

## Understanding the Great Depression

For about 30-40% of the US population during the 1930s Great Depression, life went on pretty much as normal. Some of the families of the very rich did not even notice there was a depression. Some of the families of the very poor did not notice either; they had always coped. The middle class was hit very hard. Life had boomed during the Roaring Twenties. Credit and the installment plan allowed many middle class families to buy a house for the first time. They bought cars. They purchased new inventions like refrigerators that ran on electricity. They bought all kinds of stuff, much of it on the installment plan with credit. Life was happy.

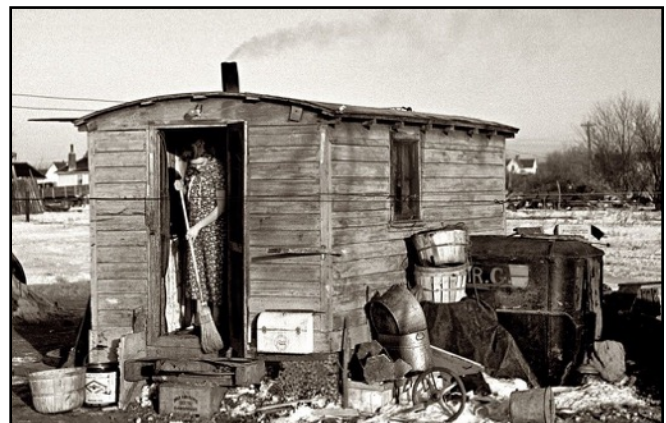


**The Great Depression forced many people to leave their home towns in search of work**

When the stock market crashed in 1929, President Hoover told Americans that this was a short term down trend, and not to worry. Some middle class families believed him. They continued to buy things on credit. But some middle class families began to feel a tightening in their budgets. Some jobs became part-time. Some people were let go. Some people lost their homes. People found themselves living on the street or in *Hoovervilles* that were springing up all over the country.

Many of the newly homeless were not good at coping because they had never coped before, not like this, not facing total poverty, with no job in sight, and no way to feed their children or themselves without charity from others. The government did not help. President Hoover believed people should be self-reliant and not depend upon the government for help. People were panicked and terrified and angry.

There were many causes for the Great Depression, but the result was that by the time FDR (Franklin Delano Roosevelt) was elected president in 1932, and began serving his first four-year term in March 1933, life had become grim for about 60% of the American population. Over 28% were completely out of work. Many millions of families had been evicted from their homes. FDR's first 100 days in office became historic because he passed so many new laws and set up so many new government agencies, more than any president had ever done before in their first 100 days in office. Each had a mission - relief, recovery, or reform. These programs were collectively called the *New Deal*, and their missions called the 3Rs.



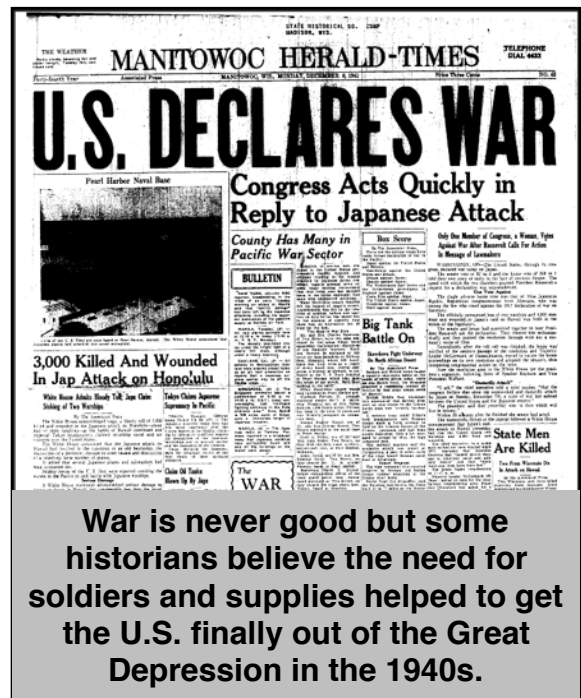
**Multiply this makeshift home by hundreds and you have yourself a Hooverville, named after President Herbert Hoover.**

As these programs were implemented, things got better. But daily life during the Great Depression remained a struggle for survival for many millions of people. This struggle lasted nearly a decade. It took a world war, World War II, to put the country back on its feet, with the need for soldiers, uniforms, armaments, and women to return to the workplace.

## The Great Depression changed daily life in America forever.

It took a world war to end the Great Depression. Some historians time the end with the U.S. entry into World War II and the need for soldiers and armaments. Other historians believe it took the entire war effort to turn America's economy around, and that the Great Depression ended with the end of World War II in 1945.

Whenever it ended, the Great Depression changed America forever. Expansion of New Deal programs meant the government intervened even more in people's daily lives, giving them jobs and aid and new forms of insurance. Labor strikes and unions allowed for new ways of thinking. Radio and movies became powerful forms of expression and communication. There were new systems of welfare, new work practices, and changes in family life. Some of the alphabet agencies created during the Great Depression, agencies like the Social Security Administration (SSA), are still in place today, still doing the job they were created to do in the 1930s to help people and to better regulate many activities in business. Beyond all this, people had to rework their understanding of their role in their community, their nation, and in the world. It was quite a time!



War is never good but some historians believe the need for soldiers and supplies helped to get the U.S. finally out of the Great Depression in the 1940s.

## Important Vocabulary and Terms to Know:

**Herbert Hoover:** Though not to blame for the Great Depression, when he served as the 31st president from 1929 to 1933, many people blamed President Hoover for his lack of compassion, understanding and ability to stop the Great Depression from getting worse.

**Hooverville:** A "Hooverville" was a shanty town built during the Great Depression by the homeless in the United States. They were named after Herbert Hoover, who was President of the United States during the onset of the Depression and was widely blamed for it.

**FDR:** The shortened name for Franklin Delano Roosevelt, who served as the 32nd president of the United States from 1933 until his death in 1945. He is often credited with showing compassion, understanding and an ability to take the necessary actions to help many Americans recover from effects of the Great Depression.

**New Deal:** The New Deal was a series of programs, public projects, financial reforms, and regulations enacted by President Franklin D. Roosevelt in the United States between 1933 and 1939. The goal was to have the government create work opportunities for those that lost their jobs during the Great Depression.