

A New Deal for America

- I. Franklin Delano Roosevelt – American Savior?
- II. Hoover and the Depression – the *laissez-faire* approach
 - 1) “voluntary cooperation”- a hands off approach
 - 2) Reconstruction Finance Corporation (RFC) – 1930
 - a) A federal agency empowered to lend gov’t funds to endangered banks and corporations
 - 3) Good ideas, but too little, too late – FDR wins in '32
 - 4) Didn't want to go too far and have people dependent on the government
 - 5) The “bonus army” of 1932- WWI veterans wanted the money they were promised early. Picketed outside the white house. Army sent in to get rid of them.
- III. The “First New Deal”- progressivism on a larger scale
 - 1) Four agendas
 - a) save banks, increase money supply
 - i. The Emergency Banking Act of 1933
 - 1. Gave the gov't power to shut down a bank, inspect it, and reorganize it
 - 2. FDR orders all banks to shut down, and most reopen
 - 3. Temporarily takes US off the gold standard
 - ii. FDIC
 - 1. Gives security of money
 - b) jumpstart industry
 - i. National Recovery Administration (NRA)
 - 1. Fair competition, set prices, got people working together to make everyone happy
 - 2. Wage agreements favored whites
 - 3. Later ruled unconstitutional

- c) address the agricultural crisis
 - i. Agricultural Adjustment Act (AAA)
 - 1. Pays farmers not to farm
 - 2. Lower supply of crops → higher cost → more money for farmers
 - 3. Later ruled unconstitutional
- d) “make-work” programs to restore morale
 - i. Civilian Conservation Corp (CCC)
 - 1. Employed men to put trails in forests and to plant trees
 - ii. Public Works Administrations (PWA)
 - 1. Paid people to build monuments and statues
 - iii. Works Progress Administration (WPA)
 - 1. Painting murals, making sidewalks, putting on plays, digging ditches
 - iv. Tennessee Valley Authority (TVA)
 - 1. Building dams for flood control and to provide electricity

FDR turns federal government from a small, business friendly organization to a large, reform-motivated government

- IV. The “Second New Deal”- wanted to improve life in general
 - 1) Securities Exchange Commission (SEC)
 - a. Monitors stock trade
 - 2) Social Security Act
 - 3) Wagner Act of 1935
 - a. Gave workers the right to unionize
- V. Backlash against FDR and the New Deal
 - 1) Conservative businessmen – New Deal too radical
 - 2) Radicals – New Deal too conservative, e.g. communists
 - 3) Others – a mix of criticisms
 - a) Charles Townsend and “Townsend Clubs”
 - i. Wanted to give money to old people

- b) Huey Long and Father Charles Coughlin
 - i. Why were they popular? What was the appeal?