Unit 7: The Great Depression – World War II

I. The Great Depression
   A. Background: 1920’s were a time of prosperity
   B. Definition: 1929-1941, the time period in which the economy faltered and unemployment went up and employment went down
   C. Causes
      1. Overproduction: too much product was produced, demand went down, cost went down
      2. Under-consumption: consumers were not buying goods/products
      3. Over-speculation in the Stock Market: making risky investments in hopes of getting a high return
      4. Stock Market Crash

II. Americans Face Hard Times
   A. America’s Cities
      1. Searching for a job and a meal
         a. 1933, unemployment rate was 25%
         b. the only place a family could eat was in a bread line
      2. Descending into poverty
         a. whole families descended into hunger and homelessness
         b. homeless people lived in Hoovervilles
   B. Poverty Devastates Rural America
      1. Commodity prices plunge
         a. crop prices fell, farmers fell further into debt
         b. many farmers lost their farms and moved
      2. Farmers loose their farms
         a. 1930-1934, 1 million farmers lost their farms
         b. some became tenant farmers
      3. The Great Plains becomes a Dust Bowl
         a. Central and Great Plains suffer from drought and winds which became the Dust Bowl
         b. New farming methods made drought conditions worse
      4. Desperation causes migration
         a. Dust Bowl refugees are known as Okies
         b. People moved to CA or cities in the North and Midwest, looking for jobs
   C. Hard Times
      1. The Depression attacks family life
         a. Men felt like they had betrayed their families b/c of no jobs
         b. Children had to quit school
         c. lowest birth rate in history during this time
2. Minorities suffer hardships
   a. African Americans were last to be hired and first to be fired (1932, 50% unemployment rate)
   b. Mexican Americans were sent back to Mexico
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III. The New Deal
   A. 1932 election; both candidates presented strategies to end the Depression
      1. Herbert Hoover: state and local governments as well as private charities (churches, boys clubs, etc.) to provide help
      2. Franklin D. Roosevelt: federal government should assume more of a role in the welfare of its people (churches, etc. could continue to help)

   B. First New Deal (First 100 Days)
      1. Goal: Relief, Recovery, Reform
      2. Inaugural Address: “The only thing we have to fear, is fear itself”
      3. FDR’s advisors: “The Brain Trust”
      4. New Deal Programs

<table>
<thead>
<tr>
<th>INITIALS STAND FOR...</th>
<th>DESCRIPTION &amp; EFFECT</th>
<th>HOW DID IT HELP?</th>
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<tbody>
<tr>
<td>1 *FDIC</td>
<td>Federal Deposit Insurance Corporation</td>
<td>Insured bank deposits up to $5000</td>
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<tr>
<td>2 *SEC</td>
<td>Securities and Exchange Commission</td>
<td>Regulate the stock market; Stocks markets stabilized as trading practices reassured investors</td>
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<tr>
<td>3 AAA</td>
<td>Agricultural Adjustment Act</td>
<td>Sought to end overproduction and raise crop prices</td>
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<td>4 *TVA</td>
<td>Tennessee Valley Authority</td>
<td>Built dams to generate electric power, replanted forests, built fertilizer plants, created jobs, and attracted industry</td>
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<tr>
<td>5 CCC</td>
<td>Civilian Conservation Corps</td>
<td>Replanted forests, dug ditches, fought fires, made trails</td>
</tr>
<tr>
<td>6 NIRA</td>
<td>National Industrial Recovery Act</td>
<td>Established regulations for workers pay and businesses (minimum wage)</td>
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<tr>
<td>7 PWA</td>
<td>Public Works Administration</td>
<td>Built bridges, power plants and government buildings</td>
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</table>

IV. New Deal Opposition
   A. The Right (Conservatives): The government is too powerful telling businesses how to operate and spending large sums of money
   B. The Left (Liberals): The New Deal did not do enough to end the Depression
   C. Huey Long: proposed high taxes on the wealthy and large corporations and the redistribution of their income to poor Americans
V. The Second New Deal: What problems did the Second New Deal address?

A. Second New Deal Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Description and Effect</th>
<th>How did it help?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Works Progress Administration (WPA)</td>
<td>employed millions of people on government projects ranging from highway construction to arts programs</td>
<td>Created jobs</td>
</tr>
<tr>
<td>Social Security Act (SSA)</td>
<td>Created a pension system for retirees, established unemployment insurance, provided aid for poor mothers and children</td>
<td>Helped the elderly and poor Americans</td>
</tr>
<tr>
<td>Wagner Act</td>
<td>Outlawed unfair labor practices, granted workers the right to organize unions and bargain collectively</td>
<td>Labor unions and industrial workers</td>
</tr>
</tbody>
</table>

VI. Challenges to the New Deal

What two New Deal Programs were declared unconstitutional by the Supreme Court in 1935?
- NIRA & AAA

What did FDR propose to do about the threat from the Supreme Court?
- Add 6 new justices to the 9 member court “Court Packing”

Why did some people oppose FDR’s plan to “pack” the Supreme Court?
- He was trying to increase the presidential power and upset the balance of power

What happened in 1937 so that Roosevelt did not have to continue with his plan?
- Court began ruling in favor of the New Deal programs

How did FDR’s court packing scheme actually hurt the New Deal programs?
- FDR was not seen as invincible anymore and the public was more willing to speak out against his programs
**Unit 7: The Great Depression – World War II**

I. World War II

<table>
<thead>
<tr>
<th>Country</th>
<th>Leader</th>
<th>Political System</th>
<th>Economic System</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>FDR until 1945</td>
<td>Democracy</td>
<td>Capitalism/Free Enterprise</td>
</tr>
<tr>
<td></td>
<td>Truman</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soviet Union</td>
<td>Joseph Stalin</td>
<td>Communism (no individual rights/freedoms)</td>
<td>Communism (govt. controlled business)</td>
</tr>
<tr>
<td>Germany</td>
<td>Adolf Hitler</td>
<td>Facism (no individual rights/freedoms)</td>
<td>Facism (private business within govt. confines)</td>
</tr>
<tr>
<td>Italy</td>
<td>Benito Mussolini</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>Emperor Hirohito Gen. Tojo</td>
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</tbody>
</table>

*Fascist party in Germany was called National Socialist German Workers Party (Nazis)*

A. The Beginnings
   1. 1923: Hitler and his followers attempt to seize power
      result: it fails, Hitler goes to jail for 9 months
   2. Mein Kampf: sets forth his goals and ideals
      a. Germans are the master race
      b. Treaty of Versailles is an outrage
      c. Germany needs more Lebensraum (living space)
   3. Situation in 1928: Hitler and the Nazis have very little support and are 1 of many political parties
   4. Situation in 1932: Nazis are the largest political power
   5. January 30, 1933: Hitler is named Chancellor

B. Significant Events
   1. Reichstag Fire: is blamed on the communist party
      result: Nazi party wins slim majority in next election
   2. Hitler is now able to pass Enabling Act giving him absolute power for 4 years
   3. Germany became a totalitarian state
      1) all political parties except the Nazi party are banned
      2) secret police is established (Gestapo)
      3) elite black coated security force loyal only to Hitler is established (SS)
   4. June 30, 1934: *Night of the Long Knives*
      Hitler orders SS to destroy few remaining enemies
      result: German people are shocked into total obedience
C. Anti-Semitism: **Nuremberg Laws**, 1935
   1. Jews are no longer citizens
   2. Jews cannot hold political office

D. November 9 & 10, 1938: **Krystallnacht** (Night of the Broken Glass)
   3. Nazis destroy over 7,500 Jewish businesses
   4. Over 200 synagogues are burned
   5. Many Jewish people are physically beat up
   result: there is a significant escalation in the Nazi search for a final solution to the Jewish question

E. Unemployment
   1932: 6 million people are unemployed
   1936: 1.5 million people are unemployed
   Why? Built highways, manufactured weapons & war supplies

II. American Position Before the War
   A. Policy: Isolationism (pg. 783)
      1. Neutrality Acts of 1935, 1936, 1937: US cannot make loans or sell weapons to nations at war
      2. Neutrality Act of 1939: “Cash & Carry”; US could sell weapons and good to nations at war on a cash & carry basis
      3. Lend-Lease Act of 1941: US can lend/lease war material to nations fighting against aggressors

III. Hitlers Aggression
   A. March 1935: Hitler announces that Germany will no longer obey restrictions on the size of its military
   B. March 1936: Hitler orders 35,000 troops to occupy the Rhineland
      British and French reaction: appeasement
   C. October 1936: Rome-Berlin Axis is formed
   D. November 1937: Lebensraum
      *First Target: Austria
      Treaty of Versailles: prohibited “Anschluss” (merging of Austria & Germany)
   E. March 1938: Hitler orders his Army into Austria to restore order
      British and French reaction: appeasement
      *Second Target: Sudetenland in Czechoslovakia
      September 1938: Hitler gives Czechoslovakia an ultimatum- surrender the Sudetenland or face invasion by October 1
   F. Munich Conference: Sept. 29, 1938; Germany, Italy, Britain and France
Britain and France agree that Hitler can have the Sudetenland, in exchange Hitler promises to respect the new borders of Czechoslovakia; Britain and Germany would never go to war against each other again.

**SHORT-TERM OUTCOME:**
Made Hitler confident and he accelerated his plans to invade Poland

**LONG-TERM OUTCOME:**
It became a symbol of appeasement and the world looks at standing up to dictators differently (appeasement is no longer used with ruthless dictators)

G. Sept 1, 1939: Hitler invades Poland
   Great Britain and France declares war on Germany

1939:

<table>
<thead>
<tr>
<th>ALLIES</th>
<th>AXIS</th>
<th>NOT INVOLVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great Britain</td>
<td>Germany</td>
<td>USSR</td>
</tr>
<tr>
<td>France</td>
<td>Italy</td>
<td>US</td>
</tr>
</tbody>
</table>

### IV. Japanese Aggression

A. Dec. 7, 1941- Japan attacks Pearl Harbor
   Result: handed the US its worst Naval defeat in history; 19 out of 94 ships at Pearl harbor were sunk or disabled.

B. Limited Victory
   1. Japan failed to destroy Pearl Harbor’s oil storage tanks and repair facilities
   2. 3 aircraft carriers stationed at Pearl Harbor were not in port
   3. The sneak attack united Americans against Japan and brought the US into WWII.