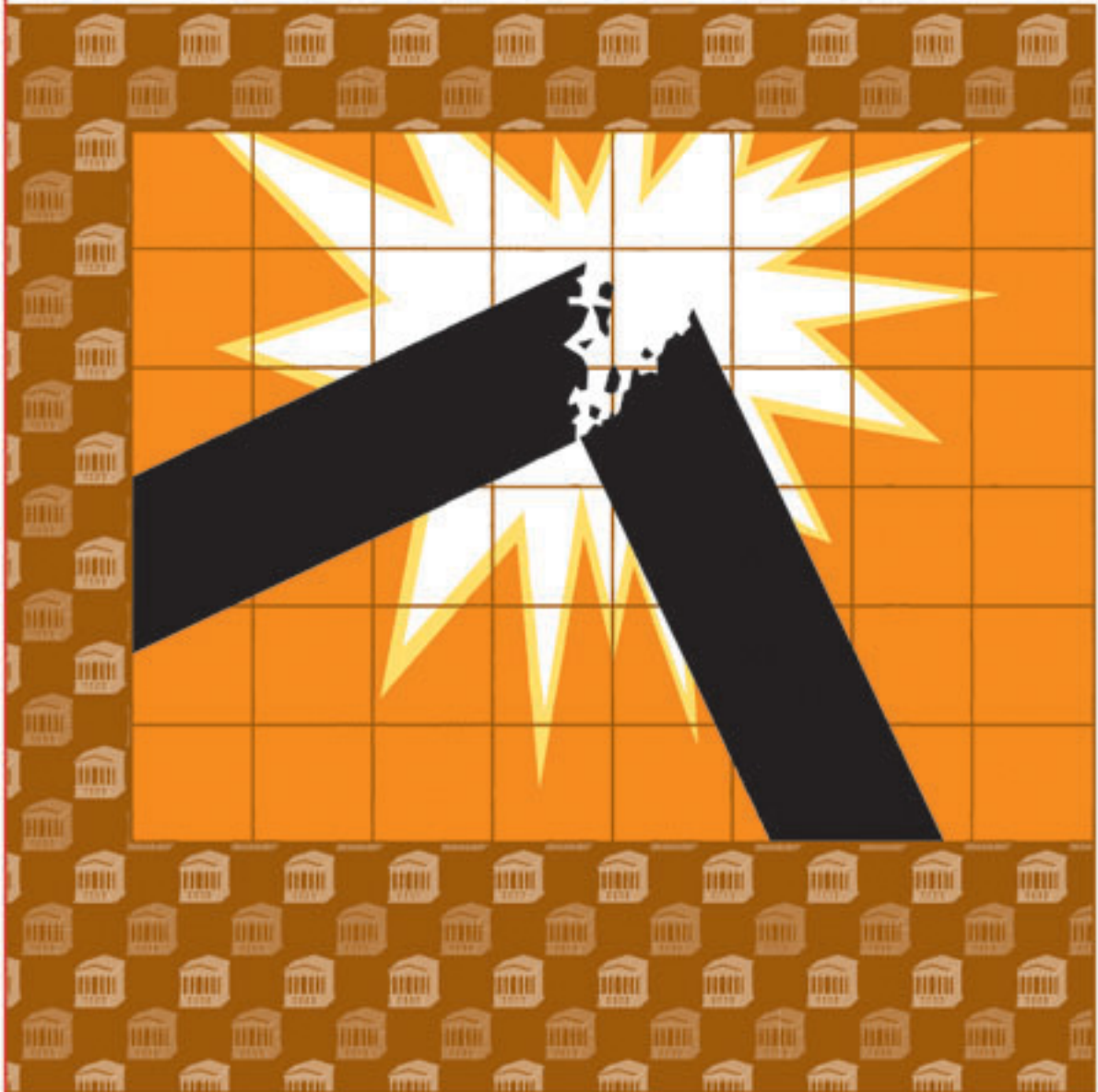


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# PANIC



⊙ A Simulation of the Prosperity of the 1920s and the  
Depression of the 1930s

# PANIC

**A simulation of the prosperity of the 1920s and the depression of the 1930s**

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## SIMULATIONS AND THE “NEW” SOCIAL STUDIES

In America today social studies teaching is in ferment. No longer satisfied with classroom teaching dominated by textbooks, teachers are examining course content and teaching methods in the light of concepts such as inductive or inquiry learning, discovery of a discipline’s structure, student involvement through interaction and value conflicts, and an emphasis on learning rather than on teaching. Interactive simulations incorporate all of these concepts by applying game theory to enhance classroom instruction. The following educational simulation is one of hundreds offered by INTERACT.

In PANIC your classroom environment simulates the situations and problems Americans faced during the 1920s and the 1930s. Participating in this simulation will allow your students to acquire knowledge about these decades, to feel empathy for the people caught in problems seemingly beyond their control, and to experience the application of democratic processes in trying to solve these problems using historical models as a guide. Specifically, your students will experience the following:

### Knowledge

- Understand the transformation of American life and thought following World War I:
  - Urbanization
  - Conflicts between urban mores and “small town morality”
  - Mass production
  - Emergence of the middle class
  - Emancipation of women
  - Impact of the automobile
  - Rising economic expectations due to prosperity
- Explore the economic, psychological, legal, and political causes of the Great Depression
- Compare and contrast the liberal and conservative arguments for curing the nation’s economic ills during the Great Depression
- Discover how and why New Deal legislation changed the role and size of the federal government by studying the following:
  - **Agricultural Adjustment Act (AAA)**
  - **National Labor Relations Act (NLRA)**
  - **National Recovery Act (NRA)**
  - **Federal Insurance Contributions Act (FICA)**
  - **Federal Emergency Relief Act (FERA)**
  - **Works Progress Administration Act (WPA)**
  - **Civilian Conservation Corps (CCC)**
  - **Federal Deposit Insurance Corporation (FDIC)**
  - **Securities and Exchange Commission (SEC)**

## PURPOSE - 2

### Skills

- Use texts, library sources, CD ROM programs, and Internet sources (if available) to conduct research and write reports
- Use research reports to teach other students, who must take notes in preparation for a quiz
- Prepare and present an illustrated speech to a mock Congressional Committee
- Defend a point of view while sitting on a congressional committee
- Achieve what is politically possible through compromise and democratic action

### Attitudes

- Enjoy the exhilaration of actual or anticipated riches when playing the stock market
- Suffer the loss of what has been gambled and earned when the market crashes
- Appreciate the dilemma of individuals caught by forces beyond their control, and learn to either take collective action to solve economic problems or to “go under” as individuals
- Support or oppose socio-economic issues as alive today as in the 1930s: the Progressive Income Tax, various governmental welfare programs, and the role and size of the federal government.

## PHASE I: THE ROARING TWENTIES

PANIC begins when students draw Identity Tags to receive an occupational identity placing them in one of six regional groups and also within a national Occupational Interest Group. These identities are:

- Business Person
- Banker
- Farmer
- Labor Representative
- Social Critic
- Women’s Rights Advocate

The PANIC simulation incorporates the organizational principles inherent in Interact’s STEPS writing program. Students are taught the concepts of an idea or **General Statement (GS)** that is supported by **Specific Detail** statements (**SDs**), and how the **GS/SD structure** in writing and speaking leads students to organize their thoughts and their learning.

As the simulation begins, each region sends its members to various national meetings conducted by the Occupational Interest Groups. Each student receives handouts and a Student Guide containing:

- **Introduction**—details how students of each Occupational Interest Group will participate in the simulation
- **How to Play the Stock Market**—a guide for student investing
- **GS/SD Assignment Instructions**—six GS focus statements for research by Occupational Interest Group members
- **GS/SD Outline Example**—a model outline
- **Depression Days Interview**—GS7 and GS8 research topics
- **Senate and Lobbyist Group Activities**—participation instructions
- **Bill Research Report Form Model**—a model outline
- **GS9 to GS14 Bills**—main provisions
- **Congressional Debriefing Guide**—four GS focus statements for student discussion

Each Occupational Interest Group develops its own GS/SD research outline in response to specific occupation-related General Statements (GSs) given in the Student Guides. Representatives then return to their regions, which include members of different Occupational Interest Groups. Each occupational representative then briefs the region in his/her area of expertise in sufficient detail for other regional group members to successfully pass a teacher-given quiz. Each daily quiz tests students about two GS/SD outline reports on three successive days. Students are awarded **Wealth Points (WPs)** for doing well on the quizzes and may use these points as money to invest in the Stock Market.

## OVERVIEW - 2

Stock Market investing takes place during the last part of each class period during Phase I. This market is decidedly a bull market which can make a wise investor rich overnight. Market trading becomes most exciting as students discover that by investing they can double, or even triple, their material assets (grade points), measured in Wealth Points (WPs). A student can suddenly jump from a below average grade to an “A.” Of course, the market eventually must crash; but students, like Americans intoxicated by the speculative hysteria of the 1920s, figure they can get out before Black Thursday strikes. Some do, but most don’t, and the great crash that hits after a week or so reduces the WPs of most students and even wipes out all WPs of some students, who now have an “F” at this stage of the simulation.

After the great crash, another dark event drops the nation deeper into despair: the banks close. As a result, students lose additional material assets, in varying amounts up to 100 percent. Needless to say, these two events cause students to scream in pain, for many of them now have “D” or “F” grades. Those students who lose all of their wealth points lose their desks and must live in a “Hooverville,” sitting on newspapers in the corner of the room. All students’ common task as they enter Phase II of PANIC is to research and develop solutions to the nation’s economic problems.

### PHASE II: THE GREAT DEPRESSION

Phase II begins when students take a POLITICAL ATTITUDE SURVEY to indicate which political party (Republican, Democrat, or Independent) they would most logically belong to in the 1930s. However, they are told that because logic sometimes plays little part in a person’s choice of political party, they may switch at any time. Students who switch political parties are required to do so publicly and immediately change their ID tags.

Phase II is mostly devoted to Congressional Committee hearings on bills presented by lobbyists for the various Occupational Interest Groups set up in Phase I. During Phase II students wear three hats:

- they are lobbyists representing a particular Occupational Interest Group who make presentations on proposed legislation to a Congressional Committee;
- they are senators from various regions sitting on different Congressional Committees; and, finally,
- they are members of a political party wondering whether they must support the party position.

Often students get caught by a conflict of interests, not an uncommon state of affairs in Congress.

Hearings on the bills are conducted by various senate committees. First lobbyists and then the general public are given opportunity to give their views. Once all have been heard, the committee debates then votes on the bill's various provisions. The committee can accept the bill as written, change or omit parts of it, or vote to turn all of it down. The committee's vote is presumed to be that of the full Senate and House and the bill is sent to the President for his/her signature. If the president vetoes a bill, two-thirds of the whole class (acting as the full Congress) must vote to override the veto.

If a bill passes with few changes, the teacher indicates the WP effects on the various occupational and regional interest groups, with the lobbyists receiving their full WPs award. If a bill fails to pass, the teacher will further reduce the WP assets of those students still affected by the unsolved problems. (For further explanation, see the PAY YOUR DEPOSITORS CHARTS and the Gain And Tax Cost Consequences sections of this Teacher Guide.)

Of course, any bill passed carries a WPs price tag specifying how it is to be financed (either everyone is taxed equally or everyone is taxed progressively according to individual wealth). A passed bill is paid for by reducing each citizen's WPs according to the amount of taxes he or she is required to pay. However, before passing any bill, members of Congress must weigh the cost factor against the benefits certain members of certain occupations would receive. Suddenly, students role-playing members of Congress realize they are caught in the same dilemma faced by congressional representatives of their great grandparents' time and by congressional representatives of today.

After all bills are reported out and voted on and WPs are added up to see who was able to "beat" the Great Depression, two days of testing and evaluation normally end the simulation. You can rest assured your students will not forget their "panic" during *their* Great Depression.



# SETUP DIRECTIONS - 1

1. **Grouping** On small slips of paper write numbers that correspond with the numbers on the OCCUPATIONAL INTEREST GROUP ROSTER. Place these numbers in an envelope marked *numbered slips: Occupational Interest Group Roster*. On Day 1, students will draw these numbers from a box or hat. This method provides a quick way to determine groups and individual roles and creates an air of excitement. If you have fewer than 36 students, divide the identities equally among the six groups.

**Note:** If you have a particularly average class with few leaders you may want to “pre-draw” for certain students whom you designate as “regional leaders,” to ensure that each region has at least one leader.

2. **ID Tags** An ID Tag consists of a red, green, or blue 8.5" x 5.5" piece of paper with a 3" x 5" white index card taped to it. Make up the same number of Identity Tags as you have students. Put numbers on these ID Tags corresponding with the numbers on the OCCUPATIONAL INTEREST GROUP ROSTER. After receiving their identities on Day 1, students will enter the following information on the white card:



Use similarly colored ID Tags for each pair: the Bankers and Business Persons, the Farmers and Laborers, and the Social Critics and Women’s Rights Advocates. Put the diagram on the board so that there is some uniformity to ID Tag construction. Tell students to print in ink, using large block capital letters.

On Day 1, students enter as their **WPs Total** the number of WPs that fate has allotted them. They may enter any political party they want in Phase I, as long as it is Republican, Democrat, or Independent, or they may leave the **Political Party** area blank.

**Note:** Advise students to use pencil when entering **Political Party** and **WPs Total**, since the information in these two categories is subject to change as the simulation progresses.

## SETUP DIRECTIONS - 2

3. **Duplication** Make copies of the MASTER pages below in the quantity indicated in *italics*:

### PHASE I: THE ROARING TWENTIES

- GS/SD REPORT FORM—*display copy*
- OCCUPATIONAL INTEREST GROUP ROSTER—*one*
- PANIC MAP—*display copy*
- STOCK CERTIFICATE—*200 yellow, 150 red, 100 blue*
- WP BALANCE SHEET—*class set*
- WP CHECKS—*class set (each student receives three to start. Have plenty of extras on hand, however, for the “eager beavers.”)*

### PHASE II: THE GREAT DEPRESSION

- COMMITTEE HEARING RESPONSE SHEETS—*six class sets or display copy*
- DEPRESSION STATISTICS 1929-1941—*class set*
- GAIN AND TAX COST CONSEQUENCES—*class set*
- GROUP LEADER RESPONSIBILITIES—*12 (six for lobbyist leaders, four for political party leaders and two extras)*
- HOOVER AND ROOSEVELT DEBATE—*one per candidate*
- OBJECTIVE TEST—*class set*
- PANIC EVALUATION—*class set*
- PAY YOUR DEPOSITORS CHART—*one of each*
- PAY YOUR DEPOSITORS CHART—*blank forms to customize*
- POLITICAL ATTITUDES SURVEY—*class set*

4. **GS/SD Quizzes** This Teacher Guide includes three GS/SD Quizzes, each covering two GS topics. Students will take the Quizzes individually, not as members either of regions or Occupational Interest Groups. Allow students to use their notes. Award 10 WPs for each correct answer. Students will receive WPs on the basis of their regional group’s average score. Quiz answers are given in parentheses after each question.

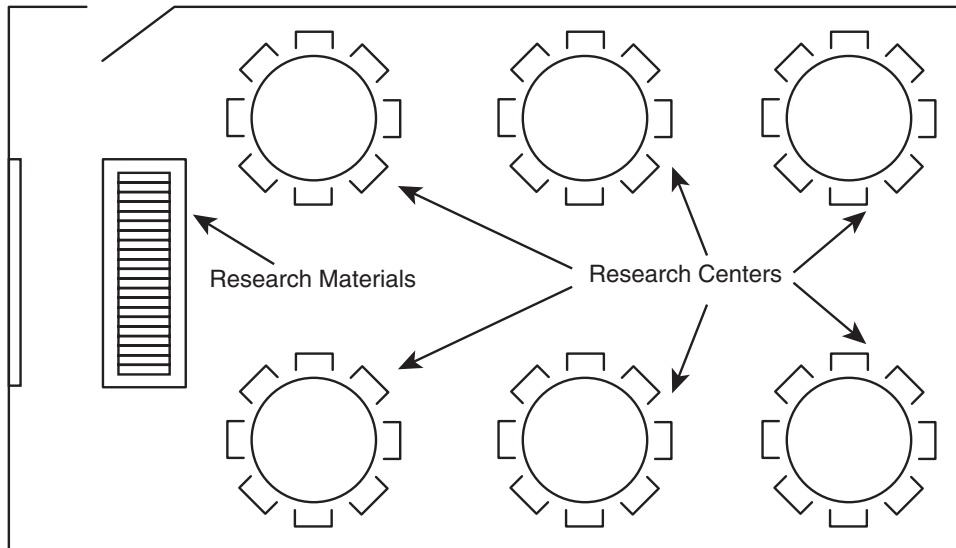
5. **Testing Answer Key** The key to the OBJECTIVE TEST follows:

- |       |          |       |         |
|-------|----------|-------|---------|
| 1) 3  | 2) 3     | 3) 2  | 4) 1    |
| 5) B  | 6) A     | 7) B  | 8) A    |
| 9) P  | 10) B    | 11) O | 12) O-A |
| 13) O | 14) B    | 15) A | 16) B   |
| 17) N | 18) A    | 19) A | 20) B   |
| 21) B | 22) both | 23) J | 24) O   |
| 25) I | 26) N    | 27) F | 28) C   |
| 29) M | 30) G    | 31) D | 32) L   |
| 33) H | 34) K    | 35) A | 36) B   |
| 37) E |          |       |         |

## SETUP DIRECTIONS - 3

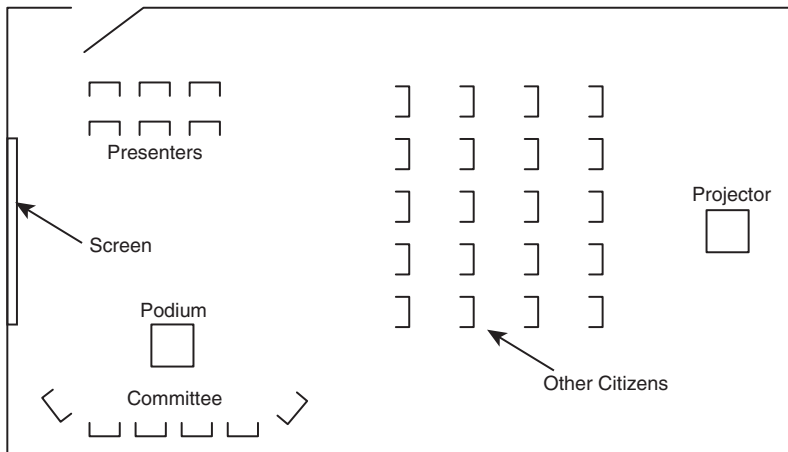
5. **Room Arrangement** Plan to change your room back and forth into the following action areas:

- **Group Research Centers** These areas can be as simple as forming six circles of desks with each circle having available



to it research materials such as texts, magazines, and other reading material. The first use of these areas will be by the Occupational Interest Groups researching the 1920's; the second use will be by the same groups researching relevant New Deal bills. (See diagram)

RESEARCH CENTERS



- **Committee Hearing Room** When a Senate Committee is scheduled to conduct a hearing set the room up as shown in diagram).

COMMITTEE HEARING ROOM

- **Hooverville** On Day 8, after the banks close, set up a Hooverville in one area of your room. Require that students who are wiped out by the market crash and the bank closure “live” here. They must bring in and sit on newspapers on the floor, with no chairs or tables. Of course, they can sit on chairs/desks when participating as senators in committee meetings; but they must return to sitting on the newspaper when meeting with their Occupational Interest Group as they prepare their lobbying strategy.

## SETUP DIRECTIONS - 4

6. **Stock market report** Have available a large sheet of white butcher paper (or a large blackboard) for your Stock Market Report.

7. **PRESSURE POINTS**

- Reinforce or introduce historical knowledge
- Simulate the random impact of fate by adding to or subtracting from students' WPs
- Build excitement into the simulation as a result of the randomness of fate

On Days 3, 4 and 5, members of Occupational Interest Groups give their GS/SD Reports to their regional groups. After the reports and the oral Quizzes covering information in these reports, the individuals who made the reports will quite randomly be subject to the positive or negative economic (that is, WP grade) impact of these PRESSURE POINTS. Every student giving a GS/SD Report will have his or her Quiz score for that day (based on the regional group's average score) raised or lowered because of the effects of the PRESSURE POINT he or she draws.

8. **Lecture/film** On Day 7 it is suggested that you give a lecture or show a film on the causes of the Great Depression. You may have a favorite film in mind, or you might check with your library for an appropriate film.
9. **Resources** Your own classroom reference materials and general library references about the period of the 1920s and 1930s should provide sufficient materials for student research of the GS/SD topics assigned in Phase I of PANIC. During Phase II, your students will need resource materials about New Deal legislation and the 1930s. If you have very capable students in mind to portray Roosevelt and Hoover, you might wish to reserve materials specific to the issues of the election of 1932 for your candidates' debate on Day 7.

*This is a sample chart. Alter it as desired.*

# UNIT TIME CHART

DAY 1	DAY 2	DAY 3	DAY 4	DAY 5
<b>PHASE I: THE ROARING TWENTIES</b>				
<p>Introduce PANIC</p> <p>Assign identities</p> <p>Explain WP BALANCE SHEET and grading</p> <p>Explain Stock Market procedures</p>	<p>Explain GS/SD Assignments in Student Guides</p> <p>Teach GS/SD REPORT FORM</p> <p>Occupational Interest Groups meet</p> <p>Stock Market Trading</p>	<p>PRESSURE POINTS</p> <p>Reports by Bankers and Business</p> <p>GS/SD Quiz 1</p> <p>Stock Market Trading</p>	<p>PRESSURE POINTS</p> <p>Reports by Farmers and Laborers</p> <p>GS/SD Quiz 2</p> <p>Stock Market Trading</p>	<p>PRESSURE POINTS</p> <p>Reports by Women and Social Critics</p> <p>GS/SD Quiz 3</p> <p>Stock Market Trading</p>
DAY 6	DAY 7	DAY 8	DAYS 9 TO 11	DAY 12
<b>END OF PHASE I</b>	<b>PHASE II: THE GREAT DEPRESSION</b>			
<p>Stock Market Trading</p> <p>Stock Market Crash</p> <p>Introduce GS7 and GS8</p>	<p>DEPRESSION STATISTICS</p> <p>POLITICAL ATTITUDES SURVEY</p> <p>GROUP LEADER RESPONSIBILITIES</p> <p>Political parties elect candidates</p>	<p>HOOVER &amp; ROOSEVELT DEBATE</p> <p>Closing of the Banks</p>	<p>Senate organized</p> <p>Committee Work</p> <p>Occupation Interest Groups prepare legislation</p>	<p>Committee hearing on GS9</p>
DAY 13	DAY 14	DAY 15	DAY 16	DAY 17
<b>END OF PHASE II</b>				
<p>Committee hearing on GS10 and GS11</p>	<p>Committee hearing on GS12 and GS13</p>	<p>Committee hearing on GS14</p> <p>Class discussion of GS15, 16, 17, 18</p> <p>Collect GS8 and GS9 outlines</p>	<p>Objective Test</p> <p>Assign essay on GS15, 16, 17 or 18</p>	<p>Debriefing</p> <p>PANIC EVALUATION</p>

## PHASE I: THE ROARING TWENTIES

### DAY 1: INTRODUCTION

#### Materials

- Student Guides—*class set*
- Envelope marked “Numbered slips: Occupational Interest Group Roster”—*one*
- ID Tags—*class set*
- String or yarn—*several yards*
- PANIC MAP—*display copy*
- OCCUPATIONAL GROUP ROSTER—*one*
- WP BALANCE SHEET—*class set*

#### Procedure

1. Distribute Student Guides and discuss purpose of PANIC. Do not mention either the stock market crash or the closing of the banks.
2. Have students draw numbers from the numbered slips envelope. (See **Setup Directions**, # 1. Grouping.) These numbers will determine groups and individual roles.
3. An ID Tag consists of a red, green, or blue 8.5" x 5.5" piece of paper with a 3" x 5" white index card taped to it. Give each student an ID Tag which has blank spaces for name, region, occupation, political party affiliation, and Wealth Points (WP) Total. Ask students for their numbers; then, using the OCCUPATION GROUP ROSTER, tell each student his/her occupation, region, and beginning WPs total. After receiving their identities, students will use ink pens to write the following information on the white card: their names, occupations, and regions. Students should write their beginning **WPs Total** in pencil, as that value will



*It may help to draw the diagram of the ID card on the board. Stress to students that they should use pencil when entering **WPs Total** and **Political Party** affiliation when that information is determined.*

Name

Occupation

Region

Political Party

WPs

change as the simulation progresses. Their **Political Party** affiliation may remain blank at this time. Have the students attach yarn or string to their ID Tags and put them around their necks.

(See **Setup Directions**, #2 ID Tags.)

## DAILY DIRECTIONS - 2

4. Displaying the PANIC MAP on the white board, have the students form six groups according to the *region* listed on their ID Tags in areas of the room approximating their location on the map.
5. Pass the OCCUPATION GROUP ROSTER around to each group and have a person in each region write down each member's name in the proper space.
6. Distribute WP BALANCE SHEETS and explain what Wealth Points are. Briefly justify fate's uneven distribution of WPs when students were "born" a few moments ago. Have them enter beginning WPs in the appropriate column.
7. Explain that students' unit grades will be determined by a combination of their simulation grades (which is determined by their WP total) and by the grades of their individual efforts. We recommend that you not tell them at this time how you are going to determine final grades. We usually used their WP grade to lower or raise their individual grade by a half letter. Three other options for determining final unit grades are:
  - a. Final grade based on WP total (a combination of individual effort, group effort, chance, and PRESSURE POINTS).
  - b. Final grade based 33 to 50 percent on final WP total, 50 to 67 percent on individual effort. (This tends to minimize complaints about "unfairness" you'll receive if you choose option one. Students, of course, are used to being graded only on individual effort.)
  - c. Final grade based 100 percent on individual effort.  
**Note:** In our opinion this traditional option is not a meaningful way to evaluate students participating in this simulation, for it perpetuates the illusion that success in life depends solely upon individual effort—a myth this simulation is designed to challenge.
8. Explain to students that your class will have its own Stock Market that will normally be open the last 15 minutes of each class period for buying and selling of stocks.
9. Call students' attention to the STOCK MARKET CERTIFICATE models in their Student Guides and explain how the class Stock Market will operate.

# DAILY DIRECTIONS - 3

## Setting up the Stock Market

The purpose of the Stock Market trading in PANIC is not to teach students the intricacies of how the stock market worked in the 1920s or how it works today. Rather, its purpose is to make students experience some of the heady optimism and paralyzing fear which swept over many American investors during the 1920s.

Since even slow students know the stock market collapsed in 1929, you can expect students to hesitate about investing their WPs (i.e., their grade points). However, gambling psychology will hook them all—particularly when you push up stock prices drastically and students playing the market become wealthy enough to change significantly the class WP (grading) curve.

The following information will help you set up and manage your own class Stock Market:

1. Keep secret what year in the 1920s you're simulating. Students will ask, "When is 1929 coming?" Blandly answer, "1929? We're merely experiencing the prosperity of the 1920s. What stock do you want to buy today?"
2. As indicated in the **Setup Directions** (#3. Duplication), use the STOCK CERTIFICATE master to copy the suggested number of certificates in each of three colors: yellow, red, and blue.
3. Also copy at least one sheet of WP CHECKS for each student, plus some extras, if you have not already done so.
4. Explain to students that you will sell three stocks with the following characteristics:

Name	Characteristics	Buy-Sell Regulations
AT & T (American Telephone and Telegraph) "Blue Chip" Stock	steady growth, regular dividends	in multiples of 5
FOMOCO (Ford Motor Company) "Stable" Stock	growth, variable dividends	in multiples of 10
FLALANS (Florida Lands) "Speculative" Stock	fast growth, risky, small dividends	in multiples of 10



## DAILY DIRECTIONS - 4

5. When students want to buy a stock, they line up in front of the broker with a WP CHECK. Tell them to fill out everything on the WP CHECK except the amount they are paying the broker. They will have to fill that in when the purchase is made since the price may change before they get to the broker.  
**Note:** You are the broker unless you wish to bring in one or two students to assist. But to simulate the market falling behind during heavy buying and selling, and thus to intensify the feeling of panic to buy or sell at a favorable price, do not have more than two brokers working at one time.
6. Only a broker may fill out the **Bought** column of a STOCK CERTIFICATE, which he/she will initial.
7. Sellers may fill out the **Sold** column, but the sale becomes valid only when the broker signs it. (When the market is falling, watch that students don't write down an earlier time of day and a higher selling price.)
8. When the market (i.e., you, the teacher) declares a dividend, owners fill out their **Dividends** columns and then immediately enter the WP dividends on their WP BALANCE SHEETS.
9. Tell students they may **not** enter paper profits on their WP BALANCE SHEETS. Only when they have sold stocks may they enter WPs gained.
10. Explain that buyers will be allowed to purchase stocks by buying on margin—that is, by paying only a certain percentage of the purchase price rather than paying the full amount. Allow students to buy on 50 percent margin at the beginning of their market experience. Then, on the second day, lower the allowable margin to 10 percent.  
**Note:** The buyer's goal when buying on margin is to make a quick profit above his or her margin investment, and then sell out and possibly reinvest on margin for other quick profits. Since an investor buying on 50 percent margin can actually purchase twice as many stocks as someone paying full price, when the investor sells, he or she can make twice the profit. Of course, buying on a 10 percent margin gives the investor even greater opportunity to "make a killing." As long as you make the market generally increase in value (which you will want to do in the first two market sessions), profits from margin buying will give your students buying fever.

# DAILY DIRECTIONS - 5

11. During each day that you simulate the Stock Market, every five to ten minutes announce “date,” “time,” and “market prices.” Post prices on a “Price Board,” a large piece of butcher paper or section of the blackboard. Here is an example of statistics you might follow for the three to four days of your Stock Market.

## Stock Market Report

Day	Time of day	AT & T		FOMOCO		FLALANS	
		Price	Dividend	Price	Dividend	Price	Dividend
1	8:38	15		10		1	
	8:45	18		14		5	
2	8:30	20	3	17	2	8	1
	8:45	23		24		18	
3	8:38	25	5	28	1	27	0
	8:42	24		24		19	
	8:46	26	4	29	2	28	1
4	8:38	35		39		40	
	8:42	40	6	40	3	49	2
	8:46	41		40		55	
5	8:38	43	5	45	2	61	1
	8:42	46		51		66	
	8:46	50	6	55	4	73	2
“Black Thursday” October 24, 1929	8:30	44		48		60	
	8:32	35		32		40	
	8:34	27		22		28	
	8:36	23		16		24	
	8:38	21		13		18	
	8:40	18		10		9	
	8:42	14		9		4	
	8:44	12		6		1	

# DAILY DIRECTIONS - 6

## DAY 2: GS/SD ASSIGNMENTS 1 TO 6

### Materials

- Student Guides—*class set*
- GS/SD REPORT FORM—*class set + display copy*
- STOCK CERTIFICATES—*200 red, 150 yellow, 100 blue*
- WP CHECKS—*class set + extras*
- WP BALANCE SHEET—*class set*

### Procedure

1. Explain the concept of an idea or **General Statement** supported with concrete facts or **Specific Details**. Call students' attention to the **GS/SD Assignment Instructions** in their Student Guides. Make sure that students understand their individual responsibility to give a report to their region on the specific GS assigned to them as a function of their membership within their Occupational Interest Group.
2. Display the GS/SD REPORT FORM. Demonstrate:
  - a. how a General Statement (GS) contains both a topic and an assertion; and
  - b. how writers use Specific Details (SDs) such as quotations, facts, examples, and incidents to substantiate the assertion. Indicate to the students they can find these SDs in their textbooks, classroom and library resources, CD ROM programs and on the Internet.
  - c. Stress to students that by preparing a GS/SD Outline they will be clearly organizing the GS/SD Reports they will make to their regions.
3. Have the students of like occupations form six Occupational Interest Groups: the Bankers form one group, the Labor Representatives form one group, and so on. Group members work together to find SDs, but each member fills out his/her own GS/SD Report form. Award 100 WPs each to group members who have filled out their reports. Have the students hold up these report forms so you can quickly see what they have done.
4. Open the Stock Market 15 minutes before the end of the period, after putting the opening prices on the board.

# DAILY DIRECTIONS - 7

## DAY 3: GS1 AND GS2 REPORTS AND GS/SD QUIZ 1

### **Materials**

- Student Guides—*class set*
- PRESSURE POINTS—*teacher copy*
- GS/SD QUIZ 1—*teacher copy*
- WP BALANCE SHEET—*class set*
- STOCK CERTIFICATES—*200 red, 150 yellow, 100 blue*
- WP CHECKS—*class set + extras*

### **Procedure**

1. During each of the days devoted to the first six GS/SD reports, the WPs of the six students leading a regional GS/SD Report will be affected by PRESSURE POINTS events. Either copy the PRESSURE POINTS or turn to that section of the Teacher Guide, immediately following the Daily Directions, when PRESSURE POINTS time arrives.
2. Have students form regional groups. Individuals then give reports to their groups according to occupations: Business Persons and Bankers report on Day 3, Labor Representatives and Farmers report on Day 4, Women's Rights Advocates and Social Critics report on Day 5. Tell other regional group members to take good notes on the GS/SD Reports as there will be a quiz with WP point rewards, and they may use their notes while taking the quiz. Allow no more than 20 minutes for the reports and note taking.
3. Instruct the students to turn their desks to face the front of the room, and orally administer GS/SD Quiz 1. Students will take this Quiz individually, not as members either of regions or Occupational Interest Groups. Allow 10 minutes for this activity, and allow students to use their notes.
4. Students will receive WPs on the basis of their regional group's average score. Indicate you will penalize anyone who is seen cheating by deducting WPs from the group, not the individual. Have groups exchange answer sheets; then, grade the quiz immediately, awarding 10 WPs for each correct answer. (10 minutes.) Quiz answers are given in parentheses after each question on the Quiz sheets.
5. Have groups return quizzes to their owners. Each regional group will compute their group's average score and report to you.

## DAILY DIRECTIONS - 8

6. Call six of the students who led a regional GS/SD Report to the front of the room. For example, on Day 3 first the Business Persons (GS1) and then the Bankers (GS2) will be called to the front of the room. Have these students number off from one to six. Read each numbered PRESSURE POINT and have the affected student calculate his or her gain or loss by multiplying the percentage given on the PRESSURE POINT times that individual's GS/SD Quiz score.
7. Have the student enter that number on his or her WP BALANCE SHEET. All other students will enter their Quiz scores, with no calculation necessary, on their WP BALANCE SHEETS.  
**Note:** You may want to award bonus points to the group with the highest average.
8. Pick up the GS/SD Reports on GS1 and GS2.
9. Open the Stock Market for the last 15 minutes of class.

### DAY 4: GS3 AND GS4 REPORTS AND GS/SD QUIZ 2

#### Materials

- Student Guides—*class set*
- PRESSURE POINTS—*teacher copy*
- GS/SD QUIZ 2—*teacher copy*
- WP BALANCE SHEET—*class set*
- STOCK CERTIFICATES—*200 red, 150 yellow, 100 blue*
- WP CHECKS—*class set + extras*

#### Procedure

1. Show the new prices for stocks on the board and have everyone add up their present wealth on their WP BALANCE SHEETS.
2. Show how many WPs it now takes to have an “A” grade, a “B,” a “C,” and so on.
3. Do not open the market yet; but proceed with PRESSURE POINTS and regional reports on GS3 and GS4 from the Farmers and the Labor Representatives.
4. As on Day 3, prepare for and orally administer GS/SD Quiz 2.
5. Grade the Quizzes, call up first the six Farmers, then the six Labor Representatives, read and calculate effects of the PRESSURE POINTS, then award WPs.

# DAILY DIRECTIONS - 9

## DAY 5: GS5 AND GS6 REPORTS AND GS/SD QUIZ 3

### **Materials**

- Student Guides—*class set*
- PRESSURE POINTS—*teacher copy*
- GS/SD QUIZ 3—*teacher copy*
- WP BALANCE SHEET—*class set*
- STOCK CERTIFICATES—*200 red, 150 yellow, 100 blue*
- WP CHECKS—*class set + extras*

### **Procedure**

1. Show the new prices for stocks on the board and have everyone add up their present wealth on their WP BALANCE SHEETS.
2. Show how many WPs it now takes to have an “A” grade, a “B,” a “C,” and so on.
3. Do not open the market yet; but proceed with regional reports on GS5 and GS6 from the Social Critics and the Women’s Rights Advocates.
4. As on previous days, prepare for and orally administer GS/SD Quiz 3.
5. Grade the Quizzes, call up first the six Social Critics, then the six Women’s Rights Advocates, read and calculate effects of the PRESSURE POINTS, then award WPs.
6. For the last portion of class, open the Stock Market, rapidly filling orders.

## DAY 6: BLACK THURSDAY

### **Materials**

- Student Guides—*class set*
- WP BALANCE SHEET—*class set*
- STOCK CERTIFICATES—*200 red, 150 yellow, 100 blue*
- WP CHECKS—*class set + extras*
- Black Thursday recording—*teacher copy*

# DAILY DIRECTIONS - 10

## Procedure

1. To simulate “Black Thursday,” make a 14-15 minute tape recording of the collapsing stock prices. On this recording have a large bell or gong toll every two minutes, followed by an announcement in stentorian tones of the current price of each stock. As the recording is playing, you or your brokers will handle sales slowly and carefully. The class will be overwhelmed by panic. Brokers will be buried under a mass of screaming bodies waving certificates and trying to sell. The panic will slow down the selling. Some students will give up and go back to their seats with the most helpless, dejected look upon their faces.

**Note:** If you don’t want to make your own recording, obtain Edward R. Murrow’s “I Can Hear it Now” 1919-1949: 30 Years of Audible History, which includes a dramatization of the stock market crash. This historic Columbia Records recording may be available from your local community or university reference library.

2. Before class begins post a WP grades curve on the board. An obvious way to stimulate stock market buying is to raise the “A” curve so that students have to invest in this “Bull Market” even to get a “C.”
3. Open the Stock Market. Encourage buying and selling, but move very slowly in completing purchases and sales by telling students something must be wrong with the telegraph ticker tape. The students will suspect something is up and will begin to “panic.”
4. Begin the “crash” by jumping up ever more quickly to change stock prices downward. Then, pause, and if possible, play the “Black Thursday” recording to add emotional drama. Then, ignoring pleas of the students who are attempting to sell, lower the price on all stocks to the “floor.” (See **Setting up the Stock Market** explanation on Day 1.)
5. Obviously, many students are going to be wiped out by the market crash, for most will not have been able to sell out in time to pay off the debts incurred when they bought on margin. All students ruined by the crash must write “Wiped out, October 29, 1929” on their WP BALANCE SHEETS. “But this doesn’t really affect my grade, does it?” someone will ask. “I’m sorry fate was so cruel to you,” you answer, “but you now have an ‘F.’” (However, quickly explain that students will have the opportunity to earn their grade back during Phase II.)

## DAILY DIRECTIONS - 11

6. After the Stock Market crash, wise students who sold out early and who have read or heard about the banks failing in 1929-1933 will come up to you and say, “I want to withdraw my WPs from the Plainview Bank.” Tell them, “Sorry, the banks are temporarily closed for auditing. Maybe you can get your WPs out tomorrow.”
7. Phase I ends with the class/country plunged into despair because so many have lost huge portions of their high grades/wealth. The impact of the crash will be greater if successes from playing the market have resulted in a grade curve in WPs that shows many of the class having an “A” before “Black Thursday” and a “D” or “F,” after. This result is somewhat a distortion of history because most Americans in 1929 were not investors in the stock market. However, it was a shock that was to be felt by all in a few short years as the economy plunged into a Depression. A few students will likely have had time to get out and still have WP fortunes. Don’t let any of your students know that the banks will close in Phase II, and don’t allow them to withdraw their money from the banks.
8. End this fateful day by assigning GS7 and GS8 as homework. Call students’ attention to the **Depression Days Interviews** section of the Student Guide. GS7 and GS8 require students to complete interviews with two to four older persons about the Depression and FDR. Tell students to begin their interviews right away, although the resulting GS/SD Reports are not due until Day 15.



# DAILY DIRECTIONS - 12

## PHASE II: THE GREAT DEPRESSION

### DAY 7: INTRODUCTION

#### GS7 AND GS8

#### Materials

- Student Guides—*class set*
- DEPRESSION STATISTICS 1929-1941—*class set*
- POLITICAL ATTITUDES SURVEY—*class set*
- GROUP LEADER RESPONSIBILITIES—*12 (six for lobbyist leaders, four for political party leaders and two extras)*
- HOOVER AND ROOSEVELT DEBATE—*one per candidate*
- Lecture/film on causes of the Great Depression
- Reference sources about Roosevelt and Hoover, especially speeches from the election of 1932

#### Procedure

1. Distribute DEPRESSION STATISTICS 1929-1941. Tell students they can use these statistics later. Then, give a lecture or show a film on the causes of the Great Depression. There are a number of good audio-visual items detailing these causes. However, do not expect student understanding, yet. Your main purpose here is to get students to realize that the situation they are in during the simulation has a very serious historical precedent.
2. Distribute the POLITICAL ATTITUDES SURVEY. Tell students they must choose A or B, even if they feel both are right or both are wrong. They are to pick the choice that is more right than the other. When they are finished, have them count the number of A's and the number of B's. Then have students who have all B's stand to your right and those who have all A's stand to your left. Continue going down the scale, first for B's, then A's, until all students are standing in a circle. If you have done this correctly, students having five of each should be approximately opposite you. These students are the Independents. Students having six to 10 B's become the Republicans and those having six to 10 A's become the Democrats.
3. Have the Republicans meet as a group, with the member having the largest number of B's becoming the party chairperson. The party should then elect one member to be Herbert Hoover.

Have the Democrats meet, with the member having the largest number of A's becoming the chairperson. They then should elect one member to be Franklin D. Roosevelt.

4. Independents may choose either party, form a third party, or do nothing.

## Teaching Tip

*The handout the candidates receive contains paraphrased speeches detailing Roosevelt's and Hoover's positions. In order to foreshadow the Congressional Committee hearings coming up with their debate on New Deal Bills, we have taken certain liberties with actual timing, but the principles given in the speeches are very much what both men believed.*

5. Depending on how your class is divided based on the POLITICAL ATTITUDES SURVEY, you may have an opportunity to instruct students about the power of independent voters over the congressional hearing/legislative process. The Independents may be encouraged to form a third party and may seek to influence the outcome of the hearings and legislative votes. Decide if you have the time and if your class is sophisticated enough to cope with adding this dimension to the simulation. The GROUP LEADER RESPONSIBILITIES instructions for the Occupational Interest Group Chairpersons and the Political Party Leaders mention the advantages and disadvantages of relying on Independents when lobbying for or against bills; you can expand or downplay this aspect of the simulation as best fits your class.
6. Distribute the GROUP LEADER RESPONSIBILITIES to the appropriate students. Hand out the HOOVER AND ROOSEVELT DEBATE to the candidates, and tell them they will give these speeches the next class period. If your Hoover and FDR are capable, you can suggest they go the library to do further research on their political positions in the 1932 election campaign. How much you have these students do on their own depends upon their ability and the materials available. You may want to give FDR and Hoover books containing key speeches. In any event, tell them their speeches to the nation should help class members with GS10, 11, 12, 13, and 14. Tell them they should embellish the arguments provided, if possible, from their own research.
7. Remind students to continue with their reports on GS7 and GS8.

### DAY 8: ROOSEVELT AND HOOVER SPEECHES; CLOSING OF THE BANKS

#### Materials

- Student Guides—*class set*
- PAY YOUR DEPOSITORS CHARTS—*one of each*
- WP BALANCE SHEET—*class set*
- Envelopes—*six*
- Secret ballot materials for election
- Newspapers for “Hooverville”

## DAILY DIRECTIONS - 14

### Procedure

1. Have Hoover and Roosevelt, the 1932 presidential candidates, speak, then allow questions by students. Finally, hold a mock election by secret ballot. Give WPs to both candidates and to students who asked intelligent questions.
2. Regardless of who is elected, close the banks.

### Closing of the Banks

1. Copy and cut apart the six PAY YOUR DEPOSITORS CHARTS and seal in separate envelopes.
2. Tell each region's banker to have his or her depositors number from one to six. The bankers then write down their depositors' names opposite the numbers they have chosen. The six bankers then come forward to randomly draw one of the six PAY YOUR DEPOSITORS CHARTS envelopes.
3. Next each banker writes on the PAY YOUR DEPOSITORS CHART the names of the depositors opposite the numbers they have previously chosen. Finally, each banker in turn dramatically reads to the whole class how much he or she was able to pay each depositor when the run on the bank took place.
4. Students already wiped out by the stock market crash will not be directly affected by the closing of the banks, but those individuals who have successfully made it through the stock panic now see their grade points dissolving due to chance. They now must calculate on their WP BALANCE SHEETS the percentage of WPs they have remaining based on what the bankers were able to pay them after the banks failed.
5. All the class has once again vicariously experienced that helpless feeling that angered Americans during the Great Depression when they realized that what happened wasn't their fault and that they were unable to protect themselves. Because many students will lose much, if not all, of their WPs, they will feel some of the hopelessness and frustration Americans felt in 1932, with over one third of workers being unemployed and the economy at a standstill.



*Remind students to continue with GS7 and GS8. They may have to contact residents of a senior citizens facility of some type if they have no one old enough in their own families.*

# DAILY DIRECTIONS - 15

## DAYS 9 TO 11: SENATE ORGANIZED; COMMITTEE WORK

### Materials

- Student Guides—*class set*
- Resource materials on New Deal legislation and the 1930s

### Procedure

1. Organize the Senate. Divide the room into majority and minority party sides and have party members take their places. (See Setup Directions, #5. Room Arrangement.) The party leaders elected earlier become majority leader and minority leader. As their first duty, direct the party leaders to assign members to the following committees: Agriculture, Business-Labor, Welfare, and Finance. While doing so, they must abide by two rules:
  - a. No Senator may serve on a committee where his occupation causes a conflict of interest. For example, no Senator who is a farmer may sit on the Agriculture Committee since the Farmers' group representatives (lobbyists) will appear before it.
  - b. The number of Democrats and Republicans (plus third party members, if any) on each of the four committees is determined by a ratio of the parties' total Senators. For example, if the Democrats have 24 Senators and the Republicans 12, each committee would seat six Democrats and three Republicans.
2. Call students' attention to the **Senate and Lobbyist Group Activities** section of their Student Guides. Tell the Senators they are going to "wear three hats": they will at various times be Senators from a state in their region, lobbyists for their Occupational Interest Group, and always members of a political party which has an agenda for congressional action. Organize the room into six areas where the Occupational Interest Groups can meet (the Business Persons, the Bankers, the Farmers, and so on).  
(See **Setup Directions**, #5. Room Arrangement.)
3. Call students' attention to the **Bills to be Brought Before Senate Committees** section of their Student Guides. Note that each Occupational Interest Group has one bill, comprised of several parts, for which it must lobby. To do this well, the group must first understand the provisions of the bill and their effects; secondly, they must find Specific Details to explain the provisions and to illustrate the need for this law.

## DAILY DIRECTIONS - 16

4. Call students' attention to the **Bill Research Report Form Model** in their Student Guides, which each lobbyist group must complete together. Allow students sufficient class time to research and prepare committee presentations, helping them when necessary. Normally, two class periods plus homework will be necessary to adequately prepare for the presentations before the committees.
5. Call students' attention to the Gain and Tax Cost Consequences listed for each bill. Tell students they will receive or lose WPs in reference to this sheet. The GAIN AND TAX COST CONSEQUENCES are summarized in the Teacher guide following the PRESSURE POINTS.
6. Allow students to meet as Occupational Interest Groups and begin to research the issues and draft legislation for the Committee hearings which begin on Day 12.

### DAY 12: COMMITTEE HEARING ON GS9 (AAA)

#### **Materials**

- Student Guides—*class set*
- COMMITTEE HEARING RESPONSE SHEET—*class set or display copy*
- WP BALANCE SHEET—*class set*

#### **Procedure**

1. Agricultural Committee listens to Farmers present their bill. The committee sits on one side at the front of the room; the Farmers on the other side, preferably with a podium (a music stand will work if you don't have a podium) in the front center of the room, turned so it partially faces the audience in the rest of the room as well as the committee.  
**Note:** Modify this arrangement to fit whatever audio-visual equipment and/or computer the Farmers might be using.
2. When the presentation is over, committee members ask the audience for comments, pro and con, with each person being allowed to speak only once. All students fill out COMMITTEE HEARING RESPONSE SHEETS as they listen.  
**Note:** Instead of copying six class sets of these response sheets, one option is to make a display copy of the model, and allow students to use their own paper for these responses.
3. Once the audience is finished, the Committee Chairperson

## DAILY DIRECTIONS - 17

closes public discussion and asks committee members only to discuss and make any motions they wish pertaining to the bill's provisions. The committee then votes on these motions. Their action is presumed to be that of the entire Congress. Note also that the committee must recommend how the bill is to be paid for: with a "flat tax" (an income tax rate that is the same percentage of income for every person, regardless of the amount of that person's income) or a "progressive income tax" (the tax "progressively" gets to be a higher percentage of a person's income the more one earns).

4. If the bill or any of its provisions passes, it is sent to the President for his signature. If the President signs the bill, it becomes law. If the President vetoes the bill, then all class members acting as the full Congress may vote to override the veto, needing a two-thirds majority to override.
5. After the bill has been voted on and signed by the President, evaluate the committee's work in reference to the Gain and Tax Cost Consequences listed on each bill. Have students enter WPs gained (or lost to taxes) on their WP BALANCE SHEETS.
6. If Congress fails to pass legislation designed to help a specific Occupational Interest Group or fails to override a Presidential Veto, the teacher should immediately have all members of that Occupational Interest Group lose a percentage of their current WP wealth. The process determining who loses how much should be patterned after the process outlined in the Closing of the Banks. However, the losses in percentages should be much smaller, possibly 3 to 15 percent.



*The Gain and Tax Cost Consequences Charts include alternate severe penalties if the AAA and NLRA Bills fail to pass. You may elect to use these harsher consequences.*

### **DAY 13: COMMITTEE HEARING ON GS10 (NLRA) AND GS11 (NRA)**

#### **Materials**

- Student Guides—*class set*
- COMMITTEE HEARING RESPONSE SHEET—*two class sets or display copy*
- WP BALANCE SHEET—*class set*

#### **Procedure**

1. Business-Labor Committee members hold a hearing on these two bills. The Business Persons and Labor Representatives make their presentations.
2. Committee members then ask audience for comments, pro and

## DAILY DIRECTIONS - 18

con. All students fill out COMMITTEE HEARING RESPONSE SHEETS as they listen.

3. Once the audience is finished, the Committee Chairperson closes public discussion and asks committee members only to discuss and make any motions they wish pertaining to the bill's provisions. The committee then votes on these motions. Its action is presumed to be that of the entire Congress. The committee must recommend how the bill is to be paid for—with a “flat tax” or a “progressive income tax.”
4. If the bill or any of its provisions passes, it is sent to the President for his signature. If the President signs the bill, it becomes law. If the President vetoes the bill, then all class members acting as the full Congress may vote to override the veto, needing a two-thirds majority to override.
5. After the bill has been voted on and signed by the President, evaluate the committee's work in reference to the Gain and Tax Cost Consequences listed on each bill. Have students enter WPs gained (or lost to taxes) on their WP BALANCE SHEETS.

### DAY 14: COMMITTEE HEARING ON GS12 (FICA-SOCIAL SECURITY) AND GS13 (FERA WPA, CCC)

#### **Materials**

- Student Guides—*class set*
- COMMITTEE HEARING RESPONSE SHEET—*two class sets or display copy*
- WP BALANCE SHEET—*class set*

#### **Procedure**

1. The Welfare Committee listens to Women's Rights Advocates and Social Critics present their bills.
2. Committee members then ask audience for comments, pro and con. All students fill out COMMITTEE HEARING RESPONSE SHEETS as they listen.
3. Once the audience is finished, the Committee Chairperson

## DAILY DIRECTIONS - 19

closes public discussion, and asks committee members only to discuss and make any motions they wish pertaining to the bill's provisions. The committee then votes on these motions. Their action is presumed to be that of the entire Congress. The committee must recommend how the bill is to be paid for: with a "flat tax" or a "progressive income tax."

4. If the bill or any of its provisions passes, it is sent to the President for his signature. If the President signs the bill, it becomes law. If the President vetoes the bill, then all class members acting as the full Congress may vote to override the veto, needing a two-thirds majority to override.
5. After the bill has been voted on and signed by the President, evaluate the committee's work in reference to the Gain and Tax Cost Consequences listed on each bill. Have students enter WPs gained (or lost to taxes) on their WP BALANCE SHEETS.
6. Remind students that their GS/SD outlines of their Depression Days Interviews are due at the end of the next class session.

### **DAY 15: COMMITTEE HEARING ON GS14 (FDIC AND SEC)**

#### **Materials**

- Student Guides—*class set*
- COMMITTEE HEARING RESPONSE SHEET—*two class sets or display copy*
- WP BALANCE SHEET—*class set*

#### **Procedure**

1. Finance Committee listens to Bankers present their bill.
2. Committee members then ask audience for comments, pro and con. All students fill out COMMITTEE HEARING RESPONSE SHEETS as they listen.
3. Once the audience is finished, the Committee Chairperson closes public discussion and asks committee members only to discuss and make any motions they wish pertaining to the bill's provisions. The committee then votes on these motions. Its action is presumed to be that of the entire Congress. The committee must recommend how the bill is to be paid for—with a "flat tax" or a "progressive income tax."
4. If the bill or any of its provisions passes, it is sent to the President



## DAILY DIRECTIONS - 20

for his signature. If the President signs the bill, it becomes law. If the President vetoes the bill, then all class members acting as the full Congress may vote to override the veto, needing a two-thirds majority to override.

5. After the bill has been voted on and signed by the President, evaluate the committee's work in reference to the Gain and Tax Cost Consequences listed on each bill. Have students enter WPs gained (or lost to taxes) on their WP BALANCE SHEETS.
6. At the conclusion of the congressional hearing, begin a class discussion of GS15, 16, 17, and 18 as found in the Student Guides. You may elect to have students return to their regional groups, to their Occupational Interest Groups, or meet as an entire class.
7. Tell students to review their COMMITTEE HEARING RESPONSE SHEETS and other notes for an Objective Test during the next class session.
8. Collect students' GS/SD outlines of GS7 and GS8 resulting from their Depression Days Interviews.

### DAY 16: OBJECTIVE TEST

#### **Materials**

- Student Guides—*class set*
- OBJECTIVE TEST—*class set*
- WP BALANCE SHEET—*class set*

#### **Procedure**

1. Pick up COMMITTEE HEARING RESPONSE SHEETS and grade them while students take the test.
2. Distribute the OBJECTIVE TEST. When students finish, have them exchange tests and grade.
3. Give WPs for the OBJECTIVE TEST and the RESPONSE SHEETS and then have students compute their WP total.
4. Give students a final opportunity to earn WPs by assigning a

## DAILY DIRECTIONS - 21

two- to three-page GS/SD essay on their choice of GS15, 16, 17 or 18 from the Student Guides. These essays will be due on Day 17. Stress that a comprehensive, well-documented and well-argued GS/SD essay will enable students to raise their grades for PANIC, for many students' grades will have been lowered as a consequence of the Great Depression just simulated—regardless of how hard they worked individually or collectively.

5. Of course, now you can tell them how their grades will actually be figured for the unit. We usually use the simulation grade to raise or lower their unit grade one half letter. This normally does little damage to the student's ego or grade-point average, although be prepared for "flack" if a student goes from an "A-" to a "B+."

### DAY 17: DEBRIEFING

#### **Materials**

- Student Guides—*class set*
- PANIC EVALUATION—*class set or display copy*

#### **Procedure**

1. Debrief by having students list any part of the New Deal legislation that is still with us, today, and discussing whether, and how, it should be changed. Social Security is a good example; but so is the FDIC, the SEC, and the NLRA. In fact, all of the items the students have debated as senators in the 1930s are still with us in some form.
2. Discuss the simulation using the PANIC EVALUATION.

# PRESSURE POINTS - 1

On Days 3, 4 and 5 PRESSURE POINTS will affect those students making GS/SD Reports to their regions. After scoring the Quizzes on those days, regional groups will compute their region's average score and report that number to you. At this point, call six of the students who led a regional GS/SD Report to the front of the room. For example, on Day 3 first the Business Persons (GS1) and then the Bankers (GS2) will be called to the front of the room. Have these students number off from one to six. Read each a numbered PRESSURE POINT and have the affected student calculate his or her gain or loss by multiplying the percentage given on the PRESSURE POINT times his or her GS/SD Quiz score. Have the student enter that number on his or her WP BALANCE SHEET. All other students will enter their Quiz scores (based on the regional average) on their WP BALANCE SHEETS. No percentage adjustment will be made for students other than those making GS/SD Reports on each day.

## GS1: BUSINESS PERSONS

- |   |  |
|---|--|
| 1. Because your sales staff has been moving cars with record sales each month, your auto dealership is thriving.<br>GAIN 100%   | 4. A small grocer who has been "holding on" valiantly for the last five years in competition with large chain stores, you finally go bankrupt when the A and P opens a beautiful store one block from your neighborhood grocery.<br>LOSE 80% |
| 2. Better research has resulted in your marketing a radio receiver noted for clarity of tone.<br>GAIN 75%   | 5. A skillful advertising manager you hired to market to your soap company has increased your sales dramatically.<br>GAIN 50%  |
| 3. Your application of scientific management techniques to your increasingly sophisticated assembly line has cut the cost of your refrigerators and, increased your profits.<br>GAIN 100% | 6. A "big dealer" who arranges oil leases with the help of friends in the national government, you are caught in the Teapot Dome Scandal and sent to prison.<br>LOSE 100%  |

## PRESSURE POINTS - 2

### GS2: BANKERS

1. You help your brother, a construction company executive, to finance and build office buildings, apartments, and skyscrapers as America moves from a rural-agrarian to an urban-industrial society.  
GAIN 150%
2. Regularly buying stock on tips from friends on Wall Street, you make a giant killing on some Texas oil stock.  
GAIN 300%
3. Your scholarly warnings about “the danger of a severe economic recession unless the federal government cools off the economy” result in many persons losing faith in your bank’s solvency.  
LOSE 40%
4. Correctly interpreting the “handwriting on the wall” you allow your small city bank to be absorbed into a giant holding company of banks throughout your state. You make a small profit, but you hate to see your freedom disappearing.  
GAIN 10%
5. You manage the consolidation of 35 local utility companies into one giant holding company controlling a majority of your state’s gas and electricity.  
GAIN 250%
6. Your small town bank is not prospering because the farmers are in economic trouble and because too many of your savings account depositors are investing funds in the stock market rather than placing them in savings accounts in your bank.  
LOSE 10%

### GS3: FARMERS

1. Unable to pay the mortgage on your farm in Oklahoma, you are dispossessed. You leave for “Californy” in 1926.  
LOSE 80%
2. It’s 1925. You have experienced five straight years of falling farm prices after experiencing prosperity from 1915-1920.  
LOSE 50%
3. You are bitter because your family isn’t sharing the urban prosperity. Your expenses for farm machinery are increasing at the same time agricultural prices, and therefore your income, are dropping.  
LOSE 40%
4. No matter how many letters you write to your Congressmen, they don’t understand how national tariff policies are making it difficult for farmers to sell farm surpluses abroad.  
LOSE 25%
5. Since your farm life in the Appalachian hill country was poor in income even though rich in freedom, you finally concluded that you must leave for a Northern city. There you get a poor-paying but steady job.  
GAIN 10%
6. You and your neighbors have pressured your Congressmen into joining the Farm Bloc, but all farmers’ legislation that is posed is vetoed by Presidents during the 1920’s.  
LOSE 25%

## PRESSURE POINTS - 3

### GS4: LABOR REPRESENTATIVES

### GS5: SOCIAL CRITICS

1. Suddenly at the shoe factory where you have worked for years, you receive with your pay check a pink *Termination of Employment* slip. A new sewing machine is replacing you and 25 others next Monday morning. No longer will the company's moccasins be hand stitched. Twenty-six men leave the plant, victims of technological advancement.  
LOSE 50%
  2. A former Negro sharecropper from Georgia who migrated to Chicago to work during World War I in an armaments plant, you are now the first man fired when the factory converts to making rifles during the 1920's. You find that obtaining a job is exceedingly difficult because of your skin color.  
LOSE 75%
  3. Formerly a foreman in a tire factory, you are fired and blacklisted for trying to organize a labor union.  
LOSE 60%
  4. Henry Ford boosts wages to \$5 a day for laborers in your division of his plant.  
GAIN 25%
  5. Your wife becomes drastically ill, your wages are failing to rise, and your creditors are hounding you. You have been suckered into buying on the installment plan at exorbitant interest rates. The finance company comes and picks up the new car, new refrigerator, new radio, and new toaster.  
LOSE 33%
  6. A skilled laborer in a radio plant, you have regularly bought stocks whenever you had free money. By skillful purchasing and selling on margin, you have made a fortune playing the market.  
GAIN 90%
1. In 1925 you write a best seller documenting America's moral revolution and increasing fascination with sex.  
GAIN 33%
  2. Depressed by America's loss of idealism after World War I, you become an expatriate living on the Left Bank in Paris and painting sentimental art that will not sell.  
LOSE 50%
  3. A liberal political science professor at a small midwestern college, you are fired after continually assailing "the favoritism given to American businessmen by those blind men in Washington, D.C." The word gets around on how "dangerous" you are to have on a faculty, and you find it difficult to get a new job.  
LOSE 70%
  4. So much do you believe in Senator George Norris of Nebraska that you give up being a highly paid economist advising several American corporations. You go to Washington as an aide to Senator Norris. You help him try to save the Tennessee Valley from private interests. Twice TVA is passed, but presidential vetoes send it back to Congress.  
LOSE 33%

# PRESSURE POINTS - 4

## GS6: WOMEN'S RIGHTS ADVOCATES

5. A cantankerous newspaperman in a small Tennessee town in 1925, you write an editorial praising Clarence Darrow's attack on "the narrow, nineteenth century Religious Fundamentalism of William Jennings Bryan" at the Scopes Trial, Dayton, Tennessee. You are also known as a critic of the KKK, which is flourishing in several portions of the U. S. Recently you editorialized: "Seeing all those men in white sheets would make me laugh if they weren't such deadly haters—and therefore such dangerous idiots! Your home and newspaper are both bombed."  
LOSE 90%
6. A former backer of prohibition, you write a book documenting the relationship of the phenomenal rise in organized crime to the Eighteenth Amendment.  
GAIN 20%
1. A former suffragette proud of the Nineteenth Amendment, you quit a job that gives higher pay to men who do the same work you do:  
LOSE 20%
2. Like an increasing number of women during the 1920's, you are divorced, but yet you are able to find a job since certain office jobs require women's talents.  
GAIN 10%
3. Your husband, a policeman in Chicago, is killed by Al Capone's mob. You suddenly have seven children to support, but you have only a seventh grade education.  
LOSE 80%
4. Your teenage daughter gets pregnant. You scream at her: "See what lipstick, short skirts, Freud, and the automobile have done to you! I told you that ..." You have to send her off to a private home for unwed mothers.  
LOSE 20%
5. You organize a cosmetics company and make a fortune with your lipstick motto: Help Your Lips Say "Yes!"  
GAIN 80%
6. A liberated "jazz baby" with silk stockings, short skirts, painted lips, dangling cigarette, and blunt conversation, you become a celebrity singing suggestive songs in speakeasies up and down the Atlantic seaboard.  
GAIN 50%

## PHASE I: THE ROARING TWENTIES

### GS/SD Quizzes

**Instructions** Tell students to use their own paper for answers. Read questions quickly. After the quiz, have groups exchange papers and correct the quiz quickly. Award 100 WPs for each correct answer. Have students enter WP awards on WP BALANCE SHEET. Have groups figure their average score; then, award group with highest average a bonus of 100 WPs per member.

**Note:** Answers are given in parentheses after each question.

### GS/SD Quiz 1

- **GS1—(Business Persons)**

Industry and technology were reshaping America in the ten years after World War I.

1. Name the major industry that reshaped America in the 1920s. (*automobile*)
2. Name another major basic industry. (*steel, coal, railroads, oil*)
3. What technological innovation did Henry Ford make in his factory? (*assembly line*)
4. Name one process that enabled manufacturers to lower their prices. (*assembly line; mass production; standardization—any one answer*)
5. Making parts that are interchangeable from one manufactured item to another is called what? (*standardization*)

- **GS2—(Bankers)**

Many Americans were able to climb the ladder of prosperity during the 1920s and become members of a middle class.

1. Name an industry that had a tremendous growth because so many people moved from the country to the city. (*building, houses, apartments, skyscrapers*)
2. Making a “killing” on stocks means what? (*making huge profits on a stock’s sale*)
3. Many small bankers made a nice profit by doing what besides making loans? (*selling out to large bank holding companies*)
4. Henry Ford did what to aid America in developing a large middle class? (*He paid the highest wage he could and still make a profit; at the time, \$5 for an eight hour day when the standard wage was more like \$1.*)
5. Not all Americans prospered in the 1920s. Name one occupational group who, overall, were not doing well. (*laborers; many farmers*)

### GS/SD Quiz 2

- **GS3—(Farmers)**

Even before the Great Depression of 1929-1941, many farmers faced hardships during the 1920s.

1. Name a state where farmers were doing so poorly they had to move. (*Oklahoma*)
2. What happened to farm prices from 1920 to 1925? (*fell, generally*)
3. What is a tariff? (*a tax on imports*)
4. Did national tariff policies help or hurt farmers? Why?  
(*hurt because they were high; other countries would then put tariffs on American farm goods*)
5. What happened to many farmers when they left the farm for the city?  
(*They ended up taking poor paying jobs and living in the slums.*)

- **GS4—(Labor Representatives)**

For several reasons the “Golden Twenties” were not “golden” for most American laborers and their families.

1. Many laborers lost their jobs because of what advancement?  
(*Machines took their place.*)
2. What happened to African American workers who had moved to the cities to work in the war plants during World War 1?  
(*They were replaced by whites coming back from the war.*)
3. A worker who tried to organize a union was fired and blacklisted. What happened to him?  
(*He was put on a “not to be hired” list circulated among employers.*)
4. What is the name of the sales arrangement that got many laboring people in financial trouble? (*paying on the installment plan*)
5. One thing that kept unions from gaining strength was “scabs.”  
What does this term mean?  
(*workers who would cross picket lines to work while others were on strike*)



## GS/SD Quiz 3

- **GS5—(Social Critics)**

Social critics commented on several changes in post World War I America: the passing of the small town with the growth of suburbs and urbanization; a loss of traditional idealism; an increase in crime; and a revolution in manners and morals.

1. Name one item of evidence that a “moral revolution” was taking place in America.  
*(sex was openly talked about; women would smoke and go into bars; divorce rates were rising—any one answer)*
2. Name one prominent author of the 1920s who went to Paris.  
*(Fitzgerald, Hemingway, Stein, Lewis—any one answer)*
3. What would usually happen to a college professor if he stated he believed in communism? Why?  
*(He or she was fired; most Americans thought communism was evil since it was atheistic.)*
4. What was a “bootlegger”? *(sold illegal booze)*
5. What did Scopes teach that got him fired? Why?  
*(evolution; teaching the theory was against the law in Tennessee because it disagreed with the Bible’s story of creation)*

- **GS6—(Women’s Rights Advocates)**

The 1920s witnessed a revolution in the thinking and behavior of American women.

1. What did the Nineteenth Amendment do? *(gave women the right to vote)*
2. What job did most women take in the cities? *(office work)*
3. A mother screamed at her daughter, “I told you the trouble that using lipstick, wearing short skirts, and riding around in automobiles would get you into!” Most likely, what trouble was the girl in? *(pregnant)*
4. Name a new business that became very popular in helping other businesses succeed.  
*(advertising)*
5. If a person went to hear “jazz in a speakeasy,” what did the person do?  
*(went to hear America’s favorite music of the period in a club serving illegal booze)*

# GAIN AND TAX COST CONSEQUENCES - 1

To apply pressure on students to make them want to pass or not to pass each of the New Deal bills, help students understand how their personal wealth will be affected by proposed legislation. Each citizen will be assessed to pay a certain amount of WPs for each bill that passes, using either a Flat or Progressive Income Tax computation. Each Occupational Interest Group member will be rewarded a certain amount of WPs after the passage of a bill that benefits them. Work out for each of the six bills how many WPs persons will be taxed and how many WPs they will gain if Congress passes the bill.

The Progressive Income Tax is based upon this tax table: the wealthiest one-sixth of your students will pay 50 percent of the bill; the one-half of your students who constitute your middle class will pay 40 percent; the poorest one-third of the class will pay 10 percent. Of course, your Congress may decide not to pass such an “ability to pay” tax. But having students debate this issue is immensely rewarding. Once you have completed all calculations, require students to place information such as the following in the proper places on the final copy of each bill.

The chart on the following pages are intended only as examples. They have been worked out for a class of 36. A Flat Income Tax is charged at 20 WPs per person for the AAA and WPA bills and 10 WPs per person for the other four bills. You may elect to use this chart, or may vary its statistics according to the number of students in your class and according to the curve of your students’ WP wealth at the beginning of the legislative phase of PANIC.

Only the AAA and WPA Bills are designed to pay for themselves; that is, the tax costs and the benefits costs are equal. All other legislation pays out in benefits more than the government assesses in taxes, whether the students select a flat tax or a progressive income tax. In this way students become familiar with government deficit spending programs.

- Notes:**
- \* Divide each Occupational Interest Group’s total by six to calculate an individual’s WP gain
  - \*\* Occupational Interest Group sponsor of bill

# GAIN AND TAX COST CONSEQUENCES - 2

## TOTAL COST FOR AAA AND WPA BILLS

### Flat Tax

GROUP	NUMBER OF STUDENTS		TAX PER PERSON		TAX PER GROUP
Rich	6	x	20	=	120
Middle Class	18	x	20	=	360
Poor	12	x	20	=	240
<b>TOTAL</b>	<b>36</b>		<b>TOTAL TAX DUE</b>		<b>720 WPs</b>

### Progressive Income Tax

GROUP	NUMBER OF STUDENTS		TAX PER PERSON		TAX PER GROUP
Rich	6	x	60	=	360
Middle Class	18	x	16	=	288
Poor	12	x	6	=	72
<b>TOTAL</b>	<b>36</b>		<b>TOTAL TAX DUE</b>		<b>720 WPs</b>

# GAIN AND TAX COST CONSEQUENCES - 3

## GS9—TOTAL GAIN FOR AAA BILL

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			
Farmers **	360	Bankers	72
Businessmen	72	Social Critics	72
Laborers	72	Women	72

If the bill fails, all farmers in the Southeast, Southwest, and Plains lose 75 percent of their WPs and their farms (that is, their desks) and have to sit on the floor. All farmers in the East, Midwest, and the West lose 50 percent of their WPs.

## GS13—TOTAL GAIN FOR FERA, WPA, CCC BILLS

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			
Farmers	72	Bankers	72
Business Persons	72	Social Critics **	252
Laborers	180	Women	72

All poor receive enough WPs to have their simulation grade improved to at least a “C-.” All unemployed receive 50 bonus WPs each for cleaning the board, picking up trash in the classroom, and any other tasks assigned by the government (the teacher).

# GAIN AND TAX COST CONSEQUENCES - 4

## TOTAL COST FOR OTHER FOUR BILLS

### Flat Tax

GROUP	NUMBER OF STUDENTS		TAX PER PERSON	=	TAX PER GROUP
Rich	6	x	10	=	60
Middle Class	18	x	10	=	180
Poor	12	x	10	=	120
<b>TOTAL</b>	<b>36</b>		<b>TOTAL TAX DUE</b>		<b>360 WPs</b>

### Progressive Income Tax

GROUP	NUMBER OF STUDENTS		TAX PER PERSON	=	TAX PER GROUP
Rich	6	x	30	=	180
Middle Class	18	x	8	=	144
Poor	12	x	3	=	36
<b>TOTAL</b>	<b>36</b>		<b>TOTAL TAX DUE</b>		<b>360 WPs</b>

# GAIN AND TAX COST CONSEQUENCES - 5

## GS10—TOTAL GAIN FOR NLRA BILL

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			

If the bill fails, all laborers in the East and Midwest lose 50 percent of their WPs and all other laborers receive no higher than six WPs (that is, a “C” grade) on future assignments.

## GS11—TOTAL GAIN FOR NRA BILL

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			
Farmers	90	Bankers	90
Business Persons **	240	Social Critics	90
Laborers	120	Women	90

“Small Business Persons” (that is, those with a “C” grade or lower) will receive sufficient WPs to be upgraded one full letter grade. “Big Business Persons” (that is those with an “A” grade) will be lowered one full letter grade since these provisions act primarily to limit competition and unfair business practices that were said to be caused by “unfettered capitalism.”

## GS12—TOTAL GAIN FOR NRA BILL (SOCIAL SECURITY ACT)

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			
Farmers	36	Bankers	36
Businessmen	36	Social Critics	126
Laborers	126	Women **	360

All persons with over eight letters in their last names (simulates persons over 65 years of age) will receive 100 WPs each. All persons who have to wear glasses to read (simulates the disabled) will receive 100 WPs each. All female poor will receive 100 WPs (under the assumption they have children).

## GS14—TOTAL GAIN FOR FDIC/SEC BILLS

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			
Farmers	90	Bankers **	240
Business Persons	120	Social Critics	90
Laborers	90	Women	90

All who lost everything when the banks closed gain 100 WPs each. All who bought “on margin” in the stock market and lost everything when the market crashed receive 100 WPs each.

# OCCUPATION GROUP ROSTER

NUMBER	TAG COLOR	WP WEALTH	NAMES AT BEGINNING OF PANIC	REGION
<b>BANKERS</b>				
1	B	500		W
2	G	200		SW
3	G	200		P
4	G	200		MW
5	G	200		E
6	B	400		S
<b>LABOR REPRESENTATIVES</b>				
7	G	200		W
8	G	200		SW
9	R	100		P
10	R	200		MW
11	G	200		E
12	R	50		S
<b>FARMERS</b>				
13	G	200		W
14	G	200		SW
15	R	50		P
16	R	100		MW
17	R	100		E
18	R	50		S
<b>WOMEN'S RIGHTS ADVOCATES</b>				
19	G	200		W
20	G	200		SW
21	R	100		P
22	G	200		MW
23	G	200		E
24	R	100		S
<b>SOCIAL CRITICS</b>				
25	R	100		W
26	B	300		SW
27	G	200		P
28	R	100		MW
29	G	200		E
30	G	200		S
<b>BUSINESS PERSONS</b>				
31	G	200		W
32	R	100		SW
33	G	200		P
34	B	300		MW
35	B	300		E
36	G	200		S







*Do not loose this record.*

# STOCK CERTIFICATE

OWNER-SELLER NAME	SELECT ONE		
	<b>AT &amp; T</b>	<b>FOMOCO</b>	<b>FLALANS</b>

BOUGHT		SOLD	
Date		Date	
Time of Day		Time of Day	
Number of Shares		Number of Shares Owned	
Multiplied by Price per Share	X	Number of Shares Sold	
Total Due		Multiplied by Price per Share	X
Less Cash Paid		WP Total Paid to Seller Less Margin Due	
WP Balance Due on Margin		Number of Shares Still Owned by Seller	
Broker will keep your WP CHECK as Record of Payment		Signed by Broker	

DIVIDENDS						
Date						
Time of Day						
Number of Shares						
Dividend						
Total WPs						

# WP CHECKS

WP Check \_\_\_\_\_

*Name of your regional bank*

Date \_\_\_\_\_ , \_\_\_\_\_

Pay to the order of \_\_\_\_\_ WPs \_\_\_\_\_

\_\_\_\_\_ Wealth Points

Purpose \_\_\_\_\_ Signature \_\_\_\_\_

WP Check \_\_\_\_\_

*Name of your regional bank*

Date \_\_\_\_\_ , \_\_\_\_\_

Pay to the order of \_\_\_\_\_ WPs \_\_\_\_\_

\_\_\_\_\_ Wealth Points

Purpose \_\_\_\_\_ Signature \_\_\_\_\_

WP Check \_\_\_\_\_

*Name of your regional bank*

Date \_\_\_\_\_ , \_\_\_\_\_

Pay to the order of \_\_\_\_\_ WPs \_\_\_\_\_

\_\_\_\_\_ Wealth Points

Purpose \_\_\_\_\_ Signature \_\_\_\_\_

# PAY YOUR DEPOSITORS CHARTS - 1

These PAY YOUR DEPOSITORS CHARTS are for six students in a region.

<b>PAY YOUR DEPOSITORS—CHART 1</b>		
<b>STUDENT NUMBER</b>	<b>PERCENTAGE</b>	<b>STUDENT NAME</b>
1	50%	
2	75%	
3	0%	
4	15%	
5	25%	
6	40%	

<b>PAY YOUR DEPOSITORS—CHART 2</b>		
<b>STUDENT NUMBER</b>	<b>PERCENTAGE</b>	<b>STUDENT NAME</b>
1	25%	
2	40%	
3	50%	
4	75%	
5	0%	
6	15%	

<b>PAY YOUR DEPOSITORS—CHART 3</b>		
<b>STUDENT NUMBER</b>	<b>PERCENTAGE</b>	<b>STUDENT NAME</b>
1	15%	
2	25%	
3	40%	
4	50%	
5	75%	
6	0%	

## PAY YOUR DEPOSITORS CHARTS - 2

\* To modify or customize your PAY YOUR DEPOSITORS CHARTS, see next page.

PAY YOUR DEPOSITORS—CHART 4		
STUDENT NUMBER	PERCENTAGE	STUDENT NAME
1	40%	
2	50%	
3	75%	
4	0%	
5	15%	
6	25%	

PAY YOUR DEPOSITORS—CHART 5		
STUDENT NUMBER	PERCENTAGE	STUDENT NAME
1	75%	
2	0%	
3	15%	
4	25%	
5	40%	
6	50%	

PAY YOUR DEPOSITORS—CHART 6		
STUDENT NUMBER	PERCENTAGE	STUDENT NAME
1	0%	
2	15%	
3	25%	
4	40%	
5	50%	
6	75%	

# PAY YOUR DEPOSITORS CHARTS - 3

\* Use the blank forms below to customize your PAY YOUR DEPOSITORS CHARTS.

PAY YOUR DEPOSITORS—CHART		
STUDENT NUMBER	PERCENTAGE	STUDENT NAME
1	%	
2	%	
3	%	
4	%	
5	%	
6	%	
7	%	
8	%	
9	%	
10	%	

PAY YOUR DEPOSITORS—CHART		
STUDENT NUMBER	PERCENTAGE	STUDENT NAME
1	%	
2	%	
3	%	
4	%	
5	%	
6	%	
7	%	
8	%	
9	%	
10	%	

# GS/SD REPORT FORM MODEL - 1

**Instructions:** Study this model to learn to take notes on your research and compose a well-argued report.

1. Copy the GS on your own paper.
2. Underline the important abstract nouns and verbs (that is, the “idea” words that need explanation and/or specific support).
3. Set up a “research guide” outline as demonstrated for GS 1, which is done partially for you as a model.
4. Once the outline is set up, search text books, magazines, CD ROM programs, and the Internet (if available) to find specific facts, incidents, and/or quotations that illustrate or support the ideas given in the General Statement.
5. Use “Key Words” only in your notes.
6. Finally, add source note numbers in parentheses (as indicated in the model) that relate to sources listed in the Bibliography.

**GS 1:** Industry and technology were reshaping America in the ten years after World War I.

## I. Industry effects on reshaping America

### A. Factory system

1. Assembly line (Define): \_\_\_\_\_ (1:23)
2. Standardization (Define): \_\_\_\_\_ (1:48)
3. Mass production (Define): \_\_\_\_\_ ( )

### B. Rural to urban labor movement

1. \_\_\_\_\_ ( )
2. \_\_\_\_\_ ( )
3. \_\_\_\_\_ ( )

### C. Other?

1. \_\_\_\_\_ ( )
2. \_\_\_\_\_ ( )
3. \_\_\_\_\_ ( )

## II. Technology’s effects on reshaping America

### A. Inventions

1. \_\_\_\_\_ (2:57)
2. \_\_\_\_\_ ( )
3. \_\_\_\_\_ ( )

### B. Appliances

1. \_\_\_\_\_ (2:56)
2. \_\_\_\_\_ ( )
3. \_\_\_\_\_ ( )

### C. Entertainment

1. \_\_\_\_\_ ( )
2. \_\_\_\_\_ ( )
3. \_\_\_\_\_ ( )

# GS/SD REPORT FORM MODEL - 2

## INSTRUCTIONS FOR LISTING SOURCES IN A BIBLIOGRAPHY

1. List sources alphabetically by author's last name. If no last name is given, list title alphabetically. Number the entries sequentially.
2. Use the forms below for each type of item:
  - For **books**, use this format:  
Author's last name, first name, Book Title, place of publication, publisher, copyright date.
  - For **magazines**, use this format:  
Author's last name, first name, "Article Title," Magazine Title, volume number, issue date, page numbers of article.
  - For **reference books**, use this format:  
Author's last name, first name, "Article Title," Reference Book Title, edition number, copyright date.
  - For **CD ROM** programs, use this format:  
Author's last name, first name, "Title," Producer of program, CD ROM, Vendor, Electronic publication date.
  - For **Internet** sources, use this format:  
Author's last name, first name, Title of Text (underlined), Internet address (example: www.interact-simulations.com).
3. After each note, put the number of the entry and the page number in parentheses. Hence, (1:23) after a note means that information can be found in entry 1 on page 23. See sample in outline and the following:

## SAMPLE BIBLIOGRAPHY

1. Doe, John, The Great Depression, New York, Random House, 1956.
2. Forth, Sally, "Women's Role in The Great Depression," The Saturday Evening Post. Vol. 33. June, 1933. p. 28.

(List at least two different sources.)



# DEPRESSION STATISTICS - 1

## DEPRESSION STATISTICS: 1929-1941 From the Statistical Abstract of the United States

**TABLE 1—UNEMPLOYMENT, 1929–1941 (IN THOUSANDS OF PERSONS)**

Year	Total number (gainful workers not in armed services)	Unemployed
1929	49,180	1,550
1930	49,820	4,340
1931	50,420	8,020
1932	51,000	12,060
1933	51,590	12,830
1934	52,230	11,340
1935	52,870	10,610
1936	53,440	9,030
1937	54,000	7,700
1938	54,610	10,390
1939	55,230	9,480
1940	55,640	8,120
1941	55,910	5,560

**TABLE 2—NATIONAL INCOME, 1929–1941 (IN BILLIONS OF DOLLARS)**

Year	Total income	Salaries and Wages income
1929	87.4	50.8
1930	75.0	46.5
1931	58.9	39.5
1932	41.7	30.8
1933	39.6	29.3
1934	48.6	34.1
1935	56.8	37.1
1936	64.7	42.7
1937	73.6	47.7
1938	67.4	44.7
1939	72.5	47.8
1940	81.3	51.8
1941	103.8	64.3

**TABLE 3—FARM INCOME, 1929–1939 (IN MILLIONS OF DOLLARS)**

Year	Net income to persons on farms from farming
1929	6,741
1930	5,114
1931	3,482
1932	2,285
1933	2,993
1934	3,531
1935	5,052
1936	5,361
1937	6,093
1938	5,041
1939	5,262

## DEPRESSION STATISTICS - 2

**TABLE 4—NATIONAL INCOME (IN MILLIONS OF DOLLARS)  
- REALIZED PRIVATE PRODUCTION INCOME -  
MANUFACTURING AND CONSTRUCTION, 1929–1938**

Year	Manufacturing	Construction
1929	18,059	3,225
1930	15,958	2,910
1931	12,376	1,945
1932	8,528	932
1933	8,428	762
1934	10,471	928
1935	11,720	1,043
1936	14,138	1,447
1937	16,629	1,806
1938	12,208	1,359

**TABLE 5—VALUE OF EXPORTS (IN MILLIONS OF DOLLARS)**

Year	Value
1929	5,241
1930	3,843
1931	2,424
1932	1,611
1933	1,675
1934	2,133
1935	2,283

**TABLE 6—BANK SUSPENSIONS (IN THOUSANDS OF DOLLARS)**

Year	Number of suspensions	Losses borne by depositors
1929	659	77,000
1930	1,352	237,000
1931	2,294	391,000
1932	1,456	132,000
1933	4,004	540,000
1934	57	10,000
1935	34	4,000

# GROUP LEADER RESPONSIBILITIES - 1

The legislative phase of PANIC is largely controlled by these individuals: Senate Committee Chairpersons, Occupational Interest Group Chairpersons and Political Party Leaders.

## SENATE COMMITTEE CHAIRPERSONS

Senate Committee Chairpersons conduct their committee hearings as follows:

1. Leads the Pledge of Allegiance and calls meeting to order.
2. Has secretary take attendance and announce agenda.
3. Allows Occupational Interest Group members to speak for the bill under consideration.
4. Allows other persons who rise and identify themselves to give one minute speeches for or against the bill.
5. Ends the public input session then has committee members only debate the bill and vote to accept it as written, to change it in some way and accept it, or to reject it entirely. (The debate and vote must be public even though the public is not allowed to speak at this point.)
6. If the bill passes, it would normally go to the full Senate for a vote; but, in our shortened form, the bill will go directly to the President who can either sign it or veto it.

## OCCUPATIONAL INTEREST GROUP CHAIRPERSONS

Occupational Interest Group chairpersons lead their groups through the following steps:

1. They assign group members to take research notes on each of the three provisions in the Bills that have been introduced on their behalf by one of the Senators.
2. The group members concentrate on finding out first what the details of their group's problem are so that they can define the problem well second, what caused the problem and third, how the problem can be solved by the provisions of their bill.
3. All of this research, under the chairperson's guidance, must be put into a presentation package that will be given before a congressional committee considering the bill.
4. The Occupational Interest Group chairperson assigns different members to give different parts of the group's presentation to the committee.
5. The Occupational Interest Group chairperson may need to enlist the support of Independent voters when lobbying for passage of legislation. These swing voters may mean the difference between passage or defeat for the legislation, but the compromises required to gain the support of Independents may change the form of the legislation.

# GROUP LEADER RESPONSIBILITIES - 2

## POLITICAL PARTY LEADERS

The three citizens who scored the highest number of “A’s” and the three who scored the highest number of “B’s” on the POLITICAL ATTITUDES SURVEY become Political Party Leaders who have these responsibilities:

1. They carefully examine each bill under consideration and determine if its provisions are something they as Democrats or Republicans can support.
2. They make sure they get on the agenda to speak to the committee following the Occupational Interest Group presentation. Their purpose, of course, is to get the committee to either support or defeat the bill.
3. They individually can earn up to 10 WPs for speaking and up to another 10 WPs if the committee votes in their favor. (Your teacher will decide how much the leaders actually earn.)
4. They encourage other members of their party to speak. These volunteers will also receive an award of up to a 10 WPs for speaking before the committees.
5. They carefully consider the potential benefit of enlisting the support of Independent voters when lobbying for legislation. Independent voters may enable legislation to be passed, but the compromises required may change the form of the legislation.

# HOOVER AND ROOSEVELT DEBATE - 1

**Instructions:** Congratulations! You have been chosen to role play either Franklin D. Roosevelt or Herbert Hoover during the election of 1932. This election was one of the most critical in our nation’s history, for the American economy was in its worst condition ever. Many of the nation’s farmers had either lost their farms or were failing, with many others barely able to make a living; a third of workers were unemployed, with more factories closing daily; the nation’s banks were failing or on the verge of doing so; and our nation’s poor, particularly in the cities, which now had over half the nation’s population, were close to starvation. Both the incumbent president, Republican Herbert Hoover, and his Democratic challenger, Franklin D. Roosevelt, had very strong feelings on what the government should and should not do.

Study the speeches below. Your job is to read them carefully to understand the “tone” you are to adopt when delivering your speech, and to determine what your opponent’s arguments are. You can paraphrase the speech in your own words, or you can memorize the words given and speak them as an actor. What you **cannot** do, however, is **read the speech**. Reading would likely put your audience to sleep. Remember, you have a 100 WP bonus coming for giving the speech well—and an additional 500 WP bonus for winning the election.

Good luck!

## ROOSEVELT

*(will speak first)*

First of all, let me assert my firm belief that the only thing we have to fear is fear, itself! I intend to wage a war against the emergency as if we were in fact invaded by a foreign foe!

But fear not! I have solutions for the three major problems facing the us here in 1932: the farm problem, the labor problem, and the money problem.

To begin with, I believe in more government control of farms and farmers. For instance, one of my first acts after taking office will be to have Congress give me the power to create the Agricultural Adjustment Administration. This administration, under Henry A. Wallace, will order farmers to plow up surplus crops and to slaughter millions of pigs to keep them off the market and thereby raise prices. It will also establish planting regulations and actually pay farmers for not raising crops. These acts are necessary to raise farm prices—without these regulations the 60 percent of farmers who have lost their farms will be joined by the other 40 percent, and our wonderful tradition of the family farm will be gone, forever!

Secondly, I want a Works Progress Administration set up immediately to help the unemployed. This agency would hire those in need of work and then would supervise building public works such as dams, bridges, schools, and libraries. I also want a Civilian Conservation Corps that would voluntarily enlist all the young men between 18 and 25 who are unemployed, which by some estimates is as high as 70 percent, in a corps devoted to conservation. These young men would live in camps in the national parks or on federal land and would build trails, flood control projects, plant trees and do other things to enhance our nation’s natural treasures.

Finally, I believe that banks need money right away. Therefore, when I am elected president, I will lower the amount of gold behind each dollar to 33 cents, in order that we may issue more paper money to loan to banks so that they may pay off their depositors. In addition, I will call for an insurance policy to protect people’s deposits in banks with a Federal Deposit Insurance Corporation. Most important of all, I will ask Congress to pass a Federal Emergency Relief Act and use this money to provide direct relief payments to the poor and low cost loans to small businesses to get our economy going again.

## HOOVER AND ROOSEVELT DEBATE - 2

In summary, I promise you a new tomorrow! With our proposed programs in place, farmers, workers, bankers, the poor—indeed, all Americans except for “economic royalists”—the very rich—will have a “new deal!” I urge you to vote for me and a new future!

### HOOVER

If you elect this man president, he will lead the nation into a dependency on federal government handouts to an extent unknown in our history! Indeed, he will create a class of people who will be permanently on welfare and who will always vote for any candidate who will promise to keep them on the dole and to increase it.

Let me respond to Roosevelt’s solutions to our major problems in the areas of farming, unemployment and business conditions, and to money supply, and give you my thoughts on what should be done.

First of all, I believe in as little government control of the farmers as possible. I do believe the government should help farmers help themselves by setting up a loan program for farmers’ cooperatives that would help farmers sell their crops, and for farmers who have had their crops wiped out by drought, but to set up a program that tells farmers what and how much to plant is totally un-American. And I firmly object to federal handouts for farmers, because this act of charity would make them dependent on the government and they would lose their sense of “rugged individualism” which we hold as a cherished American ideal.

In addition, I do not believe the national government should directly offer jobs on public works to the huge number of unemployed. Instead, I want the federal government to loan money to local governments, who would hire

contractors to build public projects. In this manner, our capitalist economic system would be preserved. By contrast, Roosevelt wants to hire the unemployed through a government agency which would be in direct, and unfair, competition with private companies. Private companies with the help of government loans—not handouts—can hire those in need of work and be much better at supervising the building of public works such as dams, bridges, and parks.

Finally, I differ with Mr. Roosevelt on how to solve the shortage of money problem. Our free market economy will eventually produce the money needed for business expansion and good times. We will simply have to wait for this upturn of the business cycle as we have always done in the past. Putting vast sums of money into people’s hands through direct handouts will create inflated prices, and will weaken people’s faith in our money, not strengthen it! Leave the gold standard alone and allow the business cycle to work. We will have to tighten our belts some now, but we will soon have a “chicken in every pot” again, if we only have faith in our economic system and keep the federal government out of our lives.

In summary, the proposed New Deal programs would have farmers closely regulated by the government as to what and how much they can grow. The programs would provide handouts to working people, robbing them of their independence. And, above all else, they would create a federal government so strong that it would regulate every facet of our economy and our lives. Make no mistake, these programs if once adopted, will dramatically change our citizens’ philosophy, to think of the President as the “Great White Father” who will take care of them in any emergency; and will be with us far into the future—all at taxpayer expense! I urge you to vote for me and the traditional American way!

# COMMITTEE HEARING RESPONSE SHEET

**Instructions:** Use the following form to keep track of the Committee Hearing speakers. The chairperson of the committee will indicate the three main provisions of each bill as it is introduced for debate. These provisions are also given briefly in your Student Guide. List each provision below; then, take notes on the Pro and Con arguments as you listen. The “Pro” arguments will be given first by the Occupational Interest Group which is sponsoring the bill. Then, listen for speakers, including the committee members, who might speak against the bill. List their arguments under “Con.”

I. (Provision 1): \_\_\_\_\_  
\_\_\_\_\_

PRO:

CON:

II. (Provision 2): \_\_\_\_\_  
\_\_\_\_\_

PRO:

CON:

III. (Provision 3): \_\_\_\_\_  
\_\_\_\_\_

PRO:

CON:

# OBJECTIVE TEST - 1

**Directions:** For test items numbered **1 to 4**, write your answers on a separate sheet of paper.

Do not mark on these pages.

**1. Which of the following statements are true of the first AAA?**

- a. It tried to increase prices by encouraging greater production.
- b. It tried to get farmers to leave their farms and take industrial jobs.
- c. It gave incentives to farmers to produce less.
- d. It helped increase farm income.
- e. It was declared unconstitutional by the Supreme Court.

1. *a, c, d*      2. *b, c, d, e*      3. *c, d, e*      4. *a, b, c, d, e*

**2. Which of the following statements relate to the American farmer's economic troubles during the 1930's?**

- a. The farmer had overproduced crops.
- b. Europe, also caught in the world-wide depression, was importing less of the farmer's products.
- c. Americans often imported Latin American agricultural products.
- d. Americans in cities and towns had less money to spend to buy food.

1. *a, b, c, d*      2. *a, c, d*      3. *a, b, d*      4. *b, c, d*      5. *a, d*

**3. Which of the following statements reflect American life during the 1920s?**

- a. Organized crime was growing alarmingly.
- b. The small town and the rural, isolated life were both passing.
- c. Computers were rapidly replacing workers.
- d. With more persons reading Freud and other psychological authors, young people often questioned what their parents had taught them.
- e. Being a businessman was one of the most respected of occupations.
- f. Women resisted the lure of new employment opportunities and held fast to motherhood and the kitchen.
- g. Movies, radio programs, and advertising encouraged persons of many different backgrounds to have similar dreams.
- h. New authors praised traditional American virtues and beliefs.

1. *a, c, d, g, h*      2. *a, b, d, e, g*      3. *b, d, g, h*  
4. *a, b, d, g*      5. *a, b, c, d, e, g, h*      6. *c, e, f, h*

**4. Which of the following statements might an economist make when asked, "What helped cause the Great Depression of 1929?"**

- a. "The U.S. and other nations had reduced tariff barriers between nations. The result? A drastic lowering of profits for manufacturers."
- b. "Our factories were producing goods too fast for American purchasing power. There weren't enough funds in the hands of average citizens to buy all of the goods."
- c. "Too many persons had bought too many consumer goods and too much stock on installment credit."
- d. "Farmers were already in economic trouble by the early 1920s."

1. *b, c, d*      2. *c, d*      3. *a, b, c*      4. *b, c*



## OBJECTIVE TEST - 2

**Directions:** For test items numbered **5 to 13**, choose:

- P** if the attitude or tendency of 1 was to **preserve 2**, which already existed  
**B** if the attitude or tendency of 1 was to **bring about 2**, which did not exist  
**A** if the attitude or tendency of 1 was to **abolish 2**, which already existed  
**O** if the attitude or tendency of 1 was to **obstruct or prevent 2** from coming into existence

**1**

**2**

- |     |   |   |  |
|-----|---|---|--|
| 5.  | <b>automobile</b>   | : | suburbanization and “center rot” in cities |
| 6.  | <b>assembly line</b>  | : | high prices for automobiles                |
| 7.  | <b>assembly line</b>  | : | technological unemployment                 |
| 8.  | <b>National Labor Relations Act</b>                                       | : | factory owner’s control of his business    |
| 9.  | <b>FDR’s Bank Holiday and other legislation during the First 100 Days</b> | : | capitalism                                 |
| 10. | <b>buying stocks on margin, 1920s</b>                                     | : | SEC  |
| 11. | <b>holding companies and chain stores</b>                                 | : | desire to start a small business           |
| 12. | <b>“open shop,” 1920s</b>   | : | growth of labor unions                     |
| 13. | <b>the American frontier tradition of “rugged individualism”</b>          | : | passage of Social Security legislation     |

## OBJECTIVE TEST - 3

**Directions:** For test items numbered **14 to 22** consisting of a statement followed by paired items, choose:

**A** if the statement applies to item **A only**

**B** if the statement applies to item **B only**

**both** if the statement applies to both **A and B**

**N** if the statement applies to neither **A nor B**.

14. Felt that Americans must preserve a dream they had always had—a hard-working individualist climbing a “Golden Ladder” to his personal, economic success.

*A. FDR*

*B. Hoover*

15. Felt that the new America required a new dream—a dream of the “Broad Highway” down which men walked together as they worked for a secure life for all.

*A. FDR*

*B. Hoover*

16. Felt that the philosophy and practices of his opponent in the 1932 election might well lead America into socialism.

*A. FDR*

*B. Hoover*

17. Planned to lead America into socialism.

*A. FDR*

*B. Hoover*

18. Felt that the Great Depression’s economic crisis necessitated a significant change in the amount of economic planning and control of businessmen.

*A. FDR*

*B. Hoover*

19. Helped labor unions grow.

*A. NLRA*

*B. CCC*

20. Declared unconstitutional by the Supreme Court.

*A. TVA*

*B. NRA*

21. Represented an advance for American women.

*A. 18th Amendment*

*B. 19th Amendment*

22. Period when many farmers were in economic trouble.

*A. 1920-1924*

*B. 1930-1933*

## OBJECTIVE TEST - 4

**Directions:** For test items numbered **23 to 37**, match the numbered New Deal Actions to the lettered test item.

- |                     |                      |                                 |
|---------------------|----------------------|---------------------------------|
| A. FDIC             | F. NLRA              | K. “packing the court”          |
| B. CCC              | G. FERA              | L. WPA                          |
| C. Minimum Wage Law | H. FICA              | M. Redistribution of the wealth |
| D. AAA              | I. Soil Conservation | N. Pump-priming                 |
| E. HOLC (later FHA) | J. TVA               | O. NRA                          |

23. Economic-social planning for a whole region—critics cried, “Socialism!”
24. Blue eagle ... Codes for business and labor ... “Nine Old Men” said “No!”
25. To help with erosion during the 1930s
26. Put money from federal government into the economy in order to get the economy going
27. “At last we get to vote on whether we want a union!”
28. “My employer is screaming, but at last I can feed my family.”
29. “You know what it is, don’t you? It’s a ‘soak the rich’ policy.”
30. “Call it a dole if you want to. Giving them money keeps them alive.”
31. “So we’ll have to kill some pigs! But we’ll raise prices by cutting production.”
32. \$11 billion in public works, 1935-1941
33. “We’re paying for our pension.”
34. FDR’s biggest failure with Congress
35. “I guess I won’t have to keep my money in that old sock under the bed.”
36. “As a result of that act we’ve got two things that are straighter: our boys’ backs and America’s young trees.”
37. “Because of that action by the federal government, we now have a place to live.”

# PANIC EVALUATION - 1

Name \_\_\_\_\_ Period \_\_\_\_\_

**Fill in both columns with specific details which answer these two questions:**

1. Was PANIC's simulated environment at all "real"?
2. Did you or others experience emotions felt by persons during the 1920s and 1930s?

SITUATION	AMERICA DURING 1920-1940	PANIC SIMULATION
<p>stock market rising ... buying on margin ... quick profits ...</p>		
<p>October 24, 1929 ... "Black Thursday," ... the crash of the stock market ...</p>		

# PANIC EVALUATION - 2

SITUATION	AMERICA DURING 1920-1940	PANIC SIMULATION
<p>closing of the banks ...                      loss of wealth ...                      living in Hoovervilles ...                      traumatic experiences ...</p>		
<p>Important legislation passed in Washington ...                      disagreement over "Welfare State" ...</p>		

List some specific ways PANIC can be improved in order to intensify the reality of its simulated environment:

# POLITICAL ATTITUDES SURVEY

No answer is right. No answer is wrong. Read the statements below and select the answer that most closely reflects your opinions. You must write either “a” or “b” before each number, even if you only partly agree with one of the statements.

- \_\_\_\_\_ 1. I believe the most important task of a human being is  
a. to improve one’s environment.  
b. to improve one’s character.
- \_\_\_\_\_ 2. I believe competition among citizens for business and/or professional success should be  
a. limited or regulated by the government to ensure all have an equal opportunity.  
b. as free of all regulation as possible.
- \_\_\_\_\_ 3. I believe an individual who lacks incentive is lazy because  
a. the environment caused that attitude.  
b. the person’s moral character is weak.
- \_\_\_\_\_ 4. I believe the main purpose of a college education is to prepare a person to  
a. improve our society.  
b. compete successfully with others for personal advancement.
- \_\_\_\_\_ 5. I believe  
a. principles should be changed if environmental conditions change.  
b. environment should be changed to conform to basic principles.
- \_\_\_\_\_ 6. I believe a person is essentially  
a. what the environment makes of him or her.  
b. what one makes of one’s self.
- \_\_\_\_\_ 7. I believe that the vote should be given to  
a. all citizens.  
b. only citizens who can demonstrate understanding of political issues.
- \_\_\_\_\_ 8. I believe the federal Constitution should be  
a. interpreted freely.  
b. adhered to strictly.
- \_\_\_\_\_ 9. I believe the president should be  
a. primarily a vigorous leader who actively promotes programs of his or her own design.  
b. primarily a servant of the public will.
- \_\_\_\_\_ 10. I believe the Supreme Court should base its decisions on  
a. Constitutional principles as affected by modern knowledge of psychology and sociology.  
b. the expressed provisions of the Constitution and legal precedent.

# NOTES

# Teacher Feedback Form

At Interact, we constantly strive to make our units the best they can be. We always appreciate feedback from you—our customer—to facilitate this process. With your input, we can continue to provide high-quality, interactive, and meaningful instructional materials to enhance your curriculum and engage your students. Please take a few moments to complete this feedback form and drop it in the mail. Address it to:

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Interact Unit: \_\_\_\_\_

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# Release Form for Photographic Images

**To Teachers:**

To help illustrate to others the experiential activities involved and to promote the use of simulations, we like to get photographs and videos of classes participating in the simulation. Please send photos of students actively engaged so we can publish them in our promotional material. Be aware that we can only use images of students for whom a release form has been submitted.

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I give permission for photographs or videos of my child to appear in catalogs of educational materials published by Interact.

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Parent or Guardian: \_\_\_\_\_ (print)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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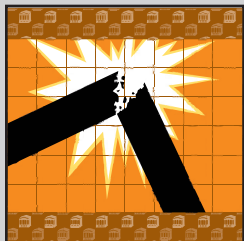
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# PANIC

A simulation of the prosperity of the 1920s and the depression of the 1930s

## PHASE I: THE ROARING TWENTIES

**Introduction** PANIC begins when you draw an Identity Tag which will give you an occupation within one of six geographic regions of the United States during the 1920's. Your occupation within your region either as a Business Person, a Banker, a Farmer, a Labor Representative, a Social Critic, or a Women's Rights Advocate, will also make you part of a national Occupational Interest Group.

Play begins when each region sends representatives to various national meetings conducted by the Occupational Interest Groups. You and other members of your Occupational Interest Group will conduct research into your group's historical background and political positions. PANIC organizes your research around six General Statements called GSs, which you will research using your Student Guide, handouts, your textbooks, your library resources, CD ROM programs (if available), and on the Internet (if available).

Your first activity with your Occupational Interest Group will be to develop a research outline. You will then return to your region to brief its members on your area of expertise in sufficient detail to pass a teacher given quiz. A quiz will be given over two General Research Statements per class hour. You, individually, will be awarded points called Wealth Points (WPs for short) for doing well on the quizzes, and your region will be awarded bonus points if it has the highest average score on the quizzes. You then may use these points as money to invest in stocks. You will be given a WP BALANCE SHEET to keep track of your earnings resulting from assignments and from investing in the Stock Market.

In addition to doing this research, you will learn how to invest in the Stock Market to increase your wealth. Investing takes place during the last part of each class period during Phase I, enabling you to double, or even triple, your grade points by making good investments. This market, simulating the market conditions in the 1920s, is decidedly a "bull" market (a term for a rising market) which can make a wise investor rich overnight. You can suddenly jump from a below average grade to an "A." Of course, the market will eventually have a "correction," and the trick is to get your profits out before this happens. Study carefully the directions in HOW TO PLAY THE STOCK MARKET.

# STUDENT GUIDE

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Learn Through Experience

# HOW TO PLAY THE STOCK MARKET - 1

**Introduction** The “Stock Market” is a name given to a place on Wall Street in New York City where *stocks* (a “stock” is a share of ownership of a particular business corporation) are bought and sold. When a company decides to allow the public to own part of its business, it divides its value into shares, and hires a brokerage firm to offer the shares for sale through the stock market. If the investing public likes the business’ product or service and believes it will be popular with

consumers, then the investors, through their brokers, purchase shares. Generally, people buy stocks with the idea of selling them for more than they paid for them; or for receiving income from *dividends* (“dividend” is a term for the profits share owners receive, paid out four times a year). There are many kinds of businesses in the U.S. who place their shares on the market, but we are going to simulate only three kinds which you can buy. These three with their characteristics follow:

BLUE CHIP	GLAMOUR	SPECULATIVE
<ul style="list-style-type: none"> <li>• <b>example, AT&amp;T</b></li> <li>• <b>characteristics:</b> <ul style="list-style-type: none"> <li>- necessary service</li> <li>- stable demand &amp; price</li> <li>- steady dividends</li> <li>- expensive</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>example, Ford Motor Co.</b></li> <li>• <b>characteristics:</b> <ul style="list-style-type: none"> <li>- glamorous product</li> <li>- price depends on appeal</li> <li>- uneven dividends</li> <li>- moderate</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• <b>example, Florida Land Co.</b></li> <li>• <b>characteristics</b> <ul style="list-style-type: none"> <li>- very appealing, but risky</li> <li>- price goes up &amp; down</li> <li>- little or no dividends</li> <li>- cheap first, then costly</li> </ul> </li> </ul>

## Instructions

1. Your teacher will list on the board the opening prices for the three stocks above and act as the broker selling them. (He or she may appoint a student to help.) The broker will maintain a public Price Board and will periodically change the price as nation-wide demand warrants: a high demand raises the price; a low demand lowers the price. Your teacher has access to a special telegraph that produces a ticker tape record of market operations.
2. When you want to buy stocks, approach the broker with a WP check made out to the broker. Do not write in an amount until you talk to the broker, for the price of the stock may change before you can buy. Carefully examine this model to see how to fill out a check.  
  
(See **Model** below of **WP Check** filled out to **Be Safe Broker**.)

WP Check MIDWEST Bank  
Name of your regional bank

Date June 24, 1998

Pay to the order of Be Safe Broker WPs 100

One Hundred and <sup>00</sup>/<sub>100</sub> Wealth Points

Purpose 100 shares, FLALANS Signature John Doe

## HOW TO PLAY THE STOCK MARKET - 2

3. In exchange for your check, the broker will issue you a STOCK CERTIFICATE. Only the broker may fill out the **Bought** column of a STOCK CERTIFICATE. Save this certificate because you may wish to sell the stock later. Deduct the amount paid for your stock from your WP total on your WP BALANCE SHEET.
6. You may **not** enter *paper profits* on your WP BALANCE SHEET. “Paper profits” means the potential profit that occurs when your stock goes up in price. You do not get that profit until you actually sell the stock for cash.

(See **Stock Certificate—Model A**, next page, with the **Bought** column filled out.)

4. When you wish to sell, fill out the **Sold** column. However, the sale becomes valid only when the broker signs it.

**Note:** Once you have sold your stock, you can add the WP proceeds of the sale to your WP total on your WP BALANCE SHEET.

(See **Stock Certificate—Model B** with the **Sold** column filled out.)

5. Periodically your teacher/broker will announce a quarter has ended, and indicate which companies on the board have declared a quarterly dividend. If you own shares of stock in a company declaring dividends, you should fill out the amount paid in the **Dividend** column and then immediately enter the WP dividend on your WP BALANCE SHEET.

(See **Stock Certificate—Model C** with the **Dividends** column filled out.)

**Remember:** the WP BALANCE SHEET is used only for **cash** transactions. You enter amounts on it only when you **buy** (in which case you **deduct**) wealth points; or when you **sell** (in which case you **add**) wealth points.

7. One feature offered by your broker may be of great interest to you because it offers the chance of acquiring great wealth with a minimum investment. This feature is known as *buying on margin*. You may choose to pay the full cash price for a stock purchase, or you may pay only a percentage, called a “margin.” For example, you could pay only 10% of the value of the stock, and owe the broker 90%. In the latter case, your goal is to make a quick profit by selling out when the price goes up and paying off what you owe out of the profits. You then will possibly have funds to reinvest on margin for other quick profits. As long as the market increases in value, profits from margin buying can make you a fortune. Of course, if the broker should issue a *margin call*, you must produce sufficient cash to pay the balance due for the full value of the stocks that you have purchased.

(See **Stock Certificate—Model D** which describes a purchase of stocks on margin.)

# STOCK CERTIFICATE—Model A

OWNER-SELLER NAME	SELECT ONE		
<i>John Doe</i>	AT & T <i>Blue</i>	FOMOCO <i>Red</i>	<b>FLALANS</b> <i>Yellow</i>

BOUGHT		SOLD	
Date	<i>6/24</i>	Date	
Time of Day	<i>11:00</i>	Time of Day	
Number of Shares	<i>100</i>	Number of Shares Owned	
Multiplied by Price per Share	X <i>1</i>	Number of Shares Sold	
Total Due	<i>100</i>	Multiplied by Price per Share	X
Less Cash Paid	<i>100</i>	WP Total Paid to Seller Less Margin Due	
WP Balance Due on Margin	<i>0</i>	Number of Shares Still Owned by Seller	
Broker will keep your WP CHECK as Record of Payment		Signed by Broker	

DIVIDENDS						
Date						
Time of Day						
Number of Shares						
Dividend						
Total WPs						

# STOCK CERTIFICATE—Model B

OWNER-SELLER NAME	SELECT ONE		
<i>John Doe</i>	AT & T <i>Blue</i>	FOMOCO <i>Red</i>	<b>FLALANS</b> <i>Yellow</i>

BOUGHT		SOLD	
Date	<i>6/24</i>	Date	<i>6/24</i>
Time of Day	<i>11:00</i>	Time of Day	<i>11:15</i>
Number of Shares	<i>100</i>	Number of Shares Owned	<i>100</i>
Multiplied by Price per Share	X <i>1</i>	Number of Shares Sold	<i>100</i>
Total Due	<i>100</i>	Multiplied by Price per Share	X <i>2</i>
Less Cash Paid	<i>100</i>	WP Total Paid to Seller Less Margin Due	<i>200</i>
WP Balance Due on Margin	<i>0</i>	Number of Shares Still Owned by Seller	<i>0</i>
Broker will keep your WP CHECK as Record of Payment		Signed by Broker	<i>John Doe</i>

DIVIDENDS						
Date						
Time of Day						
Number of Shares						
Dividend						
Total WPs						



# STOCK CERTIFICATE—Model C

OWNER-SELLER NAME	SELECT ONE		
<i>John Doe</i>	<b>AT &amp; T</b> <i>Blue</i>	<b>FOMOCO</b> <i>Red</i>	<b>FLALANS</b> <i>Yellow</i>

BOUGHT		SOLD	
Date	<i>6/24</i>	Date	
Time of Day	<i>11:00</i>	Time of Day	
Number of Shares	<i>100</i>	Number of Shares Owned	
Multiplied by Price per Share	X <i>1</i>	Number of Shares Sold	
Total Due	<i>100</i>	Multiplied by Price per Share	X
Less Cash Paid	<i>100</i>	WP Total Paid to Seller Less Margin Due	
WP Balance Due on Margin	<i>0</i>	Number of Shares Still Owned by Seller	
Broker will keep your WP CHECK as Record of Payment		Signed by Broker	

DIVIDENDS						
Date	<i>6/24</i>					
Time of Day	<i>11:00</i>					
Number of Shares	<i>100</i>					
Dividend	<i>.50</i>					
Total WPs	<i>50</i>					

# STOCK CERTIFICATE—Model D

OWNER-SELLER NAME	SELECT ONE		
<i>John Doe</i>	AT & T <i>Blue</i>	FOMOCO <i>Red</i>	<b>FLALANS</b> <i>Yellow</i>

BOUGHT		SOLD	
Date	<i>6/24</i>	Date	
Time of Day	<i>11:00</i>	Time of Day	
Number of Shares	<i>100</i>	Number of Shares Owned	
Multiplied by Price per Share	X <i>1</i>	Number of Shares Sold	
Total Due	<i>100</i>	Multiplied by Price per Share	X
Less Cash Paid	<i>100</i>	WP Total Paid to Seller Less Margin Due	
WP Balance Due on Margin	<i>90</i>	Number of Shares Still Owned by Seller	
Broker will keep your WP CHECK as Record of Payment		Signed by Broker	

DIVIDENDS						
Date						
Time of Day						
Number of Shares						
Dividend						
Total WPs						

# GS/SD ASSIGNMENT INSTRUCTIONS

## PHASE I: THE ROARING TWENTIES

**Introduction** The key knowledge you should acquire from participating in Phase I of this simulation unit has been divided into six pivotal General Statements called **GSs**, given below. Generally speaking, your task along with other members of your regional and Occupational Interest Groups will be to find and understand the Specific Details (**SDs**) that explain and/or illustrate each GS.

**Instructions** According to your Occupational Interest Group identity, you will research either GS1, 2, 3, 4, 5, or 6, complete a GS/SD Outline, and present the information to your regional group members. Students responsible for the report on a specific GS must make sure they understand the material, for they must present to their regional group in such sufficient detail and clarity that the group members can pass a quiz on the subject. (Since notes are allowed when the quizzes are given, regional group members should take notes during each presentation.) In this way you will have GS/SD outline notes for the other five GS/SD outlines, from regional group member presentations. Use a separate sheet of 8.5"x11" paper for each General Statement to develop a GS/SD outline. Notice that GS1 is given as an example and that key abstract (idea) words, given in bold type, are used as outline divisions for the Specific Details (SDs). (The Specific Details are, of course, omitted in the example—these, the Business Persons have to find.)

**GS1: Industry and technology were reshaping America** in the ten years after World War I. (Business Persons)

**GS2:** Many Americans were able to climb the ladder of prosperity during the 1920s and become members of a middle class. (Bankers)

**GS3:** Even before the Great Depression of 1929-1941, many farmers faced hardships during the 1920s. (Farmers)

**GS4:** For several reasons the “Roaring Twenties” were not “roaring” for most American laborers and their families. (Labor Representatives)

**GS5:** Social critics commented on several changes in post World War I America: the passing of the small town with the growth of suburbs and urbanization, a loss of traditional idealism, an increase in crime, and a revolution in manners and morals. (Social Critics)

**GS6:** The 1920s witnessed a revolution in the thinking and behavior of American women. (Women’s Rights Advocates)

## GS/SD OUTLINE EXAMPLE

- I. *(Copy the General Statement given your Occupational Interest Group.)*
  - A. *(List one of the abstract words here. For example, for GS1, list Industry)*
    1. *(Find a fact, incident, or quotation that shows how industry was reshaping America.)*
    2. *Ditto*
    3. *Ditto*
  - B. *(List another abstract word; for example, Technology.)*
    1. *(Find a fact, incident, or quotation that shows how technology was reshaping America.)*
    2. *Ditto (and so on ...)*

Finally, list the research source(s) you have used:

Author, Title of Source, Publisher’s name, copyright date, page numbers.  
(See the MULTIMEDIA RESEARCH AND PRESENTATION GUIDE for how to list CD ROM and/or Internet sources.)

## PHASE II: THE GREAT DEPRESSION

**Introduction** Phase II begins with the failure of the American banking system. In your classroom, the failure of the banks will cause many students to lose part or all of their material assets, measured in WPs. The loss of WPs will also affect student grades. You may find that your grade has dropped to a “D” or an “F.” If you lose all your WPs, you must live

in a “Hooverville” sitting on newspapers in the corner of the room. But do not despair! You will have the opportunity to gain these WPs back by doing research and developing solutions to your problems as you participate in United States Senate hearings during the 1930s. Your first task will be to find out how people actually felt during the 1930s.

### DEPRESSION DAYS INTERVIEWS

Use the **Depression Days Interviews** questions below to develop GS/SD Outlines for GS7 and GS8 on your own paper. If at all possible do this assignment by yourself with members of your own family. (If you cannot find old enough family members, go with a friend to a Senior Citizens’ Center. “Old folks” love to talk about the Great Depression.

**GS7:** The Great Depression was a traumatic experience for many Americans, though for most it had both good and bad effects.

**GS8:** FDR is one of the most *hated* and *loved* presidents in American history.

**Instructions** Take brief notes during interviews of two to four adults born no later than 1930. Ask your interviewees these questions:

- What do you remember most vividly about the Great Depression of 1929-1941?
- During these years did you have any contact with the following: farmers, people on relief, vagrants (boy and girl tramps, “Okies”), bank failures, people who lost out in the stock market?
- Can you remember any way that the Great Depression affected education?
- Did you see or hear any evidence that Americans were talking about a revolution to throw out the American government and establish a new government?
- Who was president during the Depression? What do you think of the way he tried to solve the problems? Were his actions in the long-range beneficial or detrimental to the United States and our way of life?
- In April, 1945, what were you doing when you heard FDR had died? What was your first reaction? Why did you have this reaction? Was your reaction similar to that of other Americans? Why?
- In appraising the effectiveness of American presidents, where would you rank FDR within a grouping of “the 20 most effective presidents in American history?” Why? What is your reaction to a recent poll of 75 leading American historians who placed FDR third (behind Lincoln, first; Washington, second)?

Staple interview notes under your GS7 & GS8 Outlines. Make sure you have identified the persons you have interviewed and their ages.

## SENATE AND LOBBYIST GROUP ACTIVITIES

Phase II is mostly devoted to Congressional Committee hearings on six GS bills pertaining to specific problems of the 1930s presented by the various Occupational Interest Groups. Before beginning your work in the Senate, you will take a POLITICAL ATTITUDE SURVEY whose results indicate to which political party (Republican, Democrat, or Independent) you would most logically belong in the 1930s. However, because logic sometimes plays little part in a person's choice of political party, you may switch parties at any time. The only requirement is you must do so in front of the whole class and immediately change your ID tag.

During Phase II, you will actually “wear three hats”: you are a lobbyist for an Occupational Interest Group making a presentation before a Congressional Committee; you are a Senator from your region sitting on a Senate Committee deliberating on proposed legislation; and you are a member of a political party wondering whether you must support your party position. Do not be surprised if you get caught by a conflict of interests, not an uncommon state of affairs in Congress, then and today!

# BILLS TO BE BROUGHT BEFORE SENATE COMMITTEES

**Introduction** Each of the GS bills is a summation of actual legislation introduced into the Congress and passed in some form during the 1930s. Your class will simulate the committee hearings on each bill, with each lobbyist for an Occupational Interest Group being responsible to present arguments for at least one provision of the group's bill. In addition, each student will be a United States Senator who, along with his/her other committee members, is charged with listening to lobbyists' arguments (and those of other interested citizens) and then voting either to accept the bill before the committee, change the bill's provisions in some way, or totally reject the bill. The committee vote determines the passage or failure of the bill, for in PANIC, the full Senate votes in a manner identical to the vote of the committee. (If your teacher has the instructional time available, he/she may decide to have your class debate as a full Senate.)

After a bill is presented before a committee and all speakers have had their chance to speak, the committee members debate the provisions of the bill. At this point, as a committee member, you must balance your personal convictions, your regional group origin, and your political party membership as you decide how to vote. An affirmative acceptance of a bill, as long as the President agrees, rewards the bill's backers with many WPs; a partial acceptance rewards the backers with some WPs (your teacher will decide how many); but a total rejection of a bill gives the backers nothing but more trouble, for the problems which prompted the bill still remain. If a bill fails to pass, the teacher will determine what further loss of WPs those still affected by the unsolved problems will suffer. If the president vetoes a passed bill, the whole class may vote for passage with a two-thirds majority vote.

Of course, any bill passed will have effects, both good and bad, on class citizens: it will benefit those citizens specifically affected, but will also have a tax cost. Before committee members recommend the passage of any bill, they must weigh the cost factor against the benefits certain Occupational Interest Group members would receive. The benefits and tax costs are shown on each bill.

**Note:** Each bill indicates its cost effects using two taxation systems: the **progressive income tax** system wherein the rich pay a higher percentage of their income than do the middle class and the poor (which is the system adopted in the 1930s); or the **flat tax** system wherein everyone pays the same per cent of their income (advocated by some as the best system for the 2000s). Your final debate, after all the GS bills have been heard and voted up or down, will be to determine how you want your country (that is, your class) taxed to pay for the new programs.

A passed bill is paid for by reducing each citizen's WPs according to the amount of taxes he/she is required to pay. After all bills are reported out and voted on, WPs are added up to see what the final costs will be and to determine who will pay these costs and in what manner.

After the taxation debate, your teacher will hold a debriefing during which you will have the opportunity to clear up any questions you might have and to review essential information for the tests. Since two days of testing and evaluation normally end the simulation, you will want to pay close attention to the congressional committee deliberations. Your experience with PANIC will afford you an unforgettable exposure to the phenomenon known as the Great Depression.

Carefully note the provisions of each of the bills and your role responsibility relating to them. For each bill you will either be a member of an Occupational Interest Group lobbying before a Senate committee, a Senator sitting on a committee, or an interested member of your political party speaking from the audience.

# BILL RESEARCH REPORT FORM MODEL

**Instructions** Each bill contains three main provisions. Each member of your group will be given one of these to research to find facts, incidents, and/or quotations to support the proposed legislation. Copy the provision on your own paper. Then, underline the important nouns and verbs (that is, the “action” words that need explanation and/or specific support.) Set up a “research guide” outline as indicated for Provision 1, which is done partially for you as a model. Once the outline

is set up, search text books, magazines, CD ROM programs, and the Internet (if available) to find specific facts, incidents, and/or quotations that illustrate or support the ideas given in the proposal. Use “Key Words” only in your notes. Finally, add source note numbers in parentheses as indicated in the model that relate to sources listed in the Bibliography. If you need help, review the GS/SD REPORT FORM MODEL from Phase I.

## BILL: AAA

**GS9:** The federal government should require farmers to give up some individual freedom in order to gain some economic security.

**I. Provision 1:** The national government will put an agent in each county who will do the following:

**A.** Determine what crops can be planted

1. *(Reason 1 why this is necessary):*
2. *(Reason 2 why this is necessary):*

**B.** Determine how much land can be used for each crop

1. *(Reason 1 why this is necessary):*
2. *(Reason 2 why this is necessary):*

**II. Provision 2:** *(Complete in the same manner as for I.)*

**III. Provision 3:** *(Complete in the same manner as for I.)*

See the GS/SD REPORT FORM MODEL Bibliography instructions from Phase I to complete a bibliography on your research.

# AGRICULTURAL ADJUSTMENT ACT (AAA)

**Senate Committee:** Agriculture

**Presenters:** Farmers

**Preamble:**

**GS9:** The federal government should require farmers to give up some individual freedom in order to gain some economic security.

## MAIN PROVISIONS

1. The federal government will supply each county with an agricultural agent who will determine what crops can be planted and how much land can be used for each crop. To receive federal aid, farmers must do as the agent indicates.
2. Farmers who are instructed not to plant some of their land will receive a cash payment for putting this land into a “Soil Bank.”
3. The federal government will set a bottom market price for crops it determines are necessary for the common good and are difficult to regulate as to quantity produced (for example, wheat and cotton) and will buy these crops at this “parity” price if no private or foreign buyers can be found.

**Tax Cost:** 720 WPs

**Class Effects:**

### GS9—TOTAL GAIN FOR AAA BILL

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			
Farmers **	360	Bankers	72
Businessmen	72	Social Critics	72
Laborers	72	Women	72

**Specific Effects:** If the bill fails, all farmers in the Southeast, Southwest, and Plains lose 75% of their WPs and their farms (that is, their desks) and have to sit on the floor. All farmers in the East, Midwest, and the West lose 50% of their WPs.



# NATIONAL LABOR RELATIONS ACT (NLRA)

**Senate Committee:** Labor

**Presenters:** Labor Representatives

**Preamble:**

**GS10:** The federal government should regulate wages, hours, and working conditions and mandate collective bargaining on labor contracts in order to ensure laborers are treated fairly by business owners engaged in interstate commerce.

## MAIN PROVISIONS

1. All businesses must carry insurance to compensate workers with disability pay for injuries suffered on the job and for workers becoming too ill to work because of working conditions or pressures.
2. All businesses engaged in interstate commerce must pay a minimum wage as set by Congress.
3. All businesses must agree to collective bargaining with labor representatives until a contract covering laborers' hours, wages, working conditions, and fringe benefits, such as vacations and sick pay, is reached.

**Tax Cost:** 360 WPs

**Class Effects:**

### GS10—TOTAL GAIN FOR NLRA BILL

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			
Farmers	36	Bankers	36
Businessmen	36	Social Critics	126
Laborers **	360	Women	126

**Specific Effects:** If the bill fails, all laborers in the East and Midwest lose 50% of their WPs and all other laborers receive no higher than six WPs (that is, a "C" grade) on future assignments.

# NATIONAL RECOVERY ACT (NRA)

**Senate Committee:** Business

**Presenters:** Business Persons

**Preamble:**

**GS11:** The federal government should regulate prices, working conditions, and competition among businesses in order to prevent monopolies and unfair practices.

## MAIN PROVISIONS

1. All businesses dealing with the sale and/or manufacture of similar products will abide by the rules for health and safety as developed by an agency appointed by the President.
2. All businesses shall be limited to making no more than a 10% net profit, with any profit in excess of 10% being forfeited as an “excess profit” tax.
3. All businesses must charge whatever wholesale or retail price for their goods and/or services that an agency appointed by the President approves.

**Tax Cost:** 360 WPs

**Class Effects:**

### GS11—TOTAL GAIN FOR NRA BILL

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			
Farmers	90	Bankers	90
Business Persons **	240	Social Critics	90
Laborers	120	Women	90

**Specific Effects:** “Small Business Persons” (that is, those with a “C” grade or lower) will receive sufficient WPs to be upgraded one full letter grade. “Big Business Persons” (that is those with an “A” grade) will be lowered one full letter grade since these provisions act, primarily, to limit competition and unfair business practices that were said to be caused by “unfettered capitalism.”

# SOCIAL SECURITY ACT (FICA)

**Senate Committee:** Welfare

**Presenters:** Women's Rights Advocates

**Preamble:**

**GS12:** The federal government should set up an insurance program that would pay old people a retirement and give supplemental pay to widows, mothers with dependent children, and anyone who is disabled and unable to work.

## MAIN PROVISIONS

The federal government will set up an insurance program that will require mandatory payments from workers and employers to fund three programs:

1. Any person over 65 will be eligible for an old age pension, the amount of which to be determined by Congress. This pension will be paid for by the federal government immediately but by the insurance fund in the long run.
2. Any person who loses his job because of a layoff or becomes disabled due to illness will be eligible for unemployment payments in an amount determined by Congress for a term of time also to be determined by Congress.
3. Any widow or mother with dependent children whose income is below a poverty line determined by Congress will be eligible for so much money per child per month as also determined by Congress.

**Tax Cost:** 360 WPs

**Class Effects:**

### GS12—TOTAL GAIN FOR NRA BILL (SOCIAL SECURITY ACT)

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			
Farmers	36	Bankers	36
Businessmen	36	Social Critics	126
Laborers	126	Women **	360

**Specific Effects:** All persons with over eight letters in their last names (simulates persons over 65 years of age) will receive 100 WPs each. All persons who have to wear glasses to read (simulates the disabled) will receive 100 WPs each. All female poor will receive 100 WPs (under the assumption they have children).

# DIRECT RELIEF (FERA, WPA, CCC)

**Senate Committee:** Relief

**Presenters:** Social Critics

**Preamble:**

**GS13:** The federal government should give direct relief to the unemployed and make work for them on public projects.

## MAIN PROVISIONS

1. The President shall set up an agency with branches in all states to provide weekly money payments to persons who make less money than the lowest income earned by a middle class family. The purpose of this act is to bring these persons up to a standard determined by the agency to be the line between poverty and the middle class. (FERA)
2. The federal government shall set up a Works Projects Administration to develop and oversee government works projects that would give jobs to the unemployed. (WPA)
3. The federal government shall set up a special program, called the Civilian Conservation Corps, for unemployed young men ages 18 to 25 to work in the national parks, build new parks, and work on flood control projects for a \$1 a day and their food and lodging. (CCC)

**Tax Cost:** 720 WPs

**Class Effects:**

### GS13—TOTAL GAIN FOR FERA, WPA, CCC BILLS

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			
Farmers	72	Bankers	72
Business Persons	72	Social Critics **	252
Laborers	180	Women	72

**Specific Effects:** All poor receive enough WPs to have their simulation grade improved to at least a “C-.” All unemployed receive 50 bonus WPs each for cleaning the board, picking up trash in the classroom, and any other tasks assigned by the government (the teacher).

# FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC) SECURITIES AND EXCHANGE COMMISSION (SEC)

**Senate Committee:** Finance

**Presenters:** Bankers

**Preamble:**

**GS14:** The federal government should guarantee people’s bank accounts through an insurance program. The federal government should also regulate the stock market to prevent fraud and people making foolish decisions.

## MAIN PROVISIONS

1. A federal insurance company called the Federal Deposit Insurance Corporation (FDIC) will be set up to provide payment to individual depositors up to \$40,000 if the bank holding said deposit is unable to pay said depositors within 30 days of demand for said deposit.
2. A federal agency called the Securities and Exchange Commission (SEC) will be set up to regulate what stocks can be bought and sold and under what terms.
3. The President will be given the power to direct the Treasury Department to store whatever amount of gold the President deems necessary to provide security for the paper dollar. (The effect of this provision would allow the President to control the amount of paper money in circulation. For example, if he were to lower the gold standard to 33% on the dollar, the federal government would have three times as much money to put in circulation to pay for its proposed programs.)

**Tax Cost:** 360 WPs

**Class Effects:**

### GS14—TOTAL GAIN FOR FDIC/SEC BILLS

720 * WPs GAINED BY OCCUPATIONAL INTEREST GROUPS			
Farmers	90	Bankers **	240
Business Persons	120	Social Critics	90
Laborers	90	Women	90

**Specific Effects:** All who lost everything when the banks closed, gain 100 WPs each. All who bought “on margin” in the stock market and lost everything when the market crashed, receive 100 WPs each.

# PANIC DEBRIEFING GUIDE

**Introduction:** When the congressional session is concluded, your teacher will have you review your notes to discuss the issues identified in GS15, 16, 17 and 18. You may be asked to do this in your regional group or as a whole class.

This discussion will help you to prepare to write an extra credit essay to improve your current PANIC grade. Using your GS/SD training to frame your thesis, write an essay on your choice of GS15, 16, 17 or 18.

An acceptable extra credit essay will include enough SDs to adequately support the GS that you have selected. Acceptable extra credit essays will also be proofread and be written neatly in correct grammatical form. The extra credit essay provides you a means of recovering some of the losses of WPs you suffered through the Stock Market crash and the closing of the banks. Remember, extra credit was not available to people who lived through the Great Depression.

**GS15:** The Great Depression gave reformers opportunities to press their pet ideas for reforming society.

**GS16:** As a result of the traumatic effects of the Great Depression, many Americans felt the national government should guarantee a secure life for all Americans both now and in the future, yet many Americans worried about the consequences of a welfare state.

**GS17:** Hoover and FDR's political philosophies about the role of the federal government caused them to think and act differently when confronting the Great Depression.

**GS18:** During the bottom of the Great Depression, most people felt that since about all Americans were "in the same boat," the national government should intervene in people's lives in order to help them.

# NOTES