

Summary: Land Bust

From Boom to Bust

In 1925, Florida's land boom turned into a bust. Land became too expensive for many people to buy. Then, newspaper stories told about greedy sellers who lied about the quality of Florida land. Many people were afraid of being cheated. The price of land fell.

In 1925, a railroad strike made the bust worse. Builders could not get materials they needed to build homes. Storeowners could not get products to sell.

Then, two hurricanes hit Florida. Hundreds of people died and thousands of homes were destroyed. Many people left the state. This caused businesses to close. Workers lost their jobs. Banks failed because loans to businesses and land buyers were not repaid. People lost their savings.

People all around the country had economic problems. They had a hard time getting food, clothing, and housing for their families.

The Great Depression

In the late 1920s, many people owned company shares, or stocks. People made money by selling the stocks for more than they paid. But, stock prices dropped in 1929. The stock market crashed. This was the beginning of the time called the Great Depression.

There were other reasons for the Depression. Few people were buying cars or building homes. Farms and businesses were failing. Unemployment became a national problem. Many families did not have enough food. Florida and other states asked the U.S. government for money to help. States gave this money to people out of work.

In 1932, voters elected Franklin D. Roosevelt as President. Roosevelt's New Deal was made up of laws to improve banks, protect people's savings, and control the stock market.

The New Deal laws also started work programs. The Works Progress Administration (WPA) paid workers to build bridges, schools, dams, roads, and airports in Florida. The Civilian Conservation Corps (CCC) paid workers to plant millions of trees in Florida. They also helped American Indians protect their homelands in the Everglades.



Before You Read

Find and underline each vocabulary word.

bust *noun*, a period of time when buying and selling slows down or stops

strike *noun*, an act that occurs when workers stop doing their jobs to protest bad working conditions and to get higher pay

depression *noun*, a period when businesses fail, prices drop, and jobs are very hard to find

stock market *noun*, a place where people buy and sell shares in the ownership of companies

unemployment *noun*, the lack of jobs



After You Read

REVIEW Why did many Florida banks fail? Circle the sentence that tells the answer.

REVIEW Why did President Roosevelt set up the New Deal? Underline the sentence that tells what the New Deal was supposed to do.