

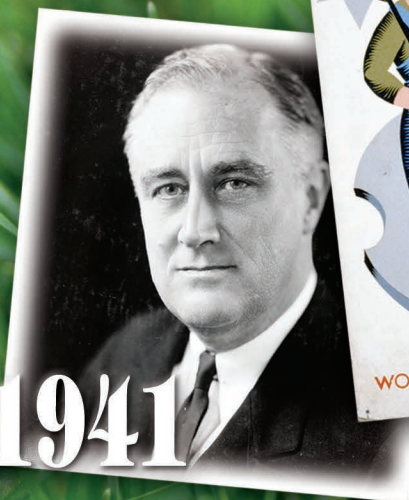
**COMMON  
CORE**

**176 AMERICAN  
MILESTONES**

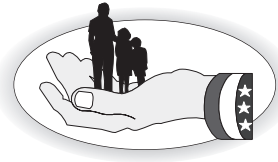
“Brother, Can You Spare a Dime?”

# The Great Depression & the New Deal

By Carole Marsh



1929  1941



# A Timeline of Events



1929 – The stock market “crash” began on October 24 (Black Thursday). By October 29, stock prices had plummeted—by mid-November, stock prices had dropped by about \$30 billion!



1931 – With more than \$200 million in deposits, New York’s Bank of the United States collapses, making it the largest single bank failure in the nation’s history.



1932 – Franklin Delano Roosevelt is elected president in a landslide over Herbert Hoover.



1933 – After a four-day bank holiday, Congress passed the Emergency Banking Act of 1933. By month’s end, three-quarters of the nation’s closed banks were back in business.



1934 – A three-day dust storm blows an estimated 350 million tons of soil off the terrain of the West and Southwest and deposits it as far east as New York and Boston.



1937 – New Deal programs suffer a setback as unemployment rises. FDR opponents call it the start of the “Roosevelt recession.”



1940 – Franklin Roosevelt is elected to an unprecedented third term as president, defeating Wendell Willkie. FDR’s victory is seen as proof of the nation’s support of his war policies.



1941 – Following Japan’s December 1941 bombing of Pearl Harbor, the United States enters the war in the Pacific and in Europe. The war effort jump-started U.S. industry and brought an end to the Great Depression.





Herbert Hoover

# Herbert Hoover

Herbert Hoover was president when the Great Depression struck the United States. Hoover had been a millionaire businessman and a successful public official before he became the president. The United States was doing well financially, and then seven months after he took office, the stock market crashed, and the Great Depression began.

Hoover was often criticized for not doing enough to help people during the Great Depression. Ramshackle communities called “Hooverilles” were built from scraps found in trash heaps. People inside wrapped themselves in newspapers (nicknamed “Hoover blankets”) in order to keep warm.

Hoover believed that business would eventually get back to normal, if left alone. He thought that state and local governments should be the ones to help the needy, however, they did not have the money to do so. In 1932, Congress passed Hoover’s most successful bill in fighting the Great Depression—the Reconstruction Finance Corporation. This kept the Depression from becoming worse, but most Americans thought that it wasn’t enough.

When Hoover was elected president in 1928, he won 40 out of 48 states. Hoover defeated Alfred E. Smith, the Democratic candidate, by the largest majority of electoral votes ever received by a candidate up to that time. During the election of 1932, Hoover was beaten by Franklin D. Roosevelt who won 42 of the 48 states—an even larger majority of electoral votes!

## Not Yet!



Alaska and Hawaii had not yet joined the Union, so during Hoover’s presidency, there were only 48 states.



## Do the Math!

1. Herbert Hoover won how many more states than Alfred Smith in the 1928 presidential election?

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2. Franklin D. Roosevelt won how many more states than Herbert Hoover in the 1932 presidential election?

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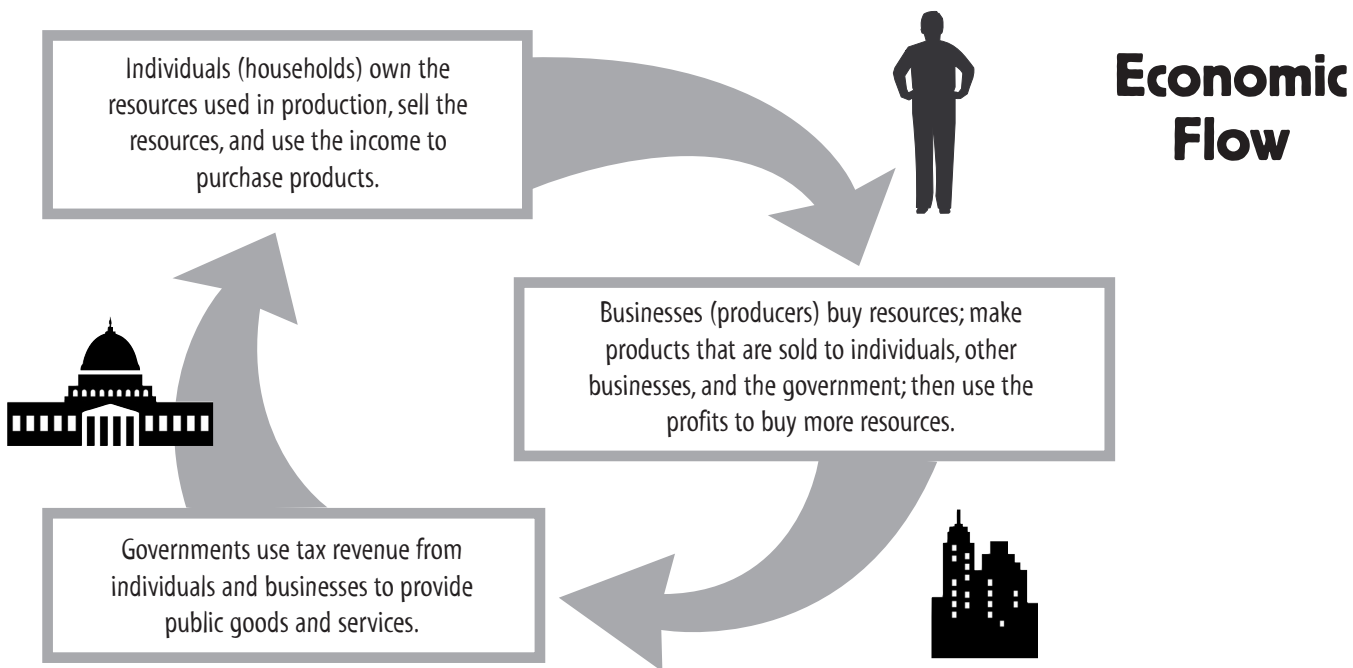
3. How many states are there in the United States today?

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# The Great Stock Market Crash

The Stock Market Crash of 1929 was the beginning of the Great Depression. It was a terrible time for Americans, many of whom had invested their money in the stock market. During this time, the economic flow in America was heavily affected. With many individuals unemployed, there was no money to buy products and services. Businesses had to close because of lack of profits. With businesses and individuals low on money, the government's revenues from taxes decreased. With the decrease in tax revenue, the government had less money to spend on public programs. Americans saw how much each part of the economic flow depended on the next part. It took several years and many programs to pull the devastated economy back up to speed.



## Answer the following questions.

1. What was one of the causes of the Great Depression?

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2. Which came first—Stock Market Crash OR Great Depression?

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3. When people are unemployed, they don't have enough of this to buy products and services.

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