

Hoover Responds to the Depression

Chapter 9 - Section 3

Overview 9.3

- *President Hoover was cautious in his efforts to improve the economy. He tried to present an optimistic outlook of the countries economic situation, even though most did not believe him. Many voters responded to the governments efforts by not re-electing many Republican officials. Hoover did ask Congress for laws to help fund banks and provide relief loans but these efforts were too limited and came too late to help. People throughout the country began to question the governments ability to assist its citizens and led to many violent protest.*

Promoting Recovery

- Hoover wanted to calm the country after the crash of 1929
- Fri. Oct. 25th - Hoover stated “That Industry was on stable, sound, and prosperous, the worst effects of the crash will have passed during the next 60 days”
- Hoover believed it was the job of churches, state and local govt to help the people - not the fed. gov



Public Works

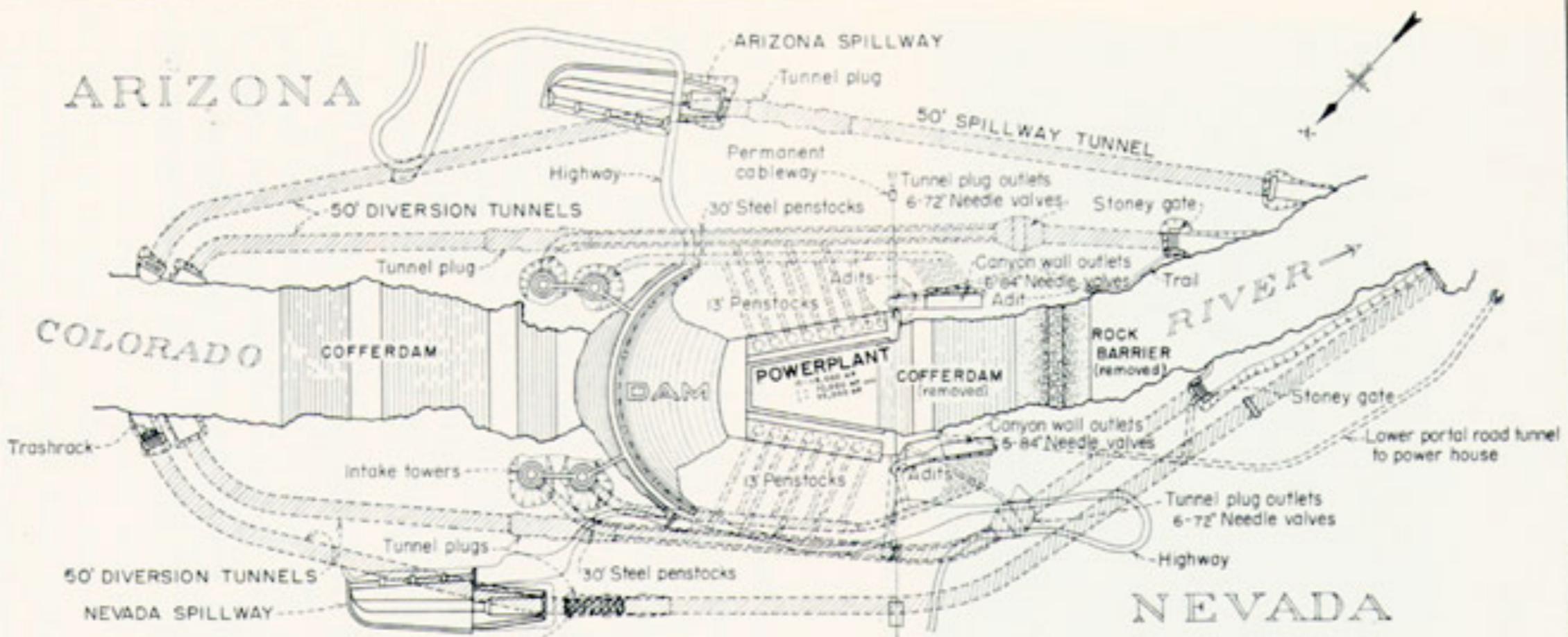
- Hoover meet with heads of banks, RR, labor boards & gov't officials
- Wanted to avoid bank runs, needed to raise salaries and avoid layoffs
- business leaders couldn't meet request



Public Works

- Hoover intro. “Public Works” - govt financed building projects-
- Problem: Who pays for it? New Projects = Raise Taxes
- Pay by: Deficit Spending = going into debt to pay for projects.
- Opened new construction jobs throughout the country
- Created Hoover Dam (Nevada / Arizona)





LONGITUDINAL SECTION
HOOVER DAM AND APPURTENANT WORKS

Lake Mead and Hoover Dam Important Operating Elevations

1400

1229 Maximum Pool Elevation

INTAKE TOWERS

1200

1221 Top of Rusted Spillway

TOP OF DAM EL. 1222

1200 & Bottom of 1.5 MW Turbine Flood Control

SPILLWAY

1000

1000 Minimum Elevation
For Efficient Power Generation

POWER HOUSE

800

7000 BSWA Minimum Pumping
Point Intake Elevation

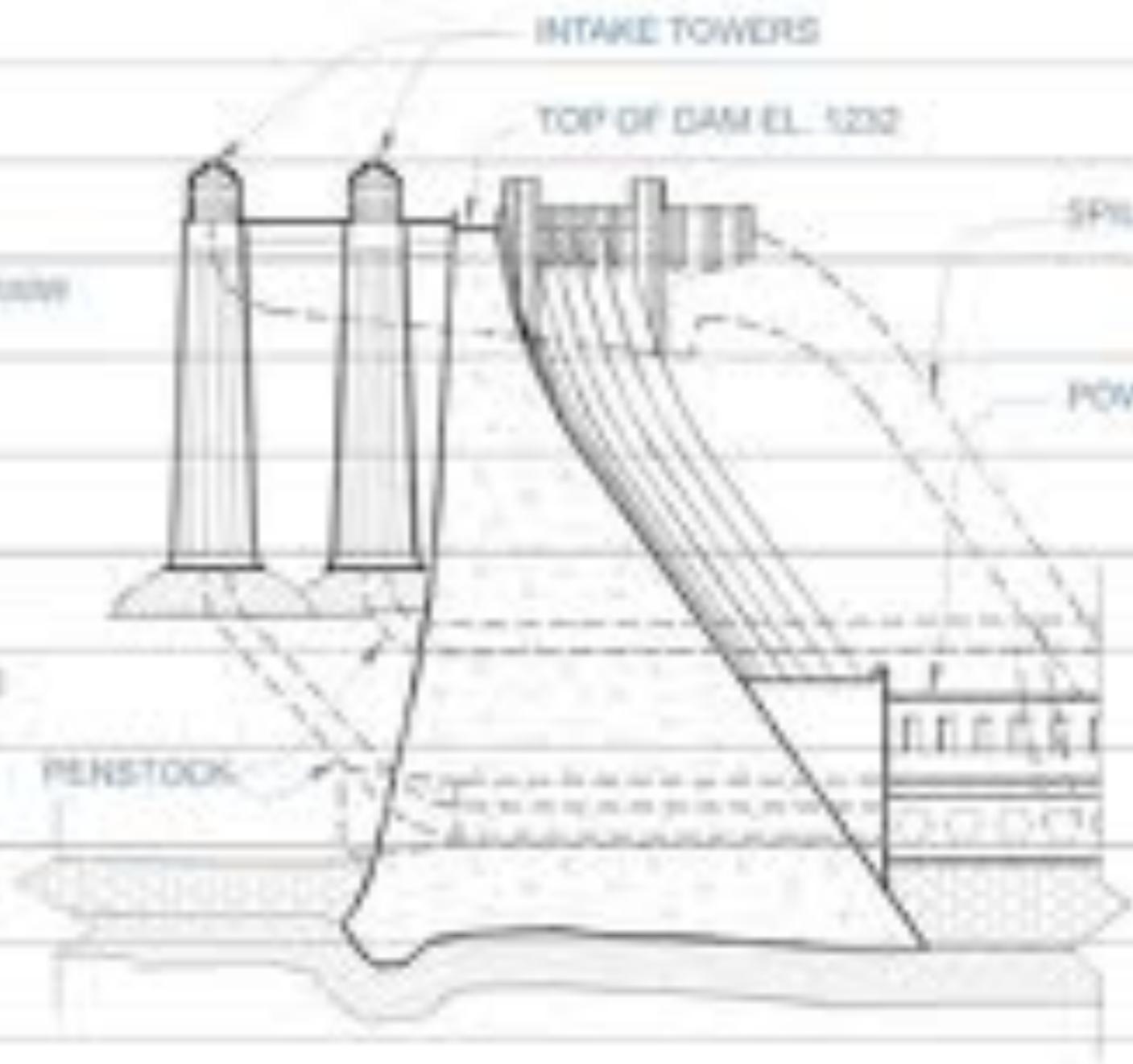
PENSTOCK

600

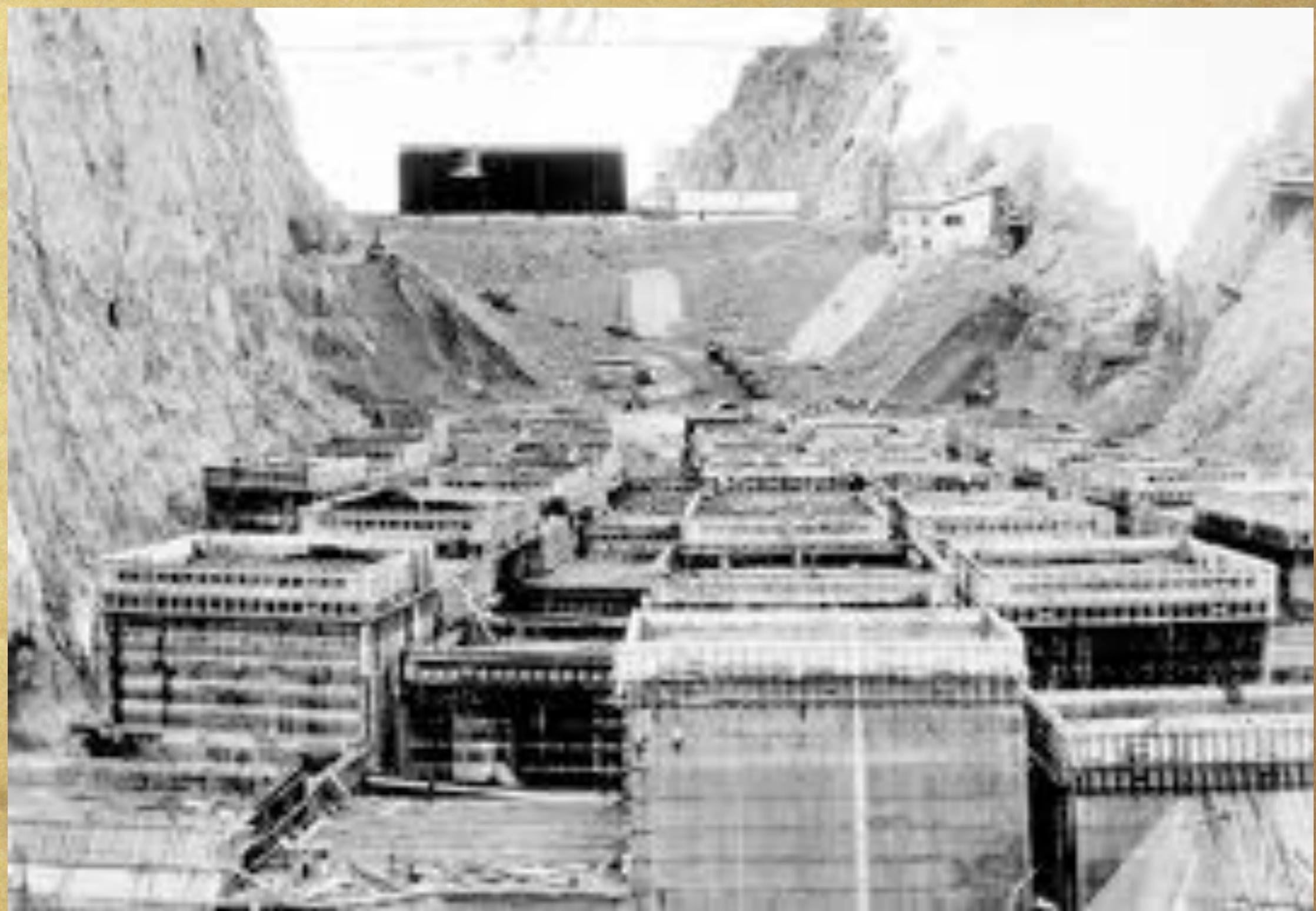
695 Top of Dead Storage

DEAD

400











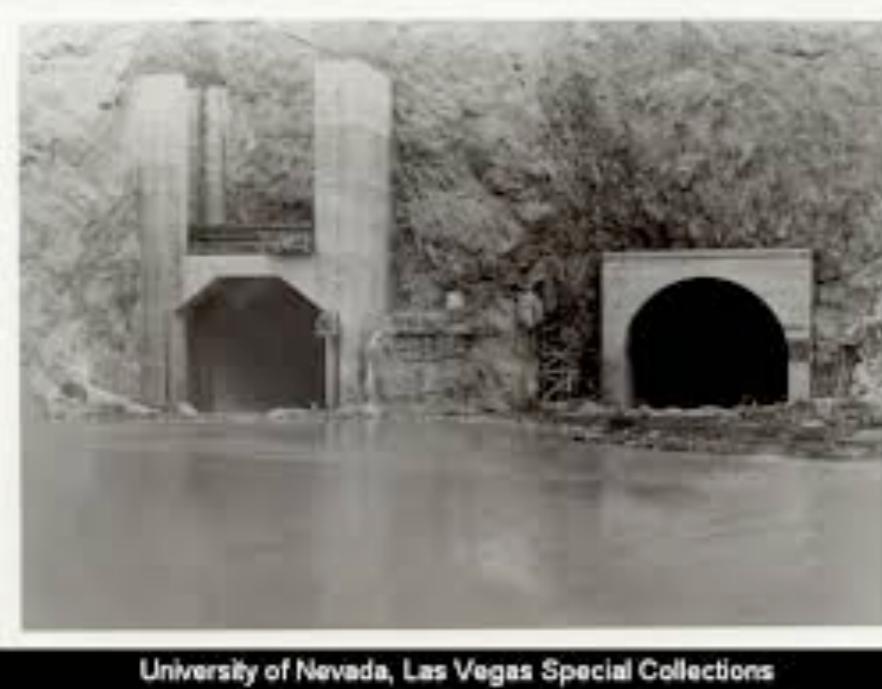


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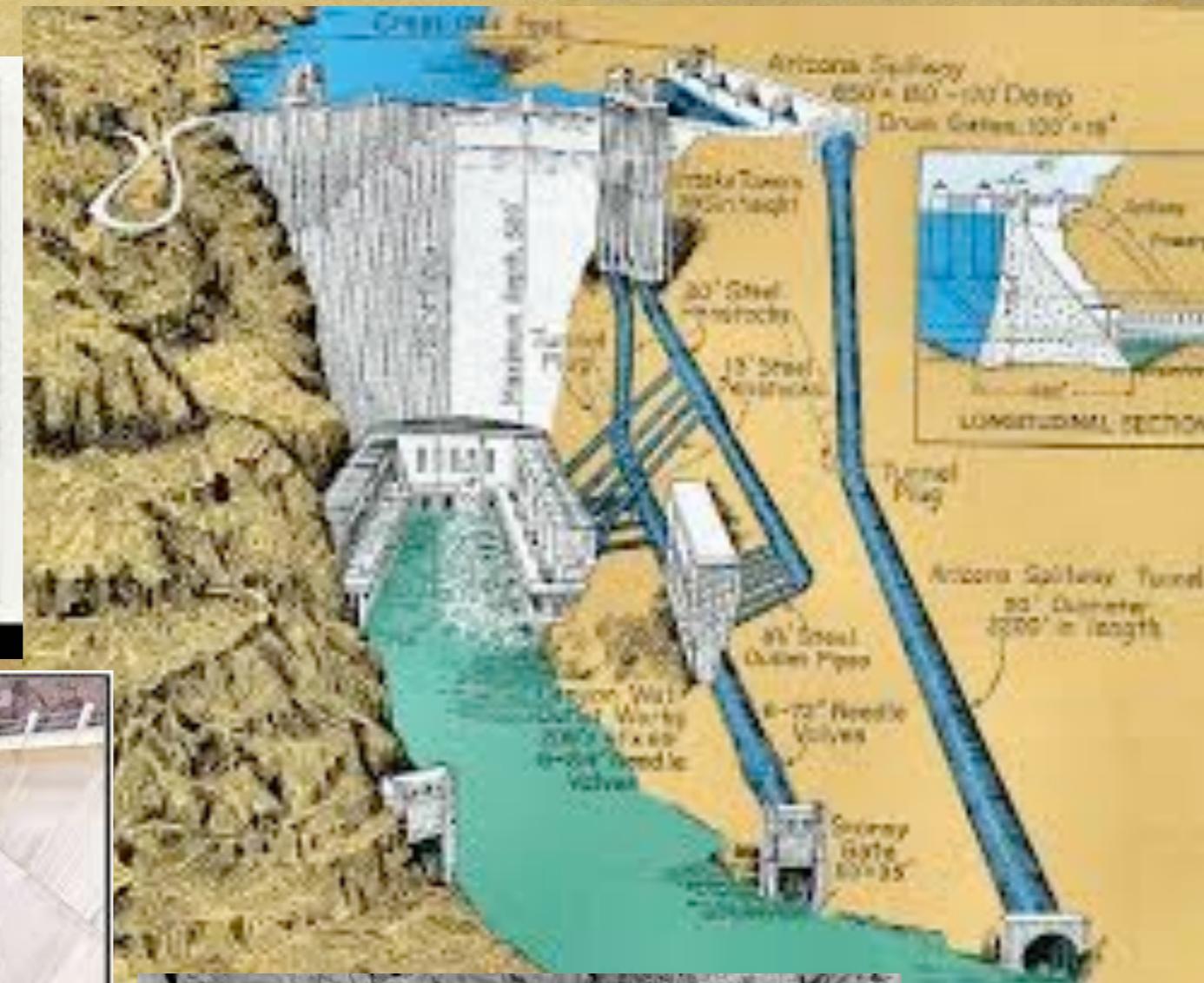








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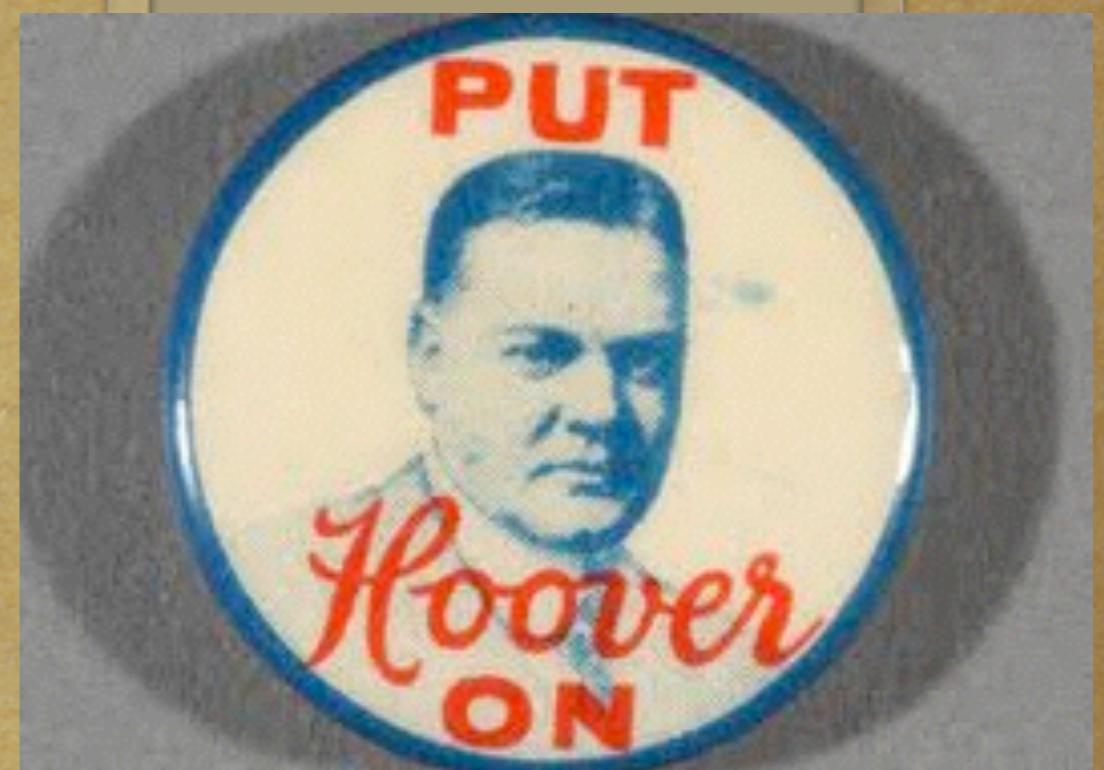


Hoover Dam

- *Started at beginning of 1931*
- *1st concrete poured June 6, 1933*
- *@3,2500,000 cubic yards*
- *Dedicated Sept. 30 1935 -*
- *Finished March.1 1936*
- *Cost = \$48,000,000*
- *Today = \$380,000,000*

Trying to Rescue the Economy

- Hoover believed Govt had to help the banks so the banks could lend money
- Idea: Business have money / businesses hire people (trickle down economics)
- Asked Federal Reserve to put more \$\$ into circulation / Reserve refused



National Credit Corporation

- Hoover created National Credit Corp. - NCC - to help troubled banks lend money to businesses - Not enough \$\$ to meet demand
- Reconstruction Finance Corporation - RFC - govt loans to banks, RR, agricultural institutions
- By 1932 - RFC Loaned \$238 Billion - 160 banks, 60 RR, & 18 Construction Co.
- Economy continued to decline



Public Revolts

- Jan & Dec 1932 -

“Hunger Marchers” -

Oklahoma City / Washington D.C. -

Hunger Marches - “Feed Hungry - Tax the Rich” - Police Arrested - refused them food, medicine & water

- Summer 1932 - “Farmers

Revolt” - Farmers began to burn

crops in attempt to raise prices. /

(most lost farms to foreclosure)

Blockaded deliveries of milk and veggies to distribution centers

- May 1932 - “Bonus

Army” - WWI vets march on

Washington demanding payment of

promised bonus \$1000.00 for service - denied bonus early



Hoover's Legacy

- *Hoover failed to resolve the crisis of the depression, but he did expand the economic role of the federal govt more than any other president. The Reconstruction Finance Corp. was the first federal agency established to try to stimulate the economy during peace time.*

These successes did not change the publics image of the mistreated Bonus Marchers and the lingering Depression that shaped the publics image of President Hoover.