

**★ Reteaching Activity 9**

**The Great Depression Begins, 1929–1932**

The stock market crash set off a chain reaction of economic failures that impacted the entire nation. Few government officials, including President Hoover, initially recognized the severity of the Depression. Public works projects and relief acts came too late to prevent the tidal wave of business failures and unemployment from devastating the nation.

**DIRECTIONS:** Use the four terms below to fill in the missing links in the chain reaction of economic failures that swept the nation. Then write a brief explanation of how each link contributed to the start of the Great Depression. The first one is completed for you.

- Hoovervilles
- Bank runs
- Speculation
- Lack of corporate credit

1. **Bull Market:** Enticed buyers to buy on margin and pushed prices up without regard to value.



2. \_\_\_\_\_ :



3. **Stock Market Crash:**



4. \_\_\_\_\_ :



5. **Bank Failures:**



6. \_\_\_\_\_ :



7. **Mass Layoffs:**



8. \_\_\_\_\_ :

9. **Critical Thinking** The Great Depression demonstrated how interconnected a free market economy is. Name one business in your community and circle it. Then draw a web diagram of related industries and community groups that would be affected if that business were to fail.

