

## Teacher Notes



# Causes of the Great Depression

## Activity 2 The Stock Market Crash

### Activity at a Glance

- ◆ **Subject:** Social Studies
- ◆ **Subject Area:** U. S. History
- ◆ **Category:** Great Depression
- ◆ **Topic:** Great Depression
- ◆ **Grade Level:** 9 - 11
- ◆ **Prerequisites:** Students should be familiar with the economy of the twenties to show the changes that led to the Great Depression.
- ◆ **Total Teaching Time:** 45 minutes

### Materials

- ◆ TI-83 Plus
- ◆ TI External Keyboard
- ◆ TlmeSpan™ Application
- ◆ TimeSpan™ file: **CRASH.8xv**
- ◆ Student Data Sheet: **My Record Book**
- ◆ Teacher Guide: **TimeSpan™ Application Instructions, Using the List Editor to Graph a List**

### *Activity Overview*

In this activity you will be using the TlmeSpan™ Application. The TlmeSpan™ Application allows a user to view timelines on the TI-83 Plus handheld device. The program can display a maximum of three timelines at once, but in this activity, only two timelines are used. Students will use primary sources from the 1929 *New York Times* to make decisions about buying and selling stock in the second half of 1929.

### *Tip*

Students need to be familiar with the TlmeSpan™ application. An instruction sheet for the program is included at the end of this activity. It may also be helpful to review with students the challenges of working with primary source documents.

## ***Directions***

### ***Before the Activity Begins***

Remind students of the impact of the stock market on the general economy by conducting a class discussion on the following questions:

- ◆ Who owns the Microsoft Corporation?  
(The students need to understand the idea of stockholders as owners as opposed to a single owner or ownership by a company president.)
- ◆ Why do people buy stock?
- ◆ How does selling stock help companies?
- ◆ How does it help the country?

### ***During the Activity***

1. The students will be investigating the Stock Market of 1929 by participating in the market. Distribute the resource sheet, **My Record Book**. Review with the students the options for buying stocks. All students will begin with three hundred dollars to invest and they have the choice of buying three stocks. They can choose to buy any amounts they wish and if they choose to hold back some cash, it will be deposited in the bank. The three stocks are Big City Gas and Electric (BCGE), BeepBeep Cars (BBC), and General Inventions (GI).
2. Begin by having students choose how they will invest their money.
3. After each round of news, the students will determine their new net worth and have the opportunity to buy and sell stock. They will also write a brief summary of what is going on and their reaction to events in their journal.

After students have made their initial stock purchases, they should access the TimeSpan™ application on their device. They should access the file entitled **The Crash** and turn both timelines, **Newspaper** and **Stocks**, on.

Students will work through each month's headlines and stock prices, responding on their worksheet after reading each month's entry. The newspaper entries are actual headlines and text from the *New York Times* and therefore the students may find that the language sounds odd to their modern ears. If the students have trouble understanding the text, pair the students, then instruct the students to read the entries aloud to one another.

***After the Activity***

After the students have completed six months of trading, instruct them to graph their net worth using the List Editor. Instructions for graphing the information are included at the end of this activity. Ask the students to consider the following questions:

- ◆ What happened to your net worth?
- ◆ Where did the money go?
- ◆ How did the *New York Times* influence your decisions?
- ◆ Is the *New York Times* a biased source?
- ◆ How would the crash impact the country?
- ◆ Since banks could invest their reserves in the stock market, how would the crash affect banks and their customers?

Explain the concept of buying on margin. How would buying on margin affect the country after the crash?

**Student Data Sheet**  
**My Record Book**

Name: \_\_\_\_\_

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

<b>My Journal</b>	<b>My Account Book</b>																					
<p>This is your starting balance. You have \$300.00 to buy stock. You may buy multiple shares of one type of stock or mix your portfolio between the three stocks: The stocks available for your purchase and their starting price per share are:</p> <p>BeepBeep Cars      15.00 per share            Big City Utilities    30.00 per share            General Inventions 15.00 per share</p>	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">debit</th> <th style="width: 20%; text-align: center;">balance</th> </tr> </thead> <tbody> <tr> <td>Cash on hand</td> <td></td> <td style="text-align: right;">300.00</td> </tr> <tr> <td>___ shares of _____</td> <td style="text-align: center;">(     )</td> <td style="text-align: right;">_____</td> </tr> <tr> <td>___ shares of _____</td> <td style="text-align: center;">(     )</td> <td style="text-align: right;">_____</td> </tr> <tr> <td>___ shares of _____</td> <td style="text-align: center;">(     )</td> <td style="text-align: right;">_____</td> </tr> </tbody> </table>		debit	balance	Cash on hand		300.00	___ shares of _____	(     )	_____	___ shares of _____	(     )	_____	___ shares of _____	(     )	_____						
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Using the List Editor, graph your net worth during the six months of 1929 that you experienced.

- ◆ What happened to your net worth?
- ◆ Where did the money go?

## Teacher Guide

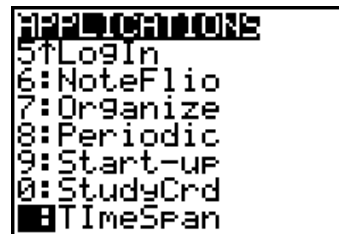
### TimeSpan™ Application Instructions

The TimeSpan™ Application allows students to access timelines and brief event descriptions on the TI-83 Plus.

1. If the application is not already installed on the TI device, it can be downloaded from the TimeSpan™ Creator by connecting the device to the computer using a TI-GRAPH LINK™ cable. Attach the device to the computer and choose **Action** from the menu bar then select **Send Player to Device** to begin the transfer.



2. Once the application and files (APPVARs) are installed on the device, students access the files by pressing the **[APPS]** key then selecting **TimeSpan**.



3. The Main Menu appears on the screen. From this menu, students can continue with the last timeline used or begin a new topic. Options for displaying the timelines can also be changed from this menu.



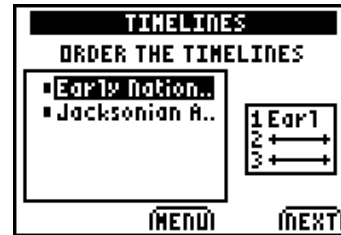
4. Students should choose **NEW TOPIC** and then select the timeline they wish to view.



5. The students then select the number of timelines that they want to show on the screen. The program will display up to three timelines at once. Select the number of timelines you want to display, and then select **NEXT**.



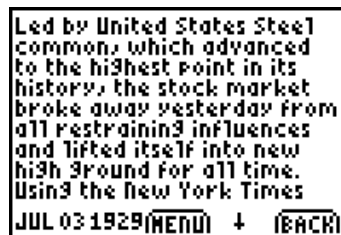
6. The next screen allows the students to decide the order in which multiple timelines are shown on the screen. Use the **ENTER** key to make selections.



7. When **NEXT** is pressed, the timelines are displayed.



8. Use the arrow keys to select an event on a timeline. Events are indicated by a flashing **T** on the line. Press **ENTER** to display the description of the event. To return to the timeline, press **GRAPH**. This corresponds to **BACK** on the screen.



9. Students can press **ZOOM** at any time to display the Application's Main Menu screen.



## Teacher Guide

### Using the List Editor to Graph a List

1. Press the **[STAT]** key. Highlight **1:Edit** and press **[ENTER]**.

```

[2nd] [STAT] CALC TESTS
1:Edit...
2:SortA(
3:SortD(
4:ClrList
5:SetUpEditor
  
```

2. If necessary, clear the lists by using the **[↑]** key to choose the column, and then press **[CLEAR]** and **[ENTER]** to clear the selected list.

L1	L2	L3	1
1899	.01	3.2	
1930	3.4	8.7	
1931	4.3	15.9	
1932	7	23.6	
1933	8.1	24.9	
1934	10.8	24.9	
1935	9.3	21.7	

L1(1)=1929

3. In the **L1** column, enter dates or whatever information will be displayed on the horizontal axis of the graph. In the **L2** column, enter the information to be graphed.

L1	L2	L3	3
1890	-1.8		
1891	0		
1892	0		
1893	- .92		
1894	-4.63		
1895	-1.94		
1896	0		

L3(1)=

4. Before graphing the information, press **[Y=]** and clear out any equations that were entered in this location.

```

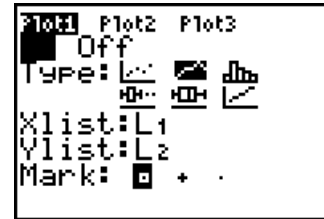
?Tot1 Plot3
/Y1=
/Y2=
/Y3=
/Y4=
/Y5=
/Y6=
/Y7=
  
```

5. Press **[2nd] [Y=]** to display the **[STAT PLOT]** menu. Highlight **1:Plot1** and press **[ENTER]**.

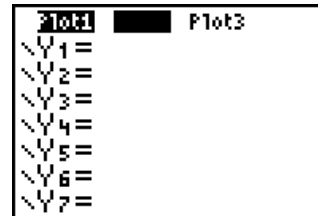
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STAT PLOTS
1:Plot1...On
  L1 L2
2:Plot2...Off
  L1 L3
3:Plot3...Off
  L1 L2
4:PlotsOff
  
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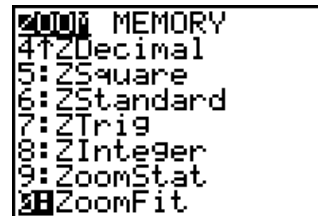
6. Press  $\downarrow$  to move to the **Type:** line and select the second graph (line graph). Be sure that **Xlist:** contains **L1** and **Ylist:** contains **L2**. Press  $\text{ENTER}$ .



7. Press  $\text{Y=}$ . Plot1 should be shaded. If Plot2 or Plot3 is shaded, deactivate them. Press  $\rightarrow$  to highlight the plot you want to deactivate, and then press  $\text{ENTER}$  to deselect them.



8. Press  $\text{ZOOM}$  then select **9:ZoomStat**. This selection fits the graph in the screen area.



9. Press  $\text{ENTER}$  to bring up the graph. Press  $\text{TRACE}$  to display the values where the cursor rests.

