



# CHAPTER Twenty-Three

SEC. 1

## New Deal Critics

Deficit Spending - Spend more money than govt. has  
necessary evil but never proven to end Depression

Liberal Critics: New Deal did not go far enough to help + reform Eco System

Conservative Critics: FDR spent too much + was Socializing Econ. + gave govt. too much control +  
Hence FREE MKT

Court Packing Bill: 1935 SC Ruling  
NIRA was unconstitutional because govt went too far regulating Interstate Commerce

- FDR proposed Court Reform Bill to Appoint 6 more Supreme Court Justices

## Promote Fair Practices

NIRA = Codes of Fair practices for Industry + Created National Recovery Administration = Set Prices to ensure fair competition, Standard Working Hrs.  
ban Child labor = Critics favored Big Biz

Home Owners Loan Corp: govt loans to homeowners facing foreclosures

FHA: Created by Nat. Housing Act  
For loans + Repairs to homes

FERA: Provided direct relief to Needy

## WORK Projects

### Civilian Conservation Corp 1933

- Young Men (18-25) Built Roads, Parks, plant trees + prevent Soil erosion + Flood Control

### Neigh Industrial Recovery Act 1933

- Money to States for Construction jobs to make Schools + Community Buildings

Civil Works Adm: 1933 Built 40,000 Schools and paid 50,000 school teachers

Huey Long (Louisiana Senator) proposed nationwide Social Program "Share Our Wealth" Something for Everyone  
Assassinated at height of popularity - Run for Pres

Dr. Townsend: (Calif) wanted monthly pension plan for elderly

His Attitude: Can do Reform Minded: Confident Former, Popular Governor N.Y.

Father Coughlin: Catholic Priest (Detroit)

Radio Sermons wanted to nationalize banks + a guaranteed annual income

American Liberty League  
New Deal Violated Individual Rights

1932 Election: FDR wins Victory = overwhelming  
Democrats win 2/3 Senate + 3/4 House

20th Amend: Moved Inauguration From March to January but didn't go into effect till next election; FDR did not waste time.

Brain Trust: Carefully picked Advisors Professors, Lawyers, journalists

## 3 Critics

Campaign Promise: "A New Deal for American People"  
New Deal = 3 goals (Relief, Recovery, Reform)

## NEW DEAL Fights Depression

## Rural Assistance

### Agricultural Adjustment Act

Raise Crop prices by lowering Production

IT Helped but Critics angry about lost food

Tennessee Valley Authority: 1933 Renovated 5

Dams + Built 20 more to provide jobs + flood control + electric power

### Emergency Bank Relief Act: gave

Power to Dept of Treasury to Inspect Banks before Reopening

Helped revive public confidence

### Fireside Chats: Radio talks by FDR to Explain NEW Deal Programs

## Glass-Steagall Act 1933

Federal Deposit Insurance Corp. Provided federal insurance for bank accounts up to \$5,000

Fed Securities Act: 1933 Required Corporations to provide complete info on all stocks + made them liable for mis information

1933: 21 Amendment Repealed Prohibition  
1934: Security + Exchange Commission - regulates stock mkt

# CHAPTER Twenty-Three

SEC. 2

## Social Security Act

- Dept of Labor Francis Perkins sets up the Act

### Old Age Insurance:

- 65 or older + their Spouse
- Supplemental Plan coming  $\frac{1}{2}$  from Worker +  $\frac{1}{2}$  from Employer

### Unemployment Compensation:

- Funded by Fed Tax on Employers
- Administered at State level
- Initial pay \$5-18 per wk

### Aid to families:

- Children + Disabled Included
- Fed Funds given to States

### National Labor Relations Board

- Set up by Wagner Act
- To hear testimony about Unfair Labor Practices + hold elections
- To find out if workers want unions

### Fair Labor Standards Act:

- Set Max hours @ 44 per wk
- Set Min wage @ 25¢ per hr
- Ban hazardous wk anyone under 18

### Labor + Other Reforms

Wagner Act: Reestablished NRA Right of Collective Bargaining + joining Unions

- Also prohibited unfair labor practices
- National Labor Relations Board set up by Wagner Act to hear testimony about unfair practices

## 2nd 100 Days

Public Utility Holding Company Act 1935 outlawed multiple holding Companies (Pyramiding)

- By 1945 = 48% Farms had electricity
- By 1949 90%

Rural Electrification Admin: financed + worked w/ Electrical Coops

- 1935 only 12.6% Farms had electricity

Dorothea Lange:

photo documented American life during Great Depression

Funded by Federal Govt (FSA)

She helped draw attention to Poverty in Rural Areas

Eleanor Roosevelt: FDR's wife

Social Reformer who used political skills and greatly influenced FDR.

Promote Rural Electrification + Regulate Public Utilities

1936 Election: Alf Landon Kansas Governor Ran for Republicans

### Regulating Utilities

Overwhelming victory for FDR

Won Both Houses

1st Time African Americans Voted for Democrats Rather than Republicans (GOP)

### Second NEW DEAL

### Relief Extended

### Helping Farmers

2 out of Farmers were mortgaged

Soil Conservation Domestic Allotment Act

Replaced Agricultural Adjustment Act which was struck down by Supreme Court (State Issue)

Paid Farmers for cutting production of soil-depleting crops + reward Farmers for practicing good soil conservation methods

### Agricultural Adjustment Act #2

Brought back many features from 1st AAA ruled unconstitutional

It eliminated processing tax to pay for farm subsidies

Works Progress Admin: Harry Hopkins  
\$11 Billion for Unskilled jobs to build Infrastructure  
or Public Works Projects.  
National Youth Adm: Provided Education, Jobs  
Counseling + Recreation for young people.

### Resettlement Adm. 1935

Created by Executive Order - provided loans to small farmers to buy land

1937 Farm Security Adm. Replaced Resettlement Adm

loaned 1 billion to help Tenant Farmers become landholders + establish camps for Migrant Farm Workers

Also Hired Dorothea Lange photographers

# CHAPTER Twenty Three

SEC. 3

## Labor Unions Flourish

- 1) Pro-labor Bills pass

Wagner Act: Responsible for

Better Working Conditions +

Increased bargaining power.

• FDR was "Friend of Labor"

• Union membership grew 3 to 10 million

AFL: American Federation of Labor

• Traditionally restricted to Craft Unions

• Frustrated Members organize alternative

## Congress of Industrial Organizations

• 1938 John Lewis + David Dubinsky Form Unskilled + Semi-Skilled Workers

Labor Disputes: Sit-down Strikes

• 1937 Memorial Day Massacre = Clash at Republic Steel Plant in Chicago (10 dead)

## New Deal Coalition

• Alignment of Diverse groups dedicated to Supporting Democratic Party.

• Included Southern Whites, Urban groups, Unionized Workers,

• Democrats Dominated National

Politics in 1930's + 1940's Also tended to Support New Deal

• Located in Southwest + worked on Farms @ low wages + No Union protection

• CCC + WPA discriminated against Them

## Native Americans

John Collier: Commissioner of Indian Affairs

Indian Reorganization Act 1934

Economic: N.A. Land would belong to entire Tribe

• Drove Away from Assimilation to Autonomy

Cultural: Boarding Schools Reduced Children Could attend Reservation Schools

Political: Tribes elect Tribal Councils

## New Opportunities

• Minority gains limited  
• prejudice + discrimination

Women: Frances Perkins

• 1st Female Cabinet Member

Sec of Labor - Played Major Role creating Social Security

## New Deal Laws = Mixed Results

• NRA set lower minimum wages for women

• FERA + CWA hired fewer women than men

• CCC hired only men.

• Overall % of women working increased

Criticism of Women: Overall long-term trend of women working outside the home increased

## African American Activism

FDR Appointed More than 100 Blacks to Key Posts.

Mary McLeod Bethune: an educator

• Leads Division of Negro Affairs of the NYA

## NYA National Youth Administration

• She ensured that NYA hired Minority administrators + workers

• Black Cabinet: She organized Influential Blacks to advise FDR

Marian Anderson: Black Singer performed @ Lincoln Memorial after Rejection by Daughters of American Revolution.

## FDR's Civil Right Record

• Never Committed to Full Civil Rights For Blacks

## Democratic Voters in South

• Afraid of upsetting them + losing their support

• Refused to Support Fed Anti-Lynching Law + end Poll Tax

## Southern Tenant Farmers Union

• Organized to protect Tenant Farmers + Sharecroppers

• Overall Blacks Would Support FDR

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SEC. 4

## 1939 The Grapes of Wrath

John Steinbeck: Story about the lives of Oklahoma Farmers migrating to California after the Dust Bowl Tragedy

James T. Farrell's "Studs Lonigan" trilogy of bleak working class life in Irish neighborhood in Chicago

Jack Conroy's "The Disinherited" portrays violence + poverty of Missouri Cornfields

James Agee + Walker Evans' "Let Us Now Praise Famous Men"

Thornton Wilder's play "Our Town" captures small town life in New England

### Diverse Writers

Part of WPA's Fed Writers' Project

WPA: Supported writers such as Saul Bellow, future Nobel Prize + Pulitzer

Richard Wright: African American writer of "Native Son" about young man surviving in Racist World

### Woody Guthrie

Singer Songwriter used Music to capture first hand the tragedies + hardships of America  
Travelled the Country in Search of Brighter Opportunities

### ARTISTS Decorate America

WPA's Fed Art Project Paid Artists painted murals on Public Buildings  
Diego Rivera: Mexican Muralists Portrayed the dignity of American Workers

Grant Wood + American Gothic: Interprets it Differently; To Some its Hardworking Sensibility, and others Repressed, judgemental Sensibility of Rural America

Orson Welles: Actor, Director, producer + writer created "The War of the Worlds" Radio broadcast of Alien Invasion

Also Directed "Citizen Kane" "Touch of Evil"  
Comedians Bob Hope, Jack Benny +

Burns + Allen = Also Soap Operas  
1937 Crash of German Zeppelin The Hindenburg Caught on Radio

### The ART IN Depression

- Sober + Serious with uplifting message about the strength of character + democratic values
- Embraced the spirit of Social + Political change
- Many Artists Received Direct Support from Fed govt

### Motion Pictures + Radio

Golden Age

65% Attending movies

Sales of radios increased to 28 million by 1940

### MOVIE SUCCESSES:

"End of Silent Films + Rise of Talking pictures"

Offered Escape from Hard Realities of the Depression presenting visions of wealth, Romance + Good Times

"Gone with the Wind" Most famous

"Snow White + 7 Dwarfs" Showcase dazzling animation of Walt Disney.

"Little Caesar" + Public Enemy = Gangster Movies

"Mr Deeds goes to Town" = Honesty wins over Greed.

### Radio Entertains

Embodied the democratic Spirit of the times

Brought families together to hear favorite programs

FDR Used Radio for Fireside Chats

# CHAPTER Twenty-Three

SEC. 5

## Banking + Finance

SEC: Continues to Monitor Stock Mkt + Enforce laws regarding Sales of Stocks + Bonds

FDIC: Created by Glass-Steagall Act 1933 To Insure Individual depositors IN Event of Bank Failure.

Social Security: Provided Old Age Insurance, Unemployment Compensation + Aid to Disabled families

Rural Scene: Farm Legislation Set quotas on Crop production.

- Loans provided determined by Amount of Farmer's Surplus + parity Price or price Intended to Keep Farmer's Income Stable

## Protecting Workers' Rights

Wagner Act + Fair Labor Standards Act

- Set Standards for Wages + Hours
- Ban Child Labor, Allowed Collective Bargaining

## National Labor Relations Board

- Acted as Mediator in labor Disputes

By adding millions to Economy + Jobs. By attempting to regulate Supply + demand. BY settling Labor Disputes

Fed Deposit Insurance Corp: Regulated banking and Investment Activities

Securities + Exchange Commission - Regulated Stock Mkt.

## Federal Debt + Deficit

- Fed govt Reduced Suffering, provided jobs, Food, Money
- gave people hope + sense of dignity
- Fed govt went into Debt to do this.
- By 1940 Fed deficit Increased to 2.9 Billion
- Massive Amounts of Spending for guns + war Equipment Needed for WWII Ended Depression
- 1943 Deficit Reached 54 Billion

Legacy: Hope + Gratitude, Also Anger + CRITICISM  
Also growing Deficit Spending.

3rd New Deal?  
FDR Hinted at it.  
Still Many Suffering

TVA: Harnessed Water Power to generate Electricity + Prevent Flooding.

Conservation: FDR's policies protect Nation's Natural Resources  
CCC + SCS Helped.  
Taylor Grazing Act Reduce Grazing on Public lands

## The Environment

## IMPACT OF NEW DEAL

Pressure to Scale Back:  
• Congress wanted to Scale back New Deal Programs which he did.

- Result = Industrial Production dropped
- Unemployment Increased from 7 million to 10 million
- 1939 New Deal Ends as FDR worries about Germany's Hitler + Events in Europe

## SUPPORTERS

- Harsh Criticisms to High Praise
- Supporters felt FDR Struck a Reasonable balance between 2 Extremes,
- Unregulated Capitalism and Overregulated Socialism

- It Helped Country Recover From its Economic Difficulties

## CRITICS

- Conservatives Felt FDR's Policies Made Fed govt too large + too powerful
- Also govt. Stifled Free Enterprise and Individual Initiative
- Liberals Felt FDR Did not do enough to Socialize the Economy + Eliminate Social + Economic Inequalities