

Ch. 16 the New Deal

President Roosevelt sought to end the Great Depression through the federal programs of the New Deal.

FDR brought about the biggest changes in the US government since it had begun.

I. Forging a New Deal

- A. Even the first lady, Eleanor Roosevelt, was actively trying to help the country by reporting back to the President, the conditions in the country.
- B. FDR orders all banks to close for four days. This is done so that the government can inspect the financial health of the banks.
- C. The New Deal was creating opportunities for people to work, not just giving government handouts.
 - 1. A priority of the New Deal was to create jobs, not government handouts, so that people could earn their money and get back their self-esteem.
 - 2. Harry Hopkins is named head of the Federal Emergency Relief Administration, which put money into public works programs.
 - 3. The programs put many unemployed people back to work, and created an income for their families to survive.
 - 4. Many New Deal programs, like the Social Security Administration, still affect us today.
- D. The National Recovery Administration was responsible for helping business to recover.
- E. The goal of the Second New Deal was to bring more help to ordinary Americans.
- F. The Second New Deal brought a wave of new legislation including more social welfare benefits.

A Variety of critics pointed out the shortcomings of the New Deal. They feared that the government was intruding on personal freedoms.

II. The New Deal's Critics

- A. There was little done for the protection of domestic workers.
- B. Republicans criticized the New Deal for going too far to reform the economy.
- C. The Critics feared that the New Deal was leading the nation toward Socialism and possibly Communism.
 - 1. Critics thought the government was taking too much control over the nation's economy.
 - 2. They objected to limitations on individual freedoms, and equated government compulsory unemployment payments to Communism.
 - 3. Some feared the assignment of Social Security numbers was the first step towards transforming the country into a militaristic, regimented society.
- D. Progressives wanted the New Deal to go farther in redistributing the nation's wealth.
- E. Demagogues like Huey Long and Father Charles E. Coughlin manipulated people by using half-truths and scare tactics.

- F. FDR received the greatest amount of criticism when he tried to “Pack” the Supreme Court. He wanted to enlarge the court so they would allow his legislation to pass.

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Ultimately the New Deal did not end the depression. Yet it had lasting effects on many aspects of American life.

III. Last Days of the New Deal

- A. The massive government spending of the New Deal led to some short term economic improvement. It also led to a huge national debt.
- B. 1937 the economy slowed due to FDR’s cuts in spending. He was concerned the amount of national debt was getting out of control.
- C. FDR also tries to reorganize the Supreme Court, he is highly criticized for over stepping his presidential boundaries.
- D. Unions expanded greatly during this era. The Wagner Act led to increased union membership and a wave of strikes.
- E. Americans dealt with their struggles by attending movies.
- F. FDR set aside funds that were meant for the WPA, to support unemployed artist.
- G. Many government agencies that were founded during the New Deal ear still exist today, such as the Tennessee Valley Authority, The Federal Deposit Insurance Corporation, and the Securities and Exchange Commission.