

# FDR & The New Deal Programs

*Chapter 10 Sections 1-2*

*US History (EOC)*





# FDR's New Deal



**First New Deal  
Programs:**

# Civilian Conservation Corps (CCC)

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- **Purpose:** to employ young, single men ages 18-25 and to fight forest fires, planted trees, built reservoirs
- The goal was to prevent another Dust Bowl
- Planted more than 200 million trees
- Paid nominal \$30 a month, but point was to keep them out of the labor force
- Roughly 3 million participated in this program by the close of 1942.



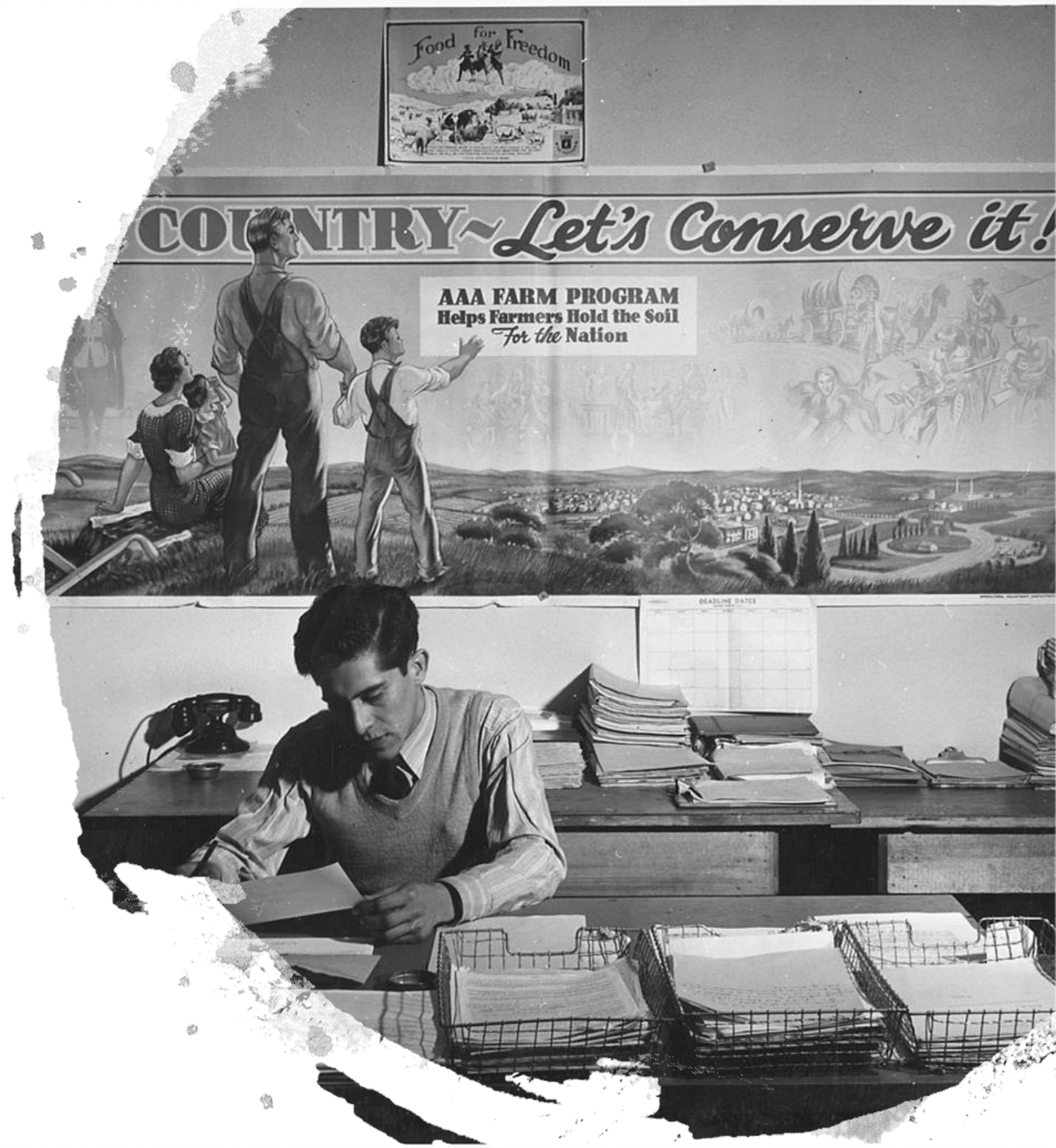


# Federal Emergency Recovery Administration (FERA)

- Run by Harry Hopkins
- **Purpose:** designed to give money to state and local agencies to fund state relief projects.
- Hopkins spent almost \$5 million on relief projects

# Agricultural Adjustment Administration (AAA)

- This program was designed to support farmers!
- **Purpose:** to increase the prices of farm goods through destroying excess crops and sick livestock.
- Congress would pay the farmers for the destroyed crops – incentive to start fresh.
- Farmers were also asked to raise certain livestock and grow certain crops or produce certain dairy products.
- This program did increase prices – but would be declared unconstitutional in 1936 (United States v. Butler)



# Home Owners' Loan Corporation (HOLC)

- **Purpose:** This act was designed to help Americans with their debt.
- Bought mortgages of home owners who were behind in their payments.
- The payments would be restructured.
- Payments would be over a longer period of time with lower interest rates.





## National Industrial Recovery Administration (NIRA)

- This law authorized the National Recovery Administration (NRA) to suspend antitrust laws.
- **Purpose:** to allow business, labor, and government to cooperate with rules for fair competition.
- Codes would set prices, establish minimum wages, set working hours, create jobs, and permit unions.
- Minimum wages would force businesses to raise prices.
- Declared unconstitutional in 1936 (Schechter Poultry Corporation v. United States)



# Public Works Administration (PWA)

- 1/3 of American unemployed workers were in construction!
- **Purpose:** to put construction workers back to work!
- This program built dams, highways, schools, and government facilities.
- This organization would award contracts to construction companies.
- There was an anti-discrimination clause in the contracts!
- This clause helped to break racial barriers.





# Federal Deposit Insurance Corporation (FDIC)

- Founded under the Glass-Steagall Act of 1933
- **Purpose:** to provide government insurance for banking deposits. Separates commercial and investment banking!
- This increased public confidence in the banking system – money is protected up to a certain amount.
- Still exists today – guaranteeing banking deposits up to \$250,000 for banking members.

# Civil Works Administration (CWA)

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- **Purpose:** to directly employ individuals and put them back to work.
- Employed 4 million people – including 300,000 women.
- Built (or improved) airports, roads, school buildings, playgrounds and parks.
- Spent nearly \$1 billion in 5 months and was shut down for cost purposes.



# Securities and Exchange Commission (SEC)

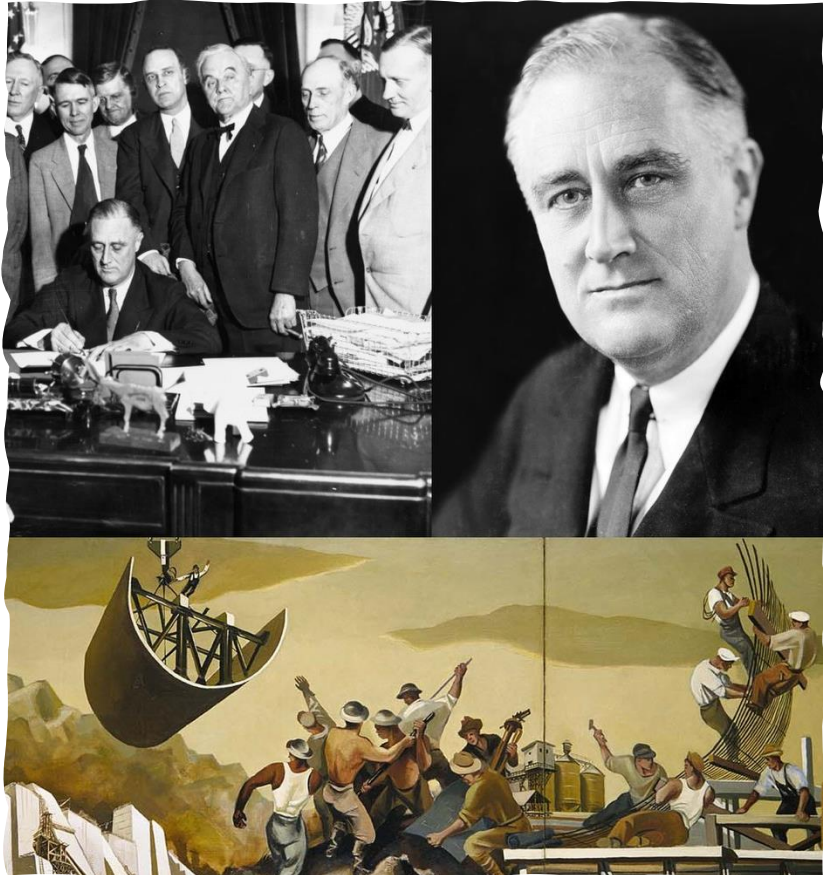
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- Founded as part of the Glass-Steagall Banking Act of 1933.
- **Purpose:** to regulate the stock market and stop fraud.
- Now the state and federal government would be involved in banking matters.
- SEC still exists today – inspecting stockbrokers, investment advisors, and agencies that rate stocks.
- This organization protects investments, prevents fraud, and ensures correct information to the people.



# Success of the First New Deal

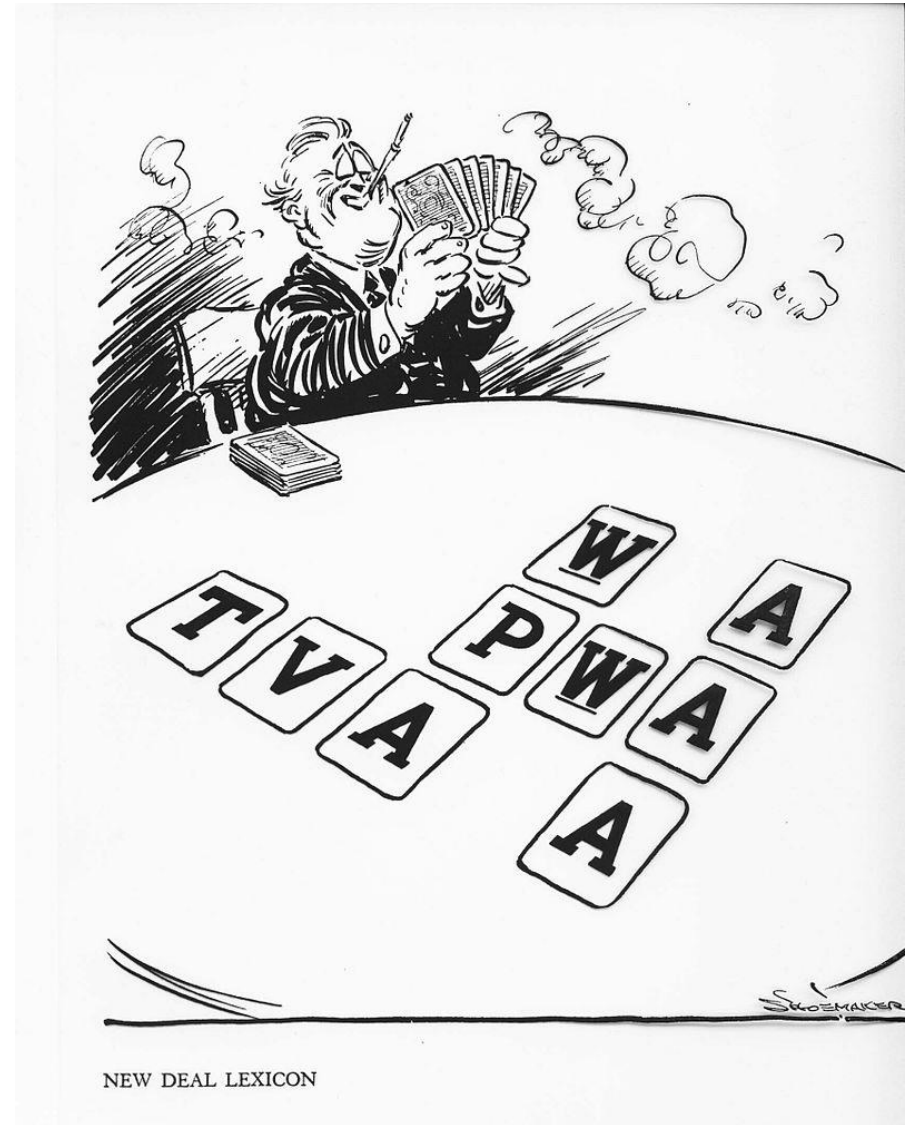
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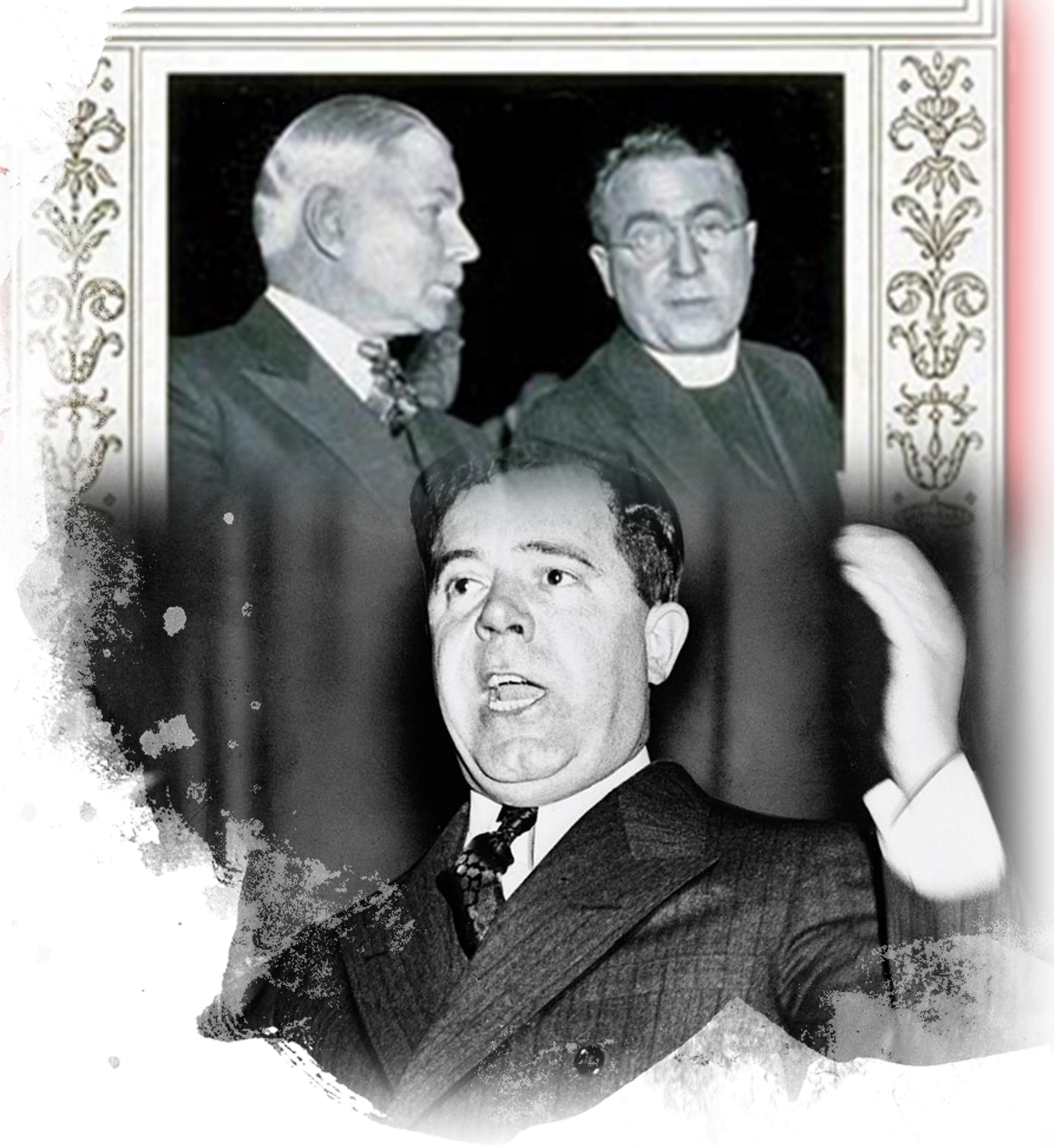
- Roosevelt was able to convince Congress to act on MANY legislative pieces.
- This DOES NOT restore prosperity!
- This showed that Roosevelt was WILLING to attempt something to alleviate the pressure on the American people.
- Banks reopened, people kept their homes, and farms began to recover.
- This changes the “spirit” in America...we are more hopeful!

# Criticism for the New Deal

- Roosevelt DID NOT have the support of every American!
- Some felt that the New Deal was overly controlling of the economy (remember laissez faire economic theory).
- Some felt that the New Deal gave the government TOO MUCH power!
- Roosevelt was also deficit spending – spending more money than we had in the bank!
- Others felt the New Deal did not go far enough!



- **Were there other critics? YES!**
- **Huey Long**
  - Louisiana senator who advocated for Share our Wealth programs.
  - Long championed the poor
  - Built a power and very corrupt political machine.
- **Father Charles Coughlin**
  - Was impatient with the moderate reforms presented – wanted more immediate support for people.
  - Called to inflate currency and nationalize the banking system.
- **Dr. Francis Townsend**
  - Pension program for everyone over 60.
  - \$200 per month that must be spent each month.





# **The Second New Deal**



# Works Progress Administration (WPA)

- This is the New Deal's largest public works program.
- **Purpose:** employing individuals in federal works projects.
- 8.5 million workers were employed
- \$11 billion spent on construction of roads, public buildings, airports, bridges and parks.
- Financed artists, musicians, thespians, and writers.
- Produced murals, set up orchestras, produced and staged plays, encouraged writers to document American stories (including the stories of former slaves).



# National Labor Relations Board (NLRB)

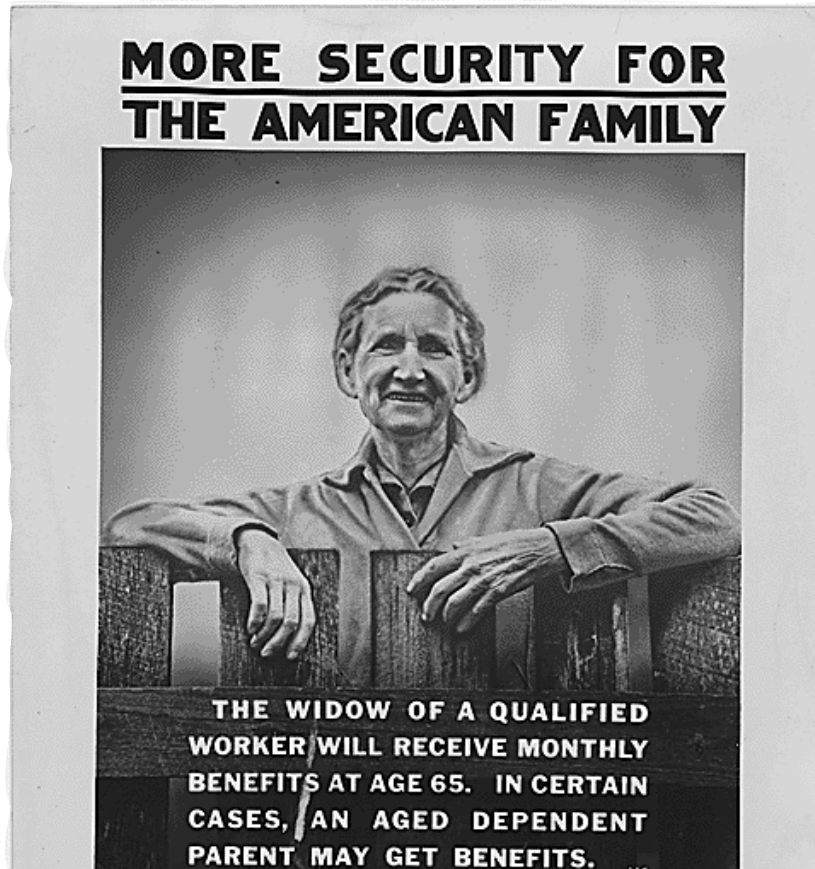
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- Part of the Wagner Act
- **Purpose:** guaranteed workers rights to unionize and collectively bargain.
- Organized factory election by secret ballot and introduced the process of binding arbitration.



# Social Security Administration (SSA)

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- Passed as part of the Wagner Act
- **Purpose:** to provide some financial security for older Americans, unemployed workers, and others.
- This was an insurance measure that was **VOLUNTARY!**
- Workers were given benefits for joining because they were paying a “special tax” to the government – just like paying premiums on insurance policies.
- Upon retirement, those who participated would receive a monthly retirement stipend.



## Soil Conservation Act

- **Purpose:** to combat the effects of the Dust Bowl in the Great Plains regions.
- This act supported soil conservation efforts and irrigation needs for this region.
- This would also assist in controlling damaging flood waters through dam construction.

# Tennessee Valley Authority (TVA)

- **Purpose:** To provide cheap electricity in rural areas that are not covered by major electrical companies.
- Government bought nitrates for military use
- Caused vast pollution
- Rural Electrification Administration created in 1935 to bring electricity to rural areas

