

## The New Deal

### American History

#### Chapter 14

#### FDR Takes the Helm

Married to Distant Cousin Eleanor, 1905

#### Early Political Career

- 1910– New York State Legislature
- 1913– Asst. Secretary Of the Navy
- Nominated as Vice-President 1920 (Lost)
- Stricken with Polio in 1921
- 1928– Elected Governor of New York
- Elected President: 1932, 1936, 1940, 1944

#### Election of FDR

#### The Hundred Days

#### The First 3 Months of Roosevelt's Presidency

#### The Bank Crisis

- February 1933– Governor of Michigan Called for a **Moratorium** Closing State Banks (8 Days)
- Move Caused a National Run on Banks
- In Panic, People Withdrew Funds

#### The Hundred Days

#### The Bank Crisis

FDR Asked Banks To Cut Operations From March 5-9, 1933

Accept All Deposits– Make Emergency Loans

Within 3 Days 75% of the Banks in The Federal Reserve System Had Reopened

- Within 2 Weeks, Stock Prices Were Up 15%

#### The New Deal

FDR's Legislation Addressed the 3 Rs

- **Relief** for the Unemployed
- **Recovery** Measures to Stimulate the Economy
- **Reform** Laws to Lessen The Threat of Further Economic Decline

#### The New Deal Relief and Recovery

#### Federal Emergency Relief Administration (FERA)

- Granted \$500 Million for Public Relief
- FERA Used the "**Dole**" To Get Money To The People In Short Order
- Also Implemented Measures to Put People Back To Work (Restore Self Respect)

#### The New Deal Relief and Recovery

#### Civilian Conservation Corps (CCC)

- Hundreds of Thousands Back To Work
- Young Men Ages 18-25
- Labor Department: Recruit Workers
- War Department: Ran The Camps
- Interior Department: Supervise the Projects

#### The C.C.C.

CCC Camps Were Like Military Camps

\$30 Per Month Room and Board Provided

2.5 Million Men By 1942

CCC Excluded Women

Minorities Were Segregated

Public Works Administration

### \$3.3 Billion For Public Project

- Schools
- Government Buildings
- Community Centers
- Stadiums
- Sewage Treatment
- Municipal Dams

### Public Works Administration

### National Industrial Recovery Act

### National Recovery Administration (NRA)

- Designed to Help Manufacturing Recover

#### ■ Business Leaders Were Asked to:

- Set Production Levels
- Set Quality Standards
- Set Prices
- Establish Maximum Work Hours
- Allow Workers to Form Unions

### National Industrial Recovery Act

### Public Relations Campaign

People Were Urged to Support Businesses With The “Blue Eagle” in the Window

Eventually Ruled Unconstitutional

### Agricultural Adjustment Administration (AAA)

Designed to Help Farmers

- ❖ Farmers Were Asked to Cut Production
- ❖ Subsidies for Cutting Production

Bring Supply Back In Line With Demand

Cause Prices to Increase

- ❖ Spring of 1933

Plow Under Planted Fields

Kill Newborn Animals

- ❖ Very Controversial Program

Roosevelt and Agriculture

Tennessee Valley Authority (TVA)

Construct Dams in the Tennessee River Valley

Provide Hydroelectric Power

Provide Recreational Areas

Tennessee Valley Authority (TVA)

The TVA was not without critics

- Farmers who lost their land because of the rising water were upset
- People cited unfair competition by a government ran utility company
- Rural areas did receive electric power for the first time

### Reform Laws

The Truth-In-Securities Act

- ◆ Designed to Eliminate Fraud in the Stock Market

The Glass-Steagall Banking Act

- ◆ Banks Cannot Invest Savings Deposits in the Stock Market
- ◆ Established the Federal Deposit Insurance Corporation (FDIC)

The President and the People

Roosevelt’s Fireside Chats

Explained Legislation to Americans in Simple Terms

Served to Reassure the American People

- People felt that they knew Roosevelt
- They trusted him

The President and the People

Eleanor's Influence

Made People Feel They Had Access to the President

Championed the Causes of the Most Depressed

- ❖ Women, Children, Minorities

Eleanor's Influence

Criticism and Reformulation

New Deal: Big Deal!

1934 Many Felt the New Deal Had Not Improved Conditions Enough

- ◆ Incomes Remained Low
  - 77% of 1929 Levels
- ◆ AAA Paid Farmers Not to Farm
  - Tenant Farmers were displaced
- ◆ Tenant Farmers Were Homeless & Unemployed
  - Southern Tenant Farmers' Union (STFU)
  - They wanted their share of AAA payments

Voices of Labor

National Industrial Recovery Act 1933

- **Allowed Workers to Join Unions**
- **Unionization– The Formation of Unions**

■ Strikes Turned Violent

- **Minneapolis Truck Drivers**
- **Georgia Textile Workers**
- **Various Unions in San Francisco**

Reactionary and Radical Voices

Dr. Francis E. Townsend

- ◆ 66 Year old retired physician
- ◆ Wanted a Federal Pension Plan
  - \$200 per month, must be spent within 30 days
- ◆ His idea became the model of Social Security

Reactionary and Radical Voices

Father Charles E. Coughlin

- ◆ Demagogue– Appealed to People's Emotions rather than Reason
- ◆ Wanted to Nationalize the Banks
- ◆ Coughlin Hated Jews
- ◆ Scapegoating

Reactionary and Radical Voices

Huey P. Long of Louisiana

- ◆ Champion of the Poor
- ◆ Built Roads and Bridges in Louisiana
  - Huey P. Long Bridge
- ◆ Near Total Control of Louisiana Government
- ◆ Share Our Wealth
  - Take Wages over \$5 Million and Give to Poor
- ◆ Considered challenging Roosevelt for the 1936 presidential nomination

- ◆ Assassinated in 1935

Huey P. Long: Share The Wealth

New Deal: No Deal!

Liberty League– Millionaires Committed to Killing the New Deal

Supreme Court

- AAA and NIRA are Unconstitutional

Too much federal control over business

Taxation was used to regulate the AAA

- Court Clipped the Wings of the Blue Eagle

Recovery and Reform programs were revamped in 1935 into the “Second New Deal”

The Second New Deal Expanding Relief

1934– 10 Million Remained Unemployed

Works Progress Administration

- ◆ **Headed By Harry Hopkins**

- ◆ **Construction Projects**

**Hospitals, Schools, Airports, Streets, Playgrounds**

**Unemployed Teachers, Actors, Writers, Painters**

- ◆ **San Antonio Riverfront– WPA Project**

Social Security Act of 1935

- ◆ **Ratio 16:1– Sixteen Workers for Each Retired**

The Second New Deal

WPA Projects

Roosevelt and the WPA

Aiding Recovery

Wagner Act of 1935

- ◆ Workers Regained the Right to Join Unions
- ◆ National Labor Relations Board

Soil Conservation Act of 1936

- ◆ Farm Subsidies From the Treasury Not Taxes

Aiding Recovery

Rural Electrification Act (REA) 1935

- ◆ Electric Power to Rural and Remote Areas
- ◆ Brought electricity to 90% of American farms by 1940

Brown-Atchison was the first REA in Kansas

Pushing for New Reforms

Public Utility Holding Company Act– 1935

- ◆ Eliminate Corruption and Inefficiency in the Utility Industry
- ◆ Reduced Utility Costs to Consumers

The Revenue Act of 1935

- ◆ Increased Corporate Income Taxes
- ◆ Raised taxes on incomes over \$50,000
- ◆ Sometimes called the: “Soak the Rich” tax
- ◆ Common people thought Roosevelt was on their side

Reelection and Redirection

1936 Election-- Defeated Alf Landon of Kansas

- FDR Carried Every State But Vermont and Maine

Reelection and Redirection

Roosevelt’s victory in 1936

- Saw Victory as Mandate for New Deal Programs

- Tried but Failed to Expand the Supreme Court
- Passed the Labor Standards Act of 1938
  - Minimum wages and maximum hours for employees of businesses engaged in interstate commerce
- Increasingly Watched Events in Europe and Asia
- New Deal Ground to a Halt

Reelection and Redirection

Impact of the New Deal

Women Gain Political Recognition

- Eleanor Lead to Greater Female Influence
- Women Could Promote Humanitarian Issues

**Child Welfare, World Peace, Education, Fair Labor Standards**

Impact of the New Deal

Francis Perkins– Secretary of Labor

- First female cabinet appointment in U.S. history

**Perkins worked for Social Security and a Minimum Wage Law**

- Women Still Faced **Discrimination**
  - **Scarce Jobs = One Job Per Family**

African Americans Gain a Voice

1934– African Americans Moved from The Republican to the Democratic Party

The Black Cabinet– 50 Appointed Positions

- ◆ Kept Roosevelt Informed on Black Issues
- ◆ Mary McLeod Bethune– Most Influential
  - ◆ **Negro Affairs Division of the National Youth Administration**
  - ◆ **Had a Direct Line to Eleanor Roosevelt**

African Americans Gain a Voice

Harold Ickes– Secretary of the Interior

- ◆ Integrated the Interior Department
- ◆ African Americans Were Appointed to Positions
- ◆ PWA Construction Projects
  - ◆ Black Hospitals, Universities, Housing Projects
  - ◆ Workforce Proportional to that of the Community

Roosevelt Administration Did Not Stand Up For Civil Rights

Agencies Used Discriminatory Hiring Practices

Native Americans Gain an Ally

Native American Families Were the Nation's Poorest-- \$48 per Year

Indian Reorganization Act of 1934

- ◆ **John Collier– Commissioner of Indian Affairs**
- ◆ **Promoting and Preserving Indian Culture**
- ◆ **Protected Tribal Ownership of Reservation Land**
- ◆ **Promoted Tribal Governments**
  - ◆ **Funds Provided for Schools, Hospitals, Business**

An Expanded Government Role

FDR Brought the Government Closer to the People

Millions Benefited From New Deal Programs

Expanded Federal Regulation

Responsible for the Economic Welfare

World War II Ended The Depression, Not the New Deal

Assessing the New Deal

