

The Great Depression

Stock Market Crash

*Between 1929 and 1934 world trade dropped.

*People panicked as they realized stocks they owned were worthless.

*September 1929 the stock market crashed. **The stock market crash was one of the reasons for the Great Depression.**

Causes of the Great Depression

- People borrowed money to buy stocks and couldn't pay back the loan. (stock market crash)
- Farmers had problems paying back loans.
- High tariffs (tariffs are taxes on foreign goods)

What did Herbert Hoover do?

- He asked businesses not to lay off workers and lower wages.
- He supported the **Reconstruction Finance Corporation (RFC)** which lent money to banks and companies.
- He asked local governments and state governments to create jobs by constructing roads and public buildings.

How Did People React to the Great Depression?

- People went to soup kitchens and bread lines
- Students quit school to get a job
- People blamed President Hoover for the country's problems.
- Schools closed