



## CHAPTER

# 9

1929–1932

# The Great Depression Begins

## Big Ideas

### SECTION 1: Causes of the Depression

**Societies change over time.** Inflated stock prices, overproduction, high tariffs, uneven distribution of wealth, and mistakes by the Federal Reserve led to the Great Depression.

### SECTION 2: Life During the Depression

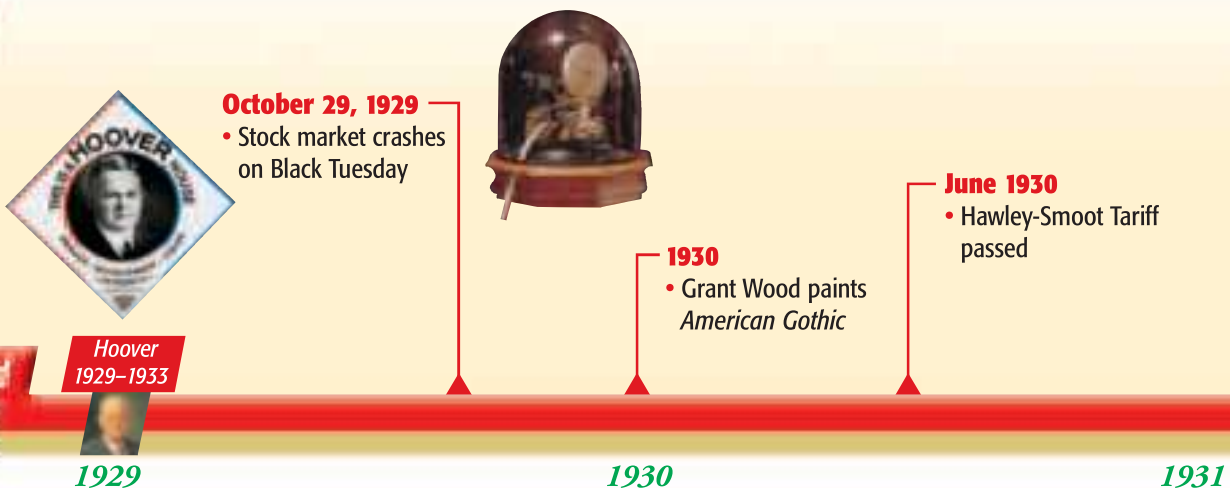
**Societies change over time.** Many people were impoverished during the Great Depression, but some found ways to cope with the hard times.

### SECTION 3: Hoover Responds

**Social and economic crises lead to new roles for government.** President Hoover's philosophy of government guided his response to the Depression.



**The American Vision: Modern Times Video** The Chapter 9 video, "Brother, Can You Spare a Dime?" chronicles Depression-era life in the United States.



World

1929

• Remarque's *All Quiet on the Western Front* published

1930

• Ras Tafari becomes Emperor Haile Selassie of Ethiopia

1931

• Gandhi released from prison in India, ending second passive resistance campaign against British rule



Girls pump for water during a dust storm in Springfield, Colorado.

#### October 1931

- National Credit Corporation created

#### 1932

- Drought sweeps Great Plains

#### January 1932

- Reconstruction Finance Corporation created

#### July 1932

- Bonus Marchers forced out of Washington, D.C.



1932

F. Roosevelt  
1933–1945

1933

#### September 21, 1931

- Britain abandons gold standard

#### 1932

- Salazar becomes premier of Portugal

#### February 1932

- Japan sets up puppet government in Manchukuo in northern China

## HISTORY Online

### Chapter Overview

Visit the *American Vision: Modern Times* Web site at [tav.mt.glencoe.com](http://tav.mt.glencoe.com) and click on **Chapter Overviews—Chapter 9** to preview chapter information.



# Preparing to Read Chapter 9

## Reading Skill

## Visualizing

Authors use descriptive language to create a picture of a person, location, time, or event. These words appeal to the senses and may include sights, sounds, or smells. Authors also use quotes to describe feelings and emotions in order to make the text come alive to the reader. Effective readers take the time to visualize people, places, and events. They also use pictures and diagrams on the page to understand what they are reading.

You can recognize opportunities to visualize by the number of details an author includes. Quotes will also help you identify text passages that may help you create an image in your mind. Look for descriptive language to help you understand the passage. Photographs, maps, diagrams, and charts will also assist you in visualizing text by giving you additional information.

*Read the following paragraph about the impact of the Great Depression on one family and notice the number of details. Make a picture in your mind as you read.*

### VISUALIZING

Note the highlighted phrases and the vivid images they create. Then look at the photograph on page 475 of the unemployed man. Does this help you create a mental image of Dynamite's father?

A young girl with the unusual name of Dynamite Garland was living with her family in Cleveland, Ohio, in the 1930s when her father, a railroad worker, lost his job. Unable to afford rent, they gave up their home and moved into a two-car garage.

The hardest aspect of living in a garage was getting through the frigid winters. "We would sleep with rugs and blankets over the top of us," Garland later recalled. "In the morning we'd . . . get some snow and put it on the stove and melt it and wash 'round our faces." When Garland's father found a part-time job in a Chinese restaurant, the family "lived on those fried noodles." (page 475)

As you try to visualize the life of Dynamite—not the exact description the authors have provided—imagine the size of a two-car garage. How might you and your family fit in such a space, and how would you arrange for living and sleeping areas? Also note how the author mentions the "frigid" winters. What might you do to heat this area?

### Apply the Skill

After you have visualized what life was like for Dynamite, with your teacher's permission discuss these images with a partner. How closely does your partner's image match your mental picture? Now reread the passage. Did your ideas change?

## Historical Analysis Skill

## Developing a Hypothesis

**Historical Research, Evidence, and Point of View** When you prepare research on a topic in history, you should construct a hypothesis. You can test it by collecting, evaluating, and employing information from multiple primary and secondary sources. Finally, you can apply your hypothesis by preparing oral and written presentations.

**W**hy is the sky blue? Have you ever asked that question? Do you have an explanation? If you do, you could test your explanation. We call your un-tested explanation a hypothesis. You can collect information and data to test your hypothesis and either prove or disprove it. We all construct hypotheses to explain events and actions.

Historians construct hypotheses to test their ideas and explanations. Since historians were not present for the events they study, they use many different primary and secondary sources to test their hypotheses. For example, historians might make a prediction about a possible solution to a problem based on what they know about a topic. If their hypothesis is still valid after their research, then they can be reasonably sure that they were correct in their initial prediction.

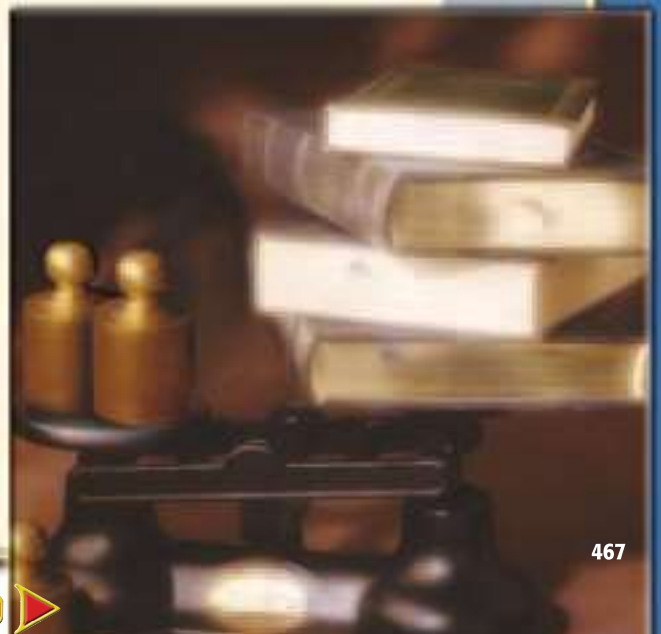
*Read this paragraph about the roots of the Great Depression.*

The stock market crash helped put the economy into a recession. Yet the crash would not have led to a long-lasting depression if other forces had not been at work. The roots of the Great Depression were deeply entangled in the economy of the 1920s. (page 472)

You learn in this paragraph that the author believes there were multiple causes for the Great Depression. The author has made a hypothesis. How could the economy of the 1920s have led to the Great Depression? You will find the author's explanations for this statement in the following pages.

## Apply the Skill

Construct a hypothesis about the collapse of the U.S. economy. Also hypothesize the role that business, banking, and consumer spending played in our economy. As you study the next two chapters, collect information that will allow you to test your hypotheses. Remember that in the previous chapter you learned that technological and managerial innovations allowed American companies to increase their production dramatically. However, also consider the law of supply and demand which suggests that when a product is plentiful, its value will decrease.





## SECTION 1

# Causes of the Depression

### Guide to Reading

#### Connection

In the previous chapter, you learned about the prosperity of the 1920s. In this section, you will discover the factors that contributed to the Great Depression.

#### Main Idea

- In an election marked by religious prejudice and the issue of Prohibition, Herbert Hoover won the presidency in a landslide. (p. 469)
- The long period of rising stock prices led many people to risky investment practices. (p. 470)
- The October 1929 stock market crash led to bank failures across the nation. (p. 471)

- An uneven distribution of income, the lack of foreign markets for exports, and the Federal Reserve's mistakes contributed to the Great Depression. (p. 472)

#### Content Vocabulary

stock market, bull market, margin, margin call, speculation, installment

#### Academic Vocabulary

invest, sum, reaction

#### People and Terms to Identify

Alfred E. Smith, Black Tuesday, Hawley-Smoot Tariff

#### Reading Objectives

- **Describe** the characteristics of the 1920s stock market.
- **Identify** the causes of the Great Depression.

#### Reading Strategy

**Categorizing** As you read about the election of 1928, complete a graphic organizer similar to the one below comparing the backgrounds and issues of the presidential candidates.

| 1928 Presidential Campaign |            |        |
|----------------------------|------------|--------|
| Candidate                  | Background | Issues |
|                            |            |        |
|                            |            |        |



#### Preview of Events

♦ November 1928

**November 1928**  
Herbert Hoover elected president

♦ September 1929

**October 24, 1929**  
Stocks fall during Black Thursday

**October 29, 1929**  
Black Tuesday stock market crash

♦ July 1930

**June 1930**  
Congress passes Hawley-Smoot Tariff

The following are the main History-Social Science Standards covered in this section.

**11.5.1** Discuss the policies of Presidents Warren Harding, Calvin Coolidge, and Herbert Hoover.

**11.6.1** Describe the monetary issues of the late nineteenth and early twentieth centuries that gave rise to the establishment of the Federal Reserve and the weaknesses in key sectors of the economy in the late 1920s.

**11.6.2** Understand the explanations of the principal causes of the Great Depression and the steps taken by the Federal Reserve, Congress and Presidents Herbert Hoover and Franklin Delano Roosevelt to combat the economic crisis.

## The Big Idea

**Societies change over time.** Following the presidential election of Herbert Hoover, most Americans were optimistic about the future of the country. Stock prices were soaring, and many people invested in the stock market. As the number of new investors began to dwindle, the market first slowed and then crashed. The stock market crash resulted in the collapse of many banks. At the same time, overproduction brought an excess of products that many people could not afford to buy. This led factories to lower production and lay off workers. Due to a low number of exports, companies were not able to make up for the reduction in consumer spending. All of these factors, combined with the Federal Reserve's decision to keep interest rates low, led to an economic depression.





## The Election of 1928

**Main Idea** In an election marked by religious prejudice and the issue of Prohibition, Herbert Hoover won the presidency in a landslide.

**Reading Connection** What issues in school elections or local elections have been important to you? Read on to learn about important campaign issues in the 1928 election.

The economic collapse that began in 1929 had seemed unimaginable only a year earlier. Many people found themselves without work as jobs became scarce.

### ★ An American Story ★

In the years just after the 1929 stock market crash, Annetta Gibson taught English in a Rockford, Illinois, grade school. As a teacher, Gibson was lucky because she was at least able to keep her job, unlike many other American workers.

“Everyone knew that the teachers’ salaries were being held up. . . . The stores charged anything we wanted, and we’d pay them when we got paid, so it wasn’t too bad.

The one thing that was bad was that we had worked hard at school to get the children to save. . . . The children would bring, oh, maybe just a few pennies that they would put in their banks. Some of them had nice little bank accounts when the Depression hit, and some of them never got their money back. It wasn’t too good a lesson . . . because they thought they might as well spend their money as save it and then have it gone.”

—quoted in *Centenarians: The Story of the Twentieth Century by the Americans Who Lived It*

In the election of 1928, the presidential candidates vied with each other to paint a rosy picture of the future. Republican Herbert Hoover declared, “We are nearer to the final triumph over poverty than ever before in the history of any land.”

**The Candidates** When Calvin Coolidge decided not to run for president in 1928, he cleared the way for Herbert Hoover to head the Republican ticket. A successful engineer and former head of the Food Administration during World War I, Hoover had also spent over seven years as secretary of commerce in

the Harding and Coolidge administrations. The Democrats chose **Alfred E. Smith**, four-time governor of New York. Smith was an Irish American from New York’s Lower East Side and the first Roman Catholic ever nominated to run for president.

**Campaign Issues** By 1928 Prohibition had become a major issue among voters. Because he favored the ban on liquor sales, Hoover was considered a “dry” in the popular language of the day. Smith, who disliked the ban, was a “wet.”

The candidates’ religious differences sparked a smear campaign against Smith. Many Protestants were willing to believe that the Catholic Church financed the Democratic Party and would rule the United States if Smith got into the White House. These slurs embarrassed Hoover, a Quaker, and he tried to quash them, but the charges seriously damaged Smith’s candidacy.

Smith’s biggest problem, however, was the prosperity of the 1920s, for which the Republicans took full credit. Republican candidates promised to continue the trend with such slogans as “two cars in every garage.” Hoover received over 6 million more votes than Smith and won the Electoral College in a landslide, 444 to 87.

On March 4, 1929, an audience of 50,000 stood in the rain to hear Hoover’s inaugural speech. Sound movie cameras covered the inauguration for the first time and radios broadcast the address worldwide. “I have no fears for the future of our country,” Hoover said. “It is bright with hope.”

**✓ Reading Check Examining** What campaign issues led to Herbert Hoover’s election to the presidency?

▼ *Bank run at a Newark, New Jersey bank*





## The Long Bull Market

**Main Idea** The long period of rising stock prices led many people to risky investment practices.

**Reading Connection** What are your strategies for saving money? Read on to find out about people's efforts to make money in the stock market during the 1920s.

The wave of optimism that swept Hoover into the White House also drove stock prices to new highs. The **stock market** was established as a system for buying and selling shares of companies. Sometimes circumstances in the stock market lead to a long period of rising stock prices, which is known as a **bull market**. In the late 1920s a prolonged bull market convinced many Americans to **invest** heavily in stocks. By 1929 about 3 million Americans, or roughly 10 percent of households, owned stocks.

As the market continued to soar, many investors began buying stocks on **margin**, meaning they made only a small cash down payment—as low as 10 percent of the price. With \$1,000 an investor could buy \$10,000 worth of stock. The other \$9,000 would come as a loan from a stockbroker, who earned both a commission on the sale and interest on the loan. The broker held the stock as collateral.

As long as stock prices kept rising, buying on margin was safe. For example, an investor who borrowed money to buy \$10,000 worth of stocks had to wait only a short time for them to rise to \$11,000 in value. The investor could then sell the stock, repay the loan, and make \$1,000 in profit. The problem came if the stock price began to fall. To protect the loan, a broker could issue a **margin call**, demanding the investor repay the loan at once. As a result, many investors were very sensitive to any fall in stock prices. If prices fell, they had to sell quickly, or they might not be able to repay their loans.

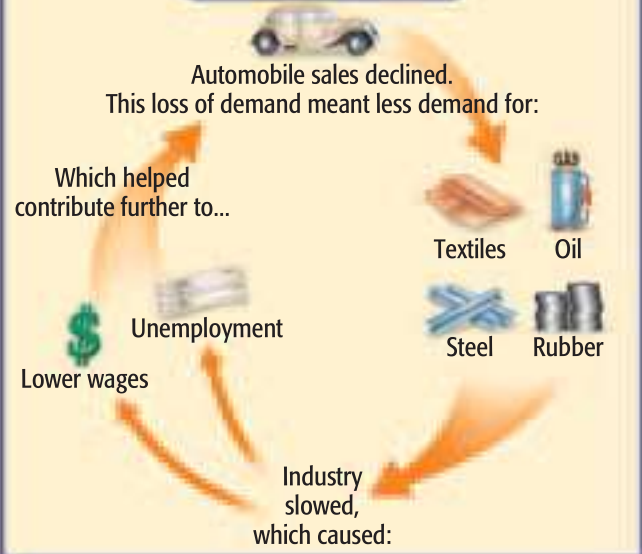
## The Great Depression

### Causes

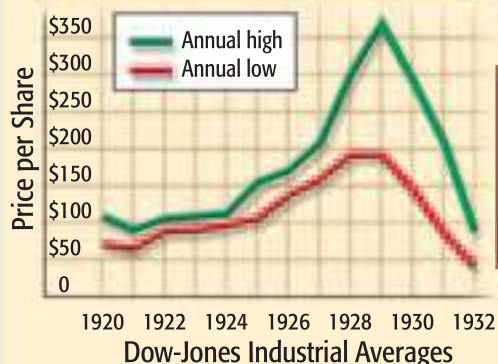
- Overproduction and low demand leads to employee layoffs
- Low wages reduce consumer buying power
- High tariffs restrict foreign demand for American goods
- Unemployment reduces buying power further



### Cyclical Effect



### Stock Prices, 1920–1932



Source: Standard and Poor's Security Price Index Record.

### Graph Skills

1. **Interpreting Graphs** Stock prices peaked in 1929. Before this peak, when did they begin to rise sharply?
2. **Making Generalizations** How did the decline in auto sales affect many other industries?



Before the late 1920s, the prices investors paid for stocks generally reflected the stocks' true value. If a company made a profit or had good future sales prospects, its stock price rose, while a drop in earnings or an aging product line could send the price down. In the late 1920s, however, hordes of new investors bid prices up without regard to a company's earnings and profits. Buyers, hoping to make a fortune overnight, engaged in **speculation**. Instead of investing in the future of the companies, speculators took risks, betting that the market would continue to climb, thus enabling them to make money quickly.

**Reading Check** **Summarizing** What was the stock market like in the 1920s?

## The Great Crash

**Main Idea** The October 1929 stock market crash led to bank failures across the nation.

**Reading Connection** If a stock market crash were to occur today, how would your family be affected? Read on to learn about the stock market collapse in 1929.

The bull market lasted only as long as investors continued putting new money into it. By the latter half of 1929, the market was running out of new customers. In September professional investors sensed danger and began to sell off their holdings. Prices slipped. Other investors sold shares to pay the interest on their brokerage loans. Prices fell further.

**Crash!** On Monday, October 21, Groucho Marx, the comic star of stage and screen, was awakened by a telephone call from his broker. "You'd better get down here with some cash to cover your margin," the broker said. The stock market had plunged. The dazed comedian had to pay back the money he had borrowed to buy stocks, which were now selling for far less than he had paid.

Other brokers made similar margin calls. Frightened customers put their stocks up for sale at a frenzied pace, driving the market into a tailspin. When Marx arrived at the brokerage, he found ticker tape "knee deep on the floor." He further recalled, "People were shouting orders to sell and others were frantically scribbling checks in vain efforts to save their original investments."

On October 24, a day that came to be called Black Thursday, the market plummeted further. Marx was wiped out. He had earned a small fortune from plays



### Picturing History

**Herbert Hoover** The nation and its new president felt confident about the future in early 1929. [Why were Americans so optimistic?](#)

and films, and now it was gone in the blink of an eye. Like many other investors, he was deeply in debt. Arthur Marx recalled his father's final visit to the brokerage, as Groucho looked around and spotted his broker:

“He was sitting in front of the now-stilled ticker-tape machine, with his head buried in his hands. Ticker tape was strewn around him on the floor, and the place . . . looked as if it hadn't been swept out in a week. Groucho tapped [him] on the shoulder and said, 'Aren't you the fellow who said nothing could go wrong?' 'I guess I made a mistake,' the broker wearily replied. 'No, I'm the one who made a mistake,' snapped Groucho. 'I listened to you.'”

—quoted in 1929: *The Year of the Great Crash*

The following week, on October 29, a day later dubbed **Black Tuesday**, prices took the steepest dive yet. That day stocks lost \$10 to \$15 billion in value.

By mid-November stock prices had dropped by over one-third. Some \$30 billion was lost, a **sum** roughly equal to the total wages earned by Americans in 1929. The stock market crash was not the major cause of the Great Depression, but it undermined the economy's ability to hold out against its other weaknesses.





**Banks in a Tailspin** The market crash severely weakened the nation's banks in two ways. First, many banks had lent money to stock speculators. Second, many banks had invested depositors' money in the stock market, hoping for higher returns than they could get by using the money for conventional loans.

When stock values collapsed, the banks lost money on their investments, and the speculators defaulted on their loans. Having suffered serious losses, many banks cut back drastically on the loans they made. With less credit available, consumers and businesses were unable to borrow as much money as they had previously. This helped to put the economy into a recession.

For some banks, the losses they suffered in the crash were more than they could absorb, and they were forced to close. At that time, the government did not insure bank deposits; therefore, if a bank collapsed, customers lost their savings. The bank fail-

ures in 1929 and early 1930 triggered a crisis of confidence in the banking system.

News of bank failures worried many Americans. They began to make runs on the nation's banks, causing the banks to collapse. A bank run takes place when many depositors decide to withdraw their money at one time, usually for fear the bank is going to collapse. During this time, there were no guarantees to protect people's money in case of a bank collapse.

Most banks make a profit by lending money received from depositors and collecting interest on the loans. The bank holds on to only a fraction of the depositors' money to cover everyday business, such as occasional withdrawals. Ordinarily that reserve is enough to meet the bank's needs, but if too many people withdraw their money, the bank will eventually collapse. During the first two years of the Depression, more than 3,000 banks—over 10 percent of the nation's total—were forced to close.

 **Reading Check** **Evaluating** How did bank failures contribute to the Great Depression?

## The Roots of the Great Depression

**Main Idea** An uneven distribution of income, the lack of foreign markets for exports, and the Federal Reserve's mistakes contributed to the Great Depression.

**Reading Connection** What do you believe is the current distribution of income in America? Read on to learn about the distribution of income just prior to the Great Depression.

The stock market crash helped put the economy into a recession. Yet the crash would not have led to a long-lasting depression if other forces had not been at work. The roots of the Great Depression were deeply entangled in the economy of the 1920s.

**The Uneven Distribution of Income** Most economists agree that overproduction was a key cause of the Depression. More efficient machinery increased the production capacity of both factories and farms.

Most Americans did not earn enough to buy up the flood of goods they helped produce. While manufacturing output per person-hour rose 32 percent, the average worker's wage increased only 8 percent. In 1929 the top 5 percent of all American households earned 30 percent of the nation's income. By contrast, about two-thirds of families earned less than \$2,500 a year, leaving them little expendable income.

### History Through Art

**Wall Street Panic** This painting shows the confusion and chaos surrounding the financial industry in October 1929. [How does the artist depict a sense of disorder?](#)





▲ Newspaper headline the day after Black Tuesday

During the 1920s many Americans bought high-cost items on the **installment** plan, under which they would make a small down payment and pay the rest in monthly installments. Some buyers could not pay off their debts without reducing other purchases. This low consumption then led manufacturers to cut production and lay off employees.

The slowdown in retail manufacturing had repercussions throughout the economy. When radio sales slumped, for example, makers cut back on their orders for copper wire, wood cabinets, and glass radio tubes. Montana copper miners, Minnesota lumberjacks, and Ohio glassworkers, in turn, lost their jobs. Jobless workers had to cut back purchases, further reducing sales. This kind of chain **reaction** put more and more Americans out of work.

**The Loss of Export Sales** Many jobs might have been saved if American manufacturers had sold more goods abroad. As the bull market of the 1920s accelerated, U.S. banks made high-interest loans to stock speculators instead of lending money to foreign companies. Without these loans from U.S. banks, foreign companies purchased fewer American products.

Matters grew worse after June 1930, when Congress passed the **Hawley-Smoot Tariff** raising

the average tariff rate to the highest level in American history. The Hawley-Smoot Tariff aimed to protect American manufacturers from foreign competition, but it damaged American sales abroad. Because imports now cost much more, Americans bought fewer of them. Foreign countries responded by raising their own tariffs against American products, and this caused fewer American products to be sold overseas. In 1932 U.S. exports fell to about one-fifth of what they had been in 1929, which hurt both American companies and farmers.

**Mistakes by the Federal Reserve** Just as consumers were able to buy more goods on credit, access to easy money propelled the stock market. Instead of raising interest rates to curb excessive speculation, the Federal Reserve Board kept its rates very low.

The Board's failure to raise interest rates contributed to the Depression in two ways. First, by keeping rates low, it encouraged member banks to make risky loans. Second, low interest rates led business leaders to think the economy was still expanding. As a result, they borrowed more money to expand production, which led to overproduction when sales were falling. When the Depression hit, companies had to lay off workers to cut costs. Then the Fed made another mistake. It raised interest rates, tightening credit. The economy continued to spiral downward.

✓ **Reading Check** **Examining** How did the decline in worldwide trade contribute to the Depression?

### HISTORY Online Study Central

For help with the concepts in this section of *American Vision: Modern Times* go to [tav.mt.glencoe.com](http://tav.mt.glencoe.com) and click on **Study Central**.

## SECTION 1 ASSESSMENT

### Checking for Understanding

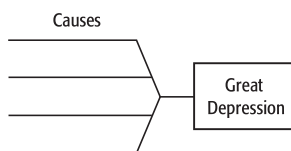
- Vocabulary** Define: stock market, bull market, invest, margin, margin call, speculation, sum installment, reaction.
- People and Terms** Identify: Alfred E. Smith, Black Tuesday, Hawley-Smoot Tariff.
- Explain** the significance of the stock market crash, including Black Tuesday.

### Reviewing Big Ideas

- Interpreting** How did the practices of buying on margin and speculation cause the stock market to rise?

### Critical Thinking

- Evaluating** Why did the stock market crash cause banks to fail?
- Organizing** Use a graphic organizer similar to the one below to list the causes of the Great Depression.



### Analyzing Visuals

- Analyzing Graphs** Study the graphs on page 470. Note that decreased demand for automobiles ultimately led to layoffs. These layoffs further decreased the demand for automobiles. What do you think might have ended this cycle?

### Writing About History

- Expository Writing** Write an article for a financial magazine explaining the rapid decline of the stock market in 1929 and the reasons for the Black Tuesday crash. **CA 11WA2.1a**





## SECTION 2

# Life During the Depression

### Guide to Reading

#### Connection

In the previous section, you learned about the causes of the Great Depression. In this section, you will discover how the Depression worsened and people sought escape from the hardships.

#### Main Idea

- As banks continued to fail and people lost jobs and homes, soup kitchens and shantytowns sprang up throughout the United States. Droughts during the 1930s made the Depression even worse for farmers. (p. 475)
- Movies and radio shows allowed people to forget temporarily the miseries of the Depression. (p. 477)

- Painters, photographers, and writers all captured the experiences of people during the Great Depression. (p. 479)

#### Content Vocabulary

bailiff, shantytown, Hooverville, hobo, Dust Bowl, soap opera

#### Academic Vocabulary

suspend, colleague, technique

#### People and Terms to Identify

Walt Disney, Grant Wood, John Steinbeck, William Faulkner

#### Reading Objectives

- **Describe** how the Great Depression affected American families.

- **Discuss** how artists portrayed the effects of the Depression.

#### Reading Strategy

**Taking Notes** As you read about life in the United States during the Great Depression, use the major headings of the section to create an outline similar to the one below.

#### Life During the Depression

I. The Depression Worsens

- A.
  - B.
  - C.
- II.



#### Preview of Events



The following are the main History-Social Science Standards covered in this section.

**11.6** Students analyze the different explanations for the Great Depression and how the New Deal fundamentally changed the role of the federal government.

**11.6.3** Discuss the human toll of the Depression, natural disasters, and unwise agricultural practices and their effects on the depopulation of rural regions and on political movements of the left and right, with particular attention to the Dust Bowl refugees and their social and economic impacts in California.

## The Big Idea

**Societies change over time.** As the Depression worsened, many people could not afford housing. They lived in makeshift villages and traveled from town to town in search of work. When the Dust Bowl hit in the Great Plains, many more found themselves without jobs or places to live. People found escape from their troubles in movies or radio programs, which allowed them brief visits into a more exciting and happier world. At the same time, Depression hardships inspired painters, photographers, and writers to depict their views of life under such difficult circumstances.





## The Depression Worsens

**Main Idea** As banks continued to fail and people lost jobs and homes, soup kitchens and shantytowns sprang up throughout the United States. Droughts during the 1930s made the Depression worse for farmers.

**Reading Connection** Have you or someone you know ever helped serve in a local soup kitchen or food pantry? Read on to discover how people relied on private charities for their meals during the Great Depression.

In 1930, 1,352 banks **suspended** operations across the nation, more than twice the number of bank failures in 1929. As the Depression grew steadily worse during Hoover's administration, many people found themselves unable to afford housing.

### ★ An American Story ★

A young girl with the unusual name of Dynamite Garland was living with her family in Cleveland, Ohio, in the 1930s when her father, a railroad worker, lost his job. Unable to afford rent, they gave up their home and moved into a two-car garage.

The hardest aspect of living in a garage was getting through the frigid winters. "We would sleep with rugs and blankets over the top of us," Garland later recalled. "In the morning we'd . . . get some snow and put it on the stove and melt it and wash 'round our faces." When Garland's father found a part-time job in a Chinese restaurant, the family "lived on those fried noodles."

On Sundays the family looked at houses for sale. "That was a recreation during the Depression," said Garland. "You'd go and see where you'd put this and where you could put that, and this is gonna be my room." In this way, the family tried to focus on better times. Movies and radio programs also provided a brief escape from their troubles, but the struggle to survive left little room for pleasure.

—adapted from *Hard Times*

By 1933 more than 9,000 banks had failed. In 1932 alone some 30,000 companies went out of business. By 1933 more than 12 million workers were unemployed—about one fourth of the workforce. Average family income dropped from \$2,300 in 1929 to \$1,600 a few years later.

**Lining Up at Soup Kitchens** People without jobs often went hungry. Whenever possible they joined bread lines to receive a free handout of food or lined up outside soup kitchens, which private charities set up to give poor people a meal.

Peggy Terry, a young girl in Oklahoma City during the Depression, later told an interviewer how each day after school, her mother sent her to the soup kitchen:

“If you happened to be one of the first ones in line, you didn’t get anything but water that was on top. So we’d ask the guy that was ladling out soup into the buckets—everybody had to bring their own bucket to get the soup—he’d dip the greasy, watery stuff off the top. So we’d ask him to please dip down to get some meat and potatoes from the bottom of the kettle. But he wouldn’t do it.”

—quoted in *Hard Times*

**Living in Makeshift Villages** Families or individuals who could not pay their rent or mortgage lost their homes. Some of them, paralyzed by fear and humiliation over their sudden misfortune, simply would not or could not move. Their landlord would then ask the court for an eviction notice. Court officers called **bailiffs** then ejected the nonpaying tenants, piling their belongings in the street.

Throughout the country, newly homeless people put up shacks on unused or public lands, forming communities called **shantytowns**. Blaming the president for their plight, people referred to such places as **Hoovervilles**.



An unemployed man advertising his skills ➤



## HISTORY Online



### Student Web Activity

Visit the *American Vision: Modern Times* Web site at [tav.mt.glencoe.com](http://tav.mt.glencoe.com) and click on **Student Web Activities—Chapter 9** for an activity on the Great Depression.

In search of work or a better life, many homeless and unemployed Americans began to wander around the country, walking, hitchhiking, or, most often, “riding the rails.” These wanderers, called **hobos**, would sneak past railroad police to slip into open boxcars on freight trains for a ride to somewhere else. They camped in “hobo jungles,” usually situated near rail yards. Hundreds of thousands of people, mostly boys

and young men, wandered from place to place in this fashion, sleeping and eating where they could.

**The Dust Bowl** Farmers soon faced a new disaster. Since the beginnings of homesteading on the Great Plains, farmers had gambled with nature. Their plows had uprooted the wild grasses that held the

soil’s moisture. The new settlers then blanketed the region with wheat fields.

When crop prices dropped in the 1920s, however, Midwestern farmers left many of their fields uncultivated. Then, beginning in 1932, a terrible drought struck the Great Plains. With neither grass nor wheat to hold the scant rainfall, the soil dried to dust. From the Dakotas to Texas, America’s pastures and wheat fields became a vast **“Dust Bowl.”**

Winds whipped the arid earth, blowing it aloft and blackening the sky. When the dust settled, it buried crops and livestock and piled up against farmhouses like snow. No matter how carefully farm families sealed their homes, dust covered everything. As the drought persisted, the number of yearly dust storms grew, from 22 in 1934 to 72 in 1937.

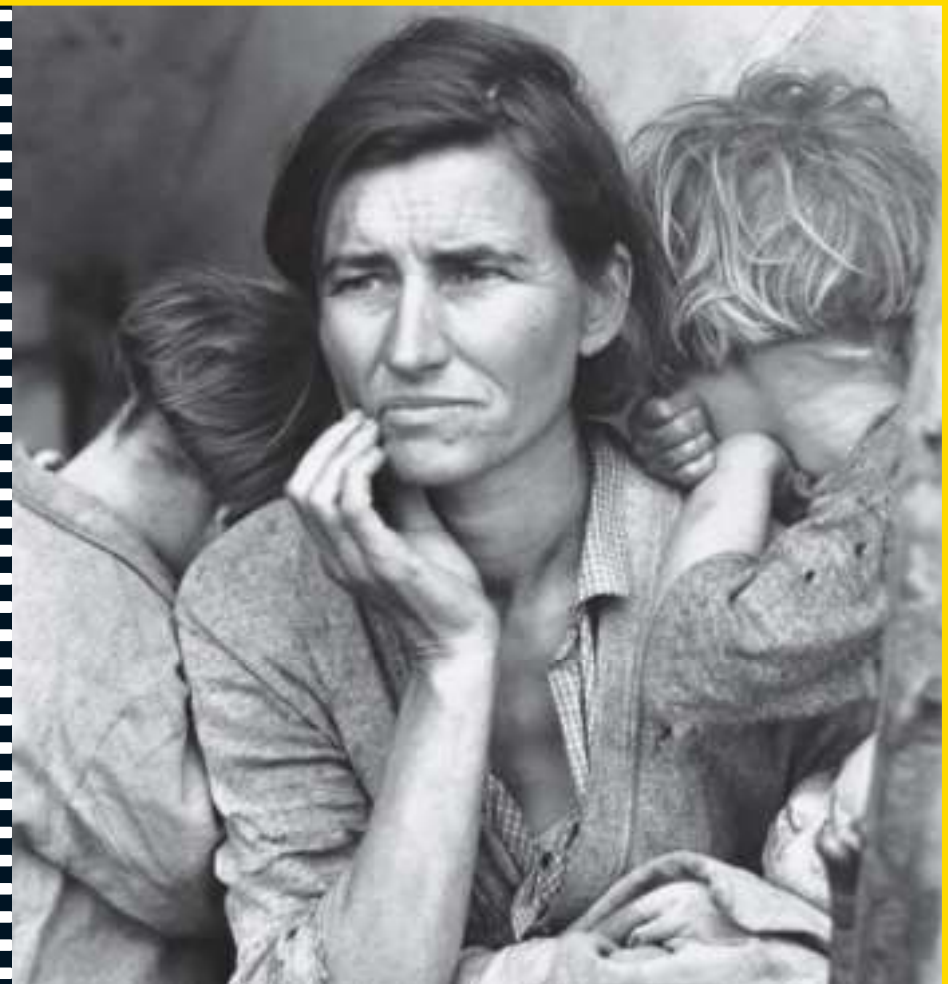
Only some Midwestern and Great Plains farmers managed to hold on to their land. If their withered fields were mortgaged, they had to turn them over to the banks. Then, nearly penniless, many families packed their belongings and headed west. Since many migrants were from Oklahoma, they became

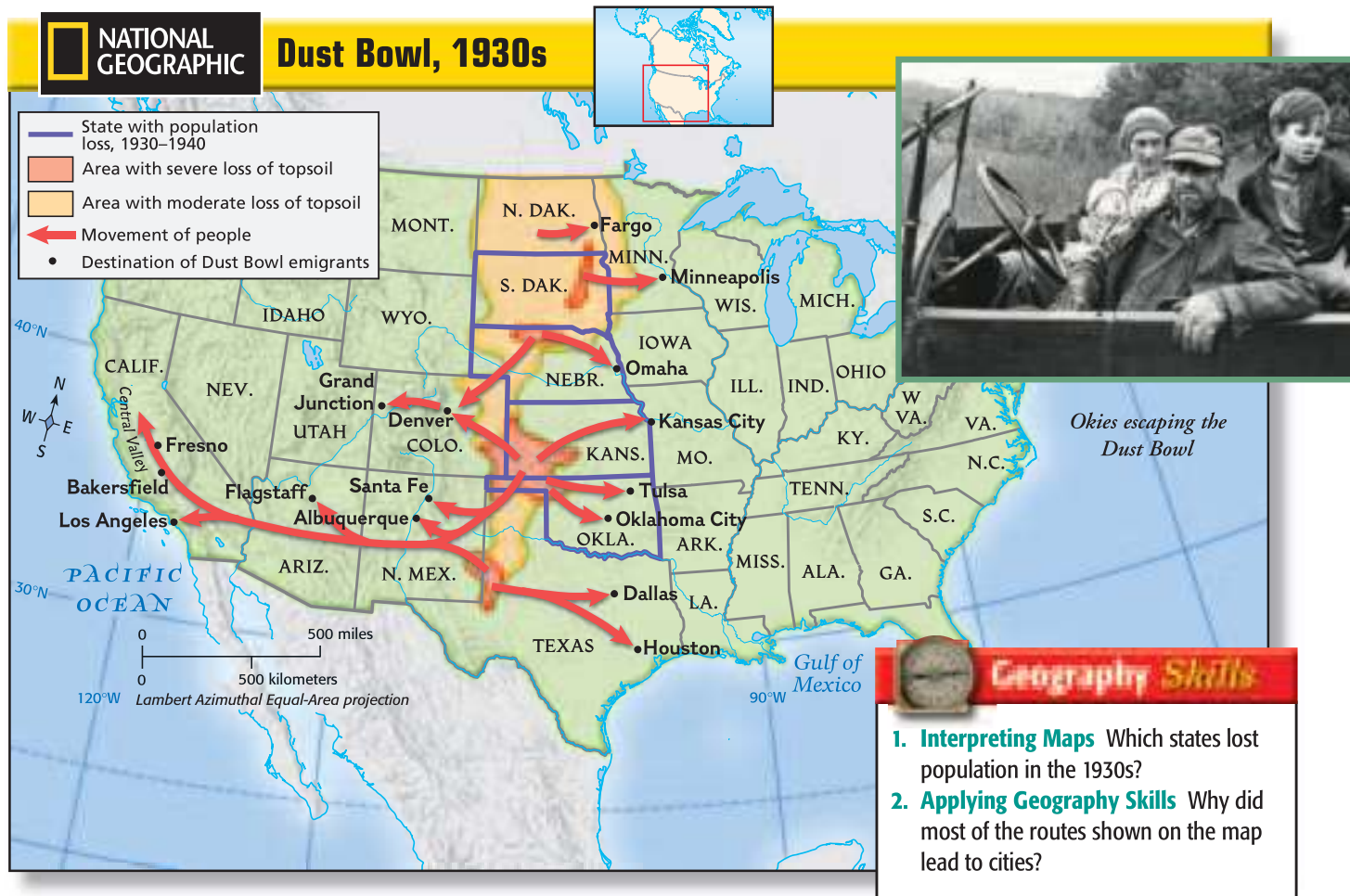
## NATIONAL GEOGRAPHIC

### MOMENT in HISTORY

#### IMAGE OF AN ERA

Lasting a decade, the Great Depression deprived many Americans of jobs, land, and livelihoods. Plummeting crop prices and farms withering under drought, and dust clouds forced many families to take to the road in search of work, often with little success. Dismayed by scenes of destitution and homelessness, photographer Dorothea Lange joined the Resettlement Administration in 1935. In 1936 in rural Nipomo, California, Lange photographed this “Migrant Mother,” a 32-year-old woman with seven children. She had just sold her car tires to buy food.





known as “Okies.” Many migrants believed they would find a better life in California, which was thought to have a perfect climate for agriculture and plenty of work available. California soon became overwhelmed with the number of migrant workers. Many migrants were met with hostility from those already living in California because of competition for jobs. Most remained homeless and impoverished.

**✓ Reading Check Explaining** What chain of events turned the once-fertile Great Plains into the Dust Bowl?

## Escaping the Depression

**Main Idea** Movies and radio shows allowed people to forget the miseries of the Depression.

**Reading Connection** How do movies and other forms of media help you get through difficult times? Read on to learn ways that people coped with the Great Depression.

Despite the devastatingly hard times, Americans could escape—if only for an hour or two—through entertainment. Most people could scrape together

the money to go to the movies, or they could sit with their families and listen to one of the many radio programs broadcast across the country. Entertainment provided an escape from the difficult times.

**The Hollywood Fantasy Factory** Ordinary citizens often went to the movies to see people who were rich, happy, and successful. The 60 to 90 million weekly viewers walked into a fantasy world of thrills and romance. Comical screenplays offered a welcome release from daily worries. Groucho Marx wisecracked while his brothers’ antics provoked hilarity in such films as *Animal Crackers*.

Many European actors, writers, and directors, fleeing economic hardship and the threat of dictatorships, went to Hollywood in the 1920s and 1930s. Two European women emerged as superstars. Germany’s Marlene Dietrich portrayed a range of roles with subtlety in movies such as *Morocco* and *Shanghai Express*. Swedish actress Greta Garbo often played a doomed beauty, direct and unhesitating in her speech and actions, and was the highest paid female in the United States during the mid-1930s.

Moviegoers also loved cartoons. **Walt Disney** produced the first feature-length animated film, *Snow*





*White and the Seven Dwarfs*, in 1937. Its box office appeal may have spurred MGM two years later to produce *The Wizard of Oz*, a colorful musical that lifted viewers' spirits.

Even when films focused on serious subjects, they usually contained a note of optimism. In *Mr. Smith Goes to Washington*, James Stewart plays a naïve youth leader who becomes a senator. He dramatically exposes the corruption of some of his **colleagues** and calls upon his fellow senators to see the American political system as the peak of "what man's carved out for himself after centuries of fighting for something better than just jungle law."

*Gone with the Wind*, an elaborately costumed film nearly four hours long, topped the Depression-era epics. Its heroine, Scarlett O'Hara, played by British actress Vivien Leigh, struggles to maintain her life on a Georgia plantation during and after the Civil War. Romance enters as Clark Gable, playing the masterful Rhett Butler, woos Scarlett. Audiences found inspiration in Scarlett's unassailable will to survive.

**On the Air** While movie drama captured the imagination, radio offered entertainment on a more personal level. People listened to the radio every day, gathering around the big wooden box in the living

room. It could have been the voice of the president or a newscaster that held their attention. More often it was the comedy of Jack Benny or George Burns and Gracie Allen, or the adventures of a hero like the Green Hornet.

One of the most popular heroes was the Lone Ranger, who fought injustice in the Old West with the help of his "faithful Indian companion," Tonto. The listener needed only to picture the hero with a black mask hiding his identity, as he fired a silver bullet to knock a gun from an outlaw's hand.

Daytime radio dramas carried their stories over from day to day. Programs such as *The Guiding Light* depicted middle-class families confronting illness, conflict, and other problems. These short dramas allowed listeners to escape into a world more exciting than their own. The shows' sponsors were often makers of laundry soaps, so the shows were nicknamed **soap operas**.

While the Depression tore at the fabric of many towns, radio created a new type of community. Even strangers found common ground in discussing the lives of radio characters.

 **Reading Check** **Evaluating** What movies and radio shows entertained Americans during the Depression?

## Profiles IN HISTORY

### Dorothea Lange

1895–1965

Before she had ever used a camera, Dorothea Lange knew she wanted to be a photographer. After finishing high school, she took a photography course in New York, then traveled around the world. Lange earned her keep by taking and selling photos. Her trip ended in San Francisco.

In San Francisco, Lange photographed homeless people and uncovered the desperation of her subjects. One day, while driving through California's Central Valley, Lange noticed a sign: "Pea-Pickers Camp." On impulse, she stopped. She approached a woman and her children gazing listlessly out of a tattered tent. Lange took five pictures while the mother "sat in that lean-to tent with her children huddled around her, and seemed to know that my pictures might help her, and so she helped me."

In the mid-1930s, Lange traveled through the Dust Bowl states, capturing the ravages of dust storms. When the images were reproduced in a best-selling book, *American Exodus*, the state of California created camps to shelter migrant workers.





## The Depression in Art

**Main Idea** Painters, photographers, and writers all captured the experiences of people during the Great Depression.

**Reading Connection** Have you ever written a poem, story, or diary entry or drawn a picture to express how you were feeling at a particular time? Read on to find out about the artists of the 1930s and their portrayals of the nation.

Art and literature also flourished in the harsh and emotional 1930s. The homeless and unemployed became the subject of pictures and stories as artists and writers tried to portray life around them.

Thomas Hart Benton and **Grant Wood** led the regionalist school, which emphasized traditional American values, especially those of the rural Midwest and South. Wood's most famous painting, *American Gothic*, portrays a stern farmer and his daughter in front of their humble farmhouse. The portrait pays tribute to no-nonsense Midwesterners while at the same time gently making fun of their severity.

Novelists such as **John Steinbeck** added flesh and blood to journalists' reports of poverty and misfortune. Their writing evoked both sympathy for their characters and indignation at social injustice. In *The Grapes of Wrath*, published in 1939, Steinbeck tells the story of an Oklahoma family fleeing the Dust Bowl to find a new life in California. Steinbeck had seen firsthand the plight of migrant farm families uprooted by the Dust Bowl. After visiting camps of these families he had a better understanding of their fears. He described "people in flight" along Route 66. Inside one old jalopy sat the members of a family, worrying:

“There goes a gasket. Got to go on. Find a nice place to camp. . . . The food's getting low, the money's getting low. When we can't buy no more gas—what then? Danny in the back seat wants a cup a water. Little fella's thirsty.”

—from *The Grapes of Wrath*

Other novelists of this time influenced literary style itself. In *The Sound and the Fury*, for example, author **William Faulkner** shows what his characters are thinking and feeling before they speak. Using this stream of consciousness **technique**, he exposes hidden attitudes of Southern whites and African Americans in a fictional Mississippi county. Another Southern writer, Thomas Wolfe, used the facts of his own life to examine the theme of artistic creation in such powerful novels as *Look Homeward Angel*.

While the written word remained powerful, the printed image was growing in influence. Magazine photographers roamed the nation armed with the new 35-millimeter cameras, seeking new subjects. Photojournalist Margaret Bourke-White's striking pictures, displayed in *Fortune* magazine, showed the ravages of drought. In 1936 *Time* magazine publisher Henry Luce introduced *Life*, a weekly photojournalism magazine that enjoyed instant success.

**✓ Reading Check** **Examining** How did artists, photographers, and writers, such as John Steinbeck, reflect the characteristics of the 1930s?

**HISTORY**  
*Online*



**Study Central**

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## SECTION 2 ASSESSMENT

### Checking for Understanding

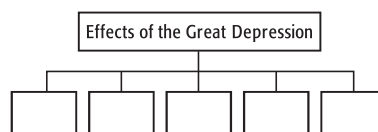
- Vocabulary** Define: suspend, bailiff, shantytown, Hooverville, hobo, Dust Bowl, colleague, soap opera, technique.
- People and Terms** Identify: Walt Disney, Grant Wood, John Steinbeck, William Faulkner.
- Explain** what caused the Dust Bowl conditions on the Great Plains.

### Reviewing Big Ideas

- Describing** In what ways did people seek to forget about the Depression?

### Critical Thinking

- Historical Analysis** **Making Inferences** Why do you think *Life* magazine was so popular during the 1930s?  
**CA H11; H13**
- Organizing** Use a graphic organizer to list the effects of the Great Depression.



### Analyzing Visuals

- Analyzing Photos** Study the photograph on page 476. Think of three adjectives that you would use to describe the people in the photograph. Using these adjectives, write a paragraph describing the family pictured.

### Writing About History

- Descriptive Writing** Imagine that you are living during the Great Depression. Write a journal entry describing a day in your life. **CA 11WA2.1c; 11WA2.1e**



# What *Life* Was Like...

## 1930s Entertainment

During the Depression, people needed entertainment more than ever. Movies topped the list of ways to escape everyday hardship, but music and dance were popular as well. For really cheap entertainment, one could stay at home and play cards or board games.

### ● Dance Craze ●

Dance marathons got their start in the manic 1920s, but they gained wide popularity in the 1930s. Couples might dance hundreds of hours, until they were exhausted. The last couple standing could win substantial prize money.

### ● Movie Escapism

Movies cost less than 25¢ in many places, so children could afford to go, too. These children display door prizes handed out during a matinee in California.





### Monopoly •

Monopoly was a major 1930s fad. Players of this board game moved pieces around, buying and developing “property” in a race to amass a fortune in fake money.



### Music •

The legendary Jimmie Lunceford Orchestra was one of many big band orchestras of the 1930s. Whether touring the country in one-night gigs or playing on the radio, they drew a huge following.

## UNDERSTANDING THE TIME

### Checking for Understanding

1. **Identifying** What entertainment was cheap and could be played at home?

### Critical Thinking

2. **Making Connections** How would you compare the ideas of entertainment today with the 1930s?



## SECTION 3

# Hoover Responds

### Guide to Reading

#### Connection

In the previous section, you learned how the Depression worsened and people sought escape. In this section, you will discover how President Hoover tried unsuccessfully to help the economy.

#### Main Idea

- President Hoover's cautious efforts to help the economy did not succeed; Republicans lost many seats in Congress during the midterm elections. (p. 483)
- President Hoover tried to help banks recover and offer limited help to citizens directly, but it was too late. (p. 484)

- Farmers, veterans, and others who were suffering grew frustrated and protested against the government's inability to help them. (p. 485)

#### Content Vocabulary

public works, relief, foreclose

#### Academic Vocabulary

series, community, contribute

#### People and Terms to Identify

Reconstruction Finance Corporation, Bonus Army

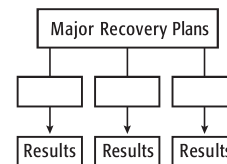
#### Reading Objectives

- **Evaluate** President Hoover's attempts to revive the economy.

- **Analyze** the limitations of Hoover's recovery plans.

#### Reading Strategy

**Categorizing** As you read about Hoover's response to the Depression, complete a graphic organizer by listing his major initiatives and their results.



Interactive  
Graphic Organizer

#### Preview of Events

♦ 1931

**October 1931**

National Credit Corporation created

♦ 1932

**January 1932**

Congress approves Reconstruction Finance Corporation

♦ 1933

**July 1932**

Congress passes Emergency Relief and Construction Act; soldiers rout the Bonus Marchers

The following are the main History–Social Science Standards covered in this section.

**11.6** Students analyze the different explanations for the Great Depression and how the New Deal fundamentally changed the role of the federal government.

**11.6.3** Discuss the human toll of the Depression, natural disasters, and unwise agricultural practices and their effects on the depopulation of rural regions and on political movements of the left and right, with particular attention to the Dust Bowl refugees and their social and economic impacts in California.

## *The Big Idea*

**Social and economic crises lead to new roles for government.** President Hoover was cautious in his efforts to improve the economy. He also tried to present an optimistic outlook of the country's economic situation. Voters responded to worsening unemployment by not reelecting many Republicans to office. Hoover then asked Congress for laws to fund banks and to provide relief, but these efforts came too late and were too limited to help. Farmers, veterans, and others who were suffering began to protest the government and its inability to assist people.



## Promoting Recovery

**Main Idea** President Hoover's cautious efforts to help the economy did not succeed; Republicans lost many seats in Congress during the midterm elections.

**Reading Connection** What efforts would you have taken to help the economy if you had been president? Read on to learn about the public works efforts of the early 1930s.

President Hoover hoped to downplay the public's fears over the economy. He wanted to avoid more bank runs and layoffs by urging consumers and business leaders to become more rational in their decision-making. Critics of Hoover's approach believed the government should be more truthful with the public.

### ★ An American Story ★

In December 1929, Mayor Joseph Heffernan of Youngstown, Ohio, listened impatiently to fellow public officials assembled in the Cleveland Chamber of Commerce hall. He had been called to one of a series of conferences on unemployment that President Hoover had arranged. At the conference, Heffernan grew restless as he listened to the other speakers. He felt that it would take too long to pass their confident proposals for ending unemployment, and by that time, it would be too late to prevent a depression. He asked the other conference members, "Why not tell people the truth?"

Youngstown business leaders criticized Heffernan for trying to tell his constituents how bad the economic outlook was. Heffernan later recalled that one of them said to him, "Don't emphasize hard times and everything will be all right."

The man who rebuked Mayor Heffernan expressed what many, including President Hoover himself, believed in late 1929: The country merely needed to regain its confidence. As the crisis worsened, Hoover took steps to help the economy recover, but only within the limits of his philosophy of government.

—adapted from *The Great Depression*

On Friday, October 25, the day after Black Thursday, President Hoover issued a statement assuring the nation that industry was "on a sound and prosperous basis." In March 1930 he told the

public that "the worst effects of the crash . . . will have passed during the next 60 days." Critics derided his optimism as conditions worsened.

**Voluntary Efforts and Public Works** Despite his soothing words, Hoover was seriously worried about the economy. He organized a **series** of conferences, bringing together the heads of banks, railroads, and other big businesses, as well as labor and government officials.

He won a pledge from industry to keep factories open and to stop slashing wages. By 1931, however, business leaders had abandoned those pledges. Hoover's next step was to increase **public works**—government-financed building projects. The resulting construction jobs could replace some of those lost in the private sector. He urged governors and mayors throughout the nation to increase public works spending.

Hoover's actions did spur construction increases, but the effort made up for only a small fraction of the jobs lost in the private sector. The only way the government could create enough new jobs would be to massively increase government spending, which Hoover refused to do.

The problem was that someone had to pay for public works projects. If the government raised taxes to pay for them, it would take money away from consumers and hurt businesses that were already struggling. If the government decided to keep taxes low and run a budget deficit instead—spending

*"Why not tell people the truth?"*

—Mayor Joseph Heffernan







more money than it collected in taxes—it would have to borrow the money from banks. If the government did this, less money would be available for businesses that wanted to expand and for consumers who wanted mortgages or other loans. Hoover feared that deficit spending would actually delay an economic recovery.

**The Midterm Election** As the congressional elections of 1930 approached, most Americans felt that worsening unemployment posed a grave threat to their well-being. Citizens blamed the party in power for the stumbling economy. The Republicans lost 49 seats and their majority in the House of Representatives; they held on to the Senate by a single vote.

**Reading Check** **Examining** Why did Hoover oppose deficit spending?

## Pumping Money Into the Economy

**Main Idea** President Hoover tried to help banks recover and offer limited help to citizens directly, but it was too late.

**Reading Connection** Do you know anyone who has been unemployed? What government programs were available to help them? Read on to find out about the “too little, too late” attempts to help the economy in the 1930s.

Hoover soon turned his attention to the problem of money. There was very little in the economy now that so many banks had collapsed. The government, he believed, had to make sure that banks could make loans to corporations so they could expand production and rehire workers.

## Different Viewpoints

### What Should the Government's Role in the Economy Be?

The government's role in the economy was an important issue in the 1932 presidential election, when the country was in the throes of the Depression. President Herbert Hoover explained in a 1928 speech why a limited government role was best, while President Franklin Roosevelt argued in his inaugural address in 1933 that an expanded government role was necessary.

#### from Hoover's Madison Square Garden Address, 1928

“During one hundred and fifty years we have built up a form of self-government and a social system which is peculiarly our own. . . . It is founded upon a particular conception of self-government in which decentralized local responsibility is the very base. . . .

During the war we necessarily turned to the government to solve every difficult economic problem. . . . However justified in time of war, if continued in peacetime it would destroy . . . our progress and freedom. . . . The acceptance of these ideas would have meant the destruction of self-government through centralization of government. It would have meant the undermining of the individual initiative and enterprise through which our people have grown to unparalleled greatness.”

#### from Roosevelt's Inaugural Address, 1933

“Our greatest primary task is to put people to work. This is no unsolvable problem if we face it wisely and courageously. It can be accomplished in part by direct recruiting by the Government itself, treating the task as we would treat the emergency of a war, but at the same time, through this employment, accomplishing greatly needed projects to stimulate and reorganize the use of our natural resources.

. . . The task can be helped . . . by national planning for and supervision of all forms of transportation and of communications and other utilities which have a definitely public character. There are many ways in which it can be helped, but it can never be helped merely by talking about it. We must act and act quickly.

. . . We now realize as we have never realized before our interdependence on each other; . . . that if we are to go forward, we must move as a trained and loyal army willing to sacrifice for the good of a common discipline.”

### Learning From History

- Analyzing Arguments** What did Hoover fear would happen if government programs started during World War I were continued after the war?
- Making Inferences** How do you think Roosevelt views the relationship of government and the economy? What policies did he want to implement with transportation and communication companies?



**Trying to Rescue the Banks** The president asked the Federal Reserve Board to put more currency into circulation, but the Board refused. In an attempt to ease the money shortage, Hoover set up the National Credit Corporation (NCC) in October 1931. The NCC created a pool of money to enable troubled banks to continue lending money in their **communities**. Hoover then persuaded a number of New York bankers to **contribute** to the NCC. Their contributions, however, did not meet the nation's needs.

By 1932 Hoover concluded that the only way to provide funding for borrowers was for the government to do the lending. He requested that Congress set up the **Reconstruction Finance Corporation** (RFC) to make loans to banks, railroads, and agricultural institutions. By early 1932, the RFC had lent about \$238 million to approximately 160 banks, 60 railroads, and 18 building-and-loan organizations. The RFC was overly cautious, however. It failed to increase its loans in sufficient amounts to meet the need, and the economy continued its decline.

**Direct Help for Citizens** From the start, Hoover strongly opposed the federal government's participation in **relief**—money that went directly to impoverished families. He believed that only state and city governments should dispense relief. By the spring of 1932, however, they were running out of money.

In 1932 political support was building for a relief measure, and Congress passed the Emergency Relief and Construction Act. Although reluctant, Hoover signed the bill on July 21. The new act called for \$1.5 billion for public works and \$300 million in loans to the states for direct relief. By this time, however, the new program could not reverse the accelerating collapse.

**Reading Check Summarizing** Why did Hoover oppose the federal government's participation in relief programs?

### **Picturing History**

**White Angel Breadline** In the absence of federally funded relief programs, some charities and individuals set up breadlines to distribute food to those in need. In 1932 a wealthy woman nicknamed the “White Angel” set up a breadline in San Francisco. Dorothea Lange captured the hopelessness of the Depression in this famous photograph of the breadline. [How does this photograph express the hardships of the Depression?](#)

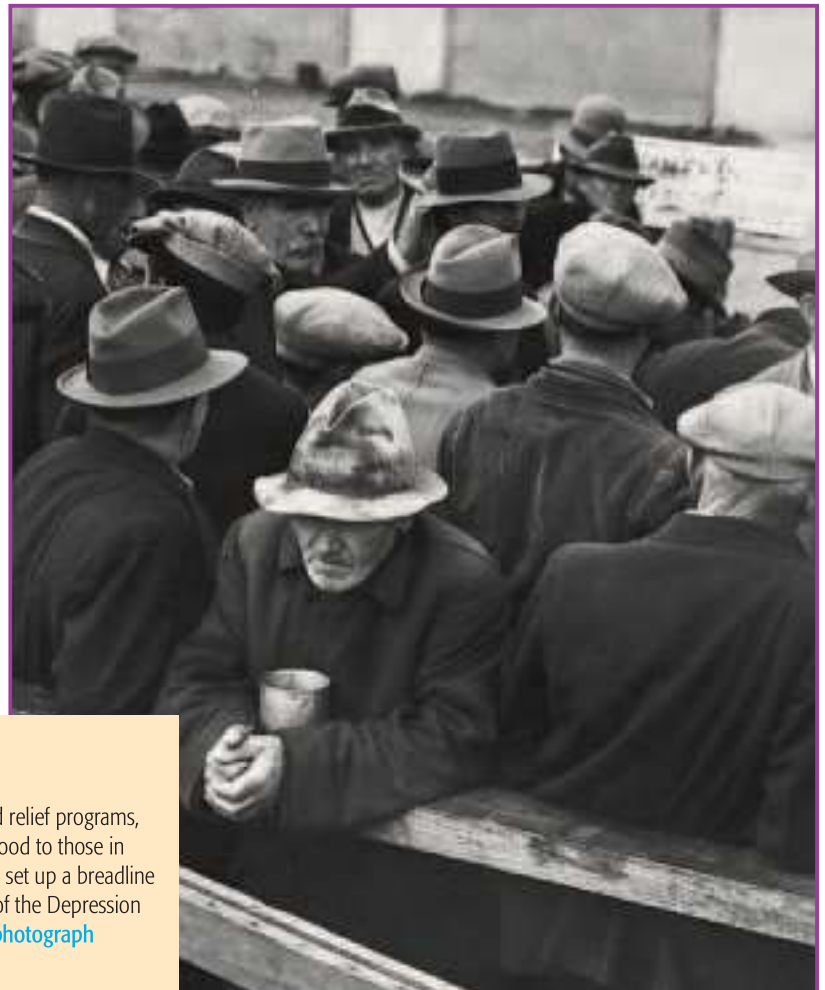
## In an Angry Mood

**Main Idea** Farmers, veterans, and others who were suffering grew frustrated and protested against the government's inability to help them.

**Reading Connection** Have you ever felt strongly enough about an issue to consider protesting government policies? Read on to discover what happened when veterans marched to Washington, D.C., in 1932.

In the months after the Wall Street crash, Americans had seemed resigned to bad economic news. By 1931, however, they were growing increasingly discontented, and open acts of revolt began to occur.

**Hunger Marches** In January 1931, around 500 men and women in Oklahoma City, shouting angrily about hunger and joblessness, broke into a grocery store and looted it. Crowds began showing up at rallies and “hunger marches” held by the American Communist Party, which was eager to take advantage







### Picturing History

**Poverty and Plenty** Spattered with milk, dairy farmers are shown here destroying their product in a vain effort to drive up prices. For the hungry and unemployed, like the families at left, the farmers' actions were unthinkable. [Why did the farmers think their actions would drive up prices?](#)

of national problems to change the American form of government. On December 5, 1932, a freezing day in the nation's capital, around 1,200 hunger marchers assembled and chanted, "Feed the hungry, tax the rich." Police herded them into a blocked-off area, where they had to spend the night sleeping on the sidewalk or in trucks. The police denied them food, water, and medical treatment until some members of Congress insisted on the marchers' right to petition their government. They were then released and permitted to march to Capitol Hill.

**Farmers Revolt** In the summer of 1932, farmers also took matters into their own hands. Beginning in the boom days of World War I, many farmers had heavily mortgaged their land to pay for seed, feed, and equipment. After the war, prices sank so low that farmers could not even earn back their costs, let alone make a profit. Between 1930 and 1934 creditors **foreclosed** on nearly one million farms, taking possession of them and evicting the families.

Some farmers began destroying their crops in a desperate attempt to raise crop prices by reducing the supply. In Nebraska grain growers burned corn to heat their homes in the winter. In Iowa food growers forcibly prevented the delivery of vegetables to distributors. Georgia dairy farmers blocked high-

ways and stopped milk trucks, emptying the milk cans into ditches.

**The Bonus Marchers** In appreciation of the World War I service of American soldiers and sailors, Congress in 1924 had enacted a \$1,000 bonus for each veteran, to be distributed in 1945. The economic crisis, however, made the wait more difficult. In 1931 Texas congressman Wright Patman introduced a bill in the House of Representatives that authorized early payment of the veterans' bonuses. The bill later passed the House and moved to the Senate for debate.

In May 1932 several hundred Portland, Oregon, veterans set off on a month-long march to Washington to lobby Congress to pass the legislation. As they moved east, other veterans joined them until they numbered about 1,000. Wearing ragged military uniforms, they trudged along the highways or rode the rails, singing old war songs and reminiscing about army days. The press termed the marchers the **"Bonus Army."**

Once in Washington, the marchers camped in Hoovervilles. As weeks went by, additional veterans joined them, until the Bonus Army swelled to 15,000. President Hoover acknowledged the veterans' petition rights but refused to meet with them.





## Picturing History

**Clearing Out the Bonus Marchers** Fierce battles resulted when President Hoover ordered the Washington, D.C., police to evict the Bonus Army from public buildings and land they had been occupying. **How did the public feel when they saw or heard about this event?**

When the Senate voted the new bonus bill down, veterans waiting outside the Capitol began to grumble, until one of their leaders started them singing “America.” Gradually their anger cooled, and many returned home. A significant number of the marchers, however, stayed on since they had no job prospects, homes, or families to return to. Some moved from the camps to unoccupied buildings downtown.

In late July, Hoover ordered the buildings cleared. The police made the first try, but one of them panicked and fired into a crowd, killing two veterans. The Washington, D.C., government then called in the army. Army chief of staff Douglas MacArthur ignored Hoover’s orders to clear the buildings but to leave the camps alone. He sent cavalry, infantry, and tanks to clear the veterans from the city.

A Federal Trade Commission member, A. Everette McIntyre, watched as the infantry “fixed their bayonets and also fixed their gas masks over their faces. At orders they brought their bayonets at thrust and moved in. The bayonets were used to jab people to make them move.” Soon unarmed veterans were on the run with 700 soldiers at their heels. The soldiers tear-gassed stragglers and burned the shacks. Tear gas killed a baby boy.

The nationwide press coverage and newsreel images of veterans under assault by troops presented an ugly picture to the public. Many did not agree with the action taken against the veterans. The routing of the veterans hounded the president throughout his 1932 reelection campaign.

Hoover failed to resolve the crisis of the Depression, but he did more to expand the economic role of the federal government than any previous president. The Reconstruction Finance Corporation marked the first time the federal government had established a federal agency to stimulate the economy during peacetime. These successes, however, did not change the public’s view. It was the image of the routed Bonus Marchers and the lingering Depression that shaped the public’s perception of President Hoover.

**✓ Reading Check** **Evaluating** How did Americans react as the Depression continued?

**HISTORY**  
*Online*



**Study Central**

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## SECTION 3 ASSESSMENT

### Checking for Understanding

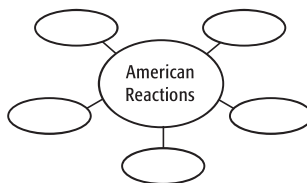
- Vocabulary** Define: series, public works, community, contribute, relief, foreclose.
- People and Terms** Identify: Reconstruction Finance Corporation, Bonus Army.
- Summarize** three major initiatives taken by Hoover to improve the economy and the results of each.

### Reviewing Big Ideas

- Describing** What did business leaders promise Hoover they would do to help the economy? Did they keep their promises?

### Critical Thinking

- Historical Analysis** **Interpreting** How did President Hoover’s philosophy of government guide his response to the Depression? **CA HI2; HI3**
- Organizing** Use a graphic organizer similar to the one below to list American reactions to the Depression.



### Analyzing Visuals

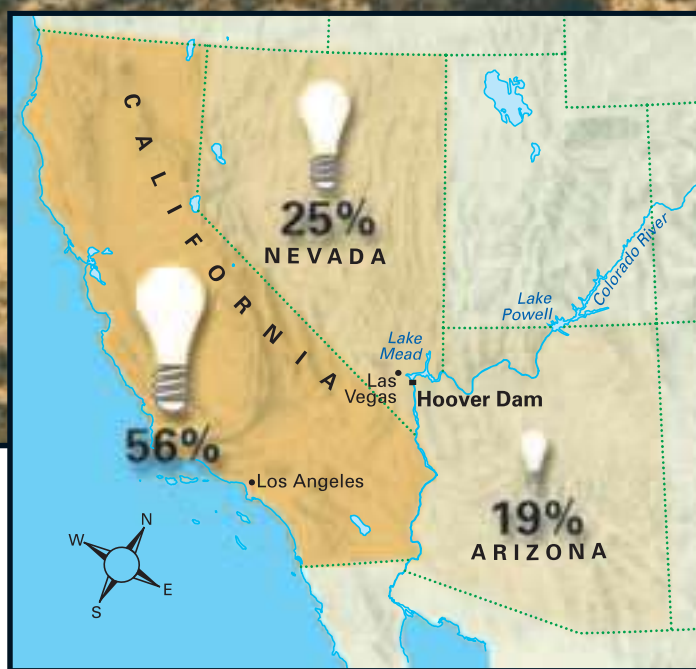
- Picturing History** Study the photographs on page 486. The farmers shown would rather dump their milk than sell it. What did they hope to achieve by their actions? How do you think hungry Americans viewed this photo?

### Writing About History

- Persuasive Writing** Imagine that you are a veteran of World War I. Write a letter to members of Congress explaining your circumstances and asking them to give you your bonus early.

**CA 11WS1.2; 11 WA2.1c**





## THE FLOW OF ELECTRICITY

Today Hoover Dam generates more than 4 billion kilowatt-hours of electricity per year—enough to keep machines humming and lights burning for over a million people. More than half of that electricity is sent to California; the remainder goes to Nevada and Arizona (see inset map).



# Hoover Dam



Hoover Dam, a major supplier of hydroelectric power, is more than 700 feet (213 m) tall and contains about 4,360,000 cubic yards of concrete—enough for a two-lane highway from Los Angeles to Boston.

American farmers and settlers in the low-lying valleys of southern California and southwestern Arizona have been tapping the waters of the Colorado River for more than a century. Thanks to irrigation canals, the parched desert valleys became year-round gardens that provided fruit and vegetables for the nation. At times, however, the unpredictable river would decrease to a trickle. Other times, it became a raging torrent, destroying all in its path. The federal government decided to dam the Colorado to control it. In 1931 construction began in Black Canyon, whose high rock walls made it an ideal site. Here, on the border between Arizona and Nevada, would rise one of the most ambitious engineering projects the world had ever seen: the Hoover Dam.

Named after President Herbert Hoover, the dam was built in the middle of a forbidding desert. Everything had to be imported, including labor. There was no shortage of candidates. The country was in the grips of the Great Depression; thousands of unemployed workers flocked to the remote canyon. To accommodate them, an entire town was built—Boulder City, Nevada.

The new arrivals faced brutal conditions. Men worked in three shifts around the clock. Summer



Suspended on ropes, “high scalers” armed with dynamite and jackhammers prepare the walls of Black Canyon to take the concrete of Hoover Dam. Such work was hazardous. Twenty-four workers fell to their deaths during construction of the dam.

temperatures climbed higher than 120 degrees in the canyon, and even those who worked at night had to endure temperatures of more than 85 degrees. Still, the project was completed in less than five years. Lake Mead, the 115-mile-long reservoir created by the dam, is large enough to hold two years’ worth of the average flow of the Colorado River—enough to cover the entire state of New York with one foot of water. The benefits to the Southwest were immense. Hoover Dam created much-needed employment. It also provided a regular supply of water, irrigating over a million acres of rich agricultural land and producing hydroelectric power, which has allowed Southwestern cities to grow.



## LEARNING FROM GEOGRAPHY

1. Why did the federal government decide to dam the Colorado River?
2. Why did engineers choose the Black Canyon site?



# Primary Sources

## Eyewitness to History

*During the early years of the Great Depression, Americans were scared and desperate. No previous economic downturn had been as deep or as long lasting. With no end to the disaster in sight, many people lost hope of a better future.*

### SOURCE 1

*Caroline A. Henderson and her husband had been farming wheat and raising cattle in Eva, Oklahoma, for 28 years. The Dust Bowl made life difficult for her and her family. In a letter published in the Atlantic Monthly in May 1936, Henderson described conditions in the Dust Bowl in June 1935 to a friend in Maryland.*

Our recent transition from rain-soaked eastern Kansas with its green pastures, **luxuriant**<sup>1</sup> foliage, abundance of flowers, and promise of a generous harvest, to the dust-covered desolation of No Man's Land was a difficult change. . . . Wearing our shade hats, with handkerchiefs tied over our faces and vaseline in our nostrils, we have been trying to rescue our home from the accumulations of wind-blown dust which penetrates wherever air can go. It is an almost hopeless task, for there is rarely a day when at some time the dust clouds do not roll over. 'Visibility' approaches zero and everything is covered again with a **silt-like**<sup>2</sup> deposit which may vary in depth from a film to actual ripples on the kitchen floor. . . .

. . . In May a friend in the southwestern county of Kansas voluntarily sent me a list of the people who had already left their immediate neighborhood or were packed up and ready to go. The list included



▲ Students use new "radio ears" at a school for the deaf.

109 persons in 26 families, substantial people, most of whom had been in that **locality**<sup>3</sup> over ten years, and some as long as forty years. In these families there had been two deaths from dust pneumonia. Others in the neighborhood were ill at the time. Fewer actual residents have left our neighborhood, but on a sixty-mile trip yesterday to procure tractor repairs we saw many

pitiful reminders of broken hopes and apparently wasted effort. Little abandoned homes where people had drilled deep wells for the precious water, had set trees and vines, built reservoirs, and fenced in gardens, —with everything now walled in or half buried by banks of drifted soil, —told a painful story of loss and disappointment. . . .

### SOURCE 2

*In 1934 Ann Marie Low was a 22-year-old living with her parents and two siblings on a farm in southeastern North Dakota. She took teaching*

*jobs to help support her family. In her diary, Low described the daily struggle with dust storms and the bleak prospects for the future.*

*April 25, 1934, Wednesday*

Last weekend was the worst dust storm we ever had. We've been having quite a bit of blowing dirt every year since the drouth [drought] started, not only

<sup>1</sup>**luxuriant**: much growth

<sup>2</sup>**silt-like**: soil

<sup>3</sup>**locality**: neighborhood



▲ A man reads in front of his Chicago shantytown shack.

here but all over the Great Plains. Many days this spring the air is just full of dirt coming, literally, for hundreds of miles. It sifts into everything. After we wash the dishes and put them away, so much dust sifts into the cupboards we must wash them again before the next meal. Clothes in the closets are covered with dust.

Last weekend no one was taking an automobile out for fear of ruining the motor. I rode Roany to Frank's place to return a gear. To find my way I had to ride right beside the fence, scarcely able to see from one fence post to the next.

Newspapers say the deaths of many babies and old people are attributed to breathing in so much dirt. . . .

*May 7, 1934, Monday*

. . . Miss Eston, the practice teaching supervisor, told me her salary has been cut to \$75.00 after all the years she has been teaching in Jamestown. She wants to get married. School boards will not hire married women teachers in these hard times because they have husbands to support them. Her fiancé is the sole support of his widowed mother and can't support a wife, too. So she is just stuck in her job, hoping she won't get another salary cut because she can scarcely live on what she makes and dress the way she is expected to.

### SOURCE 3

*Ed Smalley grew up on a cotton farm near Fort Worth, Texas. He lost the farm after his father's death but found work as a waiter in the city. In 1939 he looked back at the early years of the Great Depression in an interview with a writer from the Federal Writers' Project of the Works Progress Administration.*

[I]n January, 1930, the café where I worked went busted. I was out of a job and I couldn't find a single thing to work at. I was young and had no training, and lots of people were out of work. I had nothing to do all the balance of that winter, and when spring came I was down to \$30. . . .

I bummed around in Georgia and South Carolina for three or four weeks. Everywhere I went it was the same old story—'No help wanted.' My clothes got pretty dirty and soiled from sleeping out. I could wash my shirt and underwear, but I had no money to have my suit cleaned and pressed.

But there were lots of people on the road worse off than me. I was young, in good health, and had only myself to look out for. That summer I met whole families wandering around homeless and broke, even women with babies in their arms.

Between Augusta and Charlotte I met a man, his wife, and seven children. The oldest child was only eleven and the youngest was a nursing baby. I guess the baby was the luckiest in the lot because he had something to eat. The other children were all hungry. Some of the little ones were crying for food.

### DBQ Document-Based Questions

Historical Analysis CA CS3; HI1

**Source 1:** According to Henderson, why were people leaving their neighborhoods during the Dust Bowl?

**Source 2:** How did the Great Depression affect Miss Eston?

**Source 3:** What problems did Smalley experience while looking for work?

### Comparing and Contrasting Sources

How would you compare the accounts of Henderson, Low, and Smalley concerning the impact of the Great Depression?



Standards 11.5.1, 11.6, 11.6.1, 11.6.2, 11.6.3

## Reviewing Content Vocabulary

On a sheet of paper, use each of these terms in a sentence.

- |                 |                |                  |
|-----------------|----------------|------------------|
| 1. stock market | 6. installment | 11. Dust Bowl    |
| 2. bull market  | 7. bailiff     | 12. soap opera   |
| 3. margin       | 8. shantytown  | 13. public works |
| 4. margin call  | 9. Hooverville | 14. relief       |
| 5. speculation  | 10. hobo       | 15. foreclose    |

## Reviewing Academic Vocabulary

On a sheet of paper, use each of these terms in a sentence that reflects the term's meaning in the chapter.

- |              |               |                |
|--------------|---------------|----------------|
| 16. invest   | 19. suspend   | 22. series     |
| 17. sum      | 20. colleague | 23. community  |
| 18. reaction | 21. technique | 24. contribute |

## Reviewing the Main Ideas

### Section 1

25. What was the character of the stock market in the late 1920s, and what caused it to crash?

### Section 2

26. How did artists and writers capture the effects of the Great Depression?
27. Why did "Okies" migrate to California during the Great Depression, and what happened to them once they got there?

### Section 3

28. What three major initiatives did President Hoover take to try to help the economy of the United States?

## Critical Thinking

29. **Reading Skill** **Visualizing** Reread the text under "The Dust Bowl" on pages 476–477. Identify descriptive words and passages from the text on a sheet of paper. Trade lists with a partner and compare notes. Did their list create a different visual image? Explain.
30. **Analyzing** Many people in the United States were impoverished during the Depression, yet 60 to 90 million weekly viewers paid to see movies. Why do you think movies were so popular?
31. **Civics** Explain the purpose of the Reconstruction Finance Corporation (RFC) created by President Hoover. Who benefited from this program?
32. **Evaluating** Do you think President Hoover could have done more to relieve the hardship caused by the Great Depression? Why or why not?
33. **Identifying** What approaches were used in literature and photography to highlight social problems during the Depression?
34. **Categorizing** Use a graphic organizer similar to the one below to list the causes and effects of the Great Depression.

| Causes | Effects |
|--------|---------|
|        |         |

## Chapter Summary

### Stock Market Helps Trigger Depression

- Bull market encouraged widespread speculation.
- Many investors bought stocks on margin.
- Sharp drop in market prices left investors in debt.
- Bank closings left many in debt.



### Underlying Causes of Great Depression

- Overproduction and low interest rates
- Uneven distribution of income, which led to low demand
- Depressed farm sector
- Weak international market with high tariffs

## Downward Momentum of the Great Depression





### Self-Check Quiz

Visit the *American Vision: Modern Times* Web site at [tav.mt.glencoe.com](http://tav.mt.glencoe.com) and click on **Self-Check Quizzes—Chapter 9** to assess your knowledge of chapter content.

## Writing About History

35. **Historical Analysis** **Developing a Hypothesis**  
Construct a hypothesis about life during the Depression. How did individuals escape the Depression? Collect additional information from primary and secondary sources to provide evidence for your hypothesis. Write a one- to two-page report on your findings. **CA HR4** **CA 11WA2.4a**
36. **Big Idea** Write an editorial evaluating President Hoover's actions during the Great Depression. Could he have done more to relieve the country's hardships? Why or why not? **CA 11WS1.1**

### DBQ Document-Based Questions

37. **Interpreting Primary Sources** E.Y. Harburg lived during the Great Depression. After he lost his business, he became a poet and lyricist. He wrote the lyrics to one of the most famous songs of the time, "Brother, Can You Spare a Dime?" Read an excerpt of the lyrics to this song and answer the questions that follow.

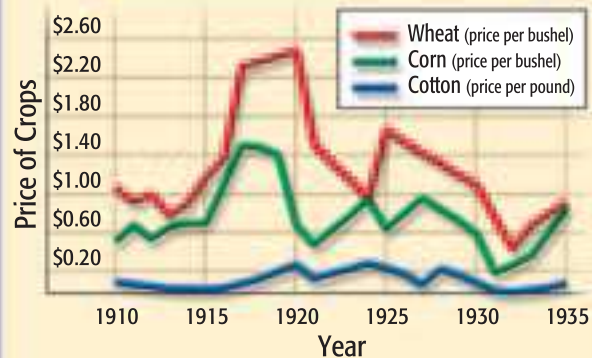
“They used to tell me I was building a dream  
With peace and glory ahead—  
Why should I be standing on line  
Just waiting for bread?

Once I built a railroad, made it run,  
Made it run against time.  
Once I built a railroad,  
Now it's done—  
Brother, can you spare a dime?

Once I built a tower to the sun.  
Brick and rivet and lime,  
Once I built a tower,  
Now it's done—  
Brother, can you spare a dime?”

- How was the narrator's life different before the Great Depression than it was during it?
- During the 1932 presidential campaign, the Republicans tried to discourage the radio networks from playing this song. Why do you think they did that?

### Crop Prices, 1910–1935



Source: Historical Statistics of the United States: Colonial Times to 1970.

## Economics and History

38. The graph above shows fluctuations in crop prices between the years 1910 and 1935. Study the graph and answer the questions below.
- Interpreting Graphs** What trend does this graph show about wheat and corn prices in the 1930s?
  - Analyzing** Between which 10-year span did the greatest increase in farm prices occur? Which 10-year span saw the greatest decrease?

### Standards Practice



**Directions:** Choose the best answer to the following question.

39. A major reason for the collapse of the American economy after 1929 was
- high interest rates.
  - decreased farm production.
  - low tariffs at home and abroad.
  - overproduction of consumer goods.

**Standard 11.6.2:** Understand the explanations of the principal causes of the Great Depression and the steps taken by the Federal Reserve, Congress, and Presidents Herbert Hoover and Franklin Delano Roosevelt to combat the economic crisis.