President Hoover and the Great Depression
D. Challenges at Home and Abroad (ca. 1914-1945)
e. Identify and explain the economic factors that contributed to the stock market crash of 1929 and the Great Depression
f. Explain the economic, environmental, and social impact of the Great Depression on American society
Herbert Hoover was a Republican who was elected President in 1928. The Great Depression began during his administration.
Hoover and the Great Depression

-Hoover did not want the government to intervene. He believed the government could step in to help negotiate labor issues, but not to use tax payer money to give direct relief to those in need.

-He felt government assistance would discourage people from pursuing individual responsibility.

-One program did gain his approval, the creation of the Hoover Dam at the Colorado River near Los Angeles and Los Vegas. It helped spur on agriculture and bring water to western cities.
Hoover typically did not support big tax payer funded government programs. Yet, he did support the building of the Hoover Dam, originally called Boulder Dam.
The Hoover Dam helped to irrigate vast regions in the western half of the USA.
Volunteerism
-Hoover pursued volunteerism. He asked businesses to not cut jobs for the good of the country. Yet, this was not mandatory and many businesses did not cooperate.

-The President asserted that the USA was simply in a down business cycle and that the government should get out of the way and let the private market work out the problems.

-He eventually gave in a little and supported some government programs, like the Federal Home Loan Bank Act that reduced mortgage rate payments for home owners.
Hoover claimed that business cycles were destined for downturns and that the private market could adjust back to a period of growth without the government’s help.
A Failed Tariff

-To attempt to ensure that American businesses were protected from foreign competition, the USA passed the **Hawley-Smoot Tariff** in 1930.

-When the USA did this, many European nations responded with their own tariffs. This led to a reduction of trade that negatively impacted the USA and countries in Europe.

-This tariff did not help the economy; it actually made it worse. America had too much surplus of many items and these actions reduced the opportunity to sell them.
In the midst of the Great Depression, a massive weather catastrophe, the Dust Bowl, damaged the output of agricultural goods. This phenomenon was partially man made due to excessive farming.
The Dust Bowl and Shantytowns

-The Dustbowl of the 1930s was a massive drought mixed with high winds that destroyed crops.

-It was partially caused by farmers who exhausted the land by over farming. Dust was gathered in the air due to the loose soil they created.

-There were virtually no government programs to help the poor and Shantytowns formed, entire villages of homeless people in shacks. Many called them “Hoovervilles.”
The Dust Bowl caused many farmers to abandon farming and travel to cities to attempt to find work.
The Shantytowns (Hoovervilles) were literally made out of scraps and any other material that the poor could find.
Shantytowns formed in many cities, which were also nicknamed Hoovervilles.
Entire villages of Shantytowns appeared in the USA.
The Bonus Army

- Thousands of veterans protested in Washington D.C. in 1932. They were veterans of World War I.

- The Wright Patman Bill was created to pay a bonus to WW I veterans immediately. These veterans wanted bills like this to become law.

- Though initially friendly to the protesters, Hoover eventually resorted to calling the soldiers Communists and became oppositional to them.
The Bonus Army protested for better compensation for their service in WW I
Veterans sleep in D.C. during the Bonus Army Protest.
Hoover’s Popularity Plummets

-Hoover eventually sent in the army to stop the protests and force the veterans to disperse.

-Over 1,000 people were gassed and two were shot. The nation, already frustrated with the Great Depression, became angry that veterans were treated this way.

-Douglas MacArthur and Dwight Eisenhower marched the veterans away. Hoover’s reputation was damaged due to the Great Depression and this incident with the Bonus Army.
THE END