

The Great Depression & the New Deal

- I. causes
 - A. Roaring '20s – living on credit
 1. Great Lifestyle – better than can afford
 - B. Stocks – buying on margin
- II. Black Tuesday – Oct. 29, 1929
 - A. stock crash – everyone sells
- III. Bank failures
 - A. those who had borrowed couldn't pay debts
 - B. ¼ of banks failed
 - C. those who kept money in banks lost it
- IV. unemployment
 - A. no government help
- V. Congress's reaction – the Hawley-Smoot Tariff
 - A. highest tariff in U.S. history
 - B. to protect farmers
 - C. worsened economy – killed remaining trade
- VI. Life in Great Depression
 - A. shantytowns
 - B. The Dust Bowl
 - C. builds attitude of saving – attitude continues today
- VII. Hoover
 - A. laissez-faire believer
 - B. eventually starts government projects – like Boulder Dam
 - C. Bonus Army – WWI vets.
 1. come to D.C. to support bill that gives them expected 1940s bonus now
 2. bill fails, some won't leave
 3. Hoover sends in Gen. MacArthur – tear gasses protestors
 4. most Americans against Hoover now
- VIII. Video: *Crash: The Next Great Depression* (iTunes)
- IX. Election of FDR
 - A. a reaction to Hoover
 - B. during Hoover's lame duck period – crafted "New Deal"
- X. FDR takes control
 - A. day 1 – declares a bank holiday
 - B. increased federal control of economy
 1. Federal Securities Act (May 1933)
 1. corporations must give complete, accurate information to stockholders
 2. Agriculture – lowered production to increase price (destroyed food)
 3. CCC projects
 4. Federal Housing Administration
- XI. Challenges to the New Deal

- A. Court struck down part of the New Deal – 1935
 - 1. court-packing scandal (+6 justices)
 - B. Some thought New Deal was too much; others too little
- XII. culture
- A. movies
 - 1. escapist – Gone with the Wind, Wizard of Oz, Snow White (Disney)
 - 2. reflective of time – Mr. Deeds, Mr. Smith goes to Washington
 - B. radio
 - 1. War of the Worlds
 - 2. fireside chats