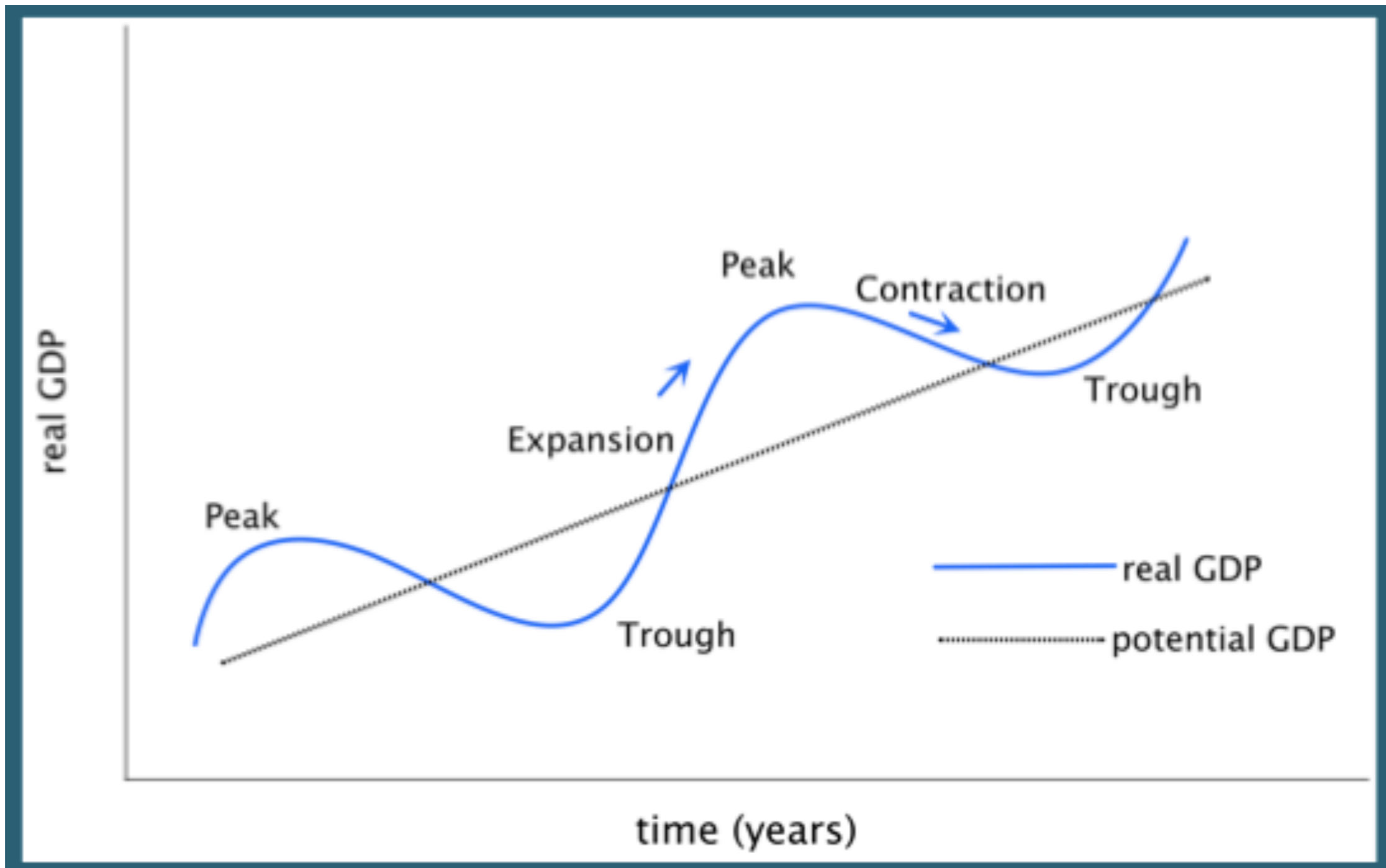


# The Great Depression (1929-1939)



**GDP = Gross Domestic Product**  
**Total of All Goods and Services**

# Recession

**GDP Goes Down 2 Straight Quarters**

**Lasts At Least 6 Months**

# Depression

**GDP Goes Down By 10%**

**Lasts At Least 3 Years**

**Banks**

**Spending/  
Unemployment**

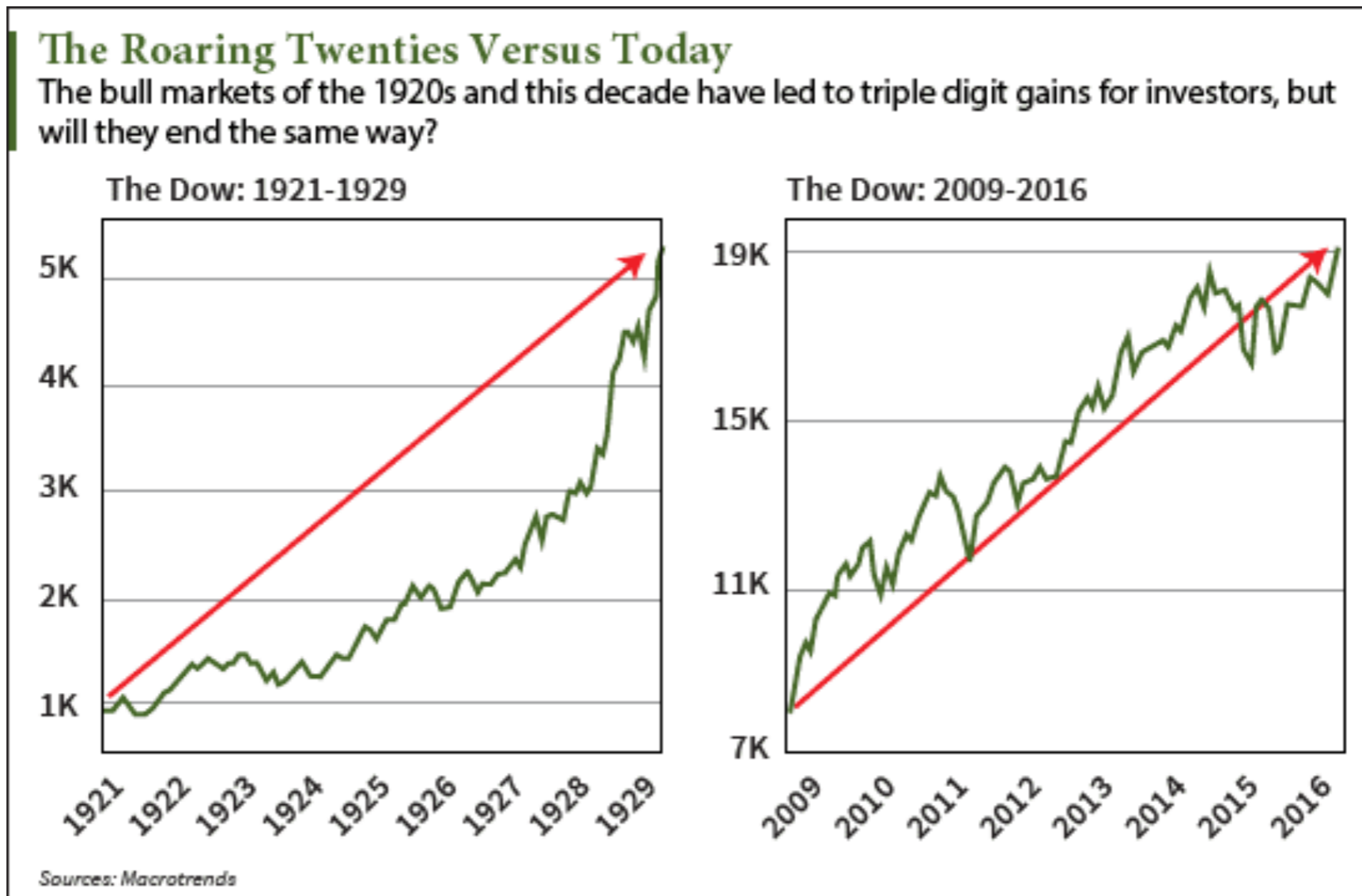
**Warning Signs in the  
1920s**

**Stocks**

**Farmers**

# Causes

# Stock Market Crash



# Causes

## Stock Market Crash

October 29, 1929

“Black Tuesday”

Many Stocks Lost 40-50% value in 1 Day

# Causes

# Stock Market Crash

Wall Street Crash





# Causes

# Stock Market Crash





# Causes Bank Crisis



**Interest = Free \$ For Your Savings Account**

# Causes Bank Crisis



**Interest = Fee For Borrowing \$**

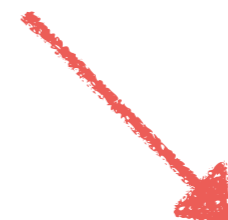
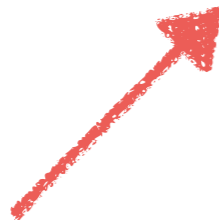














**Bank Run**



# Bank Run

**By 1933 More Than Half  
the States Don't Have A  
Single Bank Open**

# Causes

## Unemployment

5% Unemployment Rate is Good

25% Unemployment In 1933

In Some Cities it Was 60%

# Unemployment Cycle

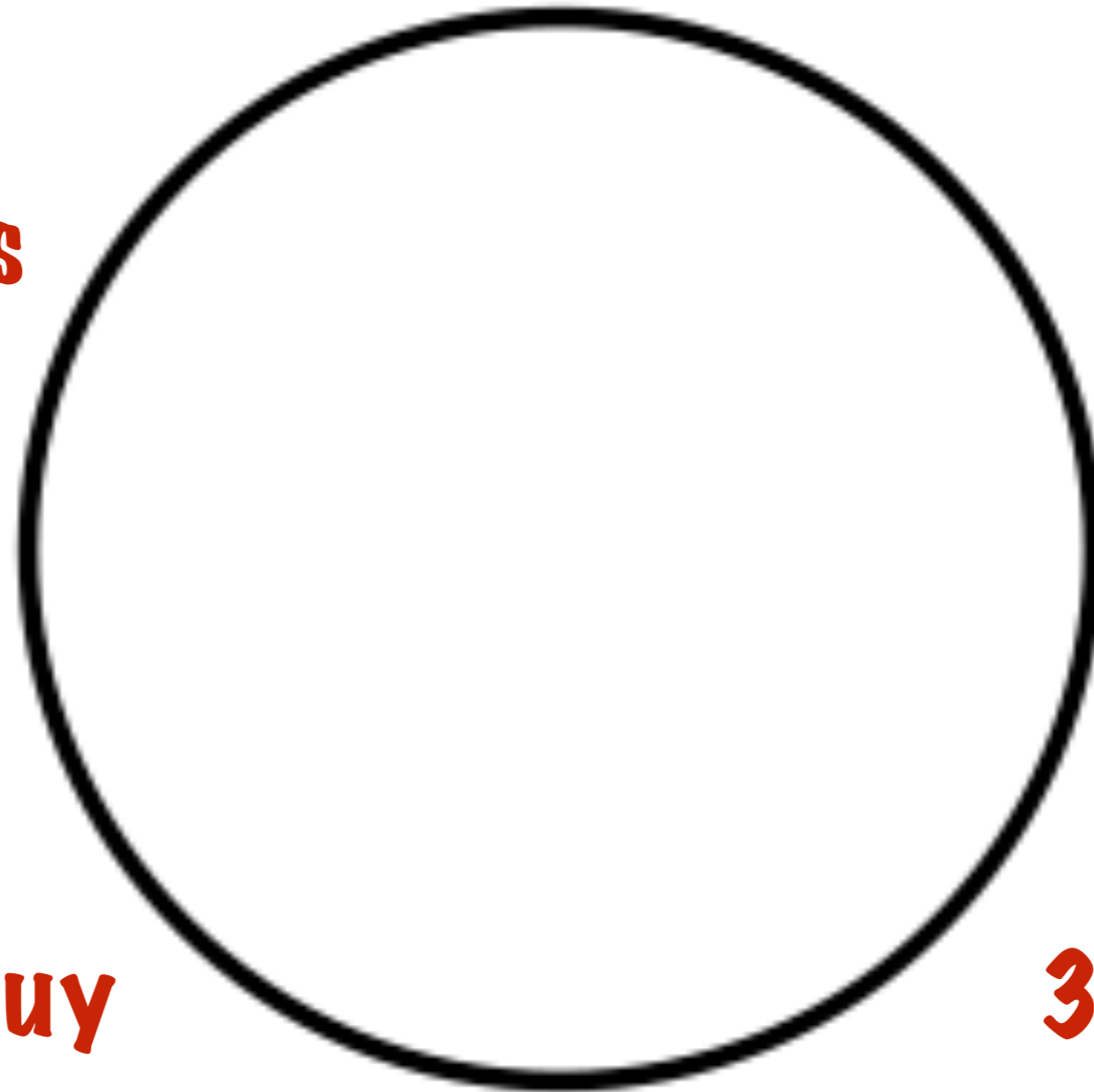
1. Companies Lose \$

2. Companies Fire Workers

3. Workers Have No \$

4. Workers Buy Less

5. Companies Sell Less

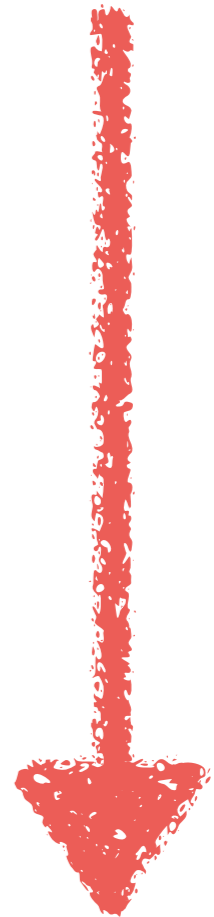


# Causes Farm Crisis



**Supply**

**Demand**





# Dust Bowl











**Herbert Hoover**

# 1932 Election



**“So, first of all, let me assert my firm belief that the only thing we have to fear is...fear itself. Nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance.”**