The depression grips America
THE GREAT DEPRESSION

A period (1929 - 1940) in which the U.S. economy plummeted and unemployment soared.

It was caused by four factors:

- Tariffs & war debts cut down the sale of US exports.
- The farming crisis of low prices, debt, and foreclosure.
- The availability of easy credit.
- An unequal distribution of income.
First, let's analyze the global effects.
By 1930, the world economy was broken and every nation was hit hard. The European powers recovering from WWI were severely hurt. US buyers couldn't afford European imports & European economies crumbled. Likewise, Europe couldn't buy US goods. Nations who owed war debt no longer had the means to pay them off. Nations who were owed money, like the US, wouldn't be paid $$. They relied on. Currency values plummeted, prices rose, unemployment soared.
NEXT, LET'S LOOK AT EFFECTS IN THE U.S.
BUSINESSES & BANKS

By 1932, high costs and low revenue had driven 90k businesses bankrupt.

Workers’ wages & hours were cut in half, consumerism slowed to a trickle. Consumers faced high prices for basics.

As US industry collapsed, the US unemployment rate jumped to 25%.

No work meant certain starvation, homelessness, no income to get by on.

By 1933, almost half of the country’s banks had failed.

Millions had lost all they had, others had no where to protect what they had left.
Cities were hit hard b/c the collapse of companies eliminated factory jobs

High unemployment in cities meant evictions, homelessness, hunger. Families lived in parks & sewers and dug through trash or begged to eat.

High rates of homelessness in cities forced some to live in shantytowns. Families lived in little towns of makeshift shacks made of scrap material.

The hungry & unemployed resorted to selling whatever they could. Some sold produce, others sold their clothes, their cars just to survive.
At the outset of the Depression, there was no system of **direct relief**. Cash payments or food provided to the poor by the gov. as a safety net was not enough and was scarce.

Some cities offered **meager relief**, but it wasn’t enough & was scarce. So families relied on private charities.

**Bread Lines**
Long lines of poor people waiting to receive food provided by charity.

**Soup Kitchens**
Shelter offering free or low-cost food.
WORLD'S HIGHEST STANDARD OF LIVING

There's no way like the American Way
But the rural areas of the country were hit just as hard as the cities. One advantage: farmers could grow their own food to survive. Still, by 1932, 400,000 farms were foreclosed on. On top of that, the US was in the middle of a terrible drought. Which leads to...
The Great Plains were left dry by heat, drought, and WWI over-farming. Overuse, farmers removed the prairie grass that protected the dry topsoil. Wind storms picked up the dry topsoil and carried it to the Atlantic Ocean. Literally, farmers' land was blown away.

With land unsuitable to farm & nothing left, farmers migrated west. Traveling on route 66, 100,000s looked for work as farmhands, scraping a living.

Most of these "Okies" migrated to California (Steinbeck's Grapes of Wrath).
LASTLY...

EFFECTS ON FAMILIES
While the family was a source of unity for most, some families tore apart.

**MEN**
Some couldn't cope w/ failure to provide for the family and ran away.

Looks of “Hoboes” lived under bridges, rode trains, wandered the country.

**WOMEN**
Forced to deal w/ no income, women canned foods, made clothes, budgeted.

**CHILDREN**
Faced malnutrition, school cuts, disease.

Teenaged “Wild Boys” roamed the country looking for work, adventure, escape.
CLOSURE

Answer the following:

Why would the suicide rate have increased in the U.S. during the Depression?

Why would the generation that lived through the Depression (your grandparents) have developed a sense of frugality and thriftiness?