Inquiry Lesson

Why did the United States Fall into the Great Depression?

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Social Studies Methods
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Inquiry Lesson Plan: Why did the United States Fall into the Great Depression?

Abstract:
From 1929-1939 the United States fell into a Great Depression. The world, let alone the U.S. had never been witness to such a full-scale economic depression. Numerous factors contributed to its severity. Measures were taken national and locally to alleviate its repercussions. In this inquiry lesson students will generate hypotheses as to what caused the depression. Through the use of classroom discussion and the evaluation of the data sets students will revise their hypotheses. This inquiry lesson is important in that it allows students to infer upon the influence of each factor in the context of the question. Upon conclusion, students will formulate and develop concise conclusions to the question: “Why did the United States Fall into the Great Depression?”

Ideal Audience:
This inquiry lesson is developed for 10th to 12th grade students in a Secondary Education American History course but may be adapted to lower levels of educational instruction in similar courses. Possible adaptations could be to remove or add data sets or to change the form of assessment as deemed appropriate by the instructor for the grade and ability levels of one’s respective students. This lesson could also be used in a Political Science or Civics course focusing on U.S. policies or American industry or to supplement similar lesson plans in those courses.

Multiple Objectives:
This lesson focuses on the following Wisconsin Model Academic Standards for Social Studies:

B.12.1 Explain different points of view on the same historical subject using data gathered from various sources, such as letters, journals, diaries, newspapers, government documents and speeches.

B.12.4. Assess the validity of different interpretations of significant historical events.

B.12.9 Select significant changes caused by technology, industrialization, urbanization and population growth and analyze the effects of these changes on the United States.

D.12.1 Explain how decisions about spending and production by households, businesses and governments determine national levels of employment.

D.12.2 Use basic economic principle- such as consumption, expansion- to compare local, regional and national economies across time.

D.12.4 Explain and evaluate the effect of new technology on the development of national policies and on the lives of individuals and families in the United States.

Through instruction by this inquiry lesson students will:
• Identify relevant historical antecedents of the American Great Depression
• Distinguish between causes of the Great Depression and make connections between them (interrelatedness of causes/causality)
• Evaluate national views and ideas in regards to industry and federal regulation of banks
• Apply critical thinking, using learned and/or prior knowledge of the subject matter to create, support, revise and/or disconfirm previous hypotheses in regard to the inquiry question and data sets
• Engage in higher order thought and critical thinking understanding why policies and actions of the United States contributed to the scope and scale of the Great Depression

Time:
This inquiry lesson is designed to be taught over the course of four to five 50-minute class periods depending on the level of class familiarity with the inquiry lesson model, the level of classroom discussion, and the amount of time necessary to implement worksheets and analyze data sets. This lesson should be implemented in between World War I and World War II lessons.

Materials:
1. PC
2. Video projector connected to PC
3. Copies of Inquiry Lesson Hypotheses/Evidence Worksheets and Analytical Trait Scoring Guide (as many as needed)
4. 6 sets of the data sets (1 set per group, no more than 6 groups total)
5. Whiteboards, overhead projector or video-projected device
7. Video Clip found at http://www.livinghistoryfarm.org/farminginthe30s/money_09.html

Procedure:
1. Engagement in Inquiry- Introduce lesson via a short (3 min) video clip found at regarding the Great Depression. This video will give a brief introduction to the inquiry question. After the video an overview (a brief explanation of steps 2-4 below) of the steps of an inquiry lesson and assessment to follow will be given. Students will then be put into their discussion groups (no more than 6 groups total). Following that, the “abstract” will be read to the class with the inquiry question.

2. Elicit Student Hypotheses- The instructor will then ask a student to handout the “inquiry lesson hypotheses/evidence worksheet.” While the worksheets are being handed out the instructor will project the inquiry question, “Why did the United States Fall into the Great Depression?” onto the overhead or whiteboard. The instructor then asks students to carefully read the directions on the worksheet.
This is followed by the instructor asking the students to think about and write down any hypotheses they may have in regards to the inquiry question on the worksheets in the section labeled “Hypotheses.” The instructor stresses the use of any prior knowledge they have about the subject. After the students have had time (about 4-5 minutes) to individually record their hypotheses, the instructor should encourage the students to discuss their hypotheses in their groups and decide which hypotheses they believe to be the most plausible in regards to the inquiry question and the time period in which it occurred (for another 5-7 minutes). At this time, the instructor should walk around and listen to the ideas of the students and interact with them asking questions to spark thought in the student groups. When time is up the instructor should ask the students to state their respective hypotheses and choose a student (the recorder) to record them in the computer, on the whiteboard or on the overhead. Hypotheses should be recorded and posted by the instructor for all to see. All hypotheses begin as “valid.” The instructor then asks for any conspiracy-theory type or “out-there” hypotheses they had not considered. These are also recorded by the recorder. While this is happening the instructor hands out the first data set, one per group.

3. **Data Gathering, Data processing and Hypotheses Revisions**- In their respective groups the students are asked to quietly appoint a group member to read the data set. After the groups have finished reading, the instructor will facilitate discussion regarding the data set. Questions such as, “What is the data set trying to say,” “who is the author or what is its source” and “has this new data supported or undermined your previous hypotheses?” Whether a hypotheses was supported or undermined will be recorded by the recorder. Any undermined hypotheses which the class feels has been entirely refuted will be completely dismissed or disregarded. The instructor then asks if the students have thought up any new hypotheses, these will also be recorded. As students revise the hypotheses/evidence worksheet the next data set is handed out. The same procedure follows with this data set and is repeated for the other data sets to follow. With each new data set a different group member than the previous one should read the data set. For “Data Set #3” the information sheet should be read by the students and then the instructor should play the video clip of first hand accounts of foreclosures. As the students become accustomed to the process, they will take more charge of the activities. The instructor will continue to facilitate discussion and be available to clarify any questions or guide any debates as the students take more responsibility and control of the discussion.

4. **Conclusion**- After the analysis and discussion of the final data set the hypotheses should be revised one last time. The students will then be told to choose the hypothesis which they felt was most strongly supported by the data sets. The instructor then will hand out an “analytical trait-scoring guide.” This scoring guide was developed for the writing assignment that will conclude the lesson. Students will be asked individually, to write a response to the inquiry question and state what they have come to understand as the lasting effects or legacy of the Great Depression. The instructor will state that the response need only be one to
two pages in length (double-spaced) and that their conclusions should be supported with evidence from the data sheets and inquiry lesson. The “inquiry lesson hypotheses/evidence” worksheet will be handed in with the response paper for participation credit. A final data set will be given to the students on the due date of the response paper. The instructor will then facilitate discussion regarding the claims of the final data set. The final data set is an excerpt from President Herbert Hoover’s Presidential Library online. It shows what Hoover believed to be the cause(s) of the Great Depression. This is yet another perspective in regards to the question, “Why did the United States Fall into the Great Depression?” The discussion will bring closure to the lesson and any ideas or questions will be shared and answered in the final discussion.

5. *Assessment* - The instructor will assess student performance formally through participation/attendance in the form of the “inquiry lesson hypotheses/evidence” worksheet (handed in previously) and also through physical attendance. If students are unable to attend class but have a valid, excused absence, then they will be given the data sets and allowed to do the “inquiry lesson hypotheses/evidence” worksheet for homework. The “analytical trait scoring guide” will be used to grade the response paper. The response paper and participation/attendance will serve as a entirely separate grade from the same lesson.

**Possible Hypotheses:**
The Great Depression was caused by:
- The Stock Market Crash of 1929
- The Agricultural Depression in the U.S.
- The Agricultural Depression in Europe
- The over expansion of American Industries
- U.S. government policies
- Bank failures
- Foreclosures
- The lack of regulation of the Stock Market
- President Franklin D. Roosevelt
Directions: Fill in the worksheet with hypotheses in the far left column. Provide evidence that either supports or undermines the hypotheses in the respective sections to the right.

Why did the United States Fall into the Great Depression?

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Supporting Evidence</th>
<th>Undermining Evidence</th>
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Stock Market Crash

1929 - The stock market crash ushered in the Great Depression.

What made the stock market crash? Here's a brief summary.

Capital is the tools needed to produce things of value out of raw materials. Buildings and machines are common examples of capital. A factory is a building with machines for making valued goods. Throughout the twentieth century, most of the capital in the United States was represented by stocks. A corporation owned capital. Ownership of the corporation in turn took the form of shares of stock. Each share of stock represented a proportionate share of the corporation. The stocks were bought and sold on stock exchanges, of which the most important was the New York Stock Exchange located on Wall Street in Manhattan.

Throughout the 1920s a long boom took stock prices to peaks never before seen. From 1920 to 1929 stocks more than quadrupled in value. Many investors became convinced that stocks were a sure thing and borrowed heavily to invest more money in the market.

But in 1929, the bubble burst and stocks started down an even more precipitous cliff. In 1932 and 1933, they hit bottom, down about 80% from their highs in the late 1920s. This had sharp effects on the economy. Demand for goods declined because people felt poor because of their losses in the stock market. New investment could not be financed through the sale of stock, because no one would buy the new stock.

But perhaps the most important effect was chaos in the banking system as banks tried to collect on loans made to stock market investors whose holdings were now worth little or nothing at all. Worse, many banks had themselves invested depositors' money in the stock market. When word spread that banks' assets contained huge uncollectible loans and almost worthless stock certificates, depositors rushed to withdraw their savings. Unable to raise fresh funds from the Federal Reserve System, banks began failing by the hundreds in 1932 and 1933.

By the inauguration of Franklin D. Roosevelt as president in March 1933, the banking system of the United States had largely ceased to function. Depositors had seen $140 billion disappear when their banks failed. Businesses could not get credit for inventory. Checks could not be used for payments because no one knew which checks were worthless and which were sound.

Roosevelt closed all the banks in the United States for three days - a "bank holiday." Some banks were then cautiously re-opened with strict limits on withdrawals. Eventually, confidence returned to the system and banks were able to perform their economic function again. To prevent similar disasters, the federal government set up the Federal Deposit Insurance Corporation, which eliminated the rationale for bank "runs" - to get one's money before the bank "runs out." Backed by the FDIC, the bank could fail and go out of business, but then the government would reimburse depositors. Another crucial mechanism insulated commercial banks from stock market panics by banning banks from investing depositors' money in stocks.
Foreclosures

Foreclosure is the legal process that banks use to get back some of the money they loaned when a borrower can't repay the loan. During the 30s, there were thousands of foreclosures. The word "foreclosure" itself became a rallying cry for political movements.

Here's what often happened. During the 20s, many farmers borrowed money from banks to buy more land or new machinery. Farmers pledged their assets as security on the loan. So if a farmer couldn't make the payments on a loan for land, the bank could take back the asset – the land – and sell it to get back their money. In the 1920s, many loans were written when land values and crop prices were high. After the stock market crash, few people had the money to buy land, and so land values plummeted. When a bank had to foreclose and sell the land, they couldn't make up the difference. So, banks would take all of the assets pledged to the loan. Families were often thrown off their farms and lost everything.

Harvey Pickrel (left) had two experiences with foreclosure. His father-in-law, Merle, couldn't pay off his loan, so the bank sold his farm at auction. But Merle was luckier than most. He kept farming – only now he was a renter rather than an owner of the farm. Later in the decade, Harvey got behind on payments for a $400 tractor. In 1939, he came close to being foreclosed upon. But his banker was willing to give him more time, and Harvey was able to pay off the loan later.

And some farmers and townspeople tried to find buyers of their property so they wouldn't have a foreclosure on their record. That's how Louise Dougherty and her husband, John, bought their first house.

Written by Bill Ganzel of the Ganzel Group.
THE STRUGGLES OF LABOR

The life of a 19th-century American industrial worker was hard. Even in good times wages were low, hours long, and working conditions hazardous. Little of the wealth that the growth of the nation had generated went to its workers. Moreover, women and children made up a high percentage of the work force in some industries and often received but a fraction of the wages a man could earn. Periodic economic crises swept the nation, further eroding industrial wages and producing high levels of unemployment.

At the same time, technological improvements, which added so much to the nation's productivity, continually reduced the demand for skilled labor. Yet the unskilled labor pool was constantly growing, as unprecedented numbers of immigrants -- 18 million between 1880 and 1910 -- entered the country, eager for work.

...The laissez-faire capitalism that dominated the second half of the 19th century and fostered huge concentrations of wealth and power was backed by a judiciary that time and again ruled against those who challenged the system. In this, they were merely following the prevailing philosophy of the times. Drawing on a simplified understanding of Darwinian science, many social thinkers believed that both the growth of large business at the expense of small enterprise and the wealth of a few alongside the poverty of many was "survival of the fittest," and an unavoidable by-product of progress. American workers, especially the skilled among them, appear to have lived at least as well as their counterparts in industrial Europe. Still, the social costs were high. As late as the year 1900, the United States had the highest job-related fatality rate of any industrialized nation in the world. Most industrial workers still worked a 10-hour day (12 hours in the steel industry), yet earned less than the minimum deemed necessary for a decent life. The number of children in the work force doubled between 1870 and 1900.
AGRARIAN DISTRESS AND THE RISE OF POPULISM

In spite of their remarkable progress, late-19th century American farmers experienced recurring periods of hardship. Mechanical improvements greatly increased yield per hectare. The amount of land under cultivation grew rapidly throughout the second half of the century, as the railroads and the gradual displacement of the Plains Indians opened up new areas for western settlement. A similar expansion of agricultural lands in countries such as Canada, Argentina, and Australia compounded these problems in the international market, where much of U.S. agricultural production was now sold. Everywhere, heavy supply pushed the price of agricultural commodities downward.

Midwestern farmers were increasingly restive over what they considered excessive railroad freight rates to move their goods to market. They believed that the protective tariff, a subsidy to big business, drove up the price of their increasingly expensive equipment. Squeezed by low market prices and high costs, they resented ever-heavier debt loads and the banks that held their mortgages. Even the weather was hostile. During the late 1880s droughts devastated the western Great Plains and bankrupted thousands of settlers.

In the South, the end of slavery brought major changes. Much agricultural land was now worked by sharecroppers, tenants who gave up to half of their crop to a landowner for rent, seed, and essential supplies. An estimated 80 percent of the South's African-American farmers and 40 percent of its white ones lived under this debilitating system. Most were locked in a cycle of debt, from which the only hope of escape was increased planting. This led to the over-production of cotton and tobacco, and thus to declining prices and the further exhaustion of the soil.
Soup Kitchens/Bread Lines During the Great Depression

Unemployment Graph

THE UNEMPLOYMENT RATE
THE PEAK WAS 30+ PERCENT!

PERCENT UNEMPLOYED


3.2 8.9 16 24.1 25.2 22 20.3 17 14.3 19.1 17.2 14.6 4

ROOSEVELT AND THE NEW DEAL

In 1933 the new president, Franklin Roosevelt, brought an air of confidence and optimism that quickly rallied the people to the banner of his program, known as the New Deal. "The only thing we have to fear is fear itself," the president declared in his inaugural address to the nation.

In a certain sense, it is fair to say that the New Deal merely introduced types of social and economic reform familiar to many Europeans for more than a generation. Moreover, the New Deal represented the culmination of a long-range trend toward abandonment of "laissez-faire" capitalism, going back to the regulation of the railroads in the 1880s, and the flood of state and national reform legislation introduced in the Progressive era of Theodore Roosevelt and Woodrow Wilson.

What was truly novel about the New Deal, however, was the speed with which it accomplished what previously had taken generations. In fact, many of the reforms were hastily drawn and weakly administered; some actually contradicted others. And during the entire New Deal era, public criticism and debate were never interrupted or suspended; in fact, the New Deal brought to the individual citizen a sharp revival of interest in government.

When Roosevelt took the presidential oath, the banking and credit system of the nation was in a state of paralysis. With astonishing rapidity the nation's banks were first closed - and then reopened only if they were solvent. The administration adopted a policy of moderate currency inflation to start an upward movement in commodity prices and to afford some relief to debtors. New governmental agencies brought generous credit facilities to industry and agriculture. The Federal Deposit Insurance Corporation (FDIC) insured savings-bank deposits up to $5,000, and severe regulations were imposed upon the sale of securities on the stock exchange.
The Effect of the New Deal Programs on...

UNEMPLOYMENT

By 1933 millions of Americans were out of work. Bread lines were a common sight in most cities. Hundreds of thousands roamed the country in search of food, work and shelter. "Brother, can you spare a dime?" went the refrain of a popular song.

An early step for the unemployed came in the form of the Civilian Conservation Corps (CCC), a program enacted by Congress to bring relief to young men between 18 and 25 years of age. Run in semi-military style, the CCC enrolled jobless young men in work camps across the country for about $30 per month. About 2 million young men took part during the decade. They participated in a variety of conservation projects: planting trees to combat soil erosion and maintain national forests; eliminating stream pollution; creating fish, game and bird sanctuaries; and conserving coal, petroleum, shale, gas, sodium and helium deposits.

Work relief came in the form of the Civil Works Administration. Although criticized as "make work," the jobs funded ranged from ditch digging to highway repairs to teaching. Created in November 1933, it was abandoned in the spring of 1934. Roosevelt and his key officials, however, continued to favor unemployment programs based on work relief rather than welfare.

AGRICULTURE

The New Deal years were characterized by a belief that greater regulation would solve many of the country's problems. In 1933, for example, Congress passed the Agricultural Adjustment Act (AAA) to provide economic relief to farmers. The AAA had at its core a plan to raise crop prices by paying farmers a subsidy to compensate for voluntary cutbacks in production. Funds for the payments would be generated by a tax levied on industries that processed crops. By the time the act had become law, however, the growing season was well underway, and the AAA encouraged farmers to plow under their abundant crops. Secretary of Agriculture Henry A. Wallace called this activity a "shocking commentary on our civilization." Nevertheless, through the AAA and the Commodity Credit Corporation, a program which extended loans for crops kept in storage and off the market, output dropped.

Between 1932 and 1935, farm income increased by more than 50 percent, but only partly because of federal programs. During the same years that farmers were being encouraged to take land out of production -- displacing tenants and sharecroppers -- a severe drought hit the Great Plains states, significantly reducing farm production. Violent wind and dust storms ravaged the southern Great Plains in what became known as the "Dust Bowl," throughout the 1930s, but particularly from 1935 to 1938. Crops were destroyed, cars and machinery were ruined, people and animals were harmed. Approximately 800,000 people, often called "Okies," left Arkansas, Texas, Missouri and Oklahoma during the 1930s and 1940s. Most headed farther west to the land of myth and promise, California.

The migrants were not only farmers, but also professionals, retailers and others whose livelihoods were connected to the health of the farm communities. California was not the place of their dreams, at least initially. Most migrants ended up competing for seasonal jobs picking crops at extremely low wages.

The government provided aid in the form of the Soil Conservation Service, established in 1935. Farm practices that had damaged the soil had intensified the severity of the storms, and the Service taught farmers measures to reduce erosion. In addition, almost 30,000 kilometers of trees were planted to break the force of winds.

Although the AAA had been mostly successful, it was abandoned in 1936, when the tax on food processors was ruled unconstitutional. Six weeks later Congress passed a more effective farm-relief act, which authorized the government to make payments to farmers who reduced plantings of soil-depleting crops -- thereby achieving crop reduction through soil conservation practices.

By 1940 nearly 6 million farmers were receiving federal subsidies under this program. The new act likewise provided loans on surplus crops, insurance for wheat and a system of planned storage to ensure a stable food supply. Soon, prices of agricultural commodities rose, and economic stability for the farmer began to seem possible.

**INDUSTRY AND LABOR**

The National Recovery Administration (NRA), established in 1933 with the National Industrial Recovery Act (NIRA), attempted to end cut-throat competition by setting codes of fair competitive practice to generate more jobs and thus more buying. Although the NRA was welcomed initially, business complained bitterly of over-regulation as recovery began to take hold. The NRA was declared unconstitutional in 1935. By this time other policies were fostering recovery, and the government soon took the position that administered prices in certain lines of business were a severe drain on the national economy and a barrier to recovery.

It was also during the New Deal that organized labor made greater gains than at any previous time in American history. NIRA had guaranteed to labor the right of collective bargaining (bargaining as a unit representing individual workers with industry). Then in 1935 Congress passed the National Labor Relations Act, which defined unfair labor practices, gave workers the right to bargain through unions of their own choice and prohibited employers from interfering with union activities. It also created the National Labor Relations Board to supervise collective bargaining, administer elections and ensure workers the right to choose the organization that should represent them in dealing with employers.

The great progress made in labor organization brought working people a growing sense of common interests, and labor's power increased not only in industry but also in politics. This power was exercised largely within the framework of the two major parties,
however, and the Democratic Party generally received more union support than the Republicans.
THE SECOND NEW DEAL

In its early years, the New Deal sponsored a remarkable series of legislative initiatives and achieved significant increases in production and prices -- but it did not bring an end to the Depression. And as the sense of immediate crisis eased, new demands emerged. Businessmen mourned the end of "laissez-faire" and chafed under the regulations of the NIRA. Vocal attacks also mounted from the political left and right as dreamers, schemers and politicians alike emerged with economic panaceas that drew wide audiences of those dissatisfied with the pace of recovery. They included Francis E. Townsend's plan for generous old-age pensions; the inflationary suggestions of Father Coughlin, the radio priest who blamed international bankers in speeches increasingly peppered with anti-Semitic imagery; and most formidably, the "Every Man a King" plan of Huey P. Long, senator and former governor of Louisiana, the powerful and ruthless spokesman of the displaced who ran the state like a personal fiefdom. (If he had not been assassinated, Long very likely would have launched a presidential challenge to Franklin Roosevelt in 1936.)

In the face of these pressures from left and right, President Roosevelt backed a new set of economic and social measures. Prominent among these were measures to fight poverty, to counter unemployment with work and to provide a social safety net.

The Works Progress Administration (WPA), the principal relief agency of the so-called second New Deal, was an attempt to provide work rather than welfare. Under the WPA, buildings, roads, airports and schools were constructed. Actors, painters, musicians and writers were employed through the Federal Theater Project, the Federal Art Project and the Federal Writers Project. In addition, the National Youth Administration gave part-time employment to students, established training programs and provided aid to unemployed youth. The WPA only included about three million jobless at a time; when it was abandoned in 1943 it had helped a total of 9 million people.

But the New Deal's cornerstone, according to Roosevelt, was the Social Security Act of 1935. Social Security created a system of insurance for the aged, unemployed and disabled based on employer and employee contributions. Many other industrialized nations had already enacted such programs, but calls for such an initiative in the United States by the Progressives in the early 1900s had gone unheeded. Although conservatives complained that the Social Security system went against American traditions, it was actually relatively conservative. Social Security was funded in large part by taxes on the earnings of current workers, with a single fixed rate for all regardless of income. To Roosevelt, these limitations on the programs were compromises to ensure passage. Although its origins were initially quite modest, Social Security today is one of the largest domestic programs administered by the U.S. government.
SSA, the Social Security Administration

There is one fact of life that no one can escape. Life is uncertain. Illness, disability, old age and unemployment are threats to the economic health of individuals. That was never more true than during the Depression. During the 1930s, a major political movement developed to provide some form of social insurance against threats to the economic security of Americans. The Social Security Administration was the result.

During the first 150 years of the nation’s existence, most of its citizens were farmers. Most economists believe that these rural communities had a built in form of economic security. People who were able and willing to work could provide enough food for themselves and their families. Those who were disabled or had grown too old to work would be taken care of by their extended family. Most people died young, compared to today’s average lifespan.

All of those factors changed in the first 30 years of the 20th Century. The Industrial Revolution overtook rural America. The country became more urbanized – 1920 was the first year in which more than half of the U.S. population lived in cities rather than on farms. By 1930, 56 percent lived in cities. Urban industrial workers now depended on factors outside their control for their economic security. A recession or depression could put them out of work. Few companies had pension plans for workers who retired.

In addition, when people moved to the cities, they usually left their elders behind. Extended families were no longer around to take care of the retired. And people were living longer. In three short decades between 1900 and 1930, the average life span increased by 10 years. By 1935, there were 7.8 million aged persons in America.

Before the New Deal there had been various private and public plans to provide some sort of economic security. Fraternal organizations provided a social group and life insurance to their members. The Freemasons, the Odd Fellows, the Elks, Moose and Eagle Lodges all provided aid.

Poorhouses were set up by states and localities to keep the homeless people off the streets. A very few companies set up pension plans for their workers. Some states set up old pension funds, based on the first public pension fund – the Civil War veterans pension fund.

As the Depression deepened, a number of radical proposals surfaced to provide some sort of pension or relief assistance.

• Louisiana Gov. Huey Long agitated for his "Share Our Wealth" program.
• Doctor and social reformer Francis E. Townsend suggested a revolving pension plan.
• Father Charles E. Coughlin went on the radio advocating popular social reforms mixed with virulent anti-Semitism.
• Writer Upton Sinclair had a broad program of reform that included a pension plan.
• The Technocracy Movement advocated "production for use" rather than production for profit.

All of these plans were important because they attracted millions of supporters who flooded government offices with handwritten pleas for help, like the one reproduced here.

In response, FDR formed an executive committee in 1934 to develop a social security insurance program loosely modeled on those in 34 European countries. In a little over a year, the Social Security Act was outlined, introduced and passed by Congress and signed by the President.

The law included two major programs – a federal system of old-age benefits for retired workers who had worked in industry and commerce, and a federal-state system of unemployment insurance. Over the years, the program has been amended and expanded until now it is the foundation of modern retirement planning.

Written by Bill Ganzel of the Ganzel Group.
Why the "Great" Depression?

Economists are still divided about what caused the Great Depression, and what turned a relatively mild downturn into a decade long nightmare. Hoover himself emphasized the dislocations brought on by World War I, the rickety structure of American banking, excessive stock speculation and Congress' refusal to act on many of his proposals. The president's critics argued that in approving the Smoot-Hawley Tariff in the spring of 1930, he unintentionally raised barriers around U.S. products, worsened the plight of debtor nations and set off a round of retaliatory measures that crippled global trade.

Neither claim went far enough. In truth Hoover's celebration of technology failed to anticipate the end of a postwar building boom, or a glut of 26,000,000 new cars and other consumer goods flooding the market. Agriculture, mired in depression for much of the 1920's, was deprived of cash it needed to take part in the consumer revolution. At the same time, the average worker's wages of $1,500 a year failed to keep pace with the spectacular gains in productivity achieved since 1920. By 1929 production was outstripping demand.

The United States had too many banks, and too many of them played the stock market with depositors' funds, or speculated in their own stocks. Only a third or so belonged to the Federal Reserve System on which Hoover placed such reliance. In addition, government had yet to devise insurance for the jobless or income maintenance for the destitute. When unemployment resulted, buying power vanished overnight. Since most people were carrying a heavy debt load even before the crash, the onset of recession in the spring of 1930 meant that they simply stopped spending.

Together government and business actually spent more in the first half of 1930 than the previous year. Yet frightened consumers cut back their expenditures by ten percent. A severe drought ravaged the agricultural heartland beginning in the summer of 1930. Foreign banks went under, draining U.S. wealth and destroying world trade. The combination of these factors caused a downward spiral, as earning fell, domestic banks collapsed, and mortgages were called in. Hoover's hold the line policy in wages lasted little more than a year. Unemployment soared from five million in 1930 to over eleven million in 1931. A sharp recession had become the Great Depression.
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<th>Organization</th>
<th>Evidence</th>
<th>Mechanics</th>
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<td><strong>3</strong></td>
<td>• Paper is well organized with a clear thesis, body and conclusion</td>
<td>• 3 or more pieces of evidence (at least 1 refers to a primary source) • Evidence clearly supports thesis • Primary source evidence is cited properly</td>
<td>• There are few or no errors in sentence structure, grammar and spelling</td>
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<td><strong>2</strong></td>
<td>• Thesis present, but unclear • Paper is organized fairly well</td>
<td>• 1 to 2 pieces of evidence • Evidence does not clearly support thesis • Primary source evidence is cited properly</td>
<td>• There are some errors in sentence structure, grammar and spelling • Argument is still understandable</td>
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<td><strong>1</strong></td>
<td>• Thesis is not present or effective for subject matter</td>
<td>• No clear thesis • Evidence does not support claim • No use of primary sources • Primary sources cited incorrectly</td>
<td>• There are many errors in sentence structure, grammar and spelling</td>
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Comments/Feedback:
Lesson Plan Evaluation/Reflection

I believe that this inquiry lesson plan is appropriate in the hypothetical context of a 10th to 12th grade United States history course. The lesson plan stresses the interrelatedness of the social sciences and of various aspects of American society. It addresses important issues such as government regulation, prosperity and depression in regards to the economy as well as the field of civics in the form of public policies and aid programs. This lesson is designed to incorporate and develop critical thinking and higher order thought processes in students through inquiry. Furthermore, through analysis and the use of information (previous and learned) students are able to support their respective conclusions.

Powerful and Authentic Social Studies (PASS) Standards

Standard 1-Higher Order Thinking

4 - Most students are primarily engaged in higher order thinking (i.e. developing hypotheses, analyzing data sets, revising hypotheses and using data sets to support their conclusions) for most of, if not the entire lesson. Some students will be able to make connections and be able to understand the significance of data in the larger context of the Great Depression while others will see the data as facts unable to construct meaning and draw connections. Many of the relationships are somewhat abstract and hard to understand just by reading through the data sets.

Standard 2- Deep Knowledge

4 - Knowledge is relatively deep because the teacher will provide information and then along with the students develop arguments and reasons in regards to the important question of what was the cause(s) of the Great Depression? During the lesson most students (at least half) will focus on the previously stated significant question and demonstrate their understanding through a conclusion made in their inquiry lesson response papers completed at the end of the lesson. Many possible causes of the Great Depression are given through the various data sets. Furthermore, through discussion the importance and relevance of each possible cause is determined.

Standard 3- Substantive Conversation

5 - Conversation includes higher order thinking through making distinctions between various possible causes of the Great Depression. The students also form generalizations and raise questions through the development of hypotheses. Conversation in small groups includes the sharing of the different ideas and viewpoints of the respective students. Students explain what the data sets mean and challenge hypotheses supporting or refuting them. Through guidance by the instructor, discussions build upon the ideas of the students, raising questions and making connections.
Standard 4- Connections to the World beyond the Classroom

2 - Students make some connections between substantive knowledge and social problems and/or public policies. The students learn how public policies and the lack of government regulation on banks, industry and the stock market led to a decline in the economy and widespread social problems across the United States and also Europe. Most students are unable to personalize the main ideas of the lesson. Some ideas seem abstract or hypothetical to the students. There is no attempt to influence a larger audience with what students have learned in the lesson.

Standard 5- Ethical Valuing

2 - The issue of the Great Depression does not deal directly with democratic ideals. Still, there are some indirect connections which can be made. The inquiry lesson indirectly deals with the issues such as the “common good” and the distribution of wealth. This is not directly apparent through the instruction of the lesson although connections can be made as in the data set regarding the New Deal and what it represented and what it was meant to do. Furthermore, the ethics of industrial expansion and the lack of government regulation were indirectly addressed and discussed but not made to be the sole focus of the lesson.

Standard 6- Integration

3 - This lesson is interdisciplinary in regards to social studies. History enhances the understanding of economics while other issues such as geography and political sciences are briefly addressed. In regards to time or place the aids programs in the form of the New Deal laid the groundwork for many of today’s public aid and welfare policies. This in a way connects the past to the present. The lesson also shows how the United States learned from their mistakes and improved policies for the common good of the people and the nation as a whole. Many issues were addressed which may be related to present day situations. Nevertheless, the inquiry lesson did not connect social studies to other fields or subject areas of the curriculum.

Potential Changes/Improvements

I believe that this lesson could be improved by connecting the subject matter to other aspects of the curriculum as well as bringing ethics and values more into the discussion. This will allow students to better personalize the subject matter and increase the value of the connections that they make. The data sets could also be improved. More than one data set regarding possible causes could be found or from different perspectives. The length of some of the data sets may also be too long in the context of small group reading and could be shortened. I also think that a variety of media used as data sets would help to spark interest in the lesson (i.e. photos, graphs, charts or maps).
Transcendent Teaching and Learning Issues

I have learned much from the development and reflection upon this inquiry lesson plan. I have realized the scope of what the instruction of students entails. I have firsthand, developed a lesson plan and realized the organization necessary to develop quality lesson plans which are effective and reliable. I have noticed the importance of the materials and data sets used in instruction as tools to promote interest and discussion. Developing lesson plans to fit the curriculum is no easy task and a time consuming one at that.

The collaborative and cooperative concepts of an inquiry lesson through small groups and class discussion is an instruction method which I hope to incorporate into my approach towards instruction. The organization and preparation necessary to teach lessons of this nature is also a feature which I hope to incorporate in the development of everyday lessons in the classroom. In my teaching experiences thus far and in the development of this lesson plan, I most importantly learned that preparation is the key to effective instruction. Furthermore, preparation is the foundation upon which effective, authentic instruction is built.
Works Cited


