

## 2 Roosevelt and the New Deal

### TERMS & NAMES

Franklin Delano Roosevelt

fireside chat

New Deal

Hundred Days

Social Security Act

Second New Deal

deficit spending

### MAIN IDEA

After becoming president, Franklin D. Roosevelt took many actions to fight the Great Depression.

### WHY IT MATTERS NOW

Roosevelt increased government's role in helping needy Americans and regulating the financial industry.

### ONE AMERICAN'S STORY

Dynamite Garland's father had worked for the railroad. But when the Depression struck, Dynamite's father lost his job, and her family had to move into a garage that a landlord let them have rent-free.

#### A VOICE FROM THE PAST

We had a coal stove, and we had to each take turns, the three of us kids, to warm our legs. It was awfully cold when you opened those garage doors. . . . In the morning, we'd get out and get some snow and put it on the stove and melt it and wash around our faces. Never the neck or anything. Put on our two pairs of socks on each hand and two pairs of socks on our feet, and long underwear and lace it up with Goodwill shoes. Off we'd walk, three, four miles to school.

Dynamite Garland, quoted in *Hard Times*



Children such as Dynamite Garland and the girls in this photograph suffered greatly from hunger and poverty during the Depression.

Starting in 1933, **Franklin Delano Roosevelt**, the new Democratic president, created a number of programs to help the economy and people like Dynamite. This section describes those programs.

### Roosevelt Takes Charge

Millions of people lacked food and shelter. Yet the country had to endure a frustrating four-month wait from the November election to Roosevelt's inauguration. The Twentieth Amendment, which moved the inauguration date to January, was not ratified until 1933. President Roosevelt, nicknamed FDR, was finally inaugurated on March 4, 1933.

Roosevelt differed from Hoover in two important ways. First, he gave Americans hope, beginning with his inaugural address: "Let me assert my firm belief that the only thing we have to fear is fear itself." Second, he was willing to try new ideas and change the way government worked. Though he had no fixed plan to end the Depression, he set up a "brain trust" of advisers, including college professors and economists.

Roosevelt took three immediate steps that boosted public confidence. First, he declared a "bank holiday"—a temporary shutdown of all banks.

### ReadingHistory

**A. Drawing Conclusions** Did Roosevelt's first fireside chat affect the public the way he wanted? Explain.

Second, he promised that only the banks that were in good shape would be allowed to reopen.

Third, the day before the banks reopened, FDR gave the first of many **fireside chats**. In these radio talks, he explained his policies in a warm, friendly style. He said it was safer to "keep your money in a reopened bank than under the mattress." The next day, people deposited more money into the banks than they withdrew.

## The Hundred Days

During the campaign, FDR had pledged a "new deal" for Americans. This snappy phrase, the **New Deal**, came to stand for FDR's programs to fight the Depression.

In the session of Congress lasting from March 9 to mid-June 1933, Roosevelt sent Congress a pile of new bills. Many of them passed with little debate in this famous session of Congress, called the **Hundred Days**.

The laws passed during the Hundred Days had three major goals, known as the "three Rs."

1. **relief** for the hungry and jobless
2. **recovery** for agriculture and industry
3. **reforms** to change the way the economy worked

FDR wanted not only to ease suffering but also to try to prevent such a severe depression from happening again. The major programs passed during the Hundred Days included relief, recovery, and reform plans that related to jobs, banking, wages, and agriculture. The chart on page 335 lists several major programs and explains what those programs accomplished.

## Responses to the New Deal

Some conservatives thought the New Deal went too far. They opposed the growth of the federal government and questioned how it would pay for all the new programs. They also feared that the New Deal was moving the country toward socialism.

Yet, other critics charged that the New Deal didn't go far enough. Louisiana senator Huey Long declared, "Unless we provide for redistribution of wealth in this country, the country is doomed." But Long's motives were far from noble. For years, he had ruled his state like a dictator. Attacking FDR was a way to increase his own power.

Father Charles Coughlin, a priest with a popular radio program, also argued for changing the economy to help the poor. He eventually began to blame Jews for the nation's problems. In the 1940s, the Catholic Church stopped his broadcasts. Another critic, Francis Townsend, proposed giving \$200 a month to every American over age 60. He said a sales tax would pay for the pension, but economists disputed his figures.

## AMERICA'S HISTORY MAKERS

### FRANKLIN DELANO ROOSEVELT

1882–1945

A distant cousin of Theodore Roosevelt, Franklin D. Roosevelt became a New York state senator when he was 29. Later, he served as assistant secretary of the Navy.

At the age of 39, FDR caught polio. For the rest of his life, he walked with braces or rode in a wheelchair. Despite this, he continued in politics and was elected governor of New York in 1928.

The public rarely saw photos revealing FDR's disability. Even so, many Americans sensed that he was a man who understood trouble. This quality helped him as a leader during the Depression.

**How would an understanding of trouble help Roosevelt to lead?**

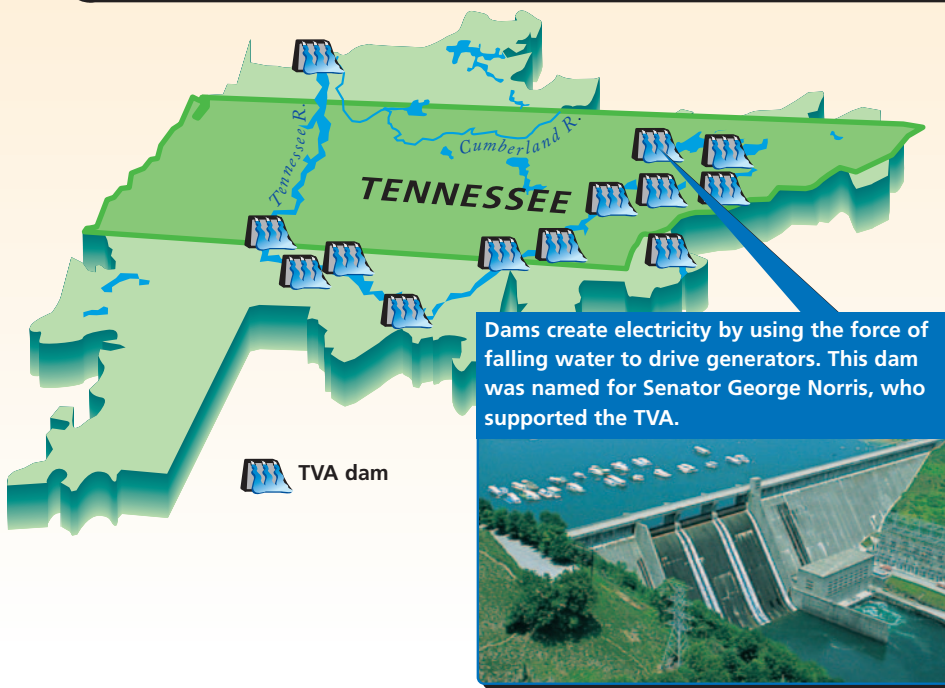


### Vocabulary

**socialism:** an economic system in which businesses are owned by the government, not individuals



# The Tennessee Valley Authority



## FACTS ABOUT THE TVA

- ⚡ The TVA supplies power to an area of about 80,000 square miles, shown in dark and light green to the left. The region uses more than 100 billion kilowatt-hours of electricity. This is 65 times as much as in 1933.
- ⚡ There are more than 40 TVA dams.
- ⚡ Users of TVA power pay about a third less for their electricity than other Americans.
- ⚡ The TVA dams also help control flooding on the Tennessee River.

In the 1934 congressional elections, voters had a chance to react to these criticisms. The party in power usually loses seats in a nonpresidential election. But, indicating their support for Roosevelt, voters in this election sent even more Democrats to Congress.

## The Second New Deal

Although he rejected Townshend's plan, FDR did want to help the elderly. Bank failures and the stock market crash had stolen the savings of many old people. Some had lost their homes or had to beg for food.

In August 1935, Congress passed one of the most important bills of the century. Under the **Social Security Act**, workers and employers made payments into a special fund, from which they would draw a pension after they retired. The act also gave help to laid-off workers, disabled workers, and needy families with dependent children.

### Background

Townshend's plan had been very popular with the public. FDR knew his own popularity would increase if he proposed a pension.

### A VOICE FROM THE PAST

We have tried to frame a law which will give some measure of protection to the average citizen and to his family against the loss of a job and against poverty-ridden old age.

Franklin D. Roosevelt, quoted in *Promises to Keep*

Social Security was part of a set of programs passed in 1935. These became known as the **Second New Deal**. Other programs of the Second New Deal are listed in the chart on the next page.

In 1936, the Democrats nominated Roosevelt for a second term. Business leaders opposed his reelection because they feared higher taxes. They also thought he was increasing government power at their expense. But a widespread alliance of working-class Americans supported FDR.

## Major Programs of the New Deal

	PROGRAMS	ACCOMPLISHMENTS
Hundred Days, 1933	FERA (Federal Emergency Relief Administration)	Provided federal money for relief projects to the roughly 13 million unemployed
	PWA (Public Works Administration)	Created jobs by having people build highways, bridges, and other public works
	AAA (Agricultural Adjustment Administration)	Regulated farm production and promoted soil conservation
	TVA (Tennessee Valley Authority)	Planned development of the Tennessee Valley region
	CCC (Civilian Conservation Corps)	Hired young men to plant trees, build dams, and work on other conservation projects
	FDIC (Federal Deposit Insurance Corporation)	Protected the money of depositors in insured banks
	NRA (National Recovery Administration)	Regulated industry and raised wages and prices
Second New Deal, 1935	WPA (Works Progress Administration)	Established large-scale national works programs to create jobs
	REA (Rural Electrification Administration)	Brought electricity to rural areas
	NYA (National Youth Administration)	Set up job programs for young people and helped them continue their education
	Wagner Act	Protected labor's right to form unions and set up a board to hear labor disputes
	Social Security Act	Provided workers with unemployment insurance and retirement benefits
<b>SKILLBUILDER Interpreting Charts</b> <ol style="list-style-type: none"> <li>How did the PWA and the CCC help both those who were hired and the nation as a whole?</li> <li>How did the Second New Deal help both young and old workers?</li> </ol>		

### ReadingHistory

**B. Analyzing Causes** Why did many African Americans switch to the Democratic Party?

They included African Americans, who until then had remained loyal to the Republican Party—the party of Lincoln, who had issued the Emancipation Proclamation during the Civil War. However, FDR's programs to help the poor convinced many African Americans to vote Democrat. On Election Day, FDR won every state except Maine and Vermont.

## Roosevelt Fights the Supreme Court

From the high point of his 1936 victory, Roosevelt's presidency took a downward turn. Most of the nine justices of the Supreme Court didn't support FDR's programs. Using the power of judicial review (see Chapter 3), in 1935 the Court struck down laws that it believed gave the federal government too much power. These actions threatened to destroy the New Deal.

In 1937, FDR asked Congress to pass a bill allowing him to add up to six justices to the Supreme Court. He planned to appoint justices who shared his ideas about government. This would give him the majority he



"Dr. Roosevelt" reassures the Constitution that the New Deal won't harm it. Instead, FDR blames "Nurse Supreme Court" for any problems.

he won. His clumsy attempt to pack the Court with allies damaged his image and gave ammunition to his critics.

## The New Deal Slows Down

Opposition to Roosevelt grew after the Court-packing attempt. Then in late 1937, the economy worsened again. The amount of goods produced by industry fell, and unemployment rose. Many Americans blamed Roosevelt for the downturn.

Critics also attacked Roosevelt's use of **deficit spending**, or using borrowed money to fund government programs. Roosevelt himself had doubts about it. Even though some economists said that huge amounts of deficit spending were needed to boost the economy, FDR hesitated to take that course. He proposed few new programs in his second term. Meanwhile, as Section 3 explains, Americans continued to suffer from harsh economic conditions.

needed to save his programs from being overturned. Both Republicans and Democrats harshly criticized FDR's Court-packing bill. They said it interfered with the system of checks and balances that were set up by the U.S. Constitution. Congress agreed and voted it down.

In the end, Roosevelt did achieve his goal of a more sympathetic Court. Within the next two and a half years, retirements and deaths allowed Roosevelt to name five liberal justices to the bench. But the president may have lost more than

### ReadingHistory

**C. Recognizing Effects** What was the outcome of Roosevelt's attempt to pack the Court?

## Section 2 Assessment

### 1. Terms & Names

**Explain the significance of:**

- Franklin Delano Roosevelt
- fireside chat
- New Deal
- Hundred Days
- Social Security Act
- Second New Deal
- deficit spending

### 2. Taking Notes

Use a chart like the one below to list FDR's major programs and whether you think each program's goal was relief, recovery, or reform (or a combination of these).

Program	Goal

Which programs created jobs?

### 3. Main Ideas

- How did Roosevelt give Americans hope?
- What happened during the period known as the Hundred Days?
- What were the consequences of FDR's attempt to increase the size of the Supreme Court?

### 4. Critical Thinking

**Analyzing Points of View** What were some of the different reasons that people criticized FDR?

#### THINK ABOUT

- the conservatives
- Huey Long, Father Coughlin, and Francis Townsend
- those who opposed the Court-packing bill

### ACTIVITY OPTIONS

#### ART

#### TECHNOLOGY

Choose one aspect of the New Deal that you have an opinion about. Create a **political cartoon** or design a **Web page** expressing your opinion.