



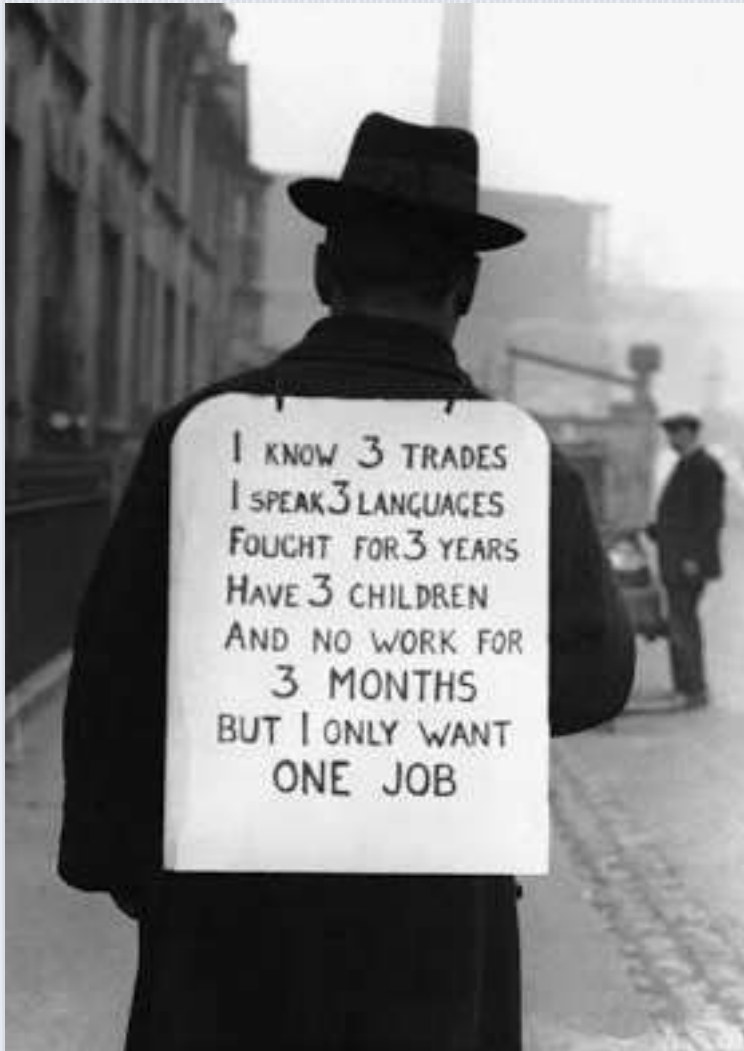
The 1930s

The Depression & President Hoover

“They have a conviction that I am a sort of superman, that no problem is beyond my capacity.”

Herbert Hoover

The Depression



Four Reasons for the Depression

1. Farming Dilemmas
2. Disparity in Income
3. Collapse of Banks
4. The Stock Market Crash of 1929



State of Industry?

Not Good

Superficial prosperity hid dilemmas in the economy.

Basic industries failed:

Textiles

(Competition from Asia)

Steel & Railroads

(New forms of transportation)

Homes

(No one was building. Appliance sales fall)

Cars

(Became too expensive & poorly built)

Causes One & Two

1. Farming Dilemmas

Farmers had been suffering since WWI ended.

Loans & credit lead to foreclosure.

2. Disparity of Income

Average male worker?
Earned \$4 a day. \$1,200 a year.

A family of five required \$2,000 to live in “health and decency”

Causes Three & Four

3. Collapse of Banks

People panic and remove money.

When banks hit \$0, they close and take every account with them.

4. Stock Market Crash

See Next Slide...

The Stock Market Crashes

US was at the top of production (34.4%)

Up until 1928, the Stock Market was a true reflection of its worth.
In 1928 alone, 567,990,875 stocks changed hands.

So, what happened?

The market corrected itself.

August 1929 – DOW Jones sat at 452 points

November 1929? 224 points

December 1928? 245 points

Numbers

By 1933:

Over 5,000 banks closed

Industrial production fell by 50%

13m to 14m unemployed (roughly 25%)



Sad Fact About the Depression

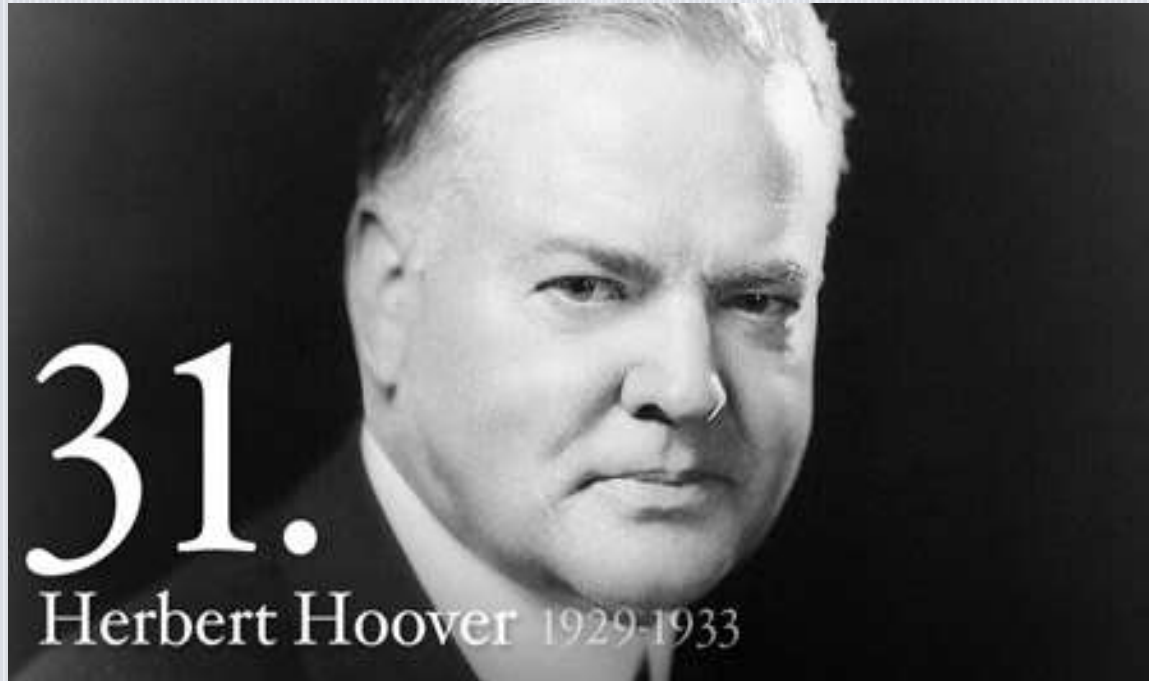
“There were **millions of tons of food** around, but it was not profitable to transport it, to sell it. Warehouses were **full of clothing**, but people could not afford it. There were **lots of houses**, but they stayed empty because people couldn't pay rent, had been evicted, and now lived in shacks in quickly formed “Hooverilles” **built on garbage dumps.**”

Howard Zinn

A People's History of The United States



Herbert Hoover



**“If some unprecedented calamity should come upon this nation,
I would be sacrificed to the unreasoning disappointment of
a people who had expected too much.”**

Herbert Hoover
1929

“The Great Humanitarian”

“In six years, **Hoover circled the globe five times**. He lived through the **Boxer Rebellion** in China, hacked through the **jungles** of Borneo, **rode camels** across the red emptiness of Western Australia... **camped beside** the Great Pyramids of Egypt. He had experiences as rich and memorable as any young man has ever enjoyed, and was moved by none of them....
His life was work. There was nothing else.”

Bill Bryson

One Summer: America, 1927

By age 40, Hoover had earned \$4 million.



“The Great Humanitarian”

Post-WWI Belgium

“Eight million Belgians were in real peril of starving. Hoover managed to find and distribute \$1.8 million worth of food a week, every week, for two and a half years – 2.5 million tons of it altogether... The achievement can hardly be overstated. It was the greatest relief effort ever undertaken on earth.... One enthusiast called him “the greatest humanitarian since **Jesus Christ” ...He became to the world the Great Humanitarian.”**

Bill Bryson

One Summer: America, 1927

“The Great Humanitarian”

Great Mississippi Flood of 1927

“It is difficult to picture in words the might of the Mississippi in flood... To say that two blocks from where I stand it is at this minute **flowing at a rate ten times that of Niagara** seems unimpressive. Perhaps it becomes more impressive to say that at **Vicksburg the flood is 6,000 feet wide and 50 feet deep, rushing on at the rate of 6 miles an hour. Behind this crest lies the ruin of 200,000 people.**”

Herbert Hoover

Speech given in 1927 while in Mississippi

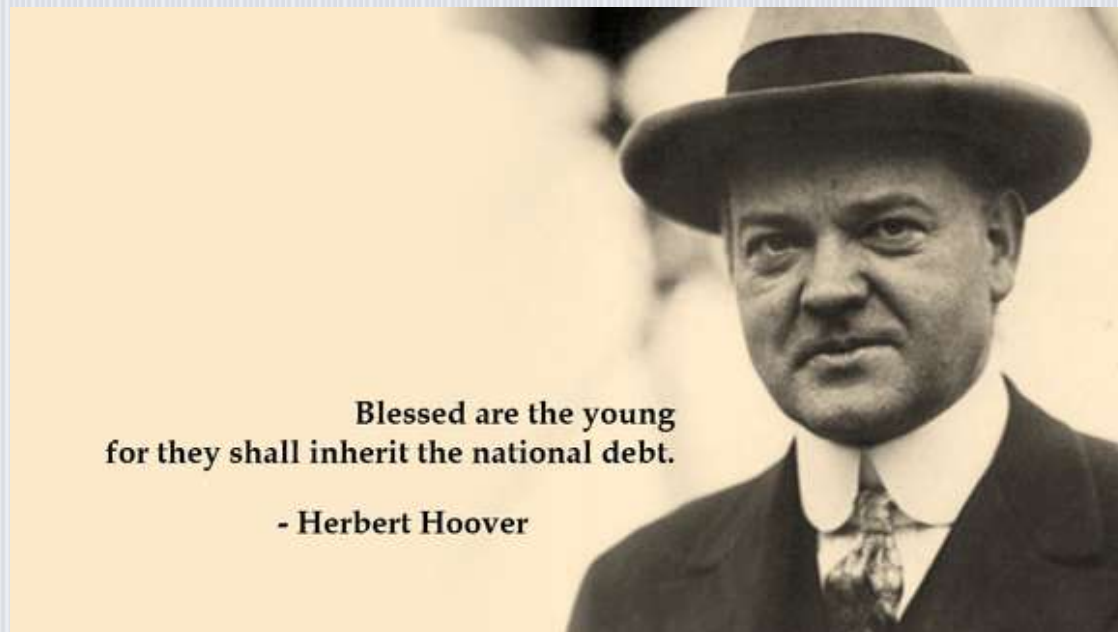
The Great Mississippi Flood of 1927

“A couple of thousand refugees are coming. They've got to have accommodations. Huts. Water mains. Sewers. Streets. Dining halls. Meals. Doctors. Everything. And you haven't got months to do it. You haven't got weeks. You've got hours.”



Herbert Hoover

So, why was the Depression his downfall despite being called “Wonder Boy” by President Coolidge?



FIND OUT!