

Name: _____ Period: _____ Number: OD-_____

DIRECTIONS: Use your textbook pages 724 - 728 to fill in the following blanks using the words in this box.

Reconstruction Finance Corporation (RFC)		October 24
October 29	stock exchange	one-third
Great Depression	16 million shares	on margin
borrowed money	October 21	automobile
Bonus Army	public works	Farm
Foreign	railroad	25 percent

The Stock Market

A (1)_____ is an organized system for buying and selling shares in corporations. Many investors lacked the money to continue purchasing stock, so they bought (2)_____. Stock prices began to fall in September 1929 and declined steadily until (3)_____. Panicked sellers sold almost 13 million shares on Black Thursday, (4)_____. On Tuesday, (5)_____, the crisis worsened. By the end of the day more than (6)_____ had changed hands, and stock prices had plummeted.

The Great Depression

During the next two years the United States slid into a severe economic crisis called the (7)_____. The stock market crash was not the only cause. (8)_____ income shrank throughout the decade. The textile, lumber, mining, and (9)_____ industries also declined. The (10)_____ and construction industries suffered from lagging orders. As a result, employers cut wages and laid off workers. In 1929 less than 1 percent of the population owned nearly



(11)_____ of the country's wealth. (12)_____ fueled much of the economy in the 1920s. Many small banks suffered when farmers defaulted on their loans. American economic weakness also weekend (13)_____ economies. By 1932, (14)_____ of American workers were out of work.

Hoover and the Crisis

In 1931 President Herbert Hoover authorized additional federal spending on (15)_____. In 1932, Congress created the (16)_____ to lend money to businesses. When the (17)_____ marched on Washington in the summer of 1932 to demand the money promised to them, Hoover responded by calling in the army.