

Slide #1: The Postwar Economic Boom

Twenties' Prosperity

During the 1920s, Americans believed that \_\_\_\_\_ in the U.S. would be eliminated. Due to increased earnings, many Americans had more money to spend on luxury goods such as radios and \_\_\_\_\_. By 1929, the U.S. stock market was at an all time high, over \_\_\_\_\_ billion shares of stock was traded.

The Depression Foreshadowed

By late 1929, \_\_\_\_\_ began to surface. \_\_\_\_\_ was on the rise, \_\_\_\_\_ were losing their land, and \_\_\_\_\_ prices were dropping. The number of Americans living in \_\_\_\_\_ increased, and \_\_\_\_\_ people could afford luxury goods. On October 29, 1929 the stock market crashed.

Causes of the Great Depression

1. \_\_\_\_\_ laissez faire in domestic affairs.
2. stock speculation
3. \_\_\_\_\_ banking institutions
4. \_\_\_\_\_ of goods
5. \_\_\_\_\_ of the farming industry
6. \_\_\_\_\_ distribution of wealth

What do you see here?

What message does the billboard send?

Describe the area surrounding the billboard.

When do you think the billboard was created?

What irony is there in this photograph?

Slide #2: Republican Economic Policies

Domestic Economic Policies

Republican Presidents Calvin Coolidge and Herbert Hoover believed in “\_\_\_\_\_” economics. They believed that economic policies that benefited business and the wealthy would eventually “trickle down” to \_\_\_\_\_ Americans. For example, if the government gave tax cuts to the wealthy they would \_\_\_\_\_ that money into the economy for the benefit of all. However wealth did not trickle down. The wealthy spent the money on expanding their work facilities and \_\_\_\_\_ it for themselves.

International Economic Policies

After WWI, European countries were in debt to the U.S and began to \_\_\_\_\_ on their loans. The U.S. placed high \_\_\_\_\_ on foreign goods to discourage Americans from buying their merchandise. This meant that European goods would not be sold here causing Europeans to \_\_\_\_\_ more money and further \_\_\_\_\_ on their loans.

What do you see here?

How are the men dressed?

Describe their facial expressions.

These men are all conservative Republicans. With this in mind, how do you think they dealt with businesses?

Slide #3: Real Estate and Stock Speculation

Unchecked Stock Market Speculation

Speculation is when a person or organization makes a risky \_\_\_\_\_ on the hopes of getting \_\_\_\_\_. Investors believed that the stock market would go \_\_\_\_\_ indefinitely and that companies' profits would continue to \_\_\_\_\_. So, investors speculated which companies' stocks would rise and then bought large amounts of \_\_\_\_\_. They would then turn around and \_\_\_\_\_ the stock for a higher price, making a \_\_\_\_\_ easy profit. The value of a company's stock became artificially \_\_\_\_\_ and did not correlate to the companies' actual worth.

Stock analysts began to predict the market was headed for a fall. They warned that stock prices could not continue to rise at such an \_\_\_\_\_ rate and that the \_\_\_\_\_ were exceeding the stock's actual worth.

Describe what you see.

What building do you see?

Who are the people on the ground? On the building?

What does this represent about stockbrokers during this period?

Slide #4: The Stock Market Crash and the Banking Industry Collapse

The 1929 Stock Market Crash

In late 1929 investors began selling their stocks while they could still get a \_\_\_\_\_ from them. As investors began selling, \_\_\_\_\_ prices began to fall. On 10/29/29, or “\_\_\_\_\_” investors flooded the NYSE with \_\_\_\_\_ at any price orders. By the end of the day, investors lost \$\_\_\_\_\_ billion. By October's end, the stock market was in \_\_\_\_\_ and the Great Depression had officially \_\_\_\_\_.

Unregulated Banking Institutions

Banks collapsed because of the Republican policy of \_\_\_\_\_ and banks' over-extension of \_\_\_\_\_ to stock investors. The government did not prevent banks from speculating depositor's \_\_\_\_\_ on high risk ventures. It did not also demand that banks keep a certain percentage of money on \_\_\_\_\_ and available. Therefore, when banks folded after the stock market crash, their customers had no way of getting their \_\_\_\_\_.

What do you see here?

Where is this occurring?

What are the people doing?