Ch 15 THE NEW DEAL

AMERICA GETS BACK TO WORK
Let’s work on the Guided Reading for just a few minutes together…
SECTION 1: A NEW DEAL FIGHTS THE DEPRESSION

I. Americans Get a New Deal
   A. The 1932 presidential election show Americans ready for change
      1. Republicans re-nominated Hoover despite his low approval rating
      2. The Democrats nominated Franklin D Roosevelt

      Presidents Hoover and Roosevelt on Inauguration Day, March 4, 1933. Photo National Archives.
Election of 1932

Roosevelt

Hoover
ROOSEVELT WINS OVERWHELMING VICTORY

a. Democrat Roosevelt, known as FDR, was a 2-term governor of NY

b. reform-minded; projects friendliness, confidence

B. Democrats overwhelmingly win presidency, Senate, House

• Greatest Democratic victory in 80 years
Election of 1932

Electoral Vote by State

DEMOCRATIC
Franklin D. Roosevelt 472  

 REPUBLICAN
Herbert C. Hoover 59  

MINOR PARTIES  

531

Popular Vote

22,809,638

15,758,901

1,153,306

39,721,845
Election of 1932
Roosevelt’s Strengths

• [http://www.history.com/topics/1930s/videos#franklin-roosevelts-easy-charm](http://www.history.com/topics/1930s/videos#franklin-roosevelts-easy-charm)
C. Roosevelt’s Background


2. Wife Eleanor was a niece of Theodore Roosevelt.
   - Charming, persuasive.
   - Served as secretary of the navy and New York governor.
Franklin and Eleanor
3. **Polio**

a. In **1921** Roosevelt caught polio, a crippling disease with no cure.

b. Legs were paralyzed and he wore steel braces and a wheelchair later in life.
Roosevelt in a wheelchair
D. **Inauguration** (March 4, 1933)

20th Amendment = January 20, ratified Jan 23, 1933

1. Between the election and his inauguration, the Depression worsened.

2. High unemployment, more bank failures.
Roosevelt Inaugural speech
"The only thing we have to fear is fear itself. Nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance."
The New Deal

- [http://www.history.com/topics/1930s/videos#the-new-deal-how-does-it-affect-us-today](http://www.history.com/topics/1930s/videos#the-new-deal-how-does-it-affect-us-today)
E. Roosevelt’s **advisors**

1. Made up of many former **Progressives**.
2. With advisors or “**Brain Trust**,” FDR formulates policies to alleviate problems.
II. FDR LAUNCHES NEW DEAL

A. FDR promised a “New Deal”
   1. focused on relief for needy, economic recovery, financial reform
   2. Roosevelt’s policies for ending the Great Depression

B. FDR took office with a flurry (intense) of activity known as “The Hundred Days”, March 9-June 16, 1933
   1. passes over 15 major New Deal laws to fight the economic crisis
   2. Began the New Deal
Franklin D. Roosevelt, the Chief Executive
3. significantly expanded government’s role in nation’s economy and welfare

C. FDR’s philosophy was get people help and work through deficit spending - spending more money than government takes in

1. funds New Deal
Sample test questions...
TO DO LIST: #1-HELP BANKS

D. First was to get the banking system in order

1. March 5, FDR declared a bank holiday-Banks won’t open so there can’t be a run on the bank. - bank holiday until Congress passed a law.

2. Pass Emergency Banking Relief Act permits Treasury Dept. to inspect banks
   a. decides which are insolvent, sound, or need loans
   b. New law gave federal protection to stable banks.
   c. public confidence in banks revived
Bank Holidays

• By 1933, 4,000 banks had closed.

• State governors allowed banks to close so they would not be put out of business.
E. FDR gives *fireside chats*— radio talks explaining New Deal measures

1. First chat discusses need for *public support* of government, banks
2. Assured people that their *money was safe* in banks.
AMERICANS GAIN CONFIDENCE IN BANKS

F. Glass-Steagall Act established the Federal Deposit Insurance Corporation, FDIC

1. insured individual deposits into accounts up to $5,000 and set strict standards for banks to follow (today = $250,000)
MORE 100 DAYS ACTIVITY

G. Federal Securities Act: Required stock info to be accurate and truthful

H. Securities and Exchange Commission created to regulate stock market

I. FDR gets law allowing production of alcoholic beverages - increase federal revenue

1. 21st Amendment repeals prohibition by end of 1933
III. Helping the American People (Rural Assistance)

A. Agricultural Adjustment Act: (AAA) Raised crop prices by lowering production (supply)- paying farmers not to plant.
   1. decreased surplus

B. Tennessee Valley Authority 5-18-33: (TVA) Built dams to provide electricity to rural people.
Tennessee Valley Authority (TVA)
Tennessee Valley Authority
(TVA)
Getting people to WORK!

C. **CCC – Civilian Conservation Corps** public works jobs for young men

1. conservation jobs
2. Men ages 18 to 25 worked building roads, parks, planting trees – very popular
(200 million trees in Dust Bowl areas)

- By 1942 three million men worked for the CCC
ALPHABET AGENCIES

D. **PWA – Public Works Administration** provided money to states to create jobs build schools
1. Goal is to increase employment. Failure.

E. **CWA – Civil Works Administration** builds rural schools, pays teachers
   - built 40,000 schools and provided salaries for 50,000 teachers in rural America
   - Also built 500,000 miles of roads

PWA workers construct a public building in Hartford, Connecticut
F. **NIRA** establishes codes of fair practice for industries

1. creates National Recovery Administration (**NRA**)  
2. NRA sets standards, prices, limits **production**
   - *Agency that controlled industrial production, prices and wages.*

CWA School in Woodville, CA
Food, Clothing, and Shelter

G. **Home Owners Loan Corporation (HOLC)** gives loans to prevent foreclosures
H. FHA – Federal Housing Administration provided home loans, home mortgages and repairs

Repaired business in Childersburg, Alabama
I. **FERA** – Federal Emergency Relief Agency direct relief to the neediest Americans

Citizens wait outside a FERA in Calipatria, CA for relief checks.
IV. SUPREME COURT REACTS

A. By the mid-1930s, the Supreme Court struck down the NIRA as unconstitutional (citing too much government control over industry)

B. The Court also struck down the AAA on the grounds that agricultural was a local matter -- not a federal matter
FDR REGAINS CONTROL OVER SUPREME COURT

C. FDR proposes “Court-packing bill” adding justices he knew would support his bills.

1. Congress, press protest
2. Roosevelt’s first defeat
   • Goes against separation of powers

D. In 1937, justices retire; FDR appoints 7 new judges to the Supreme Court
   • thus assuring that his programs would carry on unabated
The Spirit of ’37

RICHMOND (VA.) TIMES DISPATCH
JANUARY 6, 1937
From the holdings at the FDR Library
The Menacing Shadow

Absolute Political Control of the Supreme Court

President Roosevelt's Plea For Power To Pack The Supreme Court
V. CRITICS EMERGE

- Despite the renewed confidence of many Americans, critics from both political spectrums emerged.

A. **Liberals** (left) felt FDR’s program was NOT doing enough.

B. **Conservatives** (right) felt government intervention was TOO much and interfered with our free market economy, socialize economy.
Three Fiery Critics

C. Some conservative opponents form **American Liberty League**

1. Think government was **spending** too much

D. Father **Charles Coughlin** withdraws initial support of New Deal

1. wants guaranteed income, banks **nationalized**
ANOTHER CRITIC

E. **Huey Long** Democratic governor of Louisiana who was a constant (and effective) critic of FDR and major challenger to Roosevelt.

1. Long was setting up a run for president
   - *Share the Wealth*

Huey Long made effective use of radio to promote his views.
Huey P. Long
On June 5, 1933, the United States went off the gold standard, a monetary system in which currency is backed by gold, when Congress enacted a joint resolution nullifying the right of creditors to demand payment in gold.
Quote Analysis & Reteaching...
SECTION 2: THE SECOND NEW DEAL

I. The Second New Deal Takes Hold

A. By 1935, economic recovery not as great as FDR had expected

B. FDR launches new second phase: more relief for farmers, workers

1. speed up economic recovery

C. First Lady Eleanor Roosevelt, a social reformer, prods president
D. 1936, Republican Alfred Landon, VS. Franklin Delano Roosevelt

E. Dems and FDR won an overwhelming victory in the (majority) presidential election and in both houses
  • *First time most African Americans vote Democratic*
  • *First time labor unions support presidential candidate*
ROOSEVELT (RED) VS. LANDON (BLUE) 1936 ELECTION
A. WORKS PROGRESS ADMINISTRATION (WPA)

1. Helping urban workers was critical to the success of the Second Hundred Days
   - *The WPA set out to create as many jobs as possible as quickly as possible*
2. build government facilities.
3. gave money to writers and artists.
The WPA also hired artists, writers and photographers to create art.

The Davis Street School Extension in Atlanta under construction as part of the Works Progress Administration Program, November 2, 1936.
B. NATIONAL YOUTH ADMINISTRATION (NYA)

1. created to provide education, jobs and recreation for young people
2. Gives aid to students in exchange for part-time work
III. Improving Labor and Other Reforms

A. National Labor Relations Act, or Wagner Act, replaces NIRA:
1. protects right to join unions, collective bargaining
2. prohibits unfair labor practices

The NLRA was also called the Wagner Act
CONGRESS PROTECTS WORKERS

• National Labor Relations Board hears testimony about labor practices
• elections to determine if workers want unions

B. Fair Labor Standards Act sets maximum hours, minimum wage
  • 1938, maximum work hours 44 per week
  • minimum wage at 25 cents per hour ($7.25)
The Federal Hourly Minimum Wage Since Its Inception:

By Associated Press

OCT. 1938 30¢ 75¢ 10¢ 25¢

OCT. 1945 1 15¢ 1 25¢ 1 40¢

JAN. 1950 1 00¢

MARCH 1961 1 25¢

SEPTEMBER 1963 1 40¢

FEB. 1967 1 60¢

$2.00 1974

$2.30 JAN. 1976

$2.90 JAN. 1978

$3.10 JAN. 1980

$3.35 JAN. 1981

$3.80 JAN. 1990

$4.25 APRIL 1991

$4.75 OCT. 1996

$5.15 SEPT. 1997

$5.15
C. One of the most important achievements of the New Deal was the creation of the Social Security System

D. **Social Security Act**, passed in 1935, had 3 parts:

1. Old-Age **Pension** OR retirement, 65 or older
2. **Unemployment** compensation
3. Workers paid for the program in **payroll taxes**.
4. aid to disabled, families with children
SECTION 3: NEW DEAL AFFECTS MANY GROUPS

I. The New Deal Brings New Opportunities
A. Eleanor was influential in her role as advisor to the president
B. Frances Perkins America’s first female cabinet member (Labor)
C. FDR also appoints 2 women as diplomats, 1 as federal judge
   • NRA sets some lower minimum wages for women
African-American Activism

II. African Americans Take Leadership Roles

1. FDR appointed over 100 African Americans to positions within the government

1. Mrs. Roosevelt plays key role

2. Despite these gains, FDR was never fully committed to Civil Rights

Bethune
A. FDR had wide appeal in the United States, especially in urban areas.

B. African Americans, Jews, Catholics and immigrants all supported the popular president.

FDR WINS IN 1936 . . . AGAIN

FDR & Eleanor campaign by rail in 1936
SECTION 4: CULTURE IN THE 1930s

I. MOVIES:
A. late 1930s, 65% of Americans were attending the movies at least once per week

1. offer escape from reality; show wealth, romance, fun

Movies provided an escape from the hardships of the Great Depression
A new era of glamour in Hollywood was launched with stars like Clark Gable, Marlene Dietrich and James Cagney.
• Musicals—live action or animated—way to forget problems
• Comedies, realistic gangster movies especially popular
• Several films present New Deal policies in positive light
B. FAMOUS FILMS OF THE 30s

1. Gone With the Wind — perhaps most famous film of era (1939)

2. Other movies of the era
   - The Wizard of Oz (1939)
   - Snow White and the Seven Dwarfs (1937)
Gone with The Wind (1939)
Snow White and The Seven Dwarfs (1937)
C. RADIO: THE ORIGINAL ENTERTAINMENT

1. 90% of households have a radio; families listen together every day

2. Soap operas for homemakers broadcast in middle of day, Guiding Light.
   • Children’s shows after school hours
   • Immediate news coverage becomes customary

Families spent hours listening to the radio
Popular radio shows included comedies with Bob Hope, Jack Benny, and the duo of Burns and Allen.

Soap operas (named because they were sponsored by soap companies) ran in the mornings, kids shows in the afternoon and entertainment at night.
D. FAMOUS RADIO MOMENTS

1. Orson Wells created a radio special called *War of the Worlds*

2. It was an epic drama about aliens landing in America
   - *Unfortunately, many thought it was a news broadcast and panicked*
1. Radio captured news as well as providing entertainment

2. One of the first worldwide broadcasts was the horrific crash of the Hindenburg, a German Zeppelin (blimp), in New Jersey on May 6, 1937
   • Such immediate news coverage became a staple in society

The Hindenburg caught fire and was utterly destroyed within a minute. Of the 97 people on board, 13 passengers and 22 crew-members were killed.
II. ART DURING THE GREAT DEPRESSION

A. The Federal Art Project (branch of the WPA, Work Progress Administration) paid artists to make art, teach in schools

• Aim to promote art appreciation, positive image of America

• Murals typically portray dignity of ordinary people at work

WPA Art – “Democracy . . . a Challenge” – artist, date unknown
ARTISTS HERALDED

B. *Homeless* and *unemployed* became subjects of art and literature.

Wood's *American Gothic* is perhaps the most famous piece of the era (1930).
Edward Hopper’s *Nighthawks* (1942)
Edward Hopper, *Railroad Sunset* (1929)
Mabel Dwight, *In the Crowd* (1931)
Thomas Hart Benton, *Lord, Heal the Child* (1934)
Nicolai Cikovsky, *On the East River* (c. 1934)
C. Singer **Woody Guthrie** used music to capture the hardship of the Great Depression

1. Guthrie traveled the country singing about America
2. Sings of plight of poor
D. The **Federal Writers’ Project** (branch of WPA) paid writers to write

1. Richard Wright’s acclaimed *Native Son* was written for the project
E. John Steinbeck writes *The Grapes of Wrath* about Dust Bowl migrants

- Some writers examine difficulty of life in 1930s
- Others show dignity of ordinary people, values of small-town life
Pop Quiz time…

• Clean sheet of paper
• Name and date in top right corner
• Number #1-5
#1: How did the role of the government and the presidency change under F. D. Roosevelt?
#2: What act replaced the NIRA, and protected workers, specifically in the right to collectively bargain?

Also called the National Labor Relations Act...
#3: What two acts of the first Hundred Days were deemed unconstitutional by the Supreme Court?
#4: What purpose did movies and radio serve during the Great Depression?
#5: What is the term for the “conversations” had on the radio between FDR and the American people?
SECTION 5: THE IMPACT OF THE NEW DEAL

I. The New Deal Ends
A. By 1937, economic improvement convinces many Depression is ending
B. Congress wants to cut back programs; by 1939, New Deal over
C. Supporters and Critics of the New Deal
   1. Opinions about the merits of the New Deal and FDR have ranged from harsh criticism to high praise
   2. Conservatives felt FDR made government too large and too powerful
   3. Liberals countered that FDR socialized the economy because Americans needed help
II. LEGACIES OF THE NEW DEAL

A. **FDIC** – banking insurance critical to sound economy

B. **Deficit spending** has became a normal feature of government

C. **Social Security** is a key legacy of the New Deal in that the Feds have assumed a greater responsibility for the social welfare of citizens since 1935
LEGACIES OF THE NEW DEAL

D. Americans now looked to the government like never before to solve society’s problems.

E. Made the government more powerful.

F. Government controlled the economy.
III. Expanding Government’s Role in the Economy

A. **FDR** expands power of federal government, president
B. Federal Deposit Insurance Corporation (FDIC) regulates **banking**
C. Securities and Exchange Commission (SEC) regulates **investment**
D. New Deal **does not end Depression**; does reduce suffering, give hope
E. Federal government goes deeply into **debt** to create jobs, give aid
F. Massive spending on equipment, supplies for **WW II** end Depression
New Deal

“I pledge you, I pledge myself, to a new deal for the American people.”
The Great Depression and the New Deal

111. During what decade did the Great Depression and New Deal occur?
1930s

112. Who was the president at the beginning of the Great Depression?
Herbert Hoover

113. What president introduced the New Deal as an end to the Great Depression?
Franklin D. Roosevelt (FDR)

114. What was the date of the Stock Market Crash?
October 29, 1929
115. What is the nickname of the Stock Market Crash?
Black Tuesday

116. What was the group of army veterans that marched to Washington in the Great Depression to get early pension payments?
Bonus Army

117. Did Hoover use the government to give loans to businesses or to people?
Business

118. What was the area affected by a severe drought in the Great Depression known as?
Dust Bowl

119. What were the people who left the Dust Bowl to move west known as?
Okies
120. What was FDR’s political program known as?
New Deal

121. What New Deal program provides retirement and disability insurance?
Social Security Act

122. Name two New Deal work programs.
Civilian Conservation Corporation, Works Progress Administration,

123. What New Deal program was designed to build dams and provide electricity to the Southeast US?
Tennessee Valley Authority

124. What was the first action FDR did to keep banks from going bankrupt?
Banking Relief Act
Review
Bank Holidays

- By 1933, 4,000 banks had closed.
- State governors allowed banks to close so they would not be put out of business.
1. Hundred Days
March 9-June 16, 1933

• The first 100 days of the Roosevelt presidency where actively sent laws to Congress to fight the economic crisis.

• Began the New Deal.
Emergency Banking Relief Act

- Roosevelt thought that the most important thing was to fix the banking problem.
- He declared a bank holiday until Congress passed a law.
- New law gave federal protection to stable banks.
Fireside chats

• Roosevelt radio messages to American people.

• Assured people that their money was safe in banks.
2. Securities and Exchange Commission (SEC)

- Government agency that regulated the stock market.
3. FDIC

- Provided government insurance for bank deposits.
4. Agricultural Adjustment Administration (AAA)

- Raised farm prices by paying farmers not to grow certain crops.
- Decreased surplus.
5. National Recovery Administration (NRA)

- Agency that controlled industrial production, prices and wages.

- Goal is to increase employment. Failure.
6. Civilian Conservation Corps (CCC)

- Gave men ages 18-25 conservation jobs.
- Very popular.
7. Federal Emergency Relief Administration (FERA)

- Gave money to state and local governments to help the unemployed.
8. Tennessee Valley Authority (TVA)

- Built dams to provide electricity to rural people.
9. American Liberty League

- Conservative group that believed the government was spending too much.
10. Huey P. Long

- Democratic governor of Louisiana.
- Corrupt, but was a major challenger to Roosevelt.
11. Second New Deal

- New wave of programs that would speed up economic recovery.
12. Works Progress Administration (WPA)

- Second new deal program that gave jobs to build government facilities.

- Also gave money to writers and artists.
13. Social Security Act

- Provided retirement benefits for workers and unemployment insurance for workers looking for jobs.

- Workers paid for the program in payroll taxes.
14. Election of 1936

• Roosevelt won his second term in a landslide.
15. Packing the Supreme Court

• The traditional number of Supreme Courts justices is nine.
• Roosevelt developed a plan to appoint up to six new judges to the Court, putting judges on it he knew would support his programs.
• Congress defeated the plan and was Roosevelt’s first defeat.
16. Packing the Supreme Court

- The Depression worsened in 1937 as unemployment increased.
- Roosevelt had cut back some of the government programs which could have triggered the recession.
The Menacing Shadow

Absolute Political Control of the Supreme Court

President: Roosevelt's Plea for Power to Pack the Supreme Court
17. Last New Deal Reforms

- Roosevelt’s last New Deal reforms after the court-packing plan were not as successful.
1. National Housing Act

- Helped provide better housing for the poor by funding houses with government money.
2. Fair Labor Standards Act

- Provided more protection for workers, ended child labor and created a 40-hour work week.
18. Legacy of the New Deal

• Americans now looked to the government like never before to solve societies problems.

• Made the government more powerful.

• Government controlled the economy.
Who was the president at the start of the Depression?
What was the date of the stock market crash?
Who were the people that fled the dust bowl? (what were they called?)
What New Deal program built hydro-electric dams?
The bonus army were veterans of what war?
Who was elected president in 1932?
What New Deal program insured bank deposits?
What New Deal program gave jobs in public works (infrastructure projects)?

Last Question
What New Deal program gave jobs in public works?

Last Question