

CAUSES OF GREAT DEPRESSION



Overproduction: farmers produced too much which drove down prices

Stock speculation: drove prices up more than they should be

Uneven distribution of wealth: rich got richer, poor got poorer

Unsound banking practices: banks made unsound, unhealthy loans

Excessive buying on credit: too much credit lent, people could not repay it.

FRANKLIN ROOSEVELT AND NEW DEAL

Promised to turn around economy by:

1. Give **relief** for those who were suffering
2. Provide **recovery** for the economy, so it grows
3. Enact **reform** measures to avoid future depressions

Civilian Conservation Corps	CCC	1933	Provided jobs to young men to plant trees, build bridges and parks, set up flood control projects
Tennessee Valley Authority	TVA	1933	Built dams to provide cheap electric power to 7 southern states, set up schools and health centers
Federal Emergency Relief Administration	FERA	1933	Gave relief to unemployed and needy
Agricultural Adjustment Administration	AAA	1933	Paid farmers not to grow certain crops

National Recovery Administration	NRA	1933	Enforced codes that regulated wages, prices and working conditions
Public Works Administration	PWA	1933	Built ports, schools, and aircraft carriers
Federal Deposit Insurance Corporation	FDIC	1933	Insured savings accounts in banks approved by government
Rural Electrification Administration	REA	1935	Loaned money to extend electricity to rural farmers
Works Progress Administration	WPA	1935	Employed men and women to build hospitals, schools, parks, and airports; employed artists, writers and musicians
Social Security Act	SSA	1935	Set up a system of pensions for elderly, unemployed and handicapped

COURT PACKING

FDR ran into opposition when the Supreme Court began to declare some New Deal programs unconstitutional. FDR's plan to overcome this obstacle was to pack the Court with one justice for each one over 70 years old. This idea is known as court packing.

Even though FDR was popular, many people felt he overextended his powers and this idea was shot down.



EVENTS LEADING TO WORLD WAR II

Neutrality Acts (1930s) - U.S. tried stay out of conflict in Europe



Cash and Carry - sale of weapons to nations at war made on a “cash and carry” basis

Lend Lease - allowed U.S. to sell or lend war materials to any country necessary to our defense

FDR wanted the U.S. to become an “arsenal of democracy”, which means that we would produce enough weapons to help our Allies fight the war and win.

SACRIFICES AT HOME

War bonds: buying bonds would help pay for the war

Rationing: save valuable resources and food for troops overseas

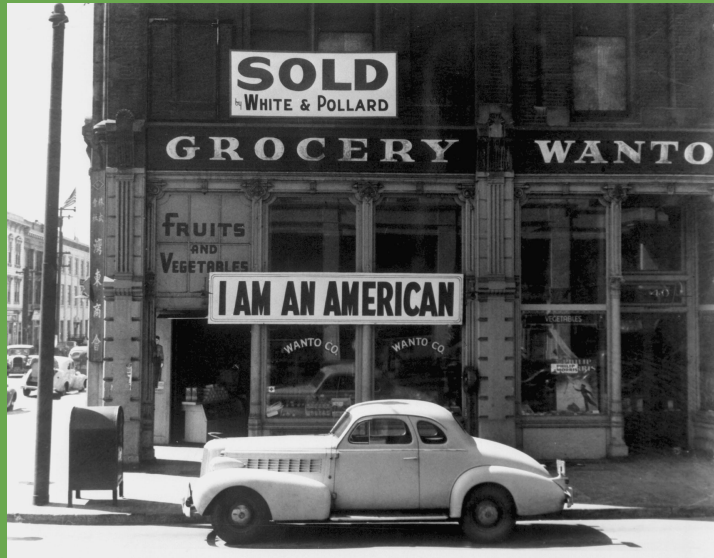
Victory Gardens: grow the food that you need, so troops can have more

Rosie the Riveter: women took traditionally male jobs in factories



JAPANESE INTERNMENT

After the attack on Pearl Harbor, Japanese Americans were rounded up and placed in internment camps by the U.S. government. They were seen as a threat to national security during World War II.

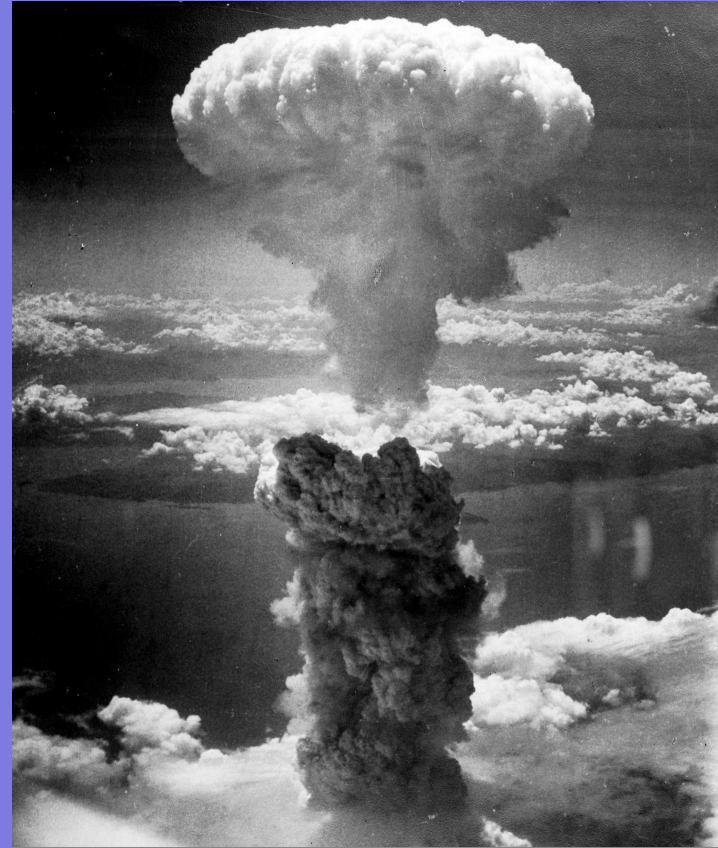


In *Korematsu v. U.S.*, Fred Korematsu sued the federal government for violating his 14th amendment right to equal protection. The Court upheld the government's actions, reasoning that there was a national security threat in the month immediately after Pearl Harbor.

MANHATTAN PROJECT

The U.S. government worked on developing an atomic bomb during World War II, in a project called the Manhattan Project.

With Japan reluctant to surrender, President Harry Truman made the decision to bomb Japan. On August 6 and 9, 1945, atomic bombs were dropped on the cities of Hiroshima and Nagasaki.



CONTAINMENT



Berlin Airlift	Effort to get around Berlin Blockade set up by Stalin, prevented Soviets from taking control of Berlin
Truman Doctrine	Gave \$400 million to Greece and Turkey to stop the spread of communism
Marshall Plan	Gave \$13 billion to Western Europe to help rebuild after WWII
Korean War	1950-1953, effort to stop spread of communism in Korean peninsula, but it ultimately fails
NATO	North Atlantic Treaty Organization - alliance of non-communist nations, Soviet version is Warsaw Pact

FEAR OF COMMUNISM AT HOME

HUAC (House Un-American Activities Committee)	Formed to look into communist activity in the U.S.; it's probe of the movie industry led to blacklisting of many actors, writers and directors
Black lists	Actors, writers, directors and others were cut off from employment because they were suspected of being communists
McCarthyism	Senator Joseph McCarthy claimed he had a list of State Department employees known to be communists he was eventually censured by the Senate
Arms Race (MAD-Mutually Assured Destruction)	The U.S. and Soviet Union were competing to see who could amass more weapons of mass destruction (nuclear weapons)
Cuban Missile Crisis	U.S. and Soviet Union came to brink of nuclear war over Soviet missile sites in Cuba

PROSPERITY IN 1950s



G.I. Bill - also known as Serviceman's Readjustment Act, pays for veteran's benefits (like college education, medical treatment and home and business loans)

Baby Boom - population growth immediately after WWII

Levittown - symbol of suburbanization after WWII

Interstate Highway Act - provided funding for a 44,000 mile network of interstate highways