

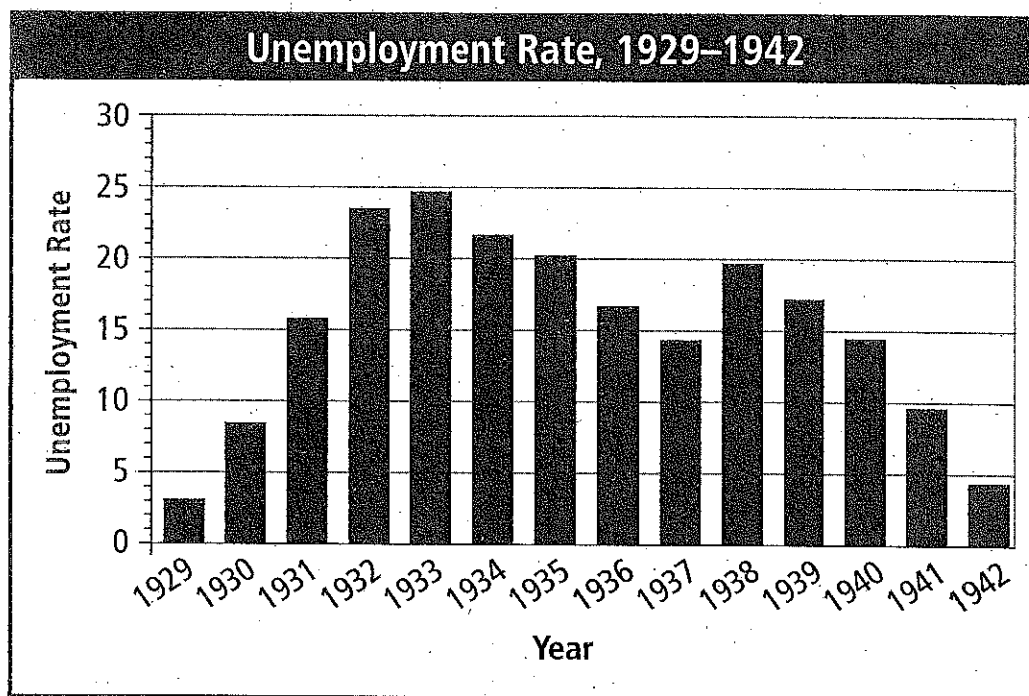
THE GREAT DEPRESSION

Reading a Chart

The high productivity of the 1920s crashed with the stock market in 1929. As banks, businesses, and farms failed, more and more people lost their jobs. The years of the Great Depression saw some of the highest unemployment rates in the history of the United States. The unemployment rate reflects the percentage of Americans who are looking for but cannot find jobs. The Great Depression lasted until the early 1940s, when increased production for World War II created new jobs for millions of Americans.

◆ Read the chart, paying attention to how the unemployment rate changes. Then, on a separate sheet of paper, answer the questions that follow.

Unemployment



Source: U.S. Department of Labor, Bureau of Labor Statistics

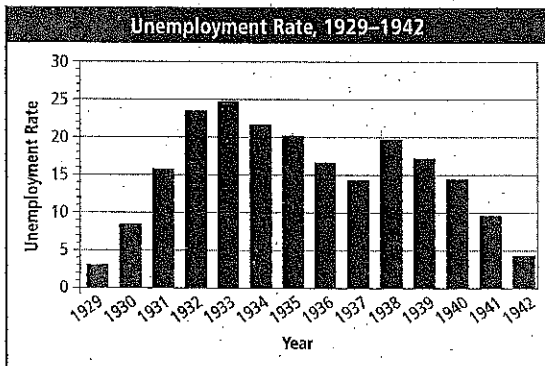
Questions to Think About

1. In what year was the unemployment rate the lowest? the highest?
2. Between what two years did the unemployment rate increase the most?
3. For how many years did the unemployment rate stay above 10%?
4. **Draw Conclusions** What conclusions can you draw about the severity of the Great Depression based upon the data in this chart?
5. **Draw Inferences** What can you infer about economic recovery from the data in this chart?

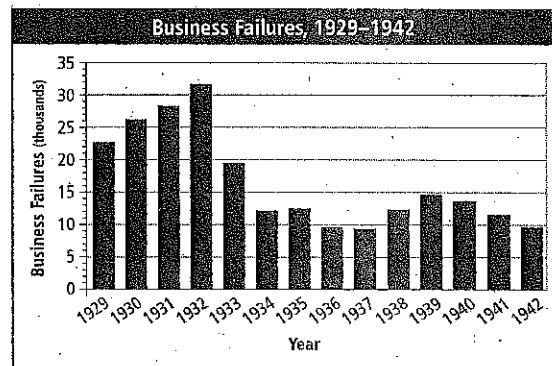
THE GREAT DEPRESSION
Reading a Chart

In October 1929, the stock market crashed. The seeming prosperity of the 1920s had masked nationwide economic instability that suddenly erupted in panic and crisis. Investors lost most of their investments. People rushed the banks to withdraw their savings; but banks could not pay, and they closed their doors. Businesses folded and laid off millions of workers. The early years of the Great Depression saw some of the highest unemployment rates in the history of the United States as well as some of the highest levels of business failures. The unemployment rate reflects the percentage of Americans who are looking for but cannot find jobs. The Great Depression lasted until the 1940s, when increased production for World War II created jobs for millions of Americans. ♦ Read the chart, paying attention to how the unemployment rate and the number of business failures change. Then, on a separate sheet of paper, answer the questions that follow.

Rising Unemployment and Business Closures



Source: U.S. Department of Labor, Bureau of Labor Statistics



Source: U.S. Bureau of the Census

Questions to Think About

1. In what year did the unemployment rate peak? In what year did the most businesses fail?
2. Between which two years did the unemployment rate increase the most?
3. How many businesses failed in 1931?
4. **Summarize** Describe the trends in the business failures and the unemployment rate between 1929 and 1942.
5. **Analyze Cause and Effect** How do you think business failures and rising unemployment were related?