

***ANALYSIS:*** THE BANKING PANIC

HUNDREDS OF THE DIVISIONS WERE

The background of the entire image is a stylized American flag. The top-left corner features a blue field with a grid of white stars. The rest of the image is filled with horizontal stripes of red and white, with a slightly textured, aged appearance. The text is overlaid on this background.

***UNITED STATES***

*HISTORY*

**with Mr. Willis**

UNIT 5 - DAY 2

**The depression  
GRIPS america**

# THE GREAT DEPRESSION

A period (1929 - 1940) in which the U.S. economy plummeted and unemployment soared

IT WAS CAUSED BY FOUR FACTORS

TARIFFS & WAR DEBTS CUT DOWN THE SALE OF US EXPORTS

THE FARMING CRISIS OF LOW PRICES, DEBT, FORECLOSURE

THE AVAILABILITY OF EASY CREDIT

AN UNEQUAL DISTRIBUTION OF INCOME

**FIRST, LET'S ANALYZE THE**

**GLOBAL EFFECTS**

**NEEDS-BASED APPROACH**

# WORLD-WIDE COLLAPSE

By 1930, the **world economy** was **broken** and every nation was **hit hard**

The **European powers** recovering from WWI were **severely hurt**

**US BUYERS** COULDN'T AFFORD **EUROPEAN IMPORTS** & **EUROPEAN ECONOMIES** CRUMBLED

**LIKEWISE**, **EUROPE** COULDN'T BUY **US GOODS**

Nations who **owed war debt** NO LONGER had **the means** to pay them off

**NATIONS** WHO WERE **OWED MONEY**, LIKE THE **US**, **WOULDN'T BE PAID \$\$** THEY RELIED ON

**Currency values** plummeted, **prices** rose, **unemployment** soared



**NEXT, LET'S LOOK AT**

**EFFECTS IN THE U.S.**

**EFFECTS IN THE U.S.**

# BUSINESSES & BANKS

By 1932, **high costs** and **low revenue** had driven **90k businesses** bankrupt

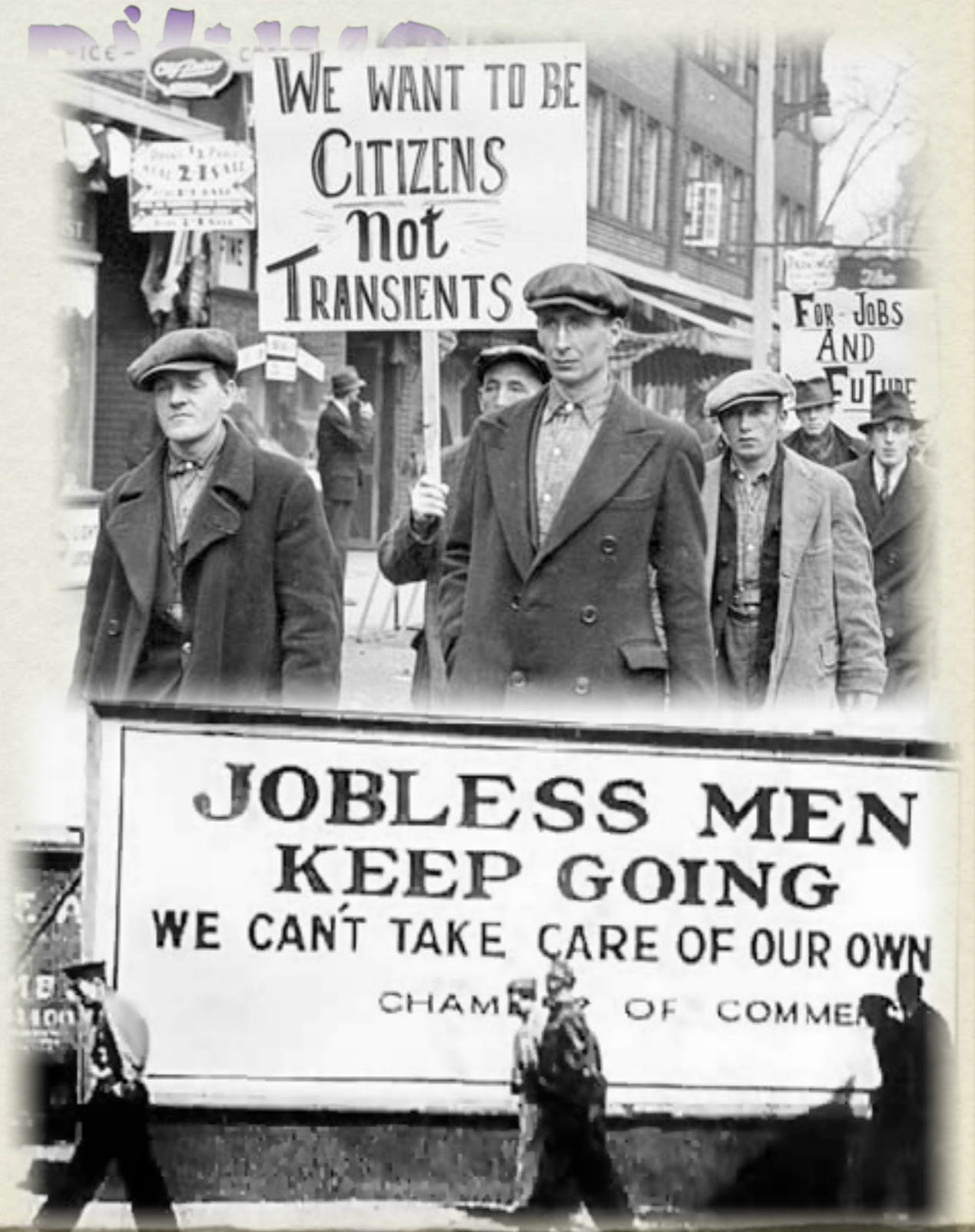
Workers' **wages & hours** were cut in half, **consumerism** slowed to a trickle  
**CONSUMERS FACED HIGH PRICES FOR BASICS**

As US industry collapsed, the US **unemployment rate** jumped to **25%**  
**NO WORK MEANT CERTAIN STARVATION,**

**HOMELESSNESS, NO INCOME TO GET BY ON**

By 1933, **almost half** of the country's **banks** had failed

**MILLIONS HAD LOST ALL THEY HAD, OTHERS HAD NO WHERE TO PROTECT WHAT THEY HAD LEFT**





# IMPACT ON URBAN LIFE

Cities were hit hard b/c the collapse of companies **eliminated factory jobs**

High **unemployment** in cities meant **evictions**, homelessness, hunger  
FAMILIES LIVED IN **PARKS & SEWERS** AND **DUG THROUGH TRASH** OR **BEGGED TO EAT**

High rates of **homelessness** in cities forced some to live in **Shantytowns**  
FAMILIES LIVED IN **LITTLE TOWNS OF MAKE-SHIFT SHACKS** MADE OF **SCRAP MATERIAL**

The **hungry** & **unemployed** resorted to **selling whatever they could**  
SOME SOLD **PRODUCE**, OTHERS SOLD THEIR **CLOTHES**, THEIR **CARS** JUST TO **SURVIVE**





Shacks of Seattle's Hooverville shelter the homeless.

# RELYING IN CHARITY

At the outset of the Depression, there was no system of **direct relief** **CASH PAYMENTS OR FOOD PROVIDED TO THE POOR BY THE GOV. AS A SAFETY NET**

Some cities offered **meager relief**, but it **wasn't enough** & was scarce **SO FAMILIES RELIED ON PRIVATE CHARITIES**

## BREAD LINES

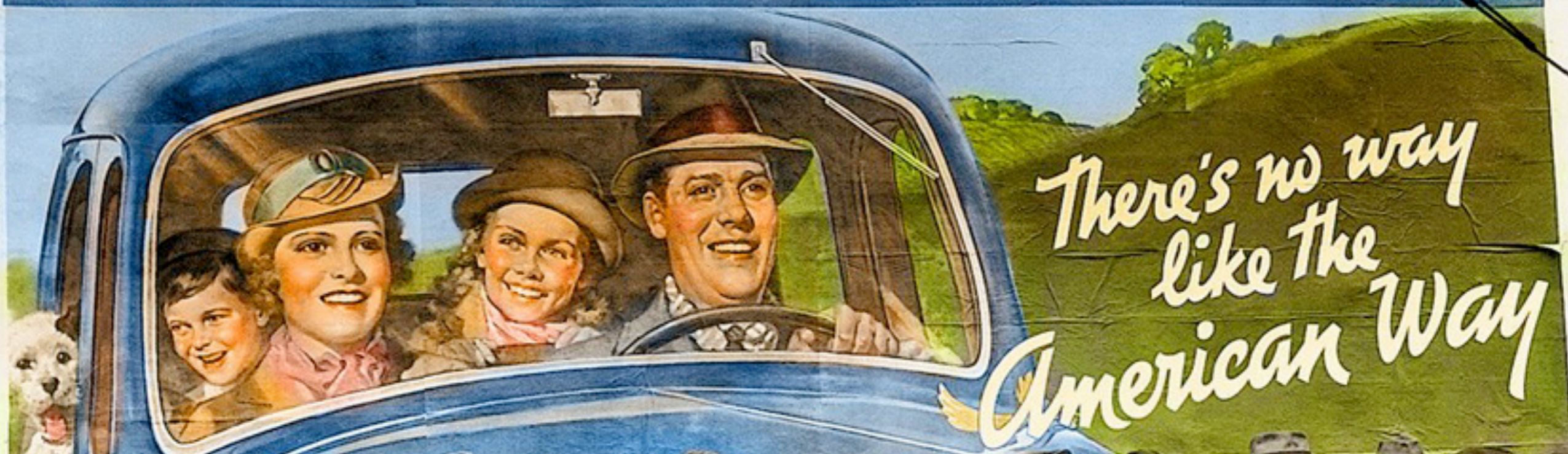
Long lines of **poor people** waiting to **receive food** provided by charity

## SOUP KITCHENS

Shelter offering **free or low-cost food**



**WORLD'S HIGHEST STANDARD OF LIVING**



*There's no way  
like the  
American Way*



# ***ANALYSIS:*** THE HUMAN TOLL

ANALYSIS: THE HUMAN TOLL



**BUT THE RURAL AREAS OF THE COUNTRY WERE  
HIT JUST AS HARD AS THE CITIES**

**one advantage: FARMERS COULD  
GROW THEIR OWN FOOD TO SURVIVE**



**STILL, BY 1932, 400,000 FARMS WERE  
FORECLOSED ON**



**ON TOP OF THAT, THE US WAS IN THE  
MIDDLE OF A TERRIBLE DROUGHT**



**WHICH LEADS TO...**

# THE DUST BOWL

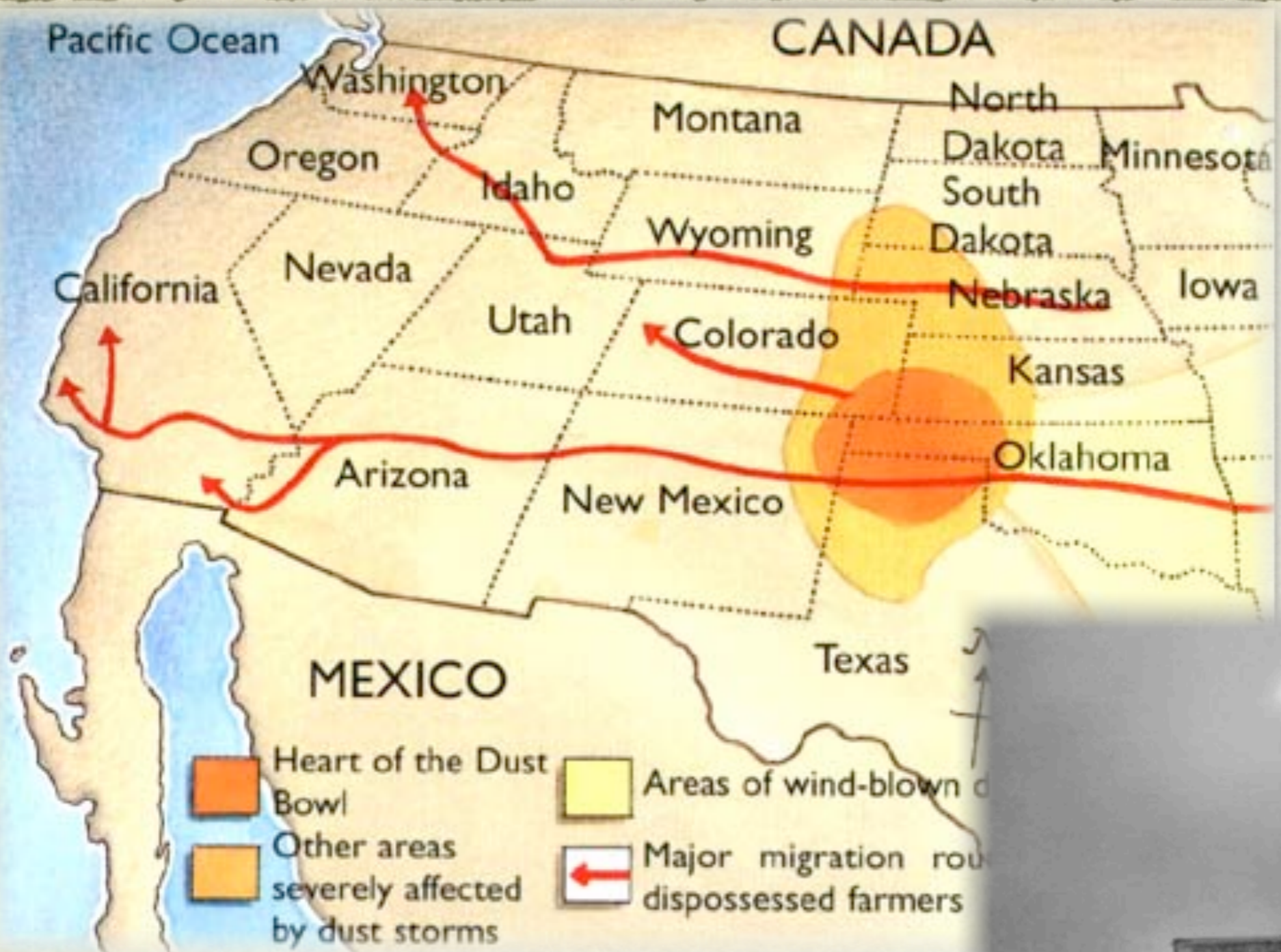
The **Great Plains** were left **dry** by heat, **drought**, and WWI over-farming  
THRU **OVERUSE**, FARMERS REMOVED THE **PRAIRIE GRASS** THAT PROTECTED THE DRY TOPSOIL

**WIND STORMS** picked up the **dry topsoil** and carried it to the Atlantic Ocean  
LITERALLY, FARMERS' LAND WAS BLOWN AWAY

With **land unsuitable to farm** & nothing left, farmers **migrated west**  
TRAVELING ON **ROUTE 66**, 100,000s **LOOKED FOR WORK AS FARMHANDS**, SCRAPING A LIVING

Most of these "**Okies**" migrated to **California** (Steinbeck's **Grapes of Wrath**)









**LASTLY...**

**EFFECTS ON FAMILIES**

# FAMILIES UNDER STRAIN

While the family was a **source of unity** for most, some families **tore apart**

## MEN

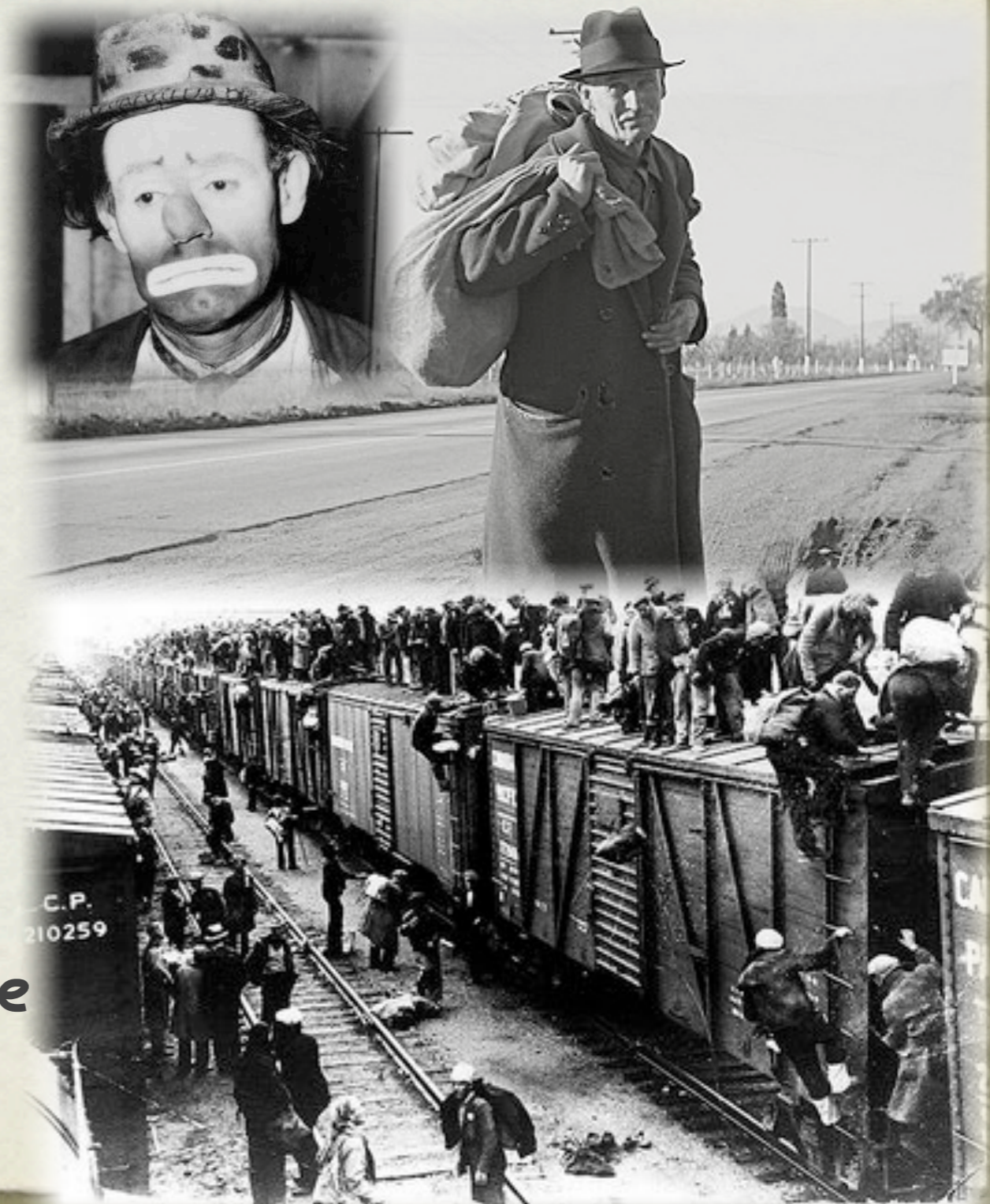
Some couldn't **cope w/ failure** to provide for the family and **ran away**  
**LOOKS OF "HOBOS"** LIVED UNDER BRIDGES,  
**RODE TRAINS, WANDERED THE COUNTRY**

## WOMEN

Forced to deal w/ **NO INCOME**, **WOMEN**  
**canned foods, made clothes, budgeted**

## CHILDREN

Faced **malnutrition, school cuts, disease**  
**TEENAGED "WILD BOYS"** ROAMED THE COUNTRY  
**LOOKING FOR WORK, ADVENTURE, ESCAPE**



UNION PAC'S RED RIVER HOBO TRAIN 1933?

# CLOSURE

**ANSWER THE FOLLOWING:**

**Why would the suicide rate have increased in the U.S. during the Depression?**

**Why would the generation that lived through the Depression (your grandparents) have developed a sense of frugality and thriftiness?**