

## Engels: overzicht reading comprehension – Wall Street Crash

\*20's --> optimism + prosperity ==> normal people began buying on credit (= paying it all later).

→ People thought that the worse was behind them, that there wasn't anything worse than WWII.

⇔ BUT: mid 20's --> agricultural depression

→ mechanisation (nothing was done anymore with the hand)

→ more land --> more profit!

Supply > demand <-----

→ Prices DROP ⇔ but: farmers have to be able to pay their mortgages!

→ Farmers go bankrupt!

--> factories: domino-effect

→ End 20's:

(1) overproduction of industries

--> supply > demand

→ prices drop

→ stocks drop

(2) Financial crisis

--> Stocks plummet

→ Wall Street crash

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The Great Depression

✓ Unemployment <-----

✓ Houses repossessed

✓ Slums => Hooverilles

✓ F-A-M-I-N-E (hongersnood)

✓ Families broke up

✓ Charities came up for the people in need!

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REACTION HOOVER: RUGGED INDIVIDUALISM

→ "Laissez-faire": people have to conquer the poverty (from the depression) on their own!

→ So: people ended up in slums, later called "Hooverilles", because president Hoover did nothing to help the impoverished people.

--> Hoover gave everyone in 1928 false hope: it seemed that poverty was beaten.

--> Why? Everyone had a vacuum cleaner, everyone had a lot of stuff that helped in the house-keeping. But everyone bought that stuff on credit, which means that they have to pay it later.

→ So: everyone owns in fact NOTHING!