**Great Depression (1930’S-1945), FDR and the New Deal (1930s--), WWII (US: 1941-1945)**

The economy was booming in the early 20s due to new inventions and the birth of modern **advertising**. Also, for the first time in history, people could buy products without having the cash to pay for them. Consumers were offered **credit and installment plans**, which let them buy now and pay later. The more people bought, the better the economy did. But eventually, people couldn’t afford all the items that they bought and the economy collapsed. This happened with the stock market too. **Stock Market Speculation** and **buying on margin** led to “**Black Tuesday**” when the stock market crashed in 1929. **The Stock Market Crash of 1929** signaled the beginning of **The Great Depression**. A depression is when the economy is not producing, but shrinking. There is also very high unemployment. The Stock Market Crash was the main cause, but this led to other problems such as **the run on the banks** where 5,000 banks closed when people panicked and started taking their money out. There were underlying problems that led to the Depression and led to it getting worse such as **over-production and under-consumption**, **businesses taking advantage of laissez-faire policies** and a **growing income gap** – less and less were able to afford all of the consumer products of the Roaring ‘20’s. All of these problems combined together to form the worst economic period in our nation’s history – unemployment hovered around at least 15% for 12 years and reached as high as 25% in 1933.

During the depression, 1 out of every 4 Americans was out of a job. In the cities people waited on lines for bread. In the countryside, farmers lost their land during **The Dust Bowl –** when farmland turned to dust due to drought and abusive farming practices (over producing). **President Herbert Hoover** didn't believe the government should get involved in trying to fix the economy. He thought that government involvement in the economy was similar to socialism or communism and believed in **rugged individualism** instead. The people who lost their home and lived in the streets and parks in newspaper and cardboard tents called their new dwellings **“Hoovervilles”** at their anger of Hoover. It wasn’t until the election of 1932, when new President **Franklin Deleanor Roosevelt (FDR)** that the US government spent money to help Americans get back to work. FDR’s created policies, which he called his **New Deal** to provide **Relief, Recovery and Reform** and to **pump and prime** the economy. FDR’s relief policies like the **Civilian Conservation Corps (CCC)** and the **Works Progress Administration (WPA)** were designed to provide people with emergency jobs and income. FDR also created benefits to help people such as Social Security Act, unemployment benefits and early medicare programs. To fix the banking and stock market he instituted a **bank holiday** and approved the creation of the **Security Exchange Commission to** monitor stock trading. To restore calm he spoke to the nation weekly through his **fireside chats.** FDR was so popular that he broke tradition and ran and won a 3rd and 4th term as President.

However, there was much controversy to the New Deal – the Supreme Court challenged many of the programs Constitutionality stating the government was overstepping its limits and regulating business. In response, FDR tried to “pack” the Supreme Court – changing the Constitution to add 7 more judges (who would agree with him), but this failed to pass through Congress. Women and African Americans also did not benefit from many of the New Deal Programs. Although the New Deal did much to fix the economy, it wasn’t until the start of **World War II** that many American were hired for war related jobs and the Great Depression came to an end.

In 1938, Adolf Hitler, Chancellor of Germany annexed Austria. Britain and France first responded through **appeasement** by letting Hitler take the country in order to prevent war. In 1939, Hitler continued to try to take over Europe by invading Poland. Fearing that Hitler intended to dominate all of Europe and maybe the world, Britain and France declared war on Germany officially beginning World War II.

In the early 1930s, after the end of World War I, the American public wanted to remain **isolationist** and out of world problems. Many Americans believed that Europe and the newly formed **League Of Nations** should attempt to bring about a peaceful solution to this European conflict. This didn’t work.

The American government first **foreign policy** was to pass **Neutrality Acts**, which prevented Americans from selling weapons to countries at war. America would only sell non-military weapons on a **cash and carry** basis. By 1940, France was conquered by Germany and the US feared that without arming Great Britain all of Europe could be under Hitler’s control. Roosevelt proposed the **Lend Lease Act** to lend war materials to any country fighting Germany. The US also refused to sell weapons and materials to Japan, an ally of Germany.

On the morning of December 7, 1941 Japanese airplanes sneak attacked the US navy in **Pearl Harbor, Hawaii**. The day after the attack, President Roosevelt asked Congress to declare war on Japan making the US officially part of WWII. The attack on Pearl Harbor made Americans fearful of Japanese immigrants living in America. Many Americans thought Americans of Japanese heritage might be spies or loyal to the Japanese Emperor. In the Supreme Court Case **Korematsu v. US** (1944), the court agreed to relocate Japanese Americans to prison like areas called **Internment Camps**.

America fought both against Germany in Africa and Europe and Japan in the Atlantic, but new Hitler was the toughest enemy and we sent most of our army against Germany and Italy. The war against Germany was difficult, but slowly America invaded Italy and then France (D-Day invasion). By May 1945, Allied Forces (America, England and Russia) were outside of Berlin. Hitler committed suicide and Germany surrendered. After Hitler was defeated, the leaders of the **Allied Powers,** new President Harry Truman, British Prime Minister Winston Churchill and Soviet Secretary General Joseph Stalin (known as “the Big Three”), met at the **Potsdam Conference**. This conference determined how Germany and Europe would be divided after the war – Berlin would be split into sections – America, France and England controlling the West and the Soviet Union the East. The Soviet Union would also be given control of Eastern Europe to use as future protection. This agreement helped to set up **The Cold War** where Germany and Europe would be divided into a free and capitalist West and a communist controlled East. After the war, Nazi **war criminals** who were responsible for **The Holocaust** were put to trial at **The Nuremburg Trials.**

The war in the Pacific was equally difficult. General Douglas MacArthur developed the strategy of **“Island Hopping” –** moving from one island to the next, getting closer and closer to Japan. However, each battle had many casualties – the Japanese usually always fought to the last man. In **the Battle of Midway**, we destroyed most of the Japanese ready and by 1945, we were ready to invade Japan. However, FDR died in 1945 and the new American **President Harry Truman** believed that an invasion of Japan could take a long time and lead to millions of American deaths. In August 1945, the American military dropped two **atomic bombs** on the cities of **Hiroshima and Nagasaki** in Japan. Japan surrendered shortly after the second explosion. This action possibly saved the lives of millions of American soldiers but resulted in the deaths of over hundreds of thousands of Japanese.

World War II had many positive effects for America on **the homefront.** US entry into World War II helped the US economy out of **The Great Depression**, expanded women’s rights as women were encouraged to work in factories and improved relations between blacks and whites that fought in integrated units in the army. The saving and **rationing** that took place at home for the war set up a culture that was ready to buy after the war. The US attack on **Hiroshima and Nagasaki** has been the only time in history to date that atom bombs have been used in war and changed war forever. The war also stressed the need for a better peace-keeping organization than the League of Nations which clearly failed. During the **Yalta Conference** (February 1945), the leaders of the Allied Powersdecided a new organization had to be made, which would become the **United Nations.** However, World War II, the Yalta Conference and the Potsdam Conference set up the **Cold War** between the only two superpowers remaining –America and the U.S.S.R vying for control over a divided capitalist and communist Europe.

**Vocabulary Words:**

1. **Great Depression** (1929-1940) - when many businesses and banks failed, and unemployment became as high as 25%.
2. **President Herbert Hoover**- Believe the government should not get involved in hiring people during the Great Depression. Believed this would be like **socialism/communism**.
3. **Stock Market Speculation**- the buying stock in an irresponsible fashion. Lead to the **Stock Market Crash of 1929 (**which starts the Great Depression on **Black Tuesday – October 29, 1929)**
4. **Run on Banks** – when people panicked and started removing their money from banks forcing banks to close and thousands to lose money.
5. **Overproduction and Underconsumption** – businesses were overproducing goods but no one was buying them.
6. **Widening Income Gap** – Fewer people were earning more money but an increasing amount of people were earning less.
7. **The Dust Bowl**- a series of droughts that turned the fertile **Great Plains** of middle-America into a dust wasteland
8. **Hoovervilles**- makeshift homes where homeless people lived (named after Hoover because they believed he did not help them).
9. **Bonus Army –** WWI Veterans who camped out on the White House lawn to demand their pensions from Hoover, who sent out the army to drive them away.
10. **Rugged Individualism** – Hoover’s belief that people need to individually work hard without government help or interference in the economy.
11. **Franklin Demeanor Roosevelt (FDR)** – President during the Depression who increased employment and government involvement in the economy through his **New Deal**.
12. **The New Deal** – FDR’s policies that provided **Relief, Recovery and Reform** and **pump and priming** to the American economy. This was a major change to capitalism as there was now much more government involvement and spending in the economy.
13. **Relief –** programs to bring immediate relief – Civilian Conservation Corps, Tennessee Valley Association, Public Works Administration and Works Public Administration, Works Progress Administration are 4 famous ones.
14. **Recovery –** Programs to start increasing production and regulating business to keep distribution fair – such as the Agricultural Adjustment Act (AAA) and National Recovery Administration (NRA).
15. **Reform**  -- Programs to fix the American economy so problems that started the Great Depression would not happen again, along with creating **entitlement programs** to help people who need it. These included **The Bank Holiday, Social Security Act and Federal Deposit Insurance Corporation (F.D.I.C.)** which regulated banks and insured peoples’ deposits in them**.**
16. **FDR’s Alphabet Soup --**  Nickname gave to all of the New Deal Programs because of their initials.
17. **Fireside Chats** – FDR’s weekly radio address to the nation to build confidence.
18. **Butler v. U.S.** – Supreme Court case which said the AAA was illegal because it was over-regulating farmers.
19. **Schecter Poultry v. U.S.** Supreme Court case which said the NRA was illegal because it was over regulating businesses and the government cannot set prices.
20. **Civilian Conservation Corps (CCC) – New Deal** program that hired young men to build schools and create parks during The Depression
21. **Works Progress Administration (WPA) - New Deal** program that hired artists, musicians and architects during The Depression.
22. **FDR’s Court Packing Plan** – President Roosevelt’s unconstitutional plan to hire Supreme Court Justices that agreed with his **New Deal**. This violated **checks & balances** and failed.
23. **World War II ends the Depression**—The massive production needed by WW2 and employment of millions of soldiers and factory workers, along with forced savings and rationing helped bring America out of the Depression.
24. **Appeasement** – the idea to let Hitler take land that didn’t belong to Germany so Europe could avoid war before WWII
25. **Isolationism**  - the US foreign policy of not getting involved in European problems at the beginning on WWII.
26. **League Of Nations** - an organization that promoted world and peace. However, since the U.S. did not join, the League had less power to prevent World War II.
27. **United Nations** – the new “League of Nations” which was created after WWII ended. Its headquarters is in NYC.
28. **Neutrality Acts** – US isolationist policies, which prevented Americans from selling weapons to countries at the beginning of WWII.
29. **Lend Lease Act/ cash and carry** – US policies which allowed the US to sell weapons to Britain, France and Russia at the middle of the war.
30. **Pearl Harbor Attack** - December 7, 1941, when Japanese airplanes sneak attacked the US navy in Hawaii
31. **Korematsu v. US** – Supreme Court case that required Japanese Americans being relocated to restricted prison like areas called **Internment Camps**.
32. **The Draft/Selective Service** – lotteries that selected US men to register for the army to fight in WWII
33. **The Manhattan Project** – secret US programs to help build the atomic bomb used on Japan to end the war.
34. **President Harry Truman** – US President after FDR died. Made the decision to drop atomic bombs on Japan.
35. **Nuremberg Trials** – Nazi war crimes trials that took place after WWII. Nazi leaders convicted of killing innocent people were imprisoned or executed.
36. **Rosie The Riveter** - cultural symbol representing the American women who worked in factories during WWII
37. **GI Bill** – US law that gave all US soldiers involved in WWII a way to buy a home and attend college after the war
38. **Ration Cards –** coupons that were needed to buy goods during WWII in order to save materials for war
39. **War/Victory Bonds** – money given to the government as an investment so the US could pay for war
40. **Potsdam Conference –** Conference in which Truman, Churchill and Stalin **(Big Three – leaders of Allied Powers)** met to decide how to divide up Germany and Europe after the war. Helps set up Cold War.
41. **Hiroshima and Nagasaki**: The two cities that America dropped the Atomic bomb on to end the war in the Pacific against Japan.
42. **End of Great Depression –** the massive spending on military items, employment of people in the army and at home and the saving and rationing done by people at home helped lead to the end of the depression.
43. **Propaganda –** when different forms of media are used to influence people. This was done in the U.S. to recruit people to fight, buy war bonds and ration.
44. **Yalta Conference –** Conference in which Roosevelt, Churchill and Stalin (also known as **Big Three – leaders of Allied Powers)** set up idea for United Nations and how to divide up Europe after the war.
45. **Homefront –** Everything that takes place back in the United States.
46. **Women and WWII** – Women once again worked in wartime factories and industries to support the men fighting the war. Propaganda like **Rosie the Riveter** motivated many.
47. **Integration of the Army** – When the U.S. army allowed all races to serve together and not in separate units.
48. **Holocaust –** The systematic elimination of Jews and other races by the Nazis. Many German officers were convicted at the Nuremberg Trials of war crimes.
49. **DDay –** The invasion of France by the Allied powers and turning point in the war against Germany.
50. **Island Hopping –** Strategy of slowly conquering islands to get closer to Japan.
51. **Allied vs. Axis Powers** – The Allied Powers were America, England and the Soviet Union vs. the Axis powers of Germany, Italy and Japan.

**Questions:**

**1. During the second half of the 1920s, which economic trend was a major cause of the Great Depression?**

1. deficits in the federal budget
2. reductions in tariff rates
3. creation of national and state sales taxes
4. overproduction and under consumption

**2. A significant cause of the Great Depression of the 1930’s was that**

1. some banking policies were unsound and had led to the overexpansion of credit
2. a decrease in protective tariffs had opened American business to competition from abroad
3. a wave of violent strikes had paralyzed the major industries
4. consumer goods were relatively inexpensive

**3. Which New Deal program was chiefly designed to correct abuses in the stock market?**

1. Federal Emergency Relief Act
2. Civilian Conservation Corps
3. Works Progress Administration
4. Securities and Exchange Commission

**4. What were two basic causes of the Dust Bowl during the early 1930s?**

1. strip mining and toxic waste dumping   
2. overfarming and severe drought   
3. clear-cutting of forests and construction of railroads   
4. overpopulation and urban sprawl

**5. During the Great Depression, expressions such as *Hoovervilles* and *Hoover blankets* showed that President Hoover**

1. was seen as a role model   
2. used the military to aid the unemployed   
3. was blamed for the suffering of the poor   
4. supported relief and public housing for the needy

**6. National Prohibition, as authorized by the 18th Amendment, stated that**

1. Americans must be 18 years old to purchase alcoholic beverages   
2. only imported alcoholic beverages would be sold   
3. alcoholic beverages could be sold only in government-run stores   
4. the manufacture and sale of alcoholic beverages was banned

**7. One of the major causes of the stock market crash of 1929 was**

1. excessive buying of stocks on margin   
2. overconsumption of goods and services   
3. failure of international banking systems   
4. low prices of stocks and bonds

**8. New Deal programs such as the Civilian Conservation Corps (CCC) and the Works Progress Administration (WPA) were primarily intended to help**

1. farmers   
2. homeowners   
3. businesses   
4. unemployed workers

**11. President Franklin D. Roosevelt’s response to Supreme Court decisions that declared several New Deal laws unconstitutional was to**

1. ask Congress to limit the Court’s jurisdiction
2. propose legislation to increase the size of the Court
3. demand the resignation of several justices
4. ignore the Court’s rulings

**12. "The great rule of conduct for us in regard to foreign nations is, in extending our commercial relations, to have with them as little political connection as possible."  
This quotation supports a foreign policy of**

1. imperialism
2. appeasement
3. neutrality
4. economic sanctions

**13. Which action best illustrates the policy of isolationism followed by the United States before it entered World War II?**

1. signing of a collective security pact with Latin American nations
2. passage of neutrality legislation forbidding arms sales to warring nations
3. embargo on the sale of gasoline and steel to Japan
4. President Franklin D. Roosevelt’s exchange of American destroyers for British naval and air bases

**14. An immediate effect of the Lend-Lease program was that**

1. Western Europe recovered from the damage caused by World War I
2. the Soviet Union formed the Warsaw Pact
3. Japan declared war against the United States
4. the United States provided critical aid to Great Britain and the Soviet Union

**15. The United States became involved in World War II primarily because**

1. Germany refused to pay its debts from World War I
2. European democracies supported United States policies toward Germany and Japan
3. President Franklin D. Roosevelt did not enforce the Neutrality Acts
4. Germany and Japan achieved important military successes in Europe and Asia

**16. The United States Supreme Court decision in Korematsu v. United States (1944) concerned**

1. restricting freedom of the press
2. the president’s right to use atomic weapons
3. limiting civil liberties during wartime
4. the right of women to serve in military combat

**17. During World War II, women and minorities made economic gains mainly because**

1. a shortage of traditional labor created new opportunities in the workplace
2. more educational opportunities increased the number of skilled workers in these groups
3. labor unions successfully demanded equal opportunities for these groups
4. new civil rights legislation forced businesses to change their hiring practices

**18. A major cause of the internment of Japanese Americans during World War II was**

1. national segregation policies
2. immigration quotas
3. racial prejudice
4. economic depression

**9. Which precedent was established by the Nuremberg war crimes trials?**

1. National leaders can be held responsible for crimes against humanity .
2. Only individuals who actually commit murder during a war can be guilty of a crime.
3. Defeated nations cannot be forced to pay reparations.
4. Defeated nations can be occupied by the victors.

**19. President Harry Truman justified using atomic bombs on Japan in 1945 on the grounds that the**

1. world was ready for a demonstration of nuclear power
2. Axis powers deserved total destruction
3. early ending of the war would save many lives
4. American public demanded that the bombs be used

**10. In 1944, Congress enacted the GI Bill of Rights in order to**

1. provide economic aid to veterans
2. reduce military expenditures
3. ban racial segregation in the armed forces
4. create government jobs for returning soldiers

**20. What was one result of World War II?**

1. The arms race ended.
2. The Cold War ended.
3. Communism was eliminated.
4. Two superpowers emerged.