

CHAPTER 23

Managing the Great Depression, Forging the New Deal, 1929-1939

Mr. Muller - APUSH

Aim: How does the U.S. go from Boom, to Bust?



Do Now: Once I built a tower up to the sun

Brick and rivet and lime

Once I built a tower, now it's done

Brother, can you spare a dime?

Bing Crosby - Brother Can You Spare
A Dime Lyrics, 1932

Questions 1–3 refer to the excerpt below.

“On the first of February, we intend to begin submarine warfare unrestricted. In spite of this it is our intention to keep neutral the United States of America.

“If this attempt is not successful we propose an alliance on the following basis with Mexico: that we shall make war together and together make peace. We shall give financial support, and it is understood that Mexico is to reconquer the lost territory in New Mexico, Texas and Arizona. The details are left for your settlement.”

—Arthur Zimmermann, German Foreign Minister, January 19, 1917

1. Which of the following does this excerpt support as the primary cause of the U.S. declaration of war in April 1917?
 - (A) Mexico’s plan to invade the United States
 - (B) Germany’s violations of U.S. neutral rights
 - (C) Pro-British intelligence and propaganda
 - (D) Germany’s violation of the Monroe Doctrine
2. When the Zimmermann message was made public, most people in the United States
 - (A) viewed it as a threat by Germany against Mexico
 - (B) feared that a German victory would split the United States
 - (C) expressed nationalist anger against Germany
 - (D) assumed it was the result of Allied propaganda
3. The issue of freedom of the seas in World War I most closely resembles the cause of which of the following conflicts?
 - (A) War of 1812
 - (B) Mexican War of 1846
 - (C) The American Civil War
 - (D) Spanish-American War of 1898

Politics of the 1920s

29.

Warren G. Harding 1921-1923



30.

Calvin Coolidge 1923-1929



31.

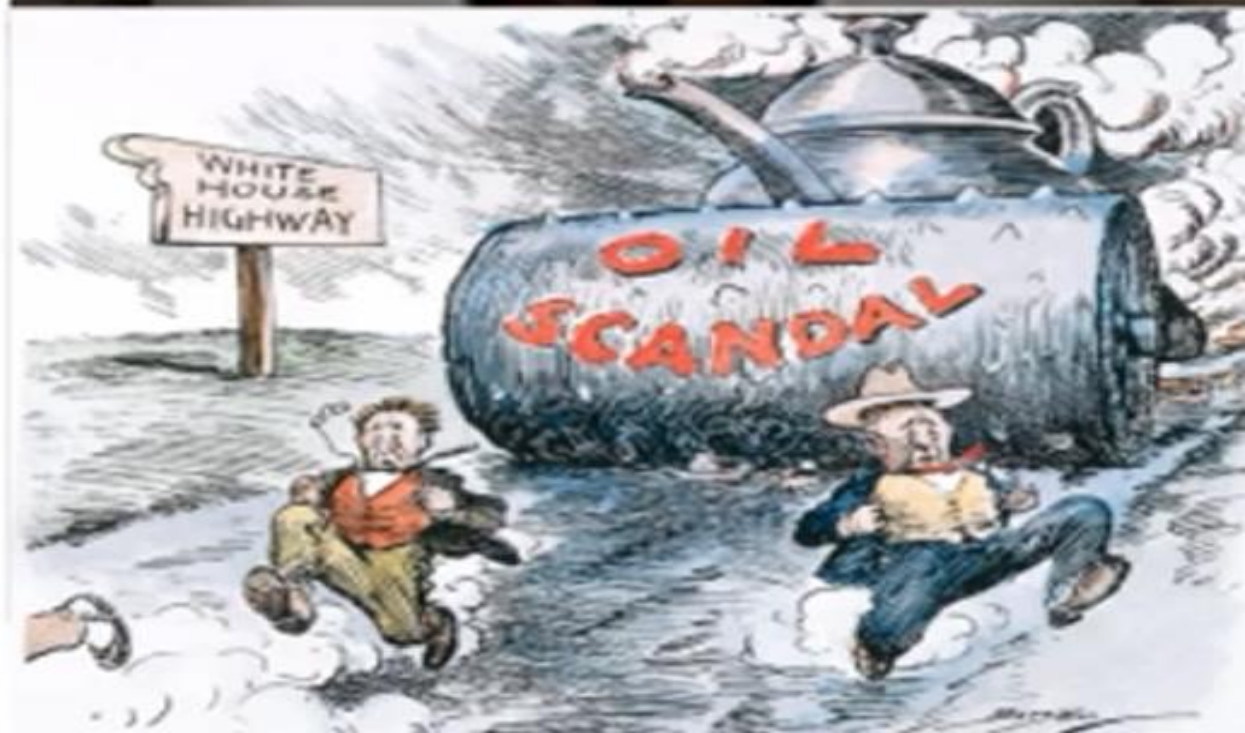
Herbert Hoover 1929-1933



- **Progressive Era reforms of the previous period are pretty much abandoned in the 1920s.**
- **Business and government are intimately linked**
- **Presidents of the decade are all conservative Republicans**
 - **Election of Warren G. Harding: “return to normalcy”**
 - **Calvin Coolidge**
 - **Herbert Hoover**

HANDLING BUSINESS

- **Republican Presidents favor high tariffs throughout the decade.**
 - **Pro business policies** of the Republican administrations
 - **Fordney-McCumber Tariff (1922)** increase tariff
- **Response to the high U.S. tariffs was Europe raised their own tariffs**
 - Slows down global trade
- **This close relationship with business lead to some scandals and corruption**
- **Teapot Dome Scandal: Sec. of Interior Albert Fall** accepted bribes in exchange for leasing government land to oil companies



CALVIN COOLIDGE & HERBERT HOOVER

- Calvin Coolidge continued the **pro business policies**
- Famous quote “The business of America is business.”
- Easily wins the election of 1924
 - Progressive party candidate **Robert La Follette** did surprisingly well (especially amongst farmers and workers)
- Coolidge will not run again in 1928



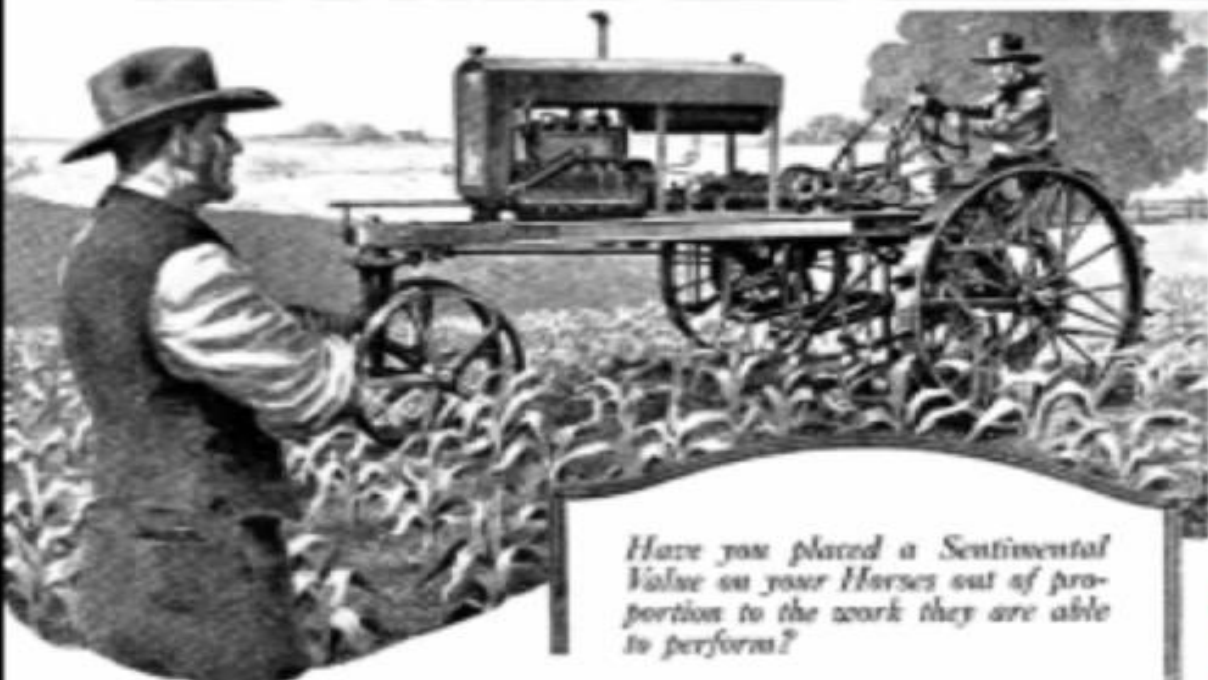
★ ★ ★ ★ ★ ★ ★ ★ 1924 Presidential Election Results ★ ★ ★ ★ ★ ★ ★ ★

| Presidential Candidate | Vice Presidential Candidate | Political Party | Popular Vote | | Electoral Vote | |
|------------------------|-----------------------------|-----------------|--------------|--------|----------------|-------|
| Calvin Coolidge | Charles Dawes | Republican | 15,719,921 | 54.03% | 382 | 71.9% |
| John Davis | Charles Bryan | Democrat | 8,386,704 | 28.84% | 136 | 25.6% |
| Robert LaFollette | Barton Wheeler | Progressive | 4,832,532 | 16.61% | 13 | 2.4% |
| Other | - | - | 155,866 | 0.54% | 0 | 0% |

| Percentage | Color Legend | Chart 1 | Chart 2 |
|------------|------------------|---------|---------|
| <50% | Blue, Red, Green | | |
| >50% | Blue, Red, Green | | |
| >60% | Blue, Red, Green | | |
| >70% | Blue, Red, Green | | |
| >80% | Blue, Red, Green | | |
| >90% | Blue, Red, Green | | |



The Decade that didn't ROAR: FARMERS AND UNIONS



Have you placed a Sentimental Value on your Horses out of proportion to the work they are able to perform?

BAILOR MOTOR CULTIVATORS

Union membership declined throughout the 1920s

- Companies favored an **“open shop”** (jobs open to nonunion workers)
- Red Scare, Palmer Raids had turned **public opinion** against labor

Farmers experienced a decade of **economic difficulty** in the 1920s

- Following **World War I** less demand for crops from domestic and international markets
- Advancements in **technology** led to large increase in production
 - Too much supply led to lower prices



**Food is
Ammunition -
Don't waste it.**

Herbert Hoover



- Election of 1928
Republicans nominate **Herbert Hoover**
 - Democrats nominate
Governor of NY **Alfred Smith**
 - His religion- **Catholicism** – becomes an issue during the campaign
 - He also opposed prohibition
- Herbert Hoover wins the election of 1928**



Election of 1928

- Hoover will win because Americans are satisfied with the prosperity that America experiences during the 1920s, under Republicans
- Despite warnings from economists about a possibly drop in the stock market, Americans still held large sums of stocks (about 4 million Americans owned a stock)
- People would buy stocks on the margin (paying for a part of the stock and borrowing the rest, in seeking for a quick profit)



International Affairs

- **Reminder:** The United States rejected U.S. joining the League of Nations
- In the 1920s U.S. does not entirely withdraw from world affairs:
- **Washington Naval Arms Conference (1921):** naval disarmament 1) Promote peace (especially in the Pacific) 2) Reduce defense expenditures
- **Five-Power Treaty:** set ratios for battleships, U.S. & England agree not to fortify possessions in the Pacific
- **Four-Power Treaty:** England, U.S., France, & Japan will respect each other territory in Pacific
- **Nine-Power Treaty:** all nations at conference will respect the Open Door policy
- **Kellogg Briand Pact:** treaty signed in 1928 that outlawed war
 - **But:** 1) Cant enforce it 2) allowed defensive wars



International Finance

- Following World War I the U.S. becomes a **creditor nation**
 - Loaned large amounts of money to European countries recovering from WWI
- European nations were **slow to recover** from WWI and repay the war debts to the U.S.
 - **High tariffs** weakened international trade
 - Germany could not pay its war **reparations**- the nation was bankrupt and inflation was a major problem
- **Dawes Plan (1924)**- adjusted German reparations payments
 - American banks would loan money to Germany to help them rebuild and help pay reparations to England and France
 - England and France would use their reparations payments from Germany to pay back loans to the U.S.
 - Stock Market crash in 1929 would end this



What leads up to the Great Depression?

1. Industries in trouble: The Rail Roads loose business to new forms of transportation (trucks, buses and private automobiles)

- **Mining and lumbering**, expanded during the war, but then decline after due to the **decrease in demand**.

- Electric also hurts coal-mining because its more efficient (fuel oil and natural gas becomes popular forms of energy as well)

- Key indicator of industry is the **housing market**, which begins to **decline**

(houses being built ↓)



2. Farmers

- **Suffer the most after the war. They continue to overproduce. Hard to shift from wartime economy to peace time.**
- After the War, demand drops and prices fall by 40%
- President Calvin Coolidge tries to help by having the government buy goods from the farmers at a standard price and sell them on the world market → Doesn't work
- **Dust Bowl- the region including Texas, Kansas, Oklahoma, Colorado, and New Mexico that was made worthless by farming drought and dust storms during the 1920s and 30s**



3. Consumers

○ **Buying less because of raising prices, stagnant wages and also unbalanced distribution of income (Virtually no middle class)**

CREDIT → peoples credit continues to build

What's Credit?



Credit: Arrangement in which consumers agreed to buy products or items now and decide to pay later. This is part of the **Installment Plan (included interest)**

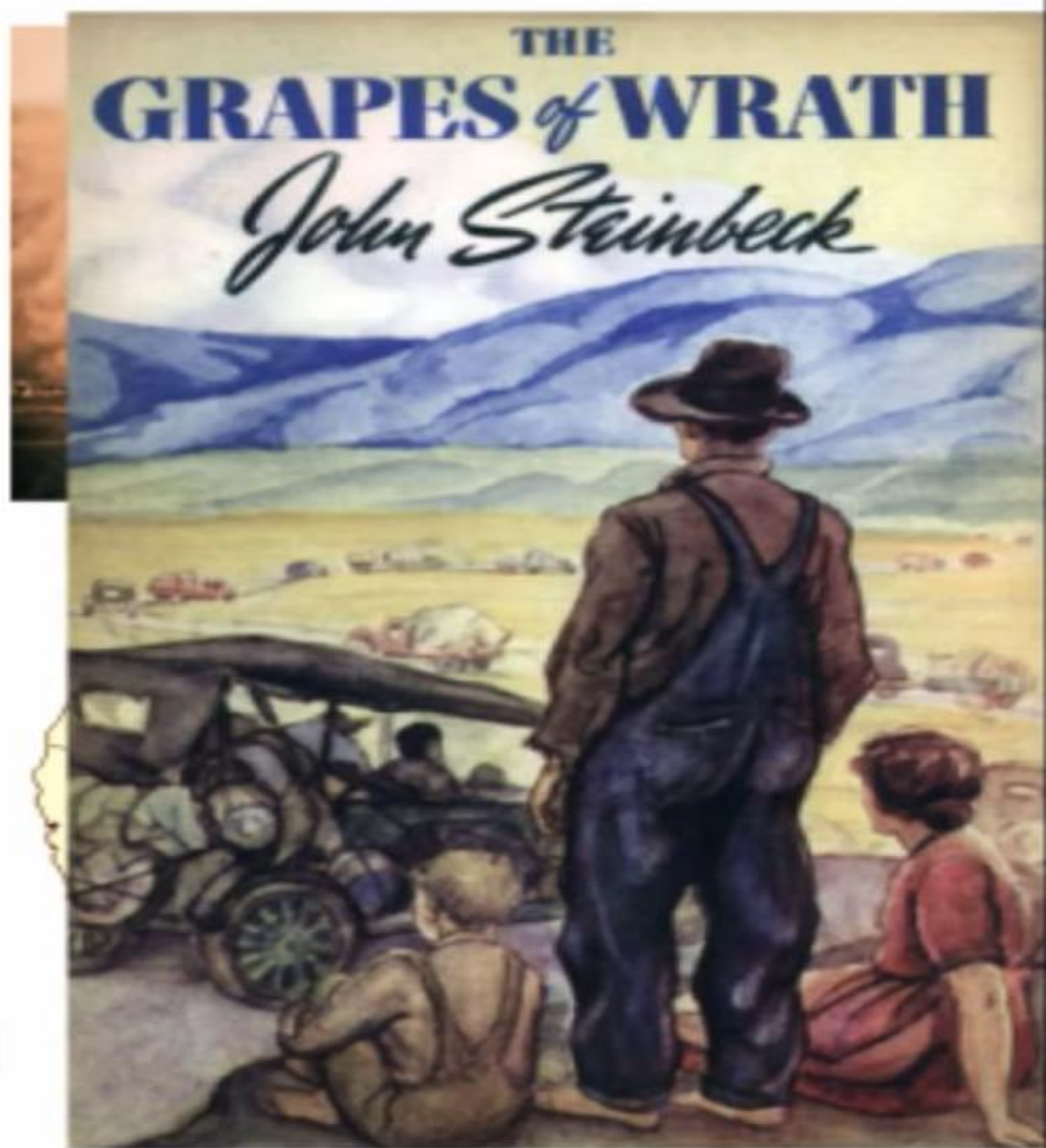
4. Uneven Distribution of Income

There was virtually no middle class. The 1920s led to the rich, getting richer, and the poor, getting poorer.



Dust Bowl

- Horrible **drought** in the 1930s added to farmers problems on the **Great Plains**
 - Overuse of the land and high winds caused dust storms
- Thousands of “**Okies**” fled to places such as CA looking for work
- “**The Grapes of Wrath**” by John Steinbeck documented this experience



CRASH!

- **On October 29th, 1929 America experiences Black Tuesday**
- **Black Tuesday- Share holders panicked and tried to sell off their stocks. Many couldn't find buyers and thus were left with a huge credit or losing their life earnings**
- **People panicked by withdrawing savings from banks**
- **With the banks heavily invested in the stock market, they lost major amounts of money, and weren't able to give people their savings.**



By 1933 11,000 of the U.S.'s 25,000 banks closed. With no government insurance, people lost EVERYTHING



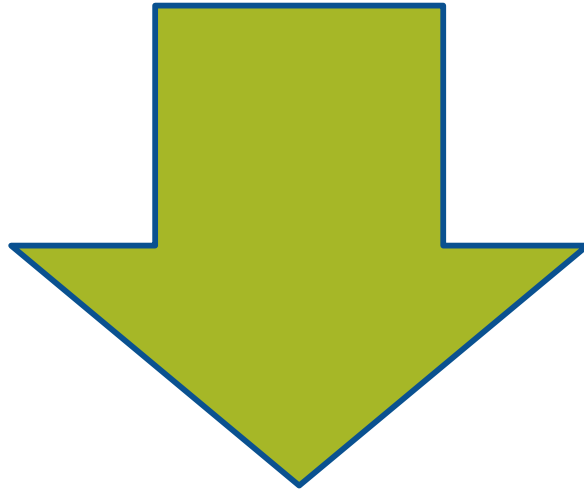
GREAT DEPRESSION BEGINS

- Tremendous speculation spiraled the price of stocks upward (“**buying of margin**”)
- **October 29th 1929 “Black Tuesday”** over 16,410,030 shares of stock sold
 - Stock prices plunge
- Start of the **Great Depression**
 - Economic collapse in both the U.S. and abroad
 - Massive unemployment (peak at **25%**)
 - Thousands of **banks fail**
 - **Foreclosures** of homes and farms
 - Soup kitchens and breadlines
 - Many people lived in shantytowns nicknamed “**Hoovervilles**”



Worldwide

- ✓ Europe faced Depression in the 1920s while trying to recover from World War I (especially Germany)
- ✓ With Europe in debt, it made it hard to sell American farm goods and manufactured goods abroad.



Hawley-Smoot Tariff- Congress, in 1930, attempts to place a high tariff to protect American farmers and manufacturers

- Has opposite effect, it discourages trade and trade falls by 40%

What is the Great Depression?

The period from 1929-1940, in which the economy plummeted and unemployment skyrocketed

The stock market crash wasn't the sole cause of the Depression, it only sparked the beginning

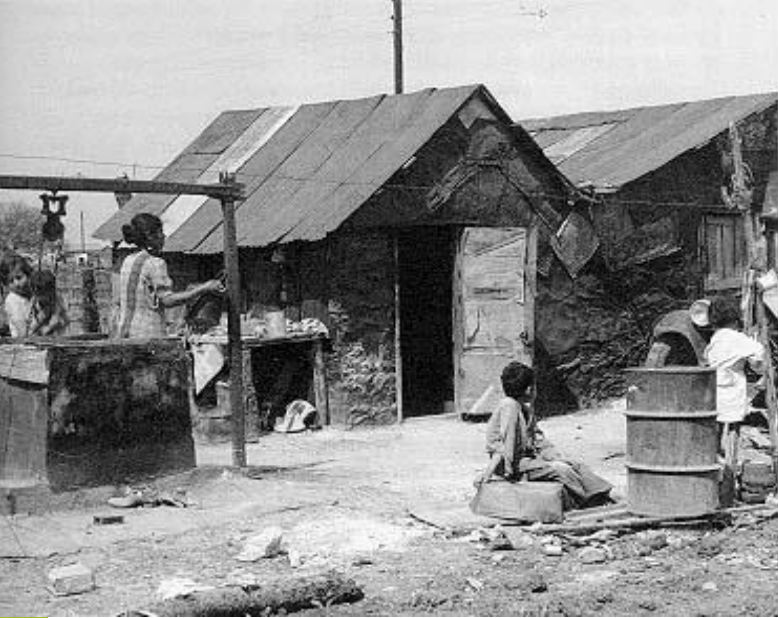


From Boom to Bust

Causes of the great depression

- Tariffs and war debt policies that cut down the foreign market for American goods (American Industries in trouble)
- A crisis in the farms (Dust Bowl-overproduction)
- Easy availability of Credit
- Unequal distribution of Income
(rich got richer)





Effects of the Great Depression

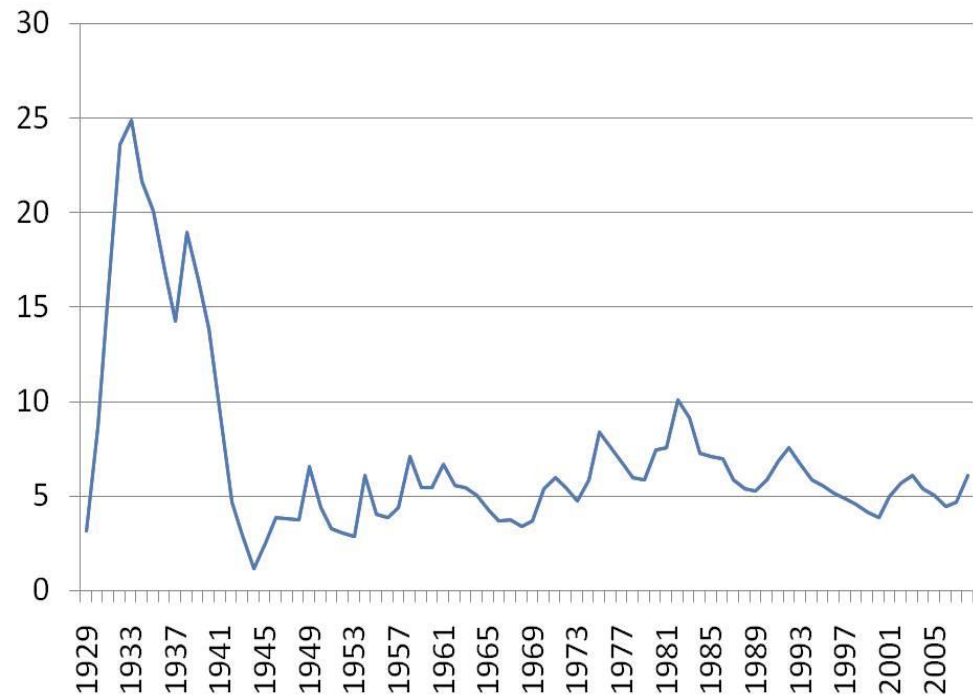
Shantytowns- little towns consisting of shacks ('Hooverilles')

Soup Kitchens- offered free or low cost food

Breadlines- Lines of people waiting to receive food from charity or public organizations

Dust Bowl- Farmers exhausted the Great Plains region by overproducing crops. Drought came in the early 1930s and left dust, with wind blowing it into "dust storms" (Kansas, Oklahoma, Texas, New Mexico and Colorado)
Many farmers and families would migrate to C.A. and other Pacific coast states.

Unemployment Rate (%)

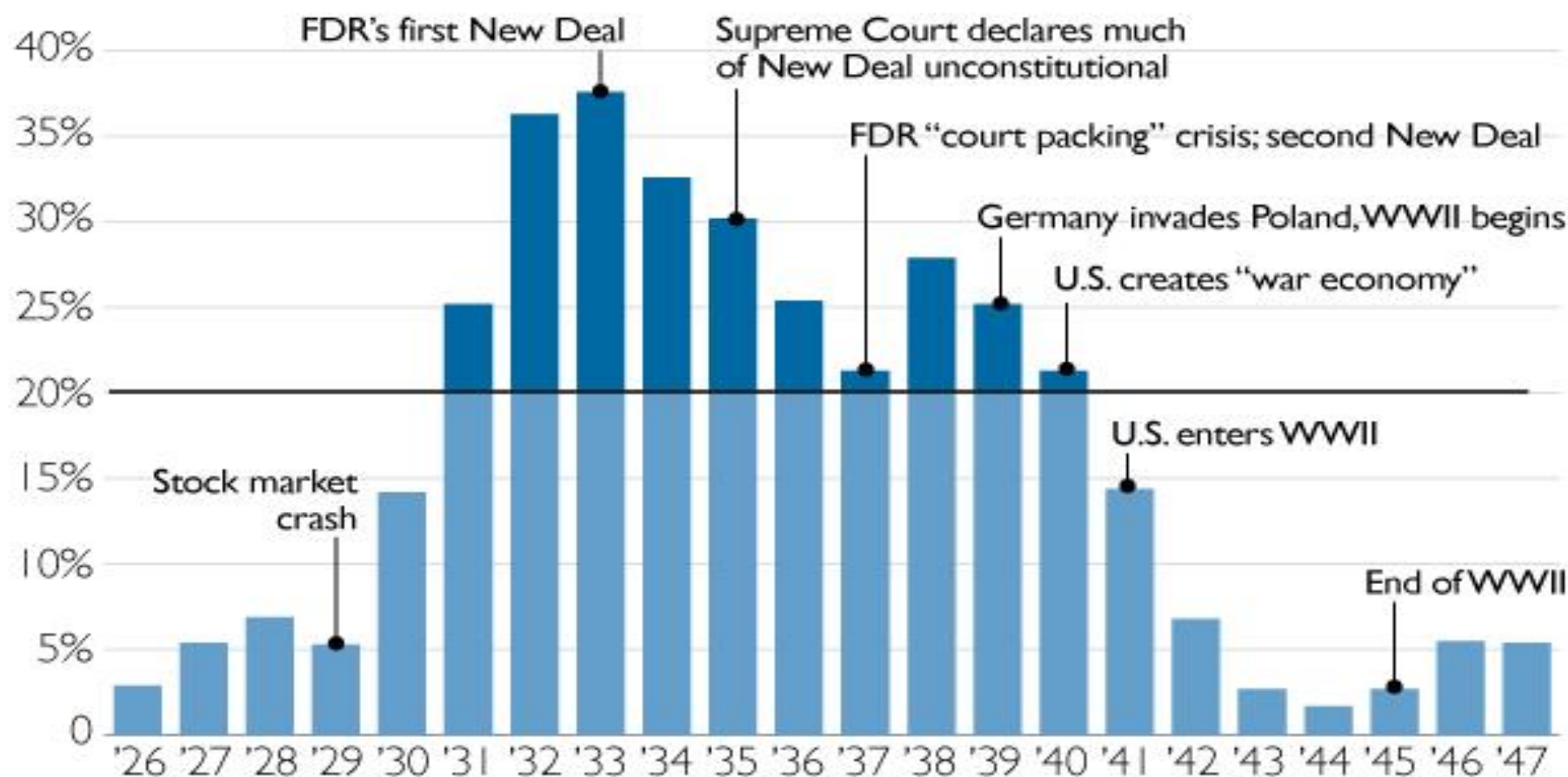


Unemployment

- By **1932**, 12 million Americans or **25%** of the American labor force was **unemployed**
- African Americans and unskilled workers were the first ones to lose their jobs. By 1931, African American unemployment was an estimated 30-60% greater than whites

Unemployment Rate During the New Deal

Percentage of Jobless Nonfarm Workers, 1926–1947



Source: U.S. Department of Commerce, Bureau of the Census, Bicentennial Edition Historical Statistics of the United States Colonial Times to 1970 Part I (1975) Washington D.C., Series D I-10 "Labor Force and its Components 1900-1947", p.126

How does Hoover respond to the Depression?

- Believes Americans should have faith in the economy. **The Depression was all part of a cycle**
- Doesn't believe in government intervention in business. **He believes in Rugged Individualism-- The idea that people should succeed through their own efforts**
- Hoover believes that federal welfare or 'handouts' would weaken people's self-respect--> This shocked and frustrated Americans
- He tries to help by asking Labor leaders not to ask for higher wages, and employers not to lay off or cut wages. This doesn't affect the shrinking economy



Hoover's actions

Federal Home Loan Bank Act- Lowered mortgage rates for homeowners and allowed farmers to refinance their farms

Reconstruction Finance Corporation- \$2 billion was authorized for emergency financing for banks, life insurance companies, railroads, and other large business



**Trickle Down
Effect**

Trickle Down Effect

Money would Trickle down to the average person through job growth and higher wages

TOO LITTLE TOO LATE!



Bonus Army

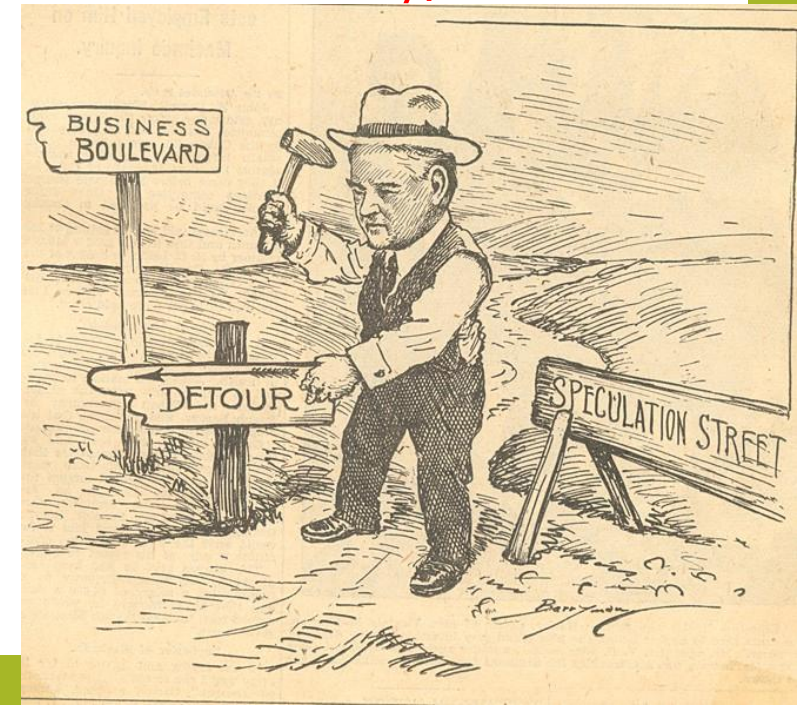
- 10,000-20,000 **WWI veterans and families** arrived in **D.C.** (1932) calling themselves the Bonus Expenditure Force.
- They came to support the **Patman Bill** (authorized government to pay a bonus to WWI vets, who didn't feel they were compensated adequately for their service)



How does Hoover respond?

- Hoover felt the marchers were Communists and criminals. He opposed the Patman bill.
- The Senate does vote down the bill and Hoover asks the marchers to leave. Most do, but about 2,000 stay.
- **In attempt to rid D.C. of the remainders, Hoover calls in 10,000 soldiers under the command of General MacArthur**
- The infantry gassed more than 1,000 people, including an 11 month old baby, who died. Two people were shot and many more injured

Help or hurt Hoover's image??



The election of 1932

- Franklin D. Roosevelt (Democrat) vs. Herbert Hoover (Republican-incumbent)
- Hoover had little to run off of. He continued to claim that the worst of the Depression was over.
- Hoover would criticize Roosevelt by calling him a radical who would raise taxes and make things worse



Franklin Roosevelt (FDR)



- Roosevelt came from a wealthy, privileged family
- **Polio** had left him paralyzed from the waist down.
- **Eleanor Roosevelt** will recreate the position of First Lady
 - Advocated for various underserved groups
- **Brain Trust** were his diverse group of trusted advisors that help develop his **New Deal** programs
 - Sec. of Labor **Frances Perkins** 1st woman in presidential cabinet

Franklin D. Roosevelt

- Immediately after being nominated, called for a response to the Depression --> He promised America a "New Deal"

WEATHER FORECAST:
Overcast tonight and tonight with
occasional rain; occasional snow by
night.

The Seattle Star HOME EDITION
THE LARGEST DAILY CIRCULATION IN WASHINGTON
NO. 41, NO. 4
SEATTLE, WASHINGTON, SATURDAY, MARCH 4, 1933
THE SEATTLE STAR
THEY PRINTED IN SEATTLE

ROOSEVELT PROMISES NATIONAL RELIEF

QUICK ACTION TO BE PUT UP TO CONGRESS

Power Similar to That Granted in War to Be
Asked at the Opening
Special Session

WASHINGTON, March 4.—President Franklin D. Roosevelt today asked for immediate and drastic action, if necessary, to handle the economic crisis now facing the country.

In his inaugural address, delivered before thousands of spectators watching the world from the capital building, he declared that, if necessary, he would go as far as to ask congress for the "usual executive power to wage war against an emergency as great as the present that would be given me if we were in fact involved in a foreign war."

"It is certain that my entire economic policy, that my industrial and agricultural policy, that my foreign policy, and a domestic policy of the greatest magnitude, are all dependent upon the success of the program which I have outlined today."

"I am certain that my entire economic policy, that my industrial and agricultural policy, that my foreign policy, and a domestic policy of the greatest magnitude, are all dependent upon the success of the program which I have outlined today."

THAT a new president, a new administration at the helm at Washington. Today, the definite ending of an old epoch, the positive beginning of a new, better one.

For a year or more, the uncertainty and doubt of a change in national leadership has hung over American business, adding its burden to the already heavy



And Now, a
Man of Courage
Is at the Helm

GREAT THROGS HEAR ADDRESS OF EXECUTIVE

First Duty Is to Put Men Back to Work, Na-
tion Is Told; Cooperation
of People Asked

ask the congress for the use executive power, to meet the emergency, as great as the present that would be given me if we were in fact involved in a foreign war.

THE SEATTLE STAR

"It is certain that my entire economic policy, that my industrial and agricultural policy, that my foreign policy, and a domestic policy of the greatest magnitude, are all dependent upon the success of the program which I have outlined today."

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**Thousands See Nation's
New President Take Oath**

Congress Open, Roosevelt and Hoover in
Houses to the Capital

WASHINGTON, March 4.—(AP)—President Franklin D. Roosevelt today took the oath of office today with the assistance of the "happy chaplain" and a promise that he might have the "happy" chapter to make the historical record more complete.

THE SEATTLE STAR

"It is certain that my entire economic policy, that my industrial and agricultural policy, that my foreign policy, and a domestic policy of the greatest magnitude, are all dependent upon the success of the program which I have outlined today."

"I am certain that my entire economic policy, that my industrial and agricultural policy, that my foreign policy, and a domestic policy of the greatest magnitude, are all dependent upon the success of the program which I have outlined today."

The New Deal

•Promises to accomplish 3 goals for America

1. Promised RELIEF for the needy
2. Economic RECOVERY
3. Financial REFORM (change) to avoid future depressions



The First Hundred Days

That New Deal

---By Hungerford



- Upon taking office, **FDR** launched a period of intense **activity** in which Congress passed 15 major pieces of **New Deal** legislation

Roosevelt and the Great Depression

RELIEF for the Needy

- **Agriculture Adjustment Act (AAA)**- Lowered production, by government paying farmers not to seed a certain amount of land. With less production = Higher crop prices
- **Civilian Conservation Corps(CCC)**- Put young 18-25 year olds to work, building roads, developing parks, planting trees and helping in soil erosion and flood control projects
 - **Put 3 million to work 1933-1945**
 - By 1938, 11% of this workforce was African Americans
 - Planted over 3 billion trees, 800 state parks and built more than 46,000 bridges.



Industrial & Agricultural Recovery

- **National Recovery Act** (NRA) was headed by Hugh Johnson
- Goals 1) industrial recovery 2) fair wages & hours for workers
- Federal govt. and biz **drafted codes** for industries
 - Set production limits
 - Codes for wages and hours worked
- **Section 7(a)** allowed workers to form unions (no more yellow dog contracts)
- **Agricultural Adjustment Act** (AAA) paid farmers to **cut production**
 - this would increase prices
- Farmers received **subsidies** (payments) in return for cutting production



RELIEF for the Needy continued

- National Industrial Recovery Act (NIRA) or the Public Works administration (PWA) → Provided money to states so they could build schools, and other community buildings (40,000 schools, half million miles of road)
- Fireside Chats → Radio talks about issues of public concerns. This made Americans feel like FDR was talking to them.

- Example = Explained how Americans panic about removing their savings from banks would hurt any bank → weeks later, people started returning their savings into banks



Roosevelt

**Fireside
Chat**

VS.

Hoover

**Bonus
Army**

**Which had a better impact on
the American public?**

Tennessee Valley Authority

- **Govt agency** built dams, electric power plants, controlled flooding and erosion in the Tennessee Valley area
- Big change since the TVA was the federal government helping develop a region and selling electricity at reduced rates.



Economic RECOVERY

- 21st amendment- Repeals the 18th amendment (Prohibition)

Why would government do this?



Federal Securities Act- 1933, Required Corporations to provide complete information on all stock offerings (NO misrepresentation)

Recovery

- Home Owners Loan corporation (HOLC)- 1933, allowed homeowners to pay off mortgages easier.
- Federal Housing Administration (FHA)- 1934, insured bank mortgages for longer periods of time, and smaller down payments
- National Industrial Recovery Act (NRA)- helped set codes for ‘fair competition’, that regulated wages, prices and working conditions

• **HOLC and FHA, both important to helping the housing market recover.**

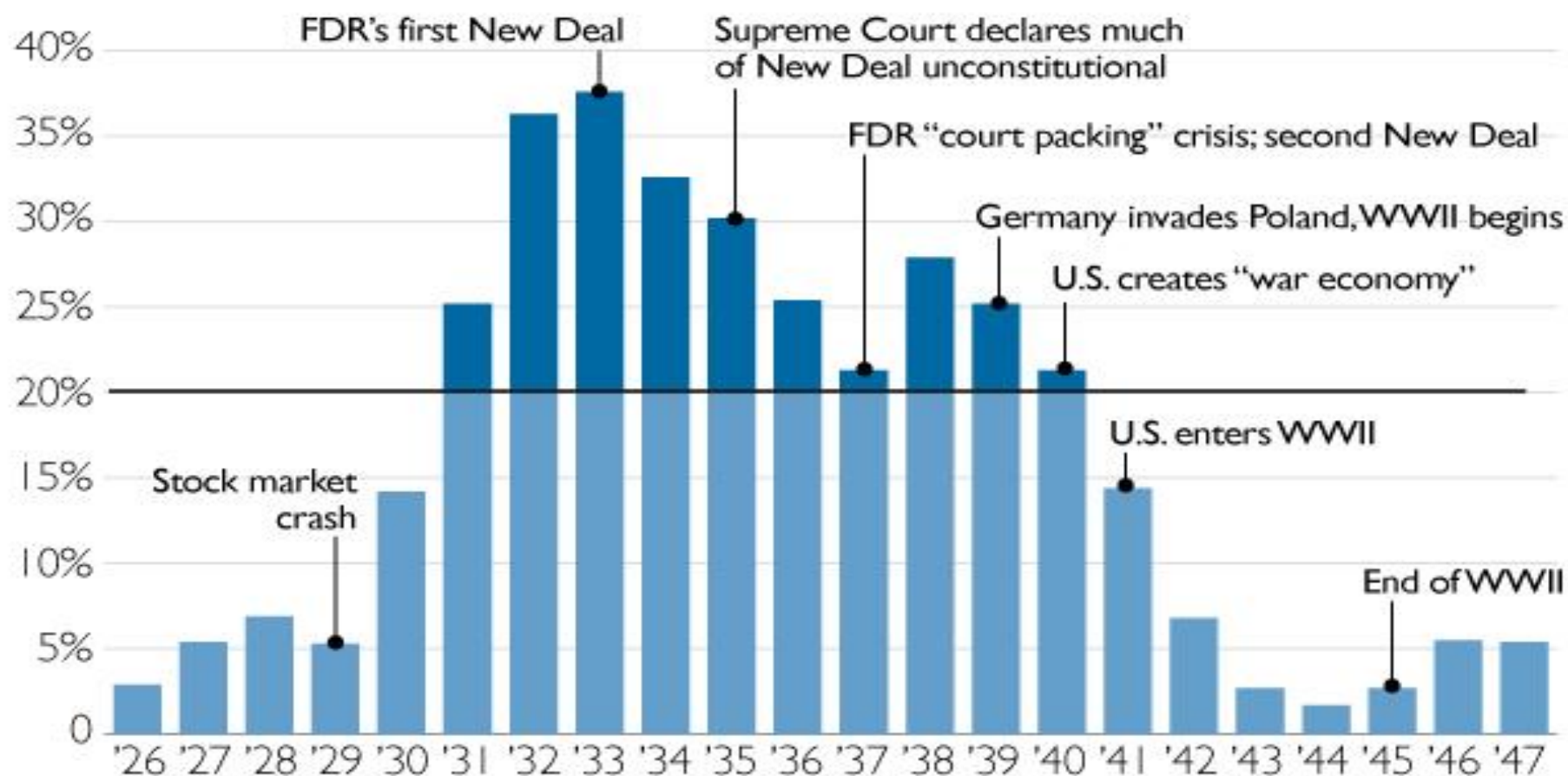
WHY?



"I THOUGHT WE WERE JUST BUYING A HOUSE!"

Unemployment Rate During the New Deal

Percentage of Jobless Nonfarm Workers, 1926–1947



Source: U.S. Department of Commerce, Bureau of the Census, Bicentennial Edition Historical Statistics of the United States Colonial Times to 1970 Part I (1975) Washington D.C., Series D I-10 "Labor Force and its Components 1900-1947", p.126

Bridging the New Deal to the “Second New Deal”

- **The New Deal comes under scrutiny by the Supreme Court because they believe Roosevelt's programs were ‘unconstitutional’.**
- **Due to the heat FDR’s New Deal takes from the Supreme Court, FDR is forced to launch a second plan of reforms that were less controversial than his first**
- This second chance comes when FDR is elected for a second term in 1936. Here is his second hundred days



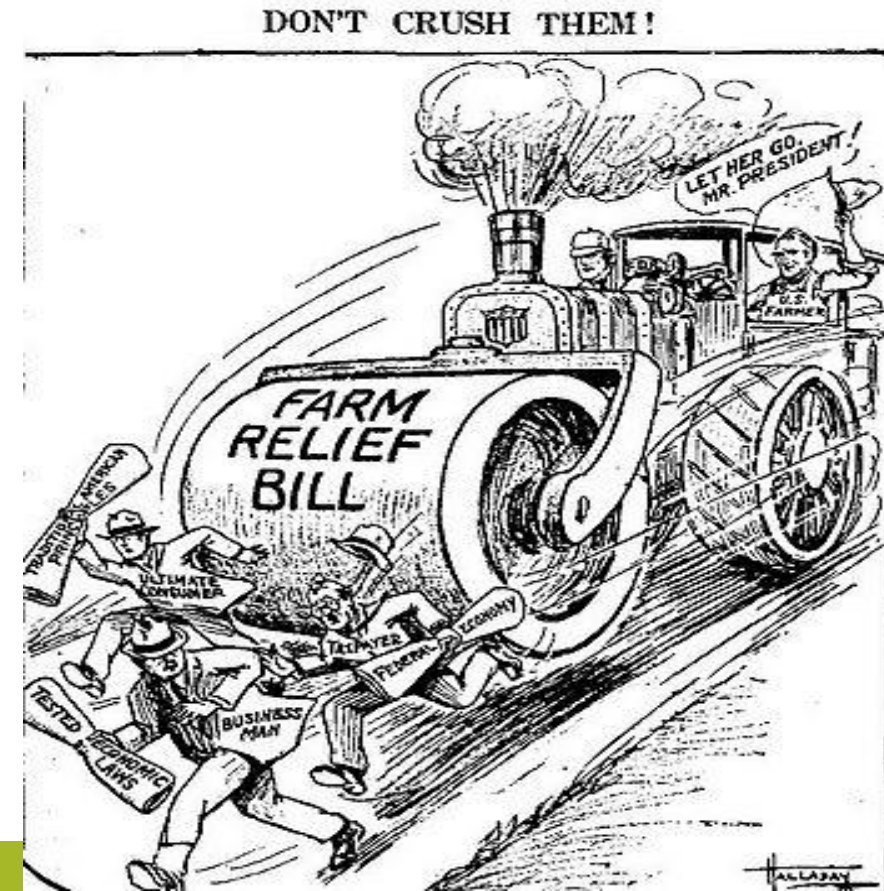
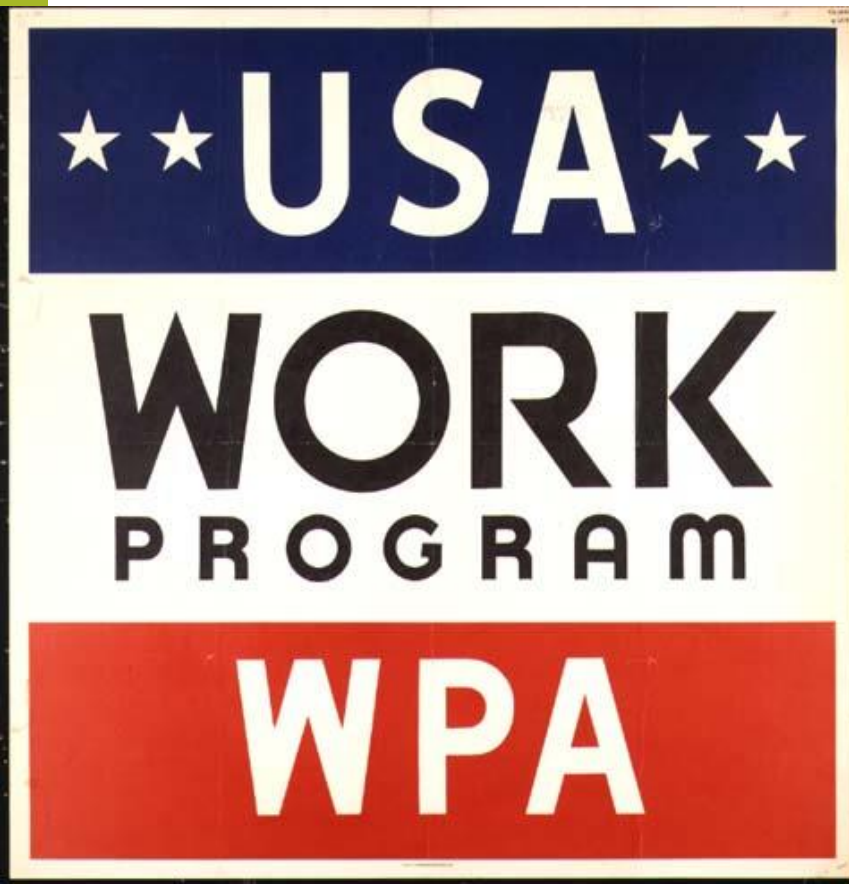
The Second Hundred Days

- This was the period in which Roosevelt got a second opportunity to continue what he started in the first hundred days.



What programs did Roosevelt create under the Second New Deal?

- The revised AAA (Agricultural Adjustment Act) now provided monetary loans to small farmers so they could buy land. More than \$1 Billion would be lent out
- Works Progress Administration (WPA) – From 1935-1943, spent \$11 billion, gave 8 million jobs (unskilled). Built 850 airports, constructed or repaired 651,000 miles of roads and streets and put up more than 125,000 public buildings.





MORE PRIMING FOR THE PUMP

FDR's approach to the Depression

- FDR's New Deal programs were an example of the government being active in the economy.
- This approach is called "Pump-Priming" → the idea of FDR helping or aiding the working class in order to turn the economy and unemployment around (bottom-up approach)

• **National Youth Administration (NYA)**- Provided student aid to H.S., college and graduate students. In return students worked part-time at their schools

• Drop-outs were provided part-time jobs, like working on highways, parks and grounds of public buildings



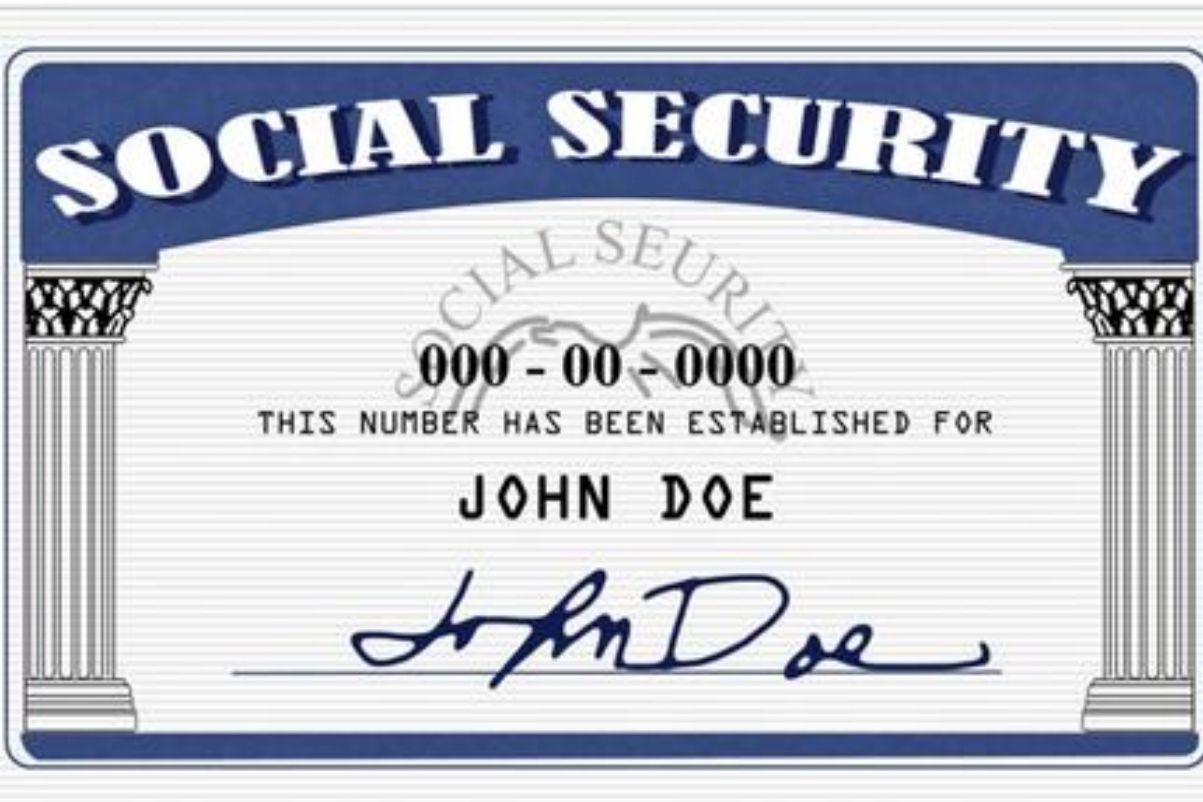
Franklin D. Roosevelt Library

Workers attending a class in auto mechanics organized by the National Youth Administration.

- **Wagner Act**- The federal government protected the rights of workers to join unions and collectively bargaining. Prohibited unfair labor practices like threatening workers, firing Union members and interfering with union organizing
- **Fair Labor Standards Act**- Set a maximum number of work hours to 44 hours per week, then went down to 40 hours a week after 2 years. Minimum wage also set to 25 cents (then 40 cents an hour by 1945)



- Social Security Act- 1935, Retirees of 65 or older and their spouses were offered benefits and insurance.
- Unemployment compensation also created
- Aid to families with dependent children and the disabled



**HOOVER'S
"Trickle
Down"**



New Profits

New Jobs

Plant Expansion

New Investment

Increased Demand

New Money in Circulation

Relief Payments & Temporary Jobs on Gov't. Projects

**FDR's
"Pump-
Priming"**

COURT PACKING PLAN

- Supreme Court ruled two key New Deal programs **unconstitutional**
 - NRA (**Schechter v. U.S.**) 1935
 - AAA
- FDR proposed a plan that would allow him to appoint **additional judges**
- Critics see this as a “**court packing plan**”
- Both Democrats and Republicans see this as an assault on checks and balances
- FDR suffers a rare political **defeat**



Packing the court

➤ After creating all these new programs under the New Deal, FDR feared that the Supreme Court might shoot down his programs
Why would the Supreme Court do this?

FDR was expanding the power of not only the presidential position, but also the federal government



How does FDR plan to get around this?

• **FDR proposes to Congress a reorganization of the Federal Court Judiciary by adding more justices.**



Why would FDR do this?

With more justices, FDR would have a better chance of having his policies prevail, instead of being shot down.

• Also with more justices being appointed, they would be chosen by FDR himself! → Coincidence?

Reaction

People believed that Roosevelt was trying to PACK THE COURT. According to the cartoon, what would be the effect of packing the court?



New Deal opposition

Big Business

- Main opposition.
- Many conservative Democrat and Republican business owners and politicians (including former presidential candidate Al Smith) would form the American Liberty League
- This group **would attack the New Deal because of its deficit spending technique. They felt American free enterprise was being destroyed**

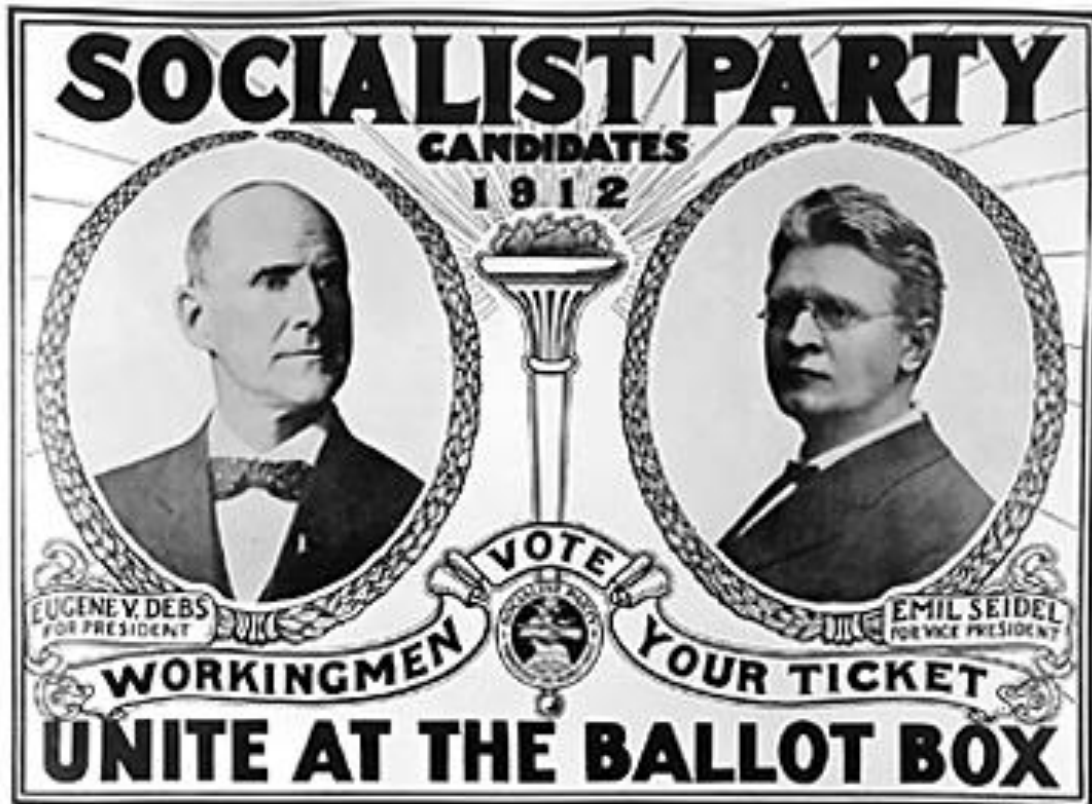


Socialist Party

- Led by Eugene Debs and Norman Thomas would lead the party to the presidential election, but would fall short along with the Communist party
- **These parties claimed not enough was being done to the economy**

Progressive party

- **Agreed with the Socialists that not enough was being done to better the situation**, and also felt more should've been done to distribute the wealth.



Challenges to the New Deal

- By 1936 the New Deal did improve the economy, but it still remained unstable
- **Conservatives** & business owners tended to dislike him
 - Did not like the government regulation and increase in size of the govt.
 - Critical of deficit spending
- FDR followed policies of British economist **John Maynard Keynes**
 - Deficit spending was needed to stimulate economic growth
- **Liberal** critics: New Deal was not doing enough for minority communities & poor
- Various **demagogues** challenge FDR & the New Deal
- **Dr. Francis Townsend**: every person over 60 would receive \$200 a month
- Senator from LA **Huey Long** advocated for the “**Share Our Wealth**” program



Many **New Deal opponents** would enter politics like :

1. **Francis Townsend** → fought for **government pensions for the elderly**
2. **Father Charles E. Coughlin** → Catholic priest who **blamed business owners**, especially Jewish ones, **for the crisis**.
3. **Huey Long** → Louisiana senator, believed income and inheritance taxes should be imposed on the wealthy. From that tax money, it should then be given to **each American in the form of \$2,500, a car and a college education**.

Sound realistic?

NO!

Huey Long →
assassinated in
1935



Women and African Americans

- New Deal programs offered more opportunities to white men than to women and minorities. They were paid less for the same amount of work.
- **Weren't greatly affected by the New Deal**



Republicans

- Felt the **government and FDR had too much power.**
- **FDR is a dictator**
- **Taxing the wealthy is unfair**
- New Deal programs were too much like socialism



Who was affected by the New Deal?

Native Americans

- **1924, they are finally granted citizenship by Congress.**
- They still suffered from the Dawes Act of 1887 (Assimilation)
- The Dawes Act aimed to break their tribal traditions.
- **1934 Indian Reorganization Act- Aimed to restore Natives language, customs and religious freedoms.** Education would be provided by the Bureau of Indian affairs



African Americans

- **Roosevelt wasn't a strong civil rights advocate.**
- FDR didn't want to alienate southern Democrats because he needed their support for his programs.
- FDR didn't support the abolition of the poll tax or anti-lynching laws (which actually increased during the 1930s)

- **The New Deal gave many African Americans jobs**, about 50 African Americans were appointed to posts in various agencies
- An estimated 40% of all African Americans were receiving help in the New Deal

NEW DEAL & THE NEGRO TAKE YOUR CHOICE



—Reprint New York Amsterdam News

Issued By
The Colored Division of the
Democratic National Campaign Committee

Women

- **Women were less affected by the Depression because they worked low wage earning jobs.** They earned about 50 cents to every dollar a white male would earn doing the same job.
- Women were expected to give up their jobs for males, who were the heads of their families and needed to provide for them
- **The New Deal didn't specifically hire women in the programs,** however women got more involved in politics because of Eleanor Roosevelt
Who was Eleanor Roosevelt?



Eleanor Roosevelt

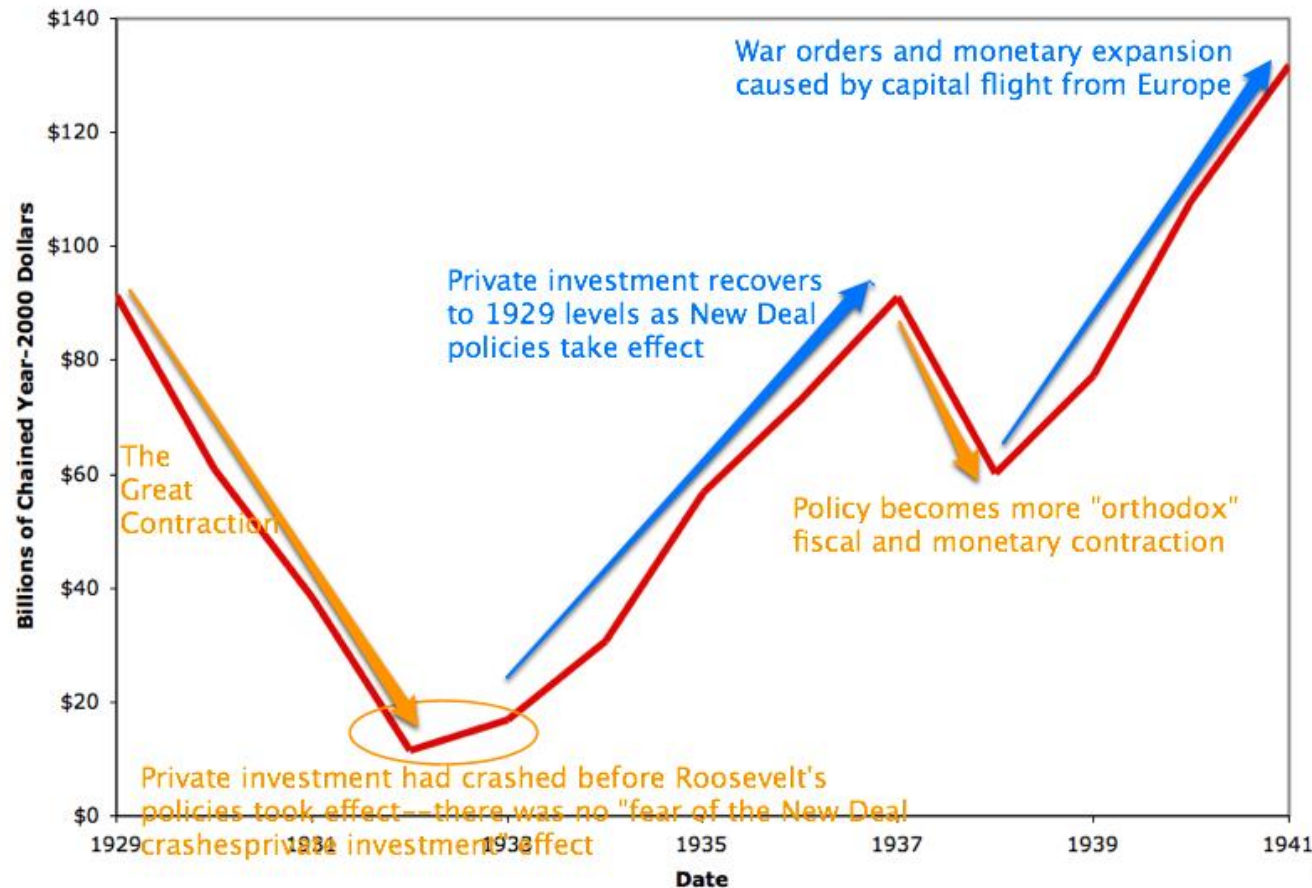
- **Considered Franklin D. Roosevelt's 'Eyes and Ears'**
- **She was a major influence on the New Deal** because of her travels.
- She was a humanitarian, who fought for women and minorities, especially African Americans
- She became an important political figure in the 1930s
- She traveled the nation and reported what she saw and heard, back to FDR
- She **helped mold the New Deal programs through intervention with her husband on social reforms, her newspaper column and through her speeches and travels around the nation**
- After FDR's death in 1945, Eleanor Roosevelt would become a leader in human rights.



The Economy

- The New Deal preserved free enterprise and capitalism
- The New Deal didn't end the Depression, World War II did, however it helped people cope with the effects of the Depression

Gross Real Private Domestic Investment in the Great Depression



IMPACT

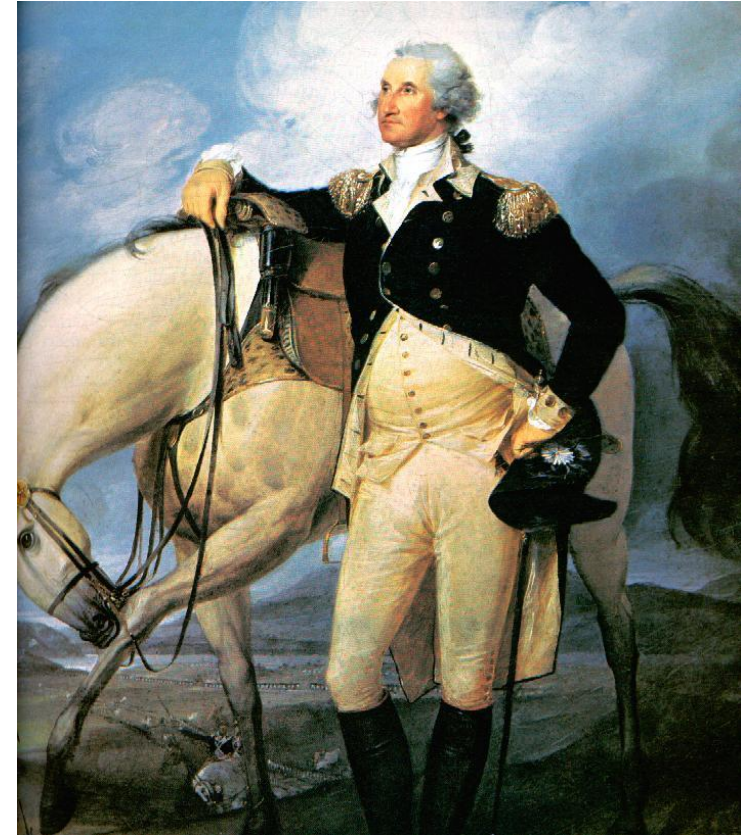
- New Deal **Democratic Coalition** of farmers, urban Immigrants, union members, **African Americans**, & women
- Established federal responsibility for society (**safety net**)
- The New Deal **does not end the Great Depression** (WW2 does)
- Continued debate about deficit spending & the welfare state
- **Recession in 1937**
 - Reduce government spending on public works and relief programs
- **Keynesian Economics:** government spending helps promote economic growth
- Limited impact on racial & gender issues



World War II
1939 - 1945

The United States Constitution

- More power was given to the presidency and federal government
- The government now had a role or a responsibility in the economy and social life of Americans



Thinking back to the Do Now answers you all gave, do you think George Washington would have approved of FDR's New Deal or been against it?