

- 1  **THE GREAT DEPRESSION AND THE NEW DEAL**  
American History, Chapters 22 & 23
- 2  **Causes of the Depression**
  - Group Activity – refer to your notes
  - Somewhat a review from the 1920s
  - Major topics discussed:
- 3  **Life in the Depression**
  - Also from the group activity. Major ideas:
- 4  **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
- 5  **Pictures**
- 6  **Hoover's Responses to the Crisis**  
Section 22.3
- 7  **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)
- 8  **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)
- 9  **Growing unpopularity**
- 10  **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"
- 11  **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!
- 12  **The Election of 1932**
  - What FDR offered
  - Brain Trust
  - Large "coattails" victory for Democrats

Shift of African-American voters

13  **QUIZ NEXT CLASS**

Know the major terms and names from each section of Chapter 22

14  **FDR's First New Deal**

Section 23.1

15  **The New Deal**

16  **Inauguration**

20<sup>th</sup> Amendment (will not apply until 1936-37)

First Inaugural Address themes:

"The greatest thing we have to fear is fear itself"

Greatest primary task – put people to work

HOW? Government

Broad executive power to "wage a war" on the depression

The Hundred Days: 15 major pieces of New Deal legislation

Fireside Chats

17  **Banking Reform**

Action # 1: Emergency Banking Relief Act

Purpose: Restore confidence

18  **First New Deal Programs**

19  **First New Deal (continued)**

20  **New Deal Problems**

The Supreme Court (overturned NRA and AAA)

Reaction against too much government control

After FDR's landslide re-election in 1936: Proposes the "Court-packing bill" (very negative reaction)

Overall criticisms of the New Deal

Liberals/Socialists: not doing enough to re-distribute wealth

Conservatives: too much government, too much socialism

21  **Examples of Critics**

22  **Economic Recovery not as hoped**

23  **New Deal Problems (continued)**

This will be discussed at the end of the unit, but to make some predictions... ☺

"Roosevelt" Recession in 1937-1938

New Deal loses momentum

FDR adopts John Maynard Keynes idea of planned deficit spending

RESULT: National Debt doubles!

24  **2<sup>nd</sup> New Deal / The Coalition**

Sections 23.2 and 23.3

(Bring books to class)

25  **Review of New Deal**

26  **Culture of the 1930s**

Section 23.4

27  **How to cope?**

Movies

*Gone with the Wind*

Comedies (relief?)

Radio

Arts and Writings (see WPA images from Pojer)

- Woody Guthrie
- Famous Authors
  - John Steinbeck
  - Zora Neale Hurston

28  **Role of Eleanor Roosevelt**

- First modern First Lady?
- Campaigned for New Deal
- Civil Rights?

29  **Impact of the New Deal**

Section 23.5

30  **Debate: New Deal effective?**

- 1 YES
- 2 Jobs / reducing poverty
  - Government has a greater responsibility to its citizens
  - Permanent reforms to prevent future depressions
- 3 NO
- 4 Depression did not end
  - Deficit spending
  - Government involvement and over-regulation stunted business growth

31  **Legacies of the New Deal**

- Permanent change in the role of the federal government
- Some agencies still exist today, major examples:
  - FDIC
  - SEC
  - Social Security
  - TVA
  - NLRB
  - Parity prices for farmers (define)
- Legacies of the Depression / Depression generation?

32  **THE END!**

Study for the test, please!