

The Government's (Hoover's) Response



BANK



QUICK!
GIMME
THE
CASH!

Great Depression (1929-1941)



“Gentlemen, you have come sixty days too late. The depression is over.”

Herbert Hoover,
1930



Hoover's Approach



- ❧ Didn't want federal gov't involvement.
- ❧ Asked businesses not to cut wages, unions not to strike, and charities to assist those struggling.
- ❧ Over time, he started to push for more government action.

Encouraging People to Volunteer



The rigid volunteer rules of right and wrong in sports are second only to religious faith in moral training.

— *Herbert Hoover* —

Smoot-Hawley Tariff Act

- ☞ Government placed a tariff (tax) on foreign goods.
- ☞ Congress wanted to limit foreign competition in American markets.
 - ☞ Americans would then buy domestic to help the economy
- ☞ Trade between the US & Europe disappeared

Unrest on the Farm



- ❧ Farmers were first hurt by low prices for crops.
- ❧ Banks began foreclosing on their farms.
- ❧ The Dust Bowl occurred.



The Bonus Army



- ❧ World War I Vets were promised a bonus in 1945.
- ❧ They marched on Washington to get their bonuses in 1932.
- ❧ Congress failed to pass the bill.
- ❧ Violence erupted and two veterans were killed.
- ❧ Many Americans were greatly disturbed by the sight of soldiers using weapons against homeless veterans.







Voters React



- ☞ Trying to balance the budget, Hoover pushed for and signed a large tax increase in 1932.
- ☞ Unpopular: People wanted more government money spent on the poor.
- ☞ By the 1932 it was clear Hoover would not be reelected.

Visual Summary: The Great Depression Begins

Great Depression Begins

- Stock market crashes; banks, businesses fail
- Widespread joblessness and suffering occur
- Drought and dust storms add to suffering



Hoover Responds

- Relies on cooperation, voluntary action
- Later begins using power of government
- Fails to curb spreading economic crisis



The Main Idea



- ❧ The worst effects of the Great Depression were not felt until years after the crash.
- ❧ The government took small steps to try to fix the problems because they did not see the depression as a long term problem.

Order of Operations



1. Bonus Army Assignment