

**FREE**  
P. COITTE & DOUGAN  
FOR THE UNEMPLOYED

# HOOVER & THE DEPRESSION

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FREE SOUP

the great depression



# A Bad Situation Made Worse

- ▣ The Dawes Plan: US loans Germany \$2.5 billion to pay back Britain & France from WW1
- ▣ Britain & France turn around & pay back us; thus, we pay ourselves back with our own money.
- ▣ Hawley Smoot tariff: Congress again raises taxes on foreign goods sold in US. World responds by raising taxes on American goods.
- ▣ World trade drops by 40%

# Hoover tries to Help

- ▣ Establishes Federal Home Loan Bank Act, making it cheaper to own a home. Allows farmers/homeowners to keep property.
- ▣ Establishes \$800 million public works program to stimulate business.

# Not Enough

- ▣ Hoover believed in voluntary cooperation of businesses not to lay off workers.
- ▣ Did not believe in direct relief (giving money or food directly to the poor).

# People get Angry

- In 1932, a group of WW1 vets/ families go to DC (Bonus Army)
- Supporting Patman Bill: give WW1 vets \$500 bonus.
- Bill dies (Congress doesn't approve it)
- Bonus army doesn't leave
- Hoover brings in troops, uses gas on the Bonus Army.
- Several people (kids) die.
- Hoover's image suffers
- Homeless camps pop up around country, called "Hoovervilles"

