***\*Top of Form***

***Please refer to the Pennsylvania Standards Aligned System website: (***[***http://www.pdesas.org/module/sas/curriculumframework/SocialStudiesCF.aspx***](http://www.pdesas.org/module/sas/curriculumframework/SocialStudiesCF.aspx)***)***

***for information on the Pennsylvania Curriculum Framework for Social Studies. You will find much of the information about PA Academic Standards, essential questions, vocabulary, assessments, etc. by navigating through the various components of the Curriculum Framework.***

**LESSON / UNIT TITLE: Causes and Effects of the Great Depression**

**Teacher Name(s):** Chris Tibbits, Chris Collum

**School District:** Northern Tioga School District

**Building:** Cowanesque Valley Jr.- Sr. High School

**Grade Level:** 9

**Subject:** American History

**Time Required:** 8 days

**Lesson/Unit Summary *(2-3 sentence synopsis)*:** The Great Depression, more than any one single event during the 20th century, had significant results for domestic governmental policies. However, it is important to understand the Depression was more than a single event. It was a multitude of events that both built up and caused the Depression but also caused its effects to be lasting and difficult for the people.

**Essential Questions for Lesson/Unit**

What caused the Great Depression?

How did the Federal Government under both Hoover and Roosevelt react to the depression?

What were the short term and long term effects of the Great Depression?

How did the Great Depression affect different groups of Americans differently?

**Pennsylvania Academic Standards Addressed in Lesson/Unit**

 ***(Include standards numbers and standards statements.)***

**8.1.9. B:** Compare the interpretation of historical events and **sources**, considering the use of fact versus **opinion**, multiple perspectives, and cause and effect relationships.

**8.1.9. A:** Compare patterns of continuity and change over time, applying **context of events.**

**Lesson/Unit Objectives**

Students will be able to list and explain the main causes and continuing effects of The Great Depression.

**Vocabulary/Key Terms for Lesson/Unit**

* Dow Jones Industrial Average
* Black Tuesday
* Great Crash
* Business cycle
* Great Depression
* Hooverville
* Dust Bowl
* Penny auction
* Twenty-first Amendment
* Hawley-Smoot tariff
* Reconstruction Finance Corporation (RFC)
* Bonus Army
* Consumer economy
* Installment plan
* Gross National Product (GNP)
* Assembly line
* Welfare capitalism
* Speculation
* Buying on margin

**Historical Background for Teachers / Research Narrative**

**Causes and Effects of the Great Depression**

The 1930’s were dominated by the Great Depression, which impacted almost every part of American life and eventually had a great effect worldwide. The immediate cause of the Great Depression appeared on the surface to be the stock market crash in 1929, but as we will see, there were many underlying causes that led up to this historic event. Maybe as important as the causes, is the reaction of the federal government of the United States. The response from President Hoover and the eventual programs of F.D.R and his New Deal would revolutionize the role of government in times of crisis and in our everyday lives.

To understand the economics and the causes of the Great Depression, one must first understand the economy of the 1920’s. In the twenties, the science of economics was still fairly young and very few people recognized the signs of potential crisis for our economy. Throughout the twenties, the stock market had grown on speculation. People would buy on the margin and actually only owned a small portion of their stocks. Many could not meet margin calls which were demands to put up money to cover their loans. This caused panic selling and on October 29th, stock values fell $14 billion. They continued to fall in the weeks that followed. The “great crash” did not cause the Great Depression; it triggered it and exposed the fact that our national economy had some fundamental weaknesses.

 The actual underlying causes of the Great Depression were weaknesses in the overall economy, overproduction and under-consumption, unequal distribution of wealth, overexpansion of credit, fragile corporate structures, weak governmental policies, dependence on international trade, and a weak banking structure. Weaknesses in the economy had existed before 1929 and were expanding. Farmers never recovered from the post-war recession as they faced a return of foreign competition and were often unable to repay their debts. There were unemployment problems in the railroad, coal, and textile industries well before 1929. Speculation in real estate and the boom that followed had declined. The sale of automobiles which expanded greatly during the twenties had also begun to slow. These things led to under-consumption and overproduction. Basically, companies expanded to such a degree that they had to keep producing more and cutting wages in order to keep their profits up. By cutting wages, however, they reduced purchasing power and thus limited the amount of goods they sold, so there was all this extra inventory lying around causing problems for companies.

Contributing to under-consumption and the weakness of the economy was an unequal distribution of wealth. Forty percent of all families had an income of less than $1500 in the twenties, which was below the poverty line. One percent of the population owned 59% of the nation’s wealth, 87% of the population only owned 10% of the wealth. Therefore, the economy was dependent on the spending of a very small portion of the population. Workers could not afford the products they produced, as a result, demand dropped. As the economy got worse this group that couldn’t afford products grew and eventually was unable to by the basic necessities of life.

Weak corporate structure and a weak banking system also played a large role in the causes. Business consolidations of the twenties resulted in a few large companies in each industry. Holding companies controlled the stock of many different corporations and depended on the earnings of the various companies they held. This caused weakness because when one company collapsed it affected many others like dominos falling in the rest of the holding company. This combined with a banking structure that had already seen some 6,000 banks fail during the twenties was just one more crack in the American economy prior to the Depression.

Next in line were the significant deficiencies of the government’s policies. Actions by the federal government actually contributed to the Depression. Stock market speculation was unregulated, tax policies favored the wealthy and added to the unequal distribution of wealth, and antitrust laws were not enforced. The Federal Reserve Board also contributed by allowing a low discount rate of interest charged to member banks, which led to stock speculation. They also raised that interest rate in 1931 and discouraged more spending, when they should have been encouraging spending.

The final cause of the Depression was a weak international economy. Many European economies had not fully recovered after World War I and they relied heavily on the economy of the United States. Many nations owed the United States money but could only pay us that money after we bought their products and made foreign investments and loans. High tariffs during the twenties in the U.S. kept out goods from overseas and most Americans were investing in business or the stock market at home. When the U.S. economy slowed, the U.S. made even fewer foreign investments and had less money to loan. This in turn meant that foreign countries had less money to buy U.S. products and they ended up defaulting on their loans. The international economy was very much connected, even in the early 1900’s.

Herbert Hoover, who happened to be the President of the U.S. at the time, took the brunt of the blame for the Great Depression. Many felt he did nothing, which is not true; he just didn’t understand the drastic nature of the problem. He tried to restore public’s confidence by using terms like, “Prosperity is just around the corner”, but this did nothing for suffering people that saw their lives differently. Hoover did take some actions, but it was “too little, too late.” Originally Hoover believed that government interference was contradictory to the Puritan work ethic of “rugged individualism”, and that voluntary rather than governmental action would solve the economic problems. Eventually he altered his view and supported programs like the Reconstruction Finance Corporation in 1932 to lend money to railroads, mortgage and insurance companies, and banks on the verge of bankruptcy. He also obtained voluntary agreements from businesses not to lower wages or prices. Unfortunately as companies faced more difficult times, they often broke these promises. He also halted payments of war debts by European nations, and set a precedent for F.D.R by creating federal works projects to create jobs and stimulate the economy. In spite of these efforts, his refusal to give direct relief, and his insistence that the economy was getting better, led to his downfall.

The Great Depression had an enormous impact on the everyday lives of the American people. By 1932, there were 12 million people, 25%, of American laborers, unemployed. Soon there were “bread lines” and soup kitchens everywhere. Banks failed, people lost all of their savings; companies failed and people lost their jobs as well. African Americans and unskilled workers felt the impact first and then women felt the pinch as well. Family life was disrupted as parents tried to find ways to stretch money. Families moved in with relatives, marriages were postponed, and birth rates as well as college enrollment dropped. “Hoovervilles” sprang up in cities, where many were forced to sell apples and shoelaces on the street. Malnutrition, tuberculosis, and typhoid increased, as did deaths from starvation and suicide. In rural areas, people that were already suffering found their income cut in half. Farm foreclosure sales grew and the situation only worsened with the Dust Bowl.

The Great Depression was well underway in 1932, and the United States government did not seem to have any real solutions. President Hoover had tried to a small degree to ease the suffering of Americans, but had failed. He was now the poster boy for the causes of the Depression. Americans referred to shanty towns as “Hoovervilles”, newspapers as “Hoover Blankets”, and empty pockets as “Hoover Flags”. America had never been tested this drastically and it would require innovative thinking to save the United States. Franklin D. Roosevelt and his “New Deal” would be the man that Americans would put their faith in to end the suffering.

**Sources:**

<http://voices.yahoo.com/causes-effects-great-depression-the-1296829.html> (Also see resources cited at end of article.)

<http://www.thegreatdepressioncauses.com/effects.html>

**Instructional Prodedures and Activities**

***(List/describe the step-by-step sequence of procedures and learning activities.)***

**40 minute class periods**

**Day 1:**

1. Activating Strategy: Show the first three slides of the Power Point presentation which gets students to start thinking about the effects of the Great Depression and how such an event may have affected their lives if they were around during that time. It also gets them thinking about what safeguards are in place today (welfare programs) to help ease the pain.
2. Have students write and discuss their responses. Discuss as a class.
3. Begin notes on the Great Depression
4. Ticket out the door: 3-2-1:

3-What are three causes of the Depression??

2-What are two early responses by the federal government under Hoover to the Depression?

1-What is one way that droughts in the mid-west made life worse during the Depression?

**Day 2:**

1. Bell ringer: What was the unemployment rate at its height during the Depression?
2. Finish notes.
3. Have students fill out diamond graphic organizer on “Causes of the Great Depression”
4. Begin video *The Century: America’s Time- Stormy Weather*
5. Hand out questions
6. Ticket out: List and explain 2 causes of the Great Depression.

**Day 3:**

1. Bell Ringer: What two future WWII war heroes were involved with putting down the Bonus Army March on Washington? How did it show Washington’s disconnect with the people?
2. Finish Movie---check and discuss questions**.**

**Day 4:**

1. Bell Ringer: Why was the Communist party so popular during the Great Depression?
2. Primary source analysis: With a partner explore the two primary sources on the worksheet. Then answer the questions associated with them. Be prepared to discuss.
3. Discuss as a class.
4. Have students go to: <http://history1900s.about.com/od/photographs/tp/greatdepressionpictures.htm>. Pick 5 pictures about the Depression. Answer the questions on the worksheet for each picture. Be prepared to present one picture to the class.
5. Ticket out: Give one fact about the Depression gained through primary sources.

**Day 5:**

1. Bell Ringer: What are three reforms FDR passed to help people during the Depression?
2. Handout *Riding the Rails* Diary Project sheet, along with diary primary sources as examples.
3. Have students watch, *Riding the Rails*: a PBS documentary (<http://www.youtube.com/watch?v=Qahth90FebU>). Student should take notes as they watch the film. Let them know you will be grading notes.

**Day 6:**

1. Bell Ringer: What is one aspect of life that drew the down trodden to the rail stations?
2. Briefly review the content of the video viewed on day 5, and then continue video.

**Day 7:**

1. Bell Ringer: What dangers did hobos face during this time?
2. Finish video. Collect student notes on the film. Allow the rest of the class to work on Diary Project

**Day 8:**

1. Student will hand in Diary Projects. Volunteer students may read excerpts from theirs to the class.

**Suggested Strategies for Differentiating Instruction**

|  |  |
| --- | --- |
|  |  * Graphic organizer filled in or partially filled in
* Accommodated notes: heading filled in with outline
* Diary entries limited to 1 or 2 entries, with outline provided
 |

**Assessment of Student Learning (Formative and Summative)**

* **Formative:**

Teacher observation/ class discussion

Evaluation of graphic organizers

 Student responses to Ticket Out questions

* **Summative:**

Assessment of Diary Projects using included Project Rubric

**Materials and Resources\***

***(Include text, supplementary resources, primary source documents, websites, handouts, charts, maps, etc.***

**\*Refer to Included Supporting Resources for the Unit**

\*The Great Depression, Power Point presentation

\**The Century*, Video Discussion Guide

*\*Riding the Rails* Diary Project Description and Assessment Rubric

\*Photography Analysis Worksheet, The Great Depression

\*Sample letters and primary source questions

Graphic Organizer: Diamond Sorter

3 Level Questions: Based on “Methods” section of *Cicero: History beyond the Textbook* ([www.cicerohistory.com](http://www.cicerohistory.com)), Units 12 and 13

Owlteacher.com (<http://www.owlteacher.com/>) was used source for teaching materials

**Author(s) of Unit/Lesson Plan**

Chris Tibbits and Chris Collum, Northern Tioga School District, Cowanesque Valley Junior-Senior High School

Bottom of Form