

pg 119

Roosevelt and the New Deal

(Howarth ch. 26 & Demarco ch. 9) → pg 113

March 1933 – Franklin Roosevelt is elected as the new President of the USA (Democrat)

President's slogan: "the only thing we have to fear is fear itself"

Some of the major social and economic problems in the USA at this time:

- 15 million Americans were without jobs
- ruin was staring farmers in the face
- banks were going bust
- army of migrants on the highways (refugees from poverty)

FDR's first action: CLOSE THE BANKS (4 days)

Why did he do this? the banking system had to be made to work again
– stop people from withdrawing all of their \$

He also slashed government expenditure and ended prohibition.

He used the new medium of radio to broadcast his 'Fireside Chats.'

What was the purpose of the 'Fireside Chats'? to communicate directly with the American people. To restore their confidence in the banking system and the economy.

What was the result of the 'Fireside Chats' and 4-day bank closure?

– the people believed Roosevelt, when the banks reopened, people deposited more \$ than they took out

FDR was not a dictator. He had the Supreme Court to balance his power.

He was powerful however, and his first "Hundred Days" brought real action:

- creation of alphabet agencies
 - restructured finances (banks)
 - relief from starvation
 - the chance of a job
 - holding on to the family home
- 14
1

NEW DEAL

- a flurry of new laws
- many agencies created (CCC, NRA, AAA, PWA, TVA, WPA, etc.)
- more agencies in 1934/35 – called the ‘alphabet agencies’ (p. 120-122 grey text)

Generally speaking, what did FDR hope to accomplish by implementing the ‘alphabet agencies’?

- 1) get Americans back to work (creating hundreds of thousands of jobs)
- 2) building infrastructure + public works projects
- 3) allowing Americans to hold on to their homes

Select five alphabet agencies and briefly describe their purpose:

1. CCC - Civilian Conservation Corps
- re-forestation, stocking rivers + lakes, building wildlife shelters, roads thru forests
2. WPA - Work Progress Administration
- employed artists, actors, writers, produced statues
- built improved hospitals + schools
3. NRA - National Recovery Administration
- management + workers agreed on production + prices
- min wage, max hrs of work, collective bargaining
4. AAA - Agricultural Adjustment Administration
- acreage under cultivation was reduced.
- higher prices for what they produced, gov't subsidies.
5. PWA - Public Works Administration
- build new schools, courthouses, city halls, bridges, tunnels, harbor facilities

- Federal government actions affected the lives of every citizen.
- People adored FDR. What are some things FDR did that increased his popularity?
 - he identified with the people.
 - alphabet agencies he created were a godsend.
 - fireside chats

There were drawbacks to the New Deal:

- Rural America: Rules under the AAA made some farmers destroy their crops, and/or encouraged them to kill their livestock.

Then the ‘dustbowl’ hit the USA between 1933 and 1935.

New Deal Opponents:

- ❖ Huey 'Kingfish' Long – "share the wealth"
- ❖ Charles Coughlin – fascist/anti-communist

↳ priest
why might some people accuse FDR of being a communist?

↳ left wing socialist policies – big role of govt

- ❖ Dr. Francis Townsend – support the elderly! In 1935, FDR appealed to many elderly by introducing the Social Security Act which included old-age pensions.

- ❖ Supreme Court struck down the NRA and threatened other programs. What is the role of the US Supreme Court? to be a system of checks and balances

on the executive branch of power

– to make sure governments do not break the laws of the USA ^{Constitution}

Why did the Supreme Court strike down the NRA?

↳ justices felt that the power to prescribe (codes) of employment belonged to Congress, not to the President and his agencies. The federal govt had no authority to regulate working conditions in firms.

- ❖ Many employers, banks, Republicans, and business owners opposed the NEW DEAL.

WHY?

* They didn't like his policies that strengthened trade unions

* They believed it was an individual's resp. to look after themselves.

▪ dismissed relief as a waste of taxpayers' \$

▪ Saw govt regulation of industry as a sign that communists were running the White House

▪ govt was interfering too much

↳ no more laissez faire.

In 1936 FDR was reelected in a landslide! More reforms? No. FDR ended the New Deal.

Instead of more NEW DEAL programs, FDR attacked the Supreme Court

What changes did FDR propose for the Supreme Court?

↳ if a justice didn't resign 6 months after his 70 birthday, the President should be allowed to appoint an extra justice to the court

Why was he criticized for this plan?

his plan was a sham designed to pack the court with justices who would not oppose him.

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What happened in March and April of 1937 that made Roosevelt abandon his Supreme Court plans? *the Court reversed the decision of the Schechter case*

What was FDR's impact on the union movement at this time?
- it was a vital battle to have won and one in which Roosevelt indirectly helped the workers by refusing to use force to eject sit-down strikers

In 1937 FDR cut spending on the WPA and the PWA and increased taxes ----- USA to another DEPRESSION????

In 1938, he reversed his decision and gave \$1 billion to the PWA and \$1.4 billion to the WPA

How did Hitler take advantage of the problems occurring in the USA? *re-arming over territory*
used it as an example of how democratic forces were ineffective against the Depression. He began breaking the conditions of the ToFV

Did FDR's programs defeat the Depression in the USA? No

What ended the US Depression? WW II How/why? *↓*
- massive mobilization of the people (Total War)

9