





























- 1  **The Great Depression and New Deal**
American History Honors
Mr. Broach
- 2  **Beginnings of a Depression and Life in the Crisis**
Class Session # 1
Text, Sections 22.1 & 22.2
Outside Resources
- 3  **Causes of the Crash (Review)**
 - ⊙ Stock speculation
 - ⊙ Buying on margin
 - ⊙ Panic – Oct. 24
 - ⊙ Frantic Sales on Black Tuesday, Oct. 29
- 4  **What led to this crisis (Review)**
 - 1
 - ⊙ Key industries suffering (railroads, textiles, steel)
 - ⊙ New energy sources hurt coal industry
 - ⊙ Rush on automobiles, construction, and consumer products ends – WHY?
 - ⊙ Farmers and Overproduction
 - ⊙ Wages not keeping up
 - 2
 - ⊙ Installment plans and buying on credit creates a “bubble”
 - ⊙ As consumers realize the costs of mounting debt, they spend less!
 - ⊙ Obtaining a basic standard of living gets harder for many
- 5  **Broach’s Top 5 Reasons of Total Financial Collapse by 1930**
 1. Obviously, the Stock Market
 2. Worldwide Economic Crisis
 - Debt / Reparations Problems
 - International Trade stops with the Hawley-Smoot Tariff of 1930
 3. Banks collapse
 4. Consumers stop spending → businesses are hurt or close → loss of jobs
 5. Farmers – Deflation, then droughts, then the Dust Bowl
- 6  **Hardships in the Cities**
 - ⊙ Loss of work, loss of homes
 - ⊙ Rapid homelessness
 - ⊙ Leads to migrants
 - ⊙ Soup kitchens, bread lines
 - ⊙ Local governments unable to handle
 - ⊙ Racism and discrimination
- 7  **Evidence**
- 8  **Hardships in Rural Areas**
 - ⊙ 400,000 farms lost by foreclosure
 - ⊙ Causes of the Great Dust Bowl
 - ⊙ Result: migration
 - ⊙ If time, see interactive map
- 9  **Effects on the American Family**
 - ⊙ Some families split
 - ⊙ Men cannot find jobs
 - ⊙ “Hoboes” wander
 - ⊙ Women become thrifty at home
 - ⊙ Poor health for many children
 - ⊙ Schools close
 - ⊙ Birthrate drops dramatically
 - ⊙ Psychological issues
- 10  **Pictures**

- 11  **Hoover's Responses to the Depression**
 Class Session # 2
 Text, Section 22.3 (and part of 23.1)
 Outside Resources
- 12  **What is the proper role of the federal government?**
 ◎Herbert Hoover did believe in government spending (not direct handouts to individuals)
 ◎Is this part of a routine business cycle?
 ◎Government can:
 - Encourage voluntary compliance
 - Work with business, banking and labor
 - Some government projects (i.e. Boulder Dam)
- 13  **Hoover's Actions**
 ◎Help to Farmers
 - Federal Farm Board – loans to reduce production
 - Agricultural Marketing Act
 ◎Federal Home Loan Bank Act
 ◎Only government agency created: RFC (Reconstruction Finance Corporation)
 - Helps businesses, banks
 - Idea: "Trickle-Down Theory"
 ◎Big Mistake: Hawley-Smoot Tariff (1930)
- 14  **Growing unpopularity**
- 15  **Bonus Army March**
 ◎Patman Bill (1932) to pay bonuses to WW I veterans early
 ◎Senate kills bill
 ◎Hoover sends in MacArthur
 ◎FDR: "This elects me"
- 16  **And if it wasn't bad enough...**
 ◎September 1931 – Japan invades Manchuria!
 - Weak League of Nations response
 - Weak U.S. response (Henry Stimson's diplomacy)
 - World War II is on the horizon now!
- 17  **The Election of 1932**
 ◎What FDR offered
 ◎Brain Trust
 ◎Large "coattails" victory for Democrats
 ◎Shift of African-American voters
- 18  **Franklin Roosevelt and the New Deal (overview)**
 Class Session # 3
 Overview of Election of 1932 and major themes from the New Deal (Text, Sections 23.1, 23.2, 23.3, 23.5)
 Outside Resources
- 19  **The New Deal**
- 20  **Restoring Confidence?**
 ◎[FDR's First Inaugural Address](#)
 ◎Emergency Banking Relief Act and the Bank Holiday
 ◎Fireside Chats
 ◎The "100 Days"
- 21  **How to do this?**
 1 RELIEF THROUGH GOVERNMENT ACTION
 2 ◎Temporary jobs
 ◎Regulate banks, businesses and the stock market


- ⊙Directly regulate industry and labor
 - ⊙Loans to individuals for mortgages, home construction, farm debts
 - ⊙Set farm prices and reduce production
- 3 PERMANENT CHANGE: ROLE OF GOVERNMENT
- 4 ⊙Planned economy: TVA
 - ⊙Social Security
 - ⊙Regulation
 - ⊙The Welfare State?
- 22  **Economic Recovery not as hoped**
- 23  **New Deal Problems**
 - ⊙Temporary jobs are temporary
 - ⊙Too much government?
 - Supreme Court strikes down AAA, NRA
 - Landmark case: *Schechter v. United States* (1935)
 - ⊙Landslide Re-Election in 1936, then...
 - 1937 Court Packing Scheme
 - "Roosevelt Recession" 1937 – 1938
 - Possibility of another great war looming in Europe
 - ⊙How to pay for this?
 - ANSWER: John Maynard Keynes – Keynesian economics or "planned deficit spending"
 - ⊙
- 24  **New Deal Critics**
 - ⊙Left: Did not do enough to redistribute wealth
 - ⊙Right: Too much government; socialism
- 25  **Social Groups & New Deal Coalition**
 - ⊙Women
 - ⊙African Americans
 - ⊙Civil Rights?
 - ⊙Mexican-Americans
 - ⊙Indian New Deal
 - ⊙Labor Unions (John Lewis – C.I.O.)
 - ⊙Writers, Artists, Actors (WPA)
 - Will show Pojer's PPT on the WPA
- 26  **New Deal Programs**


Class Session # 4

Examine the various programs created, laws passed and major events of Roosevelt's New Deal

Textbook, Sections 23.1 through 23.5
- 27  **Class Activity**
 - ⊙Fill in the chart for major New Deal agencies
 - ⊙Work together – must be done by the end of the period
- 28  **Significance of the New Deal**

Class Session # 5

SEMINAR DISCUSSION
- 29  **Seminar Preparation**
 - ⊙Read sections 23.4 and 23.5
 - ⊙Was the New Deal an effective answer to the Great Depression? (Teams: Yes/No)
 - YES Team: Be able to specifically tell what the New Deal did well, how it helped people in the depression, etc.
 - NO Team: Be able to discuss negative effects, the national debt and the lack of full economic recovery
 - ⊙What legacies of the New Deal still exist today?

30  **Debate Agenda**

◎ 5 min. per topic (2 min. per side, 1 min. rebuttal)

◎ TOPICS:

- Role of government
- Jobs/Unemployment
- Social Security
- Business Recovery
- YES TEAM: What did the New Deal do well?
- NO TEAM: What did it not do well?
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31  **Agenda, continued**

◎ Overall Discussion: What are the legacies of the New Deal?

◎ Final minutes for Review Q & A