

CAUSES OF THE CRASH:

EFFECTS OF THE CRASH:

HOOVER'S RESPONSE TO THE CRASH:

ROOSEVELT'S NEW DEAL:

Reconstruction Finance Corporation provided loans to businesses to help them recover.

Homelessness

Thousands of Americans were made homeless because they were unable to pay their mortgages or rent.

"Pump Priming"

Using huge amounts of government spending to create jobs in order to stimulate the economy

Financial Speculation:

Many Americans and even banks gambled on the stock market believing the boom would last.

Unemployment

Millions of US workers lost their jobs. In some parts of America 50% of workers were jobless.

Alphabet Agencies

Government agencies created to tackle specific problems brought by the Depression

Over Production:

Too many goods chasing too few customers led to a slow down in the economy.

Fire Side Chats

The use of radio to broadcast to the American people in order to reassure them about the future

Emergency Relief

Act to help the shares with the unemployed. \$500 million just a drop in the ocean.

1928 - 1933

Unequal

distribution of wealth - c.50% of Americans still live below poverty line in the 1920s.

Restricted

by his beliefs in "Rugged Individualism" the "American Spirit" Republican "laissez faire" economics and small government.

Protectionism

and Tariffs - surplus goods could not be sold abroad due to Republican tariffs.

Banking Act

Closed all banks and only allowed good ones to reopen supported by government loans. Ended Banking Crisis.

Bonus Army

In Hoover we trusted on no were busted "Veterans made poor by the crash demanded their bonus payments early.

Cut taxes -

worked in the past but not this time. Capital investment \$4 billion in major building works... Not enough.

