

# 6. THE GREAT DEPRESSION

## OVERVIEW OF THE VIDEO

The sixth volume in the award-winning *America in the 20th Century* series, “The Great Depression,” explores the “bust times” that came to be called the Great Depression. From the events that triggered the Black Tuesday collapse of the stock market on October 29, 1929, to the myriad federal programs initiated to revive the American economy, this program provides an excellent overview of the period.

Additional discussion covers the social effects of the Depression; the presidential administrations of Herbert Hoover and Franklin Delano Roosevelt (FDR); the New Deals and their effects on labor, conservation, and cultural life; and the Dust Bowl.



## NATIONAL STANDARDS FOR HISTORY

(From The National Center for History in the Schools, Basic Edition, 1996. Found at: <http://www.sscnet.ucla.edu/nchs/standards/>)

### *U.S. History—Era 8—Standard 1:*

The causes of the Great Depression and how it affected American society

- 1A – The student understands the causes of the crash of 1929 and the Great Depression.
- 1B – The student understands how American life changed during the 1930s.

### *U.S. History—Era 8—Standard 2:*

How the New Deal addressed the Great Depression, transformed American federalism, and initiated the welfare state

- 2A – The student understands the New Deal and the presidency of Franklin D. Roosevelt.
- 2B – The student understands the impact of the New Deal on workers and the labor movement.
- 2C – The student understands opposition to the New Deal, the alternative programs of its detractors, and the legacy of the New Deal.

## VOCABULARY

depression	margin	poverty	stock market
foreclose	minimum wage	recovery	strike
humanitarian	mortgage	shantytown	tariff
<i>laissez-faire</i>	New Deal	share	trickle down

## BEFORE THE VIDEO

Review the political and economic climate of the 1920s that set the stage for an economic depression before beginning the video. Emphasize:

- ★ The aspects of the economy and specific American attitudes that gave the period up to 1929 the nickname “boom times.”
- ★ Consumer spending practices introduced in the 1920s, such as buying on the installment plan, which encouraged many people to buy on credit.
- ★ The differences in the Republican politics of Presidents Warren G. Harding and Calvin Coolidge in the 1920s versus the Democratic politics of Woodrow Wilson before and during World War I, and how this change in ideology affected the nation’s attitude toward economics after the war.
- ★ The *laissez faire*, or hands-off, government policy toward business and economics in the country. (President Herbert Hoover was a firm believer in this policy, as will be shown in this episode.)

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“Ten men in  
our country  
could buy the  
whole world  
and ten million  
can’t buy  
enough to eat.”

—Will Rogers, per-  
former and humorist  
(1931)

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## DURING THE VIDEO

There are natural PAUSE POINTS within this episode that separate the content into sections. Pause the video at these times for class discussion, using the following questions as springboards.

1. TIME CODE 06:50—What action taken to support big business in America ended up backfiring on us and hurting the global economy?

**ANSWER:** High tariffs like the Hawley-Smoot Tariff Act kept foreign-made products out of the United States, which ricocheted back on our own economy when those governments couldn’t pay off war debts and then imposed their own high tariffs on our exported goods. World trade faltered.

2. TIME CODE 13:13—What created the Dust Bowl of the 1930s? What effect did it have on the Great Depression, and what did the nation learn from the experience?

**ANSWER:** This ecological and human disaster was created by a combination of drought, windblown dust, and agricultural decline. Years of a record drought combined with dust storms made up natural disasters, but man-made mistakes based on ignorance of soil-conservation techniques contributed to the disaster as well. As the naturally occurring grasslands of the southern Great Plains were replaced with cultivated fields, the rich soil lost its ability to retain moisture and nutrients and began to erode. During the decade of the Dust Bowl (roughly 1930–40), millions of acres of farmland were lost and hundreds of thousands of people were displaced, adding to

unemployment and a further strain on the economy. Good things that came from the experience: soil-conservation techniques and breakthroughs in cultivation of crops in dry-land ecosystems were developed that are still in use in the 21st century.

3. TIME CODE 21:21—What steps did FDR’s New Deal take toward implementing each of his three target goals: relief, recovery, and reform?

**ANSWER:** Although there were many measures in both the first and second New Deals—and their official categories may overlap—reform measures could be categorized in the following ways.

**Relief** for the needy:

- Public Works Administration provided funds to the states in direct relief so they could build schools, libraries, and other community buildings and create jobs for their citizens.
- Civilian Conservation Corps (CCC) formed to put young men to work. They planted trees in the Great Plains to combat the Dust Bowl.
- Federal Emergency Relief Administration (FERA) provided \$500 million in direct aid to the homeless, unemployed, and ill.

**Recovery** for the faltering economy:

- Federal Securities Act, which allowed government to investigate the stock market, restored public confidence.
- Agricultural Adjustment Act (AAA) limited crop production to increase prices and reduce surplus.
- National Industrial Recovery Act (NIRA) established a code of fair practices for various industries and set prices to ensure fair competition.

**Reform** of the American financial system:

- Federal Deposit Insurance Corporation (FDIC) provided federal insurance for bank depositors so that Americans could begin to trust the banks again.
- Securities Exchange Commission (SEC) prevented the manipulation of stock prices.

*“The nation is marching along a permanently high plateau of prosperity.”*

—Irving Fisher, Yale University economist (1929, a few days before the stock market crash)

## AFTER THE VIDEO

The episode ends with an on-screen Video Quiz, a series of True/False questions (see page 38). This quiz may be copied for classroom use.

### Video Quiz Answer Key

1. *T* 2. *F* 3. *F* 4. *T* 5. *T* 6. *T* 7. *F* 8. *F* 9. *F* 10. *F*

For in-depth discussion:

1. How is stock market *speculating* different from stock market *investing*? How did speculating and buying on margin contribute to the Stock Market Crash of 1929?
2. How did the Great Depression affect children?
3. What were some of the differences between the first and second versions of the New Deal? How did First Lady Eleanor Roosevelt contribute to the design of the second New Deal?



## EXTENDING THE LESSON

Research topics for either group or individual study.

1. **Time, Continuity, and Change.** Although the Stock Market Crash of 1929 is better known, the crash of 1987 is considered the worst in history. Compare the two economic disasters. What were the causes and effects of each? What measures were taken in the wake of each of these economic crises?
2. **Viewpoints.** President Franklin D. Roosevelt was the first to appoint females in key government positions, including ambassadors, cabinet members, and federal agency heads. What was public opinion of these appointments at the time? Who were these first female leaders, and how successful were they in performing their duties? Which president since Roosevelt's time has appointed the most women and minorities to key government positions?
3. **Political Perspectives.** Compare and contrast the arguments surrounding the Tennessee Valley Authority. What were the right-wing arguments against this and other aspects of the New Deal? What problems did the left-wing opponents see? Who were the major leaders in each group?
4. **Presidential Focus.** President Herbert Hoover was known as the "Great Engineer." In 1920, the Assistant Secretary of the Navy at that time, Franklin D. Roosevelt, said of him, ". . . and I wish we could make him the President of the United States. There could not be a better one." What role did Hoover play—both during World War I and in the administrations of Warren G. Harding and Calvin Coolidge after the war—that earned him this acclaim? Why, then, did Herbert Hoover fail as president in saving the United States from the Great Depression?
5. **History and Technology.** Research and describe technological advances of the 1930s and how they exemplified the urge of Americans to escape, for a time, their personal hardships through various types of entertainment. Include innovations and developments such as Coney Island-style amusement parks, burlesque, vaudeville, and advances in motion pictures.
6. **Signs of the Times.** Create an almanac of the Great Depression. Begin with a map of Route 66, explaining its significance and showing the cities it passed through, and another map that depicts the location and scope of the Dust Bowl. Assemble a picture dictionary of hobo signs and symbols and explain what they were used for. Include in your reference the etymology and meaning of the following words and phrases of popular slang from this period. How many of these have survived in the common American lexicon?

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*“Let me assert my firm belief that the only thing we have to fear is fear itself.”*

—President Franklin Delano Roosevelt, in his first inaugural address (1933)

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bonus army  
bum  
cadge  
dust pneumonia

hobo  
Hooverville  
manifest  
Mother Road

Mulligan Stew  
Okie  
riding the rails  
tramp



7. **Curriculum Connection (Literature).** Read the classic 1939 American novel *The Grapes of Wrath*, by John Steinbeck (see Bibliography). Write a report on the accuracy of this tale in portraying the effects of the Great Depression and the Dust Bowl on American farm owners, tenants, and migrant workers.
8. **Your Region in History.** Investigate projects carried out by the WPA or the CCC in your area. When were these completed? Who carries out these same functions in today's economy? Visit a local library or museum to locate photographs of these work projects from the 1930s. Find someone from your family or community who remembers the Great Depression and record an oral history of his or her memories and experiences from that time.
9. **Career Exploration (Economist).** Although he damaged his reputation by insisting throughout the 1930s that the Depression wouldn't last, Irving Fisher is still considered one of the foremost economists of his day. Describe his career and professional accomplishments. Research the training, education, and job opportunities of people who enter this career.

## BIBLIOGRAPHY

Cohen, Robert (Ed.). *Dear Mrs. Roosevelt: Letters from Children of the Great Depression*. Chapel Hill, North Carolina: University of North Carolina Press, 2002. (From *Booklist*) From the voluminous correspondence addressed to First Lady Eleanor Roosevelt, Cohen has culled nearly 200 letters penned by children. Poignant, heartfelt, and brimming with childlike faith, these missives represent a portion of the population often overlooked by historians eager to capture the heart and soul of Depression America.

Galbraith, John Kenneth. *The Great Crash 1929*. New York: Mariner Books, 1997. (From the back cover) Reviewing Galbraith's classic examination of the 1929 financial collapse, *The Atlantic Monthly* said, "Economic writings are seldom notable for their entertainment value, but this book is. Galbraith's prose has grace and wit and he distills a good deal of sardonic fun from the whopping errors of the nation's oracles and the wondrous antics of the financial community." For this edition, the celebrated economist has written a new introduction with fresh insights on the legacy of our past and the consequences of blind optimism and power plays within the financial community.

Janke, Katelen. *Survival in the Storm: The Dust Bowl Diary of Grace Edwards, Dalhart, Texas, 1935*. New York: Scholastic, Inc., 2002.

(From *School Library Journal*) Grace, 12, details the hardships she endures with her family and neighbors. She describes how they must scrub their house constantly, knead bread in a drawer, and breathe through damp handkerchiefs during a "duster." Even graver dangers abound: dust pneumonia, plagues of jackrabbits, and the loss of livelihood for farmers. Most compelling are the tiny joys that make life bearable: a baby jackrabbit, a dress lovingly created from a floral flour sack . . . . The winner of an Arrow Book Club/Dear America Student Writing Contest, the 15-year-old author interviewed several people who lived through the Dust Bowl.

Steinbeck, John. *The Grapes of Wrath: John Steinbeck Centennial Edition (1902–2002)*. New York: Penguin, USA, 2002.

(From Amazon.com) When *The Grapes of Wrath* was published in 1939, America, still recovering from the Great Depression, came face to face with itself in a startling, lyrical way. John Steinbeck gathered the country's recent shames and devastations—the Hoovervilles, the desperate, dirty children, the dissolution of kin, the oppressive labor conditions—in the Joad family. Then he set them down on a westward-running road, local dialect and all, for the world to acknowledge. For this marvel of observation and perception, he won the Pulitzer in 1940.

Turkel, Studs. *Hard Times: An Oral History of the Great Depression*. New York: New Press, 2000.

(From Amazon.com) First published in 1970, this classic of oral history features the voices of men and women who lived through the Great Depression of the 1930s. It includes accounts by congressmen C. Wright Patman and Hamilton Fish, as well as failed presidential candidate Alf M. Landon . . . . The book includes also the perspectives of ordinary men and women, such as Jim Sheridan, who took part in the 1932 march by World War I veterans to petition for their benefits in Washington, D.C., where they were repelled by army troops led by General Douglas MacArthur . . . . Studs Terkel makes history come alive, drawing out experiences and emotions from his interviewees to the degree few have ever been able to match.



## WEB RESOURCES

Note: Teachers should preview all sites to ensure they are age-appropriate for their students. At the time of publication, all URLs were valid.

Teach your middle and high school students about the financial world and stock investing with help from the New York Stock Exchange. “Stock Market Savvy: Investing for Your Future” contains eight activities in a lesson plan reproducible in PDF format:

*[http://www.nyse.com/pdfs/TG\\_Mech.pdf](http://www.nyse.com/pdfs/TG_Mech.pdf)*

The “By the People, For the People: Posters from the WPA, 1936–1943” collection consists of 908 boldly colored and graphically diverse original posters produced from 1936 to 1943 as part of Franklin Delano Roosevelt’s New Deal. Of the 2,000 WPA posters known to exist, the Library of Congress’s collection of more than 900 is the largest. Found at:

*<http://memory.loc.gov/ammem/wpaposters/wpahome.html>*

In October 1996, the Franklin and Eleanor Roosevelt Institute (FERI), in collaboration with the Franklin D. Roosevelt Presidential Library, Marist College, and IBM, launched the New Deal Network (NDN), a research and teaching resource on the World Wide Web devoted to the public works and arts projects of the New Deal. At the core of the NDN is a database of photographs, political cartoons, and texts (speeches, letters, and other historic documents) from the New Deal period.

*<http://newdeal.feri.org/>*

The official site of the Social Security Administration contains a Web page dedicated to the history of SSA as well as the program itself. The site includes interesting audio clips, photographs, games, and quizzes.

*<http://www.ssa.gov/history/history.html>*

“We Made Do—Recalling the Great Depression” is an ongoing project of the students at Mooresville High School in Mooresville, Indiana. The project’s focus is on the 1930s, the era of the Great Depression. It contains oral histories, period photographs, and e-mailed contributions of viewers who have taken time to share their memories of living during this period of economic upheaval.

*<http://www.mcsc.k12.in.us/mhs/social/madedo/>*

## VIDEO QUIZ: THE GREAT DEPRESSION

Name \_\_\_\_\_

Date \_\_\_\_\_

Read each of the following statements and circle T if it is true, or F if it is false.

- T    F    1. As early as 1926, economic trouble was already beginning to surface in American businesses and farms.
- T    F    2. The collapse of the stock market was the only cause of the Great Depression.
- T    F    3. By 1933, half of the banks had failed and one quarter of Americans were jobless.
- T    F    4. Communities of cardboard shacks were called "Hoovervilles" after President Herbert Hoover.
- T    F    5. President Hoover's advisors believed the economy would recover on its own.
- T    F    6. President Franklin Roosevelt's first 100 days in office were spent making proposals to provide relief, recovery, and reform to Americans.
- T    F    7. President Hoover gave Fireside Chats to America over the radio to help build confidence and courage during the Great Depression.
- T    F    8. Louisiana Senator Huey Long at one time supported FDR's efforts and launched a national program entitled Share Our Wealth.
- T    F    9. The Works Progress Administration, of the first New Deal, created 8 million jobs.
- T    F    10. The Social Security Act of 1935 was the least important legacy of the New Deal.