

Nombre:

Fecha:

Clase:

Bloque #:

The World Confronts the Crisis / El mundo enfrenta la crisis

The Depression confronted democracies with a serious challenge to their economic and political systems. Each country met the crisis in its own way.

*La Depresión enfrentó a las democracias con un serio desafío para sus sistemas económicos y políticos. Cada país enfrentó la crisis a su manera.*

Britain Takes Steps to Improve Its Economy: Gran Bretaña toma medidas para mejorar su economía:

The Depression hit Britain severely. To meet the emergency, British voters elected a multiparty coalition known as the National Government. It passed high protective tariffs, increased taxes, and regulated the currency. It also lowered interest rates to encourage industrial growth. These measures brought about a slow but steady recovery. By 1937, unemployment had been cut in half, and production had risen above 1929 levels. Britain avoided political extremes and preserved democracy.

*La Depresión golpeó gravemente a Gran Bretaña. Para enfrentar la emergencia, los votantes británicos eligieron una coalición multipartidista conocida como el Gobierno Nacional. Pasó altas tarifas de protección, aumentó los impuestos y regulaba la moneda. También bajó las tasas de interés para fomentar el crecimiento industrial. Estas medidas trajeron una recuperación lenta pero constante. Para 1937, el desempleo se había reducido a la mitad y la producción había aumentado por encima de los niveles de 1929. Gran Bretaña evitó los extremos políticos y preservó la democracia.*

France Responds to the Economic Crisis: / Francia responde a la crisis económica:

Unlike Britain, France had a more self-sufficient economy. In 1930, it was still heavily agricultural and less dependent on foreign trade. Nevertheless, by 1935, one million French workers were unemployed. The economic crisis contributed to political instability. In 1933, five coalition governments formed and fell. Many political leaders were frightened by the growth of antidemocratic forces both in France and in other parts of Europe. So in 1936, moderates, socialists, and communists formed a coalition. The Popular Front, as it was called, passed a series of reforms to help the workers. Unfortunately, price increases quickly offset wage gains. Unemployment remained high. Yet France also preserved democratic government.

A diferencia de Gran Bretaña, Francia tenía una economía más autosuficiente. En 1930, todavía era muy agrícola y menos dependiente del comercio exterior. Sin embargo, en 1935, un millón de trabajadores franceses estaban desempleados. La crisis económica contribuyó a la inestabilidad política. En 1933, cinco gobiernos de coalición se formaron y cayeron. Muchos líderes políticos se asustaron por el crecimiento de las fuerzas antidemocráticas tanto en Francia como en otras partes de Europa. Así que en 1936, moderados, socialistas y comunistas formaron una coalición. El Frente Popular, como se llamaba, aprobó una serie de reformas para ayudar a los trabajadores. Desafortunadamente, los aumentos de precios compensan rápidamente las ganancias salariales. El desempleo se mantuvo alto. Sin embargo, Francia también conservó el gobierno democrático.

### Socialist Governments Find Solutions: Gobiernos socialistas encuentran soluciones:

The socialist governments in the Scandinavian countries of Denmark, Sweden, and Norway also met the challenge of economic crisis successfully. They built their recovery programs on an existing tradition of cooperative community action. In Sweden, the government sponsored massive public works projects that kept people employed and producing. All the Scandinavian countries raised pensions for the elderly and increased unemployment insurance, subsidies for housing, and other welfare benefits. To pay for these benefits, the governments taxed all citizens. Democracy remained intact. This photograph shows a soldier distributing food to hungry Germans in 1931 during the country's economic depression.

Los gobiernos socialistas en los países escandinavos de Dinamarca, Suecia y Noruega también enfrentaron con éxito el desafío de la crisis económica. Construyeron sus programas de recuperación en una tradición existente de acción comunitaria cooperativa. En Suecia, el gobierno patrocinó proyectos masivos de obras públicas que mantuvieron a las personas empleadas y produciendo. Todos los países escandinavos aumentaron las pensiones para los ancianos y aumentaron el seguro de desempleo, los subsidios para la vivienda y otras prestaciones sociales. Para pagar estos beneficios, los gobiernos cobraban impuestos a todos los ciudadanos. La democracia se mantuvo intacta. Esta fotografía muestra a un soldado distribuyendo alimentos a alemanes hambrientos en 1931 durante la depresión económica del país.

### Recovery in the United States: La recuperación en los Estados Unidos

Herbert Hoover and his administration were unsuccessful at helping Americans during the Great Depression. They tried to stop the recession, or period of low or reduced economic activity, but conditions worsened. However, in 1932, U.S. voters elected Franklin D. Roosevelt. His confident manner appealed to millions of Americans who felt bewildered by the Depression. Roosevelt immediately began a program of government reform that he called the New Deal. Large public works projects helped to provide jobs for the unemployed. New government agencies gave financial help to businesses and farms. Large amounts of public money were spent on welfare and relief programs. Roosevelt and his advisers believed that government spending would create jobs and start a recovery. Regulations were imposed to reform the stock market and the banking system. The New Deal did eventually reform the American economic system. Roosevelt's leadership preserved the country's faith in its democratic political system. It also established him as a leader of democracy in a world threatened by ruthless dictators.

Herbert Hoover y su administración no tuvieron éxito en ayudar a los estadounidenses durante la Gran Depresión. Intentaron detener la recesión, o período de baja o reducida actividad económica, pero las condiciones empeoraron. Sin embargo, en 1932, los votantes de los Estados Unidos eligieron a Franklin D. Roosevelt. Su actitud segura atrajo a millones de estadounidenses que se sintieron desconcertados por la Depresión. Roosevelt comenzó de inmediato un programa de reforma gubernamental que llamó New Deal. Los grandes proyectos de obras públicas ayudaron a proporcionar empleos a los desempleados. Las nuevas agencias gubernamentales dieron ayuda financiera a empresas y granjas. Se gastaron grandes cantidades de dinero público en programas de asistencia social y asistencia. Roosevelt y sus asesores creían que el gasto del gobierno crearía empleos y comenzaría una recuperación. Se impusieron regulaciones para reformar el mercado de valores y el sistema bancario. El New Deal eventualmente reformó el sistema económico estadounidense. El liderazgo de Roosevelt preservó la fe del país en su sistema político democrático. También lo estableció como líder de la democracia en un mundo amenazado por dictadores despiadados.

Country/Region País / Región	Response Respuesta	Effectiveness Efectividad
<p><b>Britain</b> Gran Bretaña</p>		
<p><b>France</b> Francia</p>		
<p><b>Scandinavia</b> Escandinavia</p>		
<p><b>United States</b> Estados Unidos</p>		

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### The New Deal

EQ: How did the Great Depression change political and economic structures? Does this still affect us?

#### **Historical Background**

"When the stock market crashed in October of 1929, American citizens faced economic challenges unlike anything previously experienced in U.S. history. By the time Franklin Delano Roosevelt (FDR) became President in 1933, the nation's unemployment rate hovered at 25%. In a vast departure from previous Presidents, who believed that the federal government has no place in trying to regulate and/or economic markets, Roosevelt believed that the sheer scope of the Depression demanded the federal government's intervention. With the support of a largely Democratic Congress, Roosevelt's Hundred Days ushered in the first wave of New Deal legislation designed to hasten "Relief, Recovery, and Reform."

#### **Problems facing FDR: How would you deal?**

BANKS – Many people lost everything they owned when BANKS across the US closed.

- Do the people have trust in the Banking system? Y or N
- How would you restore people's confidence in the banking system?

TRUST - Due to the poor decision making of President Hoover many US citizens lost trust in their government.

- What would you do to restore public confidence and trust in the government?

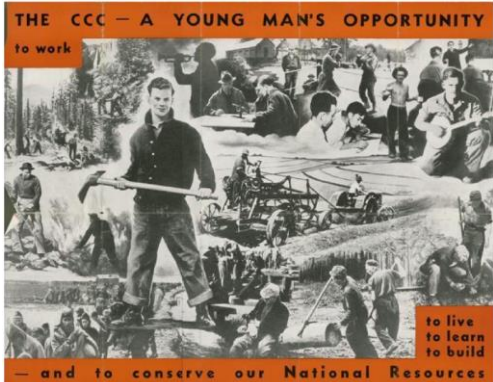
PRODUCTION – Perhaps the hardest hit population of the US were the farmers

- How would you provide relief to farmers?
- How would you raise crop prices so that farmers could make a profit?

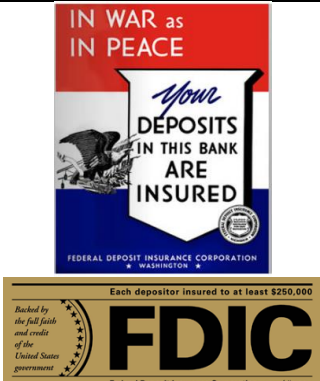
UNEMPLOYMENT - Many people were out of work early on in the depression. They could not provide food or shelter for their families.

- What was the highest unemployment percentage during the Depression? \_\_\_\_\_%
- How would you seek to lower unemployment?

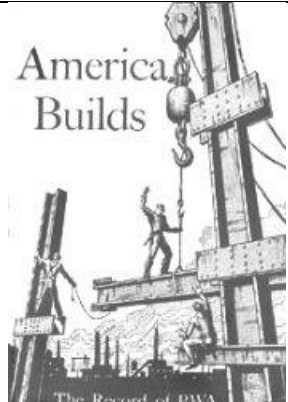
### The CCC or Civilian Conservation Corps

	<p>What do you observe?</p>	
	<p>What do you think this program did?</p>	


### The FDIC or Federal Deposit Insurance Corporation

	<p>What do you observe?</p>	
	<p>What do you think this program did?</p>	

### The PWA or Public Works Administration

	<p>What do you observe?</p>	
	<p>What do you think this program did?</p>	

### The SSA or Social Security Administration

	<p>What do you observe?</p>	
	<p>What do you think this program did?</p>	

Agency	What did it do?		
CCC	This agency employed thousands of unskilled young men across the country to work on environment conservation. They received training to perform tasks that included planting trees, clearing trails, developing national parks, and fighting forest fires.		
Whom did it help?	Why was it developed? What was the intent?	Did it provide relief, recovery, or reform?	Does it still exists today?

Agency	What did it do?		
FDIC	This agency inspects banks and insures depositor's accounts. It preserves and promotes confidence in banks by providing security or insurance up to \$250,000 to protect consumers from losing all of their money.		
Whom did it help?	Why was it developed? What was the intent?	Did it provide relief, recovery, or reform?	Does it still exists today?

Agency	What did it do?		
PWA	This agency provided funds for construction projects such as roads, dams, bridges, and warships. These public works projects helped businesses put people to work so that they had money to spend and to improve public welfare, and revive American industries.		
Whom did it help?	Why was it developed? What was the intent?	Did it provide relief, recovery, or reform?	Does it still exists today?

Agency	What did it do?		
SSA	This agency set up a form of insurance where employers and workers would pay the tax to cover unemployment benefits, old age pensions, programs for the disabled, and for children of workers who had died. The agency provides a monthly check to those that qualify for the benefits		
Whom did it help?	Why was it developed? What was the intent?	Did it provide relief, recovery, or reform?	Does it still exists today?

Pulse Check:

How did the Great Depression change political and economic structures? Does this still affect us today?