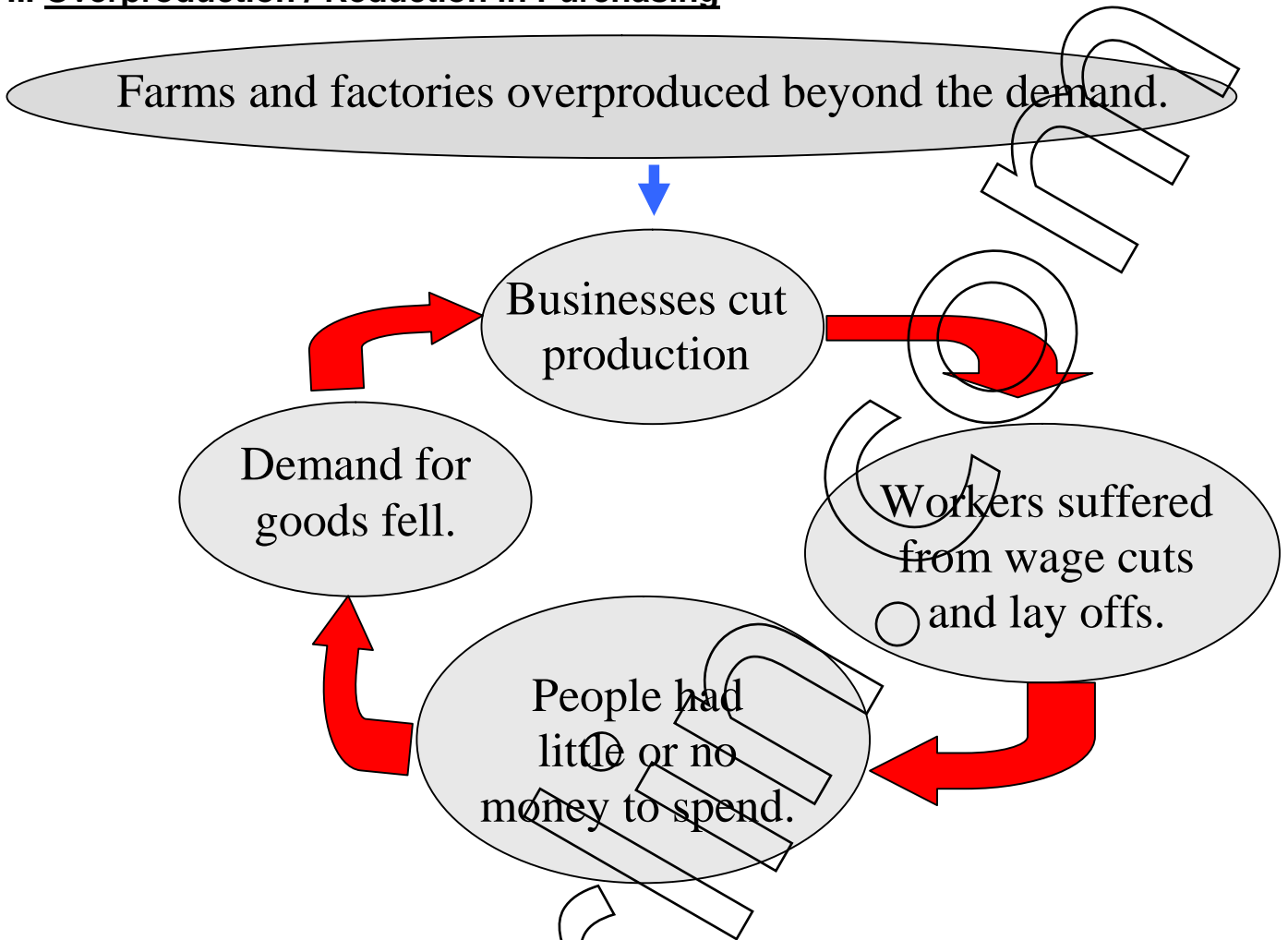
I. Stock Market Crash

- On Tuesday, October 29, 1929, stock prices plummeted.
- This became known as Black Tuesday.
- People that had invested their savings in stocks had little or nothing left.
- People that bought stocks on margin (credit) could not repay their debts.

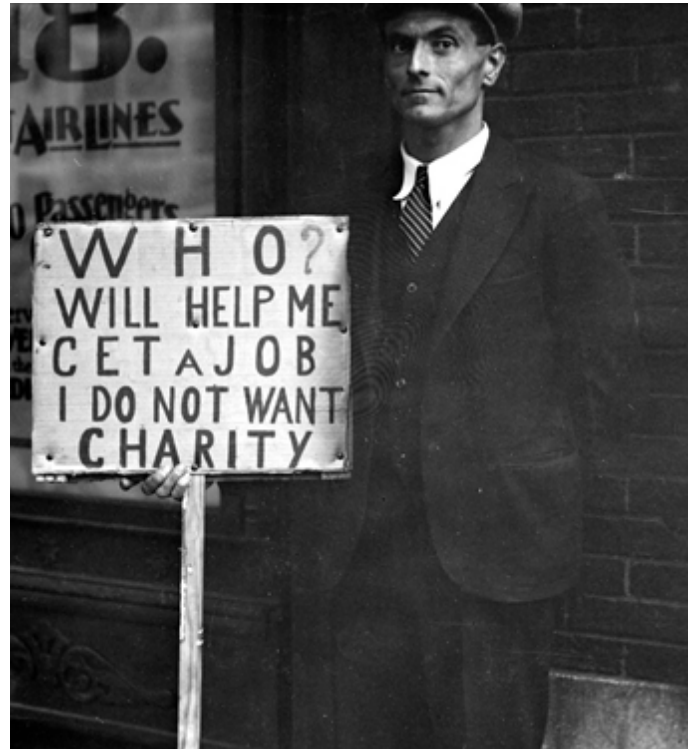


***The Philanthropist** by, Herb Block (Dec. 5, 1930)
During the Great Depression approximately 25% of the workforce was unemployed. People who lost their jobs began selling five-cent apples on the streets of American cities, providing a symbol of the economic hardships of the era.*

II. Overproduction / Reduction in Purchasing



(above) A farm is being sold at a foreclosure sale in Iowa. Military police were on hand to keep farmers from disrupting the auction. ca. 1935.



III. Bank Failures

- When the stock market crashed, people could not repay their loans to the banks.
- Therefore, banks couldn't give depositors their money and banks closed.
- Many people lost their life savings.



"Run on Banks."
People rush to a New York bank in an attempt to remove their savings before the bank goes bankrupt. (early 1930's)

"How Can A Poor Man Stand Such Times And Live?"

written and played by Blind Alfred Reed, Dec. 4, 1929, New York City

There once was a time when everything was cheap,
But now prices nearly puts a man to sleep.
When we pay our grocery bill,
We just feel like making our will --
I remember when dry goods were cheap as dirt,
We could take two bits and buy a dandy shirt.
Now we pay three bucks or more,
Maybe get a shirt that another man wore --
Tell me how can a poor man stand such times and live?

Well, I used to trade with a man by the name of Gray,
Flour was fifty cents for a twenty-four pound bag.
Now it's a dollar and a half beside,
Just like a-skinning off a flea for the hide --
Tell me how can a poor man stand such times and live?
Oh, the schools we have today ain't worth a cent,
But they see to it that every child is sent.
If we don't send everyday,
We have a heavy fine to pay --
Tell me how can a poor man stand such times and live?

Prohibition's good if 'tis conducted right,
There's no sense in shooting a man 'til he shows flight.
Officers kill without a cause,
They complain about funny laws --
Tell me how can a poor man stand such times and live?

Most all preachers preach for gold and not for souls,
That's what keeps a poor man always in a hole.
We can hardly get our breath,
Taxed and schooled and preached to death --
Tell me how can a poor man stand such times and live?
Oh, it's time for every man to be awake,
We pay fifty cents a pound when we ask for steak.
When we get our package home,
A little wad of paper with gristle and a bone --
Tell me how can a poor man stand such times and live?

Well, the doctor comes around with a face all bright,
And he says in a little while you'll be all right.
All he gives is a humbug pill,
A dose of dope and a great big bill --
Tell me how can a poor man stand such times and live?