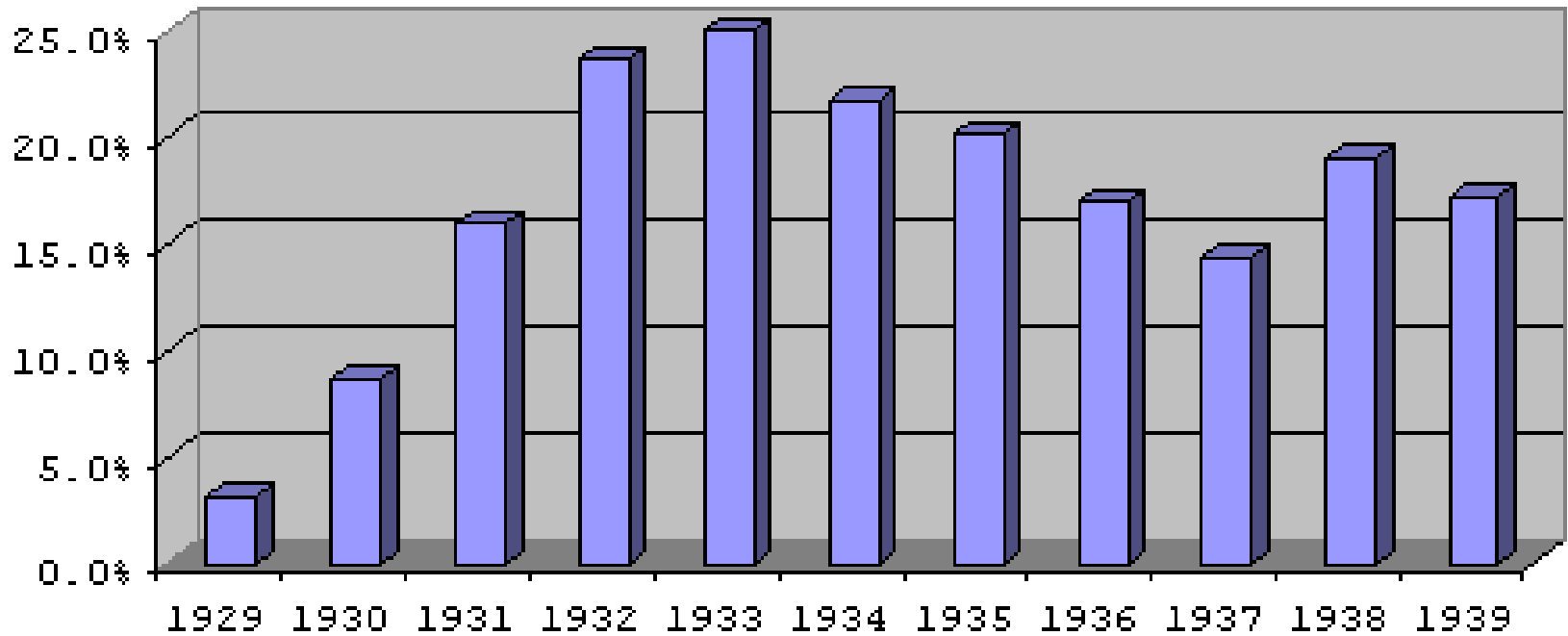


# Aim: How should Hoover have responded to the Great Depression?

Unemployment in the Great Depression



# Impact of The Great Depression

- **Farm Failures/Foreclosures**
  - **Dust Bowl** – droughts in Texas, Oklahoma, Kansas, Colorado, & New Mexico (The Grapes of Wrath by John Steinbeck)
- **Unemployment hit 25%**
- **Deflation** – overall drop in prices
- **Poverty and Hunger**
  - **Hoovervilles** – communities of unheated shacks built of cardboard, tin or crates
    - **Hoover Blankets** – newspapers for people who slept on benches
- **Business Failures**
- **Thousands of Bank Failures**
- **Stock Market Collapse**

# Unemployment



# Dust Bowl



# Dust Bowl



# Deflation



Foster and Kleiser

**WORLD'S HIGHEST STANDARD OF LIVING**



*There's no way  
like the  
American Way*

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**WORLD'S HIGHEST STANDARD OF LIVING**



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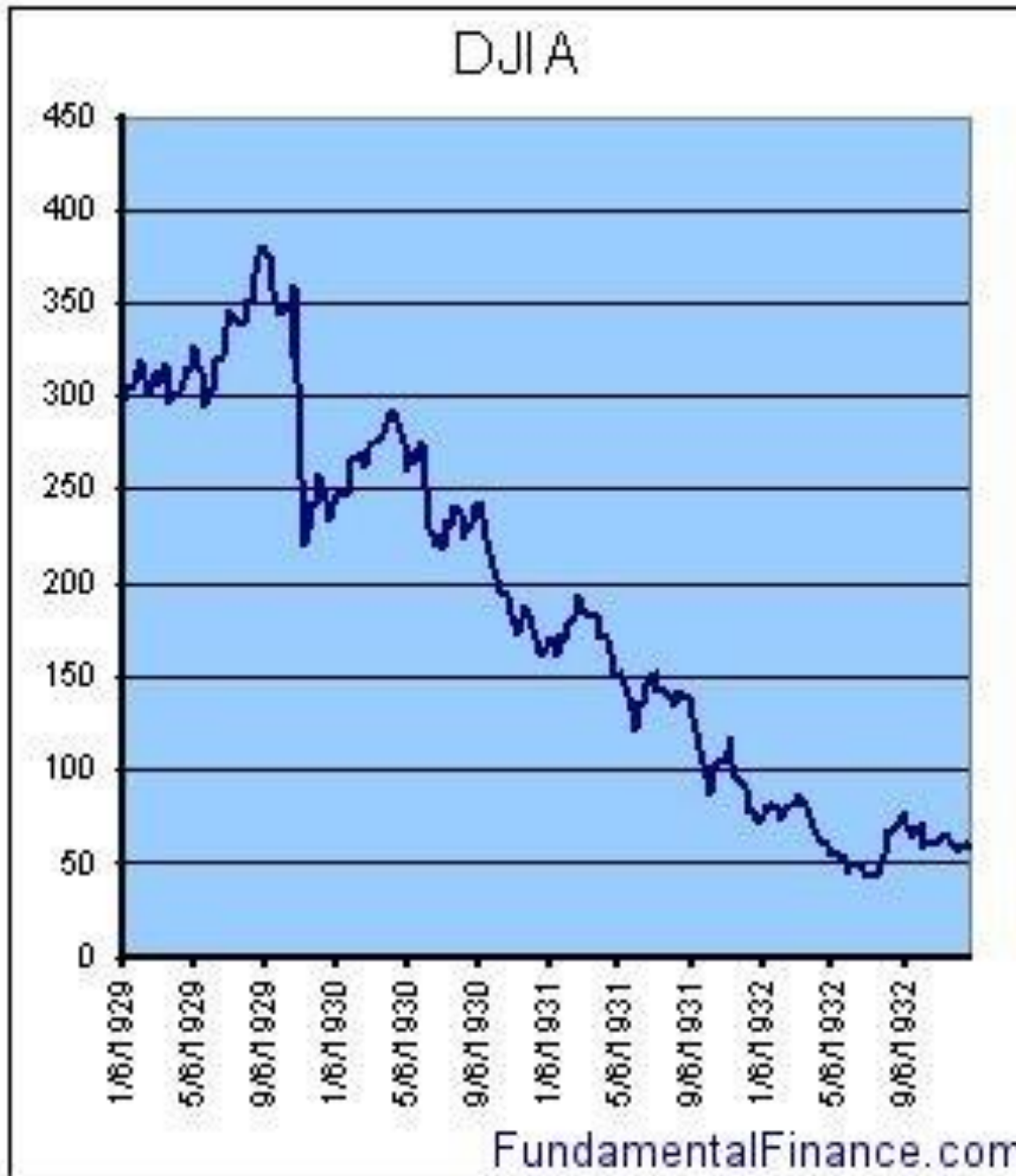
# Bread lines



# Hooverville



# Stock Market Collapse



# Hoover's Response

## Initially – rely on “Rugged Individualism”

- “pull oneself up by the bootstraps”
- Economy would work itself out
- Encouraged private charities and local solutions

## Later – support to industry and agriculture

- Reconstruction Finance Corporation (Trickle Down) - provide financial aid to railroads, financial institutions, and business corporations.
- Some public works projects
- Protectionism (Hawley Smoot Tariffs)

# Rejected the Following:

- Direct aid or relief to individuals
  - Responsibility of charities, local or state gov'ts
- Federal government owning any industry
  - Vetoed Muscle Shoals Bill (designed to build a dam in the Tennessee River and sell government-produced electricity)

# Dorothea Lange Photos







# The Bonus Army March

March, 1932

<https://vimeo.com/112099394>

# Bonus Army

- Vets of WWI – march to Washington D.C. to demand their bonus money for service during WWI .
- Senate rejected the bill to pay the bonus to vets.
- Herbert Hoover orders General MacArthur to clear out the veterans.
- MacArthur used military force and tear gas against the veterans.
- Hoover lost support

# Bonus Army March 1932











