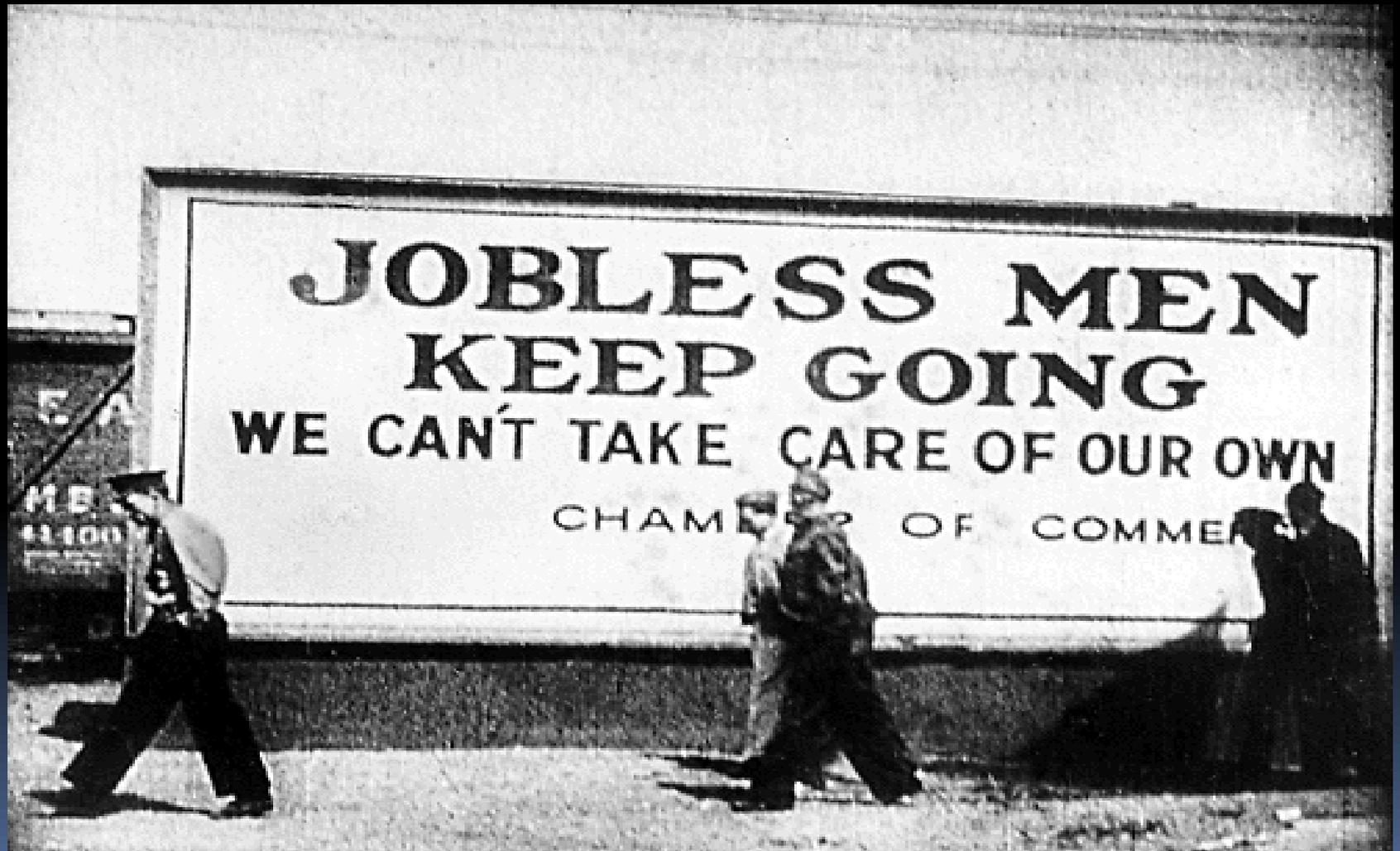
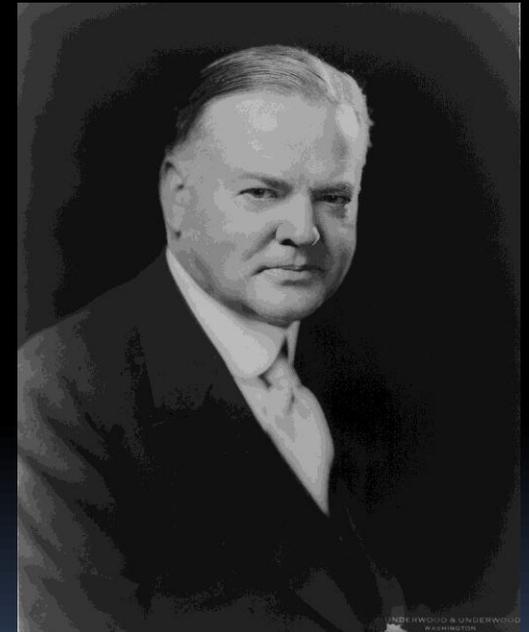


THE NEW DEAL



Background to the New Deal

1. $\frac{1}{4}$ of the US was out of work
2. $\frac{1}{4}$ of the US banks failed
3. Over 2 million homeless people
4. Bread-lines & Soup-Kitchens overwhelmed
5. Hoover's federal projects fail to jump start the economy
6. People blame Hoover for their problems



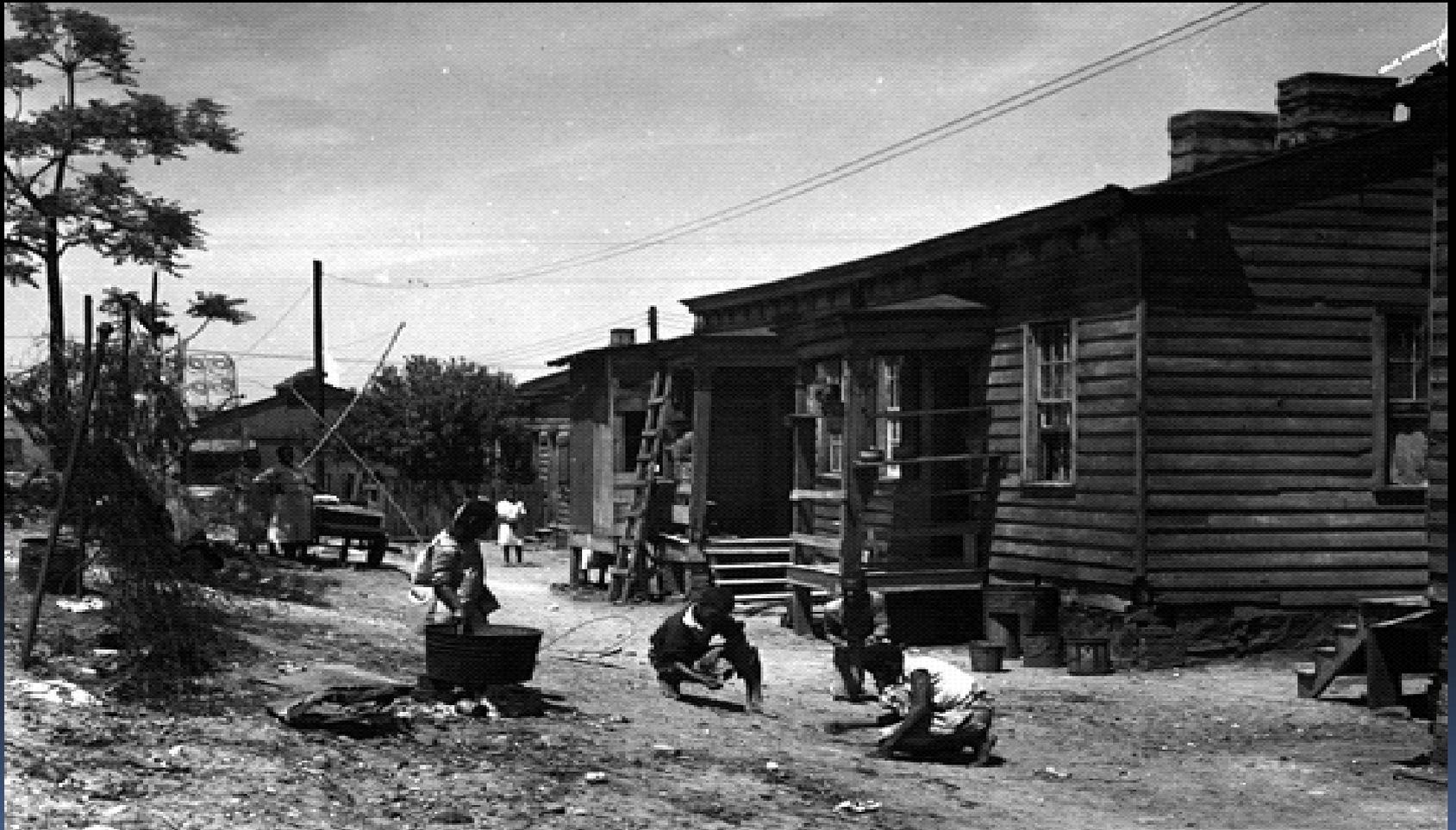


Roosevelt Takes Over

1. FDR = Former NY governor (known for his reforms in NY)
2. Won a landslide victory over Hoover
3. He was known as the “can-do” President
4. His cabinet was known as the “Brain-Trust” (lawyers, professors, and journalists)
5. The New Deal = FDR’s policies for fixing the damage of the Depression



Slums of Georgia



FDR's Reforms

1. **Bank Reforms** = Closed the banks for a national holiday to prevent further withdrawals

A. Government gave solid banks federal loans

B. Important-Gain citizen's faith in banks

2. **Fireside Chats** = Roosevelt's radio broadcasts concerning public issues & policies

B. Important – Made citizens feel like president was talking directly to them



Atlanta, Georgia



FDR'S REFORM POLICIES (CON'T)

3. *Agricultural Adjustment Act (AAA)*

A. Raised crop prices by lowering production (Government paid farmers to leave certain amounts of every acre unseeded)

Shantytowns



FDR's Reform Policies (con't)

4. ***Civilian Conservation Corps (CCC)*** put 18-25 year old men to work building roads, planting trees etc.

Importance: Aimed at preventing another dust bowl

A. Paid \$30 a month (\$25 sent home to families) plus free food and uniforms

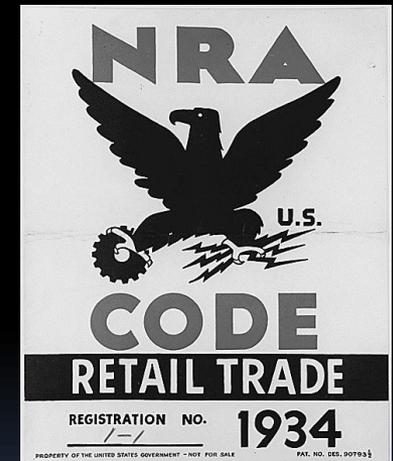
B. From 1933-1941 = 3 million men received work



FDR's Reform Policies (con't)

5. ***Civil Works Administration (CWA)***
= provided \$ (4 million) to states to create jobs (roads, construction of schools, and paid teachers)

6. ***National Recovery Administration (NRA)*** = set prices of many products to ensure fair competition, established 8 hour work days, and banned child labor and prevent wage cuts and layoffs





FDR's Reform Policies (con't)

All of FDR's Policies were made in the first 100 days.



Were these policies good or was the US capitalistic government rubbing shoulders with Socialism?

Banking



Reaction Against the New Deal (con't)

- I. Supreme Court Rules Against New Deal:
 - A. 1935, the (SC) struck down the (NRA) as unconstitutional (gave legislative powers to executive)
 - B. 1936, the (SC) struck down the (AAA) because agriculture is a local matter and should be regulated by states, not the federal government

The Chicago Subways



Reaction against the New Deal

FDR is upset with the (SC) rulings:

- A. ***"Court-Packing Bill"*** = FDR's attempted legislation to add 6 more justices to the (SC)
 - Meant to pack (SC) with justices sympathetic to the New Deal policies
 - Hurt FDR's public image



Reaction against the New Deal

American Liberty League

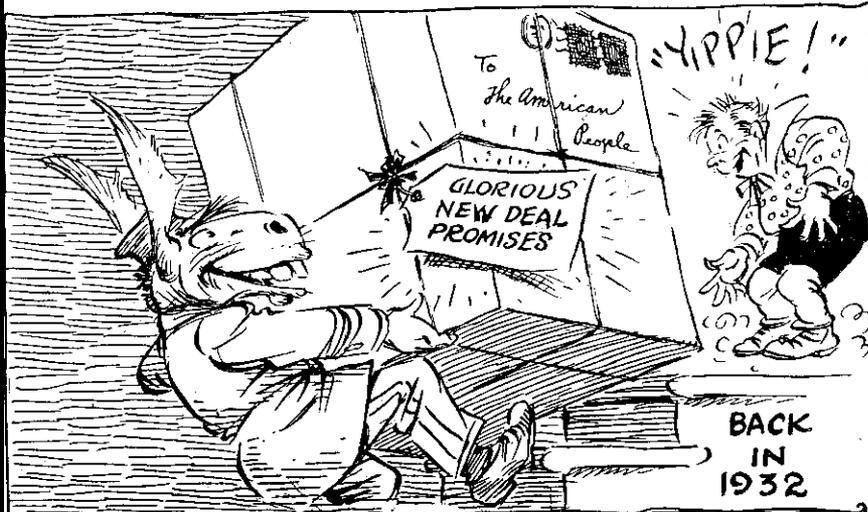
forms:

A. it felt that the New Deal violated the rights of individuals and property

B. Accused FDR of attempting to form a dictatorship



MOSTLY WRAPPING PAPER



Public Works Projects



The Second New Deal

1. Happened at the beginning of his third year in office
2. FDR called on Congress to provide even more relief for farmers and workers
3. FDR had help. Eleanor Roosevelt fought hard for the poor, women, and minorities
4. Farmers were given even more money to buy their own lands and to grow new products

CCC Projects



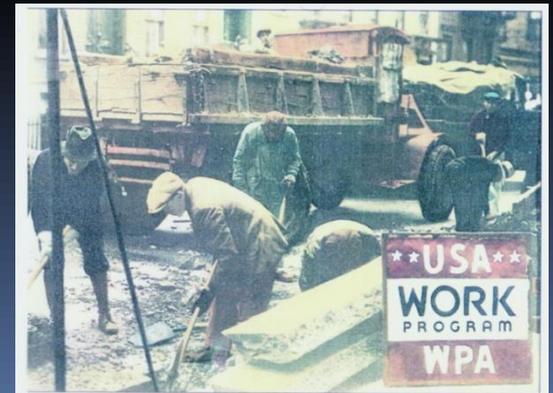
The Second New Deal (con't)

A. Works Progress Administration (WPA) = set out to create as many jobs as possible.

1. Had a \$5 Billion dollar budget

2. In its 8 years, made 8 million jobs

3. Built 850 airports, built roads, built schools & libraries, made 300 million garments for the needy



CCC Housing for Workers



The Second New Deal (con't)

- B. 1938 Fair Labor Standards Act = established maximum hours and minimum wages
- Set the first minimum hourly rate @ \$.25
 - Set the maximum hours that a worker can work at 44 hours a week
 - Banned factory labor for workers under 16 years old

CCC Workers Waiting for Train



The Second New Deal (con't)

C. *The Social Security Act* – provided pensions and financial relief for workers

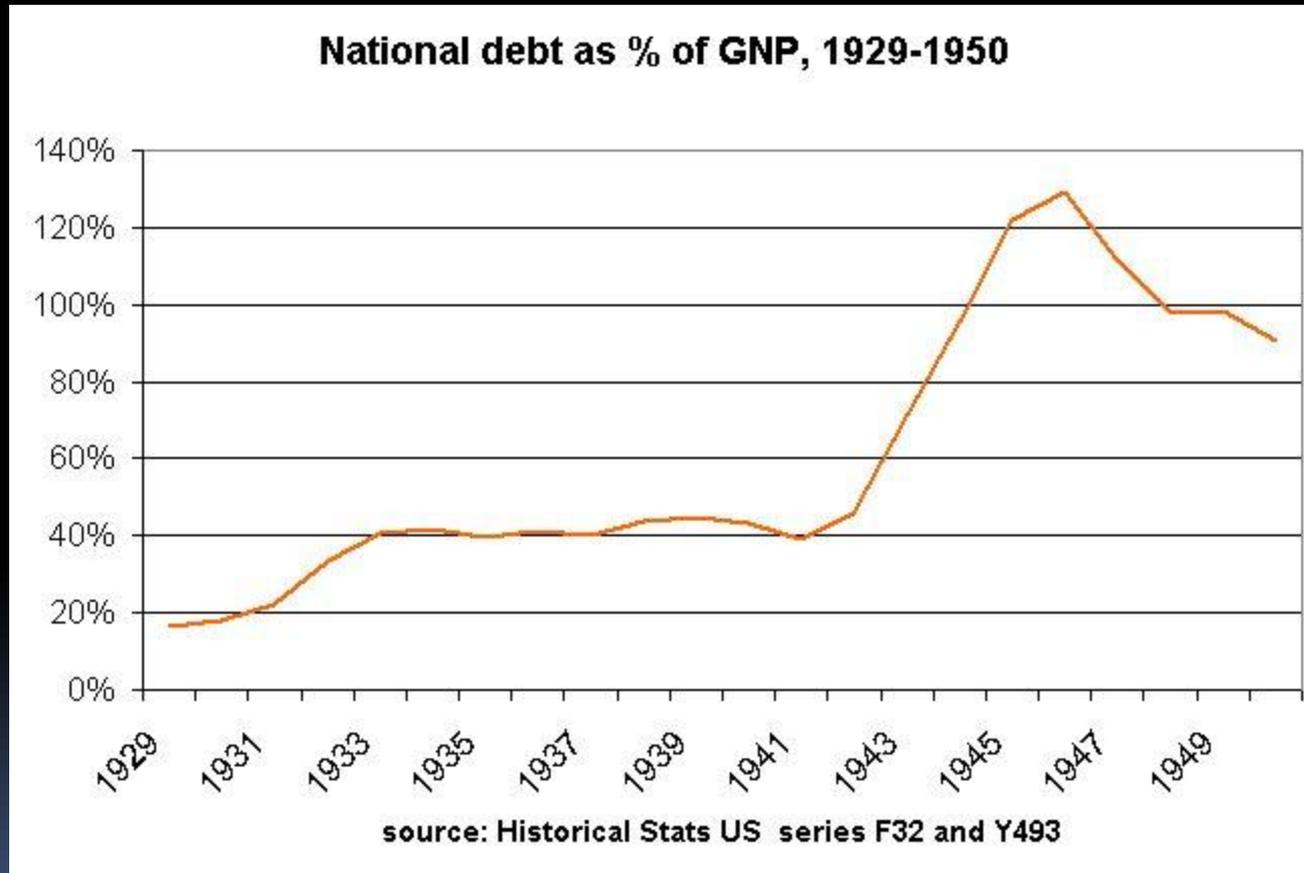
1. Old-age insurance for retirees 65 or older (1/2 from worker & 1/2 from employer)
2. Unemployment Compensation System (funded by a federal tax on employers)
3. Aid to families with disabled children

Impact of the New Deal

1. By 1937, unemployment fell to 14%
2. Congress forces FDR to scale back on these expensive Programs
 1. 1937 there were 7 million unemployed
 2. As they scaled back by 1938 there were 11 million unemployed

Deficit Spending = spending more \$ than the government receives in revenue

Impact of the New Deal (con't)



Impact of the New Deal (con't)

1939 = end of the New Deal due to threats of war in Germany

New Deal

- Walked a fine line between capitalism and socialism
 - Expanded the executive's power in shaping the economy
- 1934- national debt = 3.3 billion
 - 1943 - national debt = 54 billion