

Numbers of Banks and Bank Suspensions

Year	Number of banks as of 12-31	Closures
1929	24,633	659
1930	22,773	1350
1931	19,970	2293
1932	18,397	1453
1933	15,015	4000
1934	16,096	57



In 2008 and 2009, the U.S. Government gave nearly \$700 Billion to bail out numerous very large banks

The most dramatic banking crisis in the history of the United States took place in late 1932 and early 1933 as banks were closing at a rate of dozens per day. Farmers and stockholders were primarily responsible for the thousands bank closures. Farmers, who had taken huge loans to buy more land and equipment to meet the needs of WWI, were unable to repay their loans when crop prices began to fall. Stockholders were also not capable of paying back the banks after the stock market crashed in 1929. Additionally, many normal citizens withdrew their money from the banks because they were afraid the bank would close and they would lose all of their money. Millions of Americans literally lost every penny they owned and were forced out on to the streets almost overnight.

1. According to the table, in what year were the banking closures the worst?
2. According to the cartoon, why were banks in trouble in 2008-09?
3. What two groups of people were primarily responsible for bank closures during the Great Depression?
4. What role did fear play in bank closings during the Great Depression?
5. How do you know FDR was able to solve the banking crisis?
6. Video: By 1930, what percentage of the American population owned stocks?
7. Video: What caused the small merchant from the Bronx to withdraw all his money from the Bank of the United States?
8. Video: How many people gathered outside the bank by mid-afternoon?
9. Video: How many banks closed in the last 60 days of 1930?
10. Video: How many states didn't have a single bank by 1933?
11. Video: How many people were unemployed by 1932?