Chapter 23

The New Deal
Section 1: A New Deal Fights the Depression

• Learning Targets:
  1. Summarize the initial steps Roosevelt took to reform banking and finance.
  2. Describe New Deal work programs.
  3. Identify critics of FDR’s New Deal.
Learning Target 1: Summarize the initial steps Roosevelt took to reform banking and finance.

• Closed banks to prevent withdrawals.
• Persuaded Congress to pass the Emergency Banking Relief Act: financially stable banks could re-open and receive loans.
• Congress passed the Glass-Steagall Act which established the FDIC: provided insurance for banks, customers were reassured their money was safe.
• Federal Securities Act was passed, required corporations to provide information on stocks and made them liable for misrepresentations.
• The SEC created to regulate the stock market, prevents people with inside information from “rigging” the stock market for profits.
• The 21st Amendment passed repealing Prohibition and raising government revenues.
Learning Target 2: Describe New Deal work programs.

- AAA raised crop prices by lowering production.
- TVA reconstruction jobs and recovery plans in impoverish region.
- CCC put men to work building roads for pay created many national parks.
- NIRA provided money to the states to create jobs promoted industrial growth.
- CWA provided 4 million jobs during the winter of 1933-34, “make work program,” paid 50,000; built schools and paid teachers.
- NRA set prices and standards on products and wages.
- HOLC provided loans to home-owners who faced foreclosure.
- FHA furnished loans for mortgages and repairs.
- FERA provided direct relief for the needy supported work relief programs.
Learning Target 3: Identify critics of FDR’s New Deal.

• Liberal - New Deal didn’t do enough.
• Conservative - did too much.
• Supreme Court- struck down the NIRA + AAA.
• Charles Coughlin - wanted a guaranteed annual income and the nationalization of banks.
• Dr. Francis Townsend - wasn’t doing enough to help the poor. He also devised a pension plan.
• Huey Long - “Share Our Wealth” program, promised something for everyone.
Don’t forget about these...

• 20th Amendment:

• New Deal focused on three general goals:
  1. 
  2. 
  3. 

• Deficit Spending:
Section 2: The Second New Deal Takes Hold

• Learning Targets:
  1. Describe the purpose of the Second New Deal.
  2. Summarize New Deal programs for farmers.
  3. Identify the Second New Deal programs aimed at assisting young people and professionals.
  4. Summarize labor and economic reforms carried out under the Second New Deal.
Learning Target 1: Describe the purpose of the Second New Deal.

- To provide more relief for farmers and workers. Poor still needed help!
- To improve the first deal
Learning Target 2: Summarize New Deal programs for farmers.

- **Soil Conservation and Domestic allotment Act** - paid farmers to cut production of soil depleting crops with a reward if they practiced good soil conservation.
- **Second AAA** - It got rid of all the unconstitutional problems with the first AAA.
- **Resettlement Administration** - (Executive) provided monetary loans to small farmers to buy land.
Learning Target 3: Identify the Second New Deal programs aimed at assisting young people and professionals.

- **Workers Progress Administration (WPA)** - Created as many jobs and possible as quickly as possible. (11 billion spent)
- **Professionals** - created maps, painted and performed.
- **National Youth Administration (NYA)** - Created education, jobs, counseling, and recreation for young people.
Learning Target 4: Summarize labor and economic reforms carried out under the Second New Deal.

• The Wagner Act – Protected the right of workers to join unions and engage in collective bargaining with employers. Prohibited unfair labor practices, such as threatening workers.

• National Labor Relations Board - To hear testimony about unfair practices and to hold elections to find out if workers wanted union representation.

• The Fair Labor Standards Act - Set maximum hours, minimum wages, and set rules of employment.
Learning Target 4: Summarize labor and economic reforms carried out under the Second New Deal, CONT.

• Social Security Act- It made retirement for people over 65, unemployment compensation, and aid to families with dependent children and people with disabilities.

• Rural Electrification Administration- Financed and worked with electrical cooperatives to bring electricity to isolated areas.
Significance of the 1936 Election:

- Overwhelming victory for Democrats; FDR wins presidency and large majorities in both House and Senate.
- Marks for the first time that most African Americans vote Democrat instead of Republican.
- First time labor unions gave unified support to a presidential candidate.
Section 3: The New Deal Affects Many Groups

• Learning Targets:
  1. Analyze the effects of the New Deal programs on women.
  2. Describe Roosevelt’s attitude toward African Americans.
  3. Identify groups that formed the New Deal Coalition.
  4. Describe the supporter of FDR’s New Deal.
Learning Target 1: Analyze the effects of the New Deal programs on women.

• At the urging of Eleanor Roosevelt, women appointed to government positions; example: Secretary of Labor Frances Perkins became first woman cabinet member.

• Still faced discrimination in the workplace.

• New Deal laws allowed lower wages for women and less job opportunities.

• Criticism doesn’t stop the trend of women working outside the home.
Learning Target 2: Describe Roosevelt’s attitude toward African Americans.

- FDR appoints more than 100 blacks to key positions in government; example: Mary McLeod Bethune head of the Division of Negro Affairs of NYA.
- FDR is never fully committed to full civil rights, doesn’t want to upset white Democratic voters in the South.
Learning Target 3: Identify the groups that formed the New Deal Coalition.

- African Americans see the New Deal as their best hope for the future.
- Mexican Americans tended to support the New Deal despite receiving fewer benefits than blacks.
- Native Americans receive strong government support from the New Deal. Gain full citizenship by law (1924). The Indian Reorganization Act of 1934 moved away from assimilation to autonomy.
Learning Target 4: Describe the supporter of FDR’s New Deal.

• Minority groups—Southern whites, urban groups, blacks, and union workers—formed the New Deal coalition.

• Created by FDR, its purpose was to support the Democratic Party. *Dems dominate national politics throughout the 1930s and 40s.*
Section 4: Culture in the 1930s

• Learning Targets:
  1. Describe the entertainment provided by motion pictures and radio.
  2. Identify some of the artists and writers of the New Deal era.
Learning Target 1: Describe the entertainment provided by motion pictures and radio.

• Movies: silent films to “talking” pictures. Offered an escape from reality by presenting visions of wealth, romance and good times. Common themes: escapist appeal with realistic plots and settings, toughened characters struggling to succeed in harsh environments, social and political accomplishments of the New Deal, and honesty overcoming greed.

• Radio: democratic spirit of the times.
Learning Target 2: Identify some of the artists and writers of the New Deal era.

• Artists were paid a living wage to produce public art; artists: Diego Rivera, Thomas Hart Benton, and Grant Wood.

• Singer/songwriter Woodie Guthrie traveled the country and told of troubles in song.

• Writers received support—a job—through a WPA program, the Federal Writer’s Project.
Section 5: The Impact of the New Deal

• Learning Targets:
  1. Summarize opinions about the effectiveness of the new Deal.
  2. Describe the legacies of the New Deal.
Learning Target: 1: Summarize opinions about the effectiveness of the new Deal.

- Critics: Made the federal government too large and too powerful; stifled free enterprise and individual initiative.
- Critics: Didn’t do enough to socialize the economy and to eliminate social and economic inequalities.
- Supporters: reasonable balance between unregulated capitalism and overregulated socialism; helped the country recover from its economic difficulties.
Learning Target 2: Describe the legacies of the New Deal.

• Social Security System: the government assumes some responsibility for the social welfare of citizens; major impact on millions of Americans.

• Agriculture: price supports sets a precedent of federal aid to farmers.

• Environment: new farming techniques; reduced grazing; flood prevention; national park systems; wildlife refuges and wilderness areas.
What really ended the Great Depression?

• The return to normal conditions following the war and the removal of the uncertainty that had haunted businesses during the FDR years.