Suddenly in 1929, the stock market crashed and the world plunged into the Great Depression.

Franklin D. Roosevelt became the president of the United States, and the nation started believing that things could get better.

**The Great Depression Was Worldwide**

The Great Depression was the period from 1929 to 1941. People in Utah and the nation faced economic hard times.

The optimism of the twenties led to heavy borrowing. Many people bought stock on speculation (without cash). When it came time to pay for the stock with real money, the people couldn’t. The stock market on Wall Street in New York City “crashed” in 1929.

*One saying from the Great Depression was, “Use it up, wear it out, make it do, or do without.*

After the crash, large amounts of stock were worth nothing.

Businesses closed, banks closed, factories cut production, wages were cut, layoffs came. Unemployed workers had little money so they bought less. It was a devastating cycle. Many businesses and people went bankrupt.

*Many out-of-work men went on the road to find jobs.*

Banks failed and closed their doors because:

- the United States had loaned money to European nations and when they failed to repay the loans, American banks had little money left to make other loans.
- When bank customers lost money on the stock market, the customers had no money to repay loans.
- people who had savings accounts all tried to take their money from the bank to live on, or because they didn’t trust the bank to keep their money safe.
- because the banks charged interest on loans and invested the money people put into savings, the banks failed.

The Great Depression spread across America and then from one nation to another.

Utah was among the hardest hit states in America. In some counties, such as Duchesne and Uintah, unemployment was 75%.

*In 1932 one in every three people in Utah was out of work. The average yearly income per Utahn was only $275.*

Herbert Hoover was president of the United States at the time. He thought that local agencies and charities should take care of relief, not the federal government.
Many local church and civic groups did help, but there was not enough assistance to go around.

County commissions, which were responsible for the distribution of food, couldn’t help all the people. Utah towns were forced to create emergency work programs.

Money was solicited and used for work programs, food, clothing, and fuel.

The red Cross distributed food. The Boy Scouts collected food and clothing. Coal companies donated fuel.

George Henry Dern was a miner, businessman, Mason, and Utah’s sixth governor. He was the secretary of war under Franklin KD. Roosevelt.

Governor Dern was most noted for his role in paving the way for future development of Colorado River projects.

The United States Congress provided for loans to states, counties, towns, and cities.

Many who had been prosperous before 1929 lost everything.

Utah’s Ethnic Groups Suffered

Native Americans

During the depressions, poverty, unemployment, and health problems plagued most Indian reservations. As part of the New Deal, Congress passed the Indian Reorganization Act, aimed at promoting self-rule on reservations.

Utah’s Ute Indian people continued to pass on traditions to the rising generation.

Henry Hooper Blood was Utah’s seventh governor. The building of dams was important to his administration. He urged the passing of a 2% sales tax to help in the relief efforts.

Blood’s family was the first to live in the Governor’s Mansion.

The Hispanic Community

By 1930, more than 4000 people who had been born in Mexico were living in Utah.
The Mission of Out Lady of Guadalupe was a gathering place for Mexican people during the depression years.

As the depression got more serious, Hispanics were among the first to lose their jobs.

Displaced Mexicans were sent back to Mexico.

**Black Americans**

The only whites that were friendly to the Black Americans were the Greek, Italian, and Austrian foreigners. Other white people in Price were very antagonistic.

**Other Groups**

During the 1930s the number of German immigrants was reduced because of Adolf Hitler.

People really looked down on the Chinese. If they did something wrong, they were afraid that the U.S. might deport them.

Italians had trouble getting jobs. But the children all grew up together, and didn’t realize the differences...As children “it didn’t make a difference.”

*The first Basques came to Utah in 1910 from the mountains and valleys of northern Spain.*

**The Country Votes for a Change**

President Hoover was blamed by many for not doing enough to end the depression. Many Americans looked for a new leader.

In the 1932 election President Roosevelt, Governor Blood, and other Democrats were elected to other offices.

Thousands of Utahns had no work and no way to earn a living during the Great Depression.

President Roosevelt presented a plan called the New Deal. It created many agencies to provide jobs for Americans.

- The Civilian Conservation Corps (CCC) employed young men in their late teens and early twenties. Paid $1 a day. They built roads and trails in the forests.
- The Works Progress Administration (WPA) paid men to build highways, roads, and streets. They built new buildings, sewer and water lines. --- the WPA also set up programs for artists, musicians, and writers.
The Farm Security Administration (FSA) moved struggling farmers to better land, funded camps for migrant farm laborers, extended long term loans at low interest rates.

The New Deal included Relief - gave immediate help to the very poor; Recovery - put people back to work; and Reform - aimed at correcting the American economic system.

Juanita Brooks was a Utah historian, author, and educator. She wrote about the history of southern Utah.

From 1917 to 1933, the 18th amendment to the U.S. Constitution outlawed the making or drinking of alcohol.

Utah played a decisive role to end national prohibition by becoming the 36th state to ratify the 21st amendment that repealed Prohibition.

Utah’s Great Drought of 1934

Utah farmers experienced a very difficult time when very little rain fell for the fourth year in a row.

Governor Blood asked for financial help from the Federal Emergency Relief Administration (FERA). The funds were used to dig 276 wells, develop 118 springs, line 183 miles of irrigation ditches, and lay 98 miles of pipeline to carry water.

As the drought continued, Utah officials asked the Public Works Administration (PWA) to make the Deer Creek project top priority.

Rain finally fell in early November, too late to rescue the summer crops. Utah farmers and ranchers appreciated state and federal efforts, but in the end it was the rain that offered the most welcome relief.

Penicillin was the first antibiotic used successfully in the treatment of disease. The drug was introduced in Utah in the 1930s.

More Government Programs
The Federal Deposit Insurance Corporation (FDIC) insured bank deposits up to $5,000.

Utahn Marriner S. Eccles helped the First Security Corporation to withstand several serious runs on its banks.

President Roosevelt called upon Eccles to help create the Federal Deposit Insurance Corporation, the Emergency Banking Act, and the Federal Housing Act.

In 1982 the Federal Reserve building in Washington, D.C. was named for him.

In September 1935, Congress passed the Social Security Act

Social Security still exists today.

If you are an American citizen, you have a Social Security number. You need to memorize your Social Security number.

Some people are concerned that the government spends more than it takes in from taxes. This is called deficit spending. It increases the national debt.

**LDS Church Security Plan of 1936**

The LDS Church organized many relief efforts. It established employment offices, integrated its relief efforts with government agencies. Eventually, the church began severing its relief efforts and funds from the community and government agencies.

Under the direction of Harold B. Lee the church established community farms, canning factories, and bishops’ storehouses. Church members were asked to volunteer to work on the farms and in the canneries.

Utah’s economic situation was so severe, however, that Utahns continued to receive huge amounts of federal money.

J. Reuben Clark Jr. was the first native Utahn to receive national and international acclaim for his legal and diplomatic skills.

Clark played an important role in Utah politics and economics until his death.

“Good Evening, Friends”
During the depression, thousands of Utahns listened to the radio for two or three hours each night.

Daytime shows were popular because so many people were out of work. People listened to serials, or programs that had continued stories. Serials were often called soap operas because they carried advertisements for soap companies.

During the depression President Roosevelt held regular fireside chats. These chats demonstrated the power of advancing communication technology and helped reassure people that better days were on their way.

Amy Brown Lyman was responsible for organizing family welfare work in Utah and for helping establish the Utah State Training School for the deaf and blind.

America’s entry into World War II provided jobs for both men and women and got the economy going again. Utah reached full employment for the first time in the twentieth century (1900s).

Almost a ghost town, Alta became Utah’s first ski resort.

Reva Beck Bosone became the first female majority leader in the 1932 legislature. Later she became the first woman to be elected a judge in Utah. She went to Washington D.C. as Utah’s first U.S. congresswoman.

Seismologist Charles F. Richter studied Utah’s 1934 earthquake. The quake measured a magnitude of 6.6 on the Richter scale. Luckily, the quake happened far away from cities.

Near Promontory, small geysers were formed when cracks up to 3 feet wide opened.

The quake began at 8:06 a.m.