

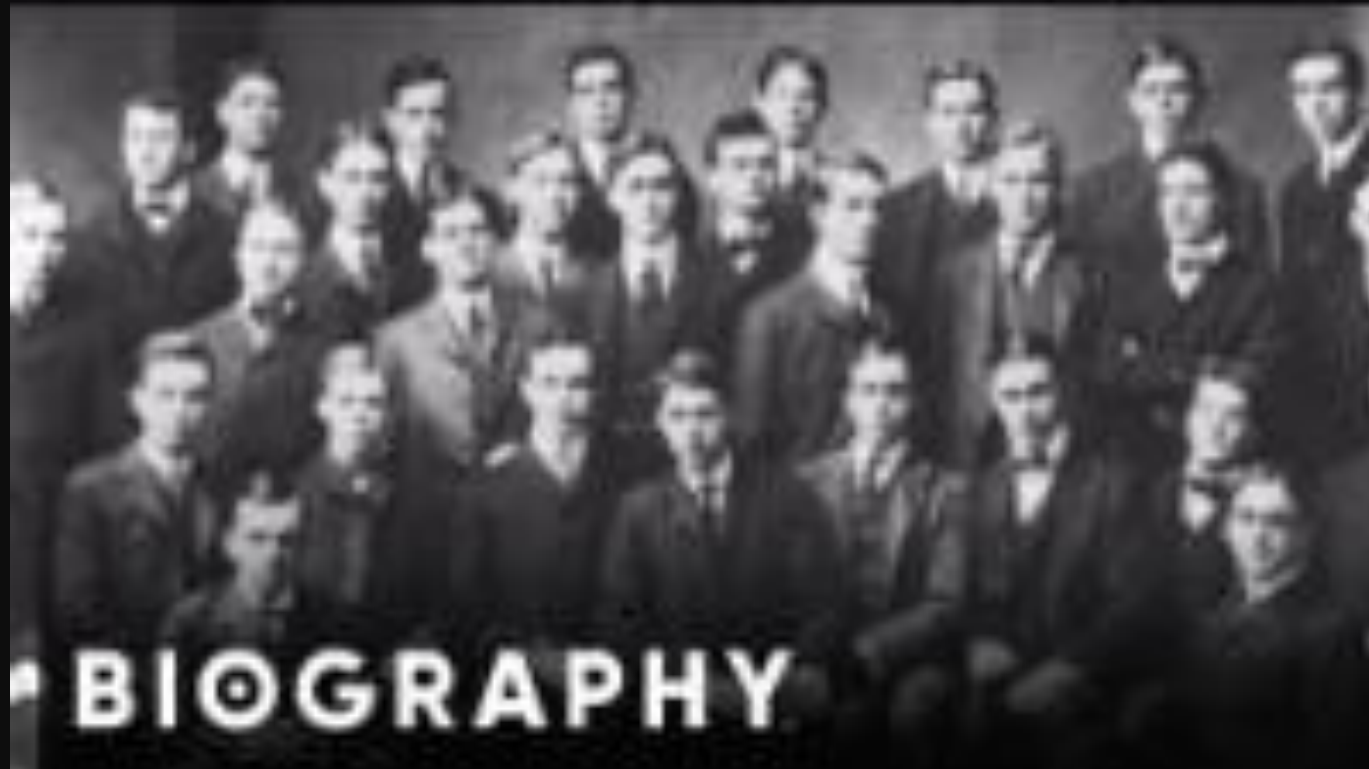


FDR and The New Deal

Chapter 10 Lesson 1

USH Honors

Roosevelt's Rise to Power





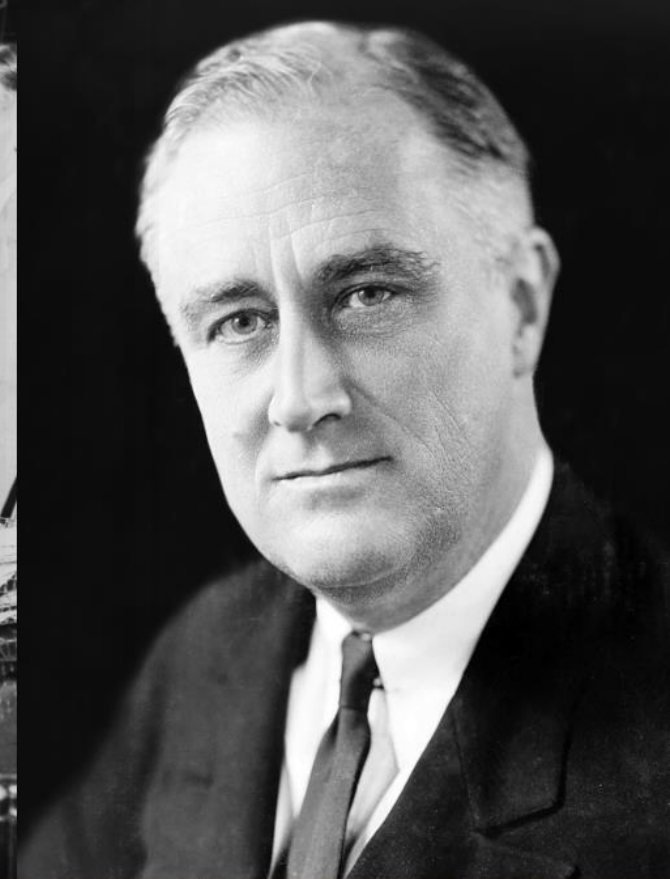
The Hundred Days

- **Between November 1932 and March 1933, the Depression grew worse.**
 - Unemployment and bank runs increased
 - More than 4,000 banks collapsed
 - Governors declared bank holidays in 38 states
- **March 9-June 16, 1933: referred to as the Hundred Days**
 - What is the Hundred Days?
 - This is the first 100 days of any presidency.
- **During Roosevelt's 100 Days**
 - Congress passed 15 major pieces of legislation
 - Helping the economic crisis
 - These programs become "The New Deal"

- **Roosevelt's advisers proposed ideas to meet everyone's needs**

- **These advisers divided into 3 major groups:**

- New Nationalism (advocated by Teddy Roosevelt)
 - Government and business should work together to manage the economy.
- Government Planning
 - Wanted government control of the economy
- New Freedom (advocated by Woodrow Wilson)
 - Government's responsibility to restore competition to the economy.



Fireside Chats



- **What is a Fireside Chat?**
 - Radio broadcasts made by Roosevelt to the American People to explain his initiatives.
- **First Fireside Chat**
 - Encouraged Americans to trust the banks.
 - The banking crisis ended.



Banks and Debt Relief

- **Roosevelt had to restore America's trust in the Banking system.**
 - Declared a national bank holiday (closing all banks)
 - Requested a special session of Congress
- **Emergency Banking Relief Act**
 - Required federal examiners to survey the banks.
 - Treasury Department would then license sound banks.
- **Securities and Exchange Commission (SEC)**
 - Required new regulations for banks and the stock market
- **Glass-Steagall Banking Act**
 - Separated commercial and investment banking.
 - Stock Market speculation becomes illegal
 - Created the FDIC (Federal Deposit Insurance Corporation)
= government insures bank deposits to a certain amount.

Farms and Industry

Roosevelt asked Congress to pass other laws to help farming and industry:

Agricultural Adjustment Administration (AAA)

- Reduced production & Increased prices
- Ultimately helped those who raise on large crop rather than small farmers

National Industrial Recovery Act (NIRA)

- Suspended antitrust laws
- Allowed business, labor, and government to cooperate in establishing voluntary rules
- Everything was run by the National Recovery Administration (NRA)
 - People were encouraged to buy products only from those who were members of the NRA.
- Declared unconstitutional by the Supreme Court (1935)!



Relief Programs

- **Helping America deal with debt:**
 - **Homeowners' Loan Corporation (HOLC)**
 - Bought mortgages of homeowners behind in payments.
 - Restructured the mortgages to have longer to pay and lower interest rates.
 - Loans were only granted to employed persons.
 - Failure to pay = foreclosure.
 - **Farm Credit Administration (FCA)**
 - Established to help farmers refinance their mortgages.
 - Could have slowed true economic recovery
 - This act only provided for poor inefficient farmers instead of business.

Spending Programs

- **Roosevelt also supported work programs:**
 - **Civilian Conservation Corps (CCC)**
 - Employed young men (18-25)
 - Worked with the National Forestry Service
 - Planted trees, fighting forest fires, and building reservoirs
 - **Federal Emergency Relief Administration (FERA)**
 - Channeled money to help state and local agencies fund relief projects
 - **Public Works Administration (PWA)**
 - Begins construction projects
 - **Civil Works Administration (CWA)**
 - Established by Harry Hopkins (head of FERA)
 - Hired workers directly
 - Shut down because of cost!

