Chapter 24: The Great Depression and the New Deal, 1929–1940

Chapter Review

I. AMERICAN COMMUNITIES Sit-Down Strike at Flint: Automobile Workers Organize a New Union

The Great Depression hit Flint, Michigan, a GM company town, very hard. The United Automobile Workers (UAW) came to Flint in 1936, seeking to organize GM workers into one industrial union, taking advantage of new the National Labor Relations Board rules overseeing union elections and prohibiting illegal antiunion activities by employers. Facing determined management resistance, the Flint strikers used the new tactic of a sit-down strike, occupying the work floor to prevent GM from bringing in strike breakers.

As the strike continued through January, support in Flint and around the nation grew. Reporters and union supporters flocked to the plants. On January 11, in the so-called Battle of Running Bulls, strikers and their supporters clashed violently with Flint police and private GM guards. Strikers held their ground, and on February 11, GM capitulated and recognized the union. The UAW was part of the Democratic New Deal coalition empowered by FDR’s policies, and the Flint strike was a turning point in labor-management relations.

II. HARD TIMES

The Great Depression was the worst economic crisis in American history, one that profoundly affected every area of American life and left psychic scars that still affect millions of families.

a. Underlying Weaknesses of the 1920s’ Economy

Americans in the 1920s had more money to spend on cars, telephones, radios, washing machines, canned goods, and other consumer goods, but the economic benefits of the decade were unevenly shared. In short, the 1920s were fueled by profits and prices that were too high and wages that were too low, with growth and easy credit could only sustain for so long before a reckoning would come.
b. The Bull Market and the Crash

The stock market resembled a sporting arena, millions following stock prices as they did the exploits of Babe Ruth or Jack Dempsey. While only a few owned stock, the economic and psychological influence of the market was for more widespread. During the bull market of the 1920s, stock prices increased at roughly twice the rate of industrial production, fueled by “buying on margin” which multiplied profits and risk alike. Paper value far outran real value.

The bull market peaked in early September, and prices drifted downward. In late October, the bottom fell out and on “Black Tuesday,” October 29, 1929, prices went into a freefall. Many investors with margin accounts had no choice but to sell when stock values fell. By mid-November, about $30 billion in the market price of stocks had been wiped out. The stock market crash undermined the confidence, investment, and spending of businesses and the well-to-do. A large proportion of the nation’s banking funds were tied to the speculative bubble of Wall Street stock buying, and as banks failed, the economic panic spread through the economy to businesses and farms.

c. Mass Unemployment

With unemployment insurance nonexistent and public relief inadequate, the loss of a job meant economic catastrophe for workers and their families. By 1930, 4.2 million workers, 9 percent of the labor force, were out of work. Unemployment struck families by destroying the traditional role of the male breadwinner. Men without work drank, abandoned families, or committed suicide. Working women’s lower paying jobs were not enough to support families; everyone’s sense of security was shattered by the Crash.

d. Hoover’s Failure

The enormity of the Great Depression overwhelmed traditional—and meager—sources of relief as churches and charities proved unable to cope with the crisis.

During World War I, Hoover had effectively administered Belgian war relief abroad and won wide praise for his leadership of the Food Administration at home. Hoover worried more about undermining individual initiative than providing actual relief for victims, failing to face the facts of the depression. Hoover’s plan for recovery centered on restoring business confidence with a Reconstruction Finance Corporation providing trickle-down, pump-priming credit banks, railroads, insurance companies, and other businesses, thereby stimulating economic activity.

Two other federal initiatives helped worsen the situation. The spike in interest rates put heavy pressure on the nation’s banking system, especially smaller banks where farmers, merchants, and local businessmen relied upon access to easy credit. In 1930, Congress passed (and Hoover signed) the Smoot-Hawley Act, raising tariffs and inhibiting trade and further shrinking the productive economy.
e. A Global Crisis and the Election of 1932

The world financial system had been built on American credit, but when loans to Germany dried up, they stopping reparation payments to Britain and France. Germany’s collapse led investors to dump American stocks, abandon the gold standard and raise tariffs, all of which made a bad situation worse and brought down thousands of American banks into insolvency. Desperate workers and farmers marched and demonstrated in protest, the most dramatic being the 1932 Bonus Army March on Washington, as WWI veterans demanded early payment of a bonus not due until 1945. Congress refused, and the army evicted the marchers, burning their camp and killing at least four people.

In 1932, Democrats nominated New York governor Franklin Roosevelt who pledged a “new deal” of government activism. Hoover attacked Roosevelt as a radical, but the voters gave FDR an overwhelming victory and Democratic control of Congress to carry out his plans.

MHL document: Herbert Hoover, New York Campaign Speech (1932) at www.myhistorylab.com

III. FDR AND THE FIRST NEW DEAL

The New Deal embodied FDR’s personality and political methods. While being elected to an unprecedented four terms, FDR dominated American politics and life to an unprecedented extent that no later president has matched.

a. FDR the Man

Raised in a wealthy family and privately educated, FDR followed his cousin Teddy into a career in public service, culminating in his nomination for vice president in 1920. In the summer of 1921, Roosevelt was stricken with polio at his summer home. Elected governor of New York in 1928, Roosevelt served two terms and won a national reputation, promoting unemployment insurance, strengthening child labor laws, tax relief for farmers, pensions for the old and public works to combat the growing depression.

b. “The Only Thing We Have To Fear”: Restoring Confidence

From the beginning of his term, FDR’s optimism and activism reassured a shaken public. Facing the collapse of the banking system, Roosevelt called Congress into special session. Congress immediately passed the Emergency Banking Act, which gave the president broad discretionary powers over all banking transactions and foreign exchange. It authorized healthy banks to reopen only under licenses from the Treasury Department, and provided for greater federal authority in managing the affairs of failed banks. By the middle of March, about half the country’s banks, holding about 90 percent of the nation’s deposits, were open for business again. The bank crisis had passed. In a series of radio “fireside chats,” FDR explained his actions to the public, calming fears while showing his genuine compassion.
Roosevelt assembled a group of key advisers, the “brains trust,” in the White House. While their advice was not always in accord, they shared FDR’s belief that expert management of the economy was the key to recovery.

MHL document: Franklin D. Roosevelt, Fireside Chat (1933) at www.myhistorylab.com

c. The Hundred Days

At FDR’s urging, from March to June of 1933—“the Hundred Days”—Congress created a Civilian Conservation Corps (CCC), to provide work for jobless young men while conserving natural resources; a $500 million Federal Emergency Relief Administration (FERA) administered by Henry Hopkins; an Agricultural Adjustment Administration (AAA) to provide immediate relief to the nation’s farmers; and the Tennessee Valley Authority, an independent public corporation which built dams and power plants, produced cheap fertilizer for farmers, and brought cheap electricity for the first time to thousands of people in six southern states. The capstone of the Hundred Days was the National Industrial Recovery Administration to oversee business associations and codes to ensure efficient and sufficient production. All of these programs created a new—and some feared, intrusive—level of government involvement in business. For the unemployed, the Public Works Administration undertook $3.5 billion in public works projects, not only creating jobs but priming the pump though increased consumer spending. Finally, new banking and stock market regulations—the Glass-Steagall Act, creating the FDIC and a Securities and Exchange Commission—brought government oversight to the sources of the Crash. Belatedly, homeowners were remembered with the 1934 National Housing Act to stimulate home construction and lending.

MHL map: The Tennessee Valley Authority at www.myhistorylab.com

d. Roosevelt’s Critics, Right and Left

While pro-business critics on the right attacked the New Deal for going too far, those on the left complained FDR had not gone far enough. Pro-Republican newspapers promoted the American Liberty League, but their candidates were crushed in the 1934 Congressional elections. One former supporter, Father Charles Coughlin, a priest with a large radio audience, founded the National Union for Social Justice, denouncing FDR for being too close to Wall Street. On the left, after Upton Sinclair failed in a bid for governor with a socialist program, California Dr. Francis Townsend proposed a Revolving Pension Plan, providing $200 a month to all people over 60, financed (unrealistically) by a national sales tax.

The most potent threat to the New Deal came from Louisiana Senator Huey Long, whose populist Share Our Wealth Society promised every family a $5000 home place and a $2500 annual income, paid for by confiscating the wealth of the rich. Had Long not been assassinated in September 1935, he might have posed a formidable challenge to FDR.
Labor unions took on a more militant stance, with more than 1,800 strikes in 1934, but were tarred with the radicalism of some communist leaders, while business struck back with violent strikebreaking, supported by local governments while the middle class often sympathized with the strikers.

**MHL document:** *Father Charles E. Coughlin, “A Third Party”* (1936) at [www.myhistorylab.com](http://www.myhistorylab.com)


### IV. LEFT TURN AND THE SECOND NEW DEAL

Challenged on both sides by populists like Long and Coughlin, FDR also had to contend with a conservative Supreme Court that threw out the NRA in *Schecter v. United States*, and *Butler v. United States* invalidated the Agricultural Adjustment Administration. Looking toward 1936, Roosevelt responded by turning left with a new program of social reform to strengthen the national commitment to creating jobs; provide security against old age, unemployment, and illness; and improve housing conditions and cleaning slums.

#### a. The Second Hundred Days

The Second Hundred Days began in April 1935 with passage of the Emergency Relief Appropriation Act with $5 billion for a new Works Progress Administration (WPA). The Social Security Act provided for old-age pensions and unemployment benefits, small at first but an enduring legacy of the New Deal. The Labor Relations (or Wagner) Act set up the National Labor Relations Board. Known as labor’s Magna Carta, the act guaranteed union organization and collective bargaining rights and limited unfair labor practices by employers, leading to union growth in previously unorganized industries like autos, steel and textiles. The Resettlement Administration headed by brain truster Rex Tugwell, aimed at a utopian resettlement of destitute farm families, although it fell far short of its promise.


#### b. Labor’s Upsurge: Rise of the CIO

The Wagner Act led to impressive growth in union ranks, from 2.8 million in 1929 to 10.5 million in 1942, nearly a third of the nonagricultural work force. At the core of this growth was the unionization of large-scale, mass-production industries such as automobiles, steel, rubber, electrical goods, and textiles. Workers in these fields had largely been ignored by the conservative, craft-conscious American Federation of Labor. At the 1935 AFL convention, a group of more militant union officials led by John L. Lewis (of the United Mine Workers) and Sidney Hillman (of the Amalgamated Clothing Workers) formed the Committee for Industrial Organization (CIO) organizing mass-
production workers by industry rather than by craft and, more radically, including blacks and women. After the dramatic breakthrough in the Flint sit-down strike at General Motors, membership in CIO unions grew rapidly, although at the cost of violent incidents such as the 1937 Memorial Day Massacre in which police killed ten Republic Steel union strikers.

In 1938, CIO unions, now boasting nearly 4 million members, withdrew from the AFL and reorganized themselves as the Congress of Industrial Organizations. For the first time labor had gained a permanent place in the nation’s mass-production industries as well as the ear of New Dealers such as Secretary of Labor Frances Perkins, who called union aims “essential economic factors for recovery.”

c. The New Deal Coalition at High Tide

The election of 1936 was seen by both parties as a referendum on the New Deal. The Republican, Alf Landon, attracted support from everyone to the right of FDR and, while Roosevelt continued to attack greedy businessmen and “economic royalists,” he distanced himself from the Townshend-Coughlin radical fringe.

As Roosevelt’s campaign crossed the country he drew huge and enthusiastic crowds in large cities like Chicago and Pittsburgh even while the vast majority of the nation’s newspapers endorsed Landon. Roosevelt carried every state but Maine and Vermont, polling 61 percent of the popular vote. In 1936, the Democrats drew millions of new voters into the political process, and at the same time, forged a new coalition of voters—southern whites, blacks, urban ethnics, union members and farmers—that would dominate national politics for two generations. The Great Depression was far from over, but voters clearly endorsed FDR’s activism and looked toward government more than ever to provide relief and support. The severity of the Great Depression had overwhelmed the ethnically-based support networks—mutual benefit societies, immigrant banks, and religious charities—that had traditionally helped so many to survive hard times.

MHL document: Franklin D. Roosevelt, Second Inaugural Address (1937) at www.myhistorylab.com

V. THE NEW DEAL IN THE SOUTH AND WEST

In regional terms, the New Deal had its greatest impact in the South and the West. Federal farm programs moved southern agriculture away from sharecropping and tenant farming and toward new patterns of wage labor and agribusiness. TVA projects introduced electricity to millions of rural Southerners, transforming their lives. New Deal programs also reshaped the West where federal subsidies and water management became an integral part of life.

a. Modernizing Southern Farming and Landholding

In 1930, less than half of all southern farmers owned their own land; over three-quarters of African American farmers and half of white farmers were sharecroppers or tenants.
The AAA succeeded in boosting prices by paying farmers to “take land out of production. But these federal subsidies went overwhelmingly to large landowners, who controlled local committees administering the AAA.

The Southern Tenant Farmers Union (STFU) was founded in 1934 to protest against AAA policies. The STFU succeeded in drawing national attention to the plight of sharecroppers and tenant farmers, but failed to influence policy. New Deal policies helped destroy the old sharecropping and tenant system by helping landowners prosper while providing little relief for the landless. Those farmers who had access to government funds were able to diversify their crops, consolidate holdings, and work their land more efficiently. One positive impact of the New Deal on the South was the TVA, which brought electric power to thousands in seven southern states, mitigating some of the harshness of rural life.

b. An Environmental Disaster: The Dust Bowl

An ecological and economic disaster of unprecedented proportions struck the southern Great Plains in the mid-1930s. During World War I, wheat brought record-high prices on the world market, and for the next 20 years, Great Plains farmers turned the region into a vast wheat factory (see Map 24.2). Great Plains farmers had created an ecological time bomb that exploded when drought returned in the early 1930s. Dust storms blew away tens of millions of acres of rich topsoil, and thousands of farm families left the region—many of them “Okies” streaming west to California. Many thousands of Great Plains farm families were given direct emergency relief by the Resettlement Administration. In the face of the Dust Bowl disaster, the Soil Conservation Service worked to develop farm practices that, by 1940, had reduced the area subject to dust storms by 90 percent.

Mexican farm laborers faced stiff competition from Dust Bowl refugees. Mexican farm worker families who managed to stay employed in California, Texas, and Colorado saw their wages plummet, and by the later 1930s many had returned to Mexico in the face of economic and social discrimination.

c. Water Policy

The Bureau of Reclamation in the Department of the Interior took a leading role in western water policy, building New Deal dams and irrigation projects which especially benefited California farmers and West coast cities.

The Boulder Dam, later renamed the Hoover Dam, was finished in 1938. The Bureau of Reclamation also completed the All-American Canal—an 80-mile channel connecting the Colorado River to the Imperial Valley, with a 130-mile branch to the Coachella Valley. In 1935, the bureau began the giant Central Valley Project (CVP). Completed in 1947, the project eventually cost $2.3 billion, providing electricity, flood control, and municipal water. The largest project was the Grand Coulee Dam in Washington. While access to cheap and abundant water made some landowners rich, thousands of farm workers, many of Mexican descent, worked the land for low wages, while damming rivers led to
environmental issues such halting Columbia River salmon migrations and contributing to salt buildup in the Colorado River watershed.

d. A New Deal for Indians

In 1933, some 320,000 Indian people, belonging to about 200 tribes, lived on reservations. The BIA had for years tried to assimilate Indians through education, and had routinely interfered with Indian religious affairs and tribal customs.

In 1933, President Roosevelt appointed John Collier to bring change to the BIA. Collier became the driving force behind the Indian Reorganization Act (IRA) of 1934. Any tribe that ratified the IRA could then elect a tribal council and enjoy federal recognition as the legal tribal government. The more difficult battle involved winning approval by Indian peoples. In all, 181 tribes organized governments under the IRA, while 77 tribes rejected it.

Under Collier’s tenure, the BIA became much more sensitive to Indian cultural and religious freedom. Collier trumpeted the principle of Indian political autonomy, a radical idea for the day. For the long run, Collier’s most important legacy was the reassertion of the status of Indian tribes as semi-sovereign nations.

VI. THE LIMITS OF REFORM

In his second Inaugural Address, Roosevelt lamented that “I see one third of a nation ill-housed, ill-clad, ill-nourished.” With his stunning electoral victory, the future for further social reform seemed bright. Yet by 1937, the New Deal was in retreat. A rapid political turnaround over the next two years put continuing social reform efforts on the defensive.

a. Court Packing

In the flush of victory, FRD proposed expanding the Supreme Court by adding a justice for every serving judge over 70 years of age, ending judicial opposition to the New Deal. Conservatives howled in protest and even many newspapers and moderate New Dealers protested. FDR backed off from his plan and accepted a bill that reformed lower court procedures, but left the Supreme Court untouched. FDR lost the battle for his judiciary proposal, but he may have won the war for a more responsive Court, as New Deal laws such as the Social Security Act survived the Court’s scrutiny. The Court fight badly weakened Roosevelt’s relations with Congress. Many more conservative Democrats now felt free to oppose further New Deal measures.

b. The Women’s Network

The New Deal brought a measurable, if temporary, increase in women’s political influence especially through the influence of First Lady Eleanor Roosevelt, who worked vigorously to promote women’s issues with the aid of allies such as feminist activist Molly Dawson. Appointed Labor Secretary with Eleanor Roosevelt and Molly Dawson’s
support, Frances Perkins embodied the gains made by women in appointive offices and helped pass the Social Security and Fair Labor Standards Acts. New Deal agencies opened up spaces for scores of women in the federal bureaucracy, especially in Perkins’s Labor Department, the FERA and WPA, and the Social Security Board, as well as filling many new positions as social workers. While many working-class women remained in low-status, low-pay jobs, women of all classes made at least some gains during the New Deal.

c. A New Deal for Minorities?

FDR made little effort to combat pervasive racism and segregation. The CCC established separate camps for African Americans. The NRA labor codes tolerated lower wages for black workers doing the same jobs as white workers. African Americans could not get jobs with the TVA. The Social Security Act excluded domestics and casual laborers—workers whose ranks were disproportionately African Americans—from old-age insurance. FDR did eventually ban discrimination in the WPA, and appointed blacks to some second tier administrative jobs. Some, like Mary McLeod Bethune and Robert Weaver made up an informal “Black Cabinet” of advisors. Hard times were especially trying for Mexican Americans, who were routinely excluded from AAA and Social Security programs, and aliens were excluded from the WPA in 1937, throwing thousands off the program’s rolls. A few small victories for minorities included Eleanor Roosevelt’s intervention when the DAR refused its stage to black singer Marian Anderson, and the CIO opened its ranks to blacks as well. Despite limited gains, many blacks shifted from the party of Lincoln to the Democratic Party in response to the New Deal.

d. The Roosevelt Recession and the Ebbing of the New Deal

By 1937, unemployment had declined to “only” 14 percent, farm prices had improved only to 1930 levels, and industrial production barely exceeded the 1929 mark. Roosevelt, uneasy about the growing national debt, called for large reductions in federal spending, particularly in WPA and farm programs. Federal Reserve System officials, worried about inflation, tightened credit policies. In response to these cutbacks, stocks plummeted in August 1937, along with industrial output and farm prices.

Roosevelt received conflicting advice on the economy. Some advisers, suspicious of the business self-interest, urged a massive antitrust campaign. Others urged more “pump priming” with federal spending. Some policies did respond to the downturn. The National Housing Act of 1937, also known as the Wagner–Steagall Act, funded public housing construction and slum clearance and provided rent subsidies for low-income families while a nation minimum wage of 25 cents an hour was set in 1938.

VII. DEPRESSION-ERA CULTURE

The depression profoundly affected American culture with often contradictory messages. While radical voices protesting or even calling for revolution grew louder, others nostalgically embrace the rugged individualism of old rural America.
a. A New Deal for the Arts

The depression hit America’s writers, artists, and teachers just as hard as blue-collar workers. In response, the WPA’s offered work to desperate artists and intellectuals, enriched the cultural lives of millions, and left a substantial legacy of artistic and cultural production.

The Federal Writers Project employed 5,000 American writers who produced state and local histories and works of fiction. The Federal Theater Project (FTP) reached as many as 30 million Americans with its productions, bringing classics as well as new plays to communities. The Federal Music Project employed 15,000 musicians, and financed hundreds of thousands of low-priced public concerts by touring orchestras. The Composers’ Forum Laboratory supported new works by American composers such as Aaron Copland and William Schuman. Among the painters who received government assistance through the Federal Art Project were Willem de Kooning, Jackson Pollock, and Louise Nevelson. The FAP also employed painters and sculptors to teach studio skills and art history in schools, churches, and settlement houses.

b. The Documentary Impulse

The “documentary impulse” became a prominent style in 1930s cultural expression as artists, novelists photographers, journalists and filmmakers recorded and depicted the human cost of the depression. In 1935, Roy Stryker, chief of the Historical Section of the Resettlement Administration, gathered a remarkable group of photographers to help document the work of the agency and whatever caught their interest. Dorothea Lange, Walker Evans, Arthur Rothstein, Russell Lee, Ben Shahn, and Marion Post Wolcott traveled through rural areas, small towns, and migrant labor camps, often not stopping even long enough to learn the names of their subjects and creating a dramatic visual record John Steinbeck’s *Grapes of Wrath* (1939) sympathetically portrayed the hardships of Oklahoma Dust Bowl migrants on their way to California—“People is goin’ on, changing’ a little, maybe, but goin’ right on.” Many writers interrupted their work to travel around the country and discover the thoughts and feelings of ordinary people.

c. Waiting for Lefty

Relatively few Americans—no more than 100,000—joined the Communist Party because of the depression, but the Marxist critique of capitalism and the class struggle had a wide influence. Most common was an artistic flirtation with communism by writers like Richard Wright, Langston Hughes, and Clifford Odets, whose play *Waiting For Lefty* seemed to some a call for revolution, and leftists were prominent in the arts programs of the WPA. The rise of European fascism led others to join the leftist Abraham Lincoln Brigade to fight in the Spanish Civil War against Franco. The greatest influence of communism was in the labor movement, and especially the CIO, many of whose adherents would later pay a great price for their radicalism.

MHL video: Dorothea Lange and Migrant Mother at www.myhistorylab.com
d. Raising Spirits: Film, Radio, and the Swing Era

Despite the depression, mass culture expanded during the 1930s. Sound motion pictures made movies the most popular entertainment, with 60 percent attending at least one movie a week. Gangster pictures and comedies were popular escapist fare, while Frank Capra and Walt Disney produced films and cartoons that commented at least indirectly on social issues. Radio continued to expand as well; by the end of the 1930s, virtually every American home had a radio set and the medium became more professional and sophisticated, with programs such as variety shows, mysteries and thrillers, comedies like *Amos ’n’ Andy*, and daytime serials, known as “soap operas” (so named because of “soap” ads aimed at housewives). Radio news took on a new professionalism and seriousness and became the primary news source for many. Jazz music continued its rise in popularity with black artists like Duke Ellington and Count Basie, as well as the white “King of Swing” Benny Goodman, whose “big band” sound borrowed and smoothed out jazz rhythms and became wildly popular with teens and young adults. And successful radio stars continued to sell millions of records.

VIII. CONCLUSION

The New Deal proved far less radical than conservatives charged, especially in changing the status of minorities or redistribution wealth. Nonetheless, it left a lasting impact in terms of government oversight of the economy—from the stock market to banks to union-management relations—and established long-lasting trends of government activism. The Democratic Party remained dominant for the next three decades and continued the New Deal legacy. The New Deal did little to end racial discrimination and more radical programs like national health insurance never got off the ground. After 1937, a conservative resurgence insured that there were few new initiatives, but existing programs remained, and with them the role of government in American life which would expand even further during World War II.

Learning Objectives:

Students should be able to answer the following questions after studying Chapter 24:

1. What were the causes of the Great Depression, and what were its consequences?
2. How did Hoover and Congress respond to the Great Depression?
3. What was the First New Deal, and how did it differ from the Second New Deal?
4. How did the New Deal expand the scope of the federal government in the South and West?
5. How did the Great Depression affect American cultural life during the 1930s?
6. What were the limits of the New Deal’s reforms, and what legacy did they leave?
Discussion Suggestions and Possible Answers

1. What were the underlying causes of the Great Depression? What consequences did it have for ordinary Americans, and how did the Hoover administration attempt to deal with the crisis?

Answer: The concentration of wealth in the 1920s was so extreme—with the very rich controlling a massive amount of all earnings, while the vast majority of families earned less than $2,500—that the consumer spending which had fueled the economic boom of the 1920s could not be sustained. In addition, stock prices far outran the actual value of the companies, and when stocks began to decline, many investors had to sell additional stocks, leading to a stock market rout. Hoover failed to fully understand the enormity of the depression. He feared undermining individual initiative and therefore emphasized business recovery more then relieving the personal distress of Americans hurt by the depression.

2. Analyze the key elements of Franklin D. Roosevelt’s first New Deal program. To what degree did these succeed in getting the economy back on track and in providing relief to suffering Americans?

Answer: The New Deal’s aim was two-fold: first, restoring confidence in the American banking system, and second, providing immediate assistance to the American people. In the “Hundred Days” a number of programs were initiated to provide government jobs for many unemployed, particularly programs to preserve national parks and improve public works. Other programs were designed to restore confidence in the banking system by providing federal guarantees to depositors. In addition, the Agricultural Assistance Act provided subsidies and price guarantees to farmers. Although the New Deal did provide some immediate relief and stabilized the financial system, it did not bring about an end to the depression.

3. How did the so-called Second New Deal differ from the first? What political pressures did Roosevelt face that contributed to the new policies?

Answer: The Second New Deal marked a left turn by Roosevelt and a greater emphasis on social reform. The cornerstone of the Second New Deal was the Social Security Act, which guaranteed a small pension for retirees, along with unemployment insurance and direct payments to impoverished families with children. The Wagner Labor Relations Act protected the right of all workers to join a union for the first time.

4. How did the New Deal reshape western communities and politics? What specific programs had the greatest impact in the region? How are these changes still visible today?

Answer: The American West was transformed in the 1930s by a series of water projects as well as rural electrification. The belief in rational planning reshaped the use of water and energy resources in the West. In addition, Indians were able to establish tribal councils and reassert themselves as semi-independent nations under the Indian Reorganization Act of 1934.
5. Evaluate the impact of the labor movement and radicalism on the 1930s. How did they influence American political and cultural life?

**Answer:** The Wagner Act created a dramatic increase in unionization efforts during the 1930s. However, to many critics the New Deal did not go far enough in providing for the nation’s poorest and most vulnerable citizens. They demanded much greater public works projects and direct payments to the unemployed well beyond what Social Security provided. Many Americans joined the Communist Party, if only for a brief time, because of their concerns about the power of businesses in American life.

6. To what extent were the grim realities of the depression reflected in popular culture? To what degree were they absent?

**Answer:** The themes of the depression found expression in many forms of popular culture. Government support for intellectuals and the arts reached unprecedented levels during the Great Depression and many photographers, artists and writers chronicled the challenges of depression life. At the same time, big band jazz and the growing popularity of soap operas broadcast on the radio served as an escape for people from the difficulties of the 1930s.

7. Discuss the long- and short-range effects of the New Deal on American political and economic life. What were its key successes and failures? What legacies of New Deal-era policies and political struggles can you find in contemporary America?

**Answer:** The New Deal transformed the relationship between the American people and the federal government, a relationship that still largely stands today. The role of the federal government in regulating the economy, overseeing the financial industry and providing assistance to needy citizens continues in the present day. However, Roosevelt’s reforms stopped short of what some Americans believed was necessary to improve the standard of living for all Americans, while business leaders would continue to struggle against unionization and government regulation. These contests are echoed in many political arguments of the present day.

**Lecture Outline**

American Communities: Sit Down Strike at Flint: Automobile Workers Organize a New Union

Hard Times
- Economic Problems in the 1920s
- The Bull Market and Stock Market Crash
- Mass Unemployment
- Hoover’s Failure
- Global Crisis
- A Global Crisis and the Election of 1932

FDR and the First New Deal
- FDR the Man
“The Only Thing We Have to Fear”: Restoring Confidence
The Hundred Days
Criticism of the New Deal from Right and Left

Left Turn and the Second New Deal
The Second Hundred Days
Labor’s Upsurge: Rise of the CIO
The New Deal Coalition at High Tide

The New Deal in the South and West
Modernizing Southern Farming and Landholding
Rural Electrification and the TVA
The Dust Bowl
Water Policy in the West
The Indians’ New Deal

The Limits of Reform
Court Packing
Eleanor Roosevelt and the Women’s Network
A New Deal for Minorities
The Roosevelt Recession and the End of the New Deal

Depression Era Culture
A New Deal for the Arts: WPA Programs
The Documentary Impulse
Waiting for Lefty: Communism in the New Deal
Film, Radio, and Music in the Swing Era

Resources (Web, Films/Video)

Films/Video
The Radio Priest, from PBS’ American Experience. (60 minutes, color). 1990. Focuses on Father Charles Coughlin’s protest against the nation’s economic and social system. Shows how Coughlin used the airwaves to preach a fundamentally undemocratic message.


Surviving the Dust Bowl (55 minutes). PBS, 1999. An American Experience film that captures the hardships faced by farmers on the Great Plains as an eight-year drought struck the region. Also deals with New Deal programs designed to aid farmers.

The Grapes of Wrath (128 minutes). Twentieth Century Fox, 1940. Starring Henry Fonda and directed by John Ford, this film is both a timeless classic and a searing realization of Steinbeck’s novel.
My History Lab Connections

Reinforce what you learned in this chapter by studying the many documents, images, maps, review tools, and videos available at www.myhistorylab.com.

Read and Review

Read the Documents
Herbert Hoover, New York Campaign Speech (1932)
Franklin D. Roosevelt, Fireside Chat (1933)
Father Charles E. Coughlin, “A Third Party” (1936)
Frances Perkins, The Social Security Act (1935; 1960)
Franklin D. Roosevelt, Second Inaugural Address (1937)

Read the Maps
The Great Depression
The Tennessee Valley Authority

Research and Explore

Read the Documents
Dealing with Hard Times: The Great Depression
Exploring America: The Dust Bowl

Read the Biographies
John Lewis
Frances Perkins

See the Video
Responding to the Great Depression: Whose New Deal?
Dorothea Lange and Migrant Mother
The Plough that Broke the Plains

Critical Thinking Exercises

It’s getting harder to find people who have first-hand memories of the Great Depression, but—especially if you consider the memories of people who were children when the depression struck—they’re still out there. Students can be assigned to interview relatives or members of the community about their Depression-era experiences. (You might contact a local senior center to line up prospective interviewees ahead of time.) The key question should be: How did people like you survive the depression? Ideally, students would have a couple of weeks’ lead-time to familiarize themselves with other Depression-era interviews. Studs Terkel’s Hard Times (Pantheon, 1970) and Anne Banks’ First Person America (Random House, 1980) contain good
interviews from the period that should give students an idea of what to look for. Students may wish to meet as a group and collectively prepare a list of questions. The class could discuss the interviews or analyze them through essay writing exercises. Students will probably find a strong emphasis on community cooperation (which should be linked to the broader community themes of the text) and family sacrifice.