THE GREAT DEPRESSION

The Great Depression was a time of great economic crisis during the 1930s. It began in the United States, but quickly spread throughout much of the world. During this time, many people were out of work, hungry, and homeless. In the city, people would stand in long lines at soup kitchens to get a bite to eat. In the country, farmers struggled in the Midwest where a great drought turned the soil into dust causing huge dust storms.

The Great Depression began with the crash of the stock market in October of 1929. Historians and economists give various causes for the Great Depression including drought, overproduction of goods, bank failures, stock speculation, and consumer debt.

Herbert Hoover was President of the United States when the Great Depression began. Many people blamed Hoover for the Great Depression. They even named the shantytowns where homeless people lived "Hoovervilles" after him. In 1933, Franklin D. Roosevelt was elected president. He promised the people of America a "New Deal." The New Deal The New Deal was a series of laws, programs, and government agencies enacted to help the country deal with the Great Depression. These laws placed regulations on the stock market, banks, and businesses. They helped put people to work and tried to help house and feed the poor. Many of these laws are still in place today like the Social Security Act.

The Great Depression ended with the start of World War II. The wartime economy put many people back to work and filled factories to capacity. Legacy The Great Depression left a lasting legacy on the United States. The New Deal laws significantly increased the role of the government in people's everyday lives. Also, public works built up the infrastructure of the country with the construction of roads, schools, bridges, parks, and airports.

Interesting Facts About the Great Depression

The stock market lost almost 90% of its value between 1929 and 1933. Around 11,000 banks failed during the Great Depression, leaving many with no savings. In 1929, unemployment was around 3%. In 1933, it was 25%, with 1 out of every 4 people out of work. The average family income dropped by 40% during the Great Depression. More than $1 billion in bank deposits were lost due to bank closings. The New Deal created around 100 new government offices and 40 new agencies. The worst years of the Great Depression were 1932 and 1933. Around 300,000 companies went out of business. Hundreds of thousands of families could not pay their mortgages and were evicted from their homes. Millions of people migrated away from the Dust Bowl region in the Midwest. Around 200,000 migrants moved to California. President Roosevelt pushed 15 major laws through in his "First Hundred Days" of office.