



The Great Depression, Riverside, and the Mission Inn Grade 11

Objectives: Riverside’s Mission Inn has long been a conduit of local, national, and world history. This lesson will examine the economic events of the 1920s and 30s, and will demonstrate how these events played out locally. This will be accomplished by having students analyze and compare primary sources from the Mission Inn Museum collection, the Riverside Public Library, the National Archives, and the Herbert Hoover Presidential Library.

Introduction and Context for Teachers:

Slides 1-2: Throughout the 1920s the United States experienced an economic boom. The American economy had performed very well after WWI – factory production was on the rise, and exports to other countries were strong. Recent changes to import tariffs had also created more demand for American made goods, which increased domestic production, sales, and revenue.

The City of Riverside rode a wave of economic prosperity during this time as well. Thanks to the citrus industry, sometimes referred to as “California’s second gold rush,” the City of Riverside was once the wealthiest city per capita in the United States. This economic prosperity continued through the 1920s, and nowhere was this more evident than at Frank Miller’s Mission Inn Hotel – a sprawling destination resort in the center of downtown Riverside that attracted guests from around the world.

Slide 3: Stock values surged throughout the 1920s, thanks in part to wide spread speculation about stock values. Caught up in the fervor of rising stock values, many investors took out loans under the assumption that the market would continue to climb higher, which would enable them to pay back their loan and make a handsome profit.

The danger of this speculation, and the over-valued stocks that resulted, was realized on October 24, 1929 – Black Thursday. Spurred by government policy changes and other, minor sell-offs, investors panicked and rapidly sold their remaining stocks before they became worthless. This sudden sell off caused stock values to plummet further; an estimated 13 million shares were traded on Black Thursday. Despite a temporary rebound on Friday, October 25, stocks continued to lose value through November 13, 1929. By the time the market hit its bottom, the damage to the economy had been done and a ripple effect had begun.

Slide 4: The massive losses incurred during the 1929 stock market crash put the American and world economies into a tail spin. Investors lost their money, and in turn, banks that tried to collect on their loans also suffered losses when they were unable to recoup their money. Without any sort of federal insurance like we have today, other bank customers began to worry about the security of their personal savings and finances. If a bank completely failed, depositors faced the risk of losing their money. Customers hurried to withdraw their savings and close accounts before banks failed. This rush to withdraw money and close accounts caused even more banks to fail. As money disappeared and banks closed, other businesses and industries suffered. Businesses and employers lost their accounts, and some were unable to determine which bank checks were still valid. As a result, they were forced to lay off employees, cut costs and reduce working hours, which led to progressively higher unemployment rates and lower sales for other businesses.

Slide 5: In November, 1929, in response to rising unemployment, President Herbert Hoover sent a telegram to all the state governors, and urged them to take on public works projects in order to employ out of work individuals and help steer the economy back on track. Despite this call for public projects, unemployment numbers continued to climb out of control for several more years.

Slide 6: In 1929, prior to the stock market crash, the American unemployment rate stood at a very low 3.9%. That number rose significantly just a year later, to 8.7%, and then nearly tripled by 1933 when, according to US census and labor department statistics, unemployment hit an all-time high of 24.3%. At this same time, approximately 5,000 banks had failed nationwide, leaving untold numbers of people out of work and without recourse for their lost deposits.

Slide 7-8: Many depression-affected Americans that lived in the mid-west and eastern states chose to flee from the dual crisis of drought and rising unemployment. They packed up their belongings and moved west to California, in search of a better life and more job opportunities. However, the economic situation in California was no less dire than anywhere else in the United States. The plight of unemployed, drought-stricken migrants that moved west inspired John Steinbeck to author *The Grapes of Wrath*. American photographer Dorothea Lange was hired as part of the Farm Security Administration to photograph Midwestern Americans and their hardships, capturing some of the most iconic images in American history.

Slide 9: Some of these migrants may have been familiar with Riverside's Mission Inn Hotel; a destination hotel that had grown exponentially since its first boarder arrived in 1876. Families, celebrities, politicians, and social activists frequently visited the hotel for meetings, performances, campaigns, vacations, and extended stays to escape the harsh winters elsewhere in the United States. The hotel was also a constant work in progress that was not completed until late 1931.

Slide 10: Just a few months prior to the 1929 stock market crash, Mission Inn owner Frank A. Miller made plans to carry out another major addition to his hotel – the *Rotunda Internacional*. This new wing was planned as a meeting point for world leaders and international peace conferences. Miller had traveled extensively and was an advocate of international peace and respect for other cultures. The new wing would contain a large non-consecrated chapel, a “Court of the Orient,” the Atrio (a small European-style courtyard), and offices and meeting rooms inside the Rotunda, which was to be the centerpiece of the new wing.

Slide 11: Not long after Miller's construction plans were finalized, the stock market crashed, and the country began to sink into an economic depression. As more people found themselves out of work, income from guests and diners at the Mission Inn declined. Instead of cancelling construction plans, Miller went ahead with the Rotunda project. Construction on the Mission Inn Rotunda lasted from 1929-1931, during a time when many Americans were losing their jobs. At the time, the Rotunda represented one of the largest construction projects in the Southwestern United States. Since construction required laborers, craftsman, planners, and new hotel staff, Miller was able to keep many Riverside residents employed during the first years of the depression.

Slide 12: Construction on the Mission Inn Rotunda also coincided with a time when city and state officials scrambled to heed President Hoover's call for construction projects to help resolve rising unemployment. The City of Riverside answered the call by forming a committee of local business owners,

organization chairs, and city officials to seek out property owners that could offer temporary employment in the form of labor or odd jobs.

Slide 13: Frank Miller's Mission Inn hotel suffered right alongside the city of Riverside, although few cutbacks were made. Financial records from this era cannot be located, but on Christmas Eve 1930, Mission Inn owner Frank A. Miller wrote to his employees and explained that "*business conditions are such that I must ask you to help us over a difficult period by accepting a smaller Christmas gift, knowing our love and appreciation go with it.*"

The nation's unemployment rate had taken its toll on the Mission Inn by directly affecting the number of guests reserving rooms and using hotel facilities, which in turn affected Frank Miller's income. Instead of cancelling or postponing his Rotunda addition, Miller continued his business as best he could, as though no changes had occurred, with the exception of offering his employees a smaller Christmas bonus than usual.

Slide 14-15: The Rotunda represented the sort of large scale construction project that city and state government officials hoped would steer the plummeting economy back on track.

The Rotunda wing was completed in late 1931, and although it kept many people employed and Miller refused to make cutbacks, his hotel never fully recovered from the effects of the Great Depression.

Slide 16: As demonstrated in this lesson, Riverside was certainly affected by the Great Depression. People were out of work, but city officials made efforts to secure temporary employment for residents in need. Riverside had also rode a wave of economic prosperity left over from the citrus boom of the late 19th century. Despite the national unemployment rate during the 1930s, and other economic problems, not a single bank in Riverside failed during the Great Depression.

Required Materials and Resources:

Computer with internet access, projector for PowerPoint, and printer.

Required Time:

Introductory PowerPoint presentation and discussion (step 2) 30-45 minutes

Document distribution and review (step 3) 30 minutes

Individual writing assignment and discussion (steps 4-5) 46-60 minutes

Instructional Process:

- 1) Review and familiarize yourself with the introduction for teachers and students. Print out the historical document packet available [here](#), and make copies for students – these will be used for document-based questions at the end of the lesson. Documents include a letter from Frank Miller to his hotel staff, a statement from President Herbert Hoover, Depression-era labor statistics, and a Riverside Enterprise newspaper article from 1931.

- 2) Present the Power Point presentation, available for download [here](#), and encourage discussion and dialogue about the Great Depression:
 - a. When did it begin? What were the primary causes? How were ordinary citizens affected? Were there areas (cities and states) in the United States that were less affected, or unaffected by the Great Depression?
- 3) Distribute documents and review with students.
- 4) Have students create an in class essay based on the guiding questions listed below. Be specific and use the included documents as sources.
 - a. Explain how rising national unemployment began to affect the City of Riverside and local businesses by the fall of 1930. Can wide spread unemployment lead to lower sales and less transactions at businesses? How and why?
 - b. Do you think President Hoover underestimated the unemployment problem in his press release from October, 1930? Why or why not? What happened to the unemployment levels after 1930?
 - c. How did President Hoover propose the nation deal with the unemployment problem?
- 5) Have students discuss their answers as a class and submit reports for evaluation.

Additional Activities:

Home research assignment: What institution was eventually brought about because of the wide spread bank failures during the Great Depression? What safeguards are now in place to ensure that your money is safe when deposited in a bank?

Answer: The Federal Deposit Insurance Corporation (FDIC) [FDIC Website](#)

Additional Online and Interactive Resources:

[Library of Congress Great Depression Primary Source Set](#)

[National Archives 'Picturing the Century' Great Depression Image Gallery](#)

[PBS Great Depression Timeline](#)

[Dorothea Lange Biography](#)

[Steinbeck.org - Website for Author John Steinbeck](#)

[Library of Congress John Steinbeck Map of America](#)

[Riverside Public Library History Collections](#)

Suggested Evaluation Rubric:

For all grade levels, students will be evaluated according to California Common Core Writing Standards for ELA:

4 Points- Essay provides a clear, organized introduction and groups related information together in a logical, structured manner. Addresses and clearly answers all questions, provides appropriate details and evidence from the lesson and/or an additional resource. Use of multiple paragraphs (depending on grade level). Ideas and paragraphs are connected using grade-appropriate linking phrases. Few or no spelling and grammatical errors. Narrative includes a concluding statement and/or section.

3 Points- Essay has good potential and is focused on answering the assignment prompt, but facts, linking phrases, and order of paragraphs/sections could use some improvement. Marginal use of details or facts from lesson, and may use an additional resource. Basic introduction and/or conclusion are present but could use further development to help clarify the student's thoughts. Has some spelling and grammatical errors.

2 Points- Essay addresses the assigned questions but fails to provide clear answers; some answers or statements may be off topic. Some attempt is made to provide evidence from the lesson, but statements do not follow a rational order or structure, or evidence is misinterpreted or taken out of context. Introduction or conclusion section is missing. Has many spelling and grammatical errors.

1 Point- Essay does not address the assigned prompt and/or lacks supporting details and evidence from the lesson. Introduction and concluding sections are missing. Demonstrates little to no understanding of the assignment, has numerous spelling and grammatical errors.

CA History/Social Science Content Standards, Grade 11:

11.6, #2, #3

CCR Anchor Standards for Literacy in History/Social Studies, Grade 11:

- **Reading**
 - Key Ideas and Details #1, #2, #3
 - Craft and Structure #5
 - Integration of Knowledge and Ideas #7, #9
- **Writing**
 - Text Types and Purposes #1 (Discipline-specific argument), #2 (Informative/explanatory text and narration of historical events)