

# **“The New Deal”**

**1932-1939**

# **Fighting the Great Depression**

**Hoover had to turn away from his convictions about government welfare**

**Hawley-Smoot Tariff:  
High protective tariff**

**Urged Congress to fund government projects**

**Reconstruction Finance Corporation:  
Provided indirect relief through loans to corporations, banks, and agricultural organizations**





# **Bonus Army**

**Thousands of WWI veterans protested in DC during the summer of 1932**

**They wanted the bonus promised them in 1924**

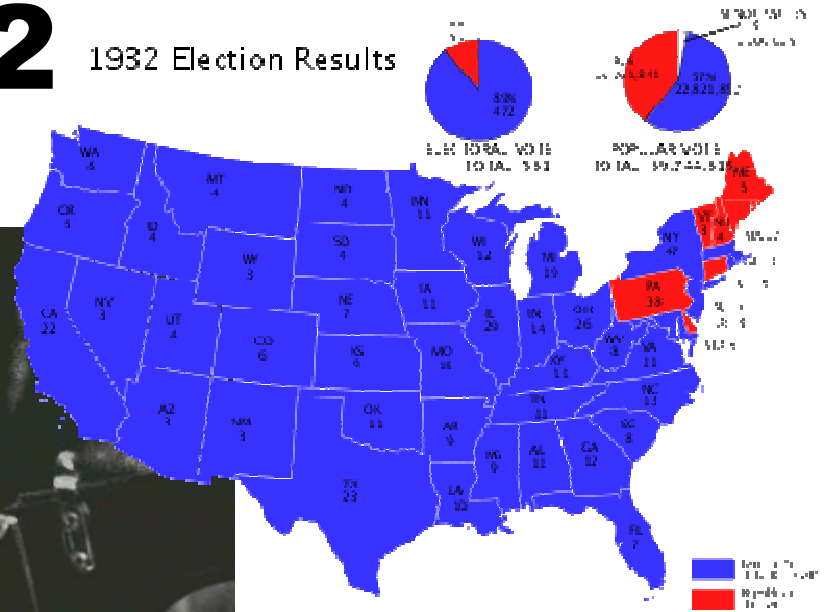


**Lead by Marine corps major general Smedly Butler**

**Hoover and the federal government, beset by the same Depression-era finances that motivated the marchers, refused their requests**

# Election of 1932

1932 Election Results



**Brain Trust**

**Southern support  
for the Democrats**

**3Rs: Relief,  
Recovery, and  
Reform**

# 100 Days

Relief	Recovery	Reform
CCC	TVA	FDIC
FHA	AAA	SSA
	WPA	SEC

**FDR called Congress into special session to deal with national emergency**

**3Rs of New Deal Legislation were tied to Progressivism**

**First RELIEF legislation dealt with Banking Crisis:**

**Glass-Steagall Banking Reform Act (FDIC)**

**Gold Standard**





# Civilian Conservation Corps



**Provided RELIEF by employing about  
3 million young men**

**Pay was sent home to  
parents/dependents**

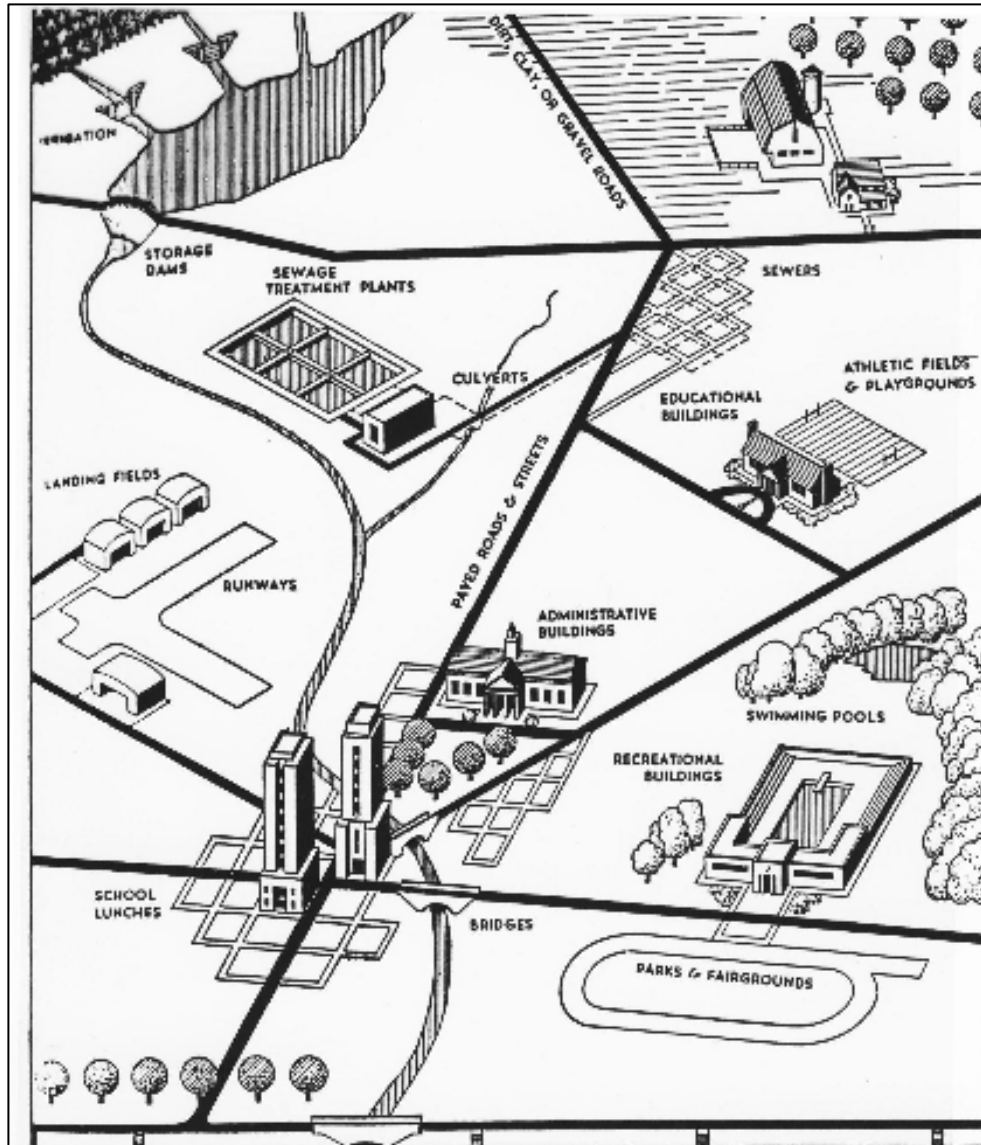
**Reforestation, Flood control, swamp  
drainage, other Conservation/Forest  
Service jobs**

**Other Relief efforts:**

**Home Owners Refinancing Act**

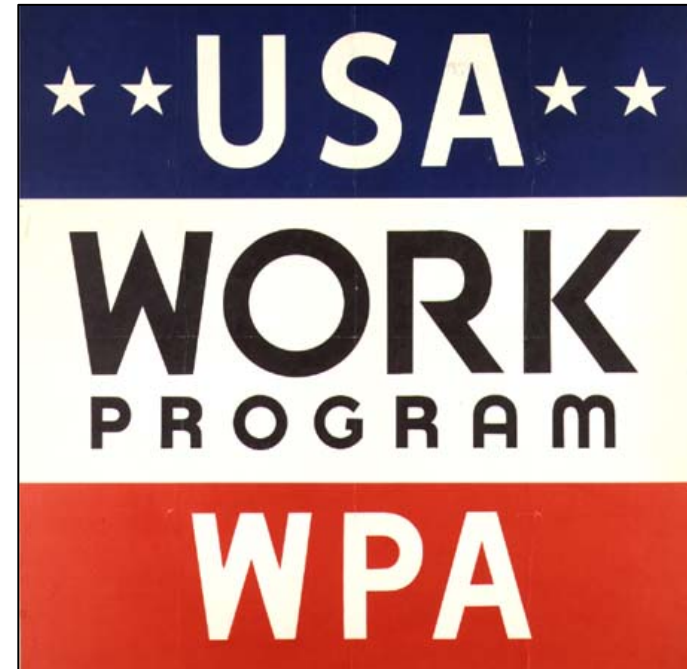
**Agricultural Adjustment Act**

# Works Progress Administration



**Organized improvements  
in Infrastructure  
(bridges, roads, public  
buildings, art)**

**Provided 9 million jobs**



# Agricultural Adjustment Act



**Law passed to make \$ available to farmers to help them pay their mortgages**

**AAA later created artificial scarcity by paying farmers to reduce their production**

**Met with criticism**

**SC finally killed the AAA**



# Tennessee Valley Authority



**Federally owned corporation in the Tennessee Valley**

**Includes over 45 dams generating hydroelectric power, coal/natural gas plants, and nuclear power plants**



# Reform Measures



**1933:**

**Beer & Wine Act**

**FDIC**

**TVA**

**Glass-Steagall**

**Banking Reform Act**

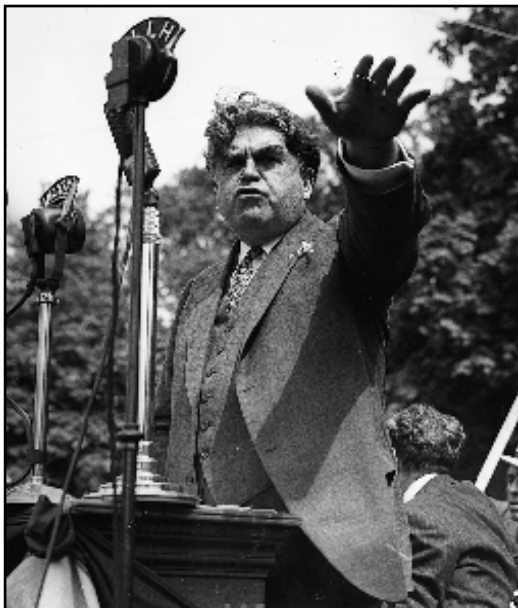
**1934:**

**SEC**

**1935:**

**Social Security Act**

**Wagner Act (Labor)**



**John Lewis  
organized CIO,  
a power bloc of  
“Big Labor”**

# New Deal Opponents



**Authoritarian rule in Japan, Germany, Italy, and Russia caused many Americans to look at FDR's New Deal w/ distrust**

**Keynesian Economics**

**Huey Long:  
Gov of LA and Senator  
Called for redistribution  
of wealth and vast  
government programs**

**Supreme Court**

# Court-Packing Plan

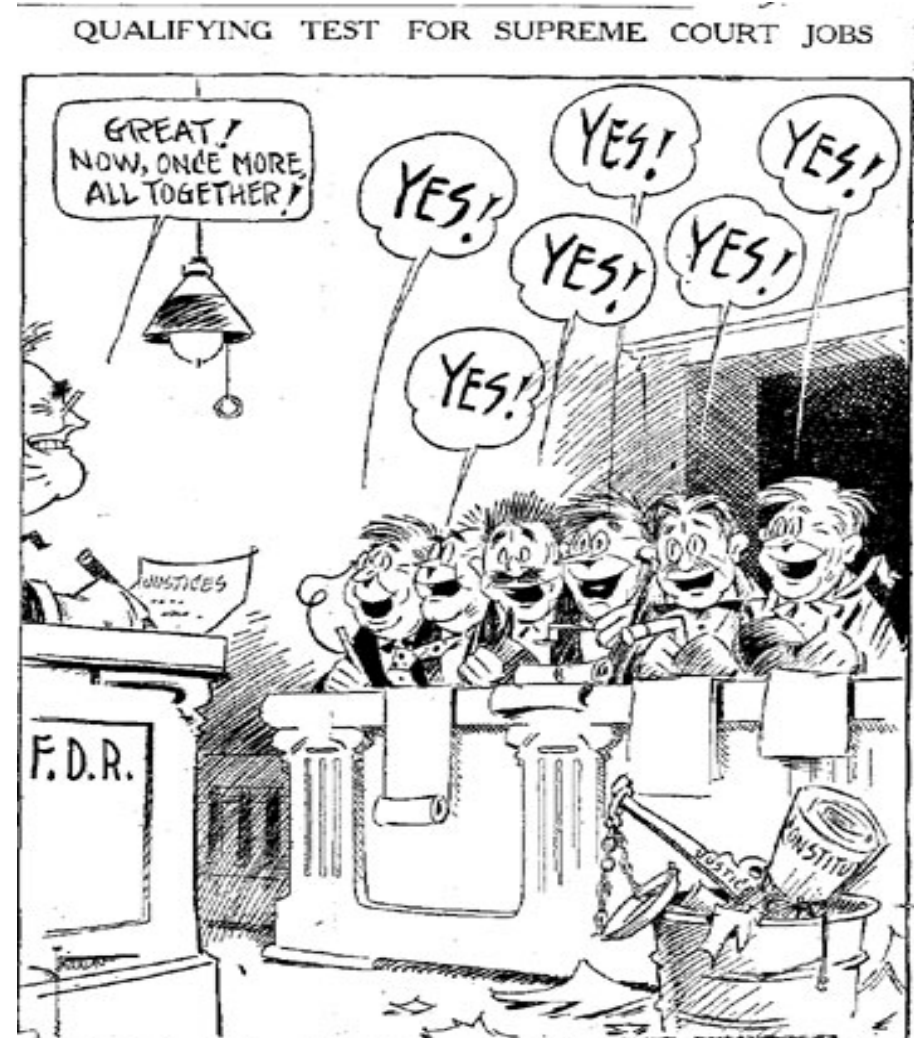
**FDR saw his victory in 1936 as a mandate by the American people to continue New Deal programs**

**He felt his opponents in Congress and the Supreme Court had to be defused so that the will of the people could be carried out**

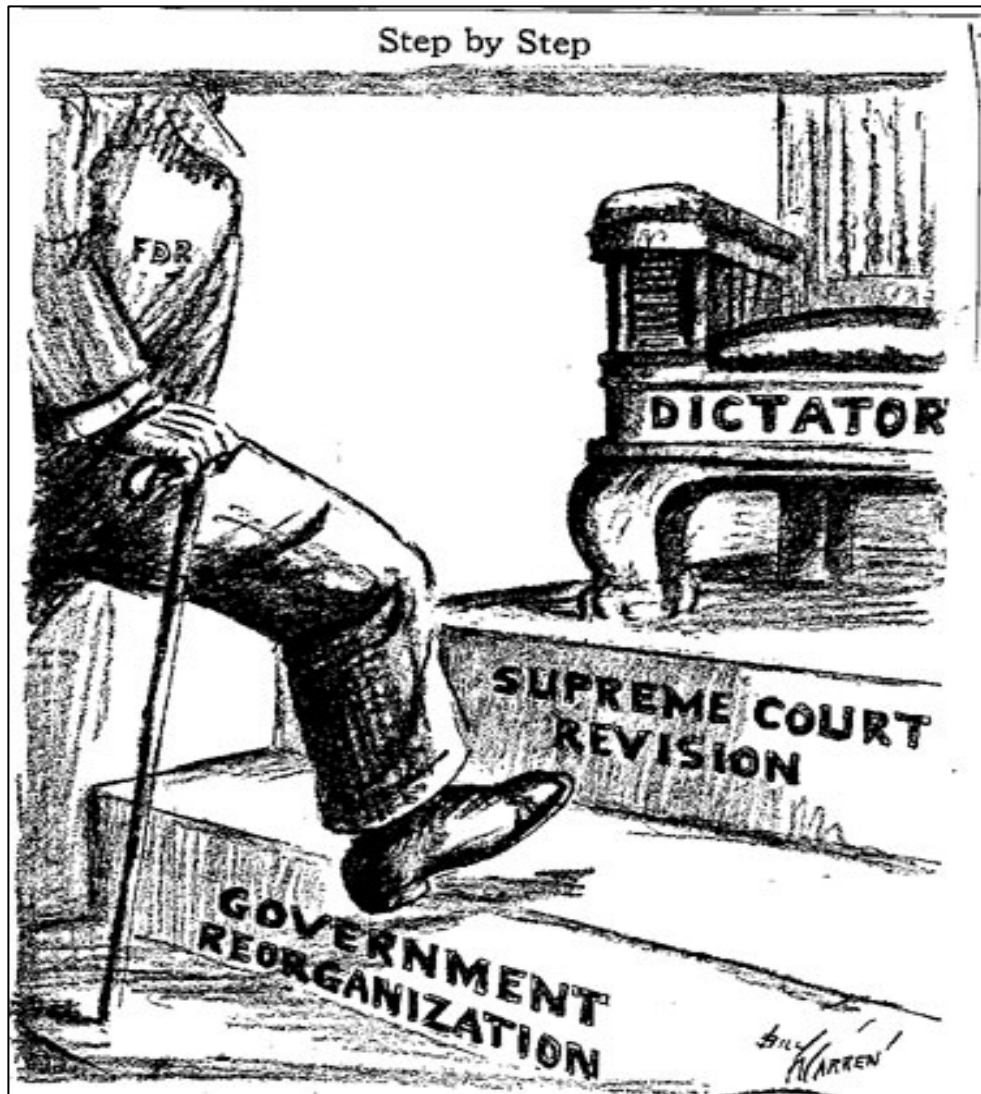
**Ultraconservative SC kept ruling against FDR's policies**

**FDR shocked Congress by asking for a law allowing him to add new justices to the SC (x6)**

**Court-Packing drew protest**



# Legacy -



**Greatly increased power to the Executive Branch**

**Skyrocketing National Debt**

**New Deal was a band-aid for the Great Depression, not a cure**

**Deficit spending did not close the gap between production and consumption**

**Unemployment still high at 19% in 1938**



# Legacy +

**New Deal relieved the worst of the crisis**

**FDR employed the Federal Government to protect the “little man”**

**Debt mounted faster b/c of US involvement in WWII than in New Deal programs**

