

The Great Depression

TOPIC 8.5

“We’re the first nation in the history of the world to go to the poorhouse in an automobile.” Will Rogers



1. At the end of the 1920's, an economic crisis began in the _____ and spread to the rest of the world. This economic crisis became known as the _____.
2. By the 1920's, _____ and _____ led to higher output. A major problem was _____, meaning that factories and farms produced more goods than were being sold.
3. Overproduction created a backlog of _____. Businesses were forced to cut back on output and _____ workers.
4. Unemployed workers had little _____. By the end of the decade, _____ and _____ fell, causing more businesses and factories to close.
5. Meanwhile, jitters about the economy caused stock _____ to call in the loans made to investors, many of whom had acquired stocks through _____ methods.
6. In 1929, panic set in and stock prices _____ in October, wiping out the fortunes of many investors.
7. By the 1930's, millions of people lost their _____. The cycle spiraled steadily _____.
8. By 1933, between 13 to 15 million Americans were _____ and almost half of the _____ closed.
9. President Herbert Hoover firmly believed that the government _____ in private business matters. The Great Depression worsened.