

Student's Name

Course

Professor's Name

Date

Section 1 (Introductory paragraph)

A. Background information

1. The Great Depression is still remembered as the worst depression of the world's economy that began on 24th October 1929 and ended after a decade¹.
2. It is also the worst depression in American history.

B. Controversial Question

1. How did the economic security of Americans during the 1930's worsen/contribute to the Great Depression?

C. Thesis Statement

1. The economic security of Americans during the 1930s worsened and contributed to the Great Depression massively as a result of the crash in the stock market, banking panics and significant increase of international tariffs and reduction in lending.

D. List 3 Sub-Topics /Arguments

1. The 1929's stock market crash.
2. Monetary contractions and banking panics
3. International lending reduced and tariffs increased

Section 2 (Argument 1)

A. Introductory sentence/major idea

1. The 1929's stock market crash rendered shares worthless.

B. Evidence

¹ Kimberly Amadeo, "The Great Depression, what happened, what caused it, how it ended," The Balance, last modified August 5, 2019, <https://www.thebalance.com/the-great-depression-of-1929-3306033>.

1. In 1929, worried investors started to sell overpriced shares, thus, motivating the trading of more than 13 million shares a day at unprecedented prices².

C. Analysis of Evidence & Relation/Link to thesis

1. Increased trading of shares rendered millions of shares valueless and the investors who purchased stock with loans were completely wiped and consequently leading to low business production and firing of employees.

D. Concluding sentence

1. Therefore, the panic to liquidate shares exacerbated the decline in stock prices leading to economic depression.

Section 2 (Argument 2)

A. Introductory sentence

1. Monetary contractions and banking panics made depositors to withdraw their money leading to reduced money supply in the economy

B. Evidence

1. Banks operated without guarantees to depositors thereby creating panic concerning the potential bank's insolvency³.

C. Analysis of Evidence & Relation/Link to thesis

1. The widespread failure of banks to insure customers' deposits meant that depositors would lose their savings, therefore, they withdrew their money to prevent losses.
Banks had less money to lend, motivating the Federal Reserve to increase lending rates which further depressed the lending.

² History.com Editors, "Great Depression History," History.com, last modified October 22, 2019, <https://www.history.com/topics/great-depression/great-depression-history>.

³ Cumberland County School District, "5 Causes of The Great Depression," accessed November 13, 2019, <https://www.cland.k12.ky.us/userfiles/13/classes/441/5causesofthegreatdepression.pdf?id=8459>.

D. Concluding sentence

1. The reduced supply of money discouraged investment and reduced purchasing power of consumers, thus depressing the economy.

Section 3 (Argument 3)

A. Introductory sentence

1. The United States' high interest rates led to a significant reduction in lending by American banks to foreign nations and increased tariffs by the government.

B. Evidence

1. Reduced lending to European nations such as Germany and South American countries including Brazil and Argentina adversely impacted these countries' economies, thus, motivating them to retaliate against the U.S by imports such as agricultural products⁴.

C. Analysis of Evidence & Relation/Link to thesis

1. With the tightening Great Depression, the government of the U.S was forced to act, therefore, Congress ratified the Smoot-Hawley Tariff which was meant to safeguard the American sector from foreign competitors. America's trading partners were forced to pay higher tariffs and those depended on loans from American banks could not access more loans.

D. Concluding sentence

1. High tariffs on American imports and lack of financial aid from the U.S banks led to retaliation by foreign countries thus depressing the America's imports.

⁴ Lumen Learning, "The Great Depression | Boundless World History," Lumen Learning, accessed November 14, 2019, <https://courses.lumenlearning.com/boundless-worldhistory/chapter/the-great-depression/>

Section 5 (Conclusion)

A. Summary of subtopics

1. The paper discussed how the 1929's stock market crash, monetary contractions and banking panics and the reduced international lending and increased tariffs contributed to the Great Depression.

B. Restate thesis

1. The worsened economic security of the United States during the 1930's caused the Great Depression.

C. Positive, moral, lesson learned sentence

1. The finance sector is holds the fate of the nation's economy, thus must be studiously monitored and regulated.

Bibliography

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