YouTube Title: "1929 Wall Street Stock Market Crash" http://www.youtube.com/watch?v=RJpLMvgUXe8
Video Length: 10:05 minutes

Chapter 8: The Business Cycle, p. 154
Topic: Historical Cycles, p. 157
Key Terms: Demand shifts, business cycles, the great depression, GDP growth
Learning Objective 1: The major macro outcomes and their determinants.

Economic Application
This PBS documentary excerpt shows the devastation associated with the Wall Street stock market crash of October 1929. On October 24, 1929 nearly 10 billion dollars invested in stocks was wiped out in 2 hours. There was a stunned disbelief rising up from thousands of ruined and frightened individuals. The following Tuesday, now known forever after as "Black Tuesday," a second tidal wave of selling hit the stock market. On this day, hour after hour, the market continued its decent into chaos and pandemonium as stock prices collapsed. This was the worst single day in the history of the New York Stock Exchange. The market had lost $14 billion in value, bringing the week's loss to over $30 billion, 10 times more than the entire annual budget of United States government at that time. This devastation was not confined to Wall Street; in fact, the stock market is often a barometer of business cycles. The crash of 1929 both anticipated and worsened the Great Depression.

Multiple-Choice Question
What are business cycles?
- a) The movement of managers and business leaders from one business to another.
- b) Changes in stock prices.
- c) The movement of a product from production to market.
- d) Alternating periods of economic growth and contraction.

Discussion Question
What are business cycles and where within the business cycle was the United States operating in October of 1929?