The New Deal
Franklin Delano Roosevelt’s Plan to Help Americans...
Essential Question:
In what ways did President Franklin Roosevelt’s “New Deal” provide relief, recovery, and reform during the Great Depression?
From 1929 to 1932, President Hoover was criticized for not doing more to end the depression.

Tens of thousands of businesses failed and unemployment rose to 25%.

The American banking system failed or collapsed.

Hoover initially relied on rugged individualism but offered relief checks and job programs, but it was seen as too little, too late.
By the election of 1932, Hoover ran for re-election but Americans wanted hope and strong leadership. Democratic candidate Franklin Roosevelt defeated Hoover and won the presidency.
FDR Biography
When Roosevelt was inaugurated as president, unemployment was at an all-time high.

In his inaugural address, FDR inspired hope, declaring “the only thing we have to fear is fear itself.”

“Let me assert my firm belief that the only thing we have to fear is fear itself; nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance.”
When FDR became president be promised quick gov’t action to fight the depression. FDR believed the gov’t should use deficit spending (spending that causes debt) to stimulate the economy.
FDR’s first action was to address the bank crisis.

By 1933, 25,000 banks had failed and the USA was in a complete financial collapse.

FDR declared a four-day “bank holiday”: all banks were closed and inspected by federal regulators to determine which banks were healthy. Only healthy banks could reopen after the bank holiday.
After the bank holiday, few U.S. banks failed and Americans slowly began to regain confidence in banks.
FDR used the power of the radio to communicate to the American people the steps the government was taking to address the problems of the depression.

FDR’s “fireside chats” used simple, clear language to explain New Deal programs.

These weekly radio addresses gave people confidence that the government was actively fighting the Great Depression.
In his first 100 days in office, FDR and Congress passed a broad platform of legislation to attack the depression called the “New Deal”
First Lady Eleanor Roosevelt served as FDR’s “legs and eyes” as she toured the nation.

Eleanor became the “conscious of the New Deal” as she expressed concern for the needs of the American people.

She was the first First Lady to give lectures, radio broadcasts, write a daily newspaper column, and speak out on behalf of African Americans.
The New Deal focused on the three “Rs”

**Relief**
Relief checks and job programs to lower unemployment

**Recovery**
Programs to stimulate agriculture, industry, and the economy to end the depression

**Reform**
Programs to correct problems in the economy and prevent future depressions
The greatest success of the New Deal was its ability to offer relief to unemployed citizens with unemployment checks and job programs.

During the New Deal, the gov’t provided relief checks to 15% of Americans.
The government helped relieve unemployment by creating jobs

The Civilian Conservation Corps (CCC) was a work program for young men aged 18-25 years old...

The CCC built roads, parks, soil erosion project, and employed 3 million men.
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The Public Works Admin (PWA) hired 2 million to build airports, dams, schools, hospitals, parks.
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Securities and Exchange Commission (SEC) was created to regulate the stock market and prevent another crash.
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The Federal Deposit Insurance Corporation (FDIC) was created to guarantee customer bank accounts and restore public confidence in banks.

The government insures up to $250,000 in each bank account.
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The Tennessee Valley Authority (TVA) was created to bring electricity to the South and create jobs.

The TVA built hydroelectric power plants in seven Southern states providing issued cheap power.
From 1933 to 1935, FDR’s New Deal programs helped lower unemployment and restored hope, but the Great Depression had not come to an end.

FDR’s failure to end the depression led to criticism of the New Deal.

The most vocal critic was Louisiana Senator Huey Long.

Huey Long’s Share the Wealth plan proposed taxing all personal income over $1 million and give each U.S. family $2,500 per year.
In 1935, FDR began an aggressive series of laws called the Second New Deal. The Second New Deal was passed by Congress in a rapid succession known as the Second Hundred Days.

The most ambitious works program of the New Deal was the Works Progress Administration (WPA).

By 1935, most New Deal work programs were non-skilled building jobs.

The WPA was created to provide as many as 10 million jobs for men, women, and youths in building projects...
...as well as a variety of professions including artists...
...as well as a variety of professions including artists, writers,...
...as well as a variety of professions including artists, writers, teachers,...
...as well as a variety of professions including artists, writers, teachers, doctors
To combat poverty among the elderly and disabled, Congress created the Social Security Act. Social Security provided old-age pensions for Americans at age 65. Social Security was also America’s first welfare program because it provided payments for blind, handicapped, and needy children.
In 1936, FDR was overwhelmingly elected to a second term... But his second term would prove more difficult than his first.
By 1937, President Roosevelt faced criticisms that the New Deal was too expensive, did not eliminate unemployment, or end the depression. The New Deal was not stimulating the economy to end the Great Depression.
FDR’s New Deal dramatically changed America

The New Deal was successful in offering relief programs like the CCC, PWA, WPA to help people through the Depression.

New Deal was successful in offering reform to the stock market (SEC), banking (FDIC), unions (Wagner Act, FLPC), elderly (Social Security).
FDR’s charisma and active involvement in the economy in changed the role of the presidency and expectations of gov’t.

FDR’s leadership unified African Americans, unions, immigrants, and poor voters under the Democratic Party.
For the first time, the gov’t used deficit spending and created welfare programs to help groups in need.