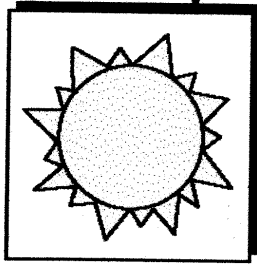
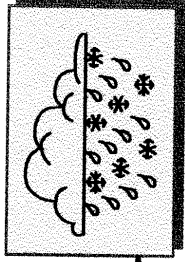


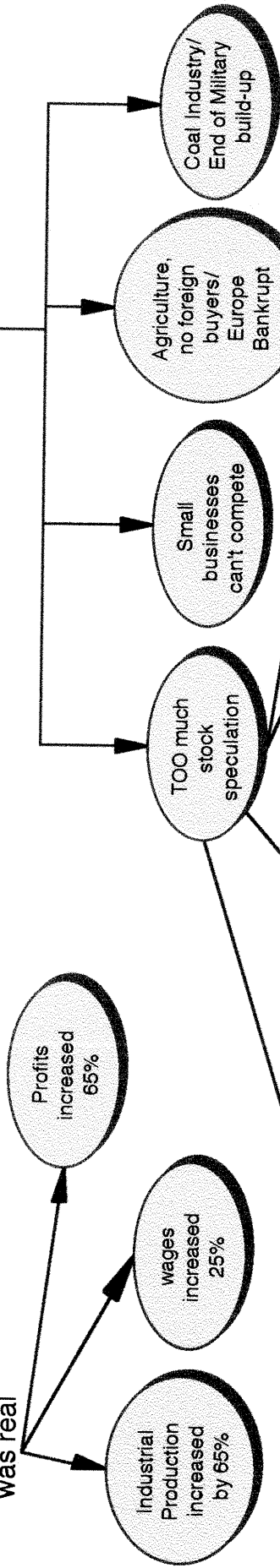
"The Crash Of 1929"



The Prosperity of the 1920's was real



Problem areas



Industrial Production increased by 65%

wages increased 25%

Profits increased 65%

TOO much stock speculation

Small businesses can't compete

Agriculture, no foreign buyers/ Europe Bankrupt

Coal industry/ End of Military build-up

Margin buying

Mellon's Policy's

stock dividend increase of 64% every year from 1924-29

Banks Overinvested

10% Down Payment

regressive taxes

Fordny-McCumber Tariff

Trickle -Down

heavy into cars, radios, vacuums, washers, etc. (last too long)

Advertising (Radio Magazines)

E-Z Credit

Runaway inflation

Florida Land Boom

"Last Biggest Fool" is found on 10/29/29

FDR's New Deal

UNEMPLOYMENT

BANK FAILURES

LACK OF TRUST

POVERTY

TOO MUCH COMPETITION

CIVILIAN CONSERVATION CORP. (CCC)
250,000 jobs to men 18-25 conserving U.S. Forests

Emergency Banking Act.
Eliminates weak banks, loans \$ to more solid ones.

21st Amendment

Federal Emergency Relief Admin. (FERA)
\$500 million to the states for direct relief.

National Industrial Recovery Act (NIRA) creates the NRA to bring order and prosperity to the economy. Headed by General Hugh Johnson (Rules, rules, rules.....)

Civil Works Admin. (CWA)
4 million jobs rebuilding U.S. infrastructure

Securities Exchange Commission. Agency to oversee the stock market.

Agricultural Adjustment Act (AAA), creates the Agricult. Adj. Admin. (AAA). Controls production, ruled unconstitutional in "36"

Social Security Administration:
pension to retired federal workers.

The Blue Eagle (NRA) is ruled unconstitutional, but the best parts: Wagner Labor Relations Act, or the National Labor Relations Board (NLRB) are saved.

Workd Progress Admin. (WPA)
\$1 Billion for 8.5 Million jobs (Const. Art, Music, Etc.)

Off the Gold Standard 1933.
The Gov't through the Federal Reserve Board (FED), treasury, and other agencies now controls amount of \$, price of gold, loans to banks, inflation rate, unemployment, interest rates, etc. Pure Keynesian economics

Wealth Tax Act:
raises taxes on the richest citizens.

The Tennessee Valley Authority (TVA) and the Rural Electrification Act (REA) turns the federal government into an owner, not just a regulator of businesses.

Unions Prosper:
CIO, USW, UAW
Other Winners:
Farmers
Blacks
Poor

The Heart & soul of the Democratic Party

1937

Evidence of economic improvements moves FDR to end many programs--too soon and another recession occurs. Thank goodness for WWII and the Lend-Lease program of selling war machinery to fuel Europe's next "Great War".