

The Great Depression

Reading and Discussion

The **Roaring Twenties** came to an abrupt halt when the stock market crashed on October 29, 1929. This day became known as **Black Friday**. The value of stocks tumbled, and many people lost all of their savings. Some people lost so much money that they were unable to pay their debts. The crash of the stock market is seen as the beginning of the **Great Depression**. During this period, over 5000 banks failed, and thousands of other businesses closed, putting millions of Americans out of work.

The crash of the stock market was not the only cause of the Great Depression. Farmers were also having difficulties. They were having a hard time making any money because the pricing of their crops was so low. As a result, many farmers were unable to make their mortgage payments. They lost their farms because they could not afford to pay the bank that they borrowed from.

In the 1930s, things became even worse because of the drought in the Midwest which turned the region into a **Dust Bowl**. Farmers had overused the land, and without rain, the dry topsoil blew away during dust storms. By the mid-1930s, one in every four people was without a job. Twelve million Americans were unemployed at a time when there was no welfare system to help them.

Many Americans blamed **President Herbert Hoover** for the Great Depression. People had to move into small towns where whole families lived in cardboard boxes or in tiny shacks made of tin. These shantytowns were called **Hoovervilles**. Hoover's policy was that the problem of the depression would eventually be solved on its own. The American people frequently disagreed with his view.

President Hoover lost re-election during the presidential election of 1933, and **Franklin Delano Roosevelt**, a Democrat, became president. Roosevelt was energetic and enthusiastic. He believed that government action was necessary in order to bring an end to the depression, and he promised the American people a **New Deal**. He passed several laws and created government agencies that would create jobs for Americans. Roosevelt was responsible for the creation of following groups and legislation:

1. The Civilian Conservation Corps employed Americans to replant forests.
2. The Works Progress Administration. This group employed people for construction work and hired artists, writers, and musicians to work on arts projects.
3. The Tennessee Valley Authority brought electricity to communities located in this area. Many of the employees built dams and worked to create hydroelectric power.
4. The Social Security Act of 1935. This piece of legislation provided benefits to orphans, the elderly, and the disabled.

Even though Roosevelt was trying to end the Great Depression, not everyone was happy. Some people believed he was making the federal government too controlling, and they feared that he was moving away from the concept of **minimal government**.

Name _____

Date _____

Activities

Activity A: Multiple Choice:

1. The stock market crashed on:
 - a. October 26, 1939
 - b. October 29, 1929
 - c. October 19, 1929
 - d. October 16, 1939

2. The shantytowns of the Great Depression were called:
 - a. ghettos
 - b. Tintowns
 - c. Hoovervilles
 - d. suburbs

3. This group employed Americans to replant forests:
 - a. The Civilian Conservation Corps
 - b. The Peace Corps
 - c. The Tennessee Valley Authority
 - d. The Forestation Group

4. This man became president in 1933:
 - a. John F. Kennedy
 - b. Harry S. Truman
 - c. Herbert Hoover
 - d. Franklin Roosevelt

5. This legislation provided benefits to orphans and the elderly:
 - a. The Social Security Act of 1935
 - b. The Benefits Act of 1933
 - c. The Works Progress Administration
 - d. The Great Depression

Activity B: True or False:

- _____ 1. The day the stock market crashed became known as Blue Thursday.
- _____ 2. By the mid-1930s, one in every four people was without a job. There were twelve million unemployed Americans.

Name _____

Date _____

Answer Key

Activity A

1. The stock market crashed on:

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- b. **October 29, 1929**
- c. October 19, 1929
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Activity B

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