

The great depression assignment

[History](#)



There are things in life worth living for, and there are things in life worth dying for. Money was one of those things in the sass. During this time period, most Americans were “eager to enjoy the good life”, to reap “all the benefits of the American economy” (Finger 21). It was because of this chase for extravagance and luxury at its highest forms, however, that led to the demise of the US economy. With this in mind, the Great Depression influenced the sass by setting the international socioeconomic foundations for decades to come.

The sass was an era known by many to be boisterous and blithe, without a trace of assiduousness. Never were Americans more determined to have fun and “eager to enjoy the good life” to reap all of the benefits that the American economy could give them (Finger 15). The post-war recession, which was the remnant of the First World War, was forgotten when Americans went on shopping sprees, thanks to the recently developed installment plan. This plan allowed them to shop even when “they did not have enough money to pay for their purchases” (Finger 21).

The sass saw a 23% increase in the purchases of clothing, food, and gadgets and 33% more cars, appliances, and furniture. The good times had to come to an end, unfortunately. On September 5th, 1929, financial advisor Roger W. Bassoon warned that “sooner or later, a crash is coming, and it may be terrific”, but despite his warning, Americans kept going on their shopping sprees (Finger 23). A month later, on October 20, 1929, also known as Black Tuesday, the direction of the stock market, and then the economy, was set for the next decade.

The stock market dropped 15% in just four days, and it lost \$30 billion, or 40%, in market value (Madame Par. 3). This was only the beginning. Most people agree that an important factor that contributed to the severity of the Great Depression was the speculated “ money being poured into Wall Street” (Finger 25). Speculated money was not a long-term investment that would help businesses develop and expand or create new products and jobs” (Finger 25). In other words, speculation did not help the economy grow.

The government overlooked this, as they believed that taking strong measures to discourage speculation would make stock prices fall. Speculation was problematic, but the situation was magnified when ordinary, everyday people became speculators. The reason for this was because they read and believed in stories of nurses, cattlemen, taxi drivers or hairdressers who made fortunes in the stock market. Unbeknownst to them, “ reporters sometimes made up or exaggerated these success stories”; nevertheless, “ many inexperienced investors withdrew their life savings and bought stock” (Finger 25).

It did not help that a low margin, or down payment, was required to buy stock, as it only fueled the fire. Buyers had to pay only 10% of their shares and took loans from the broker for the rest, using their partially paid-for stocks as security for the loans in 1929. The government was reluctant to raise the margin requirements, as they were afraid that this would discourage sales and panic the stock market. Events in the 1930s impacted the health of the people in the 1930s when the US citizens had to deal with the consequences of their actions.

As result of the 25% unemployment rate that dominated the sass, people took to the streets. “ The Great Depression brought a rapid rise in crime rate”, as many unemployed workers resorted to petty theft in an attempt to put food on the table for their families (Social Par. 2). Women, who had previously developed “ a new sense of importance and independence”, sought solace through the gain of money, with prostitution rates on the rise as desperate women sought ways to pay the bills (Finger 17).

Substance abuse became a safe haven for those seeking outlets for escape, with alcohol and cigarettes as the main benefactors, compounded with the realities that alcohol prohibition was repealed and cigars were just too expensive. The horrors of the sass were not constrained to the United States. Since the U. S. Was the strongest in the world economically, the United States originally gave loans to he majority of countries, such as Germany and Austria who had to pay reparations to the Allies as noted in the Paris Peace Treaty.

Germany and Austria then had to pay Great Britain and France, who also took out loans from the U. S. Once the economy in the U. S. Plummeted, so did Great Britain and many countries in Europe, as a result of their financial dependence on the United States. Eleanor 12 While trying to preserve the values and traditions of the mold deal’ policies of the conservative politicians of the past”, President Hoover not only “ did little or nothing to reverse the downward economic spiral”, but he also pushed away his people, retrofitting the Republicans over the republic (Nard 29).

Hoover, along with the former Republican Presidents Harding and Coolidge, believed in a system known as “ rugged individualism”, which is a philosophy that is “ perhaps best defined as the belief that the federal government should, whenever possible, stay out of people’s lives”, and, more specifically, “ it should not intrude in the affairs of corporations and businesses, and financial markets should be allowed to develop with very minimal, if any federal regulation” (Nard 29).

It was because of the rugged individualism of the Republicans that cost them their power. The New Deal will help America by substituting broad-based and resolute action for the Republicans’ inaction; it will begin to reverse the downward economic spiral that has been perpetuated and hastened by that inaction” is what Franklin Delano Roosevelt said on July 2, 1932 at the National Democratic Convention, promoting his New Deal proposal as part of the 1932 general election (Nard 28).

Roosevelt words sparked a newfound hope in the American citizens, as for “ over their twelve years of power, [the Republicans] failed to ensure prosperity’, and they finally had a chance to revert to their former glory as one of the richest nations in the world. The Great Depression set the international socioeconomic foundations for decades to come in the sass. What the people of the decade failed to realize was that with every action comes a consequence.

From speculated stock market investments to the blatant disregard of the citizens of the United States and the proportioning of political parties over the people, consequences varied with every action. There are things in life

worth living for, and there are things in life worth dying for. Sometimes, the consequences that result from actions are enough to be one of the things worth dying for.