

The New Deal

- ⇒ Recalling his cousin President Theodore Roosevelt's "Square Deal" for Americans.
- ⇒ Progressive belief that government can help people with their problems that TR had started in 1900.



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The First Hundred Days: The New Deal

- ⇒ Roosevelt pushed program after program through Congress to provide relief, create jobs, and stimulate economic recovery.



What would you do?

- ⇒ With everything that was wrong in the country, what would you do – if you were president – to get people working and prosperous again?



Roosevelt: The First Hundred Days

- ⇒ Stabilize financial Institutions
- ⇒ Provide relief and create jobs
- ⇒ Regulate the economy
- ⇒ Assist homeowners and farmers
- ⇒ The TVA



Stabilizing Financial Institutions

- ⇒ People needed to be able to trust their banks.
- ⇒ Closed ALL banks for ten days. BANKING HOLIDAY.
 - Federal officials went to all banks and went through their records to check their financial health.
 - 2/3 of banks passed the test and reopened.



Stabilizing Financial Institutions

- ⇒ Americans regained confidence in the banking system.
- ⇒ Began to put money in the bank.
- ⇒ Established FDIC
 - Govt. regulators check bank books to make sure good loans are being given.
 - Guarantee depositor's money.
 - Give money to banks to give out as loans to help a local economy.



FDIC Insurance

Learn how deposit insurance works and whether the FDIC insures your deposits.

Stabilizing Financial Institutions

- ⇒ Regulate the Stock Market.
- ⇒ 1933: All companies had to provide information on their finances before they can offer stock for sale.
- ⇒ Govt. regulation of buying on margin.
- ⇒ Stockwatch and the SEC to monitor stock sales and business.



FDR: The New Deal's First Hundred Days

- ⇒ Regulated the value of American money to get more exports of American farm goods and factory goods.



FDR: Providing Relief and Creating Jobs

- ⇒ Federal Emergency Relief Administration (FERA)
- ⇒ Put money into PUBLIC WORKS PROGRAMS — building government facilities.



FDR: Providing Relief and Creating Jobs

- ⇒ CWA: Civil Works Administration – put the unemployed to work building or improving roads, parks, airports and other facilities.
- ⇒ Four million employed.



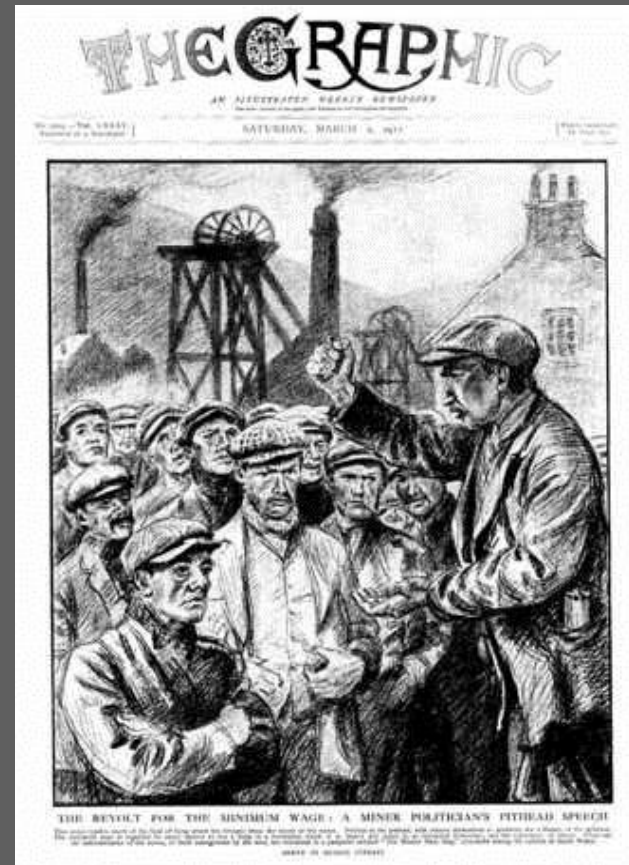
FDR: Providing Relief and Creating Jobs

- ⇒ CCC: Civilian Conservation Corps
- ⇒ 2.5 million unmarried young men put to work creating and maintaining forests, beaches and parks.
 - \$30 a month
 - Free housing, food and medical care.



FDR: Regulating the Economy

- ⇒ NIRA: National Industrial Recovery Act – June 1933.
- ⇒ NRA: National Recovery Act
- ⇒ Create fair business practices in the country.
 - Regulate fair wages / minimum wage
 - Encouraged unions
 - Controlled working conditions.



FDR: First Hundred Days

⇒ PWA: Public Works Administration

- Built Grand Coulee Dam in Washington
- New York City's Triborough Bridge
- The causeway that connects Key West to the Florida mainland.



FDR: Assisting Homeowners and Farmers

- ⇒ Most middle-income homeowners were behind in their mortgages.
- ⇒ HOLC – Home Owners’ Loan Corporation – refinanced mortgages.
 - Made payments more manageable .
 - 1 million loans – but for many it still wasn’t enough to help keep houses.



FDR: Assisting Homeowners and Farmers

- ⇒ FHA: Federal Housing Administration — improves housing standards and conditions, insures mortgages, stabilizes mortgage market.



FDR: Help for Farmers

- ⇒ AAA: Agricultural Adjustment Administration, offered subsidies to farmers.
 - If corn was only 50-cents and a farmer needed \$1 to stay in business – the government guarantees the other 50-cents.



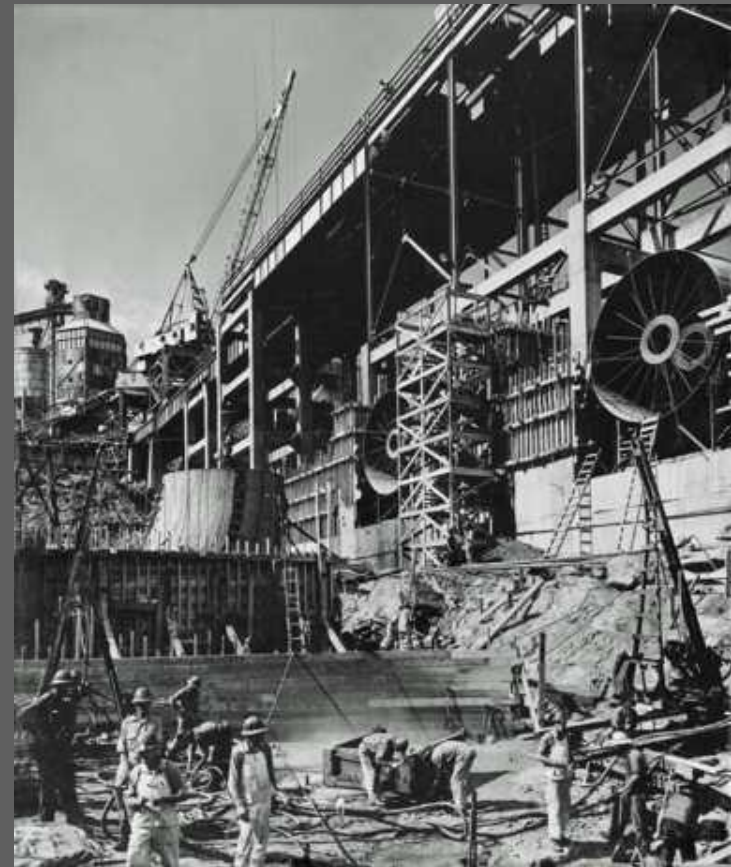
AAA

- ⇒ Also encouraged farmers in what to plant and what not to plant.



TVA: Tennessee Valley Authority

- ⇒ May 1933: Helped farmers and created jobs in one of the least developed regions.
- ⇒ Create cheap electric power and recreational opportunities in the entire Tennessee River valley.



REA: Rural Electrification Agency

- ⇒ 1930s: 90% of Americans in urban areas had electricity.
- ⇒ Only 10% of rural areas had electricity.
- ⇒ REA changed that!
 - Brought power over 15 years to 98% of farms.



The Second New Deal: Second 100 Days

- ⇒ More social welfare benefits
- ⇒ Stricter controls over business
- ⇒ Strong support for unions
- ⇒ Higher taxes on the rich.



Social Security System

- ⇒ 1935 Old Age Pensions and Survivors Benefits
- ⇒ Unemployment benefits
- ⇒ Aid to dependent children, blind and disabled
 - Did NOT include farmers or domestic servants until 1954

