

The Great Depression

A time of struggle for many Americans

Objective

- By the end of the lesson, SWBAT describe what America was like during the Great Depression.

Vocabulary

- Stock Market - A place where people buy and sell parts of a company. The stock market determines how much a business is worth.

- Unemployment - The number of people that do not have jobs. A person who does not have a job is unemployed.
- Depression - A time where the economy is bad. A lot of businesses close and people do not have jobs.
- Debt - When a person owes more money than they have.
- Soup Kitchen - A place a person goes to get free food.

Background

- After World War I (1919), business was booming!
- Businesses were selling new inventions, helping rebuild Europe, and working around the clock.
- Banks were busy -
 - people were *depositing* money,
 - many business were *borrowing* money and taking out *loans*.

Stock Market Crash

- A bunch of people were opening up businesses, taking out loans, and hoping that they would be able to pay back their loans to the bank.
- Many businesses were not able to pay their loans back so the **Stock Market Crashed!**
- The stock market crashed on October 29, 1929. This day is known as **Black Tuesday**.

BLACK TUESDAY

NEW YORK, THURSDAY, OCTOBER 31, 1929

THE STOCK MARKET CRASH OF 1929

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Example of a Business that Crashed!

- Stacy owned a school supply company called Stacy's Supply.
- Before the stock market crashed, Stacy's Supply was worth \$25,000
- After the stock market crash, on **Black Tuesday**, Stacy's Supply was only worth \$1,000.
- What do you think Stacy is going to have to do with her business?

Stacy's Supply Company

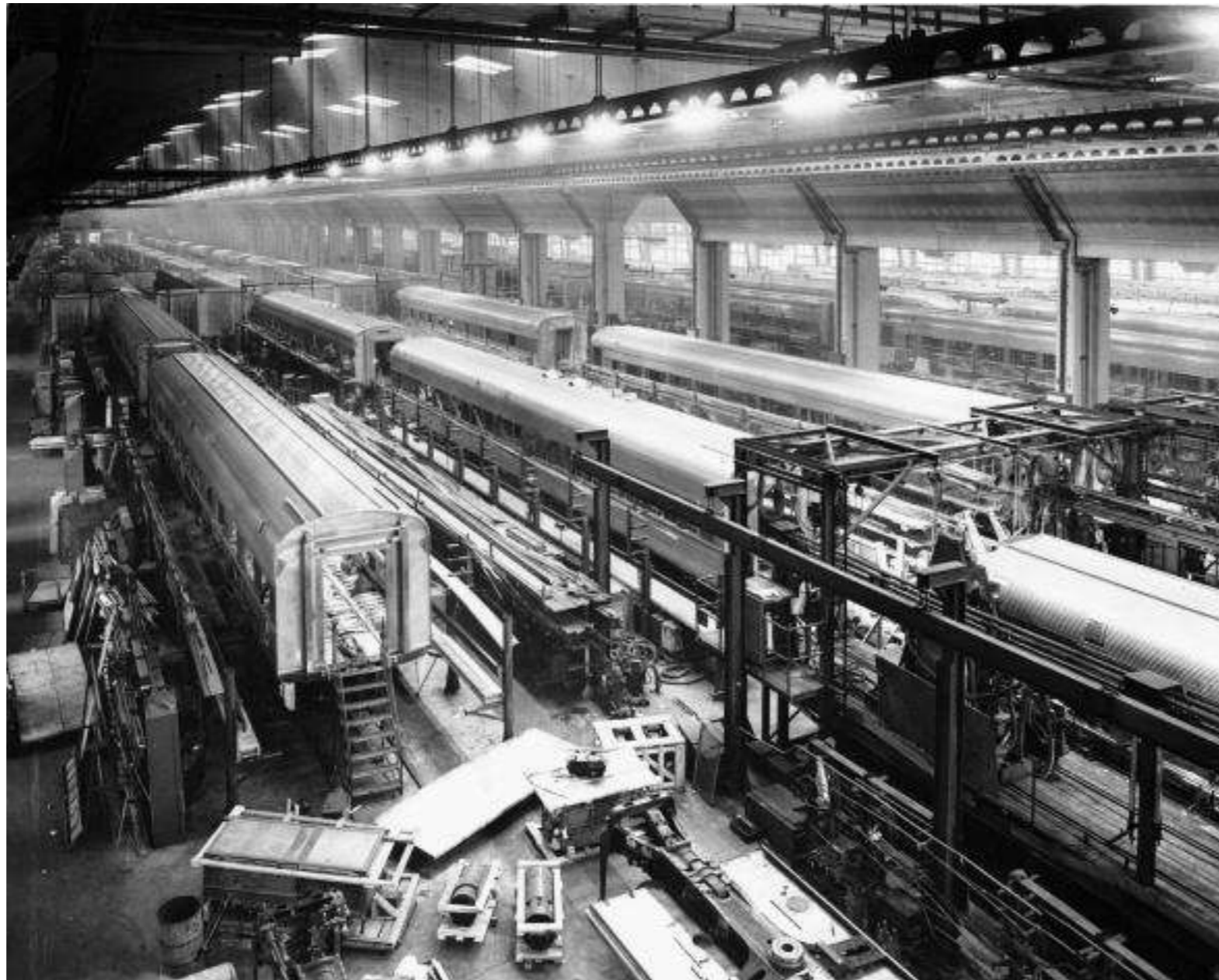
- Stacy will have to close her factories
- Stacy will not be able to pay back her loans to the bank.
- Stacy will have to lay off (fire) her employees because she cannot afford to pay them.
- What do you think will happened to her workers who are now unemployed?

Great Depression

- When the stock market crashed and businesses closed, many people were unemployed and did not have any money or anyway to make money.
- This period was known as the Great Depression.
- The Great Depression was a time of high **unemployment**, and desperation for many families.

Factories Close

- What do you notice about this factory?



Unemployed Workers

- Many of the workers that lost their job after the Stock Market crashed searched everywhere to find jobs.
- However, unemployed workers had a really hard time finding work.
- Why did the unemployed workers have a really hard time finding work during the Great Depression?

People Unemployed



Job Hunt - No Use!

- People had a hard time find jobs because a lot of businesses either had to close, or were not hiring new workers!
- If a person does not have a job, what happens to that person and their family?

Hoovervilles

- Many people were forced to leave their apartments or houses because they could not afford the rent.
- Many people had to move to Hoovervilles.
- Hoovervilles were poor neighborhoods called shantytowns where houses were made of cardboard or tin. They did not have electricity, and were very small.
- Hoovervilles were named after the current president, President Hoover who was not popular! during his presidency.



Charities and Soup Kitchens

- Many charities saw that people were not only struggling to find a place to live, but also struggling to buy clothes and food.
- Charities set up **Soup Kitchen**, or a free place for people to get food and clothing.
- The **Soup Kitchen** had really long lines. These lines were called **Bread Lines**.
- Why do you think the lines were really long at the Soup Kitchens?

Soup Kitchen and a Bread Line



Conclusion

- The stock market crashed on October 29, 1929, and many businesses were forced to close
- Many people lost their jobs.
- People were forced to move to Hoovervilles.
- People had to go to Soup Kitchens to get food.