

SWBAT: List and describe the causes and effects of the Great Depression

Name _____

The Great Depression

Causes:

<div>Speculation</div> <div>Wild buying & selling of stocks</div>	<div>Buying on Margin</div> <div>Buying stock with borrowed money</div>	<div>Installment buying</div> <div>Buying on credit, going into debt</div>	<div>Risky lending policies (practices) by banks</div> <div>Defaults, banks fail</div>	<div>Over supply</div> <div>Drop in prices, Need to lay off workers, Low prices for farm goods</div>	<div>Economy dependent on a few (the wealthy); farmers were poor (20% of population)</div>
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T H E C R A S H !

Thursday, October 24, 1929 (Black Thursday) to Tuesday, October 29, 1929 (Black Tuesday)

Effects:

<div>Companies went bankrupt</div>	<div>Unemployment</div> <div>3% → 25%</div> <div>(today: 7.8%)</div>	<div>Banks failed (runs on the banks)</div>	<div>Eviction (landlords kick people out of apartments); foreclosures (banks took back houses and farms); repossession (banks/stores/dealers took back items)</div>
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Hooverilles: shack cities

Hoover flags: empty pockets

Hoover blanket: newspapers

Hoover soup: ketchup and hot water